PROSPECTUS

2019 POPOLARE BARI RMBS S.R.L.

(*incorporated with limited liability under the laws of the Republic of Italy*)

Euro 641,216,000 Class A1 Residential Mortgage Backed Floating Rate Notes due May 2069 (the "**Class A1 Notes**")

Euro 23,749,000 Class A2 Residential Mortgage Backed Floating Rate Notes due May 2069 (the "**Class A2 Notes**" and together with the A1 Notes, the "**Senior Notes**")

Euro 31,665,000 Class B Residential Mortgage Backed Floating Rate Notes due May 2069 (the "**Class B Notes**" or the "**Mezzanine Notes**" and, together with the Senior Notes, the "**Rated Notes**");

Euro 101,265,000 Class J1 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2069 (the "**Class J1 Notes**")

Euro 11,591,000 Class J2 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2069 (the "Class **J2 Notes**" and, together with the Class J1 Notes, the "**Class J Notes**" or the "**Junior Notes**" and, together with the Rated Notes, the "**Notes**").

This prospectus (the "**Prospectus**") constitutes a "*prospetto informativo*" for the purposes of article 2, sub-section 3 of Italian law number 130 of 30 April 1999, (as amended and supplemented from time to time, the "**Securitisation Law**"). It contains information relating to the issue of the Notes by 2019 Popolare Bari RMBS S.r.l. (the "**Issuer**") and is for the admission to listing and trading of the Class A1 Notes and the Class A2 Notes on "**ExtraMOT PRO**", being the professional segment of the multilateral trading facility "**ExtraMOT**", which is a multilateral system for the purposes of the Market and Financial Instruments Directive 2014/65/EC managed by Borsa Italiana S.p.A. ("**Borsa Italiana**").

Neither the Commissione Nazionale per le Società e la Borsa ("Consob") or Borsa Italiana have examined or approved the content of this Prospectus.

On 20 May 2019 (the "**Initial Issue Date**"), the Issuer issued Euro 545,000,000 Class A Residential Mortgage Backed Floating Rate Notes due May 2059 (the "**Original Class A Notes**" or the "**Original Senior Notes**"); Euro 269,877,000 Class J1 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2059 (the "**Original Class J1 Notes**"); and Euro 25,776,000 Class J2 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2059 (the "**Original Class J2 Notes**" and together with the Original Class J1 Notes, the "**Original Junior Notes**"; and the Original Junior Notes together with the Original Senior Notes, the "**Original Notes**") in the context of a securitisation transaction (the "**Original Transaction**") to finance the purchase of two portfolios of monetary claims and connected rights arising out of residential mortgage loan agreements from Banca Popolare di Bari S.C.p.A. ("**BPB**" or the "**Originator**") and Cassa di Risparmio di Orvieto S.p.A. ("**CRO**" or the "**Originator**" and together with BPB, the "**Originators**"), pursuant to article 1 of the Securitisation Law.

On 15 October 2019 (the "**Issue Date**") the Issuer will issue, pursuant to the Securitisation Law, Euro 641,216,000 Class A1 Residential Mortgage Backed Floating Rate Notes due May 2069 (the "**Class A1 Notes**"), the Euro 23,749,000 Class A2 Residential Mortgage Backed Floating Rate Notes due May 2069 (the "**Class A2 Notes**"" and, together with the Class A1 Notes, the "**Senior Notes**"), the Euro 31,665,000 Class B Residential Mortgage Backed Floating Rate Notes due May 2069 (the "**Class B Notes**" or the "**Mezzanine Notes**" and, together with the Senior Notes, the "**Rated Notes**"), the Euro 101,265,000 Class J1 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2069 (the "**Class J1 Notes**") and the Euro 11,591,000 Class J2 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2069 (the "**Class J2 Notes**" and together with the Class J1 Notes, the "**Class J Notes**" or the "**Junior Notes** and, together with the Class A1 Notes, the Class A2 Notes and Class B Notes, the "**Notes**"). The proceeds of the subscription of the Notes will be applied by the Issuer, irrespective of any priority of payments and any contrary provision set forth in the Transaction Documents, to, *inter alia*, (i) redeem the principal amount outstanding of the Original Notes on the Issue Date; and (ii) pay, also by way of set-off, the purchase price of the Additional Portfolios.

By virtue of the operation of article 3 of the Securitisation Law and the Transaction Documents, the Issuer's right, title and interest in and to the Portfolios and the other Segregated Assets (as defined below) will be segregated from all other assets of the Issuer (including any other portfolios of receivables purchased by the Issuer pursuant to the Securitisation Law) and any cash- flow deriving therefrom (to the extent identifiable) will be available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders and to the Other Issuer Creditors or to any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the Securitisation, in priority to the Issuer's obligations to any other creditors.

If the Notes cannot be redeemed in full on the Final Maturity Date (as defined below) following the application of all funds available, as a result of the Issuer having insufficient funds available to it in accordance with the Conditions for application in or towards such redemption, the Issuer will have no other funds available to it to be paid to the Noteholders. If any amounts remain outstanding in respect of the Notes upon expiry of the Final Maturity Date (as defined below), such amounts (and the obligations to make payments in their respect) will be deemed to be released by the Noteholders and the Notes will be cancelled.

The Notes will be subject to mandatory redemption in whole or in part on each Payment Date (as defined below). Unless previously redeemed in accordance with their applicable terms and conditions (the "**Conditions**"), the Notes will be redeemed on the Payment Date falling in May 2069 (the "**Final Maturity Date**"). The Notes of each Class will be redeemed in the manner specified in Condition 6 (*Redemption, Purchase and Cancellation*). Before the Final Maturity Date, the Notes may be redeemed at the option of the Issuer at their Principal Amount Outstanding together with accrued interest to the date fixed for redemption under Condition 6.2 (*Redemption for Taxation*) and Condition 6.4 (*Optional Redemption*).

Interest on the Notes will accrue from the Issue Date and will be payable on 28 February 2020 (the "**First Payment Date**") and thereafter quarterly in arrears on the last Business Day (as defined in the Conditions) of February, May, August and November in each year (each a "**Payment Date**"). The Notes will bear interest from (and including) a Payment Date to (but excluding) the next following Payment Date (each an "**Interest Period**") provided that the first Interest Period (the "**Initial Interest Period**") shall begin on (and include) the Issue Date and end on (but exclude) the First Payment Date. The Notes of each Class shall bear interest at an annual rate indicated in the Conditions. On each Payment Date a Class J1 Notes Additional Return and a Class J2 Notes Additional Return (each as defined below) may or may not be payable, respectively on the Class J1 Notes and the Class J2 Notes, in addition to interest.

All payments of principal and interest on the Notes will be made free and clear of any withholding or deduction for Italian withholding taxes, subject to the requirements of Italian Legislative Decree number 239 of 1 April 1996, as amended and supplemented, unless the Issuer is required by any applicable law to make such a withholding or deduction. If any withholding tax is applicable to the Notes, payments of interest on, and principal of the Notes will be made subject to such withholding tax, without the Issuer or any other Person being obliged to pay any additional amounts to any holder of Notes of any Class as a consequence.

Both before and after a winding-up of the Issuer, the Issuer's rights, title and interest in and to the Portfolios, to all amounts deriving therefrom and to the other Segregated Assets will be available exclusively for the purposes of satisfying the Issuer's obligations to the Noteholders, the Other Issuer Creditors and any other third party creditors in respect of any taxes, costs, fees or expenses incurred by the Issuer in relation to the securitisation of the Portfolios (the "**Transaction**") and to the corporate existence and good standing of the Issuer. The Noteholders will agree that the Issuer Available Funds (as defined below in the Conditions) will be applied by the Issuer in accordance with the Order of Priority of application of the Issuer Available Funds set forth in the Intercreditor Agreement and the Conditions.

The Notes will be held in dematerialized form on behalf of the Noteholders as of the Issue Date until redemption or cancellation thereof by Monte Titoli S.p.A. ("**Monte Titoli**"), for the account of the relevant Monte Titoli Account Holders. The expression "**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli and includes any depository banks appointed by Clearstream Banking S.A. ("**Clearstream**") and Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**"). Monte Titoli shall act as depository for Clearstream and Euroclear. The Notes will at all times be evidenced by book-entries in accordance with the provisions of article 83-bis of Italian Legislative Decree number 58 of 24 February 1998 and with the Regulation jointly issued by Commissione Nazionale per le Società e la Borsa ("**CONSOB**") and the Bank of Italy on 22 February 2008, as amended from time to time.

On issue, the Class A1 Notes are expected to be rated "AA (high)(sf)" by DBRS (as defined below) and "Aa3(sf)" by Moody's (as defined below), the Class A2 Notes are expected to be rated "A (high)(sf)" by DBRS and "A2(sf)" by Moody's and the Class B Notes expected to be rated "BBB (high)(sf)" by DBRS and "Baa2(sf)" by Moody's. A

credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision or withdrawal at any time by the assigning rating organisation. As of the date hereof, DBRS and Moody's are established in the European Union and are registered under Regulation (EC) number 1060/2009, as amended by Regulation (EC) number 513/2011 and Regulation (EC) number 462/2013 (the "**CRA Regulation**"), as it appears from the most updated list published by the European Securities and Markets Authority on the webpage http://www.esma.europa.eu/page/List-registered-and-certified-CRAs.

With respect to the offer, sale or delivery of the Notes contemplated by this Prospectus, the Issuer will be relying on an exemption from the requirement to register as an "investment company" under the Investment Company Act of 1940, as amended (the "**Investment Company Act**") contained in Section 7(d) of the Investment Company Act, although there may be additional exclusions or exemptions available to the Issuer. The Issuer is being structured so as not to constitute a "covered fund" for purposes of the Volcker Rule under the Dodd-Frank Act (both as defined in this Prospectus). No assurance can be given as to the availability of the exclusion or exemption under the Volcker Rule and investors should consult their own legal and regulatory advisors with respect to such matters and assess for themselves the availability of this or other exemptions or exclusions and the legality of their investment in the Notes.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any other jurisdiction. Accordingly, the Notes are being offered and/or sold only outside the United States in accordance with Regulation S under the Securities Act and may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. See the section headed "Subscription, Sale and Selling Restrictions".

The Prospectus is not a prospectus for the purposes of Regulation 2017/1129/EU (as amended, the "**Prospectus Regulation**").

U.S. RISK RETENTION The transaction is not intended to involve the retention by a sponsor for purposes of compliance with the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the "**U.S. Risk Retention Rules**"), in reliance on an exemption provided for in Rule 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Accordingly, and notwithstanding the foregoing, in no event shall any Notes be sold, directly or indirectly, to or for the account of a U.S. person (as that term is defined under Regulation S and in the U.S. Risk Retention Rules) nor otherwise in a manner intended to evade the requirements of the U.S. Risk Retention Rules.

No assurance can be given as to the availability of the foreign safe harbour under the Risk Retention Rules and investors should consult their own legal and regulatory advisors with respect to such matters.

MiFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET - Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MIFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EC (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

BENCHMARK REGULATION - Amounts payable on the Notes will be calculated by reference to Euribor as specified in the Conditions. As at the date of this Prospectus, the administrator of Euribor is not included in ESMA's

register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the "**Benchmark Regulation**"). As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmark Regulation apply, such that the administrator of Euribor is not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence).

EU RISK RETENTION - Under the Intercreditor Agreement and the Notes Subscription Agreement, each of the Originators has undertaken that it will retain at the origination and maintain (on an ongoing basis) a material net economic interest of not less than 5% in the Securitisation in accordance with paragraph (3)(a) of article 6 of Regulation (EU) 2017/2402 (together with any relevant Regulatory Technical Standards and/or any relevant implementing measures or official guidance in relation thereto, in each case, as amended varied or substituted from time to time, the "**Securitisation Regulation**") fulfilled by each Originator, on a pro rata basis with reference to the Claims it originated. As at the Issue Date, such interest will be comprised of an interest in at least 5% of the nominal value of each of the tranches sold or transferred to investors (being each Class of Notes).

The content of any website or webpage mentioned in this Prospectus does not form part of this Prospectus.

Capitalised terms used in this Prospectus unless specified otherwise have the meaning given to them in the terms and conditions of the Notes. See the section headed "*Terms and Conditions of the Notes*".

For a discussion of certain risks and other factors that should be considered in connection with this Prospectus and an investment in the Notes, see the section headed "*Risk Factors*".

Dated 15th October 2019.

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RISK FACTORS

An investment in the Note involves certain risks. If any of the following risks actually occur, the business, results of operations or financial condition of the Issuer could be materially adversely affected.

Securitisation Law

The Securitisation Law was enacted in the Republic of Italy in April 1999. As at the date of this Prospectus, only limited interpretation of the application of the Securitisation Law has been issued by any Italian court or governmental or regulatory authority, except for limited regulations issued by the Bank of Italy concerning, inter alia, the accounting treatment of securitisation transactions by special purpose companies incorporated under the Securitisation Law, such as the Issuer, and the duties of the companies which carry out collection and recovery activities in the context of a securitisation transaction.

Consequently, it is possible that such or different authorities may issue further regulations relating to the Securitisation Law or the interpretation thereof, the impact of which cannot be predicted by the Issuer, or any other party to the Transaction Documents as at the date of this Prospectus.

On 24 December 2013, Italian Law Decree no. 145 of 23 December 2013 ("Interventi urgenti di avvio del piano "Destinazione Italia", per il contenimento delle tariffe elettriche e del gas, per la riduzione dei premi RC-auto, per l'internazionalizzazione, lo sviluppo e la digitalizzazione delle imprese, nonché misure per la realizzazione di opere pubbliche ed EXPO 2015") (the "**Decree 145**"), converted with amendments into Law No. 9 of 21 February 2014, came into force introducing certain amendments to the Securitisation Law. In particular, Decree 145 has provided, inter alia, that:

- the special purpose vehicles incorporated under the Securitisation Law may open segregated accounts with the servicers for the deposit of the collections received from the debtors and the other amounts paid to the special purpose vehicles under the securitisation transactions; the sums deposited into such accounts will be segregated from the assets of the servicers with which the accounts are held, as well as from those of any other person holding deposits with the servicers, and will be available only to satisfy the obligations of the special purpose vehicles in respect of the noteholders and the other creditors in relation to the securitisation transactions. In the event that the servicers become subject to any proceeding under Title IV of the Consolidated Banking Act or any insolvency proceeding or restructuring agreement, the sums deposited into such accounts will remain outside the servicers' estate and will not be subject to suspension of payments;

- the servicers or the sub-servicers may open accounts with banks for the deposit of the collections received from the debtors; any action from the creditors of the servicers on the sums deposited into such accounts will be prohibited (save for the amounts in excess of those pertaining to the special purpose vehicles). In the event that the servicers become subject to any insolvency proceeding or restructuring agreement, the sums deposited on such accounts, for an amount equal to the amounts pertaining to the special purpose vehicles, will remain outside the servicer's estate and will not be subject to suspension of payments;

- from the date of publication of the notice of transfer of the receivables in the Official Gazette, the debtors will not be entitled to set-off any claim arisen after such date with the amounts due to the special purpose vehicle in relation to the receivables; and

- payments made by debtors in relation to receivables in the framework of a securitisation under the Securitisation Law will not be subject to declaration of ineffectiveness pursuant to article 65 of the Italian Bankruptcy Law.

In addition, Law Decree No. 91 of 24 June 2014 ("*Disposizioni urgenti per il settore agricolo, la tutela ambientale e l'efficientamento energetico dell'edilizia scolastica e universitaria, il rilancio e lo sviluppo delle imprese, il contenimento dei costi gravanti sulle tariffe elettriche, nonché per la definizione immediata di adempimenti derivanti dalla normativa europea*") converted with amendments into Law No. 116 of 11 August 2014 introduced certain amendments to the Securitisation Law for the purpose of improving the Securitisation Law by granting additional legal benefits to the entities involved in securitisation transactions in Italy and by better clarifying certain provisions of the Securitisation Law.

Risks connected with the Issuer's ability to meet its obligations under the Notes

The Notes constitute direct, secured limited recourse obligations solely of the Issuer. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any of the Representative of the Noteholders, the Quotaholder, the Cash Manager, the Computation Agent, the Principal Paying Agent, the Listing Agent, the Transaction Bank, the Corporate Services Provider, the Servicers, the Master Servicer and the Originators. None of the aforementioned parties, other than the Issuer, accepts any liability whatsoever in respect of any failure by the Issuer to make any payment of any amount due on the Notes.

The Issuer does not, and will not as of the Issue Date, have any significant assets other than the Portfolios and the other Issuer's Rights. In addition, for so long as any amounts remain outstanding in respect of the Notes, the Issuer has undertaken to carry out further securitisation transactions only in accordance with Condition 3 (*Covenants*). The assets relating to each further securitisation transaction carried out by the Issuer in accordance with Condition 3 (*Covenants*) will, by operation of law and of the Transaction Documents, be segregated for all purposes from the Portfolios and the Issuer's rights under the Transaction Documents (see also the paragraph headed "*Further Securitisations*" below).

There is no assurance that, over the life of the Notes or at the redemption date of the Notes (whether on the Final Maturity Date, upon redemption by acceleration of maturity following the service of a Trigger Notice, or otherwise), there will be sufficient funds to enable the Issuer to pay interest on the Notes, or to repay the Notes in full.

If there are not sufficient funds available to the Issuer to pay in full all principal and interest and any other amounts due in respect of the Notes, then the Noteholders will have no further claims against the Issuer in respect of any such unpaid amounts. After the Notes have become due and payable following the delivery of a Trigger Notice, the only remedy available to the Noteholders and the Other Issuer Creditors is the exercise by the Representative of Noteholders of the Issuer's rights under the Transaction Documents. In this respect, the net proceeds of the realisation of the Issuer's rights under the Transaction Documents may be insufficient to pay all amounts due to the Noteholders after making payments to other creditors of the Issuer ranking prior thereto. In the event of a shortfall in such proceeds, the Issuer will not be obliged to pay, and the other assets of the Issuer will not be available for payment of, such shortfall, all claims in respect of which shall be extinguished.

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent upon the Issuer's receipt of collections made on its behalf by the Servicers, the recovery made on its behalf by the Master Servicer with respect to the Portfolios and any other amounts received by the Issuer pursuant to the provisions of the other Transaction Documents to which it is a party.

In this regard it shall be considered that each of the Noteholders, the Representative of the Noteholders and the Other Issuer Creditors under the Intercreditor Agreement undertake not to (directly or by means

of any other person acting on behalf of them) institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, winding up, re-organisation, arrangement, insolvency or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations relating to the Notes or the other documents relating to the issue of the Notes for two years and one day after the repayment in full or cancellation of all the Notes.

Liquidity and credit risk

The Issuer is subject to the risk of delay arising between the scheduled payment dates and the date of receipt of payments due from the Borrowers. The Issuer is also subject to the risk of, among other things, default in payments by the Borrowers and the failure by the Servicers and the Master Servicer to collect or recover (as the case may be) sufficient funds in respect of the Portfolios to enable the Issuer to discharge all amounts payable under the Notes. With respect to the Rated Notes, these risks are mitigated by the liquidity and credit support provided by the establishment of the Liquidity Reserve, the excess spread and the credit support provided through the subordination of the Junior Notes.

However, in each case, there can be no assurance that the levels of collections and the recoveries received with respect to the Portfolios, together with the credit support and the liquidity support provided by respectively the subordination of the Junior Notes and the Liquidity Reserve (in the case of the interest of the Rated Notes) will be adequate to ensure punctual and full receipt of amounts due under the Notes.

Counterparty risk

The ability of the Issuer to make payments in respect of the Notes will depend to a significant extent upon the due performance by the Originators, the Master Servicer and the Servicers, the other parties to the Transaction Documents and the Insurance Companies of their respective obligations under the Transaction Documents to which they are parties or the Insurance Policies. Whereas all the above-mentioned counterparties may be affected by the general economic conditions which, in turn, will affect their ability to provide the services, the timely payment of amounts due on the Notes will depend, in particular, on the ability of the Servicers to service the Portfolios and on the ability of the Master Servicer to recover the amounts relating to Defaulted Claims (if any).

The performance of such parties and the Insurance Companies of their respective obligations respectively under the relevant Transaction Documents or the Insurance Policies is dependent on the solvency of each relevant party.

The Issuer's ability to make payments in respect of the Notes may depend to an extent upon the Originators' performance under the Transaction Documents. In particular, in the event that any of the Originators becomes subject to insolvency or similar proceedings, it would no longer be in a position to meet its obligations under the Transaction Documents including *inter alia* the relevant obligations (i) as Master Servicer or Servicer (as the case may be), (ii) to indemnify the Issuer under the Warranty and Indemnity Agreement and the Notes Subscription Agreement and (iii) the relevant obligations to make the payments due to the Issuer in order to adjust the Claims purchase price (i.e. to take into account the additional payment or the reimbursement to be made for any such Claim) in the event that, following the entering into of the Transfer Agreements, it appears that one or more Claims listed under the schedule A thereto do not meet the Criteria as at the Valuation Date (or the specific date referred to in the relevant criterion) and therefore do not fall within the scope of the assignment under the Transfer Agreements. In addition, any payment made by such Originator as an indemnity under the Warranty and Indemnity Agreement and the Notes Subscription Agreement, or as an indemnity for the renegotiation of the Claims under the Servicing Agreement or as repurchase price of the Claims, may

be subject to the ordinary claw back regime under Italian law (other than the shorter claw back period that applies to the transfer of the Claims to the Issuer).

In addition to the above, it is not certain that, if BPB or CRO becomes insolvent or the appointment of either of them as Servicer under the Servicing Agreement is otherwise terminated, a suitable alternative servicer could be found to service the relevant Portfolio. If such an alternative servicer were to be found it is not certain whether it would service the relevant Portfolio on the same terms as those provided for in the Servicing Agreement. However, it is to be noted that according to the relevant Transfer Agreement, each Originator has provided the Issuer in respect of the relevant Portfolio with a (i) a solvency certificate in the form attached to the relevant Transfer Agreement and (ii) a certificate of the competent companies' register, stating that no insolvency proceeding is pending against such Originator.

Furthermore, in some circumstances (including following the delivery of a Trigger Notice), the Issuer could attempt to sell the Portfolios to third parties. However, there is no assurance that a purchaser could be found nor that the net proceeds of the sale of the Portfolios would be sufficient to pay in full all amounts due to the Noteholders.

More generally, the inability of any of the above-mentioned third parties to provide their services to the Issuer may ultimately affect the Issuer's ability to make payments on the Notes.

Eligible investments

Funds on deposit in the Accounts may be invested in Eligible Investments by the Cash Manager (as directed by the Master Servicer) through the Investment Account. The investments must have appropriate ratings depending on the term of the investment and the term of the investment instrument, as provided by the Eligible Investment definition. However, it may be that, irrespective of any such rating, such investments will be irrecoverable due to the insolvency of the debtor under the investment.

None of the Servicers and/or any other party will be responsible for any loss or shortfall deriving therefrom.

However such risk is mitigated by the provisions that in case of downgrade of an Eligible Institution below the rating allowed with respect to DBRS or Moody's, as the case may be, the Issuer shall in case of Eligible Investments being deposits, transfer within 30 days the deposits to another account opened with an Eligible Institution in Italy, England or Wales (and in case such account will be held in England or Wales, subject to the Issuer having created thereon a valid, binding and enforceable security and obtained a legal opinion in this respect in accordance with applicable law and jurisdiction).

Claims of unsecured creditors of the Issuer

By operation of the Securitisation Law and of the Transaction Documents, the right, title and interest of the Issuer in and to the Portfolios and the other Issuer's Rights will be segregated from all other assets of the Issuer (including, for the avoidance of doubt, from assets relating to other securitisations carried out by the Issuer pursuant to the Securitisation Law) and amounts deriving therefrom (for so long as such amounts are credited to one of the Issuer's accounts under the Transaction and not commingled with other sums) will be available on a winding up of the Issuer (whether in the context of an insolvency proceeding or otherwise) only to satisfy the Issuer's obligations to the Noteholders and to pay other costs of the Securitisation. Amounts deriving from the Portfolios and the other Issuer's Rights (for so long as such amounts are credited to one of the Issuer's accounts under the Transaction and not commingled with other sums) will not be available to any other creditors of the Issuer. However, under

Italian law, any other creditor of the Issuer would be able to commence insolvency or winding up proceedings against the Issuer in respect of any unpaid debt.

In order to ensure such segregation: (i) the Issuer is obliged pursuant to the Bank of Italy regulations to open and to keep separate accounts in relation to each securitisation transaction; and (ii) the Servicers shall be able to identify at any time, pursuant to the Bank of Italy regulations, specific funds and transactions relating to each securitisation and shall keep appropriate information and accounting systems to this purpose; (iii) the parties to the Transaction have undertaken not to credit to the Accounts amounts other than those set out in Cash Administration and Agency Agreement.

Moreover, the provisions of article 3 of the Securitisation Law concerning the *patrimonio separato* are not likely to apply in circumstances where the cash-flow referred to above is commingled with the assets of a party other than the Issuer (such as, for example, the Servicers – see in this respect the section entitled "*Liquidity and credit risk*" above). Thus, if any such party becomes insolvent, any such cash-flow held by it could not be included in the *patrimonio separato*.

In addition, no guarantee can be given on the fact that the parties to the Transaction will comply with the law and contractual provisions which have been inserted in the relevant Transaction Documents in order to ensure the segregation of assets. Furthermore, under Italian law, any other creditor of the Issuer would be able to commence insolvency or winding up proceedings against the Issuer in respect of any unpaid debt.

In any case, the corporate purpose of the Issuer as contained in its by-laws is limited and the Issuer has also agreed to certain covenants in the Intercreditor Agreement and the Conditions restricting the activities that may be carried out by the Issuer and has furthermore covenanted not to enter into any transaction that is not contemplated in the Transaction Documents. To the extent that the Issuer has creditors not being party to the Transaction Documents, the Issuer has established the Expenses Account and the funds therein may be used for the purposes of paying the ongoing fees, costs, expenses and taxes of the Issuer to third parties, excluding the Other Issuer Creditors, in respect of the Securitisation, to the extent that payment of such fees, costs, expenses and taxes is not deferrable to the immediately succeeding Payment Date.

Sharing with other creditors and subordination

Pursuant to the Acceleration Order of Priority the claims of certain Other Issuer Creditors will rank senior to the claims of the Noteholders. To this extent, payments by the Issuer of amounts due to the Noteholders under the Transaction Documents will be paid in accordance with such Acceleration Order of Priority.

Further securitisations

The Issuer may purchase and securitise further portfolios of monetary claims in addition to the Portfolios. Pursuant to article 3 of the Securitisation Law, the assets relating to each individual securitisation transaction will, by operation of law, be segregated from all other assets of the company that purchases the receivables. On a winding up of such company, such assets will only be available to holders of notes issued to finance the acquisition of the relevant receivables and to certain creditors claiming payment of debts incurred by such company in connection with the securitisation of the relevant assets.

The implementation by the Issuer of any such further securitisation is subject to the conditions specified under Condition 3.10 (*Covenants - Further Securitisation*).

Limited recourse nature of the Notes

The Notes will be limited recourse obligations solely of the Issuer. The Noteholders will receive payment in respect of principal and interest on the Notes (but without prejudice to Condition 9(a)(i) (*Non*-payment) in respect of failure to pay interest under the Rated Notes) only if and to the extent that the Issuer has sufficient Issuer Available Funds to make such payments in accordance with the applicable Order of Priority. If, upon the delivery of a Trigger Notice or, if no Trigger Notice has been delivered, on the Final Maturity Date, the Issuer Available Funds are not sufficient to pay such obligations in full, the relevant Class of Noteholders shall be entitled to receive payments in respect of such obligations to the extent of the available funds (if any) and any shortfall (including, without limitation, in such case, any shortfall in respect of interest or principal on the Rated Notes) will not be due and payable, will be deemed to be released by the relevant Noteholders and will be cancelled.

Certain material interests

Certain parties to the transaction, such as the Originators, may perform multiple roles. BPB is, in addition to being an Originator, also Master Servicer, Servicer, Reporting Entity and an initial subscriber of the Notes and CRO is, in addition to being an Originator, also a Servicer and an initial subscriber of the Notes.

These parties will have only those duties and responsibilities expressly agreed to by them in the relevant agreement and will not, by virtue of their or any of their affiliates acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided with respect to each agreement to which they are a party.

Accordingly, conflicts of interest may exist or may arise as a result of parties to this transaction: (a) having previously engaged or in the future engaging in transactions with other parties to the transaction; (b) having multiple roles in this transaction; and/or (c) carrying out other transactions for third parties.

Each Originator in particular may hold and/or service claims against the Borrowers other than the Claims. The interests or obligations of the aforementioned parties, in their respective capacities with respect to such other roles may in certain aspects conflict with the interests of the Noteholders. The aforementioned parties may engage in commercial relationships, in particular, be lender, and provide general banking, investment and other financial services to the Borrowers and other parties. In such relationships the aforementioned parties are not obliged to take into account the interests of the Noteholders. In addition, BPB and CRO in their capacity as, present or future, holders of any Notes, may exercise the relevant voting rights in respect of the Notes held by it also in a manner that may be prejudicial to other Noteholders. Prospective investors should note that, for the purposes of the right to vote at any Meeting of Noteholders convened to transact certain Business in relation to which may exist a conflict of interest between, in particular, the holders of the Rated Notes (in such capacity) and the Originators in any other role under the Transaction, those Rated Notes which are for the time being held by the Originators shall (unless and until ceasing to be so held) be deemed not to remain "outstanding", subject to and in accordance with the rules and the procedures set out for the Meeting of each Class of Notes under the "Rules of the Organisation of the Noteholders" attached to the Conditions. It remains, furthermore, understood that the above restriction on voting rights does not apply in case the then outstanding Rated Notes are entirely held by the Originators and to the Originators as holders of the Junior Notes.

No independent investigation in relation to the Portfolios

None of the Issuer or any other party to the Transaction Documents (other than the Originators) has undertaken or will undertake any investigation, search or other action to verify the details of the

Portfolios (including the Loan Agreements, the Mortgages and the origination procedures of the Claims) sold by the Originators to the Issuer or to establish the creditworthiness of any Borrower.

None of the Issuer or any other party to the Transaction Documents (other than the Originators) has carried out any due diligence in respect of the Loan Agreements in order to, without limitation, ascertain whether or not the Loan Agreements contain provisions limiting the transferability of the Claims.

The Issuer will rely instead on the representations and warranties given by the Originators in the Warranty and Indemnity Agreement and in the Transfer Agreements. Each Originator has, pursuant to the Warranty and Indemnity Agreement, made certain representations and warranties, and undertaken related indemnification obligations, in respect, *inter alia*, of: (i) the validity and existence of the Claims; (ii) the validity, effectiveness and proper execution of the Loan Agreements; (iii) the perfection of the Mortgages; and (iv) the validity of the assignment to the Issuer by the Originators of their rights under the insurance policies entered into in connection with the Loan Agreements.

The indemnification obligations undertaken by each Originator under the Warranty and Indemnity Agreement are unsecured claims of the Issuer and no assurance can be given that BPB or CRO can or will pay the relevant amounts if and when due.

Limited enforcement rights

The protection and exercise of the Noteholders' rights against the Issuer and the security under the Notes is one of the duties of the Representative of the Noteholders.

The Conditions and the Rules of the Organisation of the Noteholders (attached as Exhibit 1 to the Conditions) limit the ability of individual Noteholders to commence proceedings against the Issuer by conferring on the Meeting of Noteholders the power to resolve on the ability of any Noteholder to commence any such individual action. Accordingly, individual Noteholders may not, without breaching the Conditions, be able to commence proceedings or take other individual remedies against the Issuer unless the Meeting has approved such action in accordance with the provisions of the Rules of the Organisation of the Noteholders.

The Representative of the Noteholders and conflicts of interests between holders of different Classes of Notes

The Conditions and the Intercreditor Agreement contain provisions requiring the Representative of the Noteholders, with respect to all of its powers, authority, duties and discretion, to regard the interests of the Noteholders of each Class of Notes as if they formed a single Class (except where expressly provided otherwise) but the Conditions also require the Representative of the Noteholders, as regards the exercise and performance of all its powers, authorities, duties and discretion, to have regard to the interests of all Class of Noteholders and the Other Issuer Creditors provided that if, in the opinion of the Representative of the Noteholders (i) there is a conflict between their interests, the Representative of the Noteholders will have regard solely to the interests of the Noteholders; or (ii) there is a conflict between the interests of the holders of different Classes, the Representative of the Noteholders will consider only the interests of the holders of the Most Senior Class of Notes then outstanding; or (iii) there is a conflict between the interests of the Other Issuer Creditors, then the Representative of the Noteholders shall have regard to the interests of whichever of the Other Issuer Creditors ranks higher in the Order of Priority for the payment of the amounts therein specified.

Remedies pursued by the Representative of the Noteholders in such circumstances may be adverse to the interests of the Junior Noteholders or Other Issuer Creditors.

Noteholders' directions and resolutions following delivery of a Trigger Notice

At any time after a Trigger Notice has been delivered, the Representative of the Noteholders shall be entitled, pursuant to the Intercreditor Agreement and the Rules of the Organisation of the Noteholders, to direct the sale of the Portfolios (in whole or in part), *provided however that* a sufficient amount shall be realised to allow discharge in full of all amounts owing to the holders of the Most Senior Class of Notes and amounts ranking in priority thereto or *pari passu* therewith. Accordingly, the proceeds from the disposal of the Portfolios in such circumstances may not be sufficient to redeem (whether in whole or in part) the Classes of Notes other than the Most Senior Class of Notes.

The Representative of the Noteholders may and shall, if so requested or authorised by an Extraordinary Resolution of the holders of the Most Senior Class of Notes, following the delivery of a Trigger Notice take such steps and/or institute such proceedings against the Issuer as it may think fit to enforce repayment of the Notes and payment of accrued interest thereon to the interests of the Noteholders. The directions of the Most Senior Class of Noteholders in such circumstances may be adverse to the interests of the Class J Noteholders.

In addition, the holders of the Most Senior Class of Notes shall have the option to direct the Representative of the Noteholders (by an Extraordinary Resolution) in accordance with Condition 6.4 (*Optional Redemption*), to redeem the Rated Notes in whole (but not in part) at their Principal Amount Outstanding together with all accrued but unpaid interest thereon up to and including the relevant Payment Date, giving not less than ten days' prior written notice.

Resolutions of Noteholders

Resolutions properly adopted in accordance with the Rules of Organisation of the Noteholders are binding on all Noteholders, therefore certain rights of each Noteholder against the Issuer under the Conditions may be amended or reduced or even cancelled pursuant to any such resolution.

Prospective investors should note that, for the purposes of the right to vote at any Meeting of Noteholders convened to transact certain Business in relation to which may exist a conflict of interest between, in particular, the holders of the Rated Notes (in such capacity) and the Originators in any other role under the Transaction, those Rated Notes which are for the time being held by the Originators shall (unless and until ceasing to be so held) be deemed not to remain "outstanding", subject to and in accordance with the rules and the procedures set out for the Meeting of each Class of Notes under the "Rules of the Organisation of the Noteholders" attached to the Conditions. It remains, furthermore, understood that the above restriction on voting rights does not apply in case the then outstanding Rated Notes are entirely held by the Originators and to the Originators as holders of the Junior Notes. For further details, see section entitled "Rules of the Organisation of the Noteholders" (in particular, see article 4 – "*General*")).

Suitability

Prospective investors should determine whether an investment in the Notes is appropriate in their particular circumstances and should consult with their legal, business and tax advisers to determine the consequences of an investment in the Notes and to arrive at their own evaluation of the investment.

Investment in the Notes is only suitable for investors who:

- have the requisite knowledge and experience in financial and business matters to evaluate such merits and risks of an investment in the Notes;

- have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation;

- are capable of bearing the economic risk of an investment in the Notes; and

- recognise that it may not be possible to dispose of the Notes for a substantial period of time, if at all.

Prospective investors in the Notes should make their own independent decision whether to invest in the Notes and whether an investment in the Notes is appropriate or proper for them, based upon their own judgement and upon advice from such advisers as they may deem necessary.

Prospective investors in the Notes should not rely on or construe any communication (written or oral) of the Issuer, the Originators or any other party to the Transaction Documents as investment advice or as a recommendation to invest in the Notes, it being understood that information and explanations related to the Conditions shall not be considered to be investment advice or a recommendation to invest in the Notes.

No communication (written or oral) received from the Issuer, the Servicers, the Originators, any other party to the Transaction Documents or from any other person shall be deemed to be an assurance or guarantee as to the expected results of an investment in the Notes.

Perfection of the sale of the Portfolios

The sale of the Portfolios by the Originators to the Issuer has been made in accordance with the Securitisation Law. Pursuant to article 4 of the Securitisation Law, the publication in the Official Gazette of a notice of the sale of each Portfolio by the Originators to the Issuer and the registration of such sales with the competent Register of Enterprises of Treviso-Belluno (such publication and registration were made before the Issue Date) has rendered the assignment of the Portfolios and the proceeds deriving therefrom immune from any attachment or other action under Italian law (other than a claw-back action: see "*Claw-Back of the Sale of the Portfolios*" below), except to the extent that any such attachment or action is intended to protect the rights of the Noteholders and the Other Issuer Creditors.

In addition, the publication of such notice means that the sale of the Portfolios cannot be challenged or disregarded by: (i) any third party to whom the Originators may previously have assigned the Portfolios or any part thereof but who has not perfected the assignment prior to the date of publication; (ii) a creditor of the Originators who has a right to enforce its claim on the relevant Originator's assets; or (iii) a receiver or administrative receiver or a liquidator of any assigned Borrower in the case of the Borrower's bankruptcy.

Claw-back of the sale of the Portfolios

A transfer pursuant to the Securitisation Law may be subject to a claw-back action of such sale by a liquidator of the transferor: (i) if the sale is not undervalued, within three months following the transfer if: (a) the transferor was insolvent at the time of the transfer; and (b) the liquidator can prove that the transferee was, or ought to have been, aware of such insolvency; or (ii) if the sale is undervalued, within six months following the transfer if: (a) the transferor was insolvent at the time of the transfer; and (b) the transferee cannot prove that it was not, or ought not to have been, aware of such insolvency.

Accordingly, if any of the Originators was insolvent at the date of the execution of the relevant Transfer Agreement, and the Issuer was, or ought to have been, aware of such insolvency, the relevant transfer may, in certain circumstances, be subject to claw-back by a liquidator of the Originators. Under the

Warranty and Indemnity Agreement, each Originator has represented that it was solvent as of the date of the transfer, and that such representations shall deemed to be repeated as of the Issue Date by the relevant Originator, and that all appropriate solvency certificates have been obtained as of the date of the transfer of the Portfolios (for other risks relating to the Originators, please see the paragraphs headed "*Counterparty risk*" and "*Commingling Risk*").

On 11 October 2017, the Italian Parliament approved Law No. 155 of 19 October 2017 (*Legge Delega*) conferring to the Italian Government the powers to enact certain amendments to the Bankruptcy Law including to the claw-back. On 14 February 2019, Legislative Decree No. 14 of 12 January 2019, enacting Law No. 155 of 19 October 2017, has been published on the Official Gazette of the Republic of Italy and will enter into force as of 15 August 2020 except for certain amendments related, among others, to corporate governance and directors' liability which will enter into force as of 16 March 2019.

Prospective Noteholders should be aware that, as at the date of this Prospectus, the provisions of the Legislative Decree No. 14 of 12 January 2019 amending the Bankruptcy Law have not been entered into force and have not been tested in any case law nor specified in any further regulation and, therefore, the Issuer cannot predict their impact as at the date of this Prospectus.

Commingling risk

Traditionally, the special purpose vehicles incorporated under the Securitisation Law are subject to the risk that, in case of insolvency of the servicers, the collections held by the servicers are lost or frozen. Such risk is usually mitigated through the transfer of the collections held by the servicers, within a very limited period of time, into bank accounts opened in the name of the issuers with Eligible Institutions. Furthermore, in case of insolvency of the servicers, the debtors are usually instructed to pay any amount due in respect to the receivables directly into bank accounts opened in the name of the issuers with Eligible Institutions.

On 24 December 2013, Italian Law Decree 145 came into force introducing certain amendments to the Securitisation Law. In particular, Decree 145 has provided, *inter alia*, that the special purpose vehicles incorporated under the Securitisation Law may open segregated accounts with the servicers for the deposit of the collections received from the debtors and the other amounts paid to the special purpose vehicles under the securitisation transactions; the sums deposited into such accounts will be segregated from the assets of the servicers with which the accounts are held, as well as from those of any other person holding deposits with the servicers, and will be available only to satisfy the obligations of the special purpose vehicles in respect of the noteholders and the other creditors in relation to the securitisation transactions. In the event that the servicers become subject to any insolvency proceeding or restructuring agreement, the sums deposited into such accounts will remain outside the servicers' estate and will not be subject to suspension of payments (please see the paragraph headed "*Securitisation Law"* above).

Rights of set-off and other rights of borrowers

Under general principles of Italian law, a borrower of a mortgage loan is entitled to exercise rights of set-off in respect of amounts due under such mortgage loan against any amounts payable by the relevant originator to such borrower if and to the extent that such counterclaims have arisen before the publication of the notice of the assignment of the Claims in the Official Gazette pursuant to Article 58, second paragraph, of the Consolidated Banking Act and the registration of such sale with the companies' register where the Issuer is enrolled have been made. Consequently, after (i) publication in the Official Gazette of the notice of transfer of the Portfolios to the Issuer pursuant to the Transfer Agreements and (ii) registration of the assignment in the register of companies where the Issuer is

enrolled, the Borrowers shall not be entitled to exercise any set-off right against their claims against each of the Originators which arises after the date of such publication and registration.

Change of law

The structure of the Transaction and, inter alia, the issue of the Notes and rating assigned to the Rated Notes are based on Italian law, tax and administrative practice in effect at the date hereof and having due regard to the expected tax treatment of all relevant entities under such law and practice.

No assurance can be given that Italian law, tax or administrative practice will not change after the date of this Prospectus or that such change will not adversely impact the structure of the transaction and the treatment of the Notes.

Projections, forecasts and estimates

Forward-looking statements, including estimates, any other projections, forecasts and estimates in this Prospectus are, necessarily, speculative and subjective in nature and some or all of the assumptions underlying the projections may not materialise or may vary significantly from actual results.

Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements. Prospective investors should not rely on these forward-looking statements, which speak only as of the date of this Prospectus and are based on assumptions that may prove to be inaccurate.

None of the Issuer, the Originators, or any other party to the Transaction Documents has or will have any obligation to update or revise any forward-looking statements contained herein to reflect events or circumstances occurring after the date of this Prospectus. The Originators have not verified these statements nor are giving any representations on these statements.

Yield and payment considerations

The yield to maturity, the amortisation plan and the weighted average life of the Notes will depend upon, *inter alia*, the amount and timing of repayment of principal (including prepayments) on the Loans and on the actual date of exercise (if any) of the optional redemption rights of the Issuer pursuant to Condition 6.2 (*Redemption for Taxation*), Condition 6.4 (*Optional Redemption*) or Condition 6.4 (Optional Clean up Redemption). Such yield, amortisation plan and weighted average life of the Notes may be adversely affected by a number of factors including, without limitation, a higher or lower rate of prepayment, delinquency and default on the Loans, the exercise by the Originators of their faculty to partially repurchase the Claims and/or by the Servicers to renegotiate the terms and conditions of the Loan Agreements and/or to grant the suspension of payments of the relevant instalments in accordance with the provisions of the Servicing Agreement.

The level of prepayment, delinquency and default on payment of the relevant instalments or request for suspension or renegotiation under the Loans cannot be predicted and is influenced by a wide variety of economic, market industry, social and other factors, including prevailing mortgage market interest rates and margin offered by the banking system, the availability of alternative financing, local and regional economic conditions as well as special legislation that may affect refinancing terms. Prepayments may also arise in connection with refinancing, repurchases, sales of properties by Borrowers voluntarily or as a result of enforcement proceedings under the relevant Loans, as well as the receipt of proceeds from the insurance policies assisting the Claims.

Limited secondary market and liquidity risk

There is not at present an active and liquid secondary market for the Rated Notes. The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Although an application has been made to ExtraMOT PRO for the Rated Notes to be listed on the official list of ExtraMOT PRO and to be admitted to trading on the unregulated market of ExtraMOT PRO, there can be no assurance that a secondary market for the Rated Notes will develop or, if a secondary market does develop in respect of any of the Rated Notes, that it will provide the holders of such Rated Notes with the liquidity of investments or that it will continue until the final redemption or cancellation of such Rated Notes. Consequently, any purchaser of any of the Rated Notes must be prepared to hold such Rated Notes to maturity.

In addition, illiquidity means that a Noteholder may not be able to find a buyer to buy its Notes readily or at prices that will enable the Noteholder to realise a desired yield. Illiquidity can have a severe adverse effect on the market value of the Notes. Consequently, any sale of the Notes by the Noteholders in any secondary market which may develop may be at a discount to the original purchase price of those Notes.

Prospective Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date hereof), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Notes.

Potential investors should be aware that these prevailing market conditions affecting securities similar to the Notes could lead to reductions in the market value and/or a severe lack of liquidity in the secondary market for instruments similar to the Notes. Such falls in market value and/or lack of liquidity may result in investors suffering losses on the Notes in secondary resales even if there is no decline in the performance of the Portfolio.

Limited nature of credit ratings assigned to the Rated Notes

Each credit rating assigned to the Rated Notes of each class reflects the relevant Rating Agency's assessment only of the likelihood that interest will be paid timely and principal will be paid by the final redemption date, not that it will be paid when expected or scheduled. This rating is based, among other things, on the reliability of the payments on the relevant Portfolio and the availability of credit enhancement.

The ratings do not address, inter alia, the following:

(a) the possibility of the imposition of Italian or European withholding tax;
(b) the marketability of the Rated Notes, or any market price for the Rated Notes; or
(c) whether an investment in the Rated Notes is a suitable investment for the Noteholder.

A rating is not a recommendation to purchase, hold or sell the Rated Notes. Any Rating Agency may lower its ratings or withdraw its ratings if, inter alia and in the sole judgement of that Rating Agency, the credit quality of the Rated Notes has declined or is in question. If any rating assigned to the Rated Notes is lowered or withdrawn, the market value of the Rated Notes may be affected. The Issuer has not requested a rating of the Rated Notes by any rating agency other than the Rating Agencies. However, credit rating agencies other than the Rating Agencies could seek to rate the Rated Notes and, if such

unsolicited ratings are lower than the comparable ratings assigned to the Rated Notes by the Rating Agencies, those shadow ratings could have an adverse effect on the value of the Notes. For the avoidance of doubt and unless the context otherwise requires, any references to "rating" in this Prospectus are to ratings assigned by the specified Rating Agencies only.

In addition, EU regulated investors (such as investment firms, insurance and reinsurance undertakings, UCITS funds and certain hedge fund managers) are restricted from using a rating issued by a credit rating agency established in the European Union for regulatory purposes unless such credit rating agency is registered, or endorsed by a rating agency, under the CRA Regulation. As of the date of this Prospectus, both the Rating Agencies are incorporated in the European Union and have been registered in compliance with the requirements of Regulation (EC) No 1060/2009 of the CRA Regulation.

The CRA Regulation was amended by Regulation (EU) 462/2013 of 21 May 2013 ("**CRA III**") which entered into force on 20 June 2013. Its provisions increase the regulation and supervision of credit rating agencies by ESMA and impose new obligations on (among others) issuers of securities established in the EU. Under article 8(b) of the CRA Regulation, the issuer, originator and sponsor of structured finance instruments ("**SFI**") established in the European Union (which includes the Issuer and the Originator) must jointly publish certain information about those SFI on a specified website set up by ESMA. This includes information on, inter alia, (i) the credit quality and performance of the underlying assets of the SFI; (ii) the structure of the securitisation transaction; (iii) the cash flows and any collateral supporting a securitisation exposure; and (iv) any information that is necessary to conduct comprehensive and well-informed stress tests on the cash flows and collateral values supporting the underlying exposures. On 6 January 2015, Commission Delegated Regulation 2015/3 (the "**Regulation 2015/3**") on disclosure requirements for SFI was published in the Official Journal of the EU. The Regulation 2015/3 contains regulatory technical standards specifying:

- the information that the issuers, originators and sponsors must publish to comply with article 8(b) of the CRA Regulation;

- the frequency with which this information should be updated;

- a standardised disclosure template for the disclosure of this information.

The Regulation 2015/3 entered into force on 1 January 2017, with the exception of article 6(2), which is applied from 26 January 2015 and obliged ESMA to publish on its website at the latest on 1 July 2016 the technical instructions in accordance with which the reporting entity shall submit data files containing the information to be reported starting from 1 January 2017.

On 27 April 2016 ESMA issued a press release stating that it has encountered several issues in preparing the set-up of the SFI website, including the absence of a legal basis for the funding of the website. Consequently, it was unlikely that the SFI website would have been available to reporting entities by 1 January 2017 and that ESMA would be in a position to publish the technical instructions by 1 July 2016. On such basis, ESMA did not expect to be in a position to receive the information related to SFI from reporting entities from 1 January 2017. In the press release ESMA clarified that it expected that new securitisation legislation, which was in the legislative process, would provide clarity on the future obligation regarding reporting on SFIs.

According to a regulation recently issued by the European Parliament and the European Council, laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation (the "**STS Regulation**") the above mentioned article 8(b) of the CRA Regulation has been repealed.

On 1 January 2019, Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 (together with any relevant regulatory technical standards and/or any relevant implementing measures or official guidance in relation thereto, in each case, as amended varied or substituted from time to time, the "**Securitisation Regulation**") which lays down a general framework for securitisation and creates a specific framework for simple, transparent and standard securitisation entered into force. The Securitisation Regulation contains, inter alia, a set of transparency requirements in its article 7, which must be met by reporting entities (i.e. the entity designated among the securitisation originator, the sponsor, and the securitisation special purpose entity to fulfil these requirements) in relation to securitisation positions which have been created on or after 1 January 2019. Notwithstanding, the details and standardised templates to be used to fulfil these requirements are still to be further specified in a Commission Delegated Regulation using as a basis a set of draft regulatory and implementing technical standards developed by ESMA (the "ESMA disclosure templates"). As the date of this Prospectus, these templates have not been adopted and, as a consequence, the transitional provision contained in article 43(8) of the Securitisation Regulation apply. As such, until the regulatory technical standards are adopted by the Commission pursuant to article 7(3) of the Securitisation Regulation, the information mentioned in Annexes I to VIII of the Regulation 2015/3 shall be made available by the originators, sponsors and securitisation special purpose entities in accordance with the procedure set out in article 7(2) of the Securitisation Regulation and the templates foreseen in the Regulation 2015/3 shall be used.

As such, the Regulation 2015/3 is therefore applicable to the Notes and BPB in its capacity as the reporting entity pursuant to article 7(2) of the Securitisation Regulation (the "**Reporting Entity**") is responsible for the mandated disclosure under the Regulation 2015/3.

Risks connected with the political and economic decisions of EU and Eurozone countries and the United Kingdom leaving the European Union (Brexit)

The relationship of the United Kingdom with the European Union may affect the business of the Issuer. On 29 March 2017, the United Kingdom (UK) invoked Article 50 of the Treaty on the European Union and officially notified the European Union (EU) of its decision to withdraw from the EU. This commenced the formal two-year process (although this has subsequently been extended twice) of negotiations regarding the terms of the withdrawal and the framework of the future relationship between the UK and the EU (the "**Article 50 Withdrawal Agreement**"). As part of those negotiations, a transitional period has been agreed in principle which would extend the application of EU law and provide for continuing access to the EU single market, until the end of 2020 and possibly longer.

The Article 50 Withdrawal Agreement has not yet been ratified by the UK or the EU. The parties have agreed to an extended time line which allows for ratification to take place any time prior to 31 October 2019. To the extent ratification does take place ahead of 31 October 2019, the UK would leave on the first day of the month following ratification. However, it remains uncertain whether the Article 50 Withdrawal Agreement, or any alternative agreement, will be finalised and ratified by the UK and EU ahead of the deadline. If the deadline of 31 October 2019 is not met, unless the negotiation period is further extended or the Article 50 notification revoked, the Treaty on the European Union and the Treaty on the Functioning of the EU will cease to apply to the UK and the UK will lose access to the EU single market. Whilst continuing to discuss the Article 50 Withdrawal Agreement and political declaration, the UK Government has commenced preparations for a 'hard' Brexit (or a 'no-deal' Brexit) to minimise the risks for firms and businesses associated with an exit with no transitional period. This has included publishing draft secondary legislation under powers provided in the EU (Withdrawal) Act 2018 to ensure that there is a functioning statute book after any exit without a transitional period.

Due to the on-going political uncertainty as regards the terms of the UK's withdrawal from the EU and the structure of the future relationship, the precise impact on the business of the Issuer is difficult to

determine. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market

Interest rate risk

The Claims have or may have interest payments calculated on a fixed rate basis or a floating rate basis (which may be different from the Euribor applicable under the Rated Notes, have a different fixing mechanism than the Euribor applicable under the Rated Notes and may be capped or floored at a certain maximum level), whilst the Rated Notes will bear interest at a rate based on Three Month Euribor determined on each Interest Determination Date, subject to and in accordance with the Conditions. As a result, there could be a rate mismatch between interest accruing on the Rated Notes and on the Portfolios and an increase in the level of Three Month Euribor could adversely impact the ability of the Issuer to make payments on the Rated Notes.

To reduce the effect of such interest rate mismatch, the Issuer has entered into a fixed-floating interest rate Swap Transaction pursuant to the Swap Agreement.

The notional amount with respect to the Swap Transaction will be calculated by reference to the Principal Instalments of the relevant Claims (other than the amount of any Principal Instalments due but unpaid, or that have been prepaid or repurchased, at the relevant Collection Date and any Principal Instalments relating to Defaulted Claims) as of the Collection Date immediately preceding the beginning of each Calculation Period (as such term is defined in the Swap Agreement). For each Calculation Period, the notional amount in respect of the Swap Transaction will be the lower of the amount of such Principal Instalments and the Scheduled Maximum Notional Amount set forth in that Swap Transaction (or, in case no Quarterly Servicer Report is delivered with respect to a Calculation Period, the lower of the scheduled maximum notional amount and the notional amount for the immediately preceding Calculation Period).

The notional amount will be calculated by reference to the Principal Instalments of the Claims accruing interest at a fixed rate. It shall not take into account any Claims for which the applicable interest rate has been renegotiated from a fixed rate to a floating rate (without a cap or with or without a floor), by the Originators (in their capacity as Servicers) in accordance with the Servicing Agreement but shall take into account Claims arising under Loans which have been renegotiated from a floating rate (without a cap or with or without a floor) to a fixed rate.

Accordingly, the notional amount will be adjusted to include and exclude (as applicable) any renegotiated Claims but subject always to the Scheduled Maximum Notional Amount applicable to the Swap Transaction.

Under the Servicing Agreement, the Servicers, among other things

(i) have the ability to renegotiate the interest rate on the Claims:

  (a) from fixed rate, or variable interest rate with cap, to a variable interest rate or to a variable interest rate with a floor; or

  (b) from variable interest rate or variable interest rate with cap or variable interest rate with a floor to a fixed rate; or

  (c) by means of reduction of the interest rate or the spread applicable (in case no variation of the nature of the interest rate applicable to the relevant Loan Agreement has been carried out); or

  (d) with specific regard to Loan Agreements with a variable interest rate with a floor, by modifying the applicable floor;

but do not have the ability to renegotiate the interest rate applicable to the Claims to an optional interest rate or to a variable rate with cap.

(ii) may enter into renegotiations providing the reduction of the interest rate or the spread applicable to the relevant Loans Agreement (in case no variation of the nature of the interest rate applicable to the relevant Loan Agreement has been carried out);

(iii) may enter into renegotiations providing for any modification of the amortisation plan of the Loan Agreements permitted by the Servicing Agreement, *provided that* such modification shall not result in a switch to an amortisation plan different from the so called "French amortisation plan".

In addition clause 10 of the Servicing Agreement sets out certain limits for the power of renegotiations of the Servicers and in particular such clause provides that, in case each of the Servicer intends to enter into the renegotiations under paragraph (i)(b) above, each Servicer shall verify that, for each Collection Period, the sum of the principal amount outstanding of the Loan Agreements subject of such renegotiation does not exceed, in relation to the Swap Transaction pursuant to which the relevant Loan Agreement will be hedged after such renegotiation, an amount equal to the difference between:

1. the Scheduled Maximum Notional Amount in such Swap Transaction as applicable to the following Interest Period; and
2. the Swap Outstanding Principal Amount in such Swap Transaction as calculated at the beginning of the Collection Period in which such renegotiation is made.

The Swap Agreement does not completely eliminate the interest rate risk related to the Rated Notes as, *inter alia*, at the Issue Date only fixed rate Claims are hedged and Claims may become unhedged following a variation of the relevant interest rate or renegotiation of any of the terms of the Loans.

Termination of the Swap Agreement

The benefits of the Swap Agreement may not be achieved in the event of the early termination of the Swap Transaction pursuant to the terms of the Swap Agreement, including termination upon the failure of the Swap Counterparty to perform its obligations thereunder.

The Swap Agreement contains certain limited termination events and events of default which will entitle either party to terminate the Swap Transactions. In case of an early termination of the Swap Agreement, unless one or more comparable interest rate swaps are entered into, the Issuer may have insufficient funds to make payment under the Notes and/or this may result in a downgrading of the rating of the Rated Notes.

Any collateral transferred to the Issuer by the Swap Counterparty pursuant to the Swap Agreement and any Replacement Swap Premium received by the Issuer from a replacement swap counterparty will not generally be available to the Issuer to make payments to the Noteholders and the Other Issuer Creditors and shall only be paid or transferred (as applicable) in accordance with the Collateral Account Priority of Payments.

In the event of the insolvency of the Swap Counterparty, the Issuer will be treated as a general and unsecured creditor of the Swap Counterparty in respect of any claim it has for a termination amount due from the Swap Counterparty under the Swap Agreement. Consequently, the Issuer will be subject to the credit risk of the Swap Counterparty in addition to the risk of the debtors of the Claims.

An early termination of the Swap Agreement could result in the Issuer being obliged to make a termination payment to the Swap Counterparty. Except where the Swap Counterparty has caused the Swap Agreement to terminate by its own default, any termination payment due to the Swap Counterparty will rank ahead of payments of interest and/or principal on the Notes and may substantially reduce the funds available for payments to the Noteholders. Where the Swap Counterparty has caused the Swap Agreement to terminate by its own default, any termination payment due to the Swap Counterparty will rank junior to payments of interest and/or principal on the Notes.

The Swap Counterparty is required to have certain ratings. Although contractual remedies are provided in the event of a downgrading of the Swap Counterparty, any replacement arrangement with a third party may not be as favourable as the current Swap Agreement and the Noteholders may be adversely affected.

See for further details "*Description of the Transaction Documents - The Swap Agreement*".

Loans' performance

The Portfolios comprise performing residential mortgage loan agreements governed by Italian law. The Portfolios have, as at the date of the approval of the Prospectus, characteristics that show the capacity to produce funds to service payments due on the Notes. However, there can be no guarantee that the Borrowers will not default under the Loans and that they will continue to perform their relevant payment obligations. Borrowers may default on their obligations due under the Loans for a variety of reasons. Various factors influence delinquency rates, prepayment rates, repossession frequency and the ultimate payment of interest and principal, such as changes in the national or international economic climate, regional economic conditions, changes in tax laws, interest rates, inflation, the availability of financing, yields on alternative investments, political developments and government policies. Certain factors (including general economic conditions and other similar factors) may lead to an increase in default by and bankruptcies of the Borrowers and could ultimately have an adverse impact on their ability to repay the Loans. Overall economic recession and a further decline in the national and international economic outlook, or a general deterioration of economic conditions in any industry in which the Borrowers operate may negatively impact the solvency of the borrowers and therefore the recovery of mortgage loans.

The recovery of amounts due in relation to non-performing loans will be subject to effectiveness of enforcement proceedings in respect of the Portfolios which, in the Republic of Italy, can take a considerable time depending on the type of action required and where such action is taken and upon several other factors.

Mutui fondiari

The Portfolios comprise certain Loans that are *mutui fondiari*, in relation to which special enforcement and foreclosure provisions apply. Pursuant to article 40, paragraph 2 of the Consolidated Banking Act, a mortgage lender is entitled to terminate a loan agreement and accelerate the mortgage loan (*diritto di risoluzione contrattuale*) if the debtor has delayed an instalment payment at least seven times whether consecutively or otherwise. For this purpose, a payment is considered delayed if it is made between 30 and 180 days after the payment due date. Accordingly, the commencement of enforcement proceedings in relation to *mutui fondiari* may take longer than usual.

Risk of losses associated with declining property values

The security for the Notes consists of, *inter alia*, the Issuer's interest in the Loans and the relevant collateral guarantees. The value of this security may be affected by, among other things, a decline in property values. Property values may in turn be affected by changes in general and regional economic conditions as well as the strength (or weakness) of the Italian national economy, relevant local economy and the real estate market.

No assurance can be given that the values of the Real Estate Assets have remained or will remain at the level at which they were on the origination dates of the related Loans. Therefore, no assurances can be given that the values of the Real Estate Assets will not decrease at a rate higher than anticipated on the origination (or acquisition by the Issuer) of the Claims. Should this happen, it could have an

adverse effect on the level of recoveries and ultimately, may result in losses to the Noteholders if the security is required to be enforced.

Risk of losses associated with borrowers

General economic conditions and other factors have an impact on the ability of the Borrowers to repay the Loans. Loss of earnings, illness, decrease in turnover, increase in operating or in financial costs and other similar factors may lead to an increase in delinquencies and bankruptcy filings by Borrowers, which may lead to a reduction in Loans payments by such Borrowers and could reduce the Issuer's ability to service payments on the Notes.

In the event of insolvency of a Borrower (to the extent the same is subject to the Italian Bankruptcy Law), the relevant payments or prepayments under a Loan Agreement may be declared ineffective pursuant to articles 65 or 67 of the Italian Bankruptcy Law.

In this respect, it should be noted that the Securitisation Law, as recently amended, provides that (i) the claw-back provisions set forth in article 67 of the Italian Bankruptcy Law do not apply to payments made by Borrowers to the Issuer in respect of the securitised Claims and (ii) prepayments made by Borrowers under securitised Claims are not subject to the declaration of ineffectiveness pursuant to article 65 of the Italian Bankruptcy Law.

Restructuring arrangements in accordance with law No. 3 of 27 January 2012

According to the provision of law No. 3 of 27 January 2012 (the "**Law 3/2012**"), a debtor in a state of over indebtedness (*stato di sovraindebitamento*) is entitled to submit to his creditors, with the assistance of a competent body (*Occ-Organismi per la Composizione della Crisi*), or an expert, a debt restructuring arrangement (the "**Restructuring Agreement**") which shall in any case ensure the full payment of the creditors whose claims towards the relevant debtor are not subject to be attached (*pignorati*) in accordance with Article 545 of the Italian code of civil procedure.

The Law 3/2012, as amended, applies, inter alios, to (i) debtors who are not eligible to be adjudicated bankrupt under the Italian Bankruptcy Law; or (ii) to debtors which have not benefited of any procedure set out by Law 3/2012 in the past five years. In any case the debtors must comply with Article 7 of Law 3/2012 in order to benefit from the procedure provided by Law 3/2012.

In addition a specific procedure is provided by Law 3/2012 in relation to debtors who qualify as consumers (*consumatori*).

The Restructuring Agreement shall provide the revised terms of payment of all of the debtor's obligations, including – at certain conditions – the secured creditors (*creditori privilegiati*). The Restructuring Agreement becomes effective, upon approval (*omologazione*) by the competent Court (which shall be given in any case within 6 months from the date on which the proposal of Restructuring Agreement is submitted by the relevant debtor). In any case a favorable vote of creditors representing at least 60% of the debtor's claims is required for the approval of the Restructuring Agreement.

Under the approved Restructuring Agreement, which shall be binding for all of the creditors of the relevant debtor, the latter may obtain: (a) up to a one-year period moratorium for secured creditors (*creditori privilegiati*) if the proposal has a going concern basis; (b) the suspension of all foreclosure procedures and seizures (*sequestri conservativi*) against it; (c) that creditors will be prevented from creating pre-emption rights (*diritti di prelazione*) on the debtor's assets; and (d) that legal interests will stop to accrue.

As a consequence of the entering into force of the Restructuring Agreement, the debtor's assets will be considered as attached, and could not be further attached by upcoming creditors.

The Restructuring Agreement ceases to be effective if the relevant debtor does not pay the obligations set out therein within 90 days from the established deadlines, or if the relevant debtor attempts to fraud its creditors. The Restructuring Agreement does not prejudice the rights of the creditors against the debtor's guarantors and co-obligors.

As an alternative to the procedure described hereabove, the debtors (i) in a state of over indebtedness (*stato di sovraindebitamento*) and (ii) which have not benefited of any procedure set out by Law 3/2012 in the past five years, may request the voluntary winding up of all its assets.

In particular, under such procedure the competent judge, upon request of the relevant debtor, is entitled to issue a decree by means of which they will appoint a liquidator, and order the relevant debtor to transfer its assets to such liquidator. The appointed liquidator will then pay creditors proportionally to their claims (save for claims with pre- emption causes (*diritti di prelazione*)). Upon such decree being issued by the competent Court, all the foreclosure procedures and seizures (*sequestri conservativi*) on the debtor's assets will be suspended. Such procedure cannot have duration lower than four years. Consequently, should the debtor acquire further assets within four years from the date on which the filing has been made by the relevant debtor, such new assets will form part of the liquidator's assets and will be applied by the latter to pay the creditors of the relevant debtor.

Should any Borrower enter into a proceeding set out by Law 3/2012, the Issuer could be subject to the risk of having the payments due by the relevant Borrower suspended for up to one year (in case of the entering into of Restructuring Agreement) or part of its debts released.

However, the impact thereof on the cashflows deriving from the Portfolios and, as a consequence, on the amortisation of the Notes may not be predicted as at the date of this Prospectus.

Delegation of powers to the Italian Government for the reform of corporate reorganisation and Insolvency Law

On 11 October 2017 the Italian Parliament approved the text of law which confers powers on the Italian government for an overall reform of insolvency law and corporate reorganisation proceedings in the context of over-indebted corporate entities (the "**Delegated Legislation**").

The Delegated Legislation is the result of a review of the Italian legislative decree no. 267 of 16 March 1942 (hereinafter the "**Bankruptcy Law**") conducted by an experts' committee set up in 2015. Such review aims at introducing reform of insolvency legislation that is better suited to the current economic situation and consistent with the indications received from the European legislator.

The Delegated Legislation is inspired by the principle of an early detection and resolution of corporate insolvency also through flexible and modern reorganisation methods; in such a context, the declaration of bankruptcy (now defined as judicial liquidation, "*liquidazione giudiziale*") is considered as a last resort alternative in absence of other options that can guarantee continuation of the corporate activity. Please note that it is likely that in the coming months this Delegated Legislation may be amended to correct certain aspects that, according to the current wording of the law, are not clear or in any case need improvements.

In accordance with the above principles, the Delegated Legislation introduces the new "preemptive and assisted reorganisation procedures" further complementing in this way the regulation of the currently existing pre-insolvency proceedings (i.e. restructuring proceedings under article 182*bis* and certified plans under article 67(3)(d) of the Bankruptcy law) and insolvency proceedings (scheme of arrangements with creditors and bankruptcy). The reform of the so - called *extraordinary administration* proceedings has not been included in the scope of the Delegated Legislation and will likely require an *ad hoc* intervention.

Stakeholders have long faced a difficulty in coordinating the restructuring proceedings of companies belonging to the same group. The legislation currently in force does not provide for the opening of a single restructuring proceedings with regard to multiple affiliated companies, this resulting in an inefficient process also compounded by the fact that different territorial courts have competence for each different single proceedings. Therefore in order to address such issues, the Delegated Legislation provides for the introduction of a new joint proceedings for group insolvencies. More specifically, the Delegated Legislation introduces:

a) a definition of "corporate group" by reference to the criteria of direction and coordination referred to in articles 2497 et seq. and 2545 *septies* of the Italian civil code; such criteria are presumed as met in case within the group there are controlling and controlled entities pursuant to article 2359 of Italian civil code;

b) joined single proceedings: the possibility for companies belonging to the same group to file a single application for approval of a debt restructuring plan agreement under article 182*bis* of the Bankruptcy Law or admission to an out-of-court arrangement with creditors or judicial liquidation or a court settlement agreement before a single court of law (as determined in accordance with the European principle of "center of main interests" of the debtor); hence the subsequent appointment of only one single (i) judge and (ii) court-appointed receiver with regard to a scheme of arrangement or judicial dissolution and payment of a single fund of expenses in the case of a scheme of arrangement with creditors.

c) separate resolution meetings with regard to schemes of arrangement with creditors: in case of a scheme of arrangement, separate resolutions on the proposal by the creditors of each company and the exclusion of infra-group creditors from voting in order to mitigate any "distortion" effects;

d) subordination of infra-group debt in situations described by article 2467 of the Italian civil code (i.e. the company has resorted to additional debt in situations where a capital contribution was instead required), with the exception of infra-group loans granted in the context of schemes of arrangement or a debt restructuring agreement under article 182*bis* of Bankruptcy Law;

e) extension of the receiver's powers with regard to solvent companies: in the event of a judicial liquidation, the power of the receiver, *inter alia*, to report irregularities in the management of the solvent companies of the group (e.g. article 2409 of the Italian civil code) and to request their bankruptcy in the event of insolvency.

Preemptive Proceedings

As mentioned above, the Italian legislator has worked on the assumption (shared by the European regulator and business philosophy) that the successful recovery of a business largely depends on early detection of crisis situations, which instead the entrepreneur often tends to deny.

In order to facilitate a prompt detection of the crisis, on one hand the Delegated Legislation requires the entrepreneur to have in place an adequate corporate structure which can detect a crisis situation in a timely manner, and on the other hand, has introduced preemptive proceedings and crisis-assisted reorganization proceedings (the "**Preemptive Proceedings**") to induce the distressed company to address the crisis early on.

Such regulation however does not apply to listed and large companies on the assumption that, due to their dimension, such entities have adequate resources to detect the crisis and address it on an early stage.

The Preemptive Proceedings are based on a resolution of the crisis agreed with creditors and implemented through the assistance of a body of experts activated by the debtor or indirectly by public creditors or corporate auditing entities. The Preemptive Proceedings - which are to be conducted in a confidential manner – provide for the following:

a) the debtor who acknowledges a state of crisis files an application with a body set up in the relevant Chamber of Commerce (the "**Committee**") in order to receive assistance in finding an agreed solution to the crisis with the creditors within a maximum period of 6 months;

b) qualified public creditors (including the Tax Agency and Social Security Agency) must (i) inform the relevant debtor that its debt exposure has exceeded a significant amount and (ii) inform the supervisory entities and the Committee, in case the debtor has not addressed the problem

within a 3 months period (such as by starting the Preemptive Proceedings, or by carrying out a scheme of arrangement or a debt restructuring);

c) in the event of the debtor's inaction, the above-mentioned public creditors must report to the supervisory entities and the Committee ongoing defaults of a significant amount;

d) in addition, in all cases of inaction on the part of the debtor (and regardless of reporting by qualified public creditors) the corporate auditing bodies, auditors and auditing firms are obliged to immediately notify the administrative entities of any well-grounded indications of a crisis situation (the chartered accountant representative body shall prepare indexes to be used to establish when a company is to be considered in crisis) and, in the event of inadequate or lacking response by these, the Committee;

e) during the proceedings, the debtor may apply to the relevant Court for the adoption of protective measures to enable the same to enter into negotiations protected from any action of creditors (in respect of such protective measures, the debtor may postpone the reduction of any losses pursuant to the provisions of article 182 *sexies* the Bankruptcy Law with reference to the debt restructuring agreements and the schemes of arrangements;

f) if within six months from the start of the proceeding the relevant debtor does not adopt appropriate measures to overcome the crisis (including entering into agreements with creditors or filing a debt restructuring agreement in court or apply for an in-court composition with creditors), the Committee reports the state of insolvency, (if any) to the Public Prosecutor (who will be able to file for bankruptcy where the conditions are met).

Finally, in order to encourage the use of Preemptive Proceedings, the Law provides for a system of incentives and penalties:

- Incentives:

1. for debtors who have taken action to overcome the crisis within 6 months from the first sign of its occurrence (using the assistance of the Committee or the proceedings for the approval of a debt restructuring agreement under article 182*bis* of the Bankruptcy Law, or a scheme of arrangement with creditors): (a) there will no penalty for bankruptcy by fund distraction crimes and other bankruptcy offences when they have caused minor damage; (b) a mitigating circumstance with special effect for the other crimes and (c) a reduction of interest and penalties on tax debt;

2. for statutory auditors who immediately report to the directors well-grounded indications of a crisis situation and, in the event of inaction, inform the Committee: exemption from joint liability with the company directors for the damages resulting from events or omissions following their report;

- Penalties:

for qualified public creditors: loss of their priority in payment over their debt in case of failure to report to the supervisory entities and the Committee the persisting default on obligations of a significant amount by the relevant insolvent debtor.

Debt restructuring agreements pursuant to article 182bis of Bankruptcy Law and certified plans under article 67(3)(d) Bankruptcy Law

The amendments introduced by the Delegated Legislation aim to encourage the use of debt restructuring agreements under article 182*bis* of the Bankruptcy Law (the "**182*bis* Agreements**").

As for the certified plans under article 67(3)(d) of the Bankruptcy Law (the "**Certified Plans**"), the legislator has considered necessary to regulate more specifically their content in order to limit the possibility that these are drafted loosely.

Starting from the 182*bis* Agreements, the Delegated Legislation provides as follows:

a) extended application of the cram down: possibility to apply the "cram down" model envisaged in the case of arrangements with banks and financial intermediaries under article 182*septies* of the Bankruptcy Law to all debt restructuring agreements and moratorium agreement which do not provide for liquidation: this means that, once the creditors have been assigned to homogeneous classes based on their economic and legal position, a company may bind all creditors belonging to a certain class to complying with agreements approved by at least 75%

of creditors belonging to the relevant class provided that they have been informed of the opening of negotiations and have been enabled to participate to the resolution;

b) reduction of the required quorum: reduction of the 60% quorum currently required by law for the use of such measure to 30% provided that: (a) the debtor pays creditors not adhering to the plan as their debts become due and (b) does not request protection from enforcement proceedings (see letter c) below);

c) extension of protection: application of a debt moratorium starting from the opening and until the end of the proceedings (today it applies for only 60 days starting from the opening);

d) extension to members with unlimited liability: extension of the effects of the agreement to members with unlimited liability.

As for the certified plans, the Law merely requires that they be in writing, bear certain date and the content is precisely determined.

Schemes of Arrangement

The Law provides for a reorganisation of the provisions on the schemes of arrangement with creditors in order to preserve business continuity and simplification of proceedings. More specifically, the Delegated Legislation provides as follows:

a) marginalisation of schemes of arrangement providing for liquidation: schemes of arrangements with liquidation are only possible where: (i) there is a contribution of external resources which appreciably increases payments in favor of unsecured creditors for at least 10% and, in any case, (ii) a minimum payment of 20% of the total amount of unsecured claims is envisaged;

b) extending the powers of the relevant bankruptcy Court: the Court has the power to assess not only the legal but also the economic feasibility of a scheme of arrangement (this is a step back in respect of the “private” nature of the 2015 reform as well as of the same indications received from the Joint Sections of the Italian Supreme Court (*Corte di Cassazione a Sezioni Unite*) that will not contribute to the success of the provision);

c) qualified majorities: a majority is required not only based on the amount of debt owed but also based on the number of voting creditors if a single creditor holds unsecured debt for an amount equal to or higher than the majority of those eligible to vote; furthermore, the Delegated Legislation calls for a specific regulation on conflict of interest situations. Such choice will make it difficult to carry out typical investment operations involving the purchase of receivables from distressed/insolvent companies in order to then “control” and approve the relevant scheme of arrangement proposal;

d) the definition of a scheme of arrangement in continuity and deferment of privileged claims: it is clarified that a scheme of arrangement in continuity refers to both mixed schemes of arrangements (continuity plus disposal of non-instrumental assets); furthermore, payment of privileged creditors may be postponed up to two years, provided that they are granted voting rights;

e) super senior loans authorised by the court: super senior are confirmed during the proceedings and by way of execution of the plan; super senior loans are no longer permitted;

f) mandatory classation of creditors: creditors must necessarily be divided into classes if there are, among others, creditors assisted by third-party guarantees (and in other cases where there are homogeneous legal positions and economic interests that are to be identified by the Government);

g) electronic vote: the meeting of creditors is replaced by an electronic voting procedure;

h) provisional administration: in the event of obstruction by the debtor, the Court may entrust the implementation of the scheme of arrangement to a provisional administrator entrusted with the powers usually belonging to the creditors' meeting (this power is currently only provided if a competing proposal is accepted);

i) termination of the scheme arrangement by the receiver: the receiver has the power to require, following the request from a creditor, that the scheme of arrangement be terminated, *inter alia*, for non-performance (currently, such right is recognised only to creditors);

j) mergers/demergers/transformations: in the case of extraordinary transactions (mergers, demergers and transformations), (i) the creditors' opposition is exercised in the context of the Schemes of Arrangement; (ii) the effects of extraordinary transactions are irreversible once executed; (iii) the right of withdrawal of shareholders is excluded in the presence of transactions impacting on the organisation or financial structure of the company.

Judicial liquidation

Under the Delegated Legislation bankruptcy is defined as "*judicial liquidation*" and aims at standardizing and simplifying the relevant proceedings which however becomes now residual if a restructuring proceedings on a going concern basis is possible (and reasonably achievable). Among the most important changes there are the following:

a) *assignment of assets to creditors*: the participation of creditors in the auctions of the debtors' assets is facilitated (however, certain aspects of the Delegated Legislation are not very clear on this point); to this end, a body is established which certifies "the reasonable probability of satisfaction of the debts incurred in respect of each proceeding" and which issues to the creditors who so request a debt certificate enabling them to participate to the relevant auction "in proportion to the probability of satisfaction of their credit"; the provision is presumably aiming at giving to the creditors the option to request the assignment of the debtor's assets and pay by means of their debt certificates as endorsed by the certifying body; in fact the law provides for the appointment of a "settlement and central counterparty system operator" which it can be presumed will oversee such operations; the relevant proceedings however remain still to be regulated;

b) *one type of proceedings*: judicial liquidation applies to every category of debtors (e.g. limited liability companies, individuals, professionals) with the sole exclusion of public entities;

c) *efficiency of the proceedings*: a number of further actions are planned in order to reduce the duration and cost of the procedure and make more effective and transparent the receiver's activity as well as the process of determining the bankruptcy estate's liabilities.

Finally, the Delegated Legislation also provides for some further measures intended to reorder and simplify over-indebtedness proceedings by prioritizing business continuity and ensuring the competitiveness of asset sale auctions.

On 14 February 2019, the Legislative Decree No. 14 of 12 January 2019, enacting the above provisions set out under the Delegated Legislation, has been published in the Official Gazette of the Republic of Italy and will enter into force as of 15 August 2020 except for certain provisions relating to corporate organization and director liabilities that will enter into force as of 16 March 2019.

Prospective Noteholders should be aware that, as at the date of this Prospectus, the provisions of the Legislative Decree No. 14 of 12 January 2019 amending the Bankruptcy Law have not been entered into force and have not been tested in any case law nor specified in any further regulation. Therefore, the Issuer cannot predict their impact as at the date of this Prospectus.

Italian Usury Law

Italian Law no. 108 of 7 March 1996, amended and supplemented from time to time (the "**Usury Law**") introduced legislation preventing lenders from applying interest rates equal to or higher than rates (the "**Usury Rates**") set every 3 months on the basis of a decree issued by the Italian Treasury (the last such decree having been issued on 25 March 2019 published in the Official Gazette No. 76 of 30 March 2019). In addition, even where the applicable Usury Rates are not exceeded, interest and other advantages and/or remuneration may be held to be usurious if: (i) they are disproportionate to the amount lent (taking into account the specific circumstances of the transaction and the average rate usually applied for similar transactions) and (ii) the person who paid or agreed to pay was in financial and economic difficulties. The provision of usurious interest, advantages or remuneration has the same consequences as non-compliance with the Usury Rates. Any provision in loan agreements imposing interest exceeding the Usury Rates is null and void and no interest will be due in respect of the loan pursuant to Article 1815(2) of the Italian Civil Code.

In some judgements issued during 2000, the Italian Supreme Court (*Corte di Cassazione*) ruled that the Usury Law applied both to loans advanced prior to and after the entry into force of the Usury Law. Moreover, according to a certain interpretation of the Usury Law (which was generally considered, in the Italian legal community, to have been accepted in the above mentioned rulings of the Italian Supreme Court (*Corte di Cassazione*)), if at any point in time the rate of interest payable on a loan (including a loan entered into before the entry into force of the Usury Law or a loan which, when entered into, was in compliance with the Usury Law) exceeded the then applicable Usury Rate, the contractual provision providing for the borrower's obligation to pay interest on the relevant loan became null and void in its entirety.

On 29 December 2000, the Italian Government issued law decree No. 394 ("In*terpretazione autentica della legge 7 marzo 1996, n. 108*") (the "**Decree 394/2000**"), turned into Law No. 24 of 28 February 2001 ("*Conversione in legge, con modificazioni, del decreto-legge 29 dicembre 2000, n. 394, concernente interpretazione autentica della legge 7 marzo 1996, n. 108, recante disposizioni in materia di usura*"), which clarified the uncertainty over the interpretation of the Usury Law and provided, inter alia, that interest will be deemed to be usurious only if the interest rate agreed by the parties exceeded the Usury Rates applicable at the time the relevant loan agreement or such other credit facility was entered into or the interest rate was agreed. Decree 394/2000 also provided that as an extraordinary measure due to the exceptional fall in interest rates in 1998 and 1999, interest rates due on instalments payable after 2 January 2001 on fixed rate loans (other than subsidised loans) already entered into on the date such decree came into force (such date being 31 December 2000) are to be substituted, except where the parties have agreed to more favourable terms, with a lower interest rate set in accordance with parameters fixed by such decree by reference to the average gross yield of multiannual treasury bonds (*Buoni del Tesoro Poliennali*) in the period from January 1986 to October 2000. The Italian Constitutional Court (*Corte Costituzionale*) has rejected, with decision no. 29/2002 (deposited on 25th February 2002), a constitutional exception raised by the Court of Benevento concerning Article 1, paragraph 1, of the Usury Law. In so doing, the Constitutional Court has confirmed the constitutional validity of the provisions of the Usury Law which holds that the interest rates may be deemed to be void due to usury only if they infringe the Usury Law at the time they are agreed upon between the borrower and the lender and not as at the time such rates are actually paid by the borrower.

Certain decisions of the Italian Supreme Court (*Corte di Cassazione*) have applied the above principle and have, therefore, deemed lawful (also from a civil law perspective) interest rates which were compliant with the Usury Rates as at the time of the execution of the financing agreements but exceeded such threshold thereafter. On the other hand, according to other decisions of the Italian Supreme Court (*Corte di Cassazione*), the remuneration of any given financing must be below the applicable Usury Rate from time to time applicable. Based on this recent evolution of case law on the matter, it will constitute a breach of the Usury Law if the remuneration of a financing is lower than the applicable Usury Rate at the time the terms of the financing were agreed but becomes higher than the applicable Usury Rate at any point in time thereafter. Furthermore, those court precedents have also stated that default interest rates are relevant and must be taken into account when calculating the aggregate remuneration of any given financing for the purposes of determining its compliance with the applicable Usury Rate. That interpretation is in contradiction with the current methodology for determining the Usury Rates, considering that the relevant surveys aimed at calculating the applicable average rate never took into account the default interest rates. On 3 July 2013, also the Bank of Italy has confirmed in an official document that default interest rates should be taken into account for the purposes of the Usury Rates and has acknowledged that there is a discrepancy between the methods utilised to determine the remuneration of any given financing (which must include default rates) and the applicable Usury Rates against which the former must be compared.

To solve such a contrast between different Italian Supreme Court (*Corte di Cassazione*) decisions, a recent decision by the Italian Supreme Court (*Corte di Cassazione*) joint sections (*Sezioni Unite*) (n.

24675 dated 18 July 2017) finally stated that interest rates which were compliant with the Usury Rates as at the time of the execution of the financing agreements but exceeded such threshold thereafter, are lawful also from a civil law perspective falling outside of the scope of the Usury Law. In this respect, due to the recent date of this last decision, it remains unclear how such decision will be applied by the merit courts.

Pursuant to the Warranty and Indemnity Agreement the relevant Originator has represented and warranted that the interest rates applicable to the Loans as at the date of execution of the relevant Loan Agreements are in compliance with the then applicable Usury Rate.

Prospective Noteholders should note that, whilst each Originator has undertaken in the Warranty and Indemnity Agreement to indemnify the Issuer in respect of any loss, damage and reasonable cost, charge and/or expense that may be incurred by the Issuer in connection with any loss or reduction in any interest accrued on the Loans as result of breach of any law (including the Usury Law), the ability of the Issuer to maintain scheduled payments of interest and principal on the Notes may be adversely affected as a result of a Loan being found to be in contravention with the Usury Law, thus allowing the relevant debtor to claim relief on any interest previously paid and obliging the Issuer in the future to accept a reduced rate of interest, or potentially no interest, payable on such Loan.

Article 120-ter of the Consolidated Banking Act

Article 120-ter of the Consolidated Banking Act provides that any provision imposing a prepayment penalty in case of early redemption of mortgage loans is null and void with respect to mortgage loan agreements entered into, with an individual as borrower, for the purpose of purchasing or restructuring real estate properties destined to residential purposes or to carry out the borrower's own professional and business activity.

The Italian banking association ("**ABI**") and the main national consumer associations have reached an agreement (the "Prepayment Penalty Agreement") regarding the equitable renegotiation of prepayment penalties with certain maximum limits calculated on the outstanding amount of the loans (the "**Substitutive Prepayment Penalty**") containing the following main provisions: (i) with respect to variable rate loan agreements, the Substitutive Prepayment Penalty should not exceed 0.50% and should be further reduced to (a) 0.20% in case of early redemption of the loan carried out within the third year from the final maturity date and (b) zero, in case of early redemption of the loan carried out within two years from the final maturity date, (ii) with respect to fixed rate loan agreements entered into before 1 January 2001, the Substitutive Prepayment Penalty should not exceed 0.50%, and should be further reduced to: (a) 0.20%, in case of early redemption of the loan carried out within the third year from the final maturity date; and (b) zero, in case of early redemption of the loan carried out within two years from the final maturity date, (iii) with respect to fixed rate loan agreements entered into after 31 December 2000, the Substitutive Prepayment Penalty should be equal to: (a) 1.90% if the relevant early redemption is carried out in the first half of loan's agreed duration; (b) 1.50% if the relevant early redemption is carried out following the first half of loan's agreed duration, provided however that the Substitutive Prepayment Penalty should be further reduced to: (x) 0.20%, in case of early redemption of the loan carried out within three years from the final maturity date; and (y) zero, in case of early redemption of the loan carried out within two years from the final maturity date.

The Prepayment Penalty Agreement introduces a further protection for borrowers under a "safeguard" equitable clause (the "**Clausola di Salvaguardia**") in relation to those loan agreements which already provide for a prepayment penalty in an amount which is compliant with the thresholds described above. In respect of such loans, the Clausola di Salvaguardia provides that: (1) if the relevant loan is either: (x) a variable rate loan agreement; or (y) a fixed rate loan agreement entered into before 1 January 2001 the amount of the relevant prepayment penalty shall be reduced by 0.20%; (2) if the relevant loan is a fixed rate loan agreement entered into after 31 December 2000, the amount of the relevant prepayment

penalty shall be reduced by (x) 0.25% if the agreed amount of the prepayment penalty was equal or higher than 1.25%; or (y) 0.15%, if the agreed amount of the prepayment penalty was lower than 1.25%.

Finally the Prepayment Penalty Agreement sets out specific solutions with respect to hybrid rate loans which are meant to apply to the hybrid rates the provisions, as more appropriate, relating respectively to fixed rate and variable rate loans.

Article 120-quater of the Consolidated Banking Act

Article 120-quater of the Consolidated Banking Act provides that, in case of a loan, overdraft facility or any other financing granted by a bank, the relevant borrower can exercise the right of prepayment of the loan and/or subrogation of a new bank into the rights of their creditors in accordance with Article 1202 (*surrogazione per volontà del debitore*) of the Italian civil code (the "**Subrogation**"), even if the borrower's debt towards the lending bank is not due and payable or a term for repayment has been agreed for the benefit of the creditor. If the Subrogation is exercised by the borrower, a new lender will succeed to the former lender also as beneficiary of all existing ancillary security interests and guarantees. Any provision of the relevant agreement which may prevent the borrower from exercising such Subrogation or render the exercise of such right more cumbersome for the borrower is void. The borrower shall not bear any notarial or administrative cost connected to the Subrogation.

Furthermore, paragraph 7 of Article 120-quater of the Consolidated Banking Act provides that, in case the Subrogation is not perfected within 30 (thirty) business days from the date on which the original lender has been requested to cooperate for the conclusion of the Subrogation, the original lender shall indemnify the borrower for an amount equal to 1 per cent of the loan or facility granted, for each month or fraction of month of delay. The original lender has the right to ask for indemnification from the subrogating lender, in case the latter is to be held liable for the delay in the conclusion of the Subrogation.

As a result of the Subrogation, the rate of prepayment of the Loans might materially increase; such event might have an impact on the yield to maturity of the Notes.

Suspension of mortgage instalments

Italian Law No. 244 of 24 December 2007, the Italian budget law for year 2008 (the "**2008 Budget Law**"), provides, inter alia, that borrowers of loans granted for the purchase of real estate property to be used as the borrower's main residence (*abitazione principale*) may request that payment of instalments thereunder be suspended at the terms specified therein.

The 2008 Budget Law provided for the establishment of a fund (*fondo di solidarietà per i mutui per l'acquisto della prima casa*) (the "**Fund**") created for the purpose of bearing certain costs deriving from the suspension of payments by the borrowers and referred to an implementing regulation to be issued by the Ministry of the Economy and Finance (*Ministro dell'economia e delle finanze*) in conjunction with the Ministry of the Social Solidarity (*Ministro della solidarietà sociale*). Pursuant to the decree of the General Director of Treasury Department of the Ministry of Economy and Finance issued on 14 September 2010, Concessionaria Servizi Assicurativi S.p.A ("**CONSAP**") was selected as managing company of the Fund.

On 21 June 2010, Ministerial Decree number 132 issued by the Ministry of Economy and Finance and published in the Official Gazette of the Republic of Italy on 18th of August 2010 (the "**Decree 132**"), as amended by Decree number 37 of 22 February 2013 (the "**Decree 37**"), set out the requirements to be complied with by borrowers in order to have the right to the aforementioned suspension and the subsequent aid from the Fund.

The 2008 Budget Law has been supplemented by Law No. 92 of 28 June 2012 (the "**Law 92**"), which has modified the requirements to be met by borrowers to benefit of the aids provided for by the Fund. In particular, Law 92 provides that the suspension of the payment of mortgage loans instalments can be granted for a period of 18 (eighteen) months upon the occurrence of at least one of the following events with respect to the relevant borrower:

(i) termination of an employment contract of indeterminate duration;

(ii) termination of a fixed term employment contract;

(iii) termination of one of the employment relationships provided for by Article 409, No. 3 of the Italian civil procedure code; or

(iv) death or declaration of handicap or disability for at least 80%.

Decree 132 has been supplemented by the Decree 37, entered into force on 27 April 2013, which has been enacted for the purpose of making Decree 132 compliant with the new provisions of Law 92.
Starting from 27 April 2013, new requests to access to the aids granted by the Fund shall be submitted (in accordance with the requirements and the conditions provided for by Law 92) by using the documentation published on the CONSAP official website http://www.consap.it/ or on the Ministry of Economy and Finance web-site (www.dt.tesoro.it) (for the avoidance of doubt, such websites do not constitute part of this Prospectus). As to regard, the requests submitted to CONSAP before 17 July 2012, such requests shall be regulated by the provisions of the Decree 132.

As specified in Law 92, the suspension of payments of the instalments can be granted also in favour of mortgage loans which have been object of securitisation transactions.

Any Borrower who will comply with the requirements set out in Law 92 might have the right to suspend the payment of the instalments of its Loan and therefore there is the risk that the Issuer will experience a consequential delay in the collection of the relevant instalments. A significant number of applications by Borrowers concentrated over a specific period will have an adverse impact on the Issuer's cash flow of that period, although it should be considered that the aforementioned aids will be granted to the borrowers within the limits of the budget available to the Fund. Pursuant to the Italian Law Decree No. 102 of 31 August 2013, converted into Italian Law No. 124 of 28 October 2013, the budget of the Fund is increased of Euro 20,000,000 for each of 2014 and 2015 years.

It should be noted that, according to the selection Criteria set out in the Transfer Agreements, the Portfolios do not comprise Loan Agreements in respect of which, as at the Effective Date, the relevant borrower has been granted with suspension of the payments of the mortgage loan instalments (for the principal or also for the interest component). In this respect, moreover, pursuant to the Servicing Agreement, each Originator, in each capacity as Servicer, has been empowered to grant to the Borrower the suspension of payments of the relevant instalments within the limits provided for under the same Servicing Agreement. For further information please see "*Description of the Transaction Documents - The Servicing Agreement*".

The Families Plan

On 1 April 2015, the Italian Banking Association ("**ABI**") and some consumers associations signed a convention (the "ABI Convention") concerning the temporary suspension of payments of the principal quota of instalments due by individuals to the banking system in order to help those families stricken by the financial crisis ("**Families Plan**").

The Families Plan is in addition to the Fund ("*Fondo di solidarietà per i mutui per l'acquisto della prima casa*" (for more information please see the section headed "*Suspension of mortgage instalments*" above).

The Families Plan provides the possibility for individuals (upon certain conditions have been met) to request, within 31 December 2017, the suspension (only for one time and for a period not longer than 12 months) of the principal component of the instalments (the "**Suspension**").

The granting of the Suspension does not cause the application of any fees or default interest for the suspension period, except when the relevant borrower is in breach of its obligation to pay the interest component of the loan instalments at their original scheduled due dates.

As a consequence of the Suspension, the reimbursement plan will be extended for a period equal to the Suspension. The borrower shall, in any case, continue to pay, at their original scheduled due dates, the interest component of the loan instalments.

The Suspension applies to:

1. loans granted for the purchase of real estate property to be used as the borrower's main residence (*abitazione principale*), only upon the occurrence of the event listed in point 3 (c) of ABI Convention (e.g. suspension of the working relationship or reduction of the working time for a period of at least 30 days); and

2. consumer's loans granted to individuals in accordance with the provision of article 121 of the Consolidated Banking Act, having a duration higher than 24 months and a so-called *French* amortisation plan, regardless of the type of contractual interest rate.

In particular, it should be noted that, pursuant to the ABI Convention, also the loans which have been securitised in accordance with the provisions of the Securitisation Law may benefit of the Suspension. In addition, the ABI Convention specifically set out the case in which the Suspension shall not be granted (e.g. loans having late instalments for more than 90 days or loans which have already benefited of other suspensions for a period of 12 months).

The Suspension can be granted upon the occurrence, in the 24 months preceding the request of such Suspension, of one of the following events:

(i) closing down of a permanent employment relationship (*rapporto di lavoro subordinato*), other than in the event of consensual termination (*risoluzione consensuale*) of such employment relationship or in the events in which the termination is due to the bypass of the age limit, with the consequent right to benefit of an old-age pension (*pensione di anzianità*), or in the events of resignation not for justified cause (*giusta causa*) or in the events of termination of the employment relationship for justified cause (giusta causa) or subjective justification (*giustificato motivo soggettivo*);

(ii) closing down of the employment relationships under article 409, paragraph 3, of the Italian civil procedure code, other than the cases of consensual termination, withdrawal of the employer for justified cause (*giusta causa*) or withdrawal of the employee not for justified cause (*giusta causa*);

(iii) suspension of the employment relationship or reduction of the working time for a period of at least 30 days, also before the issuing of the relevant measures authorizing an income support (*sostegno al reddito*);

(iv) death or cases of loss of self-sufficiency (*condizioni di non autosufficienza*).

In any case, it should be noted that banks and the financial intermediaries may, at their discretion, grant to their customers suspensions at more favorable conditions than the ones provided under the Families Plan.

Finally, banks and financial intermediaries shall bring into effect the ABI Convention within 60 days from its execution.
On 21 November 2017, ABI and the associations of the representative of the consumers agreed to extend the validity of the Families Plan up to 31 July 2018.

Compounding of interest

According to article 1283 of the Italian civil code, in respect of a monetary claim or receivable, accrued interest can be capitalised after a period of not less than 6 (six) months provided that the capitalisation has been agreed after the date on which it has become due and payable or from the date when the relevant legal proceedings are commenced in respect of that monetary claim or receivable. According to article 1283 of the Italian civil code, such provision may be derogated from only in the event that there are recognised customary practices (*usi*) to the contrary. Traditionally, capitalisation of interest (including the capitalisation of interest on bonds and other debt instruments) in the Republic of Italy was a common market practice on the grounds that such practice could be characterised as a customary rule (*uso normativo*). However, according to certain judgements from Italian courts (including judgements no. 2374/99 and no. 2593/03 of the Italian Supreme Court (*Corte di Cassazione*)), such practice has been re-characterised as an agreed clause (*uso negoziale*) and, as such, has been deemed not to permit derogation from the aforementioned provisions of the Italian civil code.

In this respect, it should be noted that article 25, paragraph 3, of Legislative Decree no. 342 of 4 August 1999 ("**Legislative Decree 342**") enacted by the Italian Government under a delegation granted pursuant to Law no. 142 of 19 February 1992 (the "**Law 142**") has considered the capitalisation of accrued interest (*anatocismo*) made by banks prior to the date on which it came into force (19 October 1999) to be valid. After such date, the capitalisation of accrued interest will still be possible upon the terms established by a resolution of the Interministerial Committee of Credit and Saving (C.I.C.R.) issued on 9 February 2000. Legislative Decree 342 has been challenged, however, before the Italian Constitutional Court (*Corte Costituzionale*) on grounds it falls outside the scope of the legislative powers delegated under Law 142. On these grounds, by decision no. 425 dated 9 October 2000 issued by the Italian Constitutional Court (*Corte Costituzionale*), article 25, paragraph 3, of Legislative Decree 342 has been declared as unconstitutional.

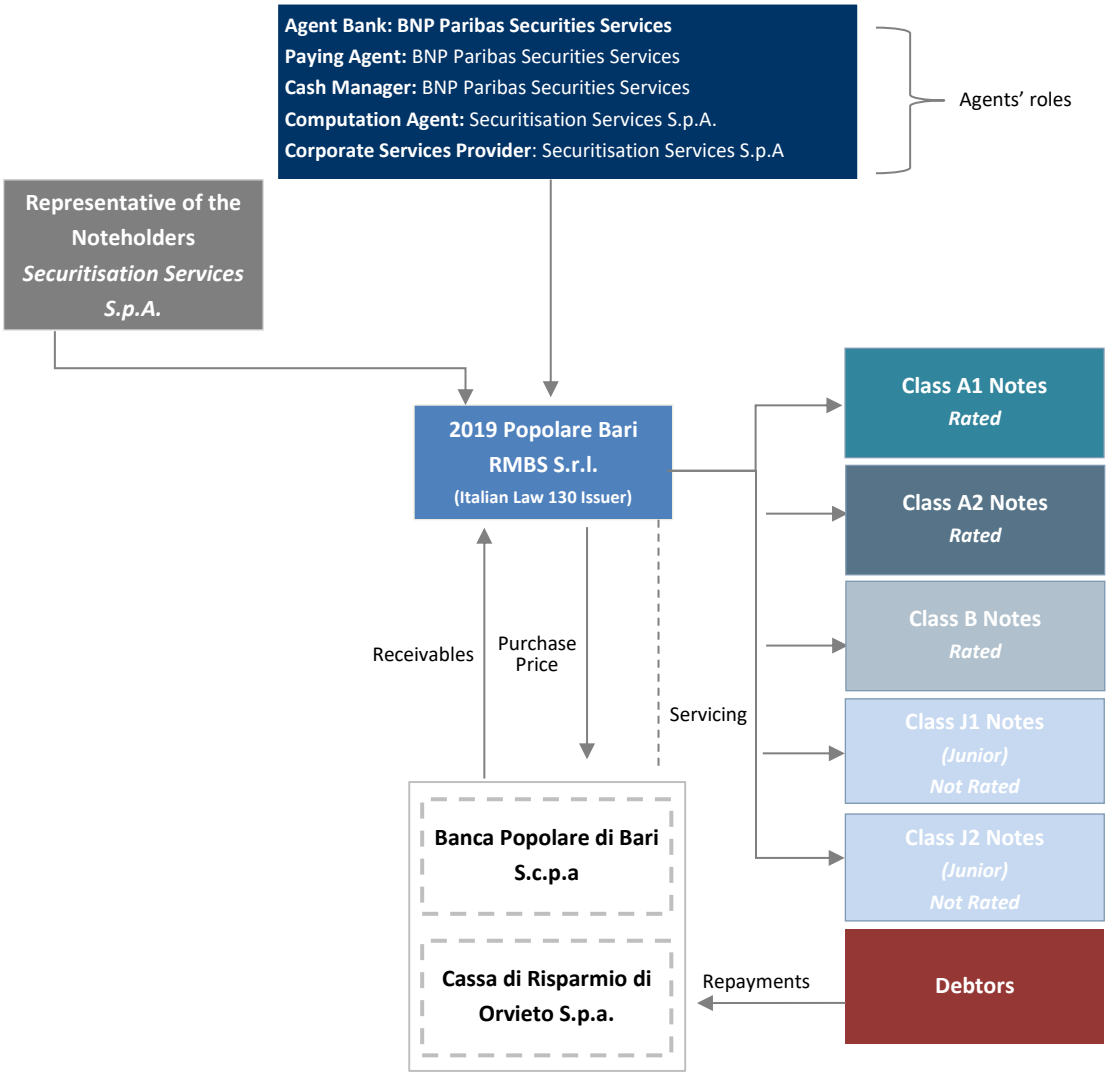
In the decision no. 21095/04, the *Sezioni Unite* of the Italian Supreme Court (*Corte di Cassazione*) have confirmed that the interpretation according to which the capitalisation of accrued interest on a quarterly basis is not to be considered as a customary rule (*uso normativo*) and have moreover expressly stated that such capitalisation is not valid even if made before the above described rulings of the Italian Supreme Court (*Corte di Cassazione*) which first stated the relevant principal in 1999. Consequently, if Borrowers were to challenge this practice, it is possible that such interpretation of the Italian civil code would be upheld before other courts in the Republic of Italy and that the returns generated from the Loan Agreements may be prejudiced.

With respect to this matter, a ruling dated 29 October 2008 by the Court of Bari declared some mortgage loan agreements (executed in 1988 and 1989) that were based upon the amortisation method known as "French amortisation" (i.e. mortgage loans with fixed instalments, made up of an amount of principal (that progressively increases) and an amount of interest (that decreases as repayments are made) calculated with a compound interest formula, as partially void. In the case at hand, the technical consultancy requested by the judge showed that the instalments were calculated with a compound interest formula not expressly stated in the agreement, and that from the application of such formula the effective interest was higher than the nominal interest. The borrowers were not able to realise, therefore, at the time of execution of the relevant mortgage loans, the effective high interest to be paid, as the nominal annual interest was that resulting from the agreement while the effective interest could only be inferred from time to time on the basis of the amortisation plan. Considering that the calculation of compound interest is permitted only within the limits of article 1283 of the Italian civil code, as described above (i.e. the compounding has to follow the maturation of interest and never to precede it, as occurs in such French amortisation), the judge declared that the relevant mortgage loans were partially void and recalculated the amortisation plans with reference to the applicable legal rate, so determining an interest rate lower than to that paid by the borrowers. In judgement No. 2608 of 30 May 2018 the Court of Turin stated that, in case of "French amortisation plans", such amortisation method does not entail capitalization of interest. The Court concluded that such amortisation method does not fall within the prohibition of compound of interest set out under article 1283 of the Italian civil code. It is to be noted in any case that the above-mentioned decision has been issued by a Court of first degree (*Tribunale*) and therefore it could be overturned (or confirmed) by a judgment of the competent Court of Appeal. Information on the current status of such potential appeal are not, as of today, known nor available.

It should be noted that paragraph 2 of article 120 of the Consolidated Banking Act, concerning compounding of interest accrued in the context of banking transactions, has been amended by article 17-bis of Law Decree number 18 of 14 February 2016 (as converted into law by Law number 49 of 8 April 2016), providing that interests (other than defaulted interests) shall not accrue on capitalised interests. Paragraph 2 of article 120 of the Consolidated Banking Act also delegated to the CICR to establish the methods and criteria for the compounding of interest. In this respect, the CICR, pursuant to a resolution dated 3 August 2016, (the "**2016 Resolution**") has provided, inter alia, that: (i) interest is to be accounted separately from principal; (ii) as already provided under new article 120 of the Consolidated Banking Act, interest becomes due from the 1st of March after the year in which it accrued. Provided that, in any case, such interest becomes payable, after a 30-day period (which begins from the day on which the relevant borrower becomes aware of the amount to be paid) during which the borrower could pay such interest without being in default; and (iii) the debtor and the bank can agree in advance - in order to avoid payment of the arrears or the beginning of legal proceedings – to charge the interest directly to the relevant borrower's account using including via an overdraft facility (with the consequent accrual of interest on the amounts used to extinguish such debt). Intermediaries shall apply 2016 Resolution, at the latest, from 1st October 2016. However, the impact of such implementation provisions may not be predicted as at the date hereof.

Prospective Noteholders should note that under the Warranty and Indemnity Agreement the Originators have represented that all the Loan Agreements (i) have been executed and performed in compliance with the provisions of article 1283 of the Italian civil code, and (ii) expressly mention the ISC (*indicatore sintetico di costo*) for the relevant Loan.

TRANSACTION DIAGRAM



TRANSACTION OVERVIEW

The following information is an overview of the transactions and assets underlying the Notes and is qualified in its entirety by reference to the more detailed information presented elsewhere in this Prospectus and in the Transaction Documents. It is not intended to be exhaustive and prospective noteholders should also read the detailed information set out elsewhere in this document.

1. THE PRINCIPAL PARTIES

Issuer	**2019 POPOLARE BARI RMBS S.R.L.**, a company incorporated under the laws of the Republic of Italy as a società a responsabilità limitata with sole quotaholder, having its registered office at Via V. Alfieri 1, 31015 Conegliano (TV), Italy, quota capital of euro 10,000 fully paid up, fiscal code and enrolment with the Companies Register of Treviso Belluno No. 04748180264, enrolled in the register of special purpose vehicles held by Bank of Italy pursuant to the regulation issued by the Bank of Italy on 7 June 2017 under number 35200.5 and having as its sole corporate object the performance of securitisation transactions under the Securitisation Law (the "**Issuer**").
Originators	**BANCA POPOLARE DI BARI S.C.P.A.**, a bank incorporated in Italy as a *società cooperativa per azioni*, whose registered office is at Corso Cavour, 19, 70122, Bari, share capital fully paid up equal to Euro 800,981,345.00, Fiscal Code, VAT number and registration with the Companies Register in Bari No. 00254030729, holding of the banking group "Banca Popolare di Bari" enrolled with the register of banks held by the Bank of Italy pursuant to Article 13 of the Italian Banking Act with No. 4616 ("**BPB**" or an "**Originator**"). **CASSA DI RISPARMIO DI ORVIETO S.P.A.**, a bank incorporated in Italy as a *società per azioni*, whose registered office is at Orvieto (TR), Piazza della Repubblica n. 21, share capital fully paid up equal to Euro 45,615,730.00, Fiscal Code and registration with the Companies Register in Terni No. 00063960553, belonging to the banking group "Banca Popolare di Bari" subject to the coordination and direction of "Banca Popolare di Bari", enrolled with the register of banks held by the Bank of Italy pursuant to Article 13 of the Italian Banking Act with No. 5123 ("**CRO**" or an "**Originator**" and together with BPB, the "**Originators**").
Agent Bank	**BNP PARIBAS SECURITIES SERVICES, MILAN BRANCH**, a bank incorporated under the laws of the Republic of France as a *société en commandite par actions*, having its registered office at 3, Rue d'Antin, 75002 Paris, France, acting through its Milan Branch, with offices in Piazza Lina Bo Bardi, 3, 20124 Milan, Italy, fiscal code and enrolment in the companies' register of Milan number 13449250151, enrolled under number 5483 in the register of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act ("**BNP Paribas Securities Services, Milan Branch**"), acting as agent bank pursuant to the Cash Administration and Agency Agreement or any person from time to time acting as agent bank (the "**Agent Bank**").

Transaction Bank	**BNP PARIBAS SECURITIES SERVICES, MILAN BRANCH**, acting as transaction bank pursuant to the Cash Administration and Agency Agreement or any person from time to time acting as transaction bank (the "**Transaction Bank**").
Principal Paying Agent	**BNP PARIBAS SECURITIES SERVICES, MILAN BRANCH**, acting as principal paying agent pursuant to the Cash Administration and Agency Agreement or any person from time to time acting as principal paying agent (the "**Principal Paying Agent**").
Representative of the Noteholders	**SECURITISATION SERVICES S.P.A.**, a company with a sole shareholder incorporated as a "società per azioni", having its registered office at Via Alfieri, 1, Conegliano (TV), Italy, share capital of Euro 2,000,000.00 fully paid up, fiscal code and enrolment in the companies' register of Treviso-Belluno under the number 03546510268, VAT Group "Gruppo IVA FININT S.P.A." - VAT number 04977190265, currently enrolled under number 50 in the register of the Intermediari Finanziari held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act, belonging to the banking group known as "Gruppo Banca Finanziaria Internazionale", registered with the register of the banking group held by the Bank of Italy, company subject to the activity of direction and coordination (soggetta all'attività di direzione e coordinamento) pursuant to article 2497 of the Italian civil code of Banca Finanziaria Internazionale S.p.A. ("**Securitisation Services**"), acting as representative of the noteholders pursuant to the Notes Subscription Agreement and the Intercreditor Agreement or any person from time to time acting as representative of the noteholders (the "**Representative of the Noteholders**").
Servicers	**BPB** and **CRO**, acting as servicers pursuant to the Servicing Agreement or any person from time to time acting as servicer (each a "**Servicer**" and together the "**Servicers**").
Master Servicer	**BPB** acting as the master servicer pursuant to the Servicing Agreement or any person from time to time acting as master servicer (the "**Master Servicer**").
Corporate Services Provider	**SECURITISATION SERVICES S.P.A.**, acting as the corporate services provider pursuant to the Corporate Services Agreement or any person from time to time acting as corporate services provider (the "**Corporate Servicer**").
Quotaholder	**SVM SECURITISATION VEHICLES MANAGEMENT S.R.L**, a limited liability company with sole quotaholder incorporated under the laws of the Republic of Italy as a *società a responsabilità limitata*, having its registered office at Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, quota capital of euro 30,000 fully paid up, fiscal code and enrolment in the companies register of Treviso-Belluno number 03546650262 (the "**Quotaholder**").
Cash Manager	**BNP PARIBAS SECURITIES SERVICES, MILAN BRANCH**, acting as the cash manager pursuant to the Cash Administration and Agency Agreement or any person from time to time acting as cash manager (the "**Cash Manager**").

Computation Agent	**SECURITISATION SERVICES S.P.A.**, acting as the computation agent pursuant to the Cash Administration and Agency Agreement or any person from time to time acting as computation agent (the "**Computation Agent**").
Back-up Servicer	**ZENITH SERVICE S.P.A.**, a joint stock company (*società per azioni*) incorporated under the laws of the Republic of Italy, with registered office at Via Vittorio Betteloni 2, 20131 Milan, Italy, fully paid share capital of Euro 2,000,000, fiscal code and enrolment with the companies register of Milan – Monza – Brianza - Lodi number 02200990980, enrolled in the register of financial intermediaries (*Albo Unico*) held by Bank of Italy pursuant to articles 106 of the Consolidated Banking Act, registered under the number 30, ABI Code 32590.2. ("**Zenith**" and the "**Back-up Servicer**").
Swap Counterparty	**NATWEST MARKETS PLC**, having its principal office at 250 Bishopsgate, London EC2M 4AA, United Kingdom (the "**Swap Counterparty**" or "**NWM**").
EMIR Reporting Agent	**NWM**, or any other person from time to time acting as EMIR reporting agent under the EMIR Reporting Agreement (the "**EMIR Reporting Agent**").
Security Trustee	**SECURITISATION SERVICES S.P.A**, acting as security trustee pursuant to the Deed of Charge (the "**Security Trustee**").
Arranger	NatWest Markets Plc, having its principal office at 250 Bishopsgate, London EC2M 4AA, United Kingdom, acting in its capacity as arranger (the "**Arranger**").
Reporting Entity	BPB, acting as reporting entity for the purposes of the Securitisation Regulation pursuant to the Intercreditor Agreement or any person acting as in such capacity from time to time (the "**Reporting Entity**").
Initial Subscribers	BPB and CRO.

2. THE PRINCIPAL FEATURES OF THE NOTES

The Notes

On the Initial Issue Date, the Issuer issued:

(i) Euro 545,000,000 Class A Residential Mortgage Backed Floating Rate Notes due May 2059 (the "**Original Class A Notes**" or the "**Original Senior Notes**");

(ii) Euro 269,877,000 Class J1 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2059 (the "**Original Class J1 Notes**"); and

(iii) Euro 25,776,000 Class J2 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2059 (the "**Original Class J2 Notes**" and together with the Original Class J1 Notes, the "**Original Junior Notes**"; and the Original Junior Notes together with the Original Senior Notes, the "**Original Notes**").

On the Issue Date, the Notes will be issued by the Issuer in the following Classes:

(i) Euro 641,216,000 Class A1 Residential Mortgage Backed Floating Rate Notes due May 2069 (the "**Class A1 Notes**");

(ii) Euro 23,749,000 Class A2 Residential Mortgage Backed Floating Rate Notes due May 2069 (the "**Class A2 Notes**" and together with the A1 Notes, the "**Senior Notes**");

(iii) Euro 31,665,000 Class B Residential Mortgage Backed Floating Rate Notes due May 2069 (the "**Class B Notes**" or the "**Mezzanine Notes**" and, together with the Senior Notes, the "**Rated Notes**");

(iv) Euro 101,265,000 Class J1 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2069 (the "**Class J1 Notes**"); and

(v) Euro 11,591,000 Class J2 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2069 (the "**Class J2 Notes**" and, together with the Class J1 Notes, the "**Class J Notes**" or the "**Junior Notes**").

The Class A1 Notes, the Class A2 Notes, the Class B Notes and the Class J Notes, together the "**Notes**".

The proceeds of the subscription of the Notes will be applied by the Issuer, irrespective of any priority of payments and any contrary provision set forth in the Transaction Documents, to, *inter alia*, (i) redeem the principal amount outstanding of the Original Notes on the Issue Date; and (ii) pay, also by way of set-off, the purchase price of the Additional Portfolios.

ISIN

Class A1 Notes: IT0005386682

Class A2 Notes: IT0005386716

Class B Notes: IT0005386724

Class J1 Notes: IT0005386740

Class J2 Notes: IT0005386732

Issue price

The Notes will be issued at the following percentages of their principal amount:

Class	*Issue Price*
Class A1 Notes	100 per cent
Class A2 Notes	100 per cent
Class B Notes	100 per cent
Class J1 Notes	100 per cent
Class J2 Notes	100 per cent

Interest on the Notes

The rate of interest applicable from time to time in respect of the Notes (the "**Interest Rate**") will be Euribor for 3 month deposits in Euro ("**Three Month Euribor**") (or, in the case of the Initial Interest Period, the rate per annum obtained by linear interpolation of the Euribor for 3 months and 6 months deposits in Euro), as determined

	and defined in accordance with Condition 5 (*Interest*) plus the following relevant margin: a) Class A1 Notes 0.40% *per annum*; b) Class A2 Notes 0.70% *per annum*; c) Class B Notes 1.0% *per annum*; d) Class J1 Notes 0.00% *per annum*; and e) Class J2 Notes 0.00% *per annum*, *provided that* the Interest Rate (being Three Month Euribor plus the relevant margin) applicable to the Notes shall not be negative. The Euribor applicable to the Notes for each Interest Period will be determined on the date falling two Business Days prior to the Payment Date at the beginning of such Interest Period (except in respect of the Initial Interest Period, where the applicable Euribor will be determined two Business Days prior to the Issue Date). In addition, a Class J1 Notes Additional Return and a Class J2 Notes Additional Return (each as defined below) may or may not be payable on the Class J Notes on each Payment Date in accordance with the Conditions.
Payment Date	Interest on the Notes will accrue on a daily basis and will be payable quarterly in arrear in Euro, in accordance with the applicable Order of Priority, on the last Business Day of February, May, August and November in each year (each such date a "**Payment Date**"). The first Payment Date will fall on 28 February 2020 (the "**First Payment Date**").
Class J Additional Return	Means, (i) on each Payment Date on which the Pre-Acceleration Order of Priority applies, an amount payable on the Class J Notes equal to the Issuer Available Funds available on such Payment Date after payment of items from *First* to *Nineteenth* (included) of the Pre-Acceleration Order of Priority; or (ii) on each Payment Date on which the Acceleration Order of Priority applies, an amount equal to the Issuer Available Funds available on such Payment Date after payment of items from *First* to *Twelfth* (included) of the Acceleration Order of Priority; plus, for the avoidance of doubt, (iii) on the Payment Date on which the Notes are redeemed in full or cancelled or the Final Maturity Date, any surplus remaining on the balance of the Accounts (other than Quota Capital Account and the Collateral Account), as well as any other residual amount collected by the Issuer in respect of the Transaction in proportion to the Outstanding Principal Amount of the Claims comprised in the relevant Portfolio as at the applicable Effective Date. The Class J Notes Additional Return will be paid: (i) on the Class J1 Notes in an amount equal to the Class J1 Notes Additional Return; and (ii) on the Class J2 Notes in an amount equal to the Class J2 Notes Additional Return.
Class J1 Notes Additional Return	Means the Class J Notes Additional Return payable in respect of the Class J1 Notes, in the amount determined in accordance with item *Seventeenth* of the Relevant Single Portfolio Priority of Payment.
Class J2 Notes Additional Return	Means the Class J Notes Additional Return payable in respect of the Class J2 Notes, in the amount determined in accordance with item *Twentieth* of the Relevant Single Portfolio Priority of Payment.
Unpaid interest	Without prejudice to Condition 9(i) (*Non-payment*), in the event that the Issuer Available Funds available to the Issuer on any Payment

	Date (in accordance with the Pre-Acceleration Order of Priority or the Acceleration Order of Priority, as applicable), for the payment of interest on the Notes on such Payment Date are not sufficient to pay in full the relevant Interest Amount, the amount by which the aggregate amount of interest paid on such Payment Date falls short of the Interest Amount which would otherwise be due, shall be aggregated with the amount of, and treated for the purposes of the Conditions as if it were, Interest Amount payable on the Notes on the immediately following Payment Date. Any such unpaid amount shall not accrue additional interest.
Withholding on the Notes	As at the date of this Prospectus, payments of interest, Class J1 Notes Additional Return, Class J2 Notes Additional Return and other proceeds under the Notes may be subject to withholding or deduction for or on account of Italian tax, in accordance with Italian Legislative Decree number 239 of 1 April 1996. Upon the occurrence of any withholding or deduction for or on account of tax from any payments under the Notes, neither the Issuer nor any other person shall have any obligation to pay any additional amount(s) to any holder of the Notes.
Form and denomination of the Notes	The denomination of the Rated Notes will be €100,000 and multiples of €1,000; the denomination of the Junior Notes will be €50,000 and multiples of €1,000. The Notes will be held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holders. The Notes will be accepted for clearance by Monte Titoli with effect from the Issue Date. The Notes will at all times be in book entry form and title to the Notes will be evidenced by book entries in accordance with the provision of article 83-*bis* of the Consolidated Financial Act and regulation of 13 August 2018 jointly issued by the Bank of Italy and CONSOB, as subsequently amended and supplemented from time to time. No physical document of title will be issued in respect of the Notes.

3. ACCOUNTS AND DESCRIPTION OF CASH FLOWS

ACCOUNT HELD WITH BANCA FINANZIARIA INTERNAZIONALE S.P.A.	Pursuant to a separate agreement entered into before the Initial Issue Date, the Issuer has established with Banca Finanziaria Internazionale S.p.A., the following account in the name of the Issuer:
Quota Capital Account	A Euro denominated account (the "**Quota Capital Account**") (*Conto Capitale Sociale*) into which all sums contributed by the Quotaholder as quota capital of the Issuer and any interest thereon shall be credited.
ACCOUNT HELD WITH BANCA MONTE DEI PASCHI DI SIENA S.P.A.	Pursuant to a separate agreement entered into before the Initial Issue Date, the Issuer has established with Banca Monte dei Paschi di Siena S.p.A., the following account in the name of the Issuer:
Expenses Account	A Euro denominated account (the "**Expenses Account**") (*Conto Spese*): a) into which: (i) on the Initial Issue Date the Retention Amount was credited from the Payments Account; and (ii) on each Payment Date an amount shall be paid from the Payments Account in accordance with the applicable Order of Priority so that the balance standing to the credit of the Expenses

Account on such Payment Date is equal to the Retention Amount; and

b) out of which: (i) any taxes due and payable on behalf of the Issuer and any fees, costs and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing and comply with applicable legislation and regulations or to fulfil payment obligations of the Issuer to third parties (other than the Noteholders and the Other Issuer Creditors) incurred in relation to the Transaction will be paid on any Business Day; and (ii) on the Business Day immediately preceding the earlier of (a) the Payment Date on which the Notes will be redeemed in full or cancelled and (b) the Final Maturity Date, any amount standing to the credit of the Expenses Account shall be transferred to the Payments Account.

ACCOUNTS HELD WITH THE TRANSACTION BANK

Pursuant to the terms and conditions of the Cash Administration and Agency Agreement, the Issuer has directed the Transaction Bank to establish, maintain and operate the following accounts as separate accounts in the name of the Issuer:

Collection Accounts

a Euro denominated account (the "**BPB Collection Account**"):

a) into which: (i) all amounts received or recovered by the Issuer or by the relevant Servicer on behalf of the Issuer in respect of the BPB Portfolio shall be credited by 18:00 (Italian time) on the Business Day following the day on which the relevant Servicer has received or recovered the relevant amounts (except for the amounts received or recovered by the relevant Servicer in respect of the Additional Portfolio forming part of the BPB Portfolio from the relevant Effective Date (included) until two Business Days preceding the Issue Date which shall be credited not later than the Business Day preceding the Issue Date); (ii) any amount due by the relevant Servicer in respect of the BPB Portfolio to the Issuer as indemnity for the renegotiation of the BPB Claims pursuant to the Servicing Agreement shall be credited; and (iii) all amounts due by the relevant Originator to the Issuer under the terms of the Warranty and Indemnity Agreement shall be credited; and

b) out of which: any amount standing to the credit of the BPB Collection Account will be transferred, by close of business on the same Business Day, into the Investment Account.

A Euro denominated account (the "**CRO Collection Account**" and together with the BPB Collection Account, the "**Collection Accounts**"):

a) into which: (i) all amounts received or recovered by the Issuer or by the relevant Servicer on behalf of the Issuer in respect of the CRO Portfolio shall be credited by 18:00 (Italian time) on the Business Day following the day on which the relevant Servicer has received or recovered the relevant amounts (except for the amounts received or recovered by the relevant Servicer in respect of the Additional Portfolio forming part of the CRO Portfolio from the relevant Effective Date (included) until two Business Days preceding the Issue Date which shall be credited not later than the Business Day preceding the Issue Date); (ii) any amount due by the relevant Servicer in respect of the

CRO Portfolio to the Issuer as indemnity for the renegotiation of the CRO Claims pursuant to the Servicing Agreement shall be credited; and (iii) all amounts due by the relevant Originator to the Issuer under the terms of the Warranty and Indemnity Agreement shall be credited; and

b) out of which: any amount standing to the credit of the CRO Collection Account will be transferred, by close of business on the same Business Day, into the Investment Account.

Payments Account

A Euro denominated account (the "**Payments Account**"):

a) into which: (i) all amounts standing to the credit of the Investment Account and in general any sums arising from the liquidation, disposal or maturity of the Eligible Investments (including any profit generated thereby or interest matured thereon) shall be credited 2 (two) Business Days prior to each Payment Date; (ii) all amounts received from the sale of all or part of the Portfolios (other than amounts due by either Originator to the Issuer under the terms of the Warranty and Indemnity Agreement), should such sale occur, shall be credited; (iii) on the Business Day immediately preceding the earlier of (a) the Payment Date on which the Notes will be redeemed in full or cancelled and (b) the Final Maturity Date, the residual amount standing to the credit of the Expenses Account shall be transferred; (iv) on the Issue Date the subscription price of the Notes (net of any set off agreed in the Notes Subscription Agreement) shall be credited; (v) any net amount due from the Swap Counterparty under the Swap Agreement will be paid two Business Days before each Payment Date, but which shall, for the avoidance of doubt, exclude any collateral transferred under the Swap Agreement with respect to which reference is made in the description of the Collateral Account below; (vi) any Swap Collateral Account Surplus shall be credited in accordance with the Collateral Account Priority of Payments; and

b) out of which: (i) on the Business Day prior to each Payment Date, an amount equal to all payments of interest, and principal and other amounts payable under the Notes as set forth under the relevant Order of Priority on the immediately following Payment Date shall be transferred to the Principal Paying Agent in accordance with Clause 4.2 of the Cash Administration and Agency Agreement; (ii) on each Payment Date all other payments to the Other Issuer Creditors and any third party creditors of the Transaction and any other payment or transfer set forth under the relevant Order of Priority shall be made in accordance with the Intercreditor Agreement, the applicable Order of Priority and the relevant Payments Report; (iii) any amount standing to the credit thereof will be transferred to the Investment Account 1 (one) Business Day after each Payment Date (other than the Payment Date on which the Notes will be redeemed in full or cancelled and the Final Maturity Date); (iv) on the Issue Date (1) an amount to bring the liquidity reserve up to the Liquidity Reserve Amount shall be transferred to the Investment Account (2) an amount (net of any set off agreed in the Notes Subscription Agreement) shall be applied in redemption of the Original Notes in full and (3) an amount (net of any set off agreed in the Notes

Subscription Agreement) shall be transferred to the Originators as payment for the Additional Portfolios pursuant to the Additional Transfer Agreements.

Liquidity Reserve Account

A Euro denominated account (the "**Liquidity Reserve Account**"):

a) into which: on each Payment Date prior to the delivery of a Trigger Notice, all sums payable under item *Sixth* of the Pre-Acceleration Order of Priority shall be credited; and

b) out of which: on the Business Day following each Payment Date the amount standing to the credit of the Liquidity Reserve Account will be transferred into the Investment Account.

Investment Account

A Euro denominated account (the "**Investment Account**"):

a) into which: (i) any amounts standing to the credit of the Collection Accounts on each Business Day will be transferred by close of business on the same Business Day; (ii) all sums arising from the Portfolios and all other sums which are not directly attributable to the Portfolios, collected or received by the Issuer under any Transaction Document to which the Issuer is a party shall be credited promptly upon receipt, if not credited to other accounts pursuant to the Transaction Documents; (iii) any amount credited into the Liquidity Reserve Account on each Payment Date in accordance with the Pre-Acceleration Order of Priority will be transferred on the Business Day following such date; (iv) any amounts standing to the credit of the Payments Account on the Business Day immediately following each Payment Date (other than the Payment Date on which the Notes are redeemed in full or cancelled and the Final Maturity Date) shall be credited on such Business Day; (v) on the Issue Date, an amount bringing the liquidity reserve up to the Liquidity Reserve Amount shall be credited from the Payments Account; and (vi) any proceeds upon maturity or any sums deriving from the disposal of the Eligible Investments purchased through the funds standing to the credit of such account and any profit generated thereby or interest accrued thereon, shall be credited; and

b) out of which: (i) any amounts standing to the credit thereof 2 (two) Business Days before each Payment Date shall be credited on such date to the Payments Account; and (ii) amounts standing to the credit thereof will be applied by the Cash Manager upon specific written instructions of BPB as Master Servicer or the Issuer, for the settlement of Eligible Investments, provided that in no case shall Eligible Investments be purchased in the 2 (two) preceding Business Days prior to each Payment Date.

Securities Account

A securities custody account (the "**Securities Account**") for the deposit of the Issuer's entitlement to Eligible Investments, which may be purchased with the monies standing to the credit of the Investment Account.

Collateral Account

A Euro denominated cash account and such other cash or securities account the Transaction Bank may be directed to open in the name of the Issuer pursuant to clause 3.3 (*The Accounts*) of the Cash Administration and Agency Agreement (each a "**Collateral Account**"), into which shall be credited:

a) any collateral received from the Swap Counterparty pursuant to the Swap Agreement;

b) any interest or distributions on, and any liquidation or other proceeds of, such collateral;

c) any Replacement Swap Premium received by the Issuer from a replacement swap counterparty;

d) any termination payment received by the Issuer from the outgoing Swap Counterparty pursuant to the Swap Agreement and out of which amounts shall be paid in accordance with the Collateral Account Priority of Payments; and

e) any Swap Tax Credit Amounts received by the Issuer.

"**Accounts**" means collectively the Expenses Account, the Quota Capital Account, the Payments Account, the Collection Accounts, the Investment Account, the Securities Account, the Collateral Account and the Liquidity Reserve Account; and "**Account**" means any of them.

"**BPB Claims**" means the monetary receivables and connected rights arising under the Loans and the relevant Insurance Policies, as assigned by BPB to the Issuer pursuant to the BPB Transfer Agreements.

"**BPB Portfolio**" means the portfolio of BPB Claims and connected rights arising under the Loans which are sold to the Issuer by BPB pursuant to the BPB Transfer Agreements.

"**CRO Claims**" means the monetary receivables and connected rights arising under the Loans and the relevant Insurance Policies, as assigned by CRO to the Issuer pursuant to the CRO Transfer Agreements and together with the BPB Portfolio, the "**Portfolios**" and each a "**Portfolio**".

"**CRO Portfolio**" means the portfolio of CRO Claims and connected rights arising under the Loans which are sold to the Issuer by CRO pursuant to the CRO Transfer Agreements.

"**Claims**" means the monetary receivables and connected rights arising under the Loans and the relevant Insurance Policies and made up by the BPB Claims and the CRO Claims.

"**Replacement Swap Premium**" means the amount payable by the Issuer to a replacement swap counterparty or by a replacement swap counterparty to the Issuer (as the case may be) in order to enter into a replacement swap agreement on substantially the same terms as the Swap Agreement to replace or novate the Swap Agreement.

4. ISSUER AVAILABLE FUNDS

Issuer Available Funds

On each Calculation Date and in respect of the immediately following Payment Date, the aggregate of (without duplication):

a) all the sums received or recovered by the Issuer from or in respect of the Claims during the Collection Period immediately preceding such Payment Date;

b) all amounts (other than the amounts already allocated under other items of the Issuer Available Funds) received by the Issuer in respect of the Portfolios pursuant to the Transfer Agreements, the Warranty and Indemnity Agreement and any other Transaction Documents during the Collection Period immediately preceding such Payment Date;

c) any profit generated by, or interest accrued and paid on, the Eligible Investments (net of any withholding or deduction on account of tax) made out of the Investment Account in respect of the Collection Period immediately preceding such Payment Date;

d) all the amounts standing to the credit of the Liquidity Reserve Account on the immediately preceding Payment Date, after application of the Pre-Acceleration Order of Priority on such Payment Date (or, in respect of the First Payment Date, all the amounts standing to the credit of the Liquidity Reserve Account on the Issue Date);

e) interest (if any) accrued on and credited (net of any withholding or deduction on account of tax) to the Accounts (except for the Expenses Account, the Collateral Account and the Quota Capital Account) in the Collection Period immediately preceding such Payment Date;

f) all amounts received from the sale of the Portfolios or individual Claims, should such sale occur, on or prior to the Calculation Date immediately preceding such Payment Date;

g) any amounts retained in the Payments Account on a previous Payment Date in accordance with Clause 6.3.2 (ii) of the Cash Administration and Agency Agreement;

h) on the Final Maturity Date or, if earlier, the Payment Date on which the Notes will be redeemed in full or cancelled, the residual amount standing to the credit of the Accounts (except for the Quota Capital Account and the Collateral Account);

i) any other amount, not included in the foregoing items, received by the Issuer and standing to the credit of the Accounts (except for the Quota Capital Account, the Expenses Account and the Collateral Account) on the Collection Date immediately preceding such Payment Date;

j) without duplication of the above, all amounts due and payable to the Issuer in respect of such Payment Date under the terms of the Swap Agreement (if and to the extent paid) other than (1) any Collateral Amounts (which will not be available to the Issuer to make payments to its creditors generally, but may only be

applied in accordance with the Collateral Account Priority of Payments) and (2) any Swap Tax Credit Amounts (which amounts shall be paid directly to the Swap Counterparty when due in accordance with the Swap Agreement and the Collateral Account Priority of Payments); and

k) without duplication of the above, any Swap Collateral Account Surplus paid into the Payments Account in accordance with the Collateral Account Priority of Payments.

"**Collateral Amount**" means any amounts and securities standing to the credit of the Collateral Account, being amounts paid into such account by the Swap Counterparty in accordance with the Credit Support Annex, together with interest and other amounts accrued thereon.

"**Senior Swap Counterparty Termination Payment**" means any termination payment, other than a Subordinated Swap Counterparty Termination Payment, required to be made by the Issuer to the Swap Counterparty upon a termination of the Swap Transactions pursuant to the Swap Agreement.

"**Subordinated Swap Counterparty Termination Payment**" means any termination payment required to be made by the Issuer to the Swap Counterparty pursuant to the Swap Agreement upon a termination of the Swap Transactions in respect of which the Swap Counterparty is the sole Affected Party (as defined in the Swap Agreement) following the occurrence of a Swap Counterparty Rating Event or is the Defaulting Party (as defined in the Swap Agreement) to the extent not already paid pursuant to item *Fourth* of the Orders of Priority.

"**Swap Tax Credit Amount**" means any amount received by the Issuer and attributable to a Tax Credit (as defined in the Swap Agreement) which is payable by the Issuer to the Swap Counterparty pursuant to the Swap Agreement.

Single Portfolio Available Funds

Means, with reference to each Portfolio and with reference to each Calculation Date and in respect of the immediately following Payment Date prior to the delivery of a Trigger Notice, the aggregate of (without duplication):

a) all the sums received or recovered by the Issuer from or in respect of such Portfolio during the Collection Period immediately preceding such Payment Date;

b) all amounts (other than the amounts already allocated under other items of the Issuer Available Funds) received by the Issuer in respect of such Portfolio pursuant to the relevant Transfer Agreement, the Warranty and Indemnity Agreement and any other Transaction Documents during the Collection Period immediately preceding such Payment Date;

c) the relevant Outstanding Notes Ratio of any profit generated by, or interest accrued and paid on, the Eligible Investments (net of withholding or deduction on account of tax) made out of the Investment Account in

respect of the Collection Period immediately preceding such Payment Date;

d) with reference to the First Payment Date only, the relevant Single Portfolio Liquidity Reserve Initial Amount, and (b) on each Payment Date falling thereafter, all the amounts relating to such Portfolio standing to the credit of the Liquidity Reserve Account on the immediately preceding Payment Date after application of the Relevant Single Portfolio Priority of Payment on such Payment Date;

e) the relevant Outstanding Notes Ratio of the interest (if any) accrued on and credited (net of withholding or deduction on account of tax) to the relevant Accounts (except for the Expenses Account, the Collateral Account and the Quota Capital Account) in the Collection Period immediately preceding such Payment Date;

f) the amounts received from the sale of such Portfolio or individual Claims included in such Portfolio, should such sale occur on or prior to the Calculation Date immediately preceding such Payment Date;

g) the relevant Outstanding Notes Ratio of any amounts retained in the Payments Account on a previous Payment Date in accordance with Clause 6.3.2 (ii) of the Cash Administration and Agency Agreement;

h) on the Final Maturity Date or, if earlier, the Payment Date on which the Notes will be redeemed in full or cancelled, the relevant Outstanding Notes Ratio of the residual amount standing to the credit of the Accounts (except for the Quota Capital Account and the Collateral Account);

i) the relevant Outstanding Notes Ratio of any other amount, not included in the foregoing items, received by the Issuer and standing to the credit of the relevant Accounts (except for the Quota Capital Account, the Collateral Account and the Expenses Account) on the Collection Date immediately preceding such Payment Date;

j) any amount allocated from the Single Portfolio Available Funds relating to the other Portfolio under item *Seventeenth* of the Relevant Single Portfolio Priority of Payments as repayment of any surplus made available by the relevant Portfolio under item *Sixteenth* of the Relevant Single Portfolio Priority of Payments on the Calculation Date immediately preceding such Payment Date;

k) without duplication of the above, the relevant Outstanding Notes Ratio of all amounts due and payable to the Issuer in respect of such Payment Date under the terms of the Swap Agreement (if and to the extent paid) other than (1) any Collateral Amounts (which will not be available to the Issuer to make payments to its creditors generally, but may only be applied in accordance with the Collateral Account Priority of Payments) and (2) any Swap Tax Credit Amounts (which amounts shall be paid directly to the

Swap Counterparty when due in accordance with the Swap Agreement, without regard to the Collateral Account Priority of Payments or the Orders of Priority); and

l) without duplication of the above, the relevant Outstanding Notes Ratio of any Swap Collateral Account Surplus paid into the Payments Account in accordance with the Collateral Account Priority of Payments.

5. ORDER OF PRIORITY

Pre-Acceleration Order of Priority

Prior to (i) the service of a Trigger Notice, (ii) a redemption pursuant to Condition 6.2 (*Redemption for Taxation*) or (iii) a redemption pursuant to Condition 6.4 (*Optional Redemption*) or (iv) the Final Maturity Date, the Issuer Available Funds shall be applied on each Payment Date in making or providing for the following payments, in the following order of priority (the "**Pre-Acceleration Order of Priority**") (in each case, only if and to the extent that payments of a higher priority have been made in full):

a) *First*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) (i) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation and regulations or to fulfil due and payable payment obligations of the Issuer towards third parties (not expressly included in any following item of this Order of Priority) incurred in relation to the Transaction, to the extent that such costs, taxes, expenses and payments are not met by using the amount standing to the credit of the Expenses Account, (ii) all costs and taxes required to be paid to maintain the ratings of the Rated Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents;

b) *Second*, to pay in the following order (i) the fees, expenses and all other amounts due to the Representative of the Noteholders and the Security Trustee, (ii) into the Expenses Account the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

c) *Third*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) (i) the fees, expenses and all other amounts due and payable to the Cash Manager, the Computation Agent, the Agent Bank, the Transaction Bank, the Principal Paying Agent, the EMIR Reporting Agent, the Back-Up Servicer and the Corporate Services Provider; (ii) the Master Servicer Fees to the Master Servicer and the Servicing Fees due to each Servicer; and (iii) the fees and costs due to the Back-up Servicer as successor of the Servicers and/or the Master Servicer pursuant to clause 3.2 of the Back-Up Servicing Agreement;

d) *Fourth*, to pay all amounts due and payable to the Swap Counterparty under the terms of the Swap Agreement (which, with respect to periodic payments and

payments of *premia*, shall include amounts due and payable in respect of the relevant Swap Transactions) other than (1) any Swap Tax Credit Amounts (which amounts shall be paid when due in accordance with the Swap Agreement, without regard to the Collateral Account Priority of Payments or the Orders of Priority), (2) any amounts payable pursuant to the Collateral Account Priority of Payments, and (3) any Subordinated Swap Counterparty Termination Payment provided that any Senior Swap Counterparty Termination Payment due to the Swap Counterparty shall be payable pursuant to this item only to the extent that the amounts paid pursuant to the Collateral Account Priority of Payments are insufficient to pay in full the Senior Swap Counterparty Termination Payment due to the Swap Counterparty;

e) *Fifth*, to pay (*pari passu* and *pro rata*) interest due and payable on the Principal Amount Outstanding of the Class A1 Notes;

f) *Sixth*, to credit the Liquidity Reserve Account with the Liquidity Reserve Amount due on such Payment Date;

g) *Seventh*, prior to the occurrence of a Class A2 Notes Interest Subordination Event, to pay (*pari passu* and *pro rata*) interest due and payable on the Principal Amount Outstanding of the Class A2 Notes;

h) *Eighth,* prior to the occurrence of a Class B Notes Interest Subordination Event, to pay (*pari passu* and *pro rata*) interest due and payable on the Principal Amount Outstanding of the Class B Notes;

i) *Ninth*, towards payment (*pari passu* and *pro rata*) of the Principal Amount Outstanding of the Class A1 Notes;

j) *Tenth*, following the occurrence of a Class A2 Notes Interest Subordination Event, to pay (*pari passu* and *pro rata*) interest due and payable on the Class A2 Notes;

k) *Eleventh*, to repay (*pari passu* and *pro rata*) the Principal Amount Outstanding of the Class A2 Notes;

l) *Twelfth*, following the occurrence of a Class B Notes Interest Subordination Event, to pay (*pari passu* and *pro rata*) interest due and payable on the Class B Notes;

m) *Thirteenth*, to repay (*pari passu* and *pro rata*) the Principal Amount Outstanding of the Class B Notes;

n) *Fourteenth*, only to the extent the amounts paid pursuant to the Collateral Account Priority of Payments are insufficient to pay in full any Subordinated Swap Counterparty Termination Payment due to the Swap Counterparty, to pay any due but unpaid Subordinated Swap Counterparty Termination Payment due to the Swap Counterparty;

o) *Fifteenth*, to pay (*pari passu* and *pro rata* according to the respective amounts thereof), any other amount due and payable to each of the Originators, pursuant to the relevant Transfer Agreement (including costs and expenses and the insurance *premia* advanced under the Insurance Policies) and the Warranty and Indemnity

Agreement; to the Master Servicer and the Servicers pursuant to the Servicing Agreement, to the extent not already paid under other items of this Order of Priority; and to the Back-up Servicer as successor of the Servicers and/or the Master Servicer, to the extent not already paid under other items of this Order of Priority;

p) *Sixteenth*, to pay (*pari passu* and *pro rata* according to the respective amounts thereof) interest due and payable respectively on the Class J1 Notes and the Class J2 Notes (other than the Class J1 Notes Additional Return and the Class J2 Notes Additional Return) in accordance with the Relevant Single Portfolio Priority of Payments;

q) *Seventeenth*, following redemption in full or cancellation of the Class A2 Notes, to pay (*pari passu* and *pro rata* according to the respective amounts thereof) the Principal Amount Outstanding of the Class J1 Notes and the Class J2 Notes in accordance with the Relevant Single Portfolio Priority of Payments, until – on each Payment Date other than the Payment Date on which the Notes are redeemed in full or cancelled or the Final Maturity Date – such Principal Amount Outstanding is equal to the relevant Class J Notes Retained Amount;

r) *Eighteenth*, to pay (*pari passu* and *pro rata* according to the respective amounts thereof) the Class J1 Notes Additional Return and the Class J2 Notes Additional Return in accordance with the Relevant Single Portfolio Priority of Payments,

provided, however, that should the Computation Agent not receive the Quarterly Servicing Report within 2 (two) Business Days prior to the Calculation Date (or should it receive the Quarterly Servicing Report in respect of one Portfolio only);

(i) it shall prepare the Payments Report by applying the Issuer Available Funds in an amount not higher than:

a) the amounts standing to the credit of the Liquidity Reserve Account on the immediately preceding Payment Date (after application of the Pre-Acceleration Order of Priority on such Payment Date); *plus*

b) the aggregate amount transferred from the Collection Account to the Investment Account in the immediately preceding Collection Period (as promptly indicated by the Transaction Bank upon request of the Computation Agent); *plus*

c) all amounts due and payable to the Issuer on the immediately following Payment Date under the terms of the Swap Agreement, other than any Collateral Amount, any termination payment required to be made under the Swap Agreement and any collateral payable or transferable (as the case may be) under the Credit Support Annex,

towards payment only of items from *First* to *Sixth* (but excluding the Master Servicer Fees to the Master

Servicer under item *Third*) of the Pre-Acceleration Order of Priority; and

(ii) any amount that would otherwise have been payable under items from *Seventh* to *Eighteenth* of the Pre-Acceleration Order of Priority will not be included in the relevant Payments Report and shall remain in the Payments Account and become payable (together with the relevant Master Servicer Fees) in accordance with the applicable Order of Priority on the first following Payment Date on which the information contained in the missing Quarterly Servicer Report has been received by the Computation Agent.

Single Portfolio Priority of Payment

Prior to the service of a Trigger Notice, the Single Portfolio Available Funds shall be deemed to be applied on each Payment Date to register, for the Originators' accounting purposes only, the following payments in the following order of priority (the "**Single Portfolio Priority of Payment**") (in each case, only if and to the extent that payments of a higher priority have been registered in full):

(a) *First*, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of the relevant Outstanding Notes Ratio of (a) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation and regulations or to fulfil due and payable payment obligations of the Issuer towards third parties (not expressly included in any following item of this Order of Priority) incurred in relation to the Transaction, to the extent that such costs, taxes, expenses and payments are not met by using the amount standing to the credit of the Expenses Account, (b) all costs and taxes required to be paid to maintain the ratings of the Rated Notes and in connection with the registration and deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents;

(b) *Second*, to register the payment in the following order (a) the relevant Outstanding Notes Ratio of the fees, expenses and all other amounts due to the Representative of the Noteholders and the Security Trustee, (b) into the Expenses Account the relevant Outstanding Notes Ratio of the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

(c) *Third*, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of the relevant Outstanding Notes Ratio (i) of the fees, expenses and all other amounts due and payable to the Cash Manager, the Computation Agent, the Agent Bank, the Transaction Bank, the Principal Paying Agent, the EMIR Reporting Agent, the Corporate Services Provider, the Back-Up Servicer and the Corporate Services Provider; (ii) of the Master Servicer Fees to the Master Servicer and the Servicing Fees to the Servicers; and (iii)

of the fees and costs due to the Back-up Servicer as successor of the Servicers and/or the Master Servicer pursuant to clause 3.2 of the Back-Up Servicing Agreement;

(d) *Fourth*, to register the payment of all amounts due and payable to the Swap Counterparty under the terms of the Swap Agreement (which, with respect to periodic payments and payments of *premia*, shall include amounts due and payable in respect of the relevant Swap Transactions) other than (1) any Swap Tax Credit Amounts (which amounts shall be paid when due in accordance with the Swap Agreement, without regard to the Collateral Account Priority of Payments or the Orders of Priority), (2) any amounts payable pursuant to the Collateral Account Priority of Payments, and (3) any Subordinated Swap Counterparty Termination Payment, provided that any Senior Swap Counterparty Termination Payment due to the Swap Counterparty shall be payable pursuant to this item only (a) to the extent that the amounts paid pursuant to the Collateral Account Priority of Payments are insufficient to pay in full the Senior Swap Counterparty Termination Payment due to the Swap Counterparty, and (b) in an amount equal to the Outstanding Notes Ratio of such amount;

(e) *Fifth*, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of interest due and payable on the relevant Single Portfolio Class A1 Notes Principal Amount Outstanding;

(f) *Sixth*, to register the credit into the Liquidity Reserve Account of an amount equal to the relevant Single Portfolio Liquidity Reserve Amount due on such Payment Date;

(g) *Seventh*, prior to the occurrence of a Class A2 Notes Interest Subordination Event, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of interest due and payable on the relevant Single Portfolio Class A2 Notes Principal Amount Outstanding;

(h) *Eighth,* prior to the occurrence of a Class B Notes Interest Subordination Event, to register the payment (*pari passu* and *pro rata*) of interest due and payable on the relevant Single Portfolio Class B Notes Principal Amount Outstanding;

(i) *Ninth*, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of the Single Portfolio Class A1 Notes Principal Amount Outstanding;

(j) *Tenth*, following the occurrence of a Class A2 Notes Interest Subordination Event, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of interest due and payable on the Single Portfolio Class A2 Notes Principal Amount Outstanding;

(k) *Eleventh*, following redemption in full of the Class A1 Notes, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of the

Single Portfolio Class A2 Notes Principal Amount Outstanding;

(l) *Twelfth,* following the occurrence of a Class B Notes Interest Subordination Event, to register the payment of interest due and payable on the Single Portfolio Class B Notes Principal Amount Outstanding;

(m) *Thirteenth,* following redemption in full of the Class A2 Notes, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of the Single Portfolio Class B Notes Principal Amount Outstanding;

(n) *Fourteenth*, only to the extent the amounts paid pursuant to the Collateral Account Priority of Payments are insufficient to pay in full any Subordinated Swap Counterparty Termination Payment due to the Swap Counterparty, to register payment the Outstanding Notes Ratio of any due but unpaid Subordinated Swap Counterparty Termination Payment due to the Swap Counterparty;

(o) *Fifteenth*, to register the payment (*pari passu* and *pro rata* according to the respective amounts thereof), of any other amount due and payable with respect to the BPB Portfolio or the CRO Portfolio, as the case may be to each of the Originators, pursuant to the relevant Transfer Agreement (including costs and expenses and the insurance *premia* advanced under the relevant Insurance Policies) and the Warranty and Indemnity Agreement; to the Master Servicer and the Servicers pursuant to the Servicing Agreement and to the Back-up Servicer as successor of the Servicers and/or the Master Servicer, with respect to the BPB Portfolio or the CRO Portfolio, as the case may be, to the extent not already paid under other items of this Order of Priority;

(p) *Sixteenth*, up to (and including) the Payment Date on which the Rated Notes are redeemed in full or cancelled, to the extent, as the case may be, the Single Portfolio Class A1 Notes Principal Amount Outstanding or the Single Portfolio Class A2 Notes Principal Amount Outstanding or the Single Portfolio Class B Notes Principal Amount Outstanding relating to a Portfolio is reduced to zero while, as the case may be, the Single Portfolio Class A1 Notes Principal Amount Outstanding or the Single Portfolio Class A2 Notes Principal Amount Outstanding or the Single Portfolio Class B Notes Principal Amount Outstanding relating to the other Portfolio is higher than zero, to register the allocation of any surplus to the Single Portfolio Available Funds relating to the other Portfolio in an amount necessary to pay any shortfall under the other Single Portfolio Priority of Payments up to reduction of, as the case may be, the relevant Single Portfolio Class A1 Notes Principal Amount Outstanding or the relevant Single Portfolio Class A2 Notes Principal Amount Outstanding or the Single Portfolio Class B Notes Principal Amount Outstanding to zero;

(q) *Seventeenth*, following redemption in full or cancellation of the Most Senior Class of Notes, to register the

repayment of any amount allocated in any preceding Payment Date under item *Sixteenth* above to the Single Portfolio Available Funds relating to the relevant Portfolio from which such amount has been borrowed (deducting any amount already paid under this item in any preceding Payment Date);

(r) *Eighteenth*, to register the payment (*pari passu* and *pro rata* according to the respective amounts thereof) of interest due and payable on the Principal Amount Outstanding of the relevant Class J Notes (other than the Class J1 Notes Additional Return and the Class J2 Notes Additional Return);

(s) *Nineteenth*, following redemption in full or cancellation of the Class A1 Notes, the Class B Notes and the Class A2 Notes, to register the payment (*pari passu* and *pro rata* according to the respective amounts thereof) of the Principal Amount Outstanding of the relevant Class J Notes, until – on each Payment Date other than the Payment Date on which the Notes are redeemed in full or cancelled or the Final Maturity Date – such Principal Amount Outstanding is equal to the relevant Class J Notes Retained Amount;

(t) *Twentieth*, to register the payment (*pari passu* and *pro rata* according to the respective amounts thereof) of the Class J1 Notes Additional Return and the Class J2 Notes Additional Return, as the case may be on the relevant Class J Notes.

It remains understood that all payments shall be made out of the Issuer Available Funds in accordance with the Pre-Acceleration Priority of Payments, while the Single Portfolio Available Funds shall be applied in accordance with the Single Portfolio Priority of Payments only to register, for Originators' accounting purposes, the actual contribution of the BPB Portfolio or the CRO Portfolio, as the case may be, to such payments.

It is also understood that, following redemption in full or cancellation of the Class A1 Notes, the Class A2 Notes and the Class B Notes, the Issuer Available Funds shall be applied to make payments under items from *Sixteenth* to *Eighteenth* (both included) of the Pre-Acceleration Priority of Payments on the basis of the amounts registered under items from *Eighteenth* to *Twentieth* (both included) of the Single Portfolio Priority of Payments in order to settle credits and debts resulting from the different contribution (if any) of each Portfolio.

"**Single Portfolio Priority of Payments**" means the order of priority pursuant to which the Single Portfolio Available Funds shall be applied on each Payment Date prior to the delivery of a Trigger Notice, in accordance with Condition 4.2 (*Single Portfolio Priority of Payments*) and the term "**Relevant**" when applied to the term Single Portfolio Priority of Payments means the order of priority applicable with respect to the BPB Portfolio or the CRO Portfolio, as the case may be.

Acceleration Order of Priority

(a) Following the delivery of a Trigger Notice pursuant to Condition 9 (*Trigger Ev*ents), or (b) in the event that the Issuer opts for the redemption pursuant to Condition 6.2 (*Redemption*

for Taxation), or for the redemption pursuant to Condition 6.4 (*Optional Redemption*) or (c) on the Final Maturity Date, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

(i) *First*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof), (i) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation and regulations or to fulfil due and payable payment obligations of the Issuer towards third parties (not expressly included in any following item of this Order of Priority) incurred in relation to the Transaction, to the extent that such costs, taxes, expenses and payments are not met by utilising the amount standing to the credit of the Expenses Account, and (ii) all costs and taxes required to be paid in connection with any notice to be given to the Noteholders or the other parties to the Transaction Documents;

(ii) *Second*, to pay in the following order (i) the fees, expenses and all other amounts due to the Representative of the Noteholders and the Security Trustee, (ii) into the Expenses Account the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

(iii) *Third*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) fees, expenses and all other amounts due and payable to the Master Servicer, the Servicer, the Cash Manager, the Computation Agent, the Agent Bank, the Transaction Bank, the Principal Paying Agent, the EMIR Reporting Agent, the Corporate Services Provider, the Back-Up Servicer and the Corporate Services Provider;

(iv) *Fourth*, to pay all amounts due and payable to the Swap Counterparty under the terms of the Swap Agreement, other than (1) any Swap Tax Credit Amounts (which amounts shall be paid when due in accordance with the Swap Agreement, without regard to the Collateral Account Priority of Payments or the Orders of Priority), (2) any amounts payable pursuant to the Collateral Account Priority of Payments and (3) any Subordinated Swap Counterparty Termination Payment, provided that only to the extent that the amounts paid pursuant to the Collateral Account Priority of Payments are insufficient to pay any Senior Swap Counterparty Termination Payment in full, any due but unpaid Senior Swap Counterparty Termination Payment shall be payable pursuant to this item;

(v) *Fifth*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) interest due and payable on the Class A1 Notes and the Class A2 Notes;

(vi) *Sixth,* to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) the Principal Amount

Outstanding of the Class A1 Notes and of the Class A2 Notes*;*

(vii) *Seventh*, to pay (*pari passu* and *pro rata*) interest due and payable on the Class B Notes;

(viii) *Eighth,* to pay (*pari passu* and *pro rata*) the Principal Amount Outstanding on the Class B Notes;

(ix) *Ninth*, only to the extent the amounts paid pursuant to the Collateral Account Priority of Payments are insufficient to pay any Subordinated Swap Counterparty Termination Payment in full, to pay any due but unpaid Subordinated Swap Counterparty Termination Payment;

(x) *Tenth*, to pay (*pari passu* and *pro rata* according to the respective amounts thereof) any amount due and payable to the Originators pursuant to any of the Transfer Agreement (including costs and expenses and the insurance *premia* advanced under the Insurance Policies) and the Warranty and Indemnity Agreement;

(xi) *Eleventh*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) interest due and payable on the Class J1 Notes and on the Class J2 Notes (other than the Class J Notes Additional Return);

(xii) *Twelfth*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) the Principal Amount Outstanding of the Class J Notes, until – on each Payment Date other than the Payment Date on which the Notes are redeemed in full or cancelled or the Final Maturity Date – such Principal Amount Outstanding is equal to the relevant Class J Notes Retained Amount; and

(xiii) *Thirteenth*, to pay the Class J Notes Additional Return (*pari passu* and *pro rata* to the Principal Amount Outstanding of each relevant Class as at the immediately preceding Payment Date).

Collateral Account Priority of Payments

Amounts and securities standing to the credit of the Collateral Account (including any interest accrued thereon) will not be available for the Issuer to make payments to the Noteholders and the Other Issuer Creditors generally, but may be applied only in accordance with the following provisions (the "**Collateral Account Priority of Payments**"):

(i) prior to the occurrence or designation of an Early Termination Date in respect of the Swap Agreement, solely in or towards payment or transfer of:

(a) any Return Amounts (as defined in the Credit Support Annex);

(b) any Interest Amounts and Distributions (each as defined in the Credit Support Annex);

(c) any return of collateral to the Swap Counterparty upon a novation of such Swap Counterparty's obligations under the Swap Agreement to a replacement swap counterparty; and

(d) any Swap Tax Credit Amounts in accordance with the Swap Agreement,

on any day (whether or not such day is a Payment Date), directly to the Swap Counterparty in accordance with the terms of the Credit Support Annex;

(ii) upon or immediately following the occurrence or designation of an Early Termination Date (as defined in the Swap Agreement) in respect of the Swap Agreement where (A) such Early Termination Date (as defined in the Swap Agreement) has been designated following an Event of Default (as defined in the Swap Agreement) in respect of which the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) or an Additional Termination Event (as defined in the Swap Agreement) resulting from a Swap Counterparty Rating Event and in respect of which the Swap Counterparty is the Affected Party (as defined in the Swap Agreement) and (B) the Issuer enters into a replacement swap agreement in respect of such Swap Agreement on or around the Early Termination Date of such Swap Agreement, on the later of the day on which such replacement swap agreement is entered into and the day on which the Replacement Swap Premium (if any) payable to the Issuer has been received (in each case, whether or not such day is a Payment Date), in the following order of priority:

(a) first, in or towards payment of any Replacement Swap Premium (if any) payable by the Issuer to a replacement swap counterparty in order to enter into a replacement swap agreement with the Issuer with respect to the Swap Agreement being novated or terminated;

(b) second, in or towards payment of any termination payment due to the outgoing Swap Counterparty pursuant to the Swap Agreement; and

(c) third, the surplus (if any) (a "**Swap Collateral Account Surplus**") on such day to be transferred to the Payments Account for an amount equal to the relevant Outstanding Notes Ratio of the Swap Collateral Account Surplus and deemed to form part of the Issuer Available Funds;

(iii) following the occurrence or designation of an Early Termination Date in respect of the Swap Agreement where (A) such Early Termination Date has been designated following an Event of Default (as defined in the Swap Agreement) in respect of which the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) or an Additional Termination Event (as defined in the Swap Agreement) resulting from a Swap Counterparty Rating Event and in respect of which the Swap Counterparty is the Affected Party (as defined in the Swap Agreement) and (B) the Issuer is unable to or elects not to enter into a replacement swap agreement on or around the Early Termination Date of such Swap Agreement, on any day (whether or not such day is a Payment Date) in or towards payment of any termination payment due to the outgoing Swap Counterparty pursuant to the Swap Agreement;

(iv) following the occurrence or designation of an Early Termination Date in respect of the Swap Agreement where such Early Termination Date has been designated otherwise

than as a result of one of the events specified at items (ii) and (iii) above, on any day (whether or not such day is a Payment Date) in or towards payment of any termination payment due to the outgoing Swap Counterparty pursuant to the Swap Agreement; and

(v) following payment of any amounts due pursuant to (iii) and (iv) above, if amounts remain standing to the credit of the Collateral Account, such amounts may be applied on any day (whether or not such day is a Payment Date) only in accordance with the following provisions:

(a) first, in or towards payment of any Replacement Swap Premium (if any) payable by the Issuer to a replacement swap counterparty in order to enter into a replacement swap agreement with the Issuer with respect to the Swap Agreement being terminated; and

(b) second, the surplus (if any) (a "Swap Collateral Account Surplus") remaining after payment of such Replacement Swap Premium to be transferred to the Payments Account for an amount equal to the relevant Outstanding Notes Ratio of the Swap Collateral Account Surplus and deemed to form Issuer Available Funds,

provided that if the Issuer has not entered into a replacement swap agreement with respect to the Swap Agreement on or prior to the earlier of:

(c) the day that is 10 (ten) Business Days prior to the date on which the Principal Amount Outstanding of all Classes of Notes is reduced to zero (other than following the occurrence of a Trigger Event pursuant to Condition 9 (Trigger Events)); or

(d) the day on which a Trigger Notice is given pursuant to Condition 9 (Trigger Events),

then the Collateral Amount on such day shall be transferred to the Payments Account for an amount equal to the relevant Outstanding Notes Ratio of the Swap Collateral Account Surplus and deemed to form Issuer Available Funds.

Outstanding Notes Ratio

Means with respect to any Payment Date and to each Portfolio, the ratio, calculated as at the immediately preceding Collection Date, between: (x) the relevant Single Portfolio Notes Principal Amount Outstanding; and (y) the Principal Amount Outstanding of all the Notes.

Principal Amount Outstanding

Means, in respect of a Note, on any date, the principal amount of that Note upon issue less the aggregate amount of all principal payments in respect of that Note that have been paid prior to such date.

Single Portfolio Notes Principal Amount Outstanding

Means with respect to each Payment Date:

(i) with respect to the BPB Portfolio, the aggregate of the relevant Single Portfolio Class A1 Notes Principal Amount Outstanding, the relevant Single Portfolio Class A2 Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal

Amount Outstanding and the Principal Amount Outstanding of the Class J1 Notes;

(ii) with respect to the CRO Portfolio, the aggregate of the relevant Single Portfolio Class A1 Notes Principal Amount Outstanding, the relevant Single Portfolio Class A2 Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class J2 Notes;

in each case as at the immediately preceding Collection Date.

Single Portfolio Class A1 Notes Principal Amount Outstanding

Means, on any Payment Date and with respect to the relevant Portfolio, (i) the relevant Single Portfolio Initial Class A1 Notes Principal Amount Outstanding, less (ii) the repayments of principal out of the relevant Single Portfolio Available Funds registered in respect of the Class A1 Notes on the preceding Payment Dates.

Single Portfolio Initial Class A1 Notes Principal Amount Outstanding

Means (i) with respect to the BPB Portfolio, the Principal Amount Outstanding as at the Issue Date of 89.73% of the Class A1 Notes, equal to Euro 575,363,116.80; and (ii) with respect to the CRO Portfolio, the Principal Amount Outstanding as at the Issue Date of 10.27% of the Class A1 Notes, equal to Euro 65,852,883.20.

Single Portfolio Class A2 Notes Principal Amount Outstanding

Means, on any Payment Date and with respect to the relevant Portfolio, (i) the relevant Single Portfolio Initial Class A2 Notes Principal Amount Outstanding, less (ii) the repayments of principal out of the relevant Single Portfolio Available Funds registered in respect of the Class A2 Notes on the preceding Payment Dates.

Single Portfolio Initial Class A2 Notes Principal Amount Outstanding

Means (i) with respect to the BPB Portfolio, the Principal Amount Outstanding as at the Issue Date of 89.73% of the Class A2 Notes, equal to Euro 21,309,977.70; and (ii) with respect to the CRO Portfolio, the Principal Amount Outstanding as at the Issue Date of 10.27% of the Class A2 Notes, equal to Euro 2,439,022.30.

Single Portfolio Class B Notes Principal Amount Outstanding

Means, on any Payment Date and with respect to the relevant Portfolio, (i) the relevant Single Portfolio Initial Class B Notes Principal Amount Outstanding, less (ii) the repayments of principal out of the relevant Single Portfolio Available Funds registered in respect of the Class B Notes on the preceding Payment Dates.

Single Portfolio Initial Class B Notes Principal Amount Outstanding

Means (i) with respect to the BPB Portfolio, the Principal Amount Outstanding as at the Issue Date of 89.73% of the Class B Notes, equal to Euro 28,416,004.50; and (ii) with respect to the CRO Portfolio, the Principal Amount Outstanding as at the Issue Date of 10.27% of the Class B Notes, equal to Euro 3,251,995.50.

Trigger Events

If any of the following events (each a "**Trigger Event**") occurs:

(i) *Non-payment*

the Interest Amount on the Most Senior Class of Notes on a Payment Date is not paid in full on the due date or within a period of three Business Days; or

the Class A1 Notes or the Class A2 Notes or the Class B Notes or the Junior Notes are not redeemed in full on the Final Maturity Date; or

the Interest Amount (plus any Interest Amount in respect of previous Interest Periods which has remained unpaid) on the Class A2 Notes or on the Class B Notes is not paid in full on the Final Maturity Date; or

(i) *Breach of other obligations*

The Issuer defaults in the performance or observance of any of its obligations under or in respect of the Notes (other than any obligation under paragraph (i) above) or any of the Transaction Documents to which it is a party and (except where, in the sole and absolute opinion of the Representative of the Noteholders, such default is incapable of remedy, in which case no notice requiring remedy will be required) such default remains unremedied for 30 (thirty) days after the Representative of the Noteholders has given written notice thereof to the Issuer, certifying that such default is, in the sole and absolute opinion of the Representative of the Noteholders, materially detrimental to the interests of the Noteholders and requiring the same to be remedied; or

(ii) *Breach of representation and warranties*

any of the representations and warranties given by the Issuer under any of the Transaction Documents to which it is a party is or proves to have been incorrect or misleading in any material respect, in the sole and absolute opinion of the Representative of the Noteholders, when made or deemed to be made; or

(iii) *Insolvency*

the Issuer becomes subject to any applicable bankruptcy, liquidation, administration, receivership, insolvency, composition or reorganisation (among which, without limitation, "*fallimento*", "*liquidazione coatta amministrativa*", "*concordato preventivo*", "*piani di risanamento*", "*accordi di ristrutturazione*" and *"liquidazione giudiziale"*, each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, and including also any equivalent or analogous proceedings under the law of the jurisdiction in which the Issuer is deemed to carry on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, receivership, arrangement, adjustment, protection or relief of debtors) or similar proceedings or the whole or any substantial part of the undertaking or assets of the Issuer are subject to a "*pignoramento*" or similar procedure having a similar effect (other than any portfolio of assets purchased by the Issuer for the purposes of further securitisation transactions), unless in the opinion of the Representative of the Noteholders, such proceedings are being not disputed in good faith with a reasonable prospect of success; or

an application for the commencement of any of the proceedings under point (a) above is made in respect of or by the Issuer or the same proceedings are otherwise initiated

against the Issuer and, in the opinion of the Representative of the Noteholders, the commencement of such proceedings are not being disputed in good faith with a reasonable prospect of success; or

the Issuer takes any action for a re-adjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors (other than the Noteholders and the Other Issuer Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it or applies for suspension of payments; or

(iv) *Winding up etc.*

an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution in any form of the Issuer (except a winding-up for the purposes of or pursuant to a solvent amalgamation or reconstruction, the terms of which have been previously approved in writing by the Representative of the Noteholders) or any of the events under article 2484 of the Italian civil code occurs with respect to the Issuer; or

(v) *Unlawfulness*

it is or will become unlawful (in any respect deemed by the Representative of the Noteholders to be material in its sole discretion) for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party,

then the Representative of the Noteholders:

(i) shall, in the case of the Trigger Event set out under point (i) above;

(ii) shall, if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes, in the case of the Trigger Events set out under points (ii) and (iii) above;

(iii) may at its sole and absolute discretion but shall, if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes in case of any other Trigger Event,

give a written notice (a "**Trigger Notice**") to the Issuer (with copy to the Servicer, the Rating Agencies, the Swap Counterparty and the Master Servicer) declaring that the Notes have immediately become due and payable at their Principal Amount Outstanding, together with interest accrued and unpaid thereon and that thereafter the Acceleration Order of Priority shall apply.

"**Most Senior Class of Notes**" means the Class A1 Notes or, upon redemption in full or cancellation of the Class A1 Notes, the Class A2 Notes or, upon redemption in full or cancellation of the Class A2 Notes, the Class B Notes or, upon redemption in full or cancellation of the Class B Notes, the Class J Notes.

In the following circumstances:

(i) in the case of redemption pursuant to Condition 6.2 (*Redemption for Taxation*); or

(ii) in the case of redemption pursuant to Condition 6.4 (*Optional Redemption*); or

(iii) if, after a Trigger Notice has been served on the Issuer, an Extraordinary Resolution of the holders of the Most Senior Class of Notes resolve to request the Issuer to sell all (or part only) of the Portfolios to one or more third parties,

the Issuer will be authorised to search for potential purchasers of all (or part only) of the Portfolios.

In addition, following the delivery of a Trigger Notice (a) without any further action or formality, all payments of principal, interest and any other amounts due with respect to the Notes, the Other Issuer Creditors and any other creditor of the Issuer under the Transaction shall be made in accordance with the Acceleration Order of Priority and (b) provided that any bankruptcy or similar proceeding has not been commenced towards the Issuer (including, without limitation, "*fallimento*", "*concordato preventivo*", "*piani di risanamento*", "*liquidazione coatta amministrativa*" and *"liquidazione giudiziale"*, in accordance with the meaning ascribed to those expressions by Italian law) and in any case if not prevented by, and in compliance with, any applicable law, the Representative of the Noteholders shall be entitled, in the name and on behalf of the Issuer, to sell the Portfolios.

Representative of the Noteholders

The terms of the appointment of the Representative of the Noteholders (which are set out in the Intercreditor Agreement, the Notes Subscription Agreement and the Rules of the Organisation of the Noteholders) contain provisions governing the responsibility (and relief from responsibility) of the Representative of the Noteholders (including provisions relieving it from taking proceedings unless indemnified to its satisfaction and providing for the Representative of the Noteholders to be indemnified in certain other circumstances) and provisions which govern the termination of the appointment of the Representative of the Noteholders and amendments to the terms of such appointment.

Liquidity Reserve

On the Initial Issue Date, the Issuer established a reserve fund out of the net proceeds of the issue of the Original Class J Notes.

On each Payment Date, the amounts standing to the credit of the Liquidity Reserve Account on the immediately preceding Payment Date, after application of the Pre-Acceleration Order of Priority on such Payment Date (or, in respect of the First Payment Date, an amount equal to the Liquidity Reserve Amount on the Issue Date) will form part of the Issuer Available Funds and will be available to the Issuer, together with the other Issuer Available Funds, to pay amounts due under the applicable Order of Priority.

The Issuer will, on each Payment Date on which the Pre-Acceleration Order of Priority applies and in accordance thereto, credit into the Liquidity Reserve Account an amount equal to the Liquidity Reserve Amount due and payable in respect of such Payment Date.

On the Issue Date, the Issuer will increase the reserve fund up to the Liquidity Reserve Amount using Collections.

"**Liquidity Reserve Amount**" means (A) on the Issue Date, an amount equal to Euro 14,961,712.50; (B) on each Payment Date (in which the Pre-Acceleration Order of Priority is applied) falling before (and excluding) the earlier of (i) the Payment Date on which the Principal Amount Outstanding of the Class A1 Notes is lower than the Issuer Available Funds that would be available on such Payment Date following payments of amount due and payable under items *First* to *Fifth* of the Pre-Acceleration Order of Priority having been made, (ii) the Payment Date falling immediately after the Final Redemption Date and (iii) the Final Maturity Date, an amount equal to 2.25% of the Principal Amount Outstanding of the Senior Notes on the Issue Date and (C) on each Payment Date thereafter, zero.

On each Payment Date, the amounts standing to the credit of the Liquidity Reserve Account on the immediately preceding Payment Date, after application of the Pre-Acceleration Order of Priority on such Payment Date (or, in respect of the First Payment Date, an amount equal to the Liquidity Reserve Amount on the Issue Date) will be made available to meet payments under items *First* to *Fifth* of the Pre-Acceleration Order of Priority. In addition the Liquidity Reserve Amount available following payment in full of items from *First* to *Fifth* of the Pre-Acceleration Order of Priority shall be used in full towards redemption of the Class A1 Notes, on the Payment Date on which, by doing so, the Class A1 Notes can be redeemed in full.

"**Single Portfolio Liquidity Reserve Initial Amount**" means (i) with respect to the BPB Portfolio, an amount equal to Euro 13,425,144.63 and (ii) with respect to the CRO Portfolio, an amount equal to Euro 1,536,567.87.

"**Single Portfolio Liquidity Reserve Amount**" means (i) with respect to the BPB Portfolio, an amount equal to Euro 13,425,144.63 and (ii) with respect to the CRO Portfolio, an amount equal to Euro 1,536,567.87.

Final redemption

Unless previously redeemed in full or cancelled, the Notes will be redeemed in full at their Principal Amount Outstanding on the Payment Date falling in May 2069 (the "**Final Maturity Date**").

"**Final Redemption Date**" means the earlier of: (i) the date when any amount payable on the Claims of each Portfolio will have been paid and the Master Servicer has confirmed that no further recoveries and amounts shall be realised thereunder, and (ii) the date when all the Claims of each Portfolio then outstanding have been entirely written off or sold by the Issuer.

Mandatory redemption

The Notes will be subject to mandatory redemption in full or in part:

A. on each Payment Date, in a maximum amount equal to the relevant Principal Amount Outstanding with respect to such Payment Date in accordance with the Pre-Acceleration Order of Priority;

B. (i) on any date following the delivery of a Trigger Notice pursuant to Condition 9 (Trigger Events); and (ii) on the relevant Payment Date in case of redemption pursuant to Condition 6.2 (Redemption for Taxation) or in case of redemption pursuant to Condition 6.4 (Optional Redemption), at their Principal Amount Outstanding and in accordance with the Acceleration Order of Priority,

if, on each immediately preceding Calculation Date, it is determined that there will be sufficient Issuer Available Funds which may be applied for this purpose in accordance with the Pre-Acceleration Order of Priority or the Acceleration Order of Priority, as applicable.

Optional Redemption

The Issuer may at its option, on any Payment Date falling on or after the Initial Clean Up Option Date (prior to the delivery of a Trigger Notice) (each an "**Optional Redemption Date**"), redeem:

(i) the Notes in whole (but not in part) at their Principal Amount Outstanding together with all accrued but unpaid interest thereon up to and including the relevant Payment Date; or

(ii) with the prior consent of the Junior Noteholders, the Rated Notes only (or the Rated Notes in whole and the Junior Notes in part) at their Principal Amount Outstanding together with all accrued but unpaid interest thereon up to and including the relevant Payment Date.

Such optional redemption shall be effected by the Issuer giving not more than 45 (forty-five) nor fewer than 15 (fifteen) days' prior written notice that shall be deemed irrevocable to the Representative of the Noteholders, the Swap Counterparty, the holders of the Rated Notes in accordance with Condition 12 (*Notices*) and to the Rating Agencies and provided that the Issuer, prior to giving such notice to the Representative of the Noteholders and to the Rating Agencies, has produced evidence acceptable to the Representative of the Noteholders that it will have the necessary funds, not subject to interests of any other Person, to discharge all its outstanding liabilities in respect of the relevant Notes (to be redeemed) and any amounts required under the Acceleration Order of Priority to be paid in priority to or *pari passu* with such Notes and any amount due to the Swap Counterparty (including any termination payment)subordinated to the Rated Notes. In order to finance the redemption of the relevant Notes in the circumstances described above, the Issuer (or the Representative of the Noteholders, acting in the name and on behalf of the Issuer), is entitled to dispose of the Portfolios.

"**Initial Clean Up Option Date**" means the first Payment Date immediately succeeding the earlier of (i) 29 November 2024, and (ii) the Collection Date on which the aggregate principal

outstanding amount of both the Portfolios is equal to or less than 10% (ten per cent.) of the Initial Principal Portfolio.

"**Initial Principal Portfolio**" means the aggregate principal outstanding amount of the Portfolios as of the Effective Date in relation to the Additional Portfolios, being Euro 791,623,602.35.

Redemption for taxation

If the Issuer:

1. has provided the Representative of the Noteholders with: (i) a legal opinion in form and substance satisfactory to the Representative of the Noteholders from a firm of lawyers (approved in writing by the Representative of the Noteholders); and (ii) a certificate from the legal representative of the Issuer to the effect that, following the occurrence of certain legislative or regulatory changes, or official interpretations thereof by competent authorities, the Issuer (or the Issuer's Agent):

   (a) would be required on the next Payment Date to deduct or withhold (other than in respect of a Law 239 Deduction) from any payment of principal or interest on the Notes, any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or any political or administrative sub-division thereof or any authority thereof or therein or by any applicable authority having jurisdiction; or

   (b) would incur increased costs or charges of a fiscal nature (including taxes, duties, assessment or withholdings or deductions) in respect of the Noteholders or the Issuer's assets in respect of the Transaction;

2. has given not more than 45 (forty-five) nor less than 15 (fifteen) calendar days' prior written irrevocable notice to the Representative of the Noteholders, the Swap Counterparty and the Noteholders, in accordance with Condition 12 (*Notices*), and
3. has produced evidence reasonably acceptable to the Representative of the Noteholders that it has the necessary funds (not subject to the interests of any other Person) to discharge all of its outstanding liabilities with respect to the Rated Notes and any amounts required under the Intercreditor Agreement to be paid in priority to, or *pari passu* with the Rated Notes,

then the Issuer may on the immediately following Payment Date, redeem (i) the Rated Notes in whole (but not in part) at their Principal Amount Outstanding (together with any interest accrued and unpaid thereon until the date on which such redemption occurs) and pay any amounts required under the Conditions to be paid in priority to or *pari passu* with the Rated Notes and amounts ranking prior thereto or *pari passu* therewith pursuant to the Pre-Acceleration Order of Priority; and (ii) the Class J Notes in whole or in part (together with any interest accrued and unpaid thereon until the date on which such redemption occurs) and pay any amounts required under the

	Conditions to be paid in priority to or *pari passu* with the Class J Notes.
Listing and admission to trading	Application has been made for the Class A1 Notes, the Class A2 Notes and the Class B Notes to be admitted to trading on the professional segment ExtraMOT PRO of the multilateral trading facility "ExtraMOT", which is a multilateral trading system for the purposes of the Market in Financial Instruments Directive 2014/65/EC managed by Borsa Italiana S.p.A.
Ratings	The Class A1 Notes are expected to be assigned, on issue, the following ratings: "AA (high)" by DBRS Ratings Limited and "Aa3" by Moody's Investors Service Ltd. The Class A2 Notes are expected to be assigned, on issue, the following ratings: "A(high)" by DBRS Ratings Limited and "A2" by Moody's Investors Service Ltd. The Class B Notes are expected to be assigned, on issue, the following ratings: "BBB (high)" by DBRS Ratings Limited and "Baa2" by Moody's Investors Service Ltd. As of the date of this Prospectus, each of Moody's Investors Service Ltd and DBRS Ratings Limited is established in the European Union and registered in accordance with Regulation (EC) number 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) number 513/2011 of the CRA Regulation and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the ESMA Website (for the avoidance of doubt, such website does not constitute part of this Prospectus). No ratings will be assigned to the Class J Notes. **A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal by the assigning rating organisation**.
Segregation of Issuer's Rights	The Notes have the benefit of the provisions of article 3 of the Securitisation Law, pursuant to which the Portfolios, any monetary claim of the Issuer under the Transaction Documents, all cash-flows deriving from both of them and any Eligible Investments purchased therewith (together, the "**Segregated Assets**") are segregated by operation of law from the Issuer's other assets. Both before and after a winding up of the Issuer, amounts deriving from the Portfolios and the other Segregated Assets will be exclusively available for the purpose of satisfying the obligations of the Issuer to the Noteholders and to the Other Issuer Creditors or to any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the Transaction. The Portfolios and the other Segregated Assets may not be seized or attached in any form by creditors of the Issuer other than the Noteholders, until full discharge by the Issuer of its payment obligations under the Notes or cancellation thereof.
The Organisation of the Noteholders and the	The Organisation of the Noteholders shall be established upon and by virtue of the issuance of the Notes and shall remain in

Representative of the Noteholders	force and in effect until repayment in full or cancellation of the Notes. Pursuant to the Rules of the Organisation of the Noteholders (attached to the Conditions as an Exhibit), for as long as any Note is outstanding, there shall at all times be a Representative of the Noteholders. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of the Noteholders, is made by the Noteholders subject to and in accordance with the Rules of the Organisation of the Noteholders, except for the initial Representative of the Noteholders appointed at the time of issue of the Notes, who is appointed in the Notes Subscription Agreement. Each Noteholder is deemed to accept such appointment.
Selling restrictions	There are restrictions on the sale of the Notes and on the distribution of information relating thereto. The Notes have not been and will not be registered under the Securities Act and may not be offered, sold or delivered except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.
Retention requirements	Each of the Originators will retain at the origination and maintain (on an ongoing basis) a material net economic interest of not less than 5% in the Securitisation in accordance with paragraph (3)(a) of article 6 of the Securitisation Regulation (or any permitted alternative method thereafter) fulfilled by each Originator, on a pro rata basis with reference to the Claims it originated. As at the Issue Date, such interest will be comprised of an interest in at least 5% of the nominal value of each of the tranches sold or transferred to investors (being each Class of Notes). See the section entitled "*Regulatory Capital Requirements*" for more information.
Governing Law	The Notes are governed by, and shall be construed in accordance with, Italian law. Any dispute which may arise in relation to the Notes shall be subject to the exclusive jurisdiction of the court of Milan.

REGULATORY CAPITAL REQUIREMENTS

Under the Notes Subscription Agreement and the Intercreditor Agreement, each of the Originators has undertaken that it will retain at the origination and maintain (on an ongoing basis) a material net economic interest of not less than 5% in the Securitisation in accordance with paragraph (3)(a) of article 6 of the Securitisation Regulation (or any permitted alternative method thereafter) fulfilled by each Originator, on a pro rata basis with reference to the Claims it originated. As at the Issue Date, such interest will be comprised of an interest in at least 5% of the nominal value of each of the tranches sold or transferred to investors (being each Class of Notes).

Investors should be aware that certain Receivables in the BPB Portfolio were the subject of a Euro 2,900,000,000 synthetic risk transfer transaction carried out by BPB with a private investor in July 2019 (the "**Synthetic Securitisation**"). More specifically, the Synthetic Securitisation included a Euro 1,100,000,000 portfolio of loans to Italian small and medium-sized enterprises (the "**SME Portfolio**") and a Euro 1,800,000,000 Italian residential mortgage loan portfolio (the "**RMBS Portfolio**") originated by BPB.

In the context of the Synthetic Securitisation, the whole senior tranche was retained by BPB and no risk protection was purchased in relation to this tranche. Additionally, the junior tranche represented 13.5% of the SME Portfolio and 7% of the RMBS Portfolio, respectively, resulting in an amount equal to Euro 259,000,000 being deposited with BPB as cash collateral by the protection seller.

The Receivables, which were subject to the synthetic risk transfer, represented 95% of the Synthetic Securitisation. BPB has agreed to retain a material net economic interest of not less than 5% in the Synthetic Securitisation in accordance with paragraph (3)(a) of article 6 of the Securitisation Regulation, by retaining an interest in, on an ongoing basis, at least 5% of the nominal value of each securitised exposure pursuant to article 5(1)(a) of EU Regulation No. 625/2014 and article 5(1)(a) of the European Banking Authority's final proposed draft of the Securitisation Regulation regulatory technical standards dated 31 July 2018. The Transaction is permitted pursuant to the terms of the Synthetic Securitisation.

Pursuant to the terms of the Notes Subscription Agreement, BPB has made certain specific representations and warranties in favour of the Issuer and the Arranger in relation to the Synthetic Securitisation, including, inter alia, a representation that the Synthetic Securitisation does not limit BPB's liability or in any way reduce the risk retention requirements that BPB must comply with in the context of the Transaction.

BPB has further undertaken, in its capacity as the reporting entity pursuant to article 7 of the Securitisation Regulation (the "**Reporting Entity**") that it will:

a. to disclose through a quarterly report as required under the Securitisation Regulation, to the Noteholders and, upon request, to prospective investors:

   i. information on the material net economic interest of not less than 5% in the securitisation maintained by the Originators in accordance with paragraph (3)(d) of article 6 of the Securitisation Regulation (or any permitted alternative method thereafter) and any change to the manner in which the material net economic interest set out above is held, together with any relevant information in this respect;

   ii. all materially relevant data on the credit quality and performance of the Portfolios;

iii. information on trigger events which entail changes in any Order of Priority set out in the Conditions or the replacement of any counterparties and data on the cash flows generated by the Loans and by the liabilities of the Transaction;

iv. loan by loan information regarding each Loan included in the Portfolios; and

v. any further information which from time to time is required under the Securitisation Regulation that is not covered under the items from (i) to (iv) above;

b. to disclose without delay any inside information or documentation (including, but not limited to, any material amendment to any Transaction Document) relating to the Transaction that is required to be disclosed in the form and in the manner required by the Securitisation Regulation;

c. to ensure that Noteholders and prospective investors have readily available access to (i) all information necessary to conduct comprehensive and well informed stress tests and to fulfil their monitoring and due diligence duties under article 5 of the Securitisation Regulation, which does not form part of the Prospectus as at the Issue Date but may be of assistance to prospective investors before investing; and (ii) any other information which is required to be disclosed to Noteholders and prospective investors pursuant to the Securitisation Regulation; and

d. to ensure that the competent supervisory authorities pursuant to article 29 of the Securitisation Regulation have readily available access to any information which is required to be disclosed pursuant to the Securitisation Regulation.

In the Intercreditor Agreement and the Notes Subscription Agreement, the Originators have also undertaken to, inter alios, the Issuer and the Representative of the Noteholders that the retention requirement is not and will not be subject to any credit risk mitigation or any hedge, as and to the extent required by article 6 of the Securitisation Regulation.

In the Intercreditor Agreement and the Notes Subscription Agreement, the Reporting Entity represented to, inter alios, the Issuer and the Representative of the Noteholders that, before pricing, the final Prospectus and the Transaction Documents in draft or initial form as agreed between the relevant parties to the Transaction Documents will have been made available to, inter alios, the potential Noteholders and competent supervisory authorities pursuant to article 29 of the Securitisation Regulation by means of publication on the Designated Website.

In particular, in accordance with the Intercreditor Agreement and the Notes Subscription Agreement, the Reporting Entity has undertaken that any of the information under paragraphs (a) and (b) above will be made available as follows:

a) on the Issue Date, the information regarding the risk retention, and the information on which is the entity designated among the Issuer and BPB as the Reporting Entity pursuant to article 7 of the Securitisation Regulation will be included in this Prospectus and published on the Designated Website; and

b) following the Issue Date, on a quarterly basis, the information set out under paragraphs (a) and (b) above (excluding the loan by loan information set out at paragraph (a)(iv) above but including the information required to be disclosed to Noteholders, potential investors and competent authorities referred to in article 29 of the Securitisation Regulation in accordance with article 7 of the Securitisation Regulation) will be included in the Investors Report issued by the Computation Agent and be generally available at the offices of the Computation Agent and on the Designated Website.

BPB (also in its role of Servicer) has undertaken, under its full responsibility, to provide the Computation Agent with the information described under paragraphs (a) and (b) above through the Quarterly Servicing Report within the Quarterly Servicing Report Date. The Computation Agent has undertaken to the Reporting Entity to include the information so provided in each Investors Report as specified above, and the Reporting Entity has undertaken to make each Investors Report generally available to, inter alios, the Noteholders and prospective investors on the Designated Website or as otherwise required by the Securitisation Regulation on a quarterly basis.

The Reporting Entity also has undertaken that, within 15 days of the Issue Date, it will make available on the Designated Website, pdf copies of the executed Transaction Documents and Prospectus.

Prospective Noteholders are required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with Chapter 2 of the Securitisation Regulation and any corresponding national measure which may be relevant and none of the Issuer, the Originators, the Servicers or any other party to the Transaction Documents or any other person makes any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes.

THE PORTFOLIOS

THE INITIAL PORTFOLIOS AND THE ADDITIONAL PORTFOLIOS

The Initial Portfolios and Additional Portfolios purchased by the Issuer comprise debt obligations arising out of mortgage loan agreements classified as performing by the relevant Originator. In the Transaction Documents, the possibility to assign further portfolios of loans to the Issuer has not been provided for.

All Claims comprised in the Portfolios purchased by the Issuer from each Originator have been selected on the basis of the Criteria listed in the relevant Transfer Agreement which are summarised below.

The Claims do not and may not consist, in whole or in part, actually or potentially, of credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives.

As at the Effective Date of the Additional Portfolios, the aggregate of the Outstanding Principal of all Claims comprised in the Portfolios amounted to Euro 791,623,602.35.

The information relating to the Portfolios contained in this Prospectus is, unless otherwise specified, a description of the Portfolios as at the Valuation Date of the Additional Portfolios.

Eligibility Criteria

The Claims included in the Portfolios have been selected on the basis of the following objective criteria (the "**Criteria**") as at the relevant Valuation Date (or the different date specified in respect of the relevant criterion), in order to ensure that the Claims have the same legal and financial characteristics.

The Criteria are as follows:

i. Loans whose Borrowers, according to the classification criteria set forth by the determination of Bank of Italy No 140 dated 11 February 1991, as subsequently amended and modified ("*Istruzioni relative alla classificazione della clientela per settori e gruppi di attività economica*"), belong to one of the following economic activity sector ("*settore di attività economica*"-"SAE"): n. 600 ("*Famiglie Consumatrici*"), n.614 ("*Artigiani*"), n. 615 ("*Altre famiglie produttrici*");

ii. Loans denominated in Euro;

iii. Loans deriving from Loan Agreements (i) executed between the relevant Originator (or other entities subsequently taken over by the relevant Originator) and the relevant Borrower and (ii) governed by Italian Law;

iv. Loans secured by Mortgages on Real Estate Assets designated to residential purposes that are located in Italy;

v. Loans granted to individuals resident in Italy;

vi. Loans with reference to which, as at 30 June 2019, there are not more than two due and unpaid instalments;

vii. Loans with reference to which, as at 25 September 2019, there is not more than one Instalment due and unpaid for more than 30 days;

viii. Loans fully disbursed, for which there is no obligation to, neither is possible to, disburse any further amount (for the avoidance of doubt, Loans which as at the Valuation Date provide for further draw

down on the basis of the progress of the construction or refurbishment (the so-called "SAL") of the Real Estate Assets are excluded and therefore are not transferred to the Issuer pursuant to the Transfer Agreement);

ix. Loans having a final maturity date falling between 31 October 2019 (included) and 30 June 2059 (included);

x. Loans in relation to which, as at 31 August 2019, at least one instalment (also in respect to the pre-amortisation period or whose interest component or both interest component and principal component, including cases of early repayment) has been paid;

xi. Loans secured by (A) a first economic mortgage priority (meaning: (i) a first legal mortgage priority, or (ii) mortgages having a priority subsequent to first legal priority provided that all obligations, secured by mortgage/mortgages with prevailing priority, have been fully satisfied or (iii) mortgages having a priority subsequent to first legal priority, provided that the loans secured by the mortgages ranking in priority thereto are also being transferred pursuant to the Transfer Agreement and therefore meet all the other criteria contained herein) or (B) a second legal mortgage priority provided that the ratio of (i) the total outstanding amounts of the loans secured by such second legal mortgage priority and by mortgages ranking in priority to such mortgage and (ii) the value, resulting from the assessment made by a qualified appraiser, of the real estate assets secured by such second legal mortgage priority and by the other mortgages ranking in priority thereto, does not exceed, as at 30 June 2019, 100%.

xii. Loans disbursed between 20 May 1999 (included) and 30 June 2019 (included);

xiii. Loans whose outstanding principal amount is equal to or lower than €1,320,993.67;

xiv. Loans deriving from Loan Agreements which if at the Valuation Date a floating rate is applicable (including floating rate with a floor or floating rate with a cap (therefore excluding only Loans with a fixed rate applicable for the entire duration of the Loan)), such floating rate is exclusively indexed to (a) 1 month Euribor, 3 month Euribor, 6 month Euribor, 12 month Euribor; or (b) the ECB interest rate;

xv. Loans with reference to which the amortisation plan provides for monthly, bi-monthly, quarterly, semi-annual payments of the instalments;

xvi. Loans providing the repayment method of the principal component according to an amortisation plan:
    a. "*alla francese*" (meaning the progressive amortisation method by which each instalment is divided into a principal amount which increases over time intended to repay the Loan and into a variable interest amount); and
    b. "*italiano*" (meaning the amortisation method by which each instalment is divided into a principal amount which is constant over time and into an interest amount);

Excluding:

a. loans granted to persons qualified as directors and/or employees of the relevant Originator (or other banks subsequently acquired by the relevant Originator);

b. loans deriving from agreements that, pursuant to any Italian law provisions, benefit from any financial contributions, profits or facilities of whatever kind (the so-called "*Mutui agevolati*" and "*Mutui convenzionati*") on principal and/or interest account, granted by a third party in favour of the relevant Borrower, save for the public contribution provided by article 2 of law decree 29 November 2008, No 185, as converted into law by law 28 January 2009, No 2;

c. loans associated with an ancillary bank account pursuant to the provision of the Italian law decree 27 May 2008, No 93 (the so called "*Tremonti Decree*"), as converted with modifications into Italian law 24 July 2008, No 126;

d. loans disbursed pursuant to agreements entered into between the relevant Originator and the antiusury funds or guaranteed by such anti-usury funds provided for under Italian Law 7 March

1996, n. 108 (Usury Law);

e. loans secured by a guarantee issued by a *Confidi* whose guarantee agreement does not allow the transfer in the event of assignment of the secured claim;

f. loans which, as at the Valuation Date, are guaranteed by the EIF guarantee (SME Initiative);

g. loans with mixed or modular interest rate ("*tasso d'interesse misto o modulare*"), which provide for (i) the switch into a floating interest rate, after an initial period during which the interest rate is calculated with respect to a fixed interest rate, or (ii) the option for the relevant debtor to choose either a fixed or a floating interest rate, after an initial period during which the interest rate is calculated with respect to a fixed interest rate;

h. loans that at Valuation Date benefit of the suspension (in full or only in part) of the payment obligations of the instalments contractually agreed.

Characteristics of the Portfolio

The Claims included in the Portfolios have the characteristics that demonstrate capacity to produce funds to serve payments due and payable on the Notes. However, neither the Originators nor the Issuer warrant the solvency (credit standing) of any or all of the Borrower(s).

The Claims deriving from the Loan Agreements included in the Portfolios have, *inter alia*, the following characteristics: Euro denominated, made to individuals resident in Italy under Loan Agreements governed by Italian law, arising under loans deriving from a fixed rate or a floating rate (being linked to 1 month Euribor, 3 month Euribor, 6 month Euribor, 12 month Euribor or the ECB Interest Rate), loan instalments are payable on a monthly, bimonthly, quarterly or semi-annual basis .

THE ISSUER

GENERAL INFORMATION ON THE ISSUER

Issuer Statutory Name	2019 Popolare Bari RMBS S.r.l. (formerly *Abruzzo 2015 RMBS S.r.l.*)
Legal Form	A company incorporated under the laws of the Republic of Italy as a *società a responsabilità limitata unipersonale* (limited liability company) with sole quotaholder
Registered Office of Company	Via Vittorio Alfieri 1, 31015 Conegliano (TV), Italy
Telephone Number	+39 0438 360926
Date of Foundation	22 June 2015
Registration Number in Companies Register	Companies Register of Treviso-Belluno No. 04748180264
Share Capital	Euro 10,000 fully paid up
Equity Issuers: Number and Classification of Shares	N/A
Ownership structure (company or shareholders with shares greater than 5%)	The Issuer's entire quota capital is held by SVM Securitisation Vehicles Management S.r.l., a limited liability company, with a sole quotaholder, incorporated under the laws of the Republic of Italy, fiscal code and enrolment with the Treviso-Belluno Companies Register No. 03546650262, quota capital Euro 30,000.00 fully paid up, with registered office at Via V. Alfieri No. 1, 31015 Conegliano (TV), Italy (the "**Quotaholder**"). SVM Securitisation Vehicles Management S.r.l is wholly owned by Stichting Cima, a Dutch foundation with registered office in Prins Bernhardplein 200, 1097JB, Amsterdam, enrolled with the Amsterdam Chamber of Commerce at nr. 34392971.

COMPANY STRUCTURE

Description of the Issuer and its Equity Interests	The Issuer was incorporated in the Republic of Italy as a special purpose vehicle pursuant to article 3 of Italian law Decree No. 130 of 1999 ("**Securitisation Law**"), as a *società a responsabilità limitata unipersonale* (limited liability company with a sole quotaholder) on 22 June 2015. The Issuer was enrolled in the Register of Companies of Treviso-Belluno on 25 June 2015 under No. 04748180264 and in the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy regulation dated 7 June 2017. On 7 June 2019, the Issuer changed its denomination to '2019 Popolare Bari RMBS S.r.l.'.

	The Issuer has no employees. The duration of the Issuer is until 31 December 2100. To the best of its knowledge, the Issuer is not aware of direct or indirect ownership or control apart from its Quotaholder. Under the Agreement between the Issuer and the Quotaholder, the Quotaholder has undertaken to exercise its voting rights in such a way as to not prejudice the interest of the Noteholders and the Transaction.
Administration, Management and Supervisory Bodies *(name, function, date of birth, nationality)*	The sole director of the Issuer is: • Blade Management S.r.l., a limited liability company incorporated under the laws of the Republic of Italy, with registered office at Viale Italia 203, 31015 Conegliano (TV), Italy, and fiscal code and enrolment with the Treviso-Belluno Companies Register n. 04898870268 (with designated natural person: Pierluigi Basso) • Country of incorporation: Italy • Date of incorporation: 12 September 2017 Blade Management S.r.l. was appointed by the Quotaholder from 18 June 2019 until the date of resignation or revocation. The Sole Director's principal activity is any activity of a company engaged in the structured finance business.
Auditors	The Issuer's accounting reference date is 31 December in each year and its external auditor is PricewaterhouseCoopers S.p.A., with registered office at Via Monte Rosa 91, 20149 Milano (MI), Italy.

OBJECT OF BUSINESS

Historic Development	The Issuer was set up exclusively to purchase monetary receivables in the context of securitisation transactions, and to fund such purchase by issuing asset backed securities or by other forms of limited recourse financing. On 27 July 2015, the Issuer purchased, pursuant to two transfer agreements (as subsequently amended) with, respectively, Banca Tercas S.p.A. and Banca Caripe S.p.A., two portfolios of monetary claims (receivables) and connected rights arising under residential mortgage loans (the "**Abruzzo 2015 RMBS Portfolios**") in the context of a securitisation transaction governed by the Securitisation Law (the "**Abruzzo 2015 RMBS Securitisation**"). The purchase of the Abruzzo 2015 RMBS Portfolios was funded through the issuance of Euro 392,300,000 Class A Asset Backed Floating Rate Notes due November 2065, Euro 42,374,000 Class J1 Asset Backed Floating Rate and Additional Return Notes due November 2065 and Euro 28,030,000 Class J2 Asset Backed Floating Rate and Additional Return Notes due November 2065.

	Pursuant to an unwinding agreement dated 15 May 2019 between, inter alia, the Issuer and the Quotaholder, the Abruzzo 2015 RMBS Securitisation has been terminated. On 20 May 2019 the Issuer issued Euro 545,000,000 Class A Residential Mortgage Backed Floating Rate Notes due May 2059 (the "**Original Class A Notes**" or the "**Original Senior Notes**"); Euro 269,877,000 Class J1 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2059 (the "**Original Class J1 Notes**"); and Euro 25,776,000 Class J2 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2059 (the "**Original Class J2 Notes**" and together with the Original Class J1 Notes, the "**Original Junior Notes**"; and the Original Junior Notes together with the Original Senior Notes, the "**Original Notes**") in the context of a securitisation transaction (the "**Transaction**") to finance the purchase of two portfolios of monetary claims and connected rights arising out of mortgage loan agreements from Banca Popolare di Bari S.C.p.A. ("**BPB**" or an "**Originator**") and Cassa di Risparmio di Orvieto S.p.A. ("**CRO**" or an "**Originator**" and together with BPB, the "**Originators**"), pursuant to article 1 of Italian Law number 130 of 30 April 1999 (as amended and supplemented from time to time, the "**Securitisation Law**"). So long as any of the Notes remains outstanding, the Issuer shall not, without the consent of the Representative of the Noteholders and as provided for in the relevant Conditions, incur any other indebtedness for borrowed moneys or engage in any business (other than acquiring and holding the Portfolios, issuing the Notes and entering into the Transaction Documents to which it is a party), pay any dividends, repay or otherwise return any equity capital, have any subsidiaries, employees or premises, consolidate or merge with any person or convey or transfer its property or assets to any person (otherwise than as contemplated in the Conditions) or increase its capital.
Business Fields *Type of business, products/ services, geographical focus, target customers (if applicable)*	The scope of the Issuer, as set out in article 3 of its by-laws (*Statuto*), is exclusively to purchase monetary receivables in the context of securitisation transactions, and to fund such purchase by issuing asset backed securities or by other forms of limited recourse financing, all pursuant to article 3 of the Securitisation Law. To date, the Issuer has not engaged in any business other than the purchase of the Portfolios (as defined below) and other activity related to the Securitisation, the issuance of the Original Notes and the Abruzzo 2015 RMBS Securitisation.
Principal Investments in the Current and Past Business Year	The issuance of the Original Notes was approved by means of a Quotaholder's meeting held on 9 May 2019. The issuance of the Notes was approved by means of a Quotaholder's meeting held on 2 October 2019. The Original Portfolios were purchased by the Issuer pursuant to two transfer agreements entered into on 14 May 2019 between the Issuer and each of the Originators, as amended on 8 October 2019 (collectively, the "**Original Transfer Agreements**"; and respectively the "**Original BPB Transfer Agreement**" and the "**Original CRO Transfer Agreement**"). The Additional Portfolios were purchased by the Issuer pursuant to two transfer agreements entered into on 8 October 2019 between the Issuer and each of the Originators

	(collectively, the "**Additional Transfer Agreements**"; and respectively the "**Additional BPB Transfer Agreement**" and the "**Additional CRO Transfer Agreement**" and together with the Original Transfer Agreements, the "**Transfer Agreements**"). Following the issue of the Notes, the Issuer shall have no borrowings or indebtedness in the nature of borrowings (including loan capital issued or created but unissued), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees or other contingent liabilities (other than under the Notes).

FINANCIAL FIGURES

The Issuer will produce, and will make available at its registered office, proper accounts ("*ordinaria contabilità interna*") and audited (to the extent required by applicable law or regulation) financial statements in respect of each financial year but will not produce interim financial statements.

year	2018	2017
Sales revenue	0	0
Earnings before interests and taxes (EBIT)	0	0
Earnings before taxes (EBT)	0	0
Equity ratio (%) [1]	100%	100%

Capitalisation and indebtedness statement

The capitalisation of the Issuer as at the date of this Prospectus, adjusted for the issue of the Notes now being issued on the Issue Date, is as follows:

Capital

Issued authorised and fully paid up Euro 10,000

In connection with the issue by the Issuer of the Notes referred to in this Prospectus, the transaction would be reported as an off-balance sheet transaction in the *Nota Integrativa* to the financial statements of the Issuer at the date the transaction is completed, as follows:

Off-balance sheet liabilities

Euro 641,216,000 Class A1 Residential Mortgage Backed Floating Rate Notes due May 2069;
Euro 23,749,000 Class A2 Residential Mortgage Backed Floating Rate Notes due May 2069;
Euro 31,665,000 Class B Residential Mortgage Backed Floating Rate Notes due May 2069;
Euro 101,265,000 Class J1 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2069; and
Euro 11,591,000 Class J2 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2069.

[1] Formula: equity capital / total capital * 100

Total off-balance sheet indebtedness Euro 809,486,000

Following the issue of the Notes and save for the foregoing, the Issuer shall have no borrowings or indebtedness in the nature of borrowings (including loan capital issued or created but unissued), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees or other contingent liabilities.

USE OF PROCEEDS

PURPOSE OF THE USE OF THE ISSUING PROCEEDS

The total proceeds of the issue of the Notes equal to Euro 809,486,000 will be applied by the Issuer to redeem in full the Original Notes, pay for the Additional Portfolios and fund the Liquidity Reserve Account and Expenses Account.

DESCRIPTION OF THE TRANSACTION DOCUMENTS

The description of the Transaction Documents set out below is a summary of certain features of those agreements and is qualified by reference to the detailed provisions of the Transaction Documents. Prospective Noteholders may inspect copies of the Transaction Documents upon request at the specified office of each of the Representative of the Noteholders and the Principal Paying Agent.

THE TRANSFER AGREEMENTS

On 14 May 2019, the Issuer entered into two transfer agreements (as subsequently amended) with each of the Originators (collectively, the "**Original Transfer Agreements**", and respectively the "**Original BPB Transfer Agreement**" and the "**Original CRO Transfer Agreement**"), pursuant to which it purchased two portfolios (the "**Original Portfolios**") of monetary claims (receivables) and connected rights arising under mortgage loan agreements (collectively the "**Claims**"; and respectively the "**BPB Claims**" and the "**CRO Claims**") funded by the proceeds of the issuance of the Original Notes

On 27 September 2019, in connection with the issuance of the Notes, each of the Originators repurchased part of their respective Original Portfolios from the Issuer and, on 8 October 2019, sold to the Issuer two further portfolios (the "**Additional Portfolios**") of Claims pursuant to two transfer agreements (collectively, the "**Additional Transfer Agreements**"; and respectively the "**Additional BPB Transfer Agreement**" and the "**Additional CRO Transfer Agreement**" and together with the Original Transfer Agreements, the "**Transfer Agreements**").

As consideration for the acquisition of the Claims pursuant to the Transfer Agreements, the Issuer has undertaken to pay each Originator a purchase price calculated as the aggregate of an individual purchase price (*Prezzo di Acquisto Individuale*) plus accrued interest (*Ratei Interessi*), suspended interest (*Interessi Sospesi*) and the interest component, default interest component and charges relating to the instalments due and unpaid after the relevant valuation date (*Data di Godimento*) of each Claim comprised in the relevant Additional Portfolio (the "**Purchase Price**").

Pursuant to the relevant Transfer Agreement, each of the Originators has represented and warranted that the Claims have been selected on the basis of objective criteria (the "**Criteria**") in order to ensure that the Claims have the same legal and financial characteristics.

The Transfer Agreements provide that if, after the relevant Transfer Date, it transpires that (i) any Claims do not meet the relevant Criteria, then such Claims will be deemed not to have been assigned and transferred to the Issuer pursuant to the relevant Transfer Agreement and (ii) any Claim which meets the Criteria has not been included in the list of Claims attached to the relevant Transfer Agreement, then such Claim shall be deemed to have been assigned and transferred to the Issuer by the relevant Originator pursuant to the relevant Transfer Agreement. Pursuant the Transfer Agreements, the Purchase Price shall be adjusted to take into account the additional payment or the reimbursement to be made for any such Claim.

The Transfer Agreements are in Italian. The Transfer Agreements and all non-contractual obligations arising out or in connection with the Transfer Agreements are governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the Transfer Agreements including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

THE SERVICING AGREEMENT

On 14 May 2019, the Issuer, BPB (the "**Master Servicer**" and a "**Servicer**") and CRO (a "**Servicer**" and, together with BPB, the "**Servicers**") entered into a servicing agreement, as amended on 8 October 2019 (the "**Servicing Agreement**"), pursuant to which (a) each Servicer has agreed to administer, service and manage the judicial proceedings of the relevant assigned Claims which (except for the activity related to the collection of the amounts due in respect thereof) are not Defaulted Claims (the "**Administration of the Portfolios**"); (b) the Master Servicer has agreed to act as master servicer of

the Transaction and (i) to carry out supervising activities in order to ensure compliance with the law, pursuant to article 2, paragraph 6-*bis* of Securitisation Law, (ii) to administer and service all the Defaulted Claims and manage the judicial proceedings in relation to the latters (but expressly excluding any collection activity) (the "**Management of the Defaulted Claims**").

The receipt of cash collections in respect of the Portfolios is the responsibility of the relevant Servicer who will be the "*soggetto incaricato della riscossione dei crediti ceduti*" pursuant to article 2(3)(c) of the Securitisation Law and accordingly is responsible for ensuring that such operations comply with the provisions of the law and of this Prospectus.

Pursuant to the terms of the Servicing Agreement, the Servicers and the Master Servicer shall comply with certain collection policies specified in the Servicing Agreement (the "**Collection Policies**") in relation to the collection and recovery activities carried out on behalf of the Issuer and the Master Servicer shall provide the Issuer quarterly servicing reports (each, a "**Quarterly Servicing Report**"). The Servicers shall also ensure that the Collections do not include usurious interest in accordance with the anti-usury laws and regulations applicable from time to time. The Servicers and the Master Servicer shall be entitled to settle and renegotiate the Claims only in accordance with the Servicing Agreement.

Each of the Servicers shall give order to pay all collections and recoveries received by it in respect of the relevant Portfolio (the "**Collections**") into the relevant Collection Account on a daily basis. Each of the Servicers will convert any non-cash collections received by it into equivalent amounts of cash and will credit such cash to the relevant Collection Account.

The Servicers and the Master Servicer shall be entitled to settle and renegotiate the Claims only in accordance with the Servicing Agreement.

The Servicing Agreement is in Italian. The Servicing Agreement and all non-contractual obligations arising out or in connection with the Servicing Agreement are governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the Servicing Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

THE BACK-UP SERVICING AGREEMENT

Under a back-up servicing agreement entered into on 8 October 2019 (the "**Back-Up Servicing Agreement**") among the Issuer, the Servicers, the Master Servicer and the Back-up Servicer, the Back-up Servicer has undertaken to act as substitute servicer and master servicer respectively of (i) CRO in case of termination of the appointment of CRO as Servicer, according to the Servicing Agreement, and of (ii) BPB in case of termination of the appointment of BPB as Servicer and Master Servicer according to the Servicing Agreement.

The Back-Up Servicing Agreement is in Italian. The Back-Up Servicing Agreement and all non-contractual obligations arising out or in connection with the Back-Up Servicing Agreement are governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the Back-Up Servicing Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

THE CORPORATE SERVICES AGREEMENT

Under a corporate services agreement entered into on 14 May 2019 between the Issuer and the Corporate Services Provider as amended on 8 October 2019 (the "**Corporate Services Agreement**"), the Corporate Services Provider shall provide the Issuer with certain corporate administration and management services. These services shall include the book-keeping of the documentation in relation to the meetings of the Issuer's quotaholders, directors and auditors and the meetings of the

Noteholders, maintaining the quotaholders' register, preparing tax and accounting records, preparing documents necessary for the Issuer's annual financial statements and liaising with the Representative of the Noteholders.

The Corporate Services Agreement and all non-contractual obligations arising out or in connection with the Corporate Services Agreement are governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the Corporate Services Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

THE INTERCREDITOR AGREEMENT

Pursuant to an intercreditor agreement entered into on 14 May 2019 as amended on 8 October 2019 (the "**Intercreditor Agreement**"), between the Issuer, the Representative of the Noteholders (on its own behalf and as agent for the Noteholders) and the Other Issuer Creditors, provisions are made as to the application of the Collections in respect of the Portfolios and as to how the Orders of Priority are to be applied. Subject to a Trigger Notice being served upon the Issuer following the occurrence of a Trigger Event, all the Issuer Available Funds will be applied in or towards satisfaction of the Issuer's payment obligations towards the Noteholders as well as the Other Issuer Creditors, in accordance with the Acceleration Order of Priority provided in the Intercreditor Agreement.

The Issuer granted to each of the Originators an option right on any Payment Date falling on or after the Initial Clean Up Option Date to purchase, subject to certain conditions, the relevant Portfolio (in whole but not in part) for a purchase price equal to the Outstanding Balance, plus interests accrued and unpaid as at such date, of each Claim comprised in the relevant Portfolio, provided that, if on such date the relevant Portfolio comprises any claim classified as "*in sofferenza*" pursuant to the regulation issued by the Bank of Italy, the purchase price of such claim shall be equal to their current value, as determined by a third entity appointed by the relevant Originator and the Issuer and, in any case, such purchase price shall be equal to or higher than the amount (as determined in the relevant Payments Report) necessary for the Issuer to discharge all its outstanding liabilities in respect of all the Notes (or the Rated Notes only if all the Junior Noteholders consent) and any amounts required under the Intercreditor Agreement to be paid in priority to or pari passu with the Notes (or the Rated Notes only if all the Junior Noteholders consent).

The Intercreditor Agreement also contains the Collateral Account Priority of Payments which describes how amounts standing to the credit of the Collateral Account will not be available for the Issuer to make payments to the Noteholders and the Other Issuer Creditors generally but may be applied only in accordance with the Collateral Account Priority of Payments provisions.

The Intercreditor Agreement and all non-contractual obligations arising out or in connection with the Intercreditor Agreement are governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the Intercreditor Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

DEED OF CHARGE

Pursuant to a deed of charge executed by the Issuer on or about the Issue Date (the "**Deed of Charge**"), the Issuer has assigned absolutely with full title guarantee to the Security Trustee acting on behalf of the Noteholders and the Other Issuer Creditors, all of its present and future rights, title, interest and benefit in, to and under the Swap Agreement (subject to the netting and set-off provisions thereof) and the EMIR Reporting Agreement.

The Deed of Charge (and any non-contractual obligation arising out of or in connection with it) is governed by, and will be construed in accordance with, English law.

THE SWAP AGREEMENT

On or about the Issue Date, the Issuer will enter into two fixed-floating interest rate swap transactions (the "**Swap Transactions**"), which shall be governed by a 1992 ISDA Master Agreement (Multicurrency-Cross Border) (the "**ISDA Master Agreement**"), together with a Schedule thereto (the "**Schedule**"), a 1995 ISDA credit support annex (the "**Credit Support Annex**") and a swap confirmation in respect of each of the BPB Portfolio and the CRO Portfolio (the "**Swap Confirmations**" and together with the ISDA Master Agreement, the Schedule and the Credit Support Annex, the "**Swap Agreement**"). The Swap Transactions are entered into in order to hedge against the potential interest rate exposure of the Issuer in relation to its floating rate interest obligations under the Rated Notes. The obligations of the Issuer under the Swap Agreement shall be limited recourse to the Issuer Available Funds.

If the Swap Counterparty (or any guarantor or credit support provider as applicable) is downgraded below any of the required credit ratings set out in the Swap Agreement, the Swap Counterparty will be required to carry out, within the time frame specified in the Swap Agreement, one or more remedial measures at its own cost which include the following:

(a) transfer all of its rights and obligations under the Swap Agreement to an appropriately rated entity;

(b) arrange for an appropriately rated entity to become co-obligor or guarantor in respect of its obligations under the Swap Agreement; and

(c) post collateral to support its obligations under the Swap Agreement.

Any such collateral will be credited to the Collateral Account, together with any interest or distributions on, and any liquidation or other proceeds of, that collateral and will not be available for the Issuer to make payments to the Other Issuer Creditors generally but must be applied in accordance with the Collateral Account Priority of Payments set out in the Intercreditor Agreement.

The occurrence of certain termination events and events of default contained in the Swap Agreement may cause the termination of the Swap Agreement prior to its stated termination date. Such events include (1) redemption of the Notes pursuant to Condition 6.3 (*Mandatory Redemption*); (2) redemption of the Notes pursuant to Condition 6.2 (*Redemption for Taxation*) or 6.4 (*Optional Redemption*); (3) amendment of any Transaction Document without the prior written consent of the Swap Counterparty if such amendment affects, inter alia, the amount, timing or priority of any payments or deliveries due from the Swap Counterparty to the Issuer or from the Issuer to the Swap Counterparty, (4) failure by the Swap Counterparty to take certain remedial measures required under the Swap Agreement following a Swap Counterparty Rating Event; and (5) acceleration of the Notes following service of a Trigger Notice.

Pursuant to the Swap Confirmations, with respect to each Payment Date the Issuer will pay the Swap Counterparty an amount equal to the notional amount multiplied by a fixed rate. Netting will apply to all payments under the Swap Confirmations.

With respect to each Payment Date, the Swap Counterparty will pay to the Issuer an amount equal to the notional amount multiplied by Three Month Euribor payable under the Rated Notes.

As further described in the Swap Confirmations, the notional amount for each Swap Transaction will be calculated with reference to the Principal Instalments of the Receivables hedged thereunder (other than the amount of any Principal Instalments due but unpaid, or that have been prepaid or repurchased, at the relevant Collection Date and any Principal Instalments relating to Defaulted Receivables) as of the Collection Date preceding the beginning of each Calculation Period (as such term is defined in the Swap Agreement). For each Calculation Period, the notional amount will be the lesser of (1) the amount of such Principal Instalments and (2) the scheduled maximum notional amount set forth in the relevant Swap Confirmation, provided that if the Master Servicer fails to deliver the Quarterly Servicing Report in accordance with the provisions of the Swap Agreement, then the notional amount for that Calculation Period (as such term is defined in the Swap Agreement) shall be in each case the lower of the scheduled

maximum notional amount forth in the Swap Confirmations and the notional amount for the previous Calculation Period (as such term is defined in the Swap Agreement).

The Swap Counterparty will be required to make payments pursuant to the Swap Agreement without any withholding or deduction of taxes unless required by law. If any such withholding or deduction is required by law, the Swap Counterparty will, subject to certain conditions, be required to pay such additional amount as is necessary to ensure that the net amount actually received by the Issuer will equal the full amount the Issuer would have received had no such withholding or deduction been required. Such a change in tax law may result in the termination of the Swap Agreement. The Issuer will not be required to gross up under the Swap Agreement. Any Swap Tax Credit Amounts payable by the Issuer shall be paid directly to the Swap Counterparty following receipt without regard to the Collateral Account Priority of Payments or the Orders of Priority and shall not form Issuer Available Funds.

The Swap Agreement and any non-contractual obligation arising out of, or in connection with, the Swap Agreement will be governed by and construed in accordance with English law. The courts of England shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

THE CASH ADMINISTRATION AND AGENCY AGREEMENT

Under an agreement entered into on 16 May 2019 as amended on 8 October 2019 between the Issuer, the Servicers, the Transaction Bank, the Cash Manager, the Computation Agent, the Principal Paying Agent, the Representative of the Noteholders and the Agent Bank (the "**Cash Administration and Agency Agreement**"):

(a) the Principal Paying Agent will perform certain services in relation to the Notes, including arranging for the payment of principal and interest to the Monte Titoli Account Holders;

(b) the Agent Bank will calculate the amount of interest payable on the Notes on each Payment Date;

(c) the Computation Agent will perform certain other calculations in respect of the Notes and set out, in a payments report, the payments due to be made by the Issuer on each Payment Date in accordance with the applicable Order of Priority and to prepare investors' reports providing information on the performance of the Portfolios; and

(d) the Transaction Bank and the Cash Manager will provide the Issuer with certain cash administration and investment services, in relation to the monies standing, from time to time, to the credit of the relevant Accounts.

The Cash Administration and Agency Agreement is in English. The Cash Administration and Agency Agreement and all non-contractual obligations arising out or in connection with the Cash Administration and Agency Agreement shall be governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the Cash Administration and Agency Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

THE NOTES SUBSCRIPTION AGREEMENT

Pursuant to a subscription agreement relating to the Notes entered into on or prior the Issue Date between the Issuer, the Originators, the Arranger and the Representative of the Noteholders (the "**Notes Subscription Agreement**"), the Originators have agreed to subscribe and pay for the Notes and each shall pay to the Issuer the Issue Price for the relevant Notes and shall appoint the Representative of the Noteholders to act as the representative of the Noteholders, subject to the conditions set out therein.

The Notes Subscription Agreement is in English language and all non-contractual obligations arising out or in connection with the Notes Subscription Agreement are governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the Notes Subscription Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan.

THE QUOTAHOLDER AGREEMENT

Under the terms of an agreement entered into on 16 May 2019 as amended on 8 October 2019 between the Quotaholder, the Representative of the Noteholders and the Issuer (the "**Quotaholder Agreement**") certain rules shall be set out in relation to the corporate governance of the Issuer.

In particular, the Quotaholder has agreed, *inter alia*, not to create any pledge, or encumbrance (including "*usufrutto*") over the quota nor otherwise dispose for any reason of the quota representing the quota capital of the Issuer held by it, without a prior written consent of *inter alios* the Representative of the Noteholders and prior to the delivery of a written notice to *inter alios* the Rating Agencies.

The Quotaholder Agreement is in Italian. The Quotaholder Agreement and all non-contractual obligations arising out or in connection with the Quotaholder Agreement shall be governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the Quotaholder Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

TERMS AND CONDITIONS OF THE NOTES

*The following is the entire text of the terms and conditions of the Notes (the "**Conditions**"). In these Conditions, references to the "**holder**" or to the "**Noteholder**" of a Class A1 Note, Class A2 Note, Class B Note and a Class J Note or to a Class A1 Noteholder, a Class A2 Noteholder, a Class B Noteholder and a Class J Noteholder are to the ultimate owners of the Class A1 Notes, Class A2 Notes, the Class B Notes or the Class J Notes, as the case may be, issued in dematerialised form and evidenced as book entries with Monte Titoli S.p.A. ("**Monte Titoli**") in accordance with the provisions of (i) article 83-bis of Italian Legislative Decree number 58 of 24 February 1998 and (ii) Regulation jointly issued on 13 August 2018 by the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") and the Bank of Italy as subsequently amended and supplemented. The Noteholders are deemed to have notice of and are bound by, and shall have the benefit of, inter alia, the terms of the Rules of the Organisation of Noteholders (as defined below).*

In these Conditions, references to (i) any agreement or other document shall include such agreement or another document as may be modified from time to time in accordance with the provisions contained therein and any deed or other document expressed to be supplemental thereto, as modified from time to time; and (ii) any laws or regulation shall be interpreted and construed to include any amendments and implementation thereof as of the date of these Conditions.

On 20 May 2019 (the "**Initial Issue Date**", 2019 Popolare Bari RMBS S.r.l. (the "**Issuer**") issued Euro 545,000,000 Class A Residential Mortgage Backed Floating Rate Notes due May 2059 (the "**Original Class A Notes**" or the "**Original Senior Notes**"); Euro 269,877,000 Class J1 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2059 (the "**Original Class J1 Notes**"); and Euro 25,776,000 Class J2 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2059 (the "**Original Class J2 Notes**" and together with the Original Class J1 Notes, the "**Original Junior Notes**"; and the Original Junior Notes together with the Original Senior Notes, the "**Original Notes**") in the context of a securitisation transaction (the "**Original Transaction**") to finance the purchase of two portfolios of monetary claims and connected rights arising under residential mortgage loan agreements (the "**Original Portfolios**" and the "**Original Claims**", respectively) from Banca Popolare di Bari S.C.p.A. ("**BPB**" or the "**Originator**") and Cassa di Risparmio di Orvieto S.p.A. ("**CRO**" or the "**Originator**" and together with BPB, the "**Originators**"), pursuant to article 1 of Italian Law number 130 of 30 April 1999 (as amended and supplemented from time to time, the "**Securitisation Law**").

On or around 14 October 2019 (the "**Issue Date**") the Issuer will issue, pursuant to the Securitisation Law, Euro 641,216,000 Class A1 Residential Mortgage Backed Floating Rate Notes due May 2069 (the "**Class A1 Notes**"), Euro 23,749,000 Class A2 Residential Mortgage Backed Floating Rate Notes due May 2069 (the "**Class A2 Notes**" and, together with the Class A1 Notes, the "**Senior Notes**"), Euro 31,665,000 Class B Residential Mortgage Backed Floating Rate Notes due May 2069 (the "**Class B Notes**" or the "**Mezzanine Notes**" and, together with the Senior Notes, the "**Rated Notes**"), Euro 101,265,000 Class J1 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2069 (the "**Class J1 Notes**") and Euro 11,591,000 Class J2 Residential Mortgage Backed Floating Rate and Additional Return Notes due May 2069 (the "**Class J2 Notes**" and together with the Class J1 Notes, the "**Class J Notes**" or the "**Junior Notes** and, together with the Rated Notes, the "**Notes**"). The proceeds of the subscription of the Notes will be applied by the Issuer, irrespective of any priority of payments and any contrary provision set forth in the Transaction Documents, to, *inter alia*, (i) redeem the principal amount outstanding of the Original Notes on the Issue Date; and (ii) pay, also by way of set-off, the purchase price of the Additional Portfolios.

The Original Portfolios were purchased by the Issuer pursuant to two transfer agreements entered into on 14 May 2019 between the Issuer and each of the Originators, as amended on or around 8 October 2019 (collectively, the "**Original Transfer Agreements**"; and respectively the "**Original BPB Transfer Agreement**" and the "**Original CRO Transfer Agreement**"). The Additional Portfolios were purchased by the Issuer pursuant to two transfer agreements entered into on or around 8 October 2019 between the Issuer and each of the Originators (collectively, the "**Additional Transfer Agreements**"; and respectively the "**Additional BPB Transfer Agreement**" and the "**Additional CRO Transfer Agreement**" and together with the Original Transfer Agreements, the "**Transfer Agreements**").

Representations and warranties in respect of the Portfolios have been made by each of the Originators in favour of the Issuer under a warranty and indemnity agreement entered into between the Issuer and the Originators on 14 May 2019 as amended prior to the Issue Date (the "**Warranty and Indemnity Agreement**").

In these Conditions, any references to (i) the "**holders of the Class A1 Notes**", "**holders of the Class A2 Notes**", "**holders of the Class B Notes**" and the "**holders of the Junior Notes**" are to the beneficial owners of, respectively, the Class A1 Notes, the Class A2 Notes, the Class B Notes and the Junior Notes; (ii) references to the "**Class A1 Noteholders**" are to the beneficial owners of the Class A1 Notes; (iii) references to the "**Class A2 Noteholders**" are to the beneficial owners of the Class A2 Notes; (iv) references to the "**Class B Noteholders**" are to the beneficial owners of the Class B Notes; (v) references to the "**Class J Noteholders**" are to the beneficial owners of the Class J Notes and (vi) references to the "**Noteholders**" are to the beneficial owners of the Notes. Any reference to a "**Class**" of Notes shall be construed as a reference to the Class A1 Notes, Class A2 Notes, the Class B Notes or the Class J Notes, as the case may be.

The principal source of payment of amounts due under the Notes will be collections and recoveries made in respect of the Portfolios (the "**Collections**"). By operation of article 3 of the Securitisation Law, the Issuer's right, title and interest in and to the Portfolios, any monetary claim of the Issuer under the Transaction Documents, all cash-flows deriving from both of them and any Eligible Investments purchased therewith (together, the "**Segregated Assets**") will be segregated from all the other assets of the Issuer and amounts deriving therefrom will be available, both before and after a winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders and the Other Issuer Creditors (as defined below) in accordance with the applicable Order of Priority (as set out in Condition 4 (*Orders of Priority*). The Issuer's right, title and interest in and to the Portfolios and to all the amounts deriving therefrom may not be seized or attached in any form by the creditors of the Issuer other than the Noteholders, the Other Issuer Creditors and any other third party creditors in respect of any taxes, costs, fees or expenses incurred by the Issuer in relation to the Transaction until full redemption or cancellation of the Notes and full discharge by the Issuer of its obligations to the Other Issuer Creditors.

Under a servicing agreement entered into on 14 May 2019, as amended prior to the Issue Date (the "**Servicing Agreement**") between the Issuer, BPB as servicer and master servicer, and CRO as servicer (i) each of the Servicers has agreed to provide the Issuer with administration, collection and recovery services in respect of the relevant assigned Claims (except for the services for which BPB has been appointed by the Issuer in its capacity of master servicer) and (ii) BPB has agreed, *inter alia*, to act as Master Servicer of the Transaction, and to carry out supervising activities with respect to the transaction in order to ensure compliance with the laws to protect the investors, pursuant to article 2, paragraph 6-*bis* of Securitisation Law.

Under a corporate services agreement entered into on 14 May 2019, as amended prior to the Issue Date (as amended from time to time, the "**Corporate Services Agreement**") between the Issuer and the Corporate Services Provider, the Corporate Services Provider has agreed to provide the Issuer with certain corporate administration services.

Under a back-up servicing agreement entered into on or prior to the Issue Date (as amended from time to time, the "**Back-Up Servicing Agreement**"), among the Issuer, the Servicers and the Back-Up Servicer, the Back-Up Servicer has undertaken to act as servicer and master servicer (i) in case of termination of the appointment of CRO as Servicer, according to the Servicer Agreement, and (ii) in case of termination of the appointment of BPB as Servicer and Master Servicer according to the Servicing Agreement.

Under a subscription agreement relating to the Notes entered into on or prior to the Issue Date, among the Issuer, the Originators and the Representative of the Noteholders (as amended from time to time, the "**Notes Subscription Agreement**"), the Originators have subscribed and paid for the Notes of each Class upon the terms and subject to the conditions thereof and have appointed the Representative of the Noteholders to act as the representative of the holders of the Notes.

Under a cash administration and agency agreement entered into on 16 May 2019 as amended prior to the Issue Date (as amended from time to time, the "**Cash Administration and Agency Agreement**")

among, *inter alios*, the Issuer, the Originators, the Representative of the Noteholders, the Computation Agent, the Transaction Bank, the Cash Manager, the Principal Paying Agent, the Agent Bank, the Swap Counterparty, the Master Servicer, the Originators and the Servicers: (i) the Principal Paying Agent has agreed to carry out certain services in relation to the Notes, including arranging for the payment of principal and interest to the Monte Titoli Account Holders; (ii) the Agent Bank has agreed to calculate the amount of interest payable on the Notes; (iii) the Computation Agent has agreed to provide the Issuer with other calculations in respect of the Notes and will set out, in a payments report, the payments due to be made under the Notes on each Payment Date; and (iv) the Transaction Bank and the Cash Manager has agreed to provide certain cash administration and investment services in respect of the amounts standing, from time to time, to the credit of the relevant Accounts.

Under two interest rate swap transactions to be entered into on or prior to the Issue Date (each a "**Swap Transaction**" and collectively the "**Swap Transactions**") between the Issuer and the Swap Counterparty, the Issuer has hedged its potential interest rate exposure in relation to its floating rate interest obligations under the Rated Notes. Such Swap Transactions shall be governed by a 1992 ISDA Master Agreement (Multicurrency-Cross Border) (the "**ISDA Master Agreement**") together with a Schedule (the "**Schedule**") and a 1995 credit support annex (the "**Credit Support Annex**") thereto, as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") and each Swap Transaction shall be evidenced by a swap confirmation (each a "**Swap Confirmation**", and together with the ISDA Master Agreement, the Schedule and the Credit Support Annex, the "**Swap Agreement**").

Under an intercreditor agreement entered on 16 May 2019 as amended prior to the Issue Date (as amended from time to time, the "**Intercreditor Agreement**") between the Issuer, the Representative of the Noteholders (on its own behalf and as agent for the Noteholders), the EMIR Reporting Agent, the Corporate Services Provider, the Agent Bank, the Transaction Bank, the Computation Agent, the Servicers, the Master Servicer, the Swap Counterparty, the Principal Paying Agent, the Cash Manager, the Security Trustee, the Originators and the Back-Up Servicer, the application of the Issuer Available Funds (as defined below) has been set out. The Representative of the Noteholders has been appointed to exercise certain rights in relation to the Portfolios and in particular will be conferred the exclusive right (and the necessary powers) to make demands, give notices, exercise or refrain from exercising rights and take or refrain from taking actions (also through the Servicers) in relation to the recovery of the Claims in the name and on behalf of the Issuer.

Pursuant to a deed of charge governed by English law and executed by the Issuer on or prior the Issue Date (the "**Deed of Charge**"), the Issuer has assigned absolutely to Securitisation Services S.p.A. as security trustee (the "**Security Trustee**") on behalf of the Noteholders and the Other Issuer Creditors, all the Issuer's rights, title, interest and benefit (present and future) in, to and under the Swap Agreement (subject to the netting and set-off provisions thereof) and the EMIR Reporting Agreement.

Pursuant to an EMIR reporting agreement (the "**EMIR Reporting Agreement**") entered into on or about 26 September 2019 between the Issuer and the EMIR Reporting Agent, the EMIR Reporting Agent will agree to carry out certain reporting obligations pursuant to EMIR on behalf of the Issuer.

Under an agreement entered into on or prior to the Issue Date between the Quotaholder, the Issuer and the Representative of the Noteholders (the "**Quotaholder Agreement**"), certain rules have been set out in relation to the corporate management of the Issuer.

The Issuer has established with the Transaction Bank the following accounts:

(i) the Collection Accounts into which, *inter alia*, the BPB Collections and the CRO Collections will be respectively credited;

(ii) the Payments Account into which, *inter alia*, all amounts deriving from the liquidation, disposal or maturity of the Eligible Investments purchased through the funds standing to the credit of the Investment Account will be credited and out of which all payments shall be made according to the applicable Order of Priority and the relevant Payments Report;

(iii) the Liquidity Reserve Account into which all sums payable under item *Sixth* of the Pre-Acceleration Order of Priority will be credited;

(iv) the Investment Account into which, *inter alia*, all amounts standing to the credit of the Accounts (other than the Securities Account) will be transferred for the purpose of investment in Eligible Investments;

(v) the Securities Account for the deposit of the Issuer's entitlement to Eligible Investments, not being cash invested on time deposit, which may be purchased with the monies standing to the credit of the Investment Account; and

(vi) the Collateral Account into which (i) any collateral received from the Swap Counterparty pursuant to the Swap Agreement, (ii) any interest or distributions on, and any liquidation or other proceeds of, such collateral, (iii) any Replacement Swap Premium received by the Issuer from a replacement swap counterparty and (iv) any termination payment received by the Issuer from the outgoing Swap Counterparty pursuant to the Swap Agreement shall be credited.

The Issuer has established with Banca Finanziaria Internazionale S.p.A. the Quota Capital Account into which, *inter alia*, the sums contributed by the Quotaholder will be credited and held.

The Issuer has established with Banca Monte dei Paschi di Siena S.p.A. the Expenses Account into which, *inter alia*, the Retention Amount shall be paid and out of which certain payments with respect to the Issuer's corporate expenses shall be made.

These Conditions include summaries of, and are subject to, the detailed provisions of the Transfer Agreements, the Warranty and Indemnity Agreement, the Servicing Agreement, the Back-Up Servicing Agreement, the Intercreditor Agreement, the Swap Agreement, the EMIR Reporting Agreement, the Deed of Charge the Corporate Services Agreement, the Notes Subscription Agreement, the Cash Administration and Agency Agreement and the Quotaholder Agreement (and, together with these Conditions, the "**Transaction Documents**"). Copies of the Transaction Documents are available for inspection during normal business hours at the registered office of the Representative of the Noteholders.

The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents applicable to them. In particular, each Noteholder recognises that the Representative of the Noteholders is its representative and accepts to be bound by the terms of those Transaction Documents which have been signed by the Representative of the Noteholders as if it had signed such documents itself.

The rights and powers of the Noteholders may only be exercised in accordance with the rules of the organisation of the Noteholders (respectively, the "**Rules of the Organisation of the Noteholders**" and the "**Organisation of the Noteholders**") attached hereto and which form an integral and substantive part of these Conditions.

The Recitals and the Exhibits hereto constitute an integral and essential part of these Conditions and shall have the force of and shall take effect as covenants by the Issuer.

In these Conditions:

"**Acceleration Order of Priority**" means the order in which the Issuer Available Funds shall be applied on each Payment Date following the delivery of a Trigger Notice in accordance with the Conditions and the Intercreditor Agreement.

"**Accounts**" means, collectively, the Expenses Account, the Quota Capital Account, the Payments Account, the Collection Accounts, the Investment Account, the Securities Account, the Collateral Account and the Liquidity Reserve Account; and "**Account**" means any of them.

"**Accrued Interest**" means, with respect to the relevant Portfolio and as of the Effective Date, the interest accrued, not yet due and unpaid on such Portfolio as of the Effective Date (excluded).

"**Additional Screen Rate**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*).

"**Additional Portfolios**" means means the BPB Portfolio and/or the CRO Portfolio transferred to the Issuer pursuant to the Additional Transfer Agreements.

"**Agent Bank**" means BNP Paribas Securities Services, Milan Branch, or any other entity from time to time acting as agent bank.

"**Agents**" means the Cash Manager, the Agent Bank, the Transaction Bank the Principal Paying Agent and the Computation Agent collectively and "**Agent**" means any of them.

"**Back-Up Servicer**" means Zenith Service S.p.A. or any other entity from time to time acting as back-up servicer.

"**Borrower**" means the debtors under the Claims and their transferors, assignees and successors.

"**Borsa Italiana**" means Borsa Italiana S.p.A., with registered office at Piazza degli Affari 6, 20123 Milano, (MI) Italy.

"**BPB**" means Banca Popolare di Bari S.c.p.A.

"**BPB Claims**" means the monetary receivables and connected rights arising under the Loans and the relevant Insurance Policies, as assigned by BPB to the Issuer pursuant to the BPB Transfer Agreements.

"**BPB Collection Account**" means the Euro denominated account opened in the name of the Issuer with the Transaction Bank, IBAN IT70A0347901600000802302400, or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**BPB Collections**" means all the amounts collected and/or recovered under the BPB Claims and any amount received by the Issuer from the relevant Servicer pursuant to the Servicing Agreement.

"**BPB Portfolio**" means the portfolio of BPB Claims and connected rights arising under the Loans which are sold to the Issuer by BPB pursuant to the BPB Transfer Agreements.

"**BPB Transfer Agreements**" means the transfer agreements entered into by the Issuer with BPB on 14 May 2019 and on or around 8 October 2019, as amended from time to time pursuant to the Securitisation Law.

"**Business Day**" means, with reference to and for the purposes of any payment obligation provided for under the Transaction Documents, any day on which TARGET2 (or any successor thereto) is open and, with reference to any other provision specified under the Transaction Documents, any day (other than Saturday or Sunday) which is not a public holiday or a bank holiday in London and Milan.

"**Calculation Date**" means the 5th Business Day immediately preceding the relevant Payment Date.

"**Cash Equivalents**" means high quality, highly liquid short-term investments whose maturity does not extend beyond the next date on which the Issuer may require funds to make payments and that are denominated in the currency in which the Permitted Loans or the securities issued by the Issuer are denominated.

"**Cash Manager**" means BNP Paribas Securities Services, Milan Branch or any other entity from time to time acting as cash manager.

"**Claims**" means, collectively, the BPB Claims and the CRO Claims.

"**Class**" means the Class A1 Notes, the Class A2 Notes or the Class J Notes, as the case may be and "**Classes**" means all of them.

"**Class A1 Noteholders**" means the holders of the Class A1 Notes.

"**Class A2 Noteholders**" means the holders of the Class A2 Notes.

"**Class A2 Notes Interest Subordination Event**" means the event which occurs when the Cumulative Default Ratio, as of a Collection Date, is equal to or higher than 22.5%, provided that in any case starting from the Payment Date on which the Class A1 Notes are redeemed in full (included) the Class A2 Notes Interest Subordination Event shall be deemed as not having occurred.

"**Class B Notes Interest Subordination Event**" means the event which occurs when the Cumulative Default Ratio, as of a Collection Date, is equal to or higher than 17.5%, provided that in any case starting from the Payment Date on which the Class A2 Notes are redeemed in full (included) the Class B Notes Interest Subordination Event shall be deemed as not having occurred.

"**Class B Noteholders**" means the holders of the Class B Notes.

"**Class J Noteholders**" means the holders of the Class J Notes.

"**Class J Notes Additional Return**" means, (i) on each Payment Date on which the Pre-Acceleration Order of Priority applies, an amount payable on the Class J Notes equal to the Issuer Available Funds available on such Payment Date after payment of items from *First* to *Fourteenth* (included) of the Pre-Acceleration Order of Priority; or (ii) on each Payment Date on which the Acceleration Order of Priority applies, an amount equal to the Issuer Available Funds available on such Payment Date after payment of items from *First* to *Ninth* (included) of the Acceleration Order of Priority; *plus*, for the avoidance of doubt, (iii) on the Payment Date on which the Notes are redeemed in full or cancelled or the Final Maturity Date, any surplus remaining on the balance of the Accounts (other than Quota Capital Account and the Collateral Account), as well as any other residual amount collected by the Issuer in respect of the Transaction in proportion to the Outstanding Principal Amount of the Claims comprised in the relevant Portfolio as at the Effective Date.

"**Class J1 Notes Additional Return**" means the Class J Notes Additional Return payable in respect of the Class J1 Notes, in the amount determined in accordance with item *Seventeenth* of the Relevant Single Portfolio Priority of Payment.

"**Class J2 Notes Additional Return**" means the Class J Notes Additional Return payable in respect of the Class J2 Notes, in the amount determined in accordance with item *Seventeenth* of the Relevant Single Portfolio Priority of Payment.

"**Clearstream**" means Clearstream Banking S.A., located at 42 Avenue JF Kennedy L-1855 Luxembourg.

"**Collateral Account**" means a Euro denominated cash account with IBAN IT52F0347901600 000802302405 (and together with any other cash or security account established pursuant to Clause 3.3 (*The Accounts*) of the Cash Administration and Agency Agreement, the "**Collateral Accounts**", and each a "**Collateral Account**", or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Swap Agreement and the other Transaction Documents.

"**Collateral Account Priority of Payments**" means the order of priority contained in Condition 4 and clause 9 (Management and Application of Collateral with respect to the Swap Counterparty) of the Intercreditor Agreement.

"**Collateral Amount**" means any amounts and securities standing to the credit of the Collateral Account, being amounts paid into such account by the Swap Counterparty in accordance with the Credit Support Annex, together with interest and other amounts accrued thereon.

"**Collection Accounts**" means, collectively, the BPB Collection Account and the CRO Collection Account.

"**Collection Date**" means the last calendar day of January, April, July and October of each year starting from 31 January 2020.

"**Collection Period**" means the First Collection Period and thereafter, each period starting on a Collection Date (excluded) and ending on the following Collection Date (included).

"**Collection Policy**" means, with respect to each Servicer, the collection policy applied by the relevant Servicer in relation to the relevant Portfolio.

"**Collections**" means the BPB Collections and/or the CRO Collections (as the context requires).

"**Computation Agent**" means Securitisation Services S.p.A. or any other entity from time to time acting as computation agent.

"**CONSOB**" means *Commissione Nazionale per le Società e la Borsa*.

"**Consolidated Banking Act**" means Italian Legislative Decree number 385 of 1 September 1993, as subsequently amended.

"**Consolidated Financial Act**" means Italian Legislative Decree number 58 of 24 February 1998, as subsequently amended.

"**Corporate Servicer Provider**" means Securitisation Services S.p.A., or any other entity from time to time acting as corporate servicer provider.

"**CRA Regulation**" means the Regulation (EC) No 1060/2009.

"**Credit Insurance Policy**" (*Polizze Credito*) means any insurance policy issued in respect of certain Claims, covering the risk of default of the relevant Borrower to its obligations under the Loan Agreements.

"**Credit Support Annex**" means the 1995 ISDA Credit Support Annex supplementing and forming part of the Swap Agreement.

"**Criteria**" means the criteria used for the selection of the Claims.

"**CRO**" means Cassa di Risparmio di Orvieto S.p.A.

"**CRO Claims**" means the monetary receivables and connected rights arising under the Loans and the relevant Insurance Policies, as assigned by CRO to the Issuer pursuant to the CRO Transfer Agreements.

"**CRO Collection Account**" means the Euro denominated account opened in the name of the Issuer with the Transaction Bank, IBAN IT47B0347901600000802302401, or such other account as shall

replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**CRO Collections**" means all the amounts collected and/or recovered under the CRO Claims and any amount received by the Issuer from the relevant Servicer pursuant to the Servicing Agreement.

"**CRO Portfolio**" means the portfolio of CRO Claims and connected rights arising under the Loans which are sold to the Issuer by CRO pursuant to the CRO Transfer Agreements.

"**CRO Transfer Agreements**" means the transfer agreements entered into by the Issuer with CRO on 14 May 2019 and on or around 8 October 2019, as amended from time to time pursuant to the Securitisation Law.

"**Cumulative Default Ratio**" means, with reference to each Collection Period, the ratio (expressed in percentage) between (i) the Outstanding Principal, as of the day on which they have become Defaulted Claims, of the Claims arising under those Loans that have become Defaulted Claims during the period from the Effective Date to the last day of such Collection Period; and (ii) the Outstanding Principal, as of the Effective Date, of all the Claims comprised in the Portfolios.

"**DBRS**" means DBRS Ratings Limited or DBRS Ratings GmbH and in each case, any successor in their rating activity.

"**DBRS Eligible Institution Rating**" means the DBRS rating, as set out in the table below:

Highest rating assigned to rated Notes	**DBRS Eligible Institution Rating**
AAA	A
AA (high)	A (low)
AA	BBB (high)
AA (low)	BBB (high)
A (high)	BBB
A	BBB (low)
A (low)	BBB (low)
BBB (high)	BBB (low)
BBB	BBB (low)
BBB (low)	BBB (low)

"**DBRS Eligible Investment Rating**" means the DBRS rating, as set out in the tables below:

(i) for investments maturing in 30 days or less:

Highest rating assigned to rated Notes	**DBRS Eligible Investment Rating**
AAA	A or R-1 (low)
AA (high)	A (low) or R-1 (low)
AA	BBB (high) or R-1 (low)
AA (low)	BBB (high) or R-1 (low)
A (high)	BBB or R-2 (high)
A	BBB (low) or R-2 (middle)

A (low)	BBB (low) or R-2 (low)
BBB (high)	BBB (low) or R-2 (low)
BBB	BBB (low) or R-2 (low)
BBB (low)	BBB (low) or R-2 (low)
BB (high)	BB (high) or R-3
BB	BB or R-4
BB (low)	BB (low) or R-4
B (high)	B (high) or R-4
B	B or R-4
B (low)	B (low) or R-5

(ii) for investments maturing in a period longer than 30 days:

Maximum Maturity	**Most senior Notes rated AA (low) and above**	**Most senior Notes rated between A (high) and A (low)**	**Most senior Notes rated BBB (high) and below**
90 days	AA (low) or R-1 (middle)	A (low) or R-1 (low)	BBB (low) or R-2 (middle)
180 days	AA or R-1 (high)	A or R-1 (low)	BBB or R-2 (high)
365 days	AAA or R-1 (high)	A (high) or R-1 (middle)	BBB or R-2 (high)

"**DBRS Equivalent Rating**" means the DBRS rating equivalent of any of the below ratings by Fitch, Moody's or S&P:

DBRS		**Moody's**		**S&P**		**Fitch**	
Long	**Short Term**	**Long Term**	**Short Term**	**Long Term**	**Short Term**	**Long Term**	**Short**
AAA	R-1 (high)	Aaa	P-1	AAA	A-1+	AAA	F1+
AA(high)		Aa1		AA+		AA+	
AA	R-1 (middle)	Aa2		AA		AA	
AA(low)		Aa3		AA-		AA-	
A(high)	R-1 (low)	A1		A+	A-1	A+	F1
A		A2		A		A	
A(low)		A3	P-2	A-	A-2	A-	F2
BBB(hig	R-2 (high)	Baa1		BBB+		BBB+	
BBB	R-2 (middle)	Baa2	P-3	BBB	A-3	BBB	F3
BBB(low)	R-2 (low) R-3	Baa3		BBB-		BBB-	
BB(high)	R-4	Ba1		BB+		BB+	B
BB		Ba2		BB		BB	
BB(low)		Ba3		BB-		BB-	
B(high)		B1		B+		B+	
B	R-5	B2		B		B	
B(low)		B3		B-		B-	

CCC		Caa1		CCC+		CCC+	C
		Caa2		CCC		CCC	
		Caa3		CCC-		CCC-	
CC		Ca		CC		CC	
C		C		D		D	

"**DBRS Minimum Rating**" means: (a) if a Fitch public rating, a Moody's public rating and an S&P public rating (each, a "**Public Rating**") are all available at such date, the DBRS Minimum Rating will be the DBRS Equivalent Rating of such Public Rating remaining after disregarding the highest and lowest of such Public Ratings from such rating agencies (provided that if such Public Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below) (for this purpose, if more than one Public Rating has the same highest DBRS Equivalent Rating or the same lowest DBRS Equivalent Rating, then in each case one of such Public Ratings shall be so disregarded); and (b) if the DBRS Minimum Rating cannot be determined under (a) above, but Public Ratings by any two of Fitch, Moody's and S&P are available at such date, the DBRS Equivalent Rating will be the lower of such Public Rating (provided that if such Public Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below); and (c) if the DBRS Minimum Rating cannot be determined under (a) and (b) above, but Public Ratings by any one of Fitch, Moody's and S&P are available at such date, then the DBRS Equivalent Rating will be such Public Rating (provided that if such Public Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below). If at any time the DBRS Minimum Rating cannot be determined under subparagraphs (a) to (c) above, then a DBRS Minimum Rating of "C" shall apply at such time.

"**Defaulted Claims**" means any Claim arising from a Loan: (a) which has been classified "*in sofferenza*" by the relevant Servicer, in accordance with the relevant Collection Policies and in compliance with the applicable rules "*Istruzioni di Vigilanza*" of the Bank of Italy, or (b) in respect of which there are: (i) 15 or more Late Payments (in case of monthly Instalments), (ii) 8 or more Late Payments (in case of bi-monthly Instalments), (iii) 5 or more Late Payments (in case of quarterly Instalments); (iv) 3 or more Late Payments (in case of semiannual Instalments) and (v) 2 Late Payments (in case of annually Instalments).

"**Defaulting Party**" has the meaning ascribed to it in the Swap Agreement.

"**Delinquent Claims**" means any Claim in respect of which there are any Instalments which have remained unpaid for more than 30 (thirty) days from its scheduled payment date.

"**Delinquent 60 Claims**" means any Claim in respect of which there are any Instalments which have remained unpaid for more than 60 (sixty) days from its scheduled payment date.

"**Delinquent 90 Claims**" means any Claim in respect of which there are any Instalments which have remained unpaid for more than 90 (ninety) days from its scheduled payment date.

"**Designated Website**" means https://editor.eurodw.eu or other website pertaining to European Datawarehouse from time to time.

"**Disability and Life Insurance Policy**" (*Polizze Infortuni e Vita*) means any insurance policy in respect of certain Claims covering the risk of death, disability and/or accident and illness and/or unemployment and/or acute illness of the Borrower.

"**Dodd-Frank Act**" means the Dodd-Frank Wall Street Reform and Consumer Protection Act.

"**Early Termination Date**" has the meaning ascribed to it in the Swap Agreement.

"**ECB**" means the European Central Bank.

"**Effective Date**" means, with respect to the Original Portfolios, 00:01 on 11 May 2019 and with respect to the Additional Portfolios, 23:59 on 25 September 2019.

"**Eligible Institution**" means any depository institution organised under the laws of any State which is a member of the European Union or of the United States and having at least the following ratings:

(i) whose debt obligations are rated at least as follows:

(a) with respect to Moody's: at least "P-2" in respect of the short-term deposit rating and at least "Baa2" in respect of the long-term deposit rating; and

(b) with respect to DBRS: at least equal to the DBRS Eligible Institution Rating, considering (A) in case a public or private rating has been assigned by DBRS, the higher of (A1) the rating one notch below the COR (if assigned) and (A2) the long-term senior unsecured debt rating, or (B) in case a public or private rating has not been assigned by DBRS, the DBRS Minimum Rating; or any other rating being in the future compliant with DBRS criteria issued from time to time; or

(ii) whose obligations under the Transaction Documents to which it is a party are guaranteed by an Eligible Institution Guarantee.

"**Eligible Institution Guarantee**" means a first demand, irrevocable and unconditional guarantee issued by a depository institution organised under the laws of any state which is a member of the European Union or of the United States of America having at least the ratings set out in paragraphs (i)(a) and (b) of the definition of Eligible Institution above.

"**Eligible Investment**" means any Euro-denominated bank account or Euro-denominated senior debt deposit or any other bank deposit product (excluding, in each case, for the avoidance of doubt, time deposits and money market funds), provided that, in all cases (1) such investment is immediately repayable on demand, disposable without penalty or any other cost or have a maturity date falling on or before the third Business Day prior to the Payment Date immediately succeeding the Collection Period in respect of which such Eligible Investments were made; (2) such investment provides a fixed principal amount at maturity (such amount not being lower than the initially invested amount) or in case of repayment or disposal, the principal amount upon repayment or disposal is at least equal to the principal amount invested; (3) such bank account or deposit is held in the name of the Issuer with an Eligible Institution in Italy, England or Wales (and in case such account will be held in England or Wales, subject to the Issuer having created thereon a valid, binding and enforceable security and obtained a legal opinion (to be disclosed to the Rating Agencies) in this respect in accordance with applicable law and jurisdiction) (and in any case are not held through a sub-custodian); and (4) such bank deposit product is issued by, or fully, irrevocably and unconditionally guaranteed by a first demand guarantee on an unsubordinated basis by, an institution whose unsecured and unsubordinated debt obligations have at least the following ratings:

(A) with respect to Moody's, a long-term rating of at least "Baa1"; and

(B) with respect to DBRS, at least equal to the DBRS Eligible Investment Rating, considering (A) in case a public or private rating has been assigned by DBRS, the long-term or short term senior unsecured debt rating, or (B) in case in case a public or private rating has not been assigned by DBRS, the DBRS Minimum Rating,

provided further that:

(1) in no case shall such investment be made, in whole or in part, actually or potentially, in (i) tranches of other asset-backed securities; (ii) credit-linked notes, swaps or other derivatives instruments, or synthetic securities; (iii) any other instrument not allowed by the European Central Bank monetary policy regulations applicable from time to time for the purpose of qualifying the Class A1 Notes as eligible collateral; or (iv) any form of security or similar instrument; and

(2) in case of downgrade below the rating allowed with respect to DBRS or Moody's, as the case may be, the Issuer shall transfer within 30 days the deposits to another account opened with an Eligible Institution in Italy, England or Wales (and in case such account will be held in England or Wales, subject to the Issuer having created thereon a valid, binding and enforceable security and obtained a legal opinion (to be disclosed to the Rating Agencies) in this respect in accordance with applicable law and jurisdiction).

"**EMIR**" means Regulation (EU) No 648/2012 of the European Parliament and Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012.

"**EMIR Reporting Agent**" means NWM, or any other person from time to time acting as EMIR reporting agent under the EMIR Reporting Agreement.

"**EMIR Reporting Agreement**" means the agreement dated on or about the Issue Date between the Issuer and NWM relating to the reporting pursuant to EMIR of the Swap Transactions.

"**ESMA Website**" means the website of the European Securities and Markets Authority (currently located at the following website address http://www.esma.europa.eu/page/List-registered-and-certified-CRAs, for the avoidance of doubt, such website does not constitute part of this Prospectus).

"**Euribor**" means the Euro-Zone Inter-bank offered rate.

"**Euro**" and "**€**" means the single currency introduced in the member states of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957 as amended by, *inter alia*, the Single European Act 1986, the Treaty of European Union of 7 February 1992 establishing the European Union and the Treaty of Amsterdam of 2 October 1997.

"**Euroclear**" means Euroclear Bank SA/NV, located at 1, Boulevard du Roi Albert II B - 1210 Brussels (Belgium), as operator of the Euroclear system.

"**Euro-zone**" means the region comprised of member states of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as subsequently amended.

"**Expenses Account**" means a Euro denominated account opened in the name of the Issuer with Banca Monte dei Paschi di Siena S.p.A. with IBAN IT61J0103061622000001844391, or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**ExtraMOT PRO**" means the professional segment of the multilateral trading facility "ExtraMOT", which is a multilateral system for the purposes of the Market and Financial Instruments Directive 2014/65/EC managed by Borsa Italiana.

"**Final Maturity Date**" means, in respect of the Notes, the Payment Date falling in May 2069.

"**Final Redemption Date**" means the earlier to occur between: (i) the date when any amount payable on the Claims of each Portfolio have been paid and the Master Servicer has confirmed that no further recoveries and amounts shall be realised thereunder, and (ii) the date when all the Claims of each Portfolio then outstanding will have been entirely written off or sold by the Issuer.

"**First Collection Date**" means 31 January 2020.

"**First Collection Period**" means the period starting on the Effective Date of the Original Portfolio (included) and ending on the First Collection Date (included).

"**First Payment Date**" means 28 February 2020.

"**Fitch**" means (i) Fitch Italia Società Italiana per il Rating S.p.A. and (ii) any entity of Fitch Italia Società Italiana per il Rating S.p.A. which is either registered or not under the CRA Regulation, as it appears from the last available list published by European Securities and Markets Authority (ESMA) on the ESMA website its affiliates and successors.

"**Individual Purchase Price**" means the purchase price of each Claim, equal to the principal amount outstanding of each Claim (with the exclusion of the claim deriving from Insurance Policies) as at the Effective Date (excluded).

"**Initial Clean Up Option Date**" means the first Payment Date immediately succeeding the earlier of (i) 29 November 2024, and (ii) the Collection Date on which the aggregate principal outstanding amount of both the Portfolios is equal to or less than 10% (ten per cent.) of the Initial Principal Portfolio.

"**Initial Interest Period**" means the period which begins on (and includes) the Issue Date and ends on (but excludes) the First Payment Date.

"**Initial Principal Portfolio**" means the aggregate principal outstanding amount of the Portfolios as of the Effective Date in relation to the Additional Portfolios, being Euro 791,623,602.35.

"**Insolvency Proceedings**" means any insolvency or similar proceeding applicable to any company or other organisation or enterprises and in particular as for Italian law, the following procedures: "*fallimento*", "*concordato preventivo*", "*liquidazione coatta amministrativa*", "*amministrazione straordinaria*", "*accordi di ristrutturazione dei debiti*" and "*piani di risanamento*".

"**Instalment**" means, with respect to each Claim, each monetary amount due from time to time by the relevant Borrower under the Claims.

"**Insurance Company**" means any of the insurance companies granting an Insurance Policy.

"**Insurance Policies**" means, collectively, the Disability and Life Insurance Policies, the Credit Insurance Policies and the Real Estate Insurance Policies.

"**Interest Amount**" has the meaning ascribed to it in Condition 5.3(a)(ii).

"**Interest Determination Date**" means, with respect to the Initial Interest Period, the date falling on the second Business Day immediately preceding the Issue Date and with respect to each subsequent Interest Period, the date falling on the second Business Day immediately preceding the Payment Date at the beginning of such Interest Period.

"**Interest Instalment**" means, in respect of each Claim, the interest component of each Instalment (excluding interests for late payments (*interessi di mora*)).

"**Interest Period**" means each period from (and including) a Payment Date to (but excluding) the following Payment Date, provided that the Initial Interest Period shall start on the Issue Date (included) an end on the First Payment Date (excluded).

"**Interest Rate**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*).

"**Investment Account**" means the Euro denominated account opened in the name of the Issuer with the Transaction Bank, IBAN IT75E0347901600000802302404, or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**Investors Report**" means the report to be prepared and delivered in accordance with the Cash Administration and Agency Agreement.

"**Investors' Report Date**" means the date on which the Investor Report shall be sent in accordance with the Cash Administration and Agency Agreement.

"**Issue Date**" means the date of issuance of the Notes.

"**Issue Price**" means 100% of the principal amount of the Notes.

"**Issuer Available Funds**" means on each Calculation Date and in respect of the immediately following Payment Date, the aggregate of (without duplication):

l) all the sums received or recovered by the Issuer from or in respect of the Claims during the Collection Period immediately preceding such Payment Date;

m) all amounts (other than the amounts already allocated under other items of the Issuer Available Funds) received by the Issuer in respect of the Portfolios pursuant to the Transfer Agreements, the Warranty and Indemnity Agreement and any other Transaction Documents during the Collection Period immediately preceding such Payment Date;

n) any profit generated by, or interest accrued and paid on, the Eligible Investments (net of any withholding or deduction on account of tax) made out of the Investment Account in respect of the Collection Period immediately preceding such Payment Date;

o) all the amounts standing to the credit of the Liquidity Reserve Account on the immediately preceding Payment Date, after application of the Pre-Acceleration Order of Priority on such Payment Date (or, in respect of the First Payment Date, all the amounts standing to the credit of the Liquidity Reserve Account on the Issue Date);

p) interest (if any) accrued on and credited (net of any withholding or deduction on account of tax) to the Accounts (except for the Expenses Account, the Collateral Account and the Quota Capital Account) in the Collection Period immediately preceding such Payment Date;

q) all amounts received from the sale of the Portfolios or individual Claims, should such sale occur, on or prior to the Calculation Date immediately preceding such Payment Date;

r) any amounts retained in the Payments Account on a previous Payment Date in accordance with Clause 6.3.2 (ii) of the Cash Administration and Agency Agreement;

s) on the Final Maturity Date or, if earlier, the Payment Date on which the Notes will be redeemed in full or cancelled, the residual amount standing to the credit of the Accounts (except for the Quota Capital Account and the Collateral Account);

t) any other amount, not included in the foregoing items, received by the Issuer and standing to the credit of the Accounts (except for the Quota Capital Account, the Expenses Account and the Collateral Account) on the Collection Date immediately preceding such Payment Date;

u) without duplication of the above, all amounts due and payable to the Issuer in respect of such Payment Date under the terms of the Swap Agreement (if and to the extent paid) other than (1) any Collateral Amounts (which will not be available to the Issuer to make payments to its creditors generally, but may only be applied in accordance with the Collateral Account Priority of Payments) and (2) any Swap Tax Credit Amounts (which amounts shall be paid directly to the Swap Counterparty when due in accordance with the Swap Agreement and the Collateral Account Priority of Payments); and

v) without duplication of the above, any Swap Collateral Account Surplus paid into the Payments Account in accordance with the Collateral Account Priority of Payments.

"**Issuer's Rights**" means the Issuer's rights under the Transaction Documents.

"**Junior Notes**" means the Class J1 Notes and the Class J2 Notes.

"**Junior Noteholders**" means the Class J Noteholders.

"**Late Payment**" means any Instalment that remains unpaid for more than 5 (five) Business Days from its scheduled payment date.

"**Law 239 Deduction**" means any withholding or deduction for or on account of "*imposta sostitutiva*" under Italian Legislative Decree number 239 of 1 April 1996 as subsequently amended.

"**Liquidity Reserve**" means the monies standing from time to time to the credit of the Liquidity Reserve Account at any given date.

"**Liquidity Reserve Account**" means the Euro denominated account opened in the name of the Issuer with the Transaction Bank, IBAN IT98D0347901600000802302403, or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**Liquidity Reserve Amount**" means:

(A) on the Issue Date, an amount equal to Euro 14,961,712.50;

(B) on each Payment Date (in which the Pre-Acceleration Order of Priority is applied) falling before (and excluding) the earlier of (i) the Payment Date on which the Principal Amount Outstanding of the Class A1 Notes is lower than the Issuer Available Funds that would be available on such Payment Date following payments of amount due and payable under items First to Fifth of the Pre-Acceleration Order of Priority having been made, (ii) the Payment Date falling immediately after the Final Redemption Date and (iii) the Final Maturity Date, an amount equal to 2.25% of the Principal Amount Outstanding of the Senior Notes on the Issue Date; and

(C) on each Payment Date thereafter, zero.

"**Loan**" means each loan granted to a Borrower and classified as performing and meeting the Criteria, the receivables in respect of which have been sold by each of the Originators to the Issuer pursuant to the relevant Transfer Agreement, and "Loans" means all of them.

"**Loan Agreement**" means each agreement by which a Loan has been granted.

"**Mandate**" (*mandato all'incasso*) means the irrevocable mandate to collect any indemnity to be paid under the Disability and Life Insurance Policies (in case the relevant Originator in not named as direct beneficiary of any indemnity to be paid under such policies), released by the Borrower in favour of the relevant Originator in order to guarantee the relevant Loan.

"**Mandatory Redemption**" means the mandatory redemption of the Notes pursuant to Condition 6.3 (*Mandatory Redemption*).

"**Master Servicer**" means BPB, or any other entity from time to time acting as master servicer of the Portfolio pursuant to the Servicing Agreement.

"**Master Servicer Fees**" means the fees to be paid to the Master Servicer pursuant to the Servicing Agreement.

"**Monte Titoli**" means Monte Titoli S.p.A, which registered office is located at Piazza degli Affari, 6, 20123 Milano (Italy).

"**Monte Titoli Account Holder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli.

"**Moody's**" means (i) for the purpose of identifying the entity which has assigned the credit rating to the Rated Notes, Moody's Investors Service Ltd, and (ii) in any other case, any entity of Moody's Investors

Service Ltd which is either registered or not under the CRA Regulation, as it appears from the last available list published by European Securities and Markets Authority (ESMA) on the ESMA website.

"**Mortgage**" means the mortgage securities created on the Real Estate Assets pursuant to Italian law in order to secure the Loans.

"**Mortgagor**" means the Borrower or any third party who is the owner of a Real Estate Asset on which a Mortgage has been created as security for the payment of the Claims.

"**NWM**" means NatWest Markets Plc having its principal office at 250 Bishopsgate, London EC2M 4AA, United Kingdom.

"**Most Senior Class of Notes**" means the Class A1 Notes or, upon redemption in full or cancellation of the Class A1 Notes, the Class A2 Notes or, upon redemption in full or cancellation of the Class A2 Notes, the Class B Notes or, upon redemption in full or cancellation of the Class B Notes, the Class J Notes.

"**Noteholders**" means the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class J Noteholders.

"**Notes**" means the Class A1 Notes, the Class A2 Notes, the Class B Notes and the Class J Notes.

"**Notes Subscription Agreement**" means the subscription agreement in respect of the Notes to be entered into on or prior to the Issue Date between the Issuer, the Representative of the Noteholders and the Originators.

"**Optional Redemption**" has the meaning ascribed to it in Condition 6.4 (*Optional Redemption*).

"**Order of Priority**" means the Pre-Acceleration Order of Priority, the Single Portfolio Priority of Payments or the Acceleration Order of Priority, as applicable, according to which the Issuer Available Funds or the Single Portfolio Available Funds, as the case may be, shall be applied on each Payment Date in accordance with the Conditions and the Intercreditor Agreement (together the "**Orders of Priority**").

"**Original Portfolios**" means the BPB Portfolio and/or the CRO Portfolio transferred to the Issuer on 29 April 2019.

"**Originators**" means BPB and CRO.

"**Other Issuer Creditors**" means the Swap Counterparty, the Security Trustee, the EMIR Reporting Agent, the Originators, the Servicers, the Master Servicer, the Back-Up Servicer, the Representative of the Noteholders, the Agent Bank, the Transaction Bank, the Principal Paying Agent, the Corporate Services Provider, the Cash Manager, the Computation Agent and any party becoming a party to the Intercreditor Agreement.

"**Outstanding Balance**" means with respect to a Claim the aggregate of the (i) Outstanding Principal and (ii) all due and unpaid Principal Instalments.

"**Outstanding Notes Ratio**" means with respect to any Payment Date and to each Portfolio, the ratio, calculated as at the immediately preceding Collection Date, between: (x) the relevant Single Portfolio Notes Principal Amount Outstanding; and (y) the Principal Amount Outstanding of all the Notes.

"**Outstanding Principal**" means in respect to any Claim, on any date, the aggregate of all Principal Instalments owing by the relevant Borrower and scheduled to be paid on and/or after such date.

"**Payment Date**" means the last Business Day of February, May, August and November in each year.

"**Payments Account**" means the Euro denominated account opened in the name of the Issuer with the Transaction Bank, IBAN IT24C0347901600000802302402, or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**Payments Report**" means the report to be prepared by the Computation Agent pursuant to the Cash Administration and Agency Agreement.

"**Permitted Hedging Asset**" means any interest rate or foreign exchange derivative that satisfies the following requirements: (a) the terms and conditions of the derivative directly relate to Permitted Loans or Permitted Servicing Assets held by the Issuer or to the securities issued by the Issuer; and (b) the derivative reduces the interest rate and/or foreign exchange risks related to the Permitted Loans or Permitted Servicing Assets held by the Issuer or to the securities issued by the Issuer.

"**Permitted Loan**" means any loan, lease, extension of credit or receivable, in each case, secured or unsecured, that is not a security or derivative.

"**Permitted Security**" means (a) Cash Equivalents and (b) securities received in lieu of debts previously contracted with respect to Permitted Loans held by the Issuer.

"**Permitted Servicing Asset**" means any right or other asset (including Cash Equivalents) designed to assure the servicing or timely distribution of proceeds to holders of the securities issued by the Issuer and any other right or other asset that is related or incidental to purchasing or otherwise acquiring and holding the Permitted Loans held by the Issuer.

"**Portfolios**" means the BPB Portfolio and/or the CRO Portfolio (as the context requires).

"**Pre-Acceleration Order of Priority**" means the order in which the Issuer Available Funds shall be applied on each Payment Date prior to the delivery of a Trigger Notice in accordance with the Conditions and the Intercreditor Agreement.

"**Principal Amount Outstanding**" means, in respect of a Note, on any date, the principal amount of that Note upon issue less the aggregate amount of all principal payments in respect of that Note that have been paid prior to such date.

"**Principal Collections**" means any amount of principal (including prepayments) from time to time collected by the Issuer in respect of the Claims (other than Recoveries).

"**Principal Instalment**" means, in respect of each Claim, the principal component of each Instalment.

"**Principal Paying Agent**" means BNP Paribas Securities Services, Milan Branch, or any other entity from time to time acting as principal paying agent.

"**Prospectus**" means this prospectus prepared by the Issuer in relation to the Notes.

"**Purchase Price**" means the price to be paid by the Issuer for the purchase of each Portfolio under the terms of the relevant Transfer Agreement equal to (i) Euro 762,369,425.59 to be paid to BPB for the Original BPB Portfolio (ii) Euro 72,811,757.81 to be paid to CRO for the Original CRO Portfolio; (iii) Euro 134,819,798.67 to be paid to BPB for the Additional BPB Portfolio and (iv) Euro 23,119,673.86 to be paid to CRO for the Additional CRO Portfolio.

"**Quarterly Servicing Report**" means the report, containing information as to the collections and recoveries to be made in respect of the relevant Portfolio during each Collection Period, which the Master Servicer has undertaken to prepare and submit on the Quarterly Servicing Report Date.

"**Quarterly Servicing Report Date**" means the 12th Business Day following the end of each Collection Period provided that the first Quarterly Servicing Report Date shall be 18 February 2020.

"**Quota Capital Account**" means a Euro denominated account opened in the name of the Issuer with Banca Finanziaria Internazionale S.p.A. with IBAN IT11S0326661620000014000434, or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**Quotaholder**" means SVM Securitisation Vehicles Management S.r.l., a limited liability company with sole quotaholder incorporated under the laws of the Republic of Italy as a *società a responsabilità limitata*, having its registered office at Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, quota capital of euro 30,000 fully paid up, fiscal code and enrolment in the companies register of Treviso-Belluno number 03546650262.

"**Rating Agencies**" means DBRS and Moody's, and each a "**Rating Agency**".

"**Real Estate Assets**" means any real estate property which has been mortgaged in favour of the Originators to secure the Claims.

"**Real Estate Insurance Policy**" (*Polizze Immobili*) means any policy of insurance taken out in connection with or as a condition to the granting of a Loan which covers the risk of fire, explosion or burst occurring in relation to the relevant Real Estate Asset.

"**Recoveries**" means any recoveries made by the Master Servicer in respect of the Defaulted Claims pursuant to the Servicing Agreement.

"**Relevant Margin**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*).

"**Replacement Swap Premium**" means the amount payable by the Issuer to a replacement swap counterparty or by a replacement swap counterparty to the Issuer (as the case may be) in order to enter into a replacement swap agreement on substantially the same terms as the Swap Agreement to replace or novate the Swap Agreement.

"**Reporting Entity**" means BPB in its capacity as the reporting entity pursuant to article 7 of the Securitisation Regulation.

"**Retention Amount**" means an amount equal to €20,000.

"**Schedule**" means the Schedule supplementing and forming part of the Swap Agreement.

"**Screen Rate**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*).

"**Securities Account**" means the securities custody account opened in the name of the Issuer with the Transaction Bank, with number 2302400, or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**Securitisation Law**" means Italian Law number 130 of 30 April 1999 (as amended and supplemented from time to time.

"**Securitisation Regulation**" means Regulation (EU) 2017/2402 of 12 December 2017 together with any relevant regulatory technical standards and/or any relevant implementing measures or official guidance in relation thereto, in each case, as amended or substituted from time to time.

"**Security Document**" means the Deed of Charge.

"**Security Interest**" means any mortgage, charge, pledge, lien, right of set-off, special privilege (*privilegio speciale*), assignment by way of security, retention of title or any other security interest whatsoever or any other agreement or arrangement having the effect of conferring security.

"**Segregated Assets**" means the Portfolios, any monetary claim of the Issuer under the Transaction Documents, all cash-flows deriving from both of them and any Eligible Investments purchased therewith.

"**Senior Swap Counterparty Termination Payment**" means any termination payment, other than a Subordinated Swap Counterparty Termination Payment, required to be made by the Issuer to the Swap Counterparty pursuant to the Swap Agreement.

"**S&P**" means (i) Standard & Poor's Credit Market Services Italy S.r.l. and (ii) any entity of Standard & Poor's Credit Market Services Italy S.r.l. which is either registered or not under the CRA Regulation, as it appears from the last available list published by European Securities and Markets Authority (ESMA) on the ESMA website its affiliates and successors.

"**Servicers**" means, collectively, BPB and CRO, or any other entity from time to time acting as servicer.

"**Servicing Fees**" means the fees to be paid to the Servicers pursuant to clauses 15.1 and 15.2 of the Servicing Agreement.

"**Single Portfolio Available Funds**" means, with reference to each Portfolio and with reference to each Calculation Date and in respect of the immediately following Payment Date prior to the delivery of a Trigger Notice, the aggregate of (without duplication):

m) all the sums received or recovered by the Issuer from or in respect of such Portfolio during the Collection Period immediately preceding such Payment Date;

n) all amounts (other than the amounts already allocated under other items of the Issuer Available Funds) received by the Issuer in respect of such Portfolio pursuant to the relevant Transfer Agreement, the Warranty and Indemnity Agreement and any other Transaction Documents during the Collection Period immediately preceding such Payment Date;

o) the relevant Outstanding Notes Ratio of any profit generated by, or interest accrued and paid on, the Eligible Investments (net of withholding or deduction on account of tax) made out of the Investment Account in respect of the Collection Period immediately preceding such Payment Date;

p) with reference to the First Payment Date only, the relevant Single Portfolio Liquidity Reserve Initial Amount, and (b) on each Payment Date falling thereafter, all the amounts relating to such Portfolio standing to the credit of the Liquidity Reserve Account on the immediately preceding Payment Date after application of the Relevant Single Portfolio Priority of Payment on such Payment Date;

q) the relevant Outstanding Notes Ratio of the interest (if any) accrued on and credited (net of withholding or deduction on account of tax) to the relevant Accounts (except for the Expenses Account, the Collateral Account and the Quota Capital Account) in the Collection Period immediately preceding such Payment Date;

r) the amounts received from the sale of such Portfolio or individual Claims included in such Portfolio, should such sale occur on or prior to the Calculation Date immediately preceding such Payment Date;

s) the relevant Outstanding Notes Ratio of any amounts retained in the Payments Account on a previous Payment Date in accordance with Clause 6.3.2 (ii) of the Cash Administration and Agency Agreement;

t) on the Final Maturity Date or, if earlier, the Payment Date on which the Notes will be redeemed in full or cancelled, the relevant Outstanding Notes Ratio of the residual amount standing to the credit of the Accounts (except for the Quota Capital Account and the Collateral Account);

u) the relevant Outstanding Notes Ratio of any other amount, not included in the foregoing items, received by the Issuer and standing to the credit of the relevant Accounts (except for the Quota Capital Account, the Collateral Account and the Expenses Account) on the Collection Date immediately preceding such Payment Date;

v) any amount allocated from the Single Portfolio Available Funds relating to the other Portfolio under item *Seventeenth* of the Relevant Single Portfolio Priority of Payments as repayment of any surplus made available by the relevant Portfolio under item *Sixteenth* of the Relevant Single Portfolio Priority of Payments on the Calculation Date immediately preceding such Payment Date;

w) without duplication of the above, the relevant Outstanding Notes Ratio of all amounts due and payable to the Issuer in respect of such Payment Date under the terms of the Swap Agreement (if and to the extent paid) other than (1) any Collateral Amounts (which will not be available to the Issuer to make payments to its creditors generally, but may only be applied in accordance with the Collateral Account Priority of Payments) and (2) any Swap Tax Credit Amounts (which amounts shall be paid directly to the Swap Counterparty when due in accordance with the Swap Agreement, without regard to the Collateral Account Priority of Payments or the Orders of Priority); and

x) without duplication of the above, the relevant Outstanding Notes Ratio of any Swap Collateral Account Surplus paid into the Payments Account in accordance with the Collateral Account Priority of Payments.

"**Single Portfolio Class A1 Notes Principal Amount Outstanding**" means, on any Payment Date and with respect to the relevant Portfolio, (i) the relevant Single Portfolio Initial Class A1 Notes Principal Amount Outstanding, less (ii) the repayments of principal out of the relevant Single Portfolio Available Funds registered in respect of the Class A1 Notes on the preceding Payment Dates.

"**Single Portfolio Class A2 Notes Principal Amount Outstanding**" means, on any Payment Date and with respect to the relevant Portfolio, (i) the relevant Single Portfolio Initial Class A2 Notes Principal Amount Outstanding, less (ii) the repayments of principal out of the relevant Single Portfolio Available Funds registered in respect of the Class A2 Notes on the preceding Payment Dates.

"**Single Portfolio Class B Notes Principal Amount Outstanding**" means, on any Payment Date and with respect to the relevant Portfolio, (i) the relevant Single Portfolio Initial Class B Notes Principal Amount Outstanding, less (ii) the repayments of principal out of the relevant Single Portfolio Available Funds registered in respect of the Class B Notes on the preceding Payment Dates.

"**Single Portfolio Initial Class A1 Notes Principal Amount Outstanding**" means (i) with respect to the BPB Portfolio, the Principal Amount Outstanding as at the Issue Date of 89.73% of the Class A1 Notes, equal to Euro 575,363,116.80; and (ii) with respect to the CRO Portfolio, the Principal Amount Outstanding as at the Issue Date of 10.27% of the Class A1 Notes, equal to Euro 65,852,883.20.

"**Single Portfolio Initial Class A2 Notes Principal Amount Outstanding**" means (i) with respect to the BPB Portfolio, the Principal Amount Outstanding as at the Issue Date of 89.73% of the Class A2 Notes, equal to Euro 21,309,977.70; and (ii) with respect to the CRO Portfolio, the Principal Amount Outstanding as at the Issue Date of 10.27% of the Class A2 Notes, equal to Euro 2,439,022.30.

"**Single Portfolio Initial Class B Notes Principal Amount Outstanding**" means (i) with respect to the BPB Portfolio, the Principal Amount Outstanding as at the Issue Date of 89.73% of the Class B Notes, equal to Euro 28,413,004.50; and (ii) with respect to the CRO Portfolio, the Principal Amount Outstanding as at the Issue Date of 10.27% of the Class B Notes, equal to Euro 3,251,995.50.

"**Single Portfolio Liquidity Reserve Initial Amount**" means (i) with respect to the BPB Portfolio, an amount equal to Euro 13,425,144.63 and (ii) with respect to the CRO Portfolio, an amount equal to Euro 1,536,567.87.

"**Single Portfolio Liquidity Reserve Amount**" means (i) with respect to the BPB Portfolio, an amount equal to Euro 13,425,144.63 and (ii) with respect to the CRO Portfolio, an amount equal to Euro 1,536,567.87.

"**Single Portfolio Notes Principal Amount Outstanding**" means with respect to each Payment Date:

(i) with respect to the BPB Portfolio, the aggregate of the relevant Single Portfolio Class A1 Notes Principal Amount Outstanding, the relevant Single Portfolio Class A2 Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class J1 Notes;

(ii) with respect to the CRO Portfolio, the aggregate of the relevant Single Portfolio Class A1 Notes Principal Amount Outstanding, the relevant Single Portfolio Class A2 Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class J2 Notes,

in each case as at the immediately preceding Collection Date.

"**Single Portfolio Priority of Payments**" means the order of priority pursuant to which the Single Portfolio Available Funds shall be applied on each Payment Date prior to the delivery of a Trigger Notice, in accordance with Condition 4.2 (*Single Portfolio Priority of Payments*) and the term "**Relevant**" when applied to the term Single Portfolio Priority of Payments means the order of priority applicable with respect to the BPB Portfolio or the CRO Portfolio, as the case may be.

"**Subordinated Swap Counterparty Termination Payment**" means any termination payment required to be made by the Issuer to the Swap Counterparty pursuant to the Swap Agreement upon a termination of the Swap Transactions in respect of which the Swap Counterparty is the sole Affected Party (as defined in the Swap Agreement) following the occurrence of a Swap Counterparty Rating Event or is the Defaulting Party (as defined in the Swap Agreement) to the extent not already paid pursuant to item *Fourth* of the Orders of Priority.

"**Successor**" means, in relation to any person, an assignee or successor in title of such person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of such person under the relevant Transaction Document or to which under such laws the same have been transferred.

"**Suspended Interest**" means the interest component as of the Effective Date (i) accrued during the suspension period (A) ended prior to the Valuation Date (excluded) or (B) granted after Valuation Date (excluded); and (ii) whose payment has been rescheduled in equal quotas throughout the residual amortization plan, as a consequence of a moratorium agreement which provides for the suspension (in whole or in part) of payment of the installments.

"**Swap Agreement**" means, collectively, the ISDA Master Agreement, the Schedule, the Credit Support Annex and each Swap Confirmation which may be entered into between the Issuer and the Swap Counterparty.

"**Swap Confirmation**" means each swap confirmation evidencing a Swap Transaction.

"**Swap Collateral Account Surplus**" has the meaning ascribed to such terms in clause 9 (Management and application of collateral with respect to the Swap Counterparty) of the Intercreditor Agreement.

"**Swap Counterparty**" means NWM, in its capacity as swap counterparty, or its permitted successors or assigns from time to time or any other person for the time being acting as Swap Counterparty pursuant to the Swap Agreement.

"**Swap Counterparty Rating Event**" means any downgrade of the rating of the unsecured and unsubordinated debt obligations of the Swap Counterparty, below the thresholds specified in accordance with the provisions of the Swap Agreement.

"**Swap Outstanding Principal Amount**" has, in respect of each Swap Transaction, the meaning ascribed to such term in the Swap Confirmation evidencing such Swap Transaction.

"**Swap Tax Credit Amount**" means any amount received by the Issuer and attributable to a Tax Credit (as defined in the Swap Agreement) which is payable by the Issuer to the Swap Counterparty pursuant to the Swap Agreement.

"**Swap Transaction**" means each swap transaction entered into pursuant to the Swap Agreement.

"**Three Month Euribor**" means Euribor for three month deposits calculated as provided for in Condition 5.2 (*Interest Rate*) of the Notes.

"**Transaction**" means the securitisation transaction of the Portfolios carried out by the Issuer.

"**Transaction Bank**" means BNP Paribas Securities Services, Milan Branch, or any other entity from time to time acting as transaction bank.

"**Transaction Documents**" means collectively the Transfer Agreements, the Warranty and Indemnity Agreement, the EMIR Reporting Agreement, the Deed of Charge, the Swap Agreement, the Servicing Agreement, the Back-Up Servicing Agreement, the Intercreditor Agreement, the Corporate Services Agreement, the Notes Subscription Agreement, the Cash Administration and Agency Agreement, the Quotaholder Agreement, and the Conditions.

"**Transfer Agreements**" means the BPB Transfer Agreements and/or the CRO Transfer Agreements (as the context requires).

"**Transfer Date**" means, in relation to the Original Portfolios, 14 May 2019 and in relation to the Additional Portfolios, on or around 8 October 2019.

"**Transparency Directive**" means Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004.

"**Trigger Events**" has the meaning ascribed to it in Condition 9 (*Trigger Events*).

"**Trigger Notice**" has the meaning ascribed to it in Condition 9 (*Trigger Events*).

"**Valuation Date**" means in relation to the Original Portfolios, 30 April 2019 and in relation to the Additional Portfolios, 25 September 2019.

1. FORM, DENOMINATION, STATUS

1.1. The Notes will be held in dematerialised form on behalf of the Noteholders as of the Issue Date, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holder. Monte Titoli shall act as depository for Clearstream and Euroclear.

1.2. Title to the Notes will be evidenced by book entries in accordance with the provisions of article 83-*bis* of Italian Legislative Decree number 58 of 24 February 1998 and regulation of 13 August 2018 jointly issued by the Bank of Italy and CONSOB, as subsequently amended and supplemented. No physical document of title will be issued in respect of the Notes.

1.3. The denomination of the Rated Notes will be €100,000 and multiples of €1,000; the denomination of the Junior Notes will be €50,000 and multiples of €1,000.

1.4. The rights and powers of the Noteholders may only be exercised in accordance with the Rules of the Organisation of the Noteholders attached to these Conditions as Exhibit 1, which shall constitute an integral and essential part of these Conditions.

1.5. Each Note is issued subject to and has the benefit of the Deed of Charge (to the extent the Deed of Charge creates a valid Security Interest).

2. STATUS, PRIORITY, RANKING AND SEGREGATION

2.1. The Notes constitute secured limited recourse obligations of the Issuer and, accordingly, the extent of the obligation of the Issuer to make payments under the Notes is conditional upon the receipt and recovery by the Issuer of amounts due and is limited to the extent of any amounts received or recovered by the Issuer, in each case, in respect of the Portfolios and the other Issuer's Rights. Notwithstanding any other provision of these Conditions but without prejudice to Condition 9(i) (*Non-payment*), the obligation of the Issuer to make any payment under the Notes shall be equal to the lesser of (a) the nominal amount of such payment and (b) the Issuer Available Funds which may be applied for the relevant purpose in accordance with the applicable Order of Priority, provided that if the applicable Issuer Available Funds are insufficient to pay any amount due and payable to the Noteholders on any Payment Date in accordance with the applicable Order of Priority, the shortfall then occurring will not be due and payable until a subsequent Payment Date on which the applicable Issuer Available Funds may be used for such purpose in accordance with the relevant Order of Priority and provided however that any claim towards the Issuer shall be deemed waived and cancelled on the Final Maturity Date. Without prejudice to the foregoing, any payment obligations of the Issuer under the Notes which has remained unpaid to the extent referred to above upon the earlier of (i) following the completion of any proceedings for the recovery of all Claims, the date on which such recoveries (if any) are paid in accordance with the applicable Order of Priority, (ii) following the sale (if any) of the then outstanding Portfolios, the date on which the proceeds of such sale are paid in accordance with the applicable Order of Priority, and (iii) the Final Maturity Date (following application of the Issuer Available Funds on such date in accordance with the applicable Order of Priority), shall be deemed extinguished and the relevant claims irrevocably relinquished, waived and surrendered by the Noteholders to the applicable Issuer and the Noteholders will have no further recourse to the Issuer in respect of such obligations. The Noteholders acknowledge that the limited recourse nature of the Notes produces the effects of a "*contratto aleatorio*" under Italian law and are deemed to accept the consequences thereof, including but not limited to the provisions under article 1469 of the Italian civil code.

2.2. In respect of the obligation of the Issuer to pay interest on the Notes before the delivery of a Trigger Notice (as defined in Condition 9 (*Trigger Events*)):

a) the Class A1 Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the payment of interest on the Class A2 Notes, the payment of interest on the Class B Notes, the repayment of principal on the Class A1 Notes, the repayment of principal on the Class A2 Notes, the repayment of principal on the Class B Notes, the payment of interest and the repayment of principal on the Class J Notes and the payment of the Class J Notes Additional Return (if any);

b) the Class A2 Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the payment of interest on the Class B Notes, the repayment of principal on the Class A1 Notes, the repayment of principal on the Class A2 Notes, the repayment of principal on the Class B Notes, the payment of interest and repayment of principal on the Class J Notes and the payment of the Class J Notes Additional Return (if any) but subordinated to the payment of interest on the Class A1 Notes, *provided that*, upon the occurrence of a Class A2 Notes Interest Subordination Event the payment of interest on the Class A2 Notes will become subordinated to the payment of interest and the repayment of principal on the Class A1 Notes, on the immediately following Payment Date and on any Payment Date thereafter until the Class A1 Notes are redeemed in full;

c) the Class B Notes will rank in priority to the repayment of principal on the Class A1 Notes, the repayment of principal on the Class A2 Notes, the repayment of principal on the Class B Notes, the payment of interest and repayment of principal on the Class J Notes and the payment of the Class J Notes Additional Return (if any) but subordinated to the payment of interest on the Class A1 Notes and the payment of interest on the Class A2 Notes, *provided that*, upon the occurrence of a Class B Notes Interest Subordination Event the payment of interest on the Class B Notes will become subordinated to the payment of interest on the Class A1 Notes, the payment of interest on the Class A2 Notes, the repayment of principal on the Class A1 Notes and the repayment of principal

on the Class A2 Notes, on the immediately following Payment Date and on any Payment Date thereafter until the Class A1 Notes and the Class A2 Notes are redeemed in full;

d) the Class J Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of principal on the Class J Notes and the payment of the Class J Notes Additional Return (if any) but subordinated to the payment of interest on Class A1 Notes, the payment of interest on the Class A2 Notes, the payment of interest on the Class B Notes, the repayment of principal on Class A1 Notes, the repayment of principal on the Class A2 Notes and the repayment of principal on the Class B Notes.

2.3 In respect of the obligation of the Issuer to repay principal on the Notes before the delivery of a Trigger Notice (as defined in Condition 9 (*Trigger Events*)):

a) the Class A1 Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of principal on the Class A2 Notes, the repayment of principal on the Class B Notes, the payment of interest and repayment of principal on the Class J Notes and the payment of the Class J Notes Additional Return (if any) but subordinated to the payment of interest on the Class A1 Notes, the payment of interest on the Class A2 Notes and the payment of interest on the Class B Notes *provided tha*t:

(i) upon the occurrence of a Class A2 Notes Interest Subordination Event, the payment of interest on the Class A2 Notes will become subordinated to the repayment of principal on the Class A1 Notes; and

(ii) upon the occurrence of a Class B Notes Interest Subordination Event, the payment of interest on the Class B Notes will become subordinated to the repayment of principal on the Class A1 Notes,

on the immediately following Payment Date and on any Payment Date thereafter until the Class A1 Notes are redeemed in full;

b) the Class A2 Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of principal on the Class B Notes, the payment of interest and repayment of principal on the Class J Notes and the payment of the Class J Notes Additional Return (if any) but subordinated to the payment of interest on the Class A1 Notes, the payment of interest on the Class A2 Notes, the payment of interest on the Class B Notes and the repayment of principal on the Class A1 Notes, *provided that*, upon the occurrence of a Class B Notes Interest Subordination Event, the payment of interest on the Class B Notes will become subordinated to the repayment of principal on the Class A2 Notes;

c) the Class B Notes will rank in priority to the payment of interest and repayment of principal on the Class J Notes and the payment of the Class J Notes Additional Return (if any) but subordinated to the payment of interest on the Class A1 Notes, the payment of interest on the Class A2 Notes, the payment of interest on the Class B Notes, the repayment of principal on the Class A1 Notes and the repayment of principal on the Class A2 Notes;

d) the Class J Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the payment of the Class J Notes Additional Return (if any) but subordinated to the payment of interest on the Class A1 Notes, the payment of interest on the Class A2 Notes, the payment of interest on the Class B Notes, the repayment of principal on the Class A1 Notes, the repayment of principal on the Class A2 Notes, the repayment of principal on the Class B notes and the payment of interest on the Class J Notes.

2.4 In respect of the obligation of the Issuer to pay interest on the Notes (a) following the delivery of a Trigger Notice pursuant to Condition 9 (*Trigger Events*); (b) in the event that the Issuer opts for redemption pursuant to Condition 6.2 (*Redemption for Taxation*) or Condition 6.4 (*Optional Redemption*); and (c) on the Final Maturity Date:

a) the Class A1 Notes and the Class A2 Notes will rank *pari passu* and *pro rata* to the extent of the respective amounts thereof without preference or priority amongst themselves and in priority to the repayment of principal on the Class A1 Notes, the repayment of principal on the Class A2 Notes, the payment of interest and the repayment of principal on the Class B Notes, the payment of interest and the repayment of principal on the Class J Notes and the payment of the Class J Notes Additional Return (if any);

b) the Class B Notes will rank in priority to payment of interest and the repayment of principal on the Class J Notes and the payment of the Class J Notes Additional Return (if any) but subordinated to the payment of interest and repayment of principal on the Class A1 Notes and the Class A2 Notes;

c) the Class J Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of principal on the Class J Notes and the payment of the Class J Notes Additional Return (if any) but subordinated to the payment of interest and repayment of principal on the Class A1 Notes, the Class A2 Notes and the Class B Notes.

2.5 In respect of the obligation of the Issuer to repay principal on the Notes (a) following the delivery of a Trigger Notice pursuant to Condition 9 (Trigger Events); (b) in the event that the Issuer opts for redemption pursuant to Condition 6.2 (*Redemption for Taxation*) or Condition 6.4 (*Optional Redemption*); and (c) on the Final Maturity Date:

a) the Class A1 Notes and the Class A2 Notes will rank *pari passu* and *pro rata* to the extent of the respective amounts thereof without preference or priority amongst themselves and in priority to the payment of interest and the repayment of principal on the Class B Notes, the payment of interest and the repayment of principal on the Class J Notes and the payment of the Class J Notes Additional Return (if any) but subordinated to the payment of interest on the Class A1 Notes and the Class A2 Notes;

b) the Class B Notes will rank in priority to payment of interest on the Class J Notes and the payment of the Class J Notes Additional Return (if any) but subordinated to the payment of interest and repayment of principal on the Class A1 Notes and the Class A2 Notes, and the payment of interest on the Class B Notes;

c) the Class J Notes will rank *pari passu* without preference or priority amongst themselves but subordinated to the payment of interest and repayment of principal on the Class A1 Notes, the payment of interest and repayment of principal on the Class A2 Notes and the payment of interest on the Class J Notes and the payment of the Class J Notes Additional Return (if any).

2.6 The Notes are secured by certain assets of the Issuer pursuant to the Deed of Charge (to the extent the Deed of Charge creates a valid Security Interest) and in addition, by operation of the Securitisation Law, the Issuer's right, title and interest in and to the Portfolios and the other Segregated Assets are segregated from all other assets of the Issuer. Amounts deriving from the Portfolios will only be available, both prior to and following the winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders and the Other Issuer Creditors in accordance with the applicable Order of Priority set forth in Condition 4 (*Orders of Priority*) and to any third-party creditors in respect of costs, fees and expenses incurred by the Issuer to such third party creditors in relation to the Transaction.

2.7. Without prejudice to the provision of Condition 3.7 (*No variation or waiver*), the Intercreditor Agreement contains provisions regarding the fact that the Representative of the Noteholders shall, as regards the exercise and performance of all its powers, authorities, duties and discretion have regard to the interests of all Class of Noteholders and the Other Issuer Creditors provided that if, in the opinion of the Representative of the Noteholders (i) there is a conflict between their interests, the Representative of the Noteholders will have regard solely to the interests of the Noteholders; or (ii) there is a conflict between the interests of the holders of different Classes, the Representative of the Noteholders will consider only the interests of the holders of the Most

Senior Class of Notes then outstanding; or (iii) there is a conflict between the interests of the Other Issuer Creditors, then the Representative of the Noteholders shall have regard to the interests of whichever of the Other Issuer Creditors ranks higher in the Order of Priority for the payment of the amounts therein specified.

3. COVENANTS

So long as any amount in respect of the Notes remains outstanding, the Issuer shall not, save with the prior written consent of the Representative of the Noteholders (without prejudice to the provision of Condition 3.10 below (*Further securitisation*) or as provided for in, or envisaged by, any of the Transaction Documents:

3.1. *Negative pledge*

create or permit to subsist any Security Interest whatsoever over the Portfolios or any part thereof or over any of its other assets or sell, lend, part with or otherwise dispose of all or any part of the Portfolios or any of its assets related to the Transaction; or

3.2. *Restrictions on activities*

(a) save as provided in Condition 3.10 below (*Further securitisations*), engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage; or

(b) have any *società controllata* (subsidiary) or *società collegata* (affiliate company) (as defined in article 2359 of the *Codice Civile*) or any employees or premises; or

(c) at any time approve or agree or consent to or do, or permit to be done, any act or thing whatsoever which may be materially prejudicial to the interests of the holder of the Class A1 Notes, or, if no Class A1 Notes are outstanding, to the interest of the holder of the Class A2 Notes, or, if no Class A2 Notes are outstanding, to the interest of the holder of the Class B Notes or, if no Class B Notes are outstanding, to the interest of the holder of the Junior Notes; or

(d) become the owner of any real estate asset; or

(e) become resident, including without limitation for tax purposes, in any country outside Italy or cease to be managed and administered in Italy or cease to have its centre of main interest in Italy.

3.3. *Dividends, Distributions and Capital Increases*

pay any dividend or make any other distribution or return or repay any equity capital to its Quotaholder (or successor quotaholders), or issue any further quota or shares; or

3.4. *De-registrations*

ask for de-registration/suspension from the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy regulation dated 7 June 2017, for as long as the Securitisation Law, or any other applicable law or regulation requires the company incorporated pursuant to the Securitisation Law to be registered therewith; or

3.5. *Borrowings*

incur any indebtedness in respect of any borrowed money whatsoever or give any guarantee in respect of indebtedness or of any obligation of any person other than for the purposes of the Transaction; or

3.6. ***Merger***

consolidate or merge with any person or convey or transfer any of its properties or assets to any person; or

3.7. ***No variation or waiver***

(i) permit any of the Transaction Documents to which it is party to be amended, terminated or discharged, if such amendment, termination or discharge may negatively affect the interest of the holder of the Class A1 Notes or, if no Class A1 Notes are outstanding, to the interest of the holder of the Class A2 Notes, or, if no Class A2 Notes are outstanding, to the interest of the holder of the Junior Notes; or (ii) exercise any powers of consent or waiver pursuant to the terms of any of the Transaction Documents to which it is a party, in a way which may negatively affect the interest of the holders of the holder of the Class A1 Notes or, if no Class A1 Notes are outstanding, to the interest of the holder of the Class A2 Notes, or, if no Class A2 Notes are outstanding, to the interest of the holder of the Junior Notes; or (iii) permit any party to any of the Transaction Documents to which it is a party to be released from its obligations thereunder, if such release may negatively affect the interest of the holder Rated Notes; provided further that, any amendment, termination discharge or waiver to any Transaction Document that may affect the amount, timing or priority of any payments due from either party under the Swap Agreement, shall be notified to and will be subject to the prior written approval of the Swap Counterparty in accordance with clause 18 (*Swap Counterparty Veto*) of the Intercreditor Agreement; or

3.8. ***Bank Accounts***

have an interest in any bank account other than the Accounts; or

3.9. ***Statutory Documents***

amend, supplement or otherwise modify its by-laws (*statuto*) or deed of incorporation (*atto costitutivo*), except where such amendment, supplement or modification is required by compulsory provisions of Italian law or by the competent regulatory authorities; or

3.10. ***Further securitisations***

none of the covenants in Condition 3 (*Covenants*) above shall prohibit the Issuer from:

(i) acquiring, or financing pursuant to article 7 of the Securitisation Law, by way of separate transactions unrelated to this Transaction, further portfolios of monetary claims in addition to the Claims either from the Originators or from any other entity (the "**Further Portfolios**");

(ii) securitising such Further Portfolios (each, a "**Further Securitisation**") through the issue of further debt securities additional to the Notes (the "**Further Notes**");

(iii) entering into agreements and transactions, with the Originators or any other entity, that are incidental to or necessary in connection with such Further Securitisation including, *inter alia*, the ring-fencing or the granting of security over such Further Portfolios and any right, benefit, agreement, instrument, document or other asset of the Issuer relating thereto to secure such Further Notes (the "**Further Security**"), *provided that*:

(a) the Issuer confirms in writing to the Representative of the Noteholders that such Further Security does not comprise or extend over any of the Claims or any of the other Issuer's Rights;

(b) the Issuer confirms in writing to the Representative of the Noteholders that the terms and conditions of the Further Notes contain provisions to the effect that the obligations of the Issuer whether in respect of interest, principal, premium or other amounts in respect of

such Further Notes, are limited recourse obligations of the Issuer, limited to some or all of the assets comprised in such Further Security;

(c) the Issuer confirms in writing to the Representative of the Noteholders that each party to such Further Securitisation agrees and acknowledges that the obligations of the Issuer to such party in connection with such Further Securitisation are limited recourse obligations of the Issuer, limited to some or all of the assets comprised in such Further Security and that each creditor in respect of such Further Securitisation or the representative of the holders of such Further Notes has agreed to limitations on its ability to take action against the Issuer, including in respect of insolvency proceedings relating to the Issuer, on terms in all significant respects equivalent to those contained in the Intercreditor Agreement;

(d) the Issuer has notified in writing the Rating Agencies of its intention to carry out a Further Securitisation and provided that any such Further Securitisation would not adversely affect the then current rating of any of the Rated Notes;

(e) the Issuer confirms in writing to the Representative of the Noteholders that the terms and conditions of such Further Notes will include: (i) covenants by the Issuer in all significant respects equivalent to those covenants provided in paragraphs (a) to (d) above; and (ii) provisions which are the same as or, in the sole discretion of the Representative of the Noteholders, equivalent to this provision;

(f) such further securitisation shall not affect the qualification of the Class A1 Notes as eligible collateral (if applicable), within the meaning of the *Guideline of the European Central Bank (ECB) of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60)*, as subsequently amended and supplemented, and *Guideline of the European Central Bank (ECB) of 9 July 2014 on additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral and amending Guideline ECB/2007/9*, as subsequently amended and supplemented); and

(g) the Representative of the Noteholders is satisfied that conditions (a) to (f) of this provision have been satisfied.

In giving any consent to the foregoing, the Representative of the Noteholders may require the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents (as may itself consent thereto on behalf of the Noteholders) or may impose such other conditions or requirements as the Representative of the Noteholders may deem expedient (in its absolute discretion) in the interests of the Noteholders and may rely on any written confirmation from the Issuer as to the matters contained therein.

3.11 *Volcker Loan Securitisation Exception Covenant*

the Issuer shall at all times comply with the following requirements:

(i) the Issuer shall not at any time hold any assets other than: (i) Permitted Loans; (ii) Permitted Servicing Assets; or (iii) Permitted Hedging Assets; and

(ii) the Issuer shall not at any time hold any of the following: (i) any debt or equity security, including an asset-backed security, or any interest in any equity or debt security (in each case, other than a Permitted Security); (ii) a derivative (other than a Permitted Hedging Asset); or (iii) a commodity forward contract.

None of the covenants in this Condition 3 (*Covenants*) shall prohibit the Issuer from carrying out any activity which is incidental to maintaining its corporate existence and complying with laws and regulations applicable to it.

4. ORDERS OF PRIORITY

4.1 *Pre-Acceleration Order Of Priority*

Prior to (i) the service of a Trigger Notice, (ii) a redemption pursuant to Condition 6.2 (*Redemption for Taxation*) or (iii) a redemption pursuant to Condition 6.4 (*Optional Redemption*) or (iv) the Final Maturity Date, the Issuer Available Funds shall be applied on each Payment Date in making or providing for the following payments, in the following order of priority (the "**Pre-Acceleration Order of Priority**") (in each case, only if and to the extent that payments of a higher priority have been made in full):

s) *First*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) (i) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation and regulations or to fulfil due and payable payment obligations of the Issuer towards third parties (not expressly included in any following item of this Order of Priority) incurred in relation to the Transaction, to the extent that such costs, taxes, expenses and payments are not met by using the amount standing to the credit of the Expenses Account, (ii) all costs and taxes required to be paid to maintain the ratings of the Rated Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents;

t) *Second*, to pay in the following order (i) the fees, expenses and all other amounts due to the Representative of the Noteholders and the Security Trustee, (ii) into the Expenses Account the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

u) *Third*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) (i) the fees, expenses and all other amounts due and payable to the Cash Manager, the Computation Agent, the Agent Bank, the Transaction Bank, the Principal Paying Agent, the EMIR Reporting Agent, the Back-Up Servicer and the Corporate Services Provider; (ii) the Master Servicer Fees to the Master Servicer and the Servicing Fees due to each Servicer; and (iii) the fees and costs due to the Back-up Servicer as successor of the Servicers and/or the Master Servicer pursuant to clause 3.2 of the Back-Up Servicing Agreement;

v) *Fourth*, to pay all amounts due and payable to the Swap Counterparty under the terms of the Swap Agreement (which, with respect to periodic payments and payments of *premia*, shall include amounts due and payable in respect of the relevant Swap Transactions) other than (1) any Swap Tax Credit Amounts (which amounts shall be paid when due in accordance with the Swap Agreement, without regard to the Collateral Account Priority of Payments or the Orders of Priority), (2) any amounts payable pursuant to the Collateral Account Priority of Payments, and (3) any Subordinated Swap Counterparty Termination Payment provided that any Senior Swap Counterparty Termination Payment due to the Swap Counterparty shall be payable pursuant to this item only to the extent that the amounts paid pursuant to the Collateral Account Priority of Payments are insufficient to pay in full the Senior Swap Counterparty Termination Payment due to the Swap Counterparty;

w) *Fifth*, to pay (*pari passu* and *pro rata*) interest due and payable on the Principal Amount Outstanding of the Class A1 Notes;

x) *Sixth*, to credit the Liquidity Reserve Account with the Liquidity Reserve Amount due on such Payment Date;

y) *Seventh*, prior to the occurrence of a Class A2 Notes Interest Subordination Event, to pay (*pari passu* and *pro rata*) interest due and payable on the Principal Amount Outstanding of the Class A2 Notes;

z) *Eighth,* prior to the occurrence of a Class B Notes Interest Subordination Event, to pay (*pari passu* and *pro rata*) interest due and payable on the Principal Amount Outstanding of the Class B Notes;

aa) *Ninth*, towards payment (*pari passu* and *pro rata*) of the Principal Amount Outstanding of the Class A1 Notes;

bb) *Tenth*, following the occurrence of a Class A2 Notes Interest Subordination Event, to pay (*pari passu* and *pro rata*) interest due and payable on the Class A2 Notes;

cc) *Eleventh*, to repay (*pari passu* and *pro rata*) the Principal Amount Outstanding of the Class A2 Notes;

dd) *Twelfth*, following the occurrence of a Class B Notes Interest Subordination Event, to pay (*pari passu* and *pro rata*) interest due and payable on the Class B Notes;

ee) *Thirteenth*, to repay (*pari passu* and *pro rata*) the Principal Amount Outstanding of the Class B Notes;

ff) *Fourteenth*, only to the extent the amounts paid pursuant to the Collateral Account Priority of Payments are insufficient to pay in full any Subordinated Swap Counterparty Termination Payment due to the Swap Counterparty, to pay any due but unpaid Subordinated Swap Counterparty Termination Payment due to the Swap Counterparty;

gg) *Fifteenth*, to pay (*pari passu* and *pro rata* according to the respective amounts thereof), any other amount due and payable to each of the Originators, pursuant to the relevant Transfer Agreement (including costs and expenses and the insurance *premia* advanced under the Insurance Policies) and the Warranty and Indemnity Agreement; to the Master Servicer and the Servicers pursuant to the Servicing Agreement, to the extent not already paid under other items of this Order of Priority; and to the Back-up Servicer as successor of the Servicers and/or the Master Servicer, to the extent not already paid under other items of this Order of Priority;

hh) *Sixteenth*, to pay (*pari passu* and *pro rata* according to the respective amounts thereof) interest due and payable respectively on the Class J1 Notes and the Class J2 Notes (other than the Class J1 Notes Additional Return and the Class J2 Notes Additional Return) in accordance with the Relevant Single Portfolio Priority of Payments;

ii) *Seventeenth*, following redemption in full or cancellation of the Class A2 Notes, to pay (*pari passu* and *pro rata* according to the respective amounts thereof) the Principal Amount Outstanding of the Class J1 Notes and the Class J2 Notes in accordance with the Relevant Single Portfolio Priority of Payments, until – on each Payment Date other than the Payment Date on which the Notes are redeemed in full or cancelled or the Final Maturity Date – such Principal Amount Outstanding is equal to the relevant Class J Notes Retained Amount;

jj) *Eighteenth*, to pay (*pari passu* and *pro rata* according to the respective amounts thereof) the Class J1 Notes Additional Return and the Class J2 Notes Additional Return in accordance with the Relevant Single Portfolio Priority of Payments,

provided, however, that should the Computation Agent not receive the Quarterly Servicing Report within 2 (two) Business Days prior to the Calculation Date (or should it receive the Quarterly Servicing Report in respect of one Portfolio only);

(i) it shall prepare the Payments Report by applying the Issuer Available Funds in an amount not higher than:

d) the amounts standing to the credit of the Liquidity Reserve Account on the immediately preceding Payment Date (after application of the Pre-Acceleration Order of Priority on such Payment Date); *plus*

e) the aggregate amount transferred from the Collection Account to the Investment Account in the immediately preceding Collection Period (as promptly indicated by the Transaction Bank upon request of the Computation Agent); *plus*

f) all amounts due and payable to the Issuer on the immediately following Payment Date under the terms of the Swap Agreement, other than any Collateral Amount, any termination payment required to be made under the Swap Agreement and any collateral payable or transferable (as the case may be) under the Credit Support Annex,

towards payment only of items from *First* to *Sixth* (but excluding the Master Servicer Fees to the Master Servicer under item *Third*) of the Pre-Acceleration Order of Priority; and

(ii) any amount that would otherwise have been payable under items from *Seventh* to *Eighteenth* of the Pre-Acceleration Order of Priority will not be included in the relevant Payments Report and shall remain in the Payments Account and become payable (together with the relevant Master Servicer Fees) in accordance with the applicable Order of Priority on the first following Payment Date on which the information contained in the missing Quarterly Servicer Report has been received by the Computation Agent.

4.2 *Single Portfolio Priority of Payment*

Prior to the service of a Trigger Notice, the Single Portfolio Available Funds shall be deemed to be applied on each Payment Date to register, for the Originators' accounting purposes only, the following payments in the following order of priority (the "**Single Portfolio Priority of Payment**") (in each case, only if and to the extent that payments of a higher priority have been registered in full):

(u) *First*, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of the relevant Outstanding Notes Ratio of (a) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation and regulations or to fulfil due and payable payment obligations of the Issuer towards third parties (not expressly included in any following item of this Order of Priority) incurred in relation to the Transaction, to the extent that such costs, taxes, expenses and payments are not met by using the amount standing to the credit of the Expenses Account, (b) all costs and taxes required to be paid to maintain the ratings of the Rated Notes and in connection with the registration and deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents;

(v) *Second*, to register the payment in the following order (a) the relevant Outstanding Notes Ratio of the fees, expenses and all other amounts due to the Representative of the Noteholders and the Security Trustee, (b) into the Expenses Account the relevant Outstanding Notes Ratio of the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

(w) *Third*, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of the relevant Outstanding Notes Ratio (i) of the fees, expenses and all other amounts due and payable to the Cash Manager, the Computation Agent, the Agent Bank, the Transaction Bank, the Principal Paying Agent, the EMIR Reporting Agent, the Corporate Services Provider, the Back-Up Servicer and the Corporate Services Provider; (ii) of the Master Servicer Fees to the Master Servicer and the Servicing Fees to the Servicers; and (iii) of the fees and costs due to the Back-up Servicer as successor of the Servicers and/or the Master Servicer pursuant to clause 3.2 of the Back-Up Servicing Agreement;

(x) *Fourth*, to register the payment of all amounts due and payable to the Swap Counterparty under the terms of the Swap Agreement (which, with respect to periodic payments and payments of *premia*, shall include amounts due and payable in respect of the relevant Swap Transactions) other than (1) any Swap Tax Credit Amounts (which amounts shall be paid when due in accordance with the Swap Agreement, without regard to the Collateral Account Priority of Payments or the Orders of Priority), (2) any amounts payable pursuant to the Collateral Account Priority of Payments, and (3) any Subordinated Swap Counterparty Termination Payment, provided that any Senior Swap Counterparty Termination Payment due to the Swap Counterparty shall be payable pursuant to this item only (a) to the extent that the amounts paid pursuant to the Collateral Account Priority of Payments are insufficient to pay in full the Senior Swap Counterparty Termination Payment due to the Swap Counterparty, and (b) in an amount equal to the Outstanding Notes Ratio of such amount;

(y) *Fifth*, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of interest due and payable on the relevant Single Portfolio Class A1 Notes Principal Amount Outstanding;

(z) *Sixth*, to register the credit into the Liquidity Reserve Account of an amount equal to the relevant Single Portfolio Liquidity Reserve Amount due on such Payment Date;

(aa) *Seventh*, prior to the occurrence of a Class A2 Notes Interest Subordination Event, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of interest due and payable on the relevant Single Portfolio Class A2 Notes Principal Amount Outstanding;

(bb) *Eighth,* prior to the occurrence of a Class B Notes Interest Subordination Event, to register the payment (*pari passu* and *pro rata*) of interest due and payable on the relevant Single Portfolio Class B Notes Principal Amount Outstanding;

(cc) *Ninth*, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of the Single Portfolio Class A1 Notes Principal Amount Outstanding;

(dd) *Tenth*, following the occurrence of a Class A2 Notes Interest Subordination Event, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of interest due and payable on the Single Portfolio Class A2 Notes Principal Amount Outstanding;

(ee) *Eleventh*, following redemption in full of the Class A1 Notes, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of the Single Portfolio Class A2 Notes Principal Amount Outstanding;

(ff) *Twelfth,* following the occurrence of a Class B Notes Interest Subordination Event, to register the payment of interest due and payable on the Single Portfolio Class B Notes Principal Amount Outstanding;

(gg) *Thirteenth,* following redemption in full of the Class A2 Notes, to register the payment (*pari passu* and *pro rata* to the extent of the respective amounts thereof) of the Single Portfolio Class B Notes Principal Amount Outstanding;

(hh) *Fourteenth*, only to the extent the amounts paid pursuant to the Collateral Account Priority of Payments are insufficient to pay in full any Subordinated Swap Counterparty Termination Payment due to the Swap Counterparty, to register payment the Outstanding Notes Ratio of any due but unpaid Subordinated Swap Counterparty Termination Payment due to the Swap Counterparty;

(ii) *Fifteenth*, to register the payment (*pari passu* and *pro rata* according to the respective amounts thereof), of any other amount due and payable with respect to the BPB Portfolio or the CRO Portfolio, as the case may be to each of the Originators, pursuant to the relevant Transfer Agreement (including costs and expenses and the insurance *premia* advanced under the relevant Insurance Policies) and the Warranty and Indemnity Agreement; to the Master Servicer and the Servicers pursuant to the Servicing Agreement and to the Back-up Servicer as successor of the Servicers and/or the Master Servicer, with respect to the BPB Portfolio or the CRO Portfolio, as the case may be, to the extent not already paid under other items of this Order of Priority;

(jj) *Sixteenth*, up to (and including) the Payment Date on which the Rated Notes are redeemed in full or cancelled, to the extent, as the case may be, the Single Portfolio Class A1 Notes Principal Amount Outstanding or the Single Portfolio Class A2 Notes Principal Amount Outstanding or the Single Portfolio Class B Notes Principal Amount Outstanding relating to a Portfolio is reduced to zero while, as the case may be, the Single Portfolio Class A1 Notes Principal Amount Outstanding or the Single Portfolio Class A2 Notes Principal Amount Outstanding or the Single Portfolio Class B Notes Principal Amount Outstanding relating to the other Portfolio is higher than zero, to register the allocation of any surplus to the Single Portfolio Available Funds relating to the other Portfolio in an amount necessary to pay any shortfall under the other Single Portfolio Priority of Payments up to reduction of, as the case may be, the relevant Single Portfolio Class A1 Notes Principal Amount Outstanding or the relevant Single Portfolio Class A2 Notes Principal Amount Outstanding or the Single Portfolio Class B Notes Principal Amount Outstanding to zero;

(kk) *Seventeenth*, following redemption in full or cancellation of the Most Senior Class of Notes, to register the repayment of any amount allocated in any preceding Payment Date under item *Sixteenth* above to the Single Portfolio Available Funds relating to the relevant Portfolio from which such amount has been borrowed (deducting any amount already paid under this item in any preceding Payment Date);

(ll) *Eighteenth*, to register the payment (*pari passu* and *pro rata* according to the respective amounts thereof) of interest due and payable on the Principal Amount Outstanding of the

relevant Class J Notes (other than the Class J1 Notes Additional Return and the Class J2 Notes Additional Return);

(mm) *Nineteenth*, following redemption in full or cancellation of the Class A1 Notes, the Class B Notes and the Class A2 Notes, to register the payment (*pari passu* and *pro rata* according to the respective amounts thereof) of the Principal Amount Outstanding of the relevant Class J Notes, until – on each Payment Date other than the Payment Date on which the Notes are redeemed in full or cancelled or the Final Maturity Date – such Principal Amount Outstanding is equal to the relevant Class J Notes Retained Amount;

(nn) *Twentieth*, to register the payment (*pari passu* and *pro rata* according to the respective amounts thereof) of the Class J1 Notes Additional Return and the Class J2 Notes Additional Return, as the case may be on the relevant Class J Notes.

It remains understood that all payments shall be made out of the Issuer Available Funds in accordance with the Pre-Acceleration Priority of Payments, while the Single Portfolio Available Funds shall be applied in accordance with the Single Portfolio Priority of Payments only to register, for Originators' accounting purposes, the actual contribution of the BPB Portfolio or the CRO Portfolio, as the case may be, to such payments.

It is also understood that, following redemption in full or cancellation of the Class A1 Notes, the Class A2 Notes and the Class B Notes, the Issuer Available Funds shall be applied to make payments under items from *Sixteenth* to *Eighteenth* (both included) of the Pre-Acceleration Priority of Payments on the basis of the amounts registered under items from *Eighteenth* to *Twentieth* (both included) of the Single Portfolio Priority of Payments in order to settle credits and debts resulting from the different contribution (if any) of each Portfolio.

"**Single Portfolio Priority of Payments**" means the order of priority pursuant to which the Single Portfolio Available Funds shall be applied on each Payment Date prior to the delivery of a Trigger Notice, in accordance with Condition 4.2 (*Single Portfolio Priority of Payments*) and the term "**Relevant**" when applied to the term Single Portfolio Priority of Payments means the order of priority applicable with respect to the BPB Portfolio or the CRO Portfolio, as the case may be.

4.3 *Acceleration Order of Priority*

(a) Following the delivery of a Trigger Notice pursuant to Condition 9 (*Trigger Ev*ents), or (b) in the event that the Issuer opts for the redemption pursuant to Condition 6.2 (*Redemption for Taxation*), or for the redemption pursuant to Condition 6.4 (*Optional Redemption*) or (c) on the Final Maturity Date, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

(xiv) *First*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof), (i) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation and regulations or to fulfil due and payable payment obligations of the Issuer towards third parties (not expressly included in any following item of this Order of Priority) incurred in relation to the Transaction, to the extent that such costs, taxes, expenses and payments are not met by utilising the amount standing to the credit of the Expenses Account, and (ii) all costs and taxes required to be paid in connection with any notice to be given to the Noteholders or the other parties to the Transaction Documents;

(xv) *Second*, to pay in the following order (i) the fees, expenses and all other amounts due to the Representative of the Noteholders and the Security Trustee, (ii) into the Expenses Account the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

(xvi) *Third*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) fees, expenses and all other amounts due and payable to the Master Servicer, the Servicer, the Cash Manager, the Computation Agent, the Agent Bank, the Transaction Bank, the Principal Paying

Agent, the EMIR Reporting Agent, the Corporate Services Provider, the Back-Up Servicer and the Corporate Services Provider;

(xvii) *Fourth*, to pay all amounts due and payable to the Swap Counterparty under the terms of the Swap Agreement, other than (1) any Swap Tax Credit Amounts (which amounts shall be paid when due in accordance with the Swap Agreement, without regard to the Collateral Account Priority of Payments or the Orders of Priority), (2) any amounts payable pursuant to the Collateral Account Priority of Payments and (3) any Subordinated Swap Counterparty Termination Payment, provided that only to the extent that the amounts paid pursuant to the Collateral Account Priority of Payments are insufficient to pay any Senior Swap Counterparty Termination Payment in full, any due but unpaid Senior Swap Counterparty Termination Payment shall be payable pursuant to this item;

(xviii) *Fifth*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) interest due and payable on the Class A1 Notes and the Class A2 Notes;

(xix) *Sixth,* to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) the Principal Amount Outstanding of the Class A1 Notes and of the Class A2 Notes*;*

(xx) *Seventh*, to pay (*pari passu* and *pro rata*) interest due and payable on the Class B Notes;

(xxi) *Eighth,* to pay (*pari passu* and *pro rata*) the Principal Amount Outstanding on the Class B Notes;

(xxii) *Ninth*, only to the extent the amounts paid pursuant to the Collateral Account Priority of Payments are insufficient to pay any Subordinated Swap Counterparty Termination Payment in full, to pay any due but unpaid Subordinated Swap Counterparty Termination Payment;

(xxiii) *Tenth*, to pay (*pari passu* and *pro rata* according to the respective amounts thereof) any amount due and payable to the Originators pursuant to any of the Transfer Agreement (including costs and expenses and the insurance *premia* advanced under the Insurance Policies) and the Warranty and Indemnity Agreement;

(xxiv) *Eleventh*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) interest due and payable on the Class J1 Notes and on the Class J2 Notes (other than the Class J Notes Additional Return);

(xxv) *Twelfth*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) the Principal Amount Outstanding of the Class J Notes, until – on each Payment Date other than the Payment Date on which the Notes are redeemed in full or cancelled or the Final Maturity Date – such Principal Amount Outstanding is equal to the relevant Class J Notes Retained Amount; and

(xxvi) *Thirteenth*, to pay the Class J Notes Additional Return (*pari passu* and *pro rata* to the Principal Amount Outstanding of each relevant Class as at the immediately preceding Payment Date).

4.4 *Collateral Account Priority of Payments*

Amounts standing to the credit of the Collateral Account will not be available for the Issuer to make payments to the Noteholders and the Other Issuer Creditors generally, but may be applied only in accordance with the following provisions:

(vi) prior to the occurrence or designation of an Early Termination Date in respect of the Swap Agreement, solely in or towards payment or transfer of:

(e) any Return Amounts (as defined in the Credit Support Annex);

(f) any Interest Amounts and Distributions (each as defined in the Credit Support Annex);

(g) any return of collateral to the Swap Counterparty upon a novation of such Swap Counterparty's obligations under the Swap Agreement to a replacement swap counterparty; and

(h) any Swap Tax Credit Amounts in accordance with the Swap Agreement,

on any day (whether or not such day is a Payment Date), directly to the Swap Counterparty in accordance with the terms of the Credit Support Annex;

(vii) upon or immediately following the occurrence or designation of an Early Termination Date (as defined in the Swap Agreement) in respect of the Swap Agreement where (A) such Early Termination Date (as defined in the Swap Agreement) has been designated following an Event of Default (as defined in the Swap Agreement) in respect of which the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) or an Additional Termination Event (as defined in the Swap Agreement) resulting from a Swap Counterparty Rating Event and in respect of which the Swap Counterparty is the Affected Party (as defined in the Swap Agreement) and (B) the Issuer enters into a replacement swap agreement in respect of such Swap Agreement on or around the Early Termination Date of such Swap Agreement, on the later of the day on which such replacement swap agreement is entered into and the day on which the Replacement Swap Premium (if any) payable to the Issuer has been received (in each case, whether or not such day is a Payment Date), in the following order of priority:

(d) first, in or towards payment of any Replacement Swap Premium (if any) payable by the Issuer to a replacement swap counterparty in order to enter into a replacement swap agreement with the Issuer with respect to the Swap Agreement being novated or terminated;

(e) second, in or towards payment of any termination payment due to the outgoing Swap Counterparty pursuant to the Swap Agreement; and

(f) third, the surplus (if any) (a "**Swap Collateral Account Surplus**") on such day to be transferred to the Payments Account for an amount equal to the relevant Outstanding Notes Ratio of the Swap Collateral Account Surplus and deemed to form part of the Issuer Available Funds;

(viii) following the occurrence or designation of an Early Termination Date in respect of the Swap Agreement where (A) such Early Termination Date has been designated following an Event of Default (as defined in the Swap Agreement) in respect of which the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) or an Additional Termination Event (as defined in the Swap Agreement) resulting from a Swap Counterparty Rating Event and in respect of which the Swap Counterparty is the Affected Party (as defined in the Swap Agreement) and (B) the Issuer is unable to or elects not to enter into a replacement swap agreement on or around the Early Termination Date of such Swap Agreement, on any day (whether or not such day is a Payment Date) in or towards payment of any termination payment due to the outgoing Swap Counterparty pursuant to the Swap Agreement;

(ix) following the occurrence or designation of an Early Termination Date in respect of the Swap Agreement where such Early Termination Date has been designated otherwise than as a result of one of the events specified at items (ii) and (iii) above, on any day (whether or not such day is a Payment Date) in or towards payment of any termination payment due to the outgoing Swap Counterparty pursuant to the Swap Agreement; and

(x) following payment of any amounts due pursuant to (iii) and (iv) above, if amounts remain standing to the credit of the Collateral Account, such amounts may be applied on any day (whether or not such day is a Payment Date) only in accordance with the following provisions:

(e) first, in or towards payment of any Replacement Swap Premium (if any) payable by the Issuer to a replacement swap counterparty in order to enter into a replacement swap agreement with the Issuer with respect to the Swap Agreement being terminated; and

(f) second, the surplus (if any) (a "Swap Collateral Account Surplus") remaining after payment of such Replacement Swap Premium to be transferred to the Payments Account for an amount equal to the relevant Outstanding Notes Ratio of the Swap Collateral Account Surplus and deemed to form Issuer Available Funds,

provided that if the Issuer has not entered into a replacement swap agreement with respect to the Swap Agreement on or prior to the earlier of:

(g) the day that is 10 (ten) Business Days prior to the date on which the Principal Amount Outstanding of all Classes of Notes is reduced to zero (other than following the occurrence of a Trigger Event pursuant to Condition 9 (Trigger Events)); or

(h) the day on which a Trigger Notice is given pursuant to Condition 9 (Trigger Events),

then the Collateral Amount on such day shall be transferred to the Payments Account for an amount equal to the relevant Outstanding Notes Ratio of the Swap Collateral Account Surplus and deemed to form Issuer Available Funds.

5. INTEREST

5.1 *Payment Dates and Interest Periods*

Each of the Notes bears interest on its Principal Amount Outstanding from (and including) the Issue Date at a rate equal to Three Month Euribor (as defined below) *plus* the relevant Margin.

Save as provided for in Condition 5.8 (*Unpaid Interest*), interest in respect of the Notes is payable in Euro quarterly in arrear on each Payment Date.

Interest in respect of any Interest Period or any other period will be calculated on the basis of the actual number of days elapsed and a 360 day year.

Interest shall cease to accrue on any part of the Principal Amount Outstanding of the Notes as from (and including) the due date for redemption of such part unless payment of principal due and payable but unpaid is improperly withheld or refused, whereupon interest shall continue to accrue on such principal (after as well as before judgment) at the Interest Rate from time to time applicable to the Notes until the monies in respect thereof have been received by the Representative of the Noteholders or Principal Paying Agent on behalf of the relevant Noteholders and notice to that effect is given in accordance with Condition 12 (*Notices*).

5.2 *Interest Rate*

The rate of interest applicable from time to time in respect of the Notes ("**Interest Rate**") will be determined by the Agent Bank, in respect of each Interest Period, on the relevant Interest Determination Date.

The Interest Rate applicable to each of the Notes for each Interest Period shall be the aggregate of the Relevant Margin (as defined below) and:

(a) Euribor for three months deposits in Euro calculated as the arithmetic mean of the offered quotations to leading banks (rounded to three decimal places with the mid-point rounded up) for three months Euro deposits in the Euro-zone inter-bank market which appears on Page Euribor01 of Reuters Screen or (i) such other page as may replace Page Euribor01 on that service for the purpose of displaying such information or, (ii) if that service ceases to display such information, such page displaying such information on such equivalent service (or, if more than one, that one for which the Agent Bank received a prior written approval by the Representative of the Noteholders to replace the Reuters Page) (the "**Screen Rate**"), at or about 11:00 a.m. (Brussels time) on the relevant Interest Determination Date; or

(b) if the Screen Rate is unavailable at such time for three months Euro deposits, then the rate for the relevant Interest Period shall be the arithmetic mean (rounded to three decimal places with the mid-point rounded up) of the rates notified to the Agent Bank at its request by each of the Reference Banks (as defined in Condition 5.7 (*Reference Banks and Agent Bank*) hereof as the rate at which three months Euro deposits in a representative amount are offered by that Reference Bank to leading banks in the Euro-zone inter-bank market at or about 11:00 a.m. (Brussels time) on the relevant Interest Determination Date. If, on any such Interest Determination Date, only two of the Reference Banks provide such quotations to the Agent Bank, the rate for the relevant Interest Period shall be determined, as aforesaid, on the basis of the offered quotations of those two Reference Banks providing such quotations. If, on any such Interest Determination Date, only one or none of the Reference Banks provides the Agent Bank

with such quotation, the Agent Bank shall forthwith consult with the Representative of the Noteholders and the Issuer for the purpose of agreeing one additional bank (or, where none of the Reference Banks provides such a quotation, two additional banks) to provide such a quotation or quotations to the Agent Bank (which bank or banks is or are in the sole and absolute opinion of the Representative of the Noteholders suitable for such purpose) and the rate for the relevant Interest Period shall be determined, as aforesaid, on the basis of the offered quotations of such banks (or, as the case may be, the offered quotations of such bank and the relevant Reference Bank). If no such bank (or banks) is (or are) so agreed or such bank (or banks) as agreed does not (or do not) provide such a quotation (or quotations), then the rate for the relevant Interest Period shall be the rate in effect for the last preceding Interest Period to which sub-paragraph (a) of this Condition 5.2 (*Interest Rate*) shall have applied (the "**Three Month Euribor**").

For the purpose of these Conditions, the "**Relevant Margin**" means in respect of:

(i) the Class A1 Notes 0.40% *per annum*

(ii) the Class A2 Notes 0.70% *per annum*;

(iii) the Class B Notes 1.00% *per annum*;

(iv) the Class J1 Notes 0.00% *per annum*; and

(v) the Class J2 Notes 0.00% *per annum*.

In the case of the Initial Interest Period, the Interest Rate will be the rate per annum obtained by linear interpolation of the Euribor for 3 months and 6 months deposits in Euro, plus the Relevant Margin *provided that* the Interest Rate (being the Three Month Euribor *plus* the relevant margin) applicable to the Notes shall not be negative.

If Three Month Euribor can no longer be calculated or administered, or it becomes illegal for the Agent Bank to determine any amounts due to be paid under the Notes, as at the relevant Payment Date, the applicable benchmark shall be such alternative rate which has replaced Three Month Euribor in customary market usage for the purpose of determining floating rates of interest in respect of Euro-denominated securities, as identified by the Issuer, in consultation with an independent financial advisor (the "**IFA**") appointed by the Issuer (as directed by the Noteholders in accordance with the Rules), provided however that if the IFA determines that there is no clear market consensus as to whether any rate has replaced Euribor in customary market usage, the IFA shall determine an appropriate alternative rate, and the decision of the IFA will be binding on the Issuer, the Representative of the Noteholders, the Agent Bank and the Noteholders.

5.3 ***Determination of Interest Rate, Calculation of Interest Amount and Class J Notes Additional Return***

(a) The Agent Bank shall, on each Interest Determination Date:

(i) determine the Interest Rate applicable to the Interest Period beginning after such Interest Determination Date (or in the case of the Initial Interest Period, beginning on and including the Issue Date); and

(ii) calculate the Euro amount (the "**Interest Amount**") accrued on the Notes of each Class in respect of each Interest Period. The Interest Amount in respect of any Interest Period shall be calculated by applying the relevant Interest Rate to the Principal Amount Outstanding of the Notes of each Class on the Payment Date at the commencement of such Interest Period (after deducting therefrom any payment of principal due on that Payment Date) or, in the case of the Initial Interest Period, on the Issue Date, and by multiplying the product of such calculation by the actual number of days to elapse in the relevant Interest Period divided by 360, and rounding the resultant figure to the nearest cent (half a cent being rounded up).

(b) The Computation Agent shall on each Calculation Date determine the Class J1 Notes Additional Return and Class J2 Notes Additional Return (if any) applicable on the Payment Date following such Calculation Date.

5.4 ***Publication of Interest Rate and Interest Amount***

The Agent Bank will cause the Interest Rate and the Interest Amount applicable to each Interest Period and the Payment Date in respect of such Interest Amount, to be notified promptly after their determination to the Issuer, the Representative of the Noteholders, the Computation Agent, the Servicers and the Master Servicer, the Transaction Bank, the Swap Counterparty, the Security Trustee, Monte Titoli, the Principal Paying Agent and Borsa Italiana and will cause the same to be published through Monte Titoli (if requested by the Issuer and upon its instruction) in accordance with Condition 12 (*Notices*) hereof as soon as possible after the relevant Interest Determination Date, but in no event later than the first Business Day of the next following Interest Period in respect of such relevant Interest Determination Date.

5.5 ***Determination and Calculation by the Representative of the Noteholders***

If the Agent Bank (or the Issuer or any other agent appointed for this purpose by the Issuer) does not at any time for any reason determine the Interest Rate and/or does not calculate the Interest Amount (or the Issuer or any other agent appointed for this purpose by the Issuer), the Representative of the Noteholders shall:

(a) determine the Interest Rate at such rate as (having regard to the procedure described in Condition 5.2 above (*Interest Rate*) it shall consider fair and reasonable in all circumstances; and/or (as the case may be); and

(b) calculate the Interest Amount in the manner specified in Condition 5.3 above (*Determination of the Interest Rate, Calculation of the Interest Amount and Class J Notes Additional Return*),

and any such determination and/or calculation shall be deemed to have been made by the Agent Bank.

5.6 ***Notification to be final***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 5 (*Interest*), whether by the Reference Banks (or any of them), the Agent Bank, the Computation Agent, the Issuer or the Representative of the Noteholders shall (in the absence of fraud (*frode*), wilful default (*dolo*) or gross negligence (*colpa grave*) be binding on the Reference Banks, the Agent Bank, the Computation Agent, the Issuer, the Representative of the Noteholders and all the Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Reference Banks, the Agent Bank, the Computation Agent, the Issuer or the Representative of the Noteholders in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions hereunder.

5.7 ***Reference Banks and Agent Bank***

The Issuer shall ensure that, so long as any of the Notes remains outstanding, there shall at all times be three reference banks (the "**Reference Banks**"). The initial Reference Banks shall be Intesa Sanpaolo S.p.A., Barclays Bank Plc and BNP Paribas S.A. In the event that any such bank is unable or unwilling to continue to act as a Reference Bank or that any of the merge with another Reference Bank, the Issuer shall appoint such other bank as may have been previously approved in writing by the Representative of the Noteholders to act as such. The Issuer shall insure that at all times an Agent Bank is appointed. If a new Agent Bank is appointed, a notice will be published in accordance with Condition 12 (*Notices*).

5.8 ***Unpaid Interest***

Without prejudice to Condition 9 (i) (*Non-payment*), in the event that the Issuer Available Funds available to the Issuer on any Payment Date (in accordance with the relevant Pre-Acceleration Order of Priority or the Acceleration Order of Priority, as applicable), for the payment of interest on the Notes on such Payment Date are not sufficient to pay in full the relevant Interest Amount, the amount by which the aggregate amount of interest paid on such Payment Date falls short of the Interest Amount which would otherwise be due, shall be aggregated with the amount of, and treated for the purposes of these Conditions as if it were, Interest Amount accrued on the Notes on the immediately following Payment Date. Any such unpaid amount shall not accrue additional interest.

The Agent Bank, based upon the information contained in the Payments Report, shall give notice to Monte Titoli, the Issuer and the Representative of the Noteholders and will cause notice to that effect to be given to the Noteholders in accordance with Condition 12 (*Notices*), no later than 3 (three) Business Days prior to any Payment Date, of any Payment Date on which the Interest Amount on the Notes will not be paid in full.

6. REDEMPTION, PURCHASE AND CANCELLATION

6.1 *Final Redemption*

Unless previously redeemed in full as provided for in this Condition 6 (*Redemption, Purchase and Cancellation*), the Issuer shall redeem in whole the Notes of each Class at their Principal Amount Outstanding on the Final Maturity Date.

The Issuer may not redeem the Notes in whole or in part prior to the Final Maturity Date except as provided for in Conditions 6.2 (*Redemption for Taxation*), 6.3 (*Mandatory Redemption*) or 6.4 (*Optional Redemption*) below, and without prejudice to Condition 9 (*Trigger Events*). If any Class cannot be redeemed in full on the Final Maturity Date, as a result of the Issuer having insufficient Issuer Available Funds for application in or towards such redemption, any amount outstanding whether in respect of interest, principal or other amounts in relation to the Notes shall be finally and definitely cancelled and waived.

6.2 *Redemption for Taxation*

If the Issuer:

(a) has provided the Representative of the Noteholders with: (i) a legal opinion in form and substance satisfactory to the Representative of the Noteholders from a firm of lawyers (approved in writing by the Representative of the Noteholders); and (ii) a certificate from the legal representative of the Issuer to the effect that, following the occurrence of certain legislative or regulatory changes, or official interpretations thereof by competent authorities, the Issuer (or the Issuer's Agent):

  (i) would be required on the next Payment Date to deduct or withhold (other than in respect of a Law 239 Deduction) from any payment of principal or interest on the Rated Notes, any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or any political or administrative sub-division thereof or any authority thereof or therein or by any applicable authority having jurisdiction; or

  (ii) would incur increased costs or charges of a fiscal nature (including taxes, duties, assessment or withholdings or deductions) in respect of the Noteholders or the Issuer's assets in respect of the Transaction;

(b) has given not more than 45 (forty-five) nor less than 15 (fifteen) calendar days' prior written irrevocable notice to the Representative of the Noteholders and the Noteholders, in accordance with Condition 12 (*Notices*); and

(c) has produced evidence reasonably acceptable to the Representative of the Noteholders that it has the necessary funds (not subject to the interests of any other Person) to discharge all of its

outstanding liabilities with respect of the Rated Notes and any amounts required under the Intercreditor Agreement to be paid in priority to, or *pari passu* with the Rated Notes,

then the Issuer may on the immediately following Payment Date, (i) redeem the Rated Notes in whole (but not in part) at their Principal Amount Outstanding (together with any interest accrued and unpaid thereon until the date on which such redemption occurs) and pay any amounts required under the Conditions to be paid in priority to or *pari passu* with the Rated Notes and amounts ranking prior thereto or *pari passu* therewith pursuant to the relevant Acceleration Order of Priority; and (ii) the Class J Notes in whole or in part (together with any interest accrued and unpaid thereon until the date on which such redemption occurs) and pay any amounts required under the Conditions to be paid in priority to or *pari passu* with the Class J Notes.

6.3 ***Mandatory Redemption***

The Notes will be subject to mandatory redemption in full or in part:

(a) on each Payment Date in a maximum amount equal to the relevant Principal Amount Outstanding with respect to such Payment Date in accordance with the relevant Pre- Acceleration Order of Priority; and

(b) on the Final Maturity Date and on any date following the delivery of a Trigger Notice pursuant to Condition 9 (*Trigger Events*); and on the relevant Payment Date in the case of redemption pursuant to Condition 6.2 (*Redemption for Taxation*) or Condition 6.4 (*Optional Redemption*), at their Principal Amount Outstanding and in accordance with the Acceleration Order of Priority,

if, on each immediately preceding Calculation Date, it is determined that there will be sufficient Issuer Available Funds which may be applied for this purpose in accordance with the relevant Pre-Acceleration Order of Priority or the Acceleration Order of Priority, as applicable.

6.4 ***Optional Redemption***

The Issuer may at its option, on any Payment Date falling on or after the Initial Clean Up Option Date (prior to the delivery of a Trigger Notice) (each an "**Optional Redemption Date**"), redeem:

(i) the Notes in whole (but not in part) at their Principal Amount Outstanding together with all accrued but unpaid interest thereon up to and including the relevant Payment Date; or

(ii) with the prior consent of the Junior Noteholders, the Rated Notes only (or the Rated Notes in whole and the Junior Notes in part) at their Principal Amount Outstanding together with all accrued but unpaid interest thereon up to and including the relevant Payment Date.

Such optional redemption shall be effected by the Issuer giving not more than 45 (forty-five) nor fewer than 15 (fifteen) days' prior written notice that shall be deemed irrevocable to the Representative of the Noteholders, the Swap Counterparty, the holders of the Rated Notes in accordance with Condition 12 (*Notices*) and to the Rating Agencies and provided that the Issuer, prior to giving such notice to the Representative of the Noteholders and to the Rating Agencies, has produced evidence acceptable to the Representative of the Noteholders that it will have the necessary funds, not subject to interests of any other Person, to discharge all its outstanding liabilities in respect of the relevant Notes (to be redeemed) and any amounts required under the Acceleration Order of Priority to be paid in priority to or *pari passu* with such Notes and any amount due to the Swap Counterparty (including any termination payment) subordinated to the Rated Notes. In order to finance the redemption of the relevant Notes in the circumstances described above, the Issuer (or the Representative of the Noteholders, acting in the name and on behalf of the Issuer), is entitled to dispose of the Portfolios.

6.5 ***Sale of the Portfolios***

In the following circumstances:

(i) in the case of redemption pursuant to Condition 6.2 (*Redemption for Taxation*);

(ii) in the case of redemption pursuant to Condition 6.4 (*Optional Redemption*); and

(iii) if, after a Trigger Notice has been served on the Issuer (with a copy to the Servicers and the Master Servicer) pursuant to Condition 9 (*Trigger Events*), an Extraordinary Resolution of the holders of the Most Senior Class of Notes resolve to request the Issuer to sell all (or part only) of the Portfolios to one or more third parties,

the Issuer will be authorised to search for potential purchasers of all (or part only) of the Portfolios.

In addition, following the delivery of a Trigger Notice, the Representative of the Noteholders shall (provided that any bankruptcy or similar proceeding has not been commenced towards the Issuer (including, without limitation, "*fallimento*", "*concordato preventivo*", "*liquidazione coatta amministrativa*", "*accordi di ristrutturazione*" and "*piani di risanamento*" in accordance with the meaning ascribed to those expressions by Italian law) and in any case if not prevented by, and in compliance with, any applicable law) subject to it being indemnified to its satisfaction, be entitled to sell the Portfolios in the name and on behalf of the Issuer. Should such a sale of the Portfolios take place, the proceeds of such sale shall be treated by the Issuer as Issuer Available Funds and as from the immediately subsequent Payment Date shall be applied to payments due to be made by the Issuer according to the Acceleration Order of Priority.

In case of sale of the Portfolios pursuant to this Conditions 6.5 (*Sale of the Portfolios*) and 9 (*Trigger Events*), the purchase price of the Claims (other than any Claim classified as "in *sofferenza*" pursuant to the regulation issued by the Bank of Italy ("*Istruzioni di Vigilanza*")) shall be equal to the Outstanding Balance plus interests accrued and unpaid as at such date.

If the Portfolios comprise any Claim classified as "*in sofferenza*" pursuant to the regulation issued by the Bank of Italy ("*Istruzioni di Vigilanza*"), the purchase price of such Claims shall be equal to their current value, as determined by one or more third parties chosen between international accounting companies independent from the purchaser and appointed by common consent by the Issuer and the Representative of the Noteholders.

Within the date of payment of the purchase price related to the sale of the Claims above described, the relevant purchaser shall deliver to the Issuer (or to the Representative of the Noteholders, in case of sale of the Portfolios after the service of a Trigger Notice): (i) a certificate of good standing of the Chamber of Commerce (*certificato di vigenza della Camera di Commercio*) dated not later than 10 (ten) Business Days before the date of the sale of the Portfolios; (ii) a solvency certificate signed by a legal representative duly authorised by the purchaser, dated the date of the sale of the Portfolios; and (iii) except where the issuance of the certificate is not permitted by the internal rules applied by the relevant court, also a certificate from the appropriate bankruptcy court ("*tribunale civile – sezione fallimentare*") confirming that no insolvency petitions have been filed against such potential purchaser, dated not later than 10 (ten) Business Days before the date of the sale of the Portfolios.

The transfer of the Portfolios pursuant to this Condition 6.5 (*Sale of the Portfolios*) shall be construed as a "*vendita a rischio e pericolo del compratore*" pursuant to article 1488, second paragraph, of the Italian civil code with express derogation by the relevant parties of article 1266 of the Italian civil code with reference to the guarantee, granted by the transferor, of the existence of the claims and article 1448 of the Italian civil code shall not apply. The transfer of the Relevant Portfolio shall be subject to payments to the Issuer of the relevant purchase price.

6.6 Notice of Redemption

Any such notice as is referred to in Condition 6.2 (*Redemption for Taxation*) and 6.4 (*Optional Redemption*) above shall be irrevocable and, upon the expiration of such notice, the Issuer shall be obliged to redeem the Notes in accordance with this Condition 6 (*Redemption, Purchase and Cancellation*). The Issuer or the Representative of the Noteholder, as the case may be, will give a notice

to the Rating Agencies of the redemption of the Rated Notes pursuant to Conditions 6.2 (*Redemption for Taxation*), 6.3 (*Mandatory Redemption*) or 6.4 (*Optional Redemption*).

6.7 *Principal Payments and Principal Amount Outstanding*

On each Calculation Date, the Issuer shall determine or procure that the Computation Agent determines, *inter alia* (on the Issuer's behalf):

(a) the amount of any principal payment due to be made on each Class on the next following Payment Date; and

(b) the Principal Amount Outstanding of each Class on the next following Payment Date (after deducting any principal payment due to be made and payable on that Payment Date), the portion of Interest Amount that will not be paid in full on the following Payment Date (if any) and the Class J Notes Additional Return (if any) on the in respect of each Interest Period.

The determination by or on behalf of the Issuer of the amount of any principal payment in respect of each Class and of the Principal Amount Outstanding of each Note and on each Class shall in each case (in the absence of wilful default, gross negligence, bad faith or manifest error) be final and binding on all persons.

The Issuer shall, no later than 3 (three) Business Days prior to each Payment Date, cause each determination of a principal payment (if any) and Principal Amount Outstanding of the Notes to be notified forthwith by the Computation Agent to the Representative of the Noteholders, the Servicers and the Master Servicer, the Transaction Bank and the Principal Paying Agent and shall cause notice of each determination of a principal payment and Principal Amount Outstanding of each Class to be given by the Principal Paying Agent to Monte Titoli, Borsa Italiana and the Noteholders in accordance with Condition 12 (*Notices*). As long as the Notes are not redeemed in full, if no principal payment is due to be made on the Notes on a Payment Date, notice to this effect shall also be given by the Issuer to the Noteholders in accordance with Condition 12 (*Notices*).

If no principal payment or Principal Amount Outstanding of the Notes is determined by or on behalf of the Issuer in accordance with the provisions of this Condition 6.7 (*Principal Payments and Principal Amount Outstanding*), such principal payment or Principal Amount Outstanding of the Notes shall be determined by the Representative of the Noteholders in accordance with this Condition 6.7 (*Principal Payments and Principal Amount Outstanding*) and each such determination shall be deemed to have been made by the Issuer.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 6.7 (*Principal Payments and Principal Amount Outstanding*), whether by the Computation Agent, the Issuer or the Representative of the Noteholders shall (in the absence of fraud (*frode*), wilful default (*dolo*) or gross negligence (*colpa grave*) be binding on the Computation Agent, the Representative of the Noteholders, the Servicers and the Master Servicer, the Transaction Bank and the Principal Paying Agent and all the Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Computation Agent, the Issuer or the Representative of the Noteholders in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions hereunder.

6.8 *No purchase by Issuer*

The Issuer shall not purchase any of the Notes.

6.9 *Cancellation*

All Notes redeemed in full will be cancelled upon redemption and may not be re-sold or re-issued.

All Notes shall be in any case cancelled upon the earlier of (i) the date when any amount payable on the Claims of each Portfolio will have been paid and such amounts (if any) are paid in accordance with the applicable Order of Priority; (ii) the date when all the Claims of each Portfolio then outstanding will have been entirely written off or sold by the Issuer and the proceeds of such sale (if any) are paid in accordance with the applicable Order of Priority, and (iii) the Final Maturity Date (following application of the applicable Issuer Available Funds on such date in accordance with the applicable Order of Priority).

7. PAYMENTS

7.1 Payment of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent, acting as intermediary between the Issuer and the Noteholders, on behalf of the Issuer to the accounts of those banks and authorised brokers whose accounts with Monte Titoli are credited with those Notes and thereafter credited by such banks and authorised brokers from such aforementioned accounts to the accounts of the beneficial owners of those Notes, in accordance with the rules and procedures of Monte Titoli.

7.2 Payments of principal and interest in respect of the Notes are subject in all cases to any fiscal or other laws and regulations applicable thereto.

7.3 The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent, subject to the prior written approval of the Representative of the Noteholders (other than in respect of any Paying Agent being the same entity as the Representative of the Noteholders). The Issuer will cause other than in case specific matter of urgency does not allow such time limits to be met (i) an at least 30 (thirty) days prior notice to be given to the Noteholders of any replacement of the Principal Paying Agent or (ii) an at least 14 (fourteen) days prior notice to be given to the Noteholders of any change of the registered offices of the Principal Paying Agent, both under (i) and (ii) above in accordance with Condition 12 (*Notices*). The Issuer shall ensure that at all the times a Paying Agent is appointed.

8. TAXATION

All payments in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes, duties or charges of whatsoever nature other than a Law 239 Deduction or any other withholding or deduction required to be made by applicable law (including, for the avoidance of doubt, any withholding or deduction required pursuant to U.S. Foreign Account Tax Compliance Act, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto). Neither the Issuer nor any other Person shall be obliged to pay any additional amount to any Noteholder as a consequence of any such withholding or deduction.

9. TRIGGER EVENTS

If any of the following events (each a "**Trigger Event**") occurs:

(i) *Non-payment*

(a) the Interest Amount on the Class A1 Notes (and only after the repayment in full of the Rated Notes, on the Class J Notes) on a Payment Date is not paid in full on the due date or within a period of three Business Days; or

(b) the Class A1 Notes or the Class A2 Notes or the Class B Notes or the Junior Notes are not redeemed in full on the Final Maturity Date; or

(c) the Interest Amount (plus any Interest Amount in respect of previous Interest Periods which has remained unpaid) on the Class A2 Notes or the Class B Notes is not paid in full on the Final Maturity Date; or

(ii) *Breach of other obligations*

The Issuer defaults in the performance or observance of any of its obligations under or in respect of the Notes (other than any obligation under paragraph (i) above) or any of the Transaction Documents to which it is a party and (except where, in the sole and absolute opinion of the Representative of the Noteholders, such default is incapable of remedy, in which case no notice requiring remedy will be required) such default remains unremedied for 30 (thirty) days after the Representative of the Noteholders has given written notice thereof to the Issuer, certifying that such default is, in the sole and absolute opinion of the Representative of the Noteholders, materially detrimental to the interests of the Noteholders and requiring the same to be remedied; or

(iii) *Breach of representation and warranties*

any of the representations and warranties given by the Issuer under any of the Transaction Documents to which it is a party is or proves to have been incorrect or misleading in any material respect, in the sole and absolute opinion of the Representative of the Noteholders, when made or deemed to be made; or

(iv) *Insolvency*

(a) the Issuer becomes subject to any applicable bankruptcy, liquidation, administration, receivership, insolvency, composition or reorganisation (among which, without limitation, "*fallimento*", "*liquidazione coatta amministrativa*", "*concordato preventivo*", "*piani di risanamento*" and "*accordi di ristrutturazione*", each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, and including also any equivalent or analogous proceedings under the law of the jurisdiction in which the Issuer is deemed to carry on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, receivership, arrangement, adjustment, protection or relief of debtors) or similar proceedings or the whole or any substantial part of the undertaking or assets of the Issuer are subject to a "*pignoramento*" or similar procedure having a similar effect (other than any portfolio of assets purchased by the Issuer for the purposes of further securitisation transactions), unless in the opinion of the Representative of the Noteholders, such proceedings are being not disputed in good faith with a reasonable prospect of success; or

(b) an application for the commencement of any of the proceedings under point (a) above is made in respect of or by the Issuer or the same proceedings are otherwise initiated against the Issuer and, in the opinion of the Representative of the Noteholders, the commencement of such proceedings are not being disputed in good faith with a reasonable prospect of success; or

(d) the Issuer takes any action for a re-adjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors (other than the Noteholders and the Other Issuer Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it or applies for suspension of payments; or

(v) *Winding up etc.*

an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution in any form of the Issuer (except a winding-up for the purposes of or pursuant to a solvent amalgamation or reconstruction, the terms of which have been previously approved in writing by the Representative of the Noteholders) or any of the events under article 2484 of the Italian civil code occurs with respect to the Issuer; or

(vi) *Unlawfulness*

it is or will become unlawful (in any respect deemed by the Representative of the Noteholders to be material in its sole discretion) for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party,

then the Representative of the Noteholders:

(i) shall, in the case of the Trigger Event set out under point (i) above;

(ii) shall if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes, in the case of the Trigger Events set out under points (ii) and (iii) above; and

(iii) may at its sole and absolute discretion but shall if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes in case of any other Trigger Event,

give a written notice (a "**Trigger Notice**") to the Issuer (with copy to the Servicers, the Rating Agencies, the Swap Counterparty and the Master Servicer) declaring that the Notes have immediately become due and payable at their Principal Amount Outstanding, together with interest accrued and unpaid thereon, and that thereafter the Acceleration Order of Priority shall apply.

Following the delivery of a Trigger Notice, without any further action or formality, all payments of principal, interest and any other amounts due with respect to the Notes, and, on the immediately following Payment Date and on each Payment Date thereafter, all payments due and any amount due to the Other Issuer Creditors and any other creditor of the Issuer under the Transaction shall be made in accordance with the Acceleration Order of Priority and the Transaction Documents.

10. ENFORCEMENT

10.1. At any time after a Trigger Notice has been delivered, the Representative of the Noteholders may and shall, if so requested or authorised by an Extraordinary Resolution of the holders of the Most Senior Class of Notes, take such steps and/or institute such proceedings against the Issuer as it may think fit to enforce repayment of the Notes and payment of accrued interest thereon in accordance with the Intercreditor Agreement and the Rules of the Organisation of the Noteholders. No Noteholder shall be entitled to proceed directly against the Issuer unless the Representative of the Noteholders, having become bound to do so, fails to do so within a reasonable period of time and such failure is continuing.

10.2. In addition, the Rules of the Organisation of the Noteholders and the Intercreditor Agreement contain (i) provisions limiting the powers of the Noteholders, *inter alia*, to bring individual actions or take other individual remedies to enforce their rights under the Notes and (ii) provisions limiting the powers of the Noteholders, *inter alia*, to institute against or join any person in instituting against, the Issuer, any bankruptcy, insolvency or compulsory liquidation and similar proceedings, that shall be deemed to be included in this Conditions and shall be binding on all the Noteholders.

10.3. All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Condition 9 (*Trigger Events*) above or this Condition 10 (*Enforcement*), by the Representative of the Noteholders shall (in the absence of wilful default, gross negligence or fraud) be binding on the Issuer and all Noteholders and (in such absence as aforesaid) the Representative of the Noteholders will have no liability to the Noteholders or the Issuer in connection with the exercise or the non-exercise by it or any of them of their powers, duties and discretion hereunder.

11. THE REPRESENTATIVE OF THE NOTEHOLDERS

11.1 The Organisation of the Noteholders shall be established upon and by virtue of the issuance of the Notes and shall remain in force and in effect until repayment in full or cancellation of the Notes.

11.2 Pursuant to the Rules of the Organisation of the Noteholders (attached hereto as Exhibit 1), for as long as any Note is outstanding, there shall at all times be a Representative of the Noteholders.

11.3 The Representative of the Noteholders is the legal representative (*rappresentante legale*) of the Organisation of the Noteholders. The appointment of the Representative of the Noteholders is made by the Noteholders subject to and in accordance with the terms of the Rules of the Organisation of the Noteholders. As regards the appointment of the first representative of the Noteholders (who is appointed at the time of the issue of the Notes in accordance with the provisions of the Notes Subscription Agreement), the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class J Noteholders by subscribing respectively for the Class A1 Notes, the Class A2 Notes, the Class B Notes and the Class J Notes and paying the relevant subscription price in accordance with the provisions of the Notes Subscription Agreement recognize the appointment of Securitisation Services S.p.A. as Representative of the Noteholders. Each Noteholders is deemed to accept such appointment.

11.4 Pursuant to the provisions of the Rules of the Organisation of the Noteholders, the Representative of the Noteholders can be removed by the Noteholders at any time, provided a successor Representative of the Noteholders is appointed and can resign at any time. The Representative of the Noteholders shall be:

(a) a bank incorporated in any jurisdiction of the European Union or a bank incorporated in any other jurisdiction acting through a branch situated in a European Union country; or

(b) a company or financial institution registered under Article 106 of the Consolidated Banking Act; or

(c) any other entity which may be permitted to act in such capacity by any specific provisions of Italian law applicable to the securitisation of monetary rights and/or by any regulations, instructions, guidelines and/or specific approvals issued by the competent Italian supervising authorities.

11.5 The Rules of the Organisation of the Noteholders contain provisions governing, *inter alia*, the terms of appointment, indemnification and exoneration from responsibility (and relief from responsibility) of the Representative of the Noteholders (including provisions relieving it from taking action unless indemnified and/or secured to its satisfaction and providing for the indemnification of the Representative of the Noteholders in certain other circumstances) and provisions which govern the termination of the appointment of the Representative of the Noteholders and amendments to the terms of such appointment. So long as the Class A1 Notes are listed on ExtraMOT PRO, any change in the identity of the Representative of the Noteholders shall be notified to ExtraMOT PRO.

12. NOTICES

So long as the Notes are held by Monte Titoli on behalf of the authorised financial intermediaries and/or their customers, notices to the Noteholders may be given through the systems of Monte Titoli.

So long as the Class A1 Notes and/or the Class A2 Notes and/or the Class B Notes are listed on ExtraMOT PRO and the rules of ExtraMOT so require, any notice to Noteholders shall also be published on the website of Borsa Italiana:

www.borsaitaliana.it/borsa/notizie/avvisidiborsa/home.html?lang=en (for the avoidance of doubt, such website does not constitute part of this Prospectus).

Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made in the manner required in a newspaper as referred to above.

The Representative of the Noteholders may sanction some other method of giving notice to the Noteholders of the relevant Class if, in its opinion, such other method is reasonable having regard to market practices then prevailing and to the rules of the stock exchange on which the Notes of the relevant Class are listed and provided that notice of such other method is given to the Noteholders of the relevant Class in such manner as the Representative of the Noteholders shall require.

13. STATUTE OF LIMITATION

Claims against the Issuer for payments in respect of the Notes shall be barred by the statute of limitation unless made within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from the Relevant Date in respect thereof, unless a case of interruption or suspension of the statute of limitation applies in accordance with Italian law.

"**Relevant Date**" means the date on which principal or interest on the Notes, as the case may be, become due and payable.

14. GOVERNING LAW AND JURISDICTION

14.1 The Notes and all non-contractual obligations arising out or in connection with them are governed by and shall be construed in accordance with Italian law.

14.2 The Courts of Milan shall have exclusive jurisdiction to settle any disputes (including all non-contractual obligations arising out or in connection with the Notes) that may arise out of or in connection with the Notes.

EXHIBIT 1 RULES OF THE ORGANISATION OF THE NOTEHOLDERS

TITLE I - GENERAL PROVISIONS

Article 1 (General)

The Organisation of the Noteholders is created by the issue and by the subscription of the Notes and shall remain in force and in effect until full repayment or cancellation of the Notes.

The contents of these Rules are considered included in each Note issued by the Issuer.

Article 2 (Definitions)

In these Rules, the following expressions have the following meanings:

"**Basic Terms Modification**" means:

1. a modification of the date of maturity of the relevant Class of Notes;

2. a modification which would have the effect of postponing any day for payment of interest or principal on the Notes;

3. a modification which would have the effect of reducing or cancelling the amount of principal payable in respect of a Class of Notes or the rate of interest applicable in respect of a Class of Notes;

4. a modification which would have the effect of altering the majority of votes required to pass a specific resolution or the quorum required at any meeting;

5. a modification which would have the effect of altering the currency of payment of the relevant Class of Notes or any alteration of the date of redemption or priority of a Class of Notes;

6. a modification which would have the effect of altering the authorisation or consent by the Class A1 Noteholders, the Class A2 Noteholders and the Class B Noteholders, as pledgees, to applications of funds as provided for in the Transaction Documents;

7. the appointment and removal of the Representative of the Noteholders;

8. an amendment of this definition.

"**Business**" means, in relation to any Meeting, the matters to be proposed to a vote of the Noteholders at the Meeting including (without limitation) the passing or rejection of any resolution.

"**Chairman**" means, in relation to any Meeting, the individual who takes the chair in accordance with Article 9 (*Chairman of the Meeting*) of these Rules.

"**Class A1 Noteholders**" means the holders of the Class A1 Notes.

"**Class A2 Noteholders**" means the holders of the Class A2 Notes.

"**Class B Noteholders**" means the holders of the Class B Notes.

"**Class J Noteholders**" means the holders of the Class J Notes.

"**Class of Notes**" means the Class A1 Notes, the Class A2 Notes, the Class B Notes or the Class J Notes, as the context may require and "**Classes of Notes**" means all of them.

"**Extraordinary Resolution**" means a resolution of the Meeting of the Relevant Class Noteholders in relation to the matters specified under Article 20 (*Powers exercisable by Extraordinary Resolution*) of these Rules, duly convened and held in accordance with the provisions of these Rules.

"**Issuer**" means 2019 Popolare Bari RMBS S.r.l.

"**Meeting**" means the meeting of the Noteholders or a Class of Noteholders (whether originally convened or resumed following an adjournment).

"**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli.

"**Notes**" means the Class A1 Notes, the Class A2 Notes, the Class B Notes and the Class J Notes.

"**Noteholders**" means:

(a) in connection with a Meeting of Class A1 Noteholders, Class A1 Notes and Class A1 Noteholders respectively;

(b) in connection with a Meeting of Class A2 Noteholders, Class A2 Notes and Class A2 Noteholders respectively;

(c) in connection with a Meeting of Class B Noteholders, Class B Notes and Class B Noteholders respectively;

(d) in connection with a Meeting of Class J Noteholders, Class J Notes and Class J Noteholders respectively;

(e) and otherwise, in the case of a joint Meeting of the Noteholders of more than one Class of Notes, any or all of the Class A1 Notes, the Class A2 Notes, the Class B Notes and the Class J Notes and any or all of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class J Noteholders.

"**Person(s)**" means any natural person, partnership, corporation, company, limited liability company, trust, estate, joint stock partnership, or company, joint venture, governmental entity, unincorporated organisation or other entity or association.

"**Principal Paying Agent**" means BNP Paribas Securities Services, Milan Branch, in its capacity as principal paying agent pursuant to the Cash Administration and Agency Agreement and its permitted successors or assignees from time to time.

"**Proxy**" means, in relation to any Meeting, a person duly appointed to vote.

"**Relevant Class Noteholders**" means the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders or the Class J Noteholders, as the case may be.

"**Relevant Fraction**" means:

(i) for all business other than voting on an Extraordinary Resolution: (a) in case of a meeting of a particular Class of Notes, one-twentieth of the Principal Amount Outstanding of the outstanding Notes in that Class of Notes; or (b) in case of a joint meeting of more than one Class of Notes, one-twentieth of the Principal Amount Outstanding of the outstanding Notes of such Classes of Notes;

(ii) for voting on any Extraordinary Resolution other than one relating to a Basic Terms Modification: (a) in case of a meeting of a particular Class of Notes, two-thirds of the Principal Amount Outstanding of the outstanding Notes in that Class of Notes; or (b) in case of a joint meeting of more than one Class of Notes, two-thirds of the Principal Amount Outstanding of the outstanding Notes of such Classes of Notes; and

(iii) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, which must be proposed separately to each Class of Noteholders, three-quarters of the Principal Amount Outstanding of the outstanding Notes in that Class of Notes;

provided, however, that, in the case of a Meeting which has resumed after adjournment for want of a quorum, it means:

(1) for all Business other than the voting on an Extraordinary Resolution relating to a Basic Terms Modification, the fraction of the Principal Amount Outstanding of the Notes represented at such Meeting or the fraction of the Principal Amount Outstanding of the Notes (in case of a joint Meeting of a combination of Classes of Notes); and

(2) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, which must be proposed separately to each Class of Noteholders, more than fifty per cent. (50%) of the Principal Amount Outstanding of the outstanding Notes in that Class of Note.

"**Representative of the Noteholders**" means Securitisation Services S.p.A. in its capacity as representative of the Noteholders, which expression shall include its successors and any further or other representative of the Noteholders appointed pursuant to the Notes Subscription Agreement and the Rules of the Organisation of the Noteholders.

"**Security Document**" means the Deed of Charge.

"**Secured Parties**" means the beneficiaries of the Security Document.

"**Rules**" means these Rules of the Organisation of the Noteholders.

"**Specified Office**" means the office of the Principal Paying Agent located at Piazza Lina Bo Bardi, 3, 20124, Milan, Italy.

"**Voter**" means, in relation to any Meeting, the holder of a Blocked Note.

"**Voting Certificate**" means, in relation to any Meeting, a certificate issued to a Noteholder by the relevant Monte Titoli Account Holder in accordance with the resolution of 13 August 2018 jointly issued by the Bank of Italy and CONSOB, as subsequently amended, supplemented or restated.

"**Written Resolution**" means a resolution in writing signed by or on behalf of the Relevant Fraction required for an Extraordinary Resolution applicable to the relevant Meeting in accordance with the provisions of these Rules, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such Noteholders.

"**24 hours**" means a period of 24 hours including all or part of a day upon which banks are open for business in both the places where the Meeting is to be held and in each of the places where the Principal Paying Agent has its Specified Office (disregarding for this purpose the day upon which such Meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid.

"**48 hours**" means 2 consecutive periods of 24 hours.

Other defined terms and expressions shall have the meaning given to them in the Conditions.

Any reference herein to an "**Article**" shall, except where expressly provided to the contrary, be a reference to an article of these Rules.

Article 3 (Organisation purpose)

Each Class A1 Noteholder, Class A2 Noteholder, the Class B Noteholder and Class J Noteholder is a member of the Organisation of Noteholders.

The purpose of the Organisation of Noteholders is to coordinate the exercise of the rights of the Noteholders and, more in general, the taking of any action for the protection of their interests.

In these Rules, any reference to Noteholders shall be considered as a reference as the case may be, to the Class A1 Noteholders and/or the Class A2 Noteholders and/or the Class B Noteholders and/or the Class J Noteholders or, where the context requires, a reference to the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class J Noteholders collectively.

TITLE II - THE MEETING OF NOTEHOLDERS

Article 4 (General)

Subject to Article 20 (*Powers exercisable by Extraordinary Resolution*) below, any resolution passed at a Meeting of the Relevant Class of Noteholders duly convened and held in accordance with these Rules shall be binding upon all the Noteholders of such Class of Notes, whether or not present at such Meeting and whether or not voting, and:

(a) any resolution passed at a Meeting of the Class A1 Noteholders duly convened and held as aforesaid shall also be binding upon all the Class A2 Noteholders, the Class B Noteholders and the Class J Noteholders;

(b) any resolution passed at a Meeting of the Class A2 Noteholders duly convened and held as aforesaid shall also be binding upon all the Class B Noteholders and the Class J Noteholders; and

(c) any resolution passed at a Meeting of the Class B Noteholders duly convened and held as aforesaid shall also be binding upon all the Class J Noteholders,

and, in each case above, all the relevant Classes of Noteholders shall be bound to give effect to any such resolution accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof.

In order to avoid conflict of interest that may arise as a result of the Originators having multiple roles in the Transaction, those Notes which are for the time being held by the Originators shall (unless and until ceasing to be so held) be deemed not to remain "outstanding" for the purposes of the right to vote at any Meeting of Noteholders duly convened by the Representative of the Noteholders in accordance with the Conditions and these Rules to transact one of the following Business:

(i) the termination of each of the Originators in their capacities as Servicer and/or Master Servicer, as the case may be, under the Servicing Agreement;

(ii) the delivery of a Trigger Notice upon the occurrence of a Trigger Event in accordance with Condition 9 (*Trigger Events*);

(iii) the direction of the sale of the Portfolios after the delivery of a Trigger Notice upon occurrence of a Trigger Event in accordance with Condition 9 (*Trigger Events*);

(iv) the enforcement of any of the Issuer's Rights against any of the Originators in any role under the Transaction;

(v) any amendment to the Transaction Document and the Conditions which, in the reasonable opinion of the Representative of the Noteholders, would be prejudicial to, or have a negative impact on, the Class A1 Noteholders, the Class A2 Noteholders and the Class B Noteholders;

(vi) any waiver of any breach or authorisation of any proposed breach by any of the Originators (in any of their capacities under the Transaction Documents) of their obligations under or in respect of the Transaction Documents to which each of them is a party; and

(vii) any other matter in relation to which, in the reasonable opinion of the Representative of the Noteholders, may exist a conflict of interest between the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Originators in any role under the Transaction.

It remains understood that the above restriction on voting rights does not apply in case the then outstanding Notes are entirely held by the Originators.

Notice of the result of every vote on a resolution duly passed by the Noteholders shall be published, at the expense of the Issuer, in accordance with the Conditions and given to the Principal Paying Agent (with a copy to the Issuer and the Representative of the Noteholders) within 14 (fourteen) days of the conclusion of the Meeting.

Subject to the provisions of these Rules and the Conditions, joint meetings of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class J Noteholders may be held to consider the same resolution and/or, as the case may be, the same Extraordinary Resolution (other than an Extraordinary Resolution relating to a Basic Terms Modification) and the provisions of these Rules shall apply mutatis mutandis thereto.

The following provisions shall apply where outstanding Notes belong to more than one Class of Notes:

(i) Business which in the absolute opinion of the Representative of the Noteholders affects only one Class of Notes shall be transacted at a separate Meeting of the relevant Noteholders;

(ii) Business which in the absolute opinion of the Representative of the Noteholders affects more than one Class of Notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one such Class of Notes and the Noteholders of any other Class of Notes shall be transacted either at separate Meetings of the Noteholders of each such Class of Notes or at a single Meeting of Noteholders of all such Classes of Notes as the Representative of the Noteholders shall determine at its absolute discretion;

(iii) Business which in the absolute opinion of the Representative of the Noteholders affects the Noteholders of more than one Class of Notes and gives rise to an actual or potential conflict of interest between the Noteholders of one such Class of Notes and the Noteholders of any other Class of Notes shall be transacted at separate Meetings of the Noteholders of each such Class of Notes; and

(iv) in case of separate Meetings of the holders of each Class of Notes, these Rules shall be applied as if references to the Notes and the Noteholders are to the Notes of the relevant Class of Notes and to the holders of such Notes; and in the case of a joint meeting of the Noteholders of more than one Class of Notes, as if references to the Notes and the Noteholders are to the Notes of the relevant Class of Notes and to the holders of the Notes of such Classes of Notes.

Article 5 (Voting Certificates)

Noteholders may obtain a Voting Certificate from the relevant Monte Titoli Account Holder upon request in accordance with article 21 of the resolution of 13 August 2018 jointly issued by the Bank of Italy and CONSOB.

Subject to the provision of the resolution of 13 August 2018 jointly issued by the Bank of Italy and CONSOB (as subsequently amended and supplemented), a Voting Certificate shall be valid until the conclusion of the Meeting specified (if any) in the Voting Certificate, or any adjournment of such Meeting held prior to the expiration of the relevant Voting Certificate.

So long as a Voting Certificate is valid, the bearer thereof or any Proxy named therein shall be deemed to be the holder of the relevant Notes to which it relates for all purposes in connection with the Meeting.

Article 6 (Validity of Voting Certificates)

A Voting Certificate shall be valid only if it is deposited or sent (also by electronic means) at the Specified Office of the Principal Paying Agent, or at some other place approved by the Principal Paying Agent, at any time prior to the time fixed for a Meeting. If the Principal Paying Agent requires satisfactory proof of the identity of each Proxy named in the relevant Voting Certificate, such proof shall be produced at the Meeting, but the Principal Paying Agent shall not be obliged to investigate the validity of any Voting Certificate or the authority of any Proxy.

Article 7 (Convening of Meeting)

The Issuer and the Representative of the Noteholders may convene a Meeting at any time, and shall be obliged to do so upon the request in writing of Noteholders holding not less than one-twentieth of the Principal Amount Outstanding of the outstanding Class of Notes or Classes of Notes in respect of which the Meeting is being convened. If the Issuer fails to take the necessary action to convene a Meeting when obliged to do so, the Meeting may be convened by the Representative of the Noteholders acting solely.

Whenever the Issuer is about to convene any such Meeting, it shall immediately give notice in writing to the Representative of the Noteholders of the day, time and place thereof and of the nature of the Business to be transacted thereat. Every such Meeting shall be held at such place as the Representative of the Noteholders may designate or approve.

Every Meeting will be held on a date and at a time and place selected or approved by the Representative of the Noteholders.

Meetings may be held in case Voters are located in different places and are connected via audio-conference or video-conference, provided that:

(a) the Chairman can ascertain and verify the identity and legitimacy of those Voters, monitor the Meeting, acknowledge and announce to those Voters the outcome of the voting process;

(b) the person drawing up the minutes can clearly hear the meeting events being the subject-matter of the minutes;

(c) each Voter attending via audio-conference or video-conference can follow and intervene in the discussions and vote the items on the agenda in real time;

(d) the notice of the Meeting expressly states, where applicable, how Voters may obtain the information necessary to attend the relevant Meeting via audio-conference and/or videoconference equipment; and

(e) for the avoidance of doubt, the Meeting is deemed to take place where the Chairman and the person drawing up the minutes will be.

Article 8 (Notice)

At least 21 (twenty-one) days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the relevant Noteholders and the Principal Paying Agent (with a copy to the Issuer and to the Representative of the Noteholders) and published in accordance with Condition 12 (*Notices*) at least

15 (fifteen) days before the date of the Meeting. The notice shall set forth the full text of any resolutions to be proposed and that Voting Certificates shall be obtained to participate to the Meeting.

The 21 (twenty-one) days' notice of any Meeting shall be deemed to be waived by the Noteholders if:

Noteholders representing 100% (hundred per cent.) of the Principal Amount Outstanding of the relevant Class of Notes attend the relevant Meeting; or

Noteholders representing 100% (hundred per cent.) of the Principal Amount Outstanding of the relevant Class of Notes request the relevant Meeting.

Article 9 (Chairman of the Meeting)

An individual (who may, but need not, be a Noteholder) nominated in writing by the Representative of the Noteholders may take the chair at any Meeting but: (i) if no such nomination is made; (ii) if the individual nominated is not present within 15 (fifteen) minutes after the time fixed for the Meeting; or (iii) the Meeting resolves not to approve the appointment made by the Representative of the Noteholders, those present shall elect one of themselves to take the chair failing which the Issuer may appoint a Chairman.

The Chairman of an adjourned Meeting need not be the same person as the Chairman of the original Meeting.

The Chairman verifies that the Meeting is duly held, coordinates matters to be transacted at the Meeting and monitors the fairness of the Meeting's proceedings.

Article 10 (Quorum and passing of resolutions)

The quorum at any Meeting shall be at least one or more Voters representing or holding not less than the Relevant Fraction of the aggregate Principal Amount Outstanding of the outstanding Notes of the relevant Class of Notes or Classes of Notes.

A resolution is validly passed when the majority of the votes cast by the Voters attending the relevant Meeting has been cast in favour of it.

Article 11 (Adjournment for want of quorum)

If within 15 (fifteen) minutes after the time fixed for any Meeting a quorum is not present, then it shall be adjourned for such period (which shall be not less than 14 (fourteen) days and not more than 42 (forty-two) days) and at such place as the Chairman determines; provided, however, that no Meeting may be adjourned more than once by resolution of Meeting that represents less than a Relevant Fraction applicable in the case of Meetings which have been resumed after adjournment. Notice shall be published in accordance with Condition 12 (*Notices*) of the relevant Class of Notes not more than 8 (eight) days before the date of the meeting.

Article 12 (Adjourned Meeting)

The Chairman may, with the consent of (and shall if directed by) any Meeting, adjourn such Meeting from time to time and from place to place, provided that no Business shall be transacted at any adjourned Meeting except Business which might lawfully have been transacted at the Meeting from which the adjournment took place.

Article 13 (Notice following adjournment)

Article 8 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment save that:

(a) 8 (eight) days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and

(b) the notice shall specifically set forth the quorum requirements which will apply when the Meeting resumes. It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

Article 14 (Participation)

The following may attend and speak at a Meeting:

(a) Voters;

(b) the Issuer or its representatives and the Principal Paying Agent;

(c) the statutory auditors (if any) and the financial advisers to the Issuer;

(d) the Representative of the Noteholders;

(e) the legal counsel to the Issuer, the Representative of the Noteholders the Issuer or its representatives and the Principal Paying Agent; and

(f) such other person as may be resolved by the Meeting.

Article 15 (Show of hands)

Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution.

Article 16 (Poll)

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Representative of the Noteholders or one or more Voters representing or holding not less than ten (10) Notes. The poll may be taken immediately or after such adjournment as the Chairman directs, but any poll demanded on the election of the Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the Meeting for any other Business as the Chairman directs.

Article 17 (Votes)

Every Voter shall have one vote in respect of each Euro 1,000 in aggregate face amount of the outstanding Note(s) represented or held by him.

In the case of a voting tie the Chairman shall have a casting vote.

Unless the terms of any Voting Certificate state otherwise, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same manner.

Article 18 (Vote by Proxies)

Any vote by a Proxy in accordance with the relevant Voting Certificate shall be valid even if such Voting Certificate or any instruction pursuant to which it was given has been amended or revoked, provided that the Issuer and the Principal Paying Agent have not been notified in writing of such amendment or

revocation not less than 24 (twenty-four) hours before the time fixed for the Meeting. Unless revoked, any appointment of a Proxy under a Voting Certificate in relation to a Meeting shall remain in force in relation to any Meeting resumed following an adjournment, except for any appointment of a Proxy expiring prior to such adjournment in accordance with the relevant Voting Certificate. Any person appointed to vote at such Meeting must be re-appointed under a Proxy to vote at the Meeting when it is resumed.

Article 19 (Exclusive Powers of the Meeting)

The Meeting shall have exclusive powers:

(a) to approve any Basic Terms Modification, in accordance with Article 20 (*Powers exercisable by Extraordinary Resolution*) below;

(b) to approve any proposal by the Issuer for any modification, abrogation, variation or compromise of any of the Conditions (which is not a Basic Term Modification) or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;

(c) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes;

(d) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Notes or any act or omission which might otherwise constitute a Trigger Event under the Notes; and

(e) to exercise, enforce or dispose of any right and power on payment and application of funds deriving from any claims on which a pledge or other security interest is created in favour of the Noteholders, otherwise than in accordance with the Transaction Documents.

Article 20 (Powers exercisable by Extraordinary Resolution)

A Meeting shall, in addition to the powers herein given, have the following powers exercisable by Extraordinary Resolution:

(a) power to sanction any proposal by the Issuer for any alteration, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer or against any of its property or against any other Person whether such rights shall arise under these Rules, the Notes or otherwise;

(b) power to sanction any scheme or proposal for the exchange or substitution or sale of any of the Notes or any Class of the Notes for, or the conversion of the Notes or any Class of Notes into, or the cancellation of any of the Notes or any Class of Notes, in consideration of shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or of any other body corporate formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash;

(c) power to assent to any alteration of the provisions contained in these Rules, the Notes or any Class of Notes, the Intercreditor Agreement, the Cash Administration and Agency Agreement or any other Transaction Document which shall be proposed by the Issuer and/or the Representative of the Noteholders or any other party thereto;

(d) power to discharge or exonerate the Representative of the Noteholders from any liability in respect of any act or omission for which the Representative of the Noteholders may be responsible under or in relation to these Rules, the Notes or any Class of Notes or any other Transaction Document;

(e) power to give any authority, direction or sanction which under the provisions of these Rules or the Notes or any Class of Notes, is required to be given by Extraordinary Resolution;

(f) power to authorise and sanction the actions, in compliance with these Rules, of the Representative of the Noteholders under the terms of the Intercreditor Agreement and any other Transaction Documents and in particular power to sanction the release of the Issuer by the Representative of the Noteholders;

(g) power to authorise or direct the Representative of the Noteholders to serve a Trigger Notice, as a consequence of a Trigger Event under Condition 9 (*Trigger Events*);

(h) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Notes or any act or omission which might otherwise constitute a Trigger Event under the Notes (but excluding in any case any Trigger Event under Condition 9(i)(a));

(i) following the service of a Trigger Notice, or in any other circumstance upon request of the Issuer, power to resolve on the sale of one or more Claim(s) comprised in the Portfolio(s);

(j) power to sanction a Basic Terms Modification;

(k) with respect to the Class J Notes, power to provide the Issuer with the consents provided for by Condition 6.4 (*Optional Redemption*);

(l) power to resolve on the sale of one or more Claim(s) comprised in the Portfolio(s) when an Extraordinary Resolution is required under the Conditions; and

(m) power to give instructions to the Representative of the Noteholders in case the Representative of the Noteholders should express its discretion under Article 4 (General) points (v) and (vii) of these Rules.

provided that:

(a) no Extraordinary Resolution involving a Basic Terms Modification passed by the holders of the relevant Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other relevant Classes of Notes (to the extent that Notes of each such relevant Classes of Notes are then outstanding);

(b) no Extraordinary Resolution of the Class A2 Noteholders shall be effective unless (A) the Representative of the Noteholders is of the opinion that it will not be materially prejudicial to the interests of the Class A1 Noteholders (to the extent that there are Class A1 Notes then outstanding) or (B) (to the extent that the Representative of the Noteholders is not of that opinion) it is sanctioned by an Extraordinary Resolution of the Class A1 Noteholders (to the extent that there are Class A1 Notes then outstanding);

(c) no Extraordinary Resolution of the Class B Noteholders shall be effective unless (A) the Representative of the Noteholders is of the opinion that it will not be materially prejudicial to the interests of the Class A1 Noteholders and/or Class A2 Noteholders (to the extent that there are Class A1 Notes and/or Class A2 Notes, respectively then outstanding) or (B) (to the extent that the Representative of the Noteholders is not of that opinion) it is sanctioned by an Extraordinary Resolution of the Class A1 Noteholders and/or Class A2 Noteholders (to the extent that there are Class A1 Notes and/or Class A2 Notes, respectively, then outstanding); and

(d) no Extraordinary Resolution of the Junior Noteholders shall be effective unless (A) the Representative of the Noteholders is of the opinion that it will not be materially prejudicial to the interests of the Class A1 Noteholders and/or the Class A2 Noteholders and/or the Class B Noteholders (to the extent that there are Class A1 Notes and/or Class A2 Notes and/or Class B Notes, respectively, then outstanding) or (B) (to the extent that the Representative of the

Noteholders is not of that opinion) it is sanctioned by an Extraordinary Resolution of the Class A1 Noteholders and/or the Class A2 Noteholders and/or the Class B Noteholders (to the extent that there are Class A1 Notes and/or Class A2 Notes and/or Class B Notes, respectively, then outstanding).

Article 21 (Challenge of Resolution)

Each Noteholder who was absent and (or) dissenting can challenge resolutions which are not passed in conformity under the provisions of these Rules.

Article 22 (Minutes)

Minutes shall be made of all resolutions and proceedings at each Meeting. The Chairman shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

Article 23 (Written Resolution)

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

Article 24 (Individual Actions and Remedies)

The right of each Noteholder to bring individual actions or take other individual remedies, that do not amount to bankruptcy, insolvency or compulsory liquidation proceedings, or other proceedings under any bankruptcy or similar law, to enforce his/her rights under the Notes will be subject to the Meeting not passing a resolution objecting to such individual action or other remedy on the grounds that it is not convenient at the time when the Meeting is held, having regard to the interests of the Noteholders. In this respect, the following provisions shall apply:

(a) the Noteholder intending to enforce his/her rights under the Notes will notify the Representative of the Noteholders in writing of his/her intention;

(b) the Representative of the Noteholders will, without delay, call for the Meeting, in accordance with these Rules;

(c) if the Meeting passes a resolution objecting to the enforcement of the individual action or remedy, the Noteholder will be prevented from taking such action or remedy (provided that the same matter can be submitted again to a further Meeting of Noteholders after a reasonable period of time has elapsed); and

(d) if the Meeting passes a resolution not objecting to the enforcement of the individual action or remedy, or if no resolution is taken by the Meeting for want of quorum, the Noteholder will not be prevented from taking such action or remedy.

No individual action or remedy can be taken by a Noteholder to enforce his/her rights under the Notes before the Meeting has been held to resolve on such action or remedy in accordance with the provisions of this Article 24 (*Individual Actions and Remedies*).

The provisions of the Intercreditor Agreement govern the right of the Noteholders to institute against, or join any other Person in instituting against, the Issuer any bankruptcy, insolvency or compulsory liquidation and similar proceedings.

TITLE III - THE REPRESENTATIVE OF THE NOTEHOLDERS

Article 25 (Appointment, Removal and Remuneration)

The appointment of the Representative of the Noteholders takes place at the Meeting in accordance with the provisions of this Article 25 (*Appointment, Removal and Remuneration*). As regards the appointment of the first representative of the noteholders, the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class J Noteholders by subscribing respectively for the Class A1 Notes, the Class A2 Notes, the Class B Notes and the Class J Notes and paying the relevant subscription price in accordance with the provisions of the Notes Subscription Agreement recognise the appointment of Securitisation Services S.p.A. as Representative of the Noteholders.

Simultaneously with the issue and delivery of the Notes, the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class J Noteholders, pursuant to the terms of the Notes Subscription Agreement, will confirm the appointment of Securitisation Services S.p.A. as Representative of the Noteholders and Securitisation Services S.p.A. will accept such appointment.

The Issuer acknowledges and accepts the appointment of Securitisation Services S.p.A. as Representative of the Noteholders and each initial holder of the Class A1 Notes and each subsequent holder of the Class A1 Notes as well as each initial holder of the Class A2 Notes and each subsequent holder of the Class A2 Notes as well as each initial holder of the Class B Notes and each subsequent holder of the Class B Notes as well as each initial holder of the Class J Notes and each subsequent holder of the Class J Notes, by reason of purchase and holding the Class A1 Notes, the Class A2 Notes, the Class B Notes or the Class J Notes, as the case may be, will recognise the Representative of the Noteholders as its representative and is deemed to be bound by the terms and conditions of the Transaction Documents signed by the Representative of the Noteholders as if such holder of the Class A1 Notes, the Class A2 Notes, the Class B Notes or the Class J Notes was a signatory thereto.

Each initial holder of the Class A1 Notes and each subsequent holder of the Class A1 Notes as well as each initial holder of the Class A2 Notes and each subsequent holder of the Class A2 Notes as well as each initial holder of the Class B Notes and each subsequent holder of the Class B Notes as well as each initial holder of the Class J Notes and each subsequent holder of the Class J Notes, by reason of purchase and holding the Notes:

(i) confer to the Representative of the Noteholders all powers, rights and authority, to act as representative of the holders of the Class A1 Notes, the Class A2 Notes, the Class B Notes and the Class J Notes, as the case may be, and in such capacity to make all decisions, calculations and determinations, take all steps and actions, institute all legal proceedings, execute all agreements, instruments and documents which might be necessary or which it might deem advisable to protect the interests of the holders of the Class A1 Notes, the Class A2 Notes, the Class B Notes and the Class J Notes, as the case may be, in connection with the issue of the Class A1 Notes, the Class A2 Notes, the Class B Notes and the Class J Notes, as the case may be in accordance these Rules; and

(ii) appoint, under article 1726 and article 1723(2) of the Italian civil code, the Representative of the Noteholders to exercise their respective rights and to act as their agent in relation to the Intercreditor Agreement and the Security Document (to the extent the Security Document creates a valid Security Interest).

Subject to and following the delivery of a Trigger Notice, the Representative of the Noteholders is entitled to receive as collection agent ("*mandatario all'incasso*") respectively of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class J Noteholders, in their name and on their behalf, all payments to be made by the Issuer pursuant to the applicable Order of Priority as set forth in the Conditions and the Intercreditor Agreement and to apply all cash deriving from time to time from the subject matter of the Security Document, as well as all proceeds upon the enforcement thereof in accordance with the Acceleration Order of Priority.

The Representative of the Noteholders shall be:

(a) a bank incorporated in any jurisdiction of the European Union or a bank incorporated in any other jurisdiction acting through a branch situated in a European Union country; or

(b) a company or financial institution registered under Article 107 of the Consolidated Banking Act or, following the implementation of the provisions for the cancellation of such register, a company or financial institutions registered under Article 106 of the Consolidated Banking Act; or

(c) any other entity which may be permitted to act in such capacity by any specific provisions of Italian law applicable to the securitisation of monetary rights and/or by any regulations, instructions, guidelines and/or specific approvals issued by the competent Italian supervising authorities.

The Representative of the Noteholders shall be appointed for unlimited term and can be removed by the Meeting at any time.

In the event of a termination of the appointment of the Representative of the Noteholders for any reason whatsoever, the Representative of the Noteholders shall remain in office until acceptance of appointment by the substitute representative of the Noteholders designated among the entities indicated in 1), 2) and 3) above and until such substitute representative of the Noteholders has entered into the Intercreditor Agreement and the other Transaction Documents to which the Representative of the Noteholders is a party; should said acceptance of appointment by the substitute representative of the Noteholders not occur within thirty days after such termination, the terminated Representative of the Noteholders shall be entitled to appoint, in the name and on behalf of the Issuer, its own successor convening a fee not higher than the fee that such terminated Representative of the Noteholders agreed with the Issuer, provided that any such successor shall satisfy all the conditions set out above; and the powers and authority of Representative of the Noteholders whose appointment has been terminated shall be limited to those necessary for the performance of the essential functions which are required to be complied with in connection with the Notes. In case of termination of the Representative of the Noteholders a written notice will be given to the Rating Agencies.

The directors and auditors of the Issuer and those who fall within the conditions indicated in Article 2382 and Article 2399 of the Italian civil code in respect of the Issuer cannot be appointed Representative of the Noteholders, and, if appointed, shall be automatically removed from the appointment.

As consideration to the Representative of the Noteholders for the obligations undertaken by the same as from the date hereof under these Rules and the Transaction Documents, the Issuer shall pay to the Representative of the Noteholders an annual fee, such fee being agreed in a separate side letter. The above fees and remuneration shall accrue from day to day and shall be payable in accordance with the applicable Order of Priority up to (and including) the date when the Notes have been repaid in full or cancelled in accordance with the Conditions. For the avoidance of doubt, such annual fee is inclusive of the annual remuneration of the Representative of the Noteholders for its role as security trustee or agent under the Deed of Charge and for all activities performed by it pursuant to the other Transaction Documents.

In the event of the Representative of the Noteholders considering it expedient or necessary or being requested by the Issuer to undertake duties which the Representative of the Noteholders and the Issuer agree to be of an exceptional nature (in particular, following a Trigger Event) or otherwise outside the scope of the normal duties of the Representative of the Noteholders as contemplated in these Rules of the Organisation of the Noteholders, the Issuer shall pay to the Representative of the Noteholders such additional remuneration as shall be agreed between them. If the Representative of the Noteholders and the Issuer fail to agree upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Representative of the Noteholders as contemplated in these Rules of the Organisation of the Noteholders, or upon such additional remuneration, then such matter shall be determined (at the Issuer's expense) by an investment bank (acting as an expert and not as an arbitrator) selected by the Representative of the Noteholders and approved by the Issuer or, failing such approval within thirty (30) calendar days, nominated (on the application of either the Issuer or the Representative of the Noteholders) by a third investment bank (the expenses involved in such nomination and the fees of such investment banks being payable by the Issuer) and the determination of any such investment bank shall be final and binding upon the Representative of the Noteholders and the Issuer.

Article 26 (Duties and Powers)

The Representative of the Noteholders is the legal representative of the Organisation of Noteholders subject to and in accordance with the Conditions, these Rules, the Intercreditor Agreement and the other Transaction Documents to which it is a party (together, the "**Relevant Provisions**").

Subject to the Relevant Provisions, the Representative of the Noteholders is responsible for implementing the decisions of the Meeting and for protecting the Noteholders' interests *vis-à-vis* the Issuer, in accordance with and following any resolution taken by the Meeting. The Representative of the Noteholders has the right to attend Meetings. The Representative of the Noteholders may convene a Meeting to obtain instructions from the Relevant Class Noteholders on any action to be taken.

All actions taken by the Representative of the Noteholders in the execution and exercise of all its powers and authorities and of discretion vested in it shall be taken by duly authorised officer(s) for the time being of the Representative of the Noteholders.

The Representative of the Noteholders may also, whenever it considers to be expedient and in the interests of the Noteholders, whether by power of attorney or otherwise, delegate to any Person(s) all or any of the powers, authorities and discretion vested in it as aforesaid. Any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate) as the Representative of the Noteholders may think fit, provided that: (a) the Representative of the Noteholders shall use all reasonable care and skill in the selection of the sub-agent, sub-contractor or representative which must fall within one of the categories set forth in Article 25 (*Appointment, Removal and Remuneration*) herein; and (b) the sub-agent, sub-contractor or representative shall undertake to perform the obligations of the Representative of the Noteholders in respect of which it has been appointed.

The Representative of the Noteholders shall in any case be responsible for any loss incurred by the Issuer as a consequence any misconduct or default on the part of such delegate or sub-delegate. The Representative of the Noteholders shall as soon as reasonably practicable give notice to the Issuer of the appointment of any delegate and the renewal, extension and termination of such appointment and shall procure that any delegate shall also as soon as reasonably practicable give notice to the Issuer of any sub delegate.

The Representative of the Noteholders shall act in accordance with the provisions of article 1176, second paragraph of the Italian civil code.

The Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class J Noteholders recognise that the Representative of the Noteholders shall have all the necessary powers and authority to make all decisions, calculations and determinations, take all steps and actions, institute all legal proceedings, execute all agreements, instruments and documents which might be necessary or which it might deem advisable in connection with the issue of the Notes, and in particular (but not limited to) to execute and deliver the Transaction Documents to which respectively the holders of the Class A1 Notes, the Class A2 Notes, the Class B Notes and the Class J Notes are or will be a party. Each of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class J Noteholders recognise, pursuant to article 1395 of the Italian civil code ("*contratto con se stesso*"), that the Representative of the Noteholders is authorized to deliver and execute any Transaction Documents to which it is and the holders of the Class A1 Notes, the Class A2 Notes, the Class B Notes or the Class J Notes, as the case may be, are parties.

The Representative of the Noteholders shall be authorised to represent the Organisation of Noteholders in judicial proceedings, including in proceedings involving the Issuer, creditors' agreement ("*concordato preventivo*"), forced liquidation ("*fallimento*") or compulsory administrative liquidation ("*liquidazione coatta amministrativa*") or restructuring agreement ("*accordi di ristrutturazione dei debiti*").

Article 27 (Resignation of the Representative of the Noteholders)

The Representative of the Noteholders may resign at any time upon giving not less than three calendar months' notice in writing to the Issuer and the Rating Agencies without giving any reason therefore and without being responsible for any costs occasioned by such resignation. The resignation of the

Representative of the Noteholders shall not become effective until the Meeting has appointed a new representative of the Noteholders and until such new representative of the Noteholders has entered into the Intercreditor Agreement and the other Transaction Documents to which the Representative of the Noteholders is a party. If a new representative of the Noteholders is not appointed by the Meeting ninety days after such notice of resignation, the resigning Representative of the Noteholders will be entitled to appoint its own successor, in the name and on behalf of the Issuer and convening a fee not higher than the fee that the resigning Representative of the Noteholders agreed with the Issuer, provided that any such successor shall satisfy with the conditions of Article 25 (*Appointment, Removal and Remuneration*) herein.

Article 28 (Exoneration of the Representative of the Noteholders)

The Representative of the Noteholders shall not assume any other obligations in addition to those expressly provided herein and in the Transaction Documents.

Without limiting the generality of the foregoing, the Representative of the Noteholders shall not be:

(i) under any obligation to take any steps to ascertain whether a Trigger Event or any other event, condition or act, the occurrence of which would cause a right or remedy to become exercisable by the Representative of the Noteholders hereunder or under any of the other Transaction Documents has happened and, until it shall have actual knowledge or express notice to the contrary, the Representative of the Noteholders shall be entitled to assume that no Trigger Event has occurred;

(ii) under any obligation to monitor or supervise the observance and performance by the Issuer or any of the other parties to the Transaction Documents of their obligations under, these Rules, the Notes, the Conditions or any other Transaction Document and, until it shall have actual knowledge or express notice to the contrary, it shall be entitled to assume that the Issuer and each party to any Transaction Document is observing and performing all the obligations on its part contained herein and therein;

(iii) under any obligation to give notice to any Person of the execution of these Rules or any of the Transaction Documents or any transaction contemplated hereby or thereby;

(iv) responsible for or for investigating the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules or of any Transaction Document, or any other document or any obligation or rights created or purported to be created thereby or pursuant thereto;

(v) responsible for or have any duty to make any investigation in respect of or in any way be liable whatsoever for: (i) the nature, status, creditworthiness or solvency of the Issuer, (ii) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection herewith; (iii) the suitability, adequacy or sufficiency of any collection procedures operated by the relevant Servicer or compliance therewith; (iv) the failure by the Issuer to obtain or comply with any license, consent or other authority in connection with the purchase or administration of the Portfolios; and (v) any accounts, books, records or files maintained by the Issuer, the Servicers, the Master Servicer, the Principal Paying Agent, and the Corporate Services Provider or any other Person in respect of the Portfolios;

(vi) responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes or the distribution of any of such proceeds to the Persons entitled thereto;

(vii) responsible for the maintenance of any rating of the Class A1 Notes or the Class A2 Notes or the Class B Notes by the Rating Agencies or any other credit or rating agencies or any other Person;

(viii) responsible for or for investigating any matter which is the subject of, any recitals, statements, warranties or representations of any party other than the Representative of the Noteholders contained herein or any other Transaction Document;

(ix) bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer to the Portfolios or any part thereof whether such defect or failure was known to the Representative of the Noteholders or might have been discovered upon examination or enquiry or whether capable of remedy or not;

(x) liable for any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting these Rules, the Notes or any Transaction Document;

(xi) under any obligation to insure the Portfolios or any part thereof;

(xii) obliged to have regard to the consequences of any modification of these Rules or any of the Transaction Documents for the Noteholders or any relevant Persons resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to, the jurisdiction of any particular territory;

(xiii) under any obligation to disclose to any Noteholder, any Other Issuer Creditors or any other party any confidential, financial, price sensitive or other information made available to the Representative of the Noteholders by the Issuer or any other Person in connection with these Rules or the Transaction Documents and the Noteholders, the Other Issuer Creditors or any other party shall not be entitled to take any action to obtain from the Representative of the Noteholders any such information (unless and to the extent ordered so to do by a court of competent jurisdiction);

(xiv) bound to take any steps or institute any proceedings after a Trigger Notice is served upon the Issuer following the occurrence of a Trigger Event, or to take any other action (or direct any action to be taken) to enforce any security interest created by the Security Document or any rights under the Intercreditor Agreement unless it has been indemnified and/or secured to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing;

(xv) liable for acting upon any resolution purporting to have been passed at any Meeting of the relevant Class of Notes or Classes of Notes in respect whereof minutes have been made and signed, also in the event that, subsequent to its acting it transpires that the Meeting was not duly convened or constituted, such resolution was not duly passed or that the resolution was otherwise not valid or binding upon the Noteholders, in connection with matters in respect of which the Noteholders are entitled to direct the Representative of the Noteholders; and

(xvi) liable for not having acted in any manner whatsoever for the protection of the Noteholders' interests in all circumstances where, according to these Rules and the Transaction Documents, it was not expressly required to take any such action.

The Representative of the Noteholders may:

(i) agree (in the name and on behalf of the Noteholders) amendments or modifications to these Rules or to any of the Transaction Documents which in the sole and absolute opinion of the Representative of the Noteholders it is expedient to make or is to correct a manifest error or is of a formal, minor or technical nature. Any such modification shall be binding on the Noteholders and, unless the Representative of the Noteholders otherwise agrees, the Issuer shall cause such modification to be notified to the Noteholders as soon as practicable thereafter;

(ii) agree (in the name and on behalf of the Noteholders) amendments or modifications to these Rules (other than in respect of a Basic Terms Modification or any provision in these Rules referred to in the definition of Basic Terms Modification) or to the other Transaction Documents which, in the sole and absolute opinion the Representative of the Noteholders, it may be proper to make, provided that (i) the Representative of the Noteholders is of the sole and absolute opinion that such modification will not be materially prejudicial to the interests of the holders of the holder of the Most Senior Class of Notes; and (ii) a prior written notice is given to the Rating Agencies;

(iii) act on the advice or a certificate or opinion of, or any information obtained from, any lawyer, accountant, banker, broker, credit or rating agencies or other expert whether obtained by the Issuer, or the Representative of the Noteholders or otherwise and shall not, in the absence of fraud ("*frode*"), gross negligence ("*colpa grave*") or wilful misconduct ("*dolo*") on the part of the Representative of the Noteholders, be responsible for any loss occasioned by so acting. Any such advice, opinion or information may be sent or obtained by letter, telex, telegram, facsimile transmission, e-mail or cable and, in the absence of fraud ("*frode*"), gross negligence ("*colpa grave*") or wilful misconduct ("*dolo*") on the part of the Representative of the Noteholders, the Representative of the Noteholders shall not be liable for acting on any advice, opinion or information contained in or purported to be conveyed by any such letter, telex, telegram, facsimile transmission, e-mail or cable notwithstanding any error contained therein or the non-authenticity of the same;

(iv) call for and accept as sufficient evidence of any fact or matter, unless any of its officers in charge of the administration of these Rules shall have actual knowledge or express notice to the contrary, a certificate duly signed by or on behalf of the Issuer, and the Representative of the Noteholders shall not be bound in any such case to call for further evidence or be responsible for any loss that may be occasioned by the Representative of the Noteholders acting on such certificate;

(v) have absolute discretion as to the exercise, non exercise or refraining from exercise of any right, power and discretion vested in the Representative of the Noteholders by these Rules or by operation of law, save as expressly otherwise provided herein, and the Representative of the Noteholders shall not be responsible for any loss, costs, damages, expenses or inconveniences that may result from the exercise, non-exercise or refraining from exercise thereof except insofar as the same are incurred as a result of its fraud ("*frode*"), gross negligence ("*colpa grave*") or wilful misconduct ("*dolo*");

(vi) hold or leave in custody these Rules, the Transaction Documents and any other documents relating hereto in any part of the world with any bank officer or financial institution or company whose business includes undertaking the safe custody of documents or lawyer or firm of lawyers considered by the Representative of the Noteholders to be of good repute, and the Representative of the Noteholders shall not be responsible for or required to insure against any loss incurred in connection with any such custody and may pay all sums required to be paid on account of or in respect of any such custody;

(vii) call for, accept and place full reliance on and as sufficient evidence of the facts stated therein, a certificate or letter of confirmation certified as true and accurate and signed on behalf of any common depository as the Representative of the Noteholders considers appropriate, or any form of record made by any such depository to the effect that at any particular time or throughout any particular period, any particular Person is, was, or will be, shown in its records as entitled to a particular number of Notes;

(viii) certify whether or not a Trigger Event is in its opinion materially prejudicial to the interests of the Noteholders and if any proceedings referred to under Condition 9(iv) (*Insolvency*) are disputed in good faith, and any such certificate or opinion shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other relevant Person and if the Representative of the Noteholders so certifies and serves a Trigger Notice pursuant to Condition 9 (*Trigger Events*), it shall, in the absence of fraud (*frode*), gross negligence (*colpa grave*) or wilful misconduct (*dolo*) on its part, be fully indemnified by the Issuer against all fees, costs, expenses, liabilities, losses and charges which it may incur as a result;

(ix) determine whether or not a default in the performance by the Issuer of any obligation under the provisions of these Rules or contained in the Notes or any of the other Transaction Documents is capable of remedy and, if the Representative of the Noteholders shall certify that any such default is, in its opinion, not capable of remedy, such certificate shall be conclusive and binding upon the Issuer, the Noteholders and any relevant Person and the Representative of the Noteholders shall not be responsible for or required to insure against any cost and loss incurred in connections with any such certificate; and

(x) assume without enquiry that no Notes are for the time being held by or for the benefit of the Issuer.

The Representative of the Noteholders shall be entitled to:

(a) call for and to rely upon a certificate or any letter of confirmation or explanation reasonably believed by it to be genuine, of any party to the Intercreditor Agreement or any other of the Other Issuer Creditors in respect of every matter and circumstance for which a certificate is expressly provided for hereunder or any other Transaction Document and it shall not be bound in any such case to call for further evidence or be responsible for any loss, liability, costs, damages, expenses or inconvenience that may be occasioned by its failing so to do;

(b) for the purposes of exercising any right, power, trust, authority, duty or discretion under or in relation to the Transaction Documents or the Notes, in considering whether that such exercise would not be materially prejudicial to the interests of the Noteholders and the Other Issuer Creditors, take into account, among the other things, any confirmation from the Rating Agencies that the then current ratings of the Notes would not be adversely affected by such exercise;

(c) without prejudice for what provided in this Article 28 (*Exoneration of the Representative of the Noteholders*) point below, convene a Meeting of the Noteholders of the relevant Class of Notes or Classes of Notes, in connection with matters in respect of which the Representative of the Noteholders is entitled to exercise its discretion hereunder, in order to obtain from them instructions upon how the Representative of the Noteholders should exercise such discretion, provided that nothing herein shall be construed so as to oblige the Representative of the Noteholders to convene such a Meeting. Prior to undertaking any action, the Representative of the Noteholders shall be entitled to request at the Meeting to be indemnified and/or provided with security to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by taking such action.

In case the Representative of the Noteholders exercises its discretion in accordance with Article 4 (*General*) points (v) and (vii) of these Rules, the Representative of the Noteholders shall convene a Meeting of the Class A1 Noteholders in order to obtain an Extraordinary Resolution of the Class A1 Noteholders providing instructions upon how the Representative of the Noteholders should exercise such discretion. Upon determination by the Meeting of the Class A1 Noteholders, the Representative of the Noteholders shall comply and shall act in accordance with the instructions contained in the Extraordinary Resolution of the Class A1 Noteholders.

Any consent or approval given by the Representative of the Noteholders under these Rules and any other Transaction Document may be given on such terms and subject to such conditions (if any) as the Representative of the Noteholders deems appropriate and notwithstanding anything to the contrary contained herein, or in other Transaction Document, such consent or approval may be given retroactively.

Any consent, approval or waiver by the Representative of the Noteholders shall be notified to the Rating Agencies.

No provision of these Rules shall require the Representative of the Noteholders to do anything which may be illegal or contrary to applicable law or regulation or expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights or powers, if the Representative of the Noteholders shall have reasonable grounds for believing that it will not be reimbursed for any amounts, or that it will not be indemnified against any loss or liability, which it may incur as a result of such action.

Article 29 (Security Document)

The Representative of the Noteholders in its capacity as Security Trustee is entitled to exercise all rights granted by the Issuer to it in its capacity as trustee for the Other Issuer Creditors under the Deed of Charge.

The Representative of the Noteholders, acting on behalf of the Secured Parties, agrees:

(a) prior to the enforcement of the Security Document, to permit the Issuer to collect, in the Secured Parties' interest and on their behalf, any amounts deriving from the pledged claims and rights and may instruct, jointly with the Issuer, the relevant debtors of the pledged claims to make any payments to be made thereunder to an Account of the Issuer; and

(b) that all funds credited to the Accounts from time to time shall be applied in accordance with the Cash Administration and Agency Agreement and the Intercreditor Agreement and that available funds standing to the credit of certain Accounts specified in the Cash Administration and Agency Agreement may be used for investments in Eligible Investments.

The Secured Parties have irrevocably waived any right which they may have hereunder in respect of cash deriving from time to time from the pledged claims and amounts standing to the credit of the Accounts which is not in accordance with the foregoing. The Representative of the Noteholders shall not be entitled to collect, withdraw or apply, or issue instructions for the collection, withdrawal or application of, cash deriving from time to time from the pledged and secured claims under the Security Document except in accordance with the foregoing and the Intercreditor Agreement.

Article 30 (Indemnity)

It is hereby acknowledged that the Issuer shall reimburse, pay or discharge (on a full indemnity basis) on demand, to the extent not already reimbursed, paid or discharged by any Noteholders, all adequately documented costs, liabilities, losses, charges, expenses, damages, actions, proceedings, claims and demands (the "**Requests**" including, without limitation, legal fees and any applicable value added tax or similar tax) properly incurred by or made against the Representative of the Noteholders, or any Person to whom any power, authority or discretion has been delegated by the Representative of the Noteholders, in relation to the preparation and execution of, the exercise, non exercise or purported exercise of its powers and performance of its duties under, and in any other manner in relation to, these Rules or the Transaction Documents, including but not limited to duly documented and reasonable legal and travelling expenses and any duly documented stamp, issue, registration, documentary and other taxes or duties paid by the Representative of the Noteholders in connection with any action and/or legal proceedings brought or contemplated by the Representative of the Noteholders pursuant the Transaction Documents, or against the Issuer or any other Person for enforcing any obligations hereunder, the Notes or the Transaction Documents, except insofar as the same are incurred as a result of gross negligence ("*colpa grave*") or wilful misconduct ("*dolo*") of the Representative of the Noteholders. It remains in any case understood that no amounts shall be paid by the Issuer for Requests that would have been avoided had the Representative of the Noteholders acted with professional care and diligence.

TITLE IV - THE ORGANISATION OF NOTEHOLDERS UPON A SERVICE OF A TRIGGER NOTICE

Article 31 (Powers)

It is hereby acknowledged that, upon service of a Trigger Notice and/or failure by the Issuer to exercise its rights under the Transaction Documents, the Representative of the Noteholders shall, pursuant to the Intercreditor Agreement, be entitled to exercise, in the name and on behalf of the Issuer and as *mandatario in rem propriam* of the Issuer, all and any of the Issuer's Rights, including the right to give directions and instructions to the relevant parties to the Transaction Documents. In connection with any proposed sale of one or more Claims comprised in the Portfolios, the Representative of the Noteholders may, but shall not be obliged to, convene a Meeting in accordance with the provisions set forth in these Rules to resolve on the proposed sale.

TITLE V - DISPUTES RESOLUTIONS

Article 32 (Law and Jurisdiction)

These Rules and all non-contractual obligations arising out or in connection with them are governed by, and will be construed in accordance with, the laws of Italy.

Any disputes arising out of or in connection with the present Rules, including those concerning its validity, interpretation, performance and termination, as well as all non-contractual obligations arising out or in connection with the present Rules, shall be submitted to the exclusive jurisdiction of the courts of Milan, Italy.

WEIGHTED AVERAGE LIFE OF THE RATED NOTES

The average lives of the Rated Notes cannot be stated, as the actual rate of repayment of the Receivables and a number of other relevant factors are unknown. However, calculations of the possible average lives of the Rated Notes can be made based on certain assumptions. For example, based on the assumptions that:

(A) all Claims are duly and timely paid and there are no Delinquent Claims or Defaulted Claims at any time;
(B) all Claims are accruing interest from the Valuation Date;
(C) the constant prepayment rate as per tables below, has been applied to the Claims in homogeneous terms;
(D) no Trigger Event occurs in respect of the Rated Notes;
(E) no redemption for taxation has occurred in respect of the Rated Notes;
(F) the Issuer will not exercise its option to redeem the Rated Notes;
(G) the Outstanding Balance of the Rated Notes is set as per below:
    a. Class A1 Notes €641,216,000;
    b. Class A2 Notes €23,749,000;
    c. Class B Notes €31,665,000;
(H) no purchase, sale, indemnity, renegotiations on the Claims are made according to the Transaction Documents;
(I) no further advances or product switches will be granted for any Claim;
(J) the interest of each Claim is calculated on a 30/360 basis;
(K) interest on the Rated Notes is calculated on a 30/360 basis;
(L) interest on the Rated Notes is calculated on a three-month Euribor of -0.3960%;
(M) there is no reinvestment into Eligible Investments;
(N) the weighted average life is calculated on a 30/360 basis;
(O) the Originators do not repurchase any Claims;
(P) each of (i) the ECB rate, (ii) one-month Euribor, (iii) three-month Euribor, (iv) six-month Euribor and (v) twelve-month Euribor remains at current levels, in each case for so long as any Rated Notes are outstanding;
(Q) there is no swap in place;
(R) the first Payment Date occurs on 28 February 2020, and thereafter each Payment Date occurs, and payments are made on the last day of February, May and August and November of each year throughout the life of the Rated Notes (whether or not those dates are Business Days); and
(S) the senior fees payable in Pre-Acceleration Order of Priority (items First, Second and Third) are equal to 0.10% of the aggregate outstanding balance of all Claims per annum, on a 30/360 day count basis, accrued from the Issue Date, plus €25,000 per Payment Date.

Assumption (B) is stated as an average annualised prepayment rate as the prepayment rate for one Interest Period may be substantially different from that for another. The constant prepayment rates shown below are purely illustrative and do not represent the full range of possibilities for constant prepayment rates.

The assumptions relate to circumstances which are not predictable.

The average lives of the Rated Notes are subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and estimates above will prove in any way to be realistic. They must therefore be viewed with considerable caution.

Redemption of Class A1 Notes

WAL (yrs)	
CPR	Class A1
0%	5.34
3%	4.33
5%	3.83
7%	3.42
9%	3.08

Redemption of Class A2 Notes

WAL (yrs)	
CPR	Class A2
0%	11.83
3%	10.08
5%	9.09
7%	8.31
9%	7.57

Redemption of Class B Notes

WAL (yrs)	
CPR	Class B
0%	12.29
3%	10.52
5%	9.53
7%	8.69
9%	7.95

SUBSCRIPTION, SALE AND SELLING RESTRICTIONS

Pursuant to the Notes Subscription Agreement entered into on or about the Issue Date between the Issuer, the Originators, the Arranger and the Representative of the Noteholders, the Originators have agreed to subscribe and pay the Issuer for the Notes of each Class and each of them shall pay to the Issuer the Issue Price for the relevant Notes and shall appoint the Representative of the Noteholders to act as the representative of the Noteholders, subject to the conditions set out therein.

The Notes Subscription Agreement will be subject to a number of conditions and may be terminated in certain circumstances prior to the payment of the Issue Price to the Issuer.

Under the Notes Subscription Agreement and the Intercreditor Agreement, each of the Originators has undertaken that it will retain at the origination and maintain (on an ongoing basis) a material net economic interest of not less than 5% in the Securitisation in accordance with paragraph (3)(a) of article 6 of the Securitisation Regulation (or any permitted alternative method thereafter) fulfilled by each Originator, on a pro rata basis with reference to the Claims it originated. As at the Issue Date, such interest will be comprised of an interest in at least 5% of the nominal value of each of the tranches sold or transferred to investors (being each Class of Notes).

UNITED STATES OF AMERICA

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered, or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act.

The Originators represent and agree that they have not offered or sold the Notes and will not offer or sell the Notes within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time and (ii) otherwise until 40 calendar days after the completion of the distribution of all Notes except in accordance with Rule 903 of the Regulation S promulgated under the Securities Act. None of the Originators, nor their respective Affiliates nor any persons acting respectively on behalf of the Originators or on behalf of their respective Affiliates have engaged or will engage in any directed selling efforts with respect to the Notes, and it and they have complied and will comply with the offering restrictions requirements of Regulation S under the Securities Act. At or prior to confirmation of sale of the Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect.

The Notes covered hereby have not been registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903(b)(2)(iii), (x) as part of their distribution at any time or (y) otherwise until 40 calendar days after the completion of the distribution of Securities as determined and certified herein by the Originators, except in either case in accordance with Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Notwithstanding the foregoing, in no event shall any Notes be sold, directly or indirectly, to or for the account of a U.S. person (as that term is defined under Regulation S and in the U.S. Risk Retention Rules) nor otherwise in a manner intended to evade the requirements of the U.S. Risk Retention Rules.

Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

REPUBLIC OF ITALY

Each of the Issuer and the Originators acknowledges that no action has been or will be taken by it, its affiliates or any other person acting on its behalf which would allow an offering (or an "*offerta al pubblico di prodotti finanziari*") of the Notes to the public in the Republic of Italy unless in compliance with the relevant Italian securities, tax and other applicable laws and regulations. Individual sales of the Notes to any Persons in the Republic of Italy may only be made in accordance with Italian securities, tax and other applicable laws and regulations.

Each of the Issuer and the Originators acknowledges that no application has been made by the Issuer to obtain an authorisation from CONSOB for the public offering of the Notes in the Republic of Italy.

Accordingly, each of the Issuer and the Originators represents and agrees that it has not offered, sold or delivered, and will not offer, sell or deliver, and has not distributed and will not distribute and has not made and will not make available in the Republic of Italy the Notes, the Prospectus nor any other offering material relating to Notes other than to professional investors ("*investitori qualificati*"), pursuant to article 100, paragraph 1, letter (a), of the Consolidated Financial Act or in other circumstances where an express exemption from compliance with the restrictions to the offerings to the public applies, as provided under the Consolidated Financial Act or CONSOB regulation number 11971/1999, and in accordance with applicable Italian laws and regulations. In any case the Class J Notes may not be offered to individuals or entities not being professional investors in accordance with the Securitisation Law. Additionally, the Class J Notes may not be offered to any investor qualifying as "cliente al dettaglio" pursuant to CONSOB regulation number 16190/2007.

Each of the Issuer and the Originators represents and agrees that any offer by it of the Notes of the relevant Class or Classes in the Republic of Italy shall be made only by banks, investment firms or financial companies permitted to conduct such activities in Italy in accordance with Legislative Decree number 385 of 1 September 1993, as amended, the Consolidated Financial Act, CONSOB Regulation number 16190 of 31 October 2007 and any other applicable laws and regulations and in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

In connection with the subsequent distribution of the Notes in the Republic of Italy, article 100-bis of the Consolidated Financial Act requires to comply also on the secondary market with the public offering rules and disclosure requirements set forth under the Consolidated Financial Act and relevant CONSOB implementing regulations, unless the above subsequent distribution is exempted from those rules and requirements according to the Consolidated Financial Act and relevant CONSOB implementing regulations.

FRANCE

Each of the Issuer and the Originators represents and agrees that the Prospectus has not been prepared in the context of a public offering in France within the meaning of Article L. 411-1 of the Code monétaire et financier and Title I of Book II of the Règlement Général de l'Autorité des marchés financiers (the "AMF") and therefore has not been approved by or registered or filed with the AMF. Consequently, neither the Prospectus nor any other offering material relating to the Notes has been and will be released, issued or distributed or caused to be released, issued or distributed by it to the public in France or used in connection with any offer for subscription or sale of notes to the public in France.

Each of the Issuer and the Originators also represents and agrees in connection with the initial distribution of the Notes by it that:

(a) there has not been and there will be no offer or sale, directly or indirectly, of the Notes by it to the public in the Republic of France (*an offrè au public de titres financiers* as defined in Article L. 411-1 of the French Code monétaire et financier);

(b) offers and sales of the Notes in the Republic of France will be made by it in compliance with applicable laws and regulations and only to (i) qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in, and in accordance with Articles L411-1, L.411-2 and D.411-1 of the French Code monétaire et financier; or (ii) a restricted circle of investors (*cercle restreint d'investisseurs*) as defined in Article L. 411-2 and D. 411-4 of the French Code monétaire et financier acting for their own account; or (iii) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) as mentioned in Article L. 411-2, L. 533-16 and L. 533-20 of the French Code monétaire et financier (together the "**Investors**");

(c) offers and sales of the Notes in the Republic of France will be made by it on the condition that:

(i) the Prospectus shall not be circulated or reproduced (in whole or in part) by the Investors; and

(ii) the Investors undertake not to transfer the Notes, directly or indirectly, to the public in France, other than in compliance with applicable laws and regulations pertaining to a public offering (and in particular Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Code monétaire et financier).

UNITED KINGDOM

Each of the Issuer and the Originators represents and warrants with respect to itself, that:

(i) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the of the Financial Services and Markets Act 2000 (the "FSMA")) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or

(ii) a customer within the meaning of Directive 2016/97/EC (as amended, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in Regulation 2017/1129/EU ("**Prospectus Regulation**"); and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

GENERAL RESTRICTIONS

Other than admission of the Rated Notes to ExtraMOT, no action has been taken by the Issuer or the Originators that would, or is intended to, permit a public offer of the Notes in any country or jurisdiction where any such action for that purpose is required. Each of the Issuer and the Originators shall comply with all applicable laws and regulations in each jurisdiction in or from which it may offer or sell Notes. Furthermore, they will not, directly or indirectly, offer, sell or deliver of any Notes or distribute or publish any Prospectus, form of application, Prospectus (including the Prospectus), advertisement or other offering material in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Unless otherwise herein provided, no action will be taken by them to obtain permission for public offering of the Notes in any country where action would be required for such purpose.