IMPORTANT NOTICE

IMPORTANT: You must read the following before continuing. The following applies to the prospectus attached to this electronic transmission (the "**Prospectus**"), and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF IFIS NPL 2021-1 SPV (THE "**ISSUER**"). IN PARTICULAR, NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES OF THE ISSUER FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES 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 SECURITIES 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. NOTWITHSTANDING THE FOREGOING, IN NO EVENT MAY THE SECURITIES BE SOLD, ASSIGNED OR TRANSFERRED TO A RISK RETENTION U.S. PERSON (AS DEFINED HEREIN). SEE THE SECTION HEADED "SUBSCRIPTION AND SALE" AND "RISK FACTORS - U.S. RISK RETENTION REQUIREMENTS.

THE ISSUER IS RELYING ON THE EXEMPTION FROM THE DEFINITION OF "INVESTMENT COMPANY" UNDER SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). ACCORDINGLY, NO NOTES MAY BE SOLD, ASSIGNED OR TRANSFERRED TO A U.S. PERSON EXCEPT TO A "QUALIFIED PURCHASER" (AS DEFINED IN THE INVESTMENT COMPANY ACT). THE ISSUER WAS STRUCTURED SO AS NOT TO CONSTITUTE A "COVERED FUND" FOR PURPOSES OF THE VOLCKER RULE UNDER THE DODD-FRANK ACT (BOTH AS DEFINED HEREIN) IN RELIANCE ON THE "LOAN SECURITIZATION EXEMPTION" THEREUNDER. NO ASSURANCE CAN BE GIVEN AS TO THE AVAILABILITY OF THE "LOAN SECURITIZATION EXEMPTION" UNDER THE VOLCKER RULE AND INVESTORS SHOULD CONSULT THEIR OWN LEGAL AND REGULATORY ADVISORS WITH RESPECT TO SUCH MATTERS.

THE FOLLOWING PROSPECTUS MAY NOT BE FORWARDED, DISTRIBUTED, PUBLISHED OR DISCLOSED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

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 ("**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 DIRECTIVE 2014/65/EU ("**MIFID II**"); OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2016/97, AS AMENDED, (THE "**IDD**"), 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 (EU) 2017/1129 (AS AMENDED, THE "**EU 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.

BENCHMARKS REGULATION - AMOUNTS PAYABLE UNDER THE CLASS A NOTES ARE CALCULATED BY REFERENCE TO THE EURIBOR WHICH IS PROVIDED BY EUROPEAN MONEY MARKETS INSTITUTE WITH ITS OFFICE IN BRUSSELS, BELGIUM (THE "**ADMINISTRATOR**"). AS AT THE DATE OF THIS PROSPECTUS, THE ADMINISTRATOR OF EURIBOR IS INCLUDED IN THE REGISTER OF ADMINISTRATORS AND BENCHMARKS ESTABLISHED AND MAINTAINED BY THE EUROPEAN SECURITIES AND MARKETS AUTHORITY ("**ESMA**") PURSUANT TO ARTICLE 36 OF THE BENCHMARKS REGULATION (REGULATION (EU) 2016/1011).

EU 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.

UK RESTRICTIONS ON SALES - THE NOTES MUST NOT BE OFFERED OR SOLD AND THIS PROSPECTUS AND ANY OTHER DOCUMENT IN CONNECTION WITH THE OFFERING AND ISSUANCE OF THE NOTES MUST NOT BE COMMUNICATED OR CAUSED TO BE COMMUNICATED IN THE UNITED KINGDOM EXCEPT TO PERSONS WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND QUALIFY AS INVESTMENT PROFESSIONALS UNDER ARTICLE 19 (INVESTMENT PROFESSIONALS) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, (AS AMENDED) (THE "**ORDER**") OR ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A)-(D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER OR WHO OTHERWISE FALL WITHIN AN EXEMPTION SET FORTH IN SUCH ORDER SUCH THAT SECTION 21(1) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED) ("**FSMA**") DOES NOT APPLY TO THE ISSUER OR ARE PERSONS TO WHOM THIS PROSPECTUS OR ANY OTHER SUCH DOCUMENT MAY OTHERWISE LAWFULLY BE COMMUNICATED OR CAUSED TO BE COMMUNICATED (ALL SUCH PERSONS TOGETHER

BEING REFERRED TO AS "**RELEVANT PERSONS**"). ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS PROSPECTUS RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

NEITHER THIS PROSPECTUS NOR THE NOTES ARE OR WILL BE AVAILABLE TO PERSONS WHO ARE NOT RELEVANT PERSONS AND THIS PROSPECTUS MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. THE COMMUNICATION OF THIS PROSPECTUS TO ANY PERSON IN THE UNITED KINGDOM WHO IS NOT A RELEVANT PERSON IS UNAUTHORISED AND MAY CONTRAVENE THE FSMA.

UK MIFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET - SOLELY FOR THE PURPOSES OF EACH MANUFACTURER'S (THE "MANUFACTURERS") 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 ONLY ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("**COBS**"), AND PROFESSIONAL CLIENTS, AS DEFINED IN REGULATION (EU) NO 600/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("**EUWA**") ("**UK MIFIR**"); AND (II) ALL CHANNELS FOR DISTRIBUTION 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 MANUFACTURERS' TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK (THE "**UK MIFIR PRODUCT GOVERNANCE RULES**") 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 UK 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 UNITED KINGDOM ("**UK**"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF THE FOLLOWING: (I) A RETAIL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565, AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA; OR (II) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FSMA AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014, AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA, AND AS AMENDED; OR (III) NOT A QUALIFIED INVESTOR ("**UK QUALIFIED INVESTOR**") AS DEFINED IN ARTICLE 2 OF REGULATION (EU) 2017/1129, AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA (THE "**UK PROSPECTUS REGULATION**"). CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA, AND AS AMENDED (THE "**UK PRIIPS REGULATION**") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.

Confirmation of your Representation: In order to be eligible to view this Prospectus or make an investment decision with respect to the securities, investors must not be a U.S. person (within the meaning of Regulation S under the Securities Act). This Prospectus is being sent at your request and by accepting the e-mail and accessing this Prospectus, you shall be deemed to have represented to us that you are not a U.S. person, the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States, any States of the United States or the District of Columbia and that you consent to delivery of such Prospectus by electronic transmission.

You are reminded that this Prospectus has been delivered to you on the basis that you are a person into whose possession this Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this Prospectus to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Issuer in such jurisdiction.

This Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Issuer, the Arrangers, the Seller nor the Transaction Parties (each as defined below) nor any person who controls any of such person nor any director, officer, employee nor agent of it or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Issuer.

PROSPECTUS

IFIS NPL 2021-1 SPV S.R.L.

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

Euro 515,000,000 Class A Asset Backed Floating Rate Notes due January 2060

Issue Price: 100%

Euro 90,000,000 Class B Asset Backed Fixed Rate Notes due January 2060

Issue Price: 100%

Euro 25,000,000 Class J2 Asset Backed Fixed Rate and Variable Return Note due January 2060

Issue Price: 100%

*This prospectus (the "**Prospectus**") contains information relating to the issue on 28 July 2023 (the "**Subsequent Issue Date**") by IFIS NPL 2021-1 SPV S.r.l., a limited liability company organised under the laws of the Republic of Italy (the "**Issuer**") of the Euro 515,000,000 Class A Asset Backed Floating Rate Notes due January 2060(the "**Class A Notes**" or the "**Senior Notes**"), Euro 90,000,000 Class B Asset Backed Fixed Rate Notes due January 2060 (the "**Class B Notes**" or the "**Mezzanine Notes**" and, together with the Senior Notes, the "**Rated Notes**") and Euro 25,000,000 Class J2 Asset Backed Fixed Rate and Variable Return Note due January 2060 (the "**Series J2 Notes**" and, together with the Class A Notes and the Class B Notes, the "**Subsequent Notes**").*

*In the context of a securitisation transaction carried out in March 2021 by the Issuer (the "**Original Securitisation**"), on 19 March 2021 (the "**Initial Issue Date**") the Issuer issued Euro 158,775,000 Class Ax Asset Backed Floating Rate Notes due January 2051 (the "**Class Ax Notes**"); Euro 206,225,000 Class Ay Asset Backed Floating Rate Notes due July 2051 (the "**Class Ay Notes**" and, together with the Class Ax Notes, the "**Original Class A Notes**" or the "**Original Senior Notes**"); Euro 74,400,000 Class B Asset Backed Fixed Rate Notes due July 2051 (the "**Original Class B Notes**" and, together with the Original Class A Notes, the "**Original Rated Notes**"); and Euro 23,600,000 Class J Asset Backed Fixed Rate and Variable Return Notes due July 2051 (as subsequently amended, the "**Original Class J Notes**" or the "**Series J1 Notes**" and together with the Original Class A Notes and the Original Class B Notes, the "**Original Notes**" and, together with the Series J2 Notes, the "**Class J Notes**" or the "**Junior Notes**"); provided that, starting from the Subsequent Issue Date, "**Notes**" will mean, collectively, the Class A Notes, the Class B Notes and the Class J Notes. In the context of the restructuring of the Transaction occurred on the Subsequent Issue Date (the "**Restructuring**" and the Original Securitisation, as restructured in the context of the Restructuring, the "**Transaction**"), following payments provided on such date, the outstanding Notes will be:*

- *Euro 23,600,000 Class J Asset Backed Fixed Rate and Variable Return Notes due July 2051;*
- *Euro 515,000,000 Class A Asset Backed Floating Rate Notes due January 2060;*
- *Euro 90,000,000 Class B Asset Backed Fixed Rate Notes due January 2060;*
- *Euro 25,000,000 Class J2 Asset Backed Fixed Rate and Variable Return Notes due January 2060.*

*This Prospectus is issued pursuant to article 2, paragraph 3, of Italian Law No. 130 of 30 April 1999 (the "**Law 130**" or also the "**Securitisation Law**"), article 7 of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 (the "**EU Securitisation Regulation**") and Article 7 of the EU Securitisation Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"), and as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019 (and as may be further amended, supplemented or replaced, from time to time) (the "**UK Securitisation Regulation**", and together with the EU Securitisation Regulation, the "**Securitisation Regulations**") in connection with the issuance of the Subsequent Notes. This Prospectus does not comprise a prospectus with regard to the Issuer and the Notes for the purposes of Article 3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended, the "**EU Prospectus Regulation**") or article 3 of the EU Prospectus Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") (the "**UK Prospectus Regulation**" and, together with the EU Prospectus Regulation, the "**Prospectus Regulations**"). This Prospectus constitutes also the admission document of the Senior Notes for the admission to trading on the professional segment ("**ExtraMOT PRO**") of the multilateral trading facility "ExtraMOT", which is a multilateral system for the purposes of the Market and Financial Instruments Directive (Directive 2014/65/EC (the "**MIFID II**")), managed by Borsa Italiana S.p.A. ("**Borsa Italiana**"). The Mezzanine Notes and the Junior Notes are not being offered pursuant to this Prospectus and no application has been made to list Mezzanine Notes and the Junior Notes on any stock exchange.*

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

*The principal source of payment of interest and repayment of principal on the Notes will be collections and recoveries made in respect of (i) a portfolio of receivables (such receivables as outstanding on the Subsequent Economic Effective Date, net of the Repurchased Receivables (as defined below), the "**Initial Receivables**" and the "**Initial Portfolio**") which have been assigned from Ifis NPL Investing S.p.A. (the "**Seller**"), consisting of secured and unsecured loans whose debtors (the "**Assigned***

***Debtors**") have been classified as non-performing exposures (*attività deteriorate*) in accordance with Bank of Italy's circular No. 272 of 30 July 2008, as amended. The Initial Portfolio was purchased by the Issuer under the terms of a transfer agreement between the Issuer and the Seller pursuant to Law 130 executed on 1 March 2021 (the "**Initial Transfer Agreement**"); and (ii) a portfolio of receivables (the "**Subsequent Portfolio**" and the "**Subsequent Receivables**" and, together with, respectively, the Initial Portfolio and the Initial Receivables, the "**Portfolio**" and the "**Receivables**") which have been assigned from the Seller, consisting of unsecured loans. The Subsequent Portfolio has been purchased by the Issuer under the terms of a transfer agreement between the Issuer and the Seller pursuant to Law 130 executed on 21 July 2023 (the "**Subsequent Transfer Agreement**" and, together with the Initial Transfer Agreement, the "**Transfer Agreements**").*

If the Notes cannot be redeemed in full on the Final Maturity Date 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, because the Issuer has no assets other than those described in this Prospectus.

If any amounts remain outstanding in respect of the Notes upon expiry of the Final Maturity Date, 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 amount and timing of repayment of principal under the Receivables will affect also the yield to maturity of the Notes which cannot be predicted.

*The Notes will be subject to mandatory redemption in whole or in part on each Payment Date. Unless previously redeemed in accordance with their applicable terms and conditions (the "**Conditions**"), the Series J1 Notes will be redeemed on the Payment Date falling in July 2051 and the Subsequent Notes will be redeemed on the Payment Date falling in January 2060 (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 started accruing from (i) with reference to the Series J1 Notes, the Initial Issue Date; and (ii) with reference to the Subsequent Notes, the Subsequent Issue Date. Interest on the Notes will be payable semi-annually in arrears on the last calendar day of January and July in each year, or, if such day is not a Business Day (as defined in the Conditions), the immediately succeeding Business Day, unless such Business Day would fall in the next calendar month in which case payment will be made on the immediately preceding Business Day (each a "**Payment Date**"); being understood that (i) the first Payment Date with reference to the Subsequent Notes will fall on January 2024, and (ii) the Payment Date falling in July 2023 will be rescheduled on the Business Day preceding the Subsequent Issue Date and the Issuer Available Funds available on such Payment Date will be applied in or towards payment of the specific items described in the General Amendment Agreement (as defined below). 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 (being the **Initial Interest Period**, as defined in the Conditions) begins on (and includes), (i) with respect to the Series J1 Notes, the period which begins on (and includes) the Initial Issue Date and ends on (but excludes) the First Payment Date; and (ii) with respect to the Subsequent Notes, the period which begins on (and includes) the Subsequent Issue Date and ends on (but excludes) the first Payment Date following the Subsequent Issue Date (being the last calendar day of January 2024).*

*The floating rate of interest applicable to the Class A Notes shall be the aggregate of Six Month EURIBOR as determined and defined in accordance with Condition 5 (Interest) and 2.8 per cent. per annum (the "**Class A Margin**") for each Interest Period (other than the relevant Initial Interest Period in respect of which the Class A Interest Rate shall be the aggregate of the Class A Margin and the linear interpolation between 6 (six) months and 12 (twelve) months deposits in Euro) (the "**Class A Interest Rate**"); provided that, for the above purpose, the Class A Interest Rate on the Senior Notes may not be below zero.*

The fixed rate of interest applicable to the Class B Notes for each Interest Period, including the relevant Initial Interest Period, shall be 6.0% per annum.

The fixed rate of interest applicable to the Series J1 Notes for each Interest Period, including the Initial Interest Period, shall be 12% per annum. The fixed rate of interest applicable to the Series J2 Notes for each Interest Period, including the relevant Initial Interest Period, shall be 12.0% per annum. The Class J Notes bear, in addition to interest, the Class J Notes Variable Return.

All payments of principal, interest and Variable Return on the Notes will be made free and clear of any withholding or deduction for Italian withholding taxes, subject to the requirements of Legislative Decree No. 239 of 1 April 1996, as subsequently 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. For further details see the section entitled "Taxation in the Republic of Italy".

*The Notes will be held in dematerialised form on behalf of the Noteholders as of the relevant Issue Date until redemption or cancellation thereof by Monte Titoli S.p.A. (commercial name Euronext Securities Milan) ("**Monte Titoli**") for the account of the relevant Monte Titoli Account Holders (as defined below). 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 the Legislative Decree No. 58 of 24 February 1998 and with Regulation jointly issued by Commissione Nazionale per le Società e la Borsa ("**CONSOB**") and the Bank of Italy on 13 August 2018, as amended from time to time.*

*On issue, the Class A Notes are expected to be rated Baa2 by Moody's Italia S.r.l. ("**Moody's**"), BBB+ by Scope Ratings GmbH ("**Scope**") and BBB+ by ARC Ratings S.A. ("**ARC**") and the Class B Notes are expected to be rated Caa1 by Moody's, B by Scope and B by ARC. As of the date of this Prospectus, Moody's, Scope and ARC are established in the European Union and were registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No. 513/2011 of the European Parliament and of the Council of 11 May 2011 and by Regulation (EU) 462/2013 of the European Parliament and of the Council of 21 May 2013 (the "**CRA Regulation**") and were included in the list of credit rating agencies registered in accordance with the CRA Regulation published on 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 (the "**ESMA Website**"). It is not expected that the Class J Notes will be assigned a credit rating.* ***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.***

*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. Notwithstanding the foregoing, in no event may the Notes be sold, assigned or transferred to a Risk Retention U.S. Person (as defined herein). See the section headed "Subscription and Sale" and "Risk Factors - U.S. Risk Retention Requirements".*

*The Issuer is relying on the exemption from the definition of "investment company" under Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "**Investment Company Act**"). Accordingly, no Notes may be sold, assigned or transferred to a U.S. person except to a "qualified purchaser" (as defined in the Investment Company Act). The Issuer was structured so as not to constitute a "covered fund" for purposes of the Volcker Rule under the Dodd-Frank Act (both as defined herein) in reliance on the "loan securitization exemption" thereunder. No assurance can be given as to the availability of the "loan securitization 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 if this or other exemption or exclusions and the legality of their investment in the Notes. Each Arranger has not made any investigation or representation as to the availability of any exemption or exclusion under the Volcker Rule. No assurance can be given as to the availability of the "loan securitization 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, upon issue, been subscribed by Ifis NPL Investing S.p.A. and Banca Ifis S.p.A. as Subsequent Notes Subscribers; the Subsequent Notes Subscribers or any assignee which belongs to the Seller's banking group, may use the Notes, in full or in part, as collateral in repurchase transactions and/or as collateral in connection with liquidity and/or open market operations with qualified investors (including with J.P. Morgan SE).

The Seller has undertaken, under the Intercreditor Agreement and the Notes Subscription Agreements, to retain at the relevant Issue Date and maintain on an ongoing basis a material net economic interest of at least 5% in the Transaction in accordance with paragraph (a) of Article 6(3) of the Securitisation Regulations.

*Neither the Seller nor any other person intends to retain a risk retention interest contemplated by the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the "**U.S. Risk Retention Rules**"), but rather the Seller intendes to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. In furtherance of the foregoing, the Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any Risk Retention U.S. Person. See the section headed "Risk Factors – U.S. Risk Retention Requirements". No assurance can be given as to the availability of the "foreign safe harbor" under the U.S. 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, the "**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.*

BENCHMARKS REGULATION *- Amounts payable under the Class A Notes are calculated by reference to the EURIBOR as specified in the Conditions. As at the date of this Prospectus, EURIBOR is provided by the European Money Markets Institute (the "**EMMI**"). As at the date of this Prospectus, EMMI is authorised as benchmark administrator and included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to article 36 of Regulation (EU) 2016/1011 (the "**Benchmarks Regulation**").*

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 ("**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, as amended, (the "**IDD**"), 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 EU 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.*

NOTICE TO RESIDENTS OF THE UNITED KINGDOM *– The Notes must not be offered or sold and this Prospectus and any other document in connection with the offering and issuance of the Notes must not be communicated or caused to be communicated in the United Kingdom ("**UK**") except to persons who have professional experience in matters relating to investments and qualify as Investment Professionals under Article 19 (Investment Professionals) of the Financial Services And Markets Act 2000 (Financial Promotion) Order 2005, (as amended) (the "**Order**") or are persons falling within Article 49(2)(a)-(d) (high net worth companies, unincorporated associations, etc.) of the Order or who otherwise fall within an exemption set forth in such order such that Section 21(1) of the Financial Services And Markets Act 2000 (as amended) ("**FSMA**") does not apply to the issuer or are persons to whom this Prospectus or any other such document may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**Relevant Persons**"). Any investment or investment activity to which this Prospectus relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.*

Neither this Prospectus nor the Notes are or will be available to persons who are not Relevant Persons and this Prospectus must not be acted on or relied on by persons who are not Relevant Persons. The communication of this Prospectus to any person in the UK who is not a relevant person is unauthorised and may contravene the FSMA.

UK MiFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET *- Solely for the purposes of each Manufacturer's (the "**Manufacturers**") 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 only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") ("**UK MIFIR**"); and (ii) all channels for distribution 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 Manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention And Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") 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 UK 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 UK. For these purposes, a retail investor means a person who is one (or more) of the following: (i) a retail client, as defined in point (8) of Article 2 of Regulation (Eu) No 2017/565, as it forms part of UK domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) no 600/2014, as it forms part of UK domestic law by virtue of the EUWA, and as amended; or (iii) not a qualified investor ("**UK Qualified Investor**") as defined in Article 2 of Regulation (EU) 2017/1129, as it forms part of UK domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014, as it forms part of UK domestic law by virtue of the EUWA, and as amended (the "**UK PRIIPs Regulation**") for offering or selling the notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.*

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

All capitalised words and expressions herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the Conditions or, if not contained therein, in the Transaction Documents, as amended from time to time.

Arrangers

Banca Ifis S.p.A. **J.P. Morgan SE**

Dated 28 July 2023

Responsibility Statement

None of the Issuer, the Representative of the Noteholders, J.P. Morgan SE as Arranger, or any other party to any of the Transaction Documents (as defined below), other than the Seller, has undertaken or will undertake any investigations, searches or other actions to verify details of the Receivables sold by the Seller to the Issuer, nor any guarantees securing the Receivables, nor of any orders of assignment issued in connection with the Receivables nor any repayment plan entered into in connection with the Receivables nor of the Loan Agreements, nor of any other document, agreement and/or deed related to the Loan Agreements, nor have the Issuer, the Representative of the Noteholders, J.P. Morgan SE as Arranger, or any other party to any of the Transaction Documents, other than the Seller, undertaken, nor will they undertake, any investigations, searches or other actions in order to, inter alia and without limitation, establish (i) the existence and the total claim amount of any of the monetary receivables in the Portfolio nor any guarantees securing the Receivables nor of any orders of assignment issued in connection with the Receivables or of any rights thereunder or (ii) the creditworthiness of any Assigned Debtors and/or Employers and/or Social Security Administration in respect of the Receivables.

The Issuer

IFIS NPL 2021-1 SPV S.r.l. accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of IFIS NPL 2021-1 SPV S.r.l. and the Servicer (which have taken all reasonable care to ensure that such is the case), such information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. IFIS NPL 2021-1 SPV S.r.l., having made all reasonable enquiries, confirms that this Prospectus contains all information which is material in the context of the issuance, offering, initial subscription and registration of the Notes, that the information contained in this Prospectus is true and accurate in all material respects and is not misleading and that there are no other facts the omission of which would make this Prospectus or any of such information misleading.

The Seller

Ifis NPL Investing S.p.A. has provided the information under the section "Securitisation Regulations Requirements", "The Portfolio", "The Seller" and "The Initial Portfolio Base Case Scenario" and any other information contained in this Prospectus relating to itself, the Receivables, the Loan Agreements, the Orders of Assignments, the Assigned Debtors, the Employers and/or the Social Security Administrations and accepts responsibility for the information contained in those sections. To the best knowledge of Ifis NPL Investing S.p.A. (which has taken all reasonable care to ensure that such is the case), the information and data in relation to which it is responsible as described above are true and accurate in all material respects, are not misleading, are in accordance with the facts and does not omit anything likely to affect the import of such information and data. Save as for aforesaid, Ifis NPL Investing S.p.A. has not, however, been involved in the preparation of, and does not accept responsibility for, this Prospectus or any part hereof.

The Representative of the Noteholders, the Calculation Agent, the Monitoring Agent and the Corporate Services Provider

Banca Finanziaria Internazionale S.p.A. has provided the information included in this Prospectus in the relevant parts of the section headed "The Representative of the Noteholders, the Calculation Agent, the Monitoring Agent and the Corporate Services Provider" and accepts responsibility for the information contained in that section. To the best of the knowledge of Banca Finanziaria Internazionale S.p.A. (which has taken all reasonable care to ensure that such is the case), such information is true and accurate in all material respects, is not misleading, is in accordance with the facts and does not omit anything likely to affect the import of such information. Save as for aforesaid, Banca Finanziaria Internazionale S.p.A. has not, however, been involved in the preparation of, and does not accept responsibility for, this Prospectus or any part hereof.

The Back-up Servicer

Zenith Service S.p.A. has provided the information under the section headed "The Back-up Servicer" and, together with the Issuer, accepts responsibility for the information contained in that section related to itself. To the best of the knowledge of Zenith Service S.p.A. (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. Save as for aforesaid, Zenith Service S.p.A.has not, however, been involved in the preparation of, and does not accept responsibility for, this Prospectus or any part hereof.

The Agent Bank, the Account Bank, the Paying Agent and the Cash Manager

BNP PARIBAS, Italian Branch has provided the information included in this Prospectus in the relevant part of the section headed "The Agent Bank, the Account Bank, the Paying Agent and the Cash Manager" and accepts responsibility for the information contained in that section. To the best of the knowledge of BNP PARIBAS, Italian Branch (which has taken all reasonable care to ensure that such is the case), such information is true and accurate in all material respects, is not misleading, is in accordance with the facts and does not omit anything likely to affect the import of such information. Save as for aforesaid, BNP PARIBAS, Italian Branch has not, however, been involved in the preparation of, and does not accept responsibility for, this Prospectus or any part hereof.

The Recovery Account Bank

Banca Ifis S.p.A. has provided the information included in this Prospectus in the relevant part of the section headed "The Recovery Account Bank" and accepts responsibility for the information contained in that section. To the best of the knowledge of Banca Ifis S.p.A. (which has taken all reasonable care to ensure that such is the case), such information is true and accurate in all material respects, is not misleading, is in accordance with the facts and does not omit anything likely to affect the import of such information. Save as for aforesaid, Banca Ifis S.p.A. has not, however, been involved in the preparation of, and does not accept responsibility for, this Prospectus or any part hereof.

The Cap Counterparty

J.P. Morgan SE has provided the information relating to it under the section headed "The Cap Counterparty" below and accepts responsibility for the information contained in that section. To the best of the knowledge and belief of J.P. Morgan SE (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. Save as aforesaid, J.P. Morgan SE has not, however, been involved in the preparation of, and does not accept responsibility for, this Prospectus or any part hereof.

The Servicer

Ifis NPL Servicing S.p.A. has provided, and accepts responsibility for, the information included in this Prospectus in the relevant parts of the sections headed "The Servicer" and "Collection and recovery policy of the Servicer" and accepts responsibility for the information contained in those sections. To the best of the knowledge and belief of Ifis NPL Servicing S.p.A. (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. Save as aforesaid, Ifis NPL Servicing S.p.A. has not, however, been involved in the preparation of, and does not accept responsibility for, this Prospectus or any part hereof.

General Responsibility Statement

No Person has been authorised to give any information or to make any representation not contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer, the Seller, the Arrangers, or any other party to the

Transaction Documents. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall, under any circumstances, constitute a representation or create any implication that there has been no change, or any event reasonably likely to involve any change, in the condition (financial or otherwise) of the Issuer or the Seller or the Arrangers, the information contained herein since the date of this Prospectus or that the information contained herein is correct as at any time subsequent to the date of this Prospectus.

To the fullest extent permitted by law, the Arrangers do not accept any responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by any person or on their behalf in connection with the Issuer or the issue and offering of the Notes. The Arrangers accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement.

The Arrangers make no representation, warranty or undertaking, express or implied, to any person and does not accept responsibility regarding the legality of any investment in the Notes by any such prospective investor or purchaser under applicable investment or similar laws or regulations or regarding any legal or regulatory determination in connection with the holding of the Notes.

The Notes will be direct, secured, limited recourse obligations solely of the Issuer. By operation of Italian law, the Issuer's rights, title and interest in and to the Portfolio and the other Issuer's Rights (as defined in the Conditions) and to all amounts deriving therefrom will be segregated from all other assets of the Issuer.

The Notes will not be obligations or responsibilities of, or guaranteed by the Seller (in any capacity), the Quotaholders, the Arrangers, and any Other Issuer Creditors (as defined below). Furthermore, no Person and none of such parties (other than the Issuer) accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes.

*Both before and after a winding-up of the Issuer, the Issuer's rights, title and interest in and to the Portfolio and the other Issuer's Rights (as defined in the Conditions) and to all amounts deriving therefrom 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 Transaction and to the corporate existence and good standing of the Issuer. The "**Other Issuer Creditors**" are the Seller, the Servicer, the Back-up Servicer, the Monitoring Agent, the Representative of the Noteholders, the Agent Bank, the Cap Counterparty, the Account Bank, the Paying Agent, the Recovery Account Bank, the Corporate Services Provider, the Cash Manager, the Stichting Corporate Services Provider and the Calculation Agent. 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 orders of priority of application of the Issuer Available Funds set forth in the Intercreditor Agreement (the "**Orders of Priority**").*

The Notes will be limited recourse obligations of the Issuer. By operation of Italian law, the Issuer's right, title and interest in and to the Portfolio and the other Issuer's Rights (as defined in the Conditions) will be segregated from all other assets of the Issuer and amounts deriving therefrom will only be available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the holders of the Notes and to pay any costs, fees and expenses payable to the Other Issuer Creditors and to any third party creditor in respect of any costs, fees or expenses incurred by the Issuer to such third party creditors in relation to the Securitisation. Amounts derived from the Receivables will not be available to any other creditor of the Issuer.

*In addition to the interests described in this Prospectus, prospective noteholders should be aware that the Arrangers and their related entities, associates, officers or employees (each a **Relevant Entity**) may be involved in a broad range of transactions including, without limitation, banking, dealing in financial products, credit, derivative and liquidity transactions, investment management, corporate and investment*

banking and research in various capacities in respect of the Notes, the Issuer or any transaction party, both on its own account and for the account of other persons. As such, each Relevant Entity may have various potential and actual conflicts of interest arising in the ordinary course of its business. For example, a Relevant Entity's dealings with respect to the Notes, the Issuer or any other transaction party may affect the value of the Notes as the interests of this Relevant Entity may conflict with the interests of a Noteholder, and that Noteholder may suffer loss as a result. To the maximum extent permitted by applicable law, no Relevant Entity is restricted from entering into, performing or enforcing its rights in respect of the Transaction Documents or the interests described above and may continue or take steps to further or protect any of those interests and its business even where to do so may be in conflict with the interests of Noteholders. The Relevant Entities may in so doing act without notice to, and without regard to, the interests of the Noteholders or any other person.

The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus (or any part of it) comes are required by the Issuer to inform themselves about, and to observe, any such restrictions. Neither this Prospectus nor any part of it constitutes an offer, and may not be used for the purpose of an offer, to sell any of the Notes, or a solicitation of an offer to buy any of the Notes, by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful. This Prospectus can only be used for the purposes for which it has been issued.

The Notes may not be offered or sold directly or indirectly, and neither this Prospectus nor any other offering circular or any prospectus, form of application, advertisement, other offering material or other information relating to the Issuer or the Notes may be issued, distributed or published in any country or jurisdiction, except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations. No action has or will be taken which would allow an offering (nor an "offerta al pubblico di prodotti finanziari") of the Notes to the public in the Republic of Italy. Accordingly, the Notes may not be offered, sold or delivered, and neither this Prospectus nor any other offering material relating to the Notes may be distributed, or made available, to the public in the Republic of Italy. 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. For a further description of certain restrictions on offers and sales of the Notes and the distribution of this Prospectus see "Subscription, Sale and Selling Restrictions" (below).

*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 sold only outside the United States in accordance with Regulation S under the Securities Act and may not be offered or sold or delivered directly or indirectly 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 and applicable state securities laws and to a person which is a "qualified purchaser" within the meaning of Section 3(c)(7) of the U.S. Investment Company Act of 1940. Notwithstanding the foregoing, in no event may any Notes be sold to a Risk Retention U.S. Person. See the section entitled "Subscription and, Sale and Selling Restrictions" (below).*

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH, OR APPROVED BY, ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON OR ENDORSED THE MERITS OF THIS PROSPECTUS OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

Neither this document nor any other information supplied in connection with the issue of the Notes should be considered as a recommendation or constituting an invitation or offer by the Issuer that any recipient of this Prospectus, or of any other information supplied in connection with the issue of the Notes, should purchase any of the Notes. Each investor contemplating purchasing any of the Notes must make its own independent investigation and appraisal of the financial condition and affairs of the Issuer.

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 Noteholders are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document and are based on assumptions that may prove to be inaccurate. No-one undertakes any obligation to update or revise any forward-looking statements contained herein to reflect events or circumstances occurring after the date of this Prospectus.

Words such as "intend(s)", "aim(s)", "expect(s)", "will", "may", "believe(s)", "should", "anticipate(s)" or similar expressions are intended to identify forward-looking statements and subjective assessments. 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. The reader is cautioned not to place undue reliance 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. No-one undertakes any obligation to update or revise any forward-looking statements contained herein to reflect events or circumstances occurring after the date of this Prospectus.

Words and expressions in this Prospectus shall, except so far as the context otherwise requires, have the same meanings as those set out in the section headed "Terms and Conditions of the Notes". These and other terms used in this Prospectus are subject to the definitions of such terms set out in the Transaction Documents, as they may be amended from time to time.

Certain monetary amounts included in this Prospectus may have been subject to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

The language of the Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

*In this Prospectus references to "**Euro**", "**EUR**", "**€**" and "**cents**" are to the single currency introduced in the member states of the European Union 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 European Council of Madrid of 16 December 1995 and the Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community of 1 December 2009.*

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RISK FACTORS

Investing in the Notes involves certain risks. The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may, exclusively or concurrently, occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. While the various structural elements described in this Prospectus are intended to lessen some of these risks for holders of the Notes, there can be no assurance that these measures will be sufficient or effective to ensure payment to the holders of the Notes of interest or principal on the Notes on a timely basis or at all. Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations.

Prospective Noteholders should also read the detailed information set out in this Prospectus (including the risk factors set out in this section) and the Transaction Documents and reach their own views prior to making any investment decision.

1. RISK FACTORS RELATED TO THE ISSUER

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 the Arrangers, the Seller, the Servicer, the Back-up Servicer, the Representative of the Noteholders, the Calculation Agent, the Account Bank, the Paying Agent, the Recovery Account Bank, the Cap Counterparty, the Cash Manager, the Agent Bank, the Corporate Services Provider, the Quotaholders, the Stichting Corporate Services Provider, the Monitoring Agent, or the initial Noteholders. Furthermore, none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes.

The Issuer does not, as of the Subsequent Issue Date and as of the date of this Prospectus, have any significant assets other than the Portfolio and the other Issuer's Rights.

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, and/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 realization of the Portfolio and the security granted by the Issuer under the Deed of Charge 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

actual receipt of collections made on its behalf by the Servicer with respect to the Portfolio, any payments made by the Cap Counterparty under the Cap Agreement 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 undertakes 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 one year (or two years in case of early redemption of the Notes) and one day after the latest date on which the Notes are due to mature.

Liquidity and credit risk

The Issuer is subject to a liquidity risk in case of delay between the expected timing of receipt of recoveries and collections and the actual receipt of payments from (a) the Assigned Debtors and/or (b) the Guarantors and/or (c) the Seller with respect to any amounts the latter receives under the OdAs from the Employers and/or the Social Security Administration (having the Seller undertaken, under each Transfer Agreement, to collect any such payment in the interest of the Issuer and transfer any such collections to the Issuer in accordance with each Transfer Agreement). This risk is addressed in respect of the Notes through the support provided to the Issuer: (i) in respect of interest payments on the Class A Notes, by the amount standing to the credit of the Cash Reserve Account; and (ii) in respect of interest payments on the Class A Notes, to the extent that such liquidity risks may relate to variations in interest rates, the Cap Counterparty under the Cap Agreement.

However, it should be noted that amounts available to the Issuer under the cash reserves are limited to a maximum aggregate amount equal to, in relation to the Cash Reserve Amount the Target Cash Reserve Amount.

In addition, following full redemption of the Class A Notes, the amount available under the cash reserves referred to above will be equal to 0 (zero).

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 other parties to the Transaction Documents of their respective various obligations under the Transaction Documents to which they are parties. The performance of such parties of their respective obligations under the relevant Transaction Documents is dependent, *inter alia*, on the solvency of each relevant party.

In particular, the Issuer's ability to make payments in respect of the Notes will be dependent on the ability of the Servicer to service the Portfolio, which will be given the necessary authority to manage legal enforcement proceedings and to collect and realise the Receivables in accordance with the provisions of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), as well as, with respect to OdAs, the ability of the Seller to collect and transfer to the Issuer payments from Employers and/or Social Security Administrations and there can accordingly be no assurance that the level of recoveries received from the Portfolio together with any other available funds of the Issuer will be adequate to ensure timely and full receipt of amounts due under the Notes.

In connection with the risks related to the termination of the Servicer please see Section below "*Risk Factors - Servicing of the Portfolio*".

In addition, among other things, the timely payment of amounts due on the Notes will depend upon the continued availability of hedging under the Cap Agreement. Prospective Noteholders should note that the Cap Counterparty might terminate the Cap Agreement if a Trigger Event occurs and has not been

remedied within the relevant grace periods (see also "*Risk Factors - Interest rate risk"* and *"Description of the Transaction Documents - The Cap Agreement*").

In addition, the Issuer's ability to make payments in respect of the Notes may depend to an extent upon the Seller's performance of its obligations under the Subsequent Warranty and Indemnity Agreement in accordance with its liability pursuant to the Subsequent Warranty and Indemnity Agreement. In particular, in the event that the Seller becomes subject to insolvency or similar proceedings, it would no longer be in a position to meet its indemnification obligations to the Issuer under the Subsequent Warranty and Indemnity Agreement. In such case, any payments made by the Seller as indemnity under the Subsequent Warranty and Indemnity Agreement may be subject to ordinary claw back regime under Italian Law (other than the shorter claw back period that applies to the transfer of the Receivables to the Issuer).

In each case the performance by the Issuer of its obligations thereunder is dependent on the solvency of the Servicer and the Cap Counterparty (or any permitted successors or assignees appointed under the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) and the Cap Agreement) and the other parties to the Transaction Documents as well as the timely receipt of any amount required to be paid to the Issuer by the various agents and counterparties of the Issuer pursuant to the terms of the Transaction Documents.

In some circumstances (including after service of a Trigger Notice), the Issuer could attempt to sell the Portfolio, but there is no assurance that the amount received on such a sale would be sufficient to repay in full all amounts due to the Noteholders.

Recent events in the securitisation markets, as well as the debt markets generally, have caused significant dislocations, illiquidity and volatility in the market for asset-backed securities, as well as in the wider global financial markets. As at the date of this Prospectus, the secondary market for asset-backed securities is continuing to experience disruptions resulting from, among other factors, reduced investor demand for such securities.

This has had a materially adverse impact on the market value of asset-backed securities and resulted in the secondary market for asset-backed securities experiencing very limited liquidity. Structured investment vehicles, hedge funds, issuers of collateralised debt obligations and other similar entities have been experiencing funding difficulties and have been forced to sell asset-backed securities into the secondary market. The price of credit protection on asset-backed securities through credit derivatives has risen materially. Limited liquidity in the secondary market may continue to have an adverse effect on the market value of asset-backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the requirements of limited categories of investors. Consequently, whilst these market conditions continue to persist, an investor in the Notes may not be able to sell or acquire credit protection on its Notes readily and market values of the Notes are likely to fluctuate. Any of these fluctuations may be significant and could result in significant losses to the Noteholders.

It is not known for how long these market conditions will continue and no assurance can be made that these market conditions will not continue or whether they will become more severe.

Certain material interests

Certain parties to the transaction may perform multiple roles. In particular: (i) Ifis NPL Investing S.p.A. is, in addition to being the Seller, the Initial Notes Subscriber and Subsequent Notes Subscriber; (ii) Banca Finanziaria Internazionale S.p.A.is, in addition to being the Corporate Services Provider, also the Representative of the Noteholders, the Monitoring Agent and the Calculation Agent; (iii) BNP Paribas Securities Services, Milan Branch is, in addition to being the Account Bank, also the Cash Manager, the Paying Agent and the Agent Bank, (iv) Banca IFIS S.p.A. is, in addition to being a Quotaholder, the Recovery Account Bank and an Arranger and (v) JPM is, in addition to being an Arranger, the Cap

Counterparty.

Moreover, (i) Ifis NPL Servicing S.p.A., which is the Servicer of the Portfolio, belongs to the same Seller's banking group "*Gruppo Banca Ifis*" and – such as the Seller – it is subject to the activity of direction and coordination ("*soggetta all'attività di direzione e coordinamento*") of Banca Ifis S.p.A.; and (ii) Banca Ifis S.p.A., which is one of the Issuer's Quotaholders and the Recovery Account Bank, is the parent company of the Seller and the Servicer's banking group "*Gruppo Banca Ifis*".

In addition, each of the Arranger is a financial institution that provides a range of financial services to a diversified client base. As such, the Arrangers may be involved in a broad range of transactions both for its own account and that of other persons which may result in actual or potential conflicts of interest arising in the ordinary course of business. 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 the Transaction:

(A) having previously engaged or in the future engaging in transactions with other parties to the Transaction;

(B) having multiple roles in the Transaction;

(C) being part of the same banking group and, as the case may be:

  a. being subject to the activity of direction and coordination ("*soggetta all'attività di direzione e coordinamento*") of the same entity; or

  b. exercise the activity of direction and coordination ("*esercita l'attività di direzione e coordinamento*") on other parties to the Transaction; and/or

(D) carrying out other transactions for third parties.

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 and provide general banking, investment and other financial services to the Assigned Debtors and other parties. In such relationships the aforementioned parties are not obliged to take into account the interests of the Noteholders.

In addition, Ifis, which is the Seller and at the same time initial holder of the Notes, and/or any assignee which belongs to the Seller's banking group, may exercise its rights in respect of the Notes held by it, also in a manner that may be prejudicial to other Noteholders (if any). In this respect, it is to be considered that article 4 of the Rules of the Organisation of the Noteholders provides that, in order to avoid conflicts of interests that may arise as a result of the Seller having multiple roles in the Securitisation, those Senior Notes which are for the time being held by, or which may be in the future held by, the Seller and/or any other company of the Seller's banking group, 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 the Rules of the Organisation of the Noteholders. By virtue of such provision, the Seller and/or any other company of the banking group to which the Seller belongs are not entitled to vote as holders of the Senior Notes at any Meeting of Noteholders duly convened by the Representative of the Noteholders in accordance with the Conditions and the Rules of the Organisation of the Noteholders. In addition, pursuant to article 2 of the Rules of the Organisation of the Committee, without prejudice to what provided under the Rules of the Organisation of the Noteholders and to the Rules of the Organisation of the Committee with respect to the initial member of the Committee appointed by the initial Notes Subscriber of the Senior Notes (if any)

(the "**Initial Senior Member**"), the Senior Noteholder holding (jointly or separately) a share of not less than 51% of the outstanding amount of the Senior Notes (other than those Senior Notes held at that time by the Seller and/or any other company of the banking group to which the Seller belongs, that for such purpose will not be deemed to remain outstanding) may appoint 1 member of the Committee (and, if the Initial Senior Member has been already appointed pursuant to the Rules of the Organisation of the Committee, shall have the right to replace it pursuant to the Rules of the Organisation of the Committee).

As mentioned above, Banca Ifis S.p.A., which is one of the Issuer's Quotaholders, is at the same time the parent company of the Seller and the Servicer's banking group "*Gruppo Banca Ifis*". In this respect, with reference to the administration of the Issuer, it has to be considered that – pursuant to the Quotaholders' Agreement – the Issuer will be at any time managed by a board of directors which shall consist of 3 directors and, in particular, two directors has been selected by Banca Ifis S.p.A.; and one Independent Director has been selected by Stichting Mindful.

The Independent Director is an individual who is not an employee or a director of, or carries out activities for, any company of the Gruppo Banca Ifis and has not been, at the time of appointment, or at any time in the preceding five years: (a) a direct or indirect legal or beneficial owner in Ifis or any of its affiliates or a family member of a legal or beneficial owner in Ifis or any of its affiliates; (b) a creditor, employee, officer, director, manager, or contractor of Ifis or its affiliates; or (c) a person who controls (whether directly, indirectly, or otherwise) Ifis or its affiliates or any creditor, employee, officer, director, manager, or contractor of Ifis or its affiliates. Should any Independent Director for any reason lose the above independency requirements, the Quotaholders shall take any necessary action to immediately substitute such Independent Director (selected by Stichting Mindful) with the same independency requirements. Unless expressly approved in writing by the Independent Director, the Board of Directors of the Issuer shall not resolve and approve on any of the Independent Director's reserved matters as described in the Quotaholders' Agreement.

In addition, the Servicer intends to continue to service and actively manage assets and loans for third parties other than the Issuer (including companies which belong to the "Gruppo Banca Ifis"), including existing and future portfolios of assets similar to the Portfolio, in the ordinary course of its business. During the course of their business activities, the Servicer may service mortgage loans and properties which are in the same markets or have the same debtors and/or guarantors and/or employers and/or social security administration as the Receivables. Certain personnel of the Servicer may perform services with respect to the Portfolio at the same time as they are performing services with respect to assets in the same markets as the Receivables.

In such cases, the interests of the Servicer may differ from and compete with the interests of the Noteholders and such activities may adversely affect the amount and timing of collections on or liquidations of the Portfolio.

In addition, a committee of members appointed by the Senior Noteholders, Mezzanine Noteholders and Junior Noteholders in accordance with the terms and conditions set forth in the Conditions (the "**Committee**") will exercise powers, authorities, and discretion in relation to certain specific matters as provided in the Transaction Documents, as better described under article 8 (*Duties of the Committee*) of the Rules of the Organisation of the Committee. Prospective Noteholders should be aware that each member of the Committee will represent the interest of the relevant Class of Noteholders which has made the relevant appointment. In addition, the Committee shall adopt resolutions subject to article 14 (*Validity of meetings and resolutions*) of the Rules of the Organisation of the Committee. In particular, Noteholders should be aware that certain specific matters defined as "Reserved Matters" under the Rules of the Organisation of the Committee shall require the unanimity of the voters pursuant and subject to the provisions of article 14 (*Validity of meetings and resolutions*) of the Rules of the Organisation of the Committee.

In addition, Ifis NPL Investing S.p.A. (as Initial Notes Subscriber) and Ifis NPL Investing S.p.A. and

Banca Ifis S.p.A. as Subsequent Notes Subscribers and/or any assignee which belongs to the Seller's banking group, may use the Notes, in full or in part, as collateral in repurchase transactions and/or as collateral in connection with liquidity and/or open market operations with qualified investors (including with J.P. Morgan SE). Prospective Noteholders should be aware that interests of any repo counterparty and/or securities lending counterparty (and expression of voting rights) may not be aligned to the interest of the other Noteholders.

Without prejudice to the above, Noteholders should also take into account that, in case of any decision required to be taken by the Committee (as appropriate) where any member of such Committee has a conflict of interest with the one purported to be expressed by the Issuer, Article 13 of the Rules or the Organisation of the Committee shall apply to that member.

Issuer reliance on third parties

The Issuer is party to contracts with a number of third parties in addition to the Servicer, who have agreed to perform services in relation to the Transaction. In particular, but without limitation, the Account Bank has agreed to hold and manage the Issuer's Accounts (save for the Recovery Expenses Reserve Account) pursuant to the Cash Administration and Agency Agreement; the Recovery Account Bank has agreed to hold and manage the Recovery Expenses Reserve Account pursuant to the Cash Administration and Agency Agreement; the Corporate Services Provider has agreed to provide certain corporate and administrative services to the Issuer pursuant to the Corporate Services Agreement; the Paying Agent has agreed to provide services with respect to the Notes pursuant to the Cash Administration and Agency Agreement and the Cap Counterparty has agreed to provide hedging to the Issuer pursuant to the Cap Agreement. Finally, the Issuer will rely on the obligation of the Seller to reconcile and transfer to it any amounts collected with reference to the Receivables in compliance with each Transfer Agreement, including but not limited to any receivables under the Orders of Assignment.

In the event that any of the above parties were to fail to perform their obligations under the respective Transaction Documents to which they are a party, the Noteholders may be adversely affected.

Receivables of unsecured creditors of the Issuer

By operation of the Securitisation Law, the right, title and interest of the Issuer in and to the Portfolio and the other Issuer's Rights shall 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) shall be available on a winding up of the Issuer only to satisfy the Issuer's obligations to the Noteholders and to pay other costs of the Securitisation. Amounts derived from the Portfolio and the other Issuer's Rights (for as 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; (ii) the Servicer 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; and (iii) the parties to the Transaction have undertaken not to credit to the Issuer's 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 Servicer – see in this respect the section entitled "*Liquidity and credit risk*"). Thus, if any such party becomes insolvent, any such cash-flow held by it

could not be included in the *patrimonio separato*.

It should be noted that the Securitisation Law provides, among other things, that the amounts credited into the accounts opened by companies incorporated as special purpose vehicles pursuant to article 3 of the Securitisation Law with the servicers or with the depositary bank of securitisation transactions, on which the amounts paid by the Assigned Debtors as well as any other amount due to the relevant special purpose vehicle under the securitisation may be credited, may be utilized only to fulfill the obligations of the relevant special purpose vehicle against the noteholders and the other creditors under the securitisation, and to pay the expenses to be borne in connection with the securitisation. Should any insolvency or administrative proceeding under Title IV of the Consolidated Banking Act, or any other insolvency procedure apply to the relevant servicer or depositary bank, the amounts credited on such accounts and the sums deposited during the course of the relevant insolvency procedure (i) will not be subject to the suspension of payments; and (ii) will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan.

In addition, in respect of the accounts opened by the servicers and the sub-servicers with banks, and into which the amounts paid by the borrowers may be credited, the creditors of the relevant servicer or sub-servicer may exercise receivables only in respect of the amounts credited on such accounts that exceed the amounts due to the relevant special purpose vehicle. Should any insolvency procedure apply to the relevant servicer or sub-servicer, the amounts credited on such accounts and the sums deposited during the course of the relevant insolvency procedure will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan.

Prospective Noteholders should be aware that, as at the date of this Prospectus, these provisions of the Securitisation Law have not been tested before the courts nor has any guidance been provided in any further regulation.

In addition, no guarantee can be given that the parties to the Transaction will comply with their legal obligations and the contractual provisions set out 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.

However, 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 Recovery Expenses Reserve Account and the funds therein may be used (i) in relation to the Expenses Account, 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; and (ii) in relation to the Recovery Expenses Reserve Account, the purposes of paying the Recovery Expenses.

Sharing with other creditors

The proceeds of enforcement and collection of the security created by the Issuer under the Deed of Charge in favour of the Representative of the Noteholders (acting as security trustee) (for its own account and as a trustee for the Other Issuer Creditors) will be used in accordance with the Acceleration Order of Priority to satisfy claims of all the Noteholders and the Other Issuer Creditors thereunder.

Pursuant to the Acceleration Order of Priority the receivables of certain Other Issuer Creditors will rank senior to the receivables 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.

Eligible Investments

Upon approval of the Investments Guidelines by the Committee, funds on deposit in certain Issuer's Accounts may be invested through the Investment Account in Eligible Investments by the Issuer through the Cash Manager (if and when so directed by the Monitoring Agent, who will act on the basis of a resolution of the Committee) pursuant to the Cash Administration and Agency Agreement. 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 Cash Manager nor any other party will be responsible for any loss or shortfall deriving therefrom.

However, such risk is mitigated by the specific features of the Eligible Investments which shall meet the rating requirements of the Rating Agencies set forth in the definition of Eligible Investments.

Further securitisations

The Issuer may purchase and securitise further portfolios of monetary receivables in addition to the Portfolio. 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 Issuer. 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.

Without prejudice to the above principle, the implementation by the Issuer of any such further securitisation is subject to the conditions specified under Condition 3.11 (*Covenants - Further Securitisations*). Pursuant to such condition, it is a condition precedent, *inter alia*, to any such further securitisation that (i) the Rating Agencies have been notified in writing of the Issuer's intention to carry out a Further Securitisation; and (ii) provided that any such Further Securitisation would not adversely affect the then current rating of any of the Rated Notes. See Condition 3 (*Covenants*).

2. RISKS RELATED TO THE NATURE OF THE NOTES

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 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 Senior Notes and the Mezzanine Notes) will not be due and payable, will be deemed to be released by the relevant Noteholders and will be cancelled.

The Issuer's principal and sole asset is the Portfolio and the collections pertaining thereto. The Issuer does not have as at the Subsequent Issue Date and the date of this Prospectus any significant assets to be used for making payments under the Notes other than the Portfolio and its rights under the Transaction Documents to which it is a party. Accordingly, there is no assurance that, over the life of the Notes or on the redemption date of any Class of 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 principal on the Notes in full. The ability of the Issuer to meet its obligations in respect of the Notes will be dependent upon a number of factors, many of which are beyond its control. It is likely that collections and other recoveries on some of the Receivables may not occur for many years, and it is possible that collections or recoveries may not occur at all in respect of certain Receivables.

Moreover, there can be no assurance that the levels of liquidity support and credit support provided will be adequate to ensure timely and full receipt of all amounts due under the Notes.

If there are insufficient funds available to the Issuer to pay in full all principal, interest and other amounts due in respect of the Notes, then the Noteholders will have no further receivables against the Issuer in respect of any such unpaid amounts. Following the service of a Trigger Notice, the only remedy available to the Noteholders and the Other Issuer Creditors is the exercise by the Representative of the Noteholders of the Issuer's Rights.

Subordination

In respect of the obligation of the Issuer to pay interest and repay principal on the Notes, the Conditions provide for the respective priority and subordination of the different Classes of Notes issued. In this respect, Noteholders should have particular regard to the sub-sections headed *"Status and subordination"*, *"Mezzanine Interest Subordination Event"* and *"Issuer Available Funds" and "Orders of Priority"* in the section *"Overview of the Transaction"* above in determining the likelihood or extent of any shortfall of funds available to the Issuer to meet payments of interest and/or repayment of principal due under the Notes.

Interest rate risk

The collections received on the Receivables are not directly connected to a floating interest rate, whilst the Class A Notes will bear interest at a rate based on six months 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 Class A Notes and on the Portfolio.

As such, the Issuer is subject to the potential risk that any increase in Six Month Euribor will not be offset by a corresponding increase in the Collections arising from the Receivables, and this may therefore lead to a reduction in the amounts available to the Issuer and ultimately adversely affect its ability to make payments under the Notes. To minimise the effect of such interest rate mismatch, the Issuer has entered into a Cap Agreement whereby the Cap Counterparty is obliged to make payments to the Issuer if the six months EURIBOR exceeds the strike price specified in the Cap Transaction. In addition, it should be noted that under Condition 5.2 (*Interest Rate*) it is provided that, in any case, the Class A Interest Rate may not become negative.

The notional amount with respect to a Cap Transaction will be the scheduled notional amount set forth therein for the relevant Interest Period. Investors should be aware that entry into the Cap Agreement and the Cap Transaction does not completely eliminate the interest rate risk related to the Class A Notes.

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

Termination of the Cap Agreement

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

The Cap Agreement contains certain limited termination events and events of default which will entitle either party to terminate the Cap Transaction (see for further details "*Description of the Transaction Documents*"). In case of an early termination of the Cap Agreement, unless one or more comparable

interest rate caps are entered into, the Issuer may have insufficient funds to make payment under the Notes and this may result in a downgrading of the rating of the Rated Notes.

Any collateral transferred to the Issuer by the Cap Counterparty pursuant to the Cap Agreement and any Replacement Cap Premium received by the Issuer from a replacement cap 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 insolvency of the Cap Counterparty, the Issuer will be treated as a general and unsecured creditor of the Cap Counterparty in respect of any claim it has for a termination amount due from such Cap Counterparty under the Cap Agreement. Consequently, the Issuer will be subject to the credit risk of the Cap Counterparty in addition to the risk of the debtors of the Receivables.

An early termination of the Cap Agreement could result in the Issuer being obliged to make a termination payment to the Cap Counterparty. Except where the Cap Counterparty has caused the Cap Agreement to terminate by its own default, any termination payment due to the Cap 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.

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

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

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 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 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 (without prejudice to the matters which are to be resolved upon by one or more specific Class(es) of Noteholders pursuant to the Rules of the Organisation of the Noteholders), 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 or, in respect of any matter which relates to the Cap Counterparty, of the Cap Counterparty, in all cases acting

in compliance with the Transaction Documents.

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, and unless the necessary funds are to be obtained from one or more authorised lenders pursuant to a limited recourse loan or other alternative financing structure, to direct the sale of the Portfolio (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 Rated Notes and amounts ranking in priority thereto or *pari passu* therewith. Accordingly, the proceeds from the disposal of the Portfolio in such circumstances may not be sufficient to redeem (whether in whole or in part) the Classes of Notes other than the Rated Notes.

In addition, 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. The directions of the holders of the Most Senior Class of Notes in such circumstances may be adverse to the interests of the other Noteholders.

Limited nature of credit ratings assigned to the Rated Notes

The credit rating assigned to the Rated Notes reflects the Rating Agencies' assessment only of payment of interest in a timely manner (pursuant to the Transaction Documents) and the ultimate repayment of principal on or before the relevant Final Maturity Date with respect to the Rated Notes, not that such payment of interest or repayment of principal will be paid when expected or scheduled. These ratings are based, among other things, on the Rating Agencies' determination of the value of the Portfolio, the reliability of the payments on the Portfolio and the availability of credit enhancement.

The ratings do not address, among others, the following:

- the likelihood that the principal will be redeemed and interest will be paid on the Rated Notes, as expected, on the scheduled payment dates;
- possibility of the imposition of Italian or European withholding taxes;
- the marketability of the Rated Notes, or any market price for the Rated Notes; or
- whether an investment in the Rated Notes is a suitable investment for a Noteholder.

A rating is not a recommendation to purchase, hold or sell the Rated Notes. There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by any of the Rating Agencies as a result of changes in or unavailability of information or if, in the sole judgement of the Rating Agencies, the credit quality of the Rated Notes has declined or is in question. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon the value of the Rated Notes.

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 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 "ratings" or "rating" in this Prospectus are to ratings assigned by the specified Rating Agencies only.

Limited secondary market and liquidity risk

There is not at present an active and liquid secondary market for the 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 for the Senior Notes to be admitted to trading on the professional segment ("**ExtraMOT PRO**") of the multilateral trading facility "ExtraMOT" managed by Borsa Italiana S.p.A., there can be no assurance that a secondary market for the Senior Notes will develop or, if a secondary market does develop in respect of any of the Senior Notes, that it will provide the holders of the Senior Notes with the liquidity of investments or that it will continue until the final redemption or cancellation of such Senior Notes. Consequently, any purchaser of any of the Senior Notes must be prepared to hold such Senior 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 realize a desired yield. Illiquidity can have a severe adverse effect on the market value of the Notes. Consequently, any sale of the Notes by 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.

Moreover, the current liquidity crisis has stalled the primary market for a number of financial products, including instruments similar to the Notes. While it is possible that the current liquidity crisis may soon alleviate for certain sectors of the global credit markets, there can be no assurance that the market for securities similar to the Notes will recover at the same time or to the same degree as such other recovering global credit market sectors. Consequently, an investor in the Notes may not be able to sell or acquire credit protection on its Notes readily and market values of the Notes are likely to fluctuate. Any of these fluctuations may be significant and could result in significant losses to Noteholders.

As a result of the uncertain economic conditions, there exist additional risks for the Issuer. These risks include, among others, (i) the likelihood that the Issuer will find it harder to dispose of the Receivables in accordance with the Transaction Documents; (ii) the possibility that, on or after the Subsequent Issue Date, the price at which assets can be sold by the Issuer will have deteriorated from their effective purchase price; and (iii) the increased illiquidity and price volatility of the Notes as there is not at present an active and liquid secondary market for asset-backed securities. These additional risks may affect the returns on the Notes to investors.

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:

1. have the requisite knowledge and experience in financial and business matters to evaluate such merits and risks of an investment in the Notes;
2. have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation;
3. are capable of bearing the economic risk of an investment in the Notes; and
4. 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 Seller or the Arrangers 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 Servicer, the Seller or the Arrangers 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.

3. RISKS RELATED TO THE PORTFOLIO

Nature of the Receivables

A portion of the Portfolio is currently subject to insolvency or recovery proceedings being conducted in Italian courts. Amounts owed on the Receivables will have to be pursued in the Italian courts in prosecution of such proceedings which may involve significant delay, expenses and negotiations with the Assigned Debtors, each of which may result in lower than anticipated recoveries. To the extent that there are lower than anticipated recoveries, the ability of the Issuer to pay the Notes in full may be adversely affected.

The recovery of overdue amounts in respect of the Receivables (and/or other claims comprised in the Portfolio) will be affected by the length of enforcement proceedings in respect of the Receivables (and/or other claims comprised in the Portfolio), which in the Republic of Italy can take a considerable amount of time depending on the type of action required and where such action is taken. Factors which can have a significant effect on the length of the proceedings include the following: (i) certain courts may take longer than the national average to enforce the Receivables (ii) more time will be required for the proceedings if it is necessary to first obtain a payment injunction (*decreto ingiuntivo*) or if the Assigned Debtor and/or guarantor raises a defense or a counterclaim to the proceedings; (iii) opposition by the relevant Assigned Debtors; (iv) Assigned Debtors becoming subject to bankruptcy proceedings.

The length of the judicial proceedings together with the relevant increased legal and judicial costs negatively affect the amount of cash flow available to meet payment obligations under the Notes.

In addition, a portion of the Portfolio is composed of unsecured non-performing receivables assisted by judicial orders of assignment (*ordinanze di assegnazione*) originally issued in favour of the Seller or any assignor thereof (the "**OdA**"). In the context of the Transaction, the Seller assigned to the Issuer its claims and rights arising from, *inter alia*, the OdAs. Pursuant to each Transfer Agreement, Ifis will continue to manage and collect payments from Debtors' Employers/Social Security Administrations (if any) pursuant to the OdAs in accordance with the provisions thereof and will transfer to the Issuer any amounts received by it under the OdAs within 2 (two) Business Days of the date of the relevant reconciliation (provided that, in case of occurrence of an OdA's Event or of an Existing OdA's Event, as the case may be, the Seller has undertaken under each Transfer Agreement to perform or assist, *inter alios*, the Issuer, in performing any activity reasonably necessary to notify promptly to each Employer and/or Social Security Administration that any future payment relating to the OdAs shall be made directly to the Issuer in the Collection Account).

In particular, pursuant to the OdAs, a portion of the relevant debtors' salary and/or pension - in the maximum amount calculated in accordance with article 545 of the Italian Code of Civil Procedure (**ICCP**) (the "**Portion of the Salary/Pension**") - is currently paid (or, with reference to the Subsequent Receivables assisted by OdAs that have not already received any payments, as evidenced in the Subsequent Receivables Identification Document, is expected to be paid) directly to Ifis NPL Investing

S.p.A. by the Employer/Social Security Administration (*e.g.* INPS – *Istituto Nazionale Previdenza Sociale*) to satisfy the Debtor's outstanding exposure towards the Issuer.

The OdAs which assist certain Receivables within the Portfolio relate to employees or retired employees of the private or public sector. The OdAs also extend to one fifth of any 13th month pay (*tredicesima*) and/or bonus payable to the Assigned Debtor. In case of private employees, any OdAs not terminated would also allow Ifis to receive payment by the Debtors' Employer of a portion of the severance indemnity (the so called "*trattamento di fine rapporto*"), once payable to the Assigned Debtor.

It has to be considered that the OdAs may terminate in certain circumstances (for example, in the event of termination of the employment relationship/change of job/retirement of the Assigned Debtor and/or Guarantor to which the OdA relates); in this case, the former employer is no longer obliged to pay the portion of the salary/pension to the proceeding creditor as stated under the OdA; however the proceeding creditor will maintain its rights towards the Assigned Debtors and/or Guarantors to receive payment under the Receivables and may proceed with the service of a new deed of seizure (after having served the formal request of payment "*atto di precetto*" for the residual amount due) with any new employer/pension authority, in order to obtain the issuance of a new OdA from the competent Court.

In addition to the above, there can be no guarantee that the Debtor's Employers will start and/or will continue to perform under the OdAs. In fact, it should be noted that economic conditions may affect the ability of the Employers to pay the Portion of the Salary.

Without prejudice to the assignment made under each Transfer Agreement from the Seller to the Issuer of any rights deriving from any Order of Assignment, the Seller has undertaken under each Transfer Agreement to, *inter alia*, (i) collect, in the interest and on behalf of the Issuer, any amounts paid by the Employers and/or Social Security Administrations pursuant to any Order of Assignment; (ii) transfer into the Collection Account any amount received in this respect within 2 (two) Business Days of the date of the relevant reconciliation, providing on the same date details of the relevant amount to enable the Issuer (through the Servicer) to effect the reconciliation thereof; and (iii) manage, in the interest and on behalf of the Issuer, the relationships with the Employers and Social Security Administrations.

Should an OdA's Event or an Existing OdA's Event, as the case may be, occur, the Seller has undertaken under each Transfer Agreement to, *inter alia*, perform or assist the Issuer and the Back-up Servicer (as defined in the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement)) or the different Successor Servicer (as defined in the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement)) in performing any activity reasonably necessary to notify promptly to each Employer and/or Social Security Administration (a) the assignment in favour of the Issuer of the rights arising from any Order of Assignment issued in respect of any of the Receivables to receive a portion of the salary of the Assigned Debtor and/or the Guarantor, as the case may be, or a portion of the pension of the Assigned Debtor and/or the Guarantor, as the case may be, in or towards payment of interest and/or repayment of principal in respect of the relevant Receivables (including signing and/or sending any notice reasonably necessary to such purpose, also together with the Issuer); (b) that any future payment relating to the OdA shall be made directly to the Issuer in the Collection Account.

Moreover, a portion of the Subsequent Portfolio is composed of unsecured receivables in relation to which, as at the Subsequent Transfer Date, no OdA has already been issued and which are at the legal stage identified in the Database (respectively, the "**Existing Pre-OdA Receivables**" and the "**Pre-OdA**"). In this respect, under the Subsequent Warranty and Indemnity Agreement, the Seller has represented and guaranteed that, as at the Subsequent Economic Effective Date, each injunction decree and/or any other deed and/or acts leading to the issuance of an order of assignment relating to the relevant Existing Pre-OdA Receivables had not been challenged by the relevant Assigned Debtor and/or relevant Guarantors and/or any other parties and the terms for any opposition against each Existing Order of Assignment relating to the Subsequent Receivables and/or any such other deed and/or acts had elapsed; however, there

can be no guarantee that an OdA will actually be issued with respect to the Existing Pre-OdA Receivables.

In addition, a portion of the Subsequent Portfolio is composed of Receivables in respect of which a repayment plan (*piano di rientro*) has been entered into with the relevant Debtor in order to recover the relevant Receivable in the context of a settlement agreement with the Debtor (each, an "**Existing Repayment Plan**").

Without prejudice to the assignment made under the Subsequent Transfer Agreement from the Seller to the Issuer of any Receivable deriving from a Loan subject to an Existing Repayment Plan, the Seller has undertaken under the Subsequent Transfer Agreement to, *inter alia*, (i) collect on the Seller's account, in the interest and on behalf of the Issuer, any amounts paid by the relevant Assigned Debtor pursuant to any Existing Repayment Plan; (ii) transfer into the Collection Account of any amount received in this respect within 2 (two) Business Days of the date of the relevant reconciliation, providing on the same date details of the relevant amount to enable the Issuer (through the Servicer) to effect the reconciliation thereof; and (iii) manage, in the interest and on behalf of the Issuer, the relationships with the relevant Assigned Debotrs.

Should an Existing Repayment Plan's Event occur, the Seller has undertaken under the Subsequent Transfer Agreement to, *inter alia*, perform or assist the Issuer and the Back-up Servicer (as defined in the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement)) or the different Successor Servicer (as defined in the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement)) in performing any activity reasonably necessary to notify promptly to each relevant Assigned Debtor (a) the assignment in favour of the Issuer of the relevant Receivables (including signing and/or sending any notice reasonably necessary to such purpose, also jointly with the Issuer); (b) that any future payment relating to the relevant Receivables shall be made directly to the Issuer in the Collection Account.

Under the Subsequent Warranty and Indemnity Agreement, the Seller has represented and guaranteed, *inter alia*, that as the Subsequent Economic Effective Date, the relevant Assigned Debtor of each Existing Repayment Plan has paid any instalments until such date under such relevant Existing Repayment Plan; however, there can be no guarantee that the relevant Assigned Debtor will continue to pay accordingly.

Risks related to Covid-19

In parallel with the developments described under "*Economic conditions in the Eurozone*", in late-2019, a highly-infectious novel coronavirus named Covid-19 (the "**Covid-19**") was identified and a global pandemic was declared by the World Health Organization on 11 March 2020. Various countries across the world (including Italy) have introduced measures aimed at preventing the further spread of the Covid-19, such as a ban on public events above a certain number of attendees, temporary closure of places where larger groups of people gather, lockdowns, border controls and travel and other restrictions.

Among other sectors, this situation had a strong impact on the regular execution of courts and side offices activities, due to a considerable period of impossibility of access to the courts themselves and relevant buildings.

Moreover, such measures have disrupted the normal flow of business operations in those countries and regions, due to, for example, a spread impossibility for workers of many different categories of circulating and commuting even within the area of single city or town. This situation has generally affected global supply chains and has resulted in uncertainty across the global economy and financial markets.

In addition to measures aimed at preventing the further spread of the Covid-19, governments in various countries have introduced measures aimed at mitigating the economic consequences of the outbreak. The Italian government has adopted economic measures aimed at sustaining income of employees, the self-employed, self-employed professionals, micro and small/medium enterprises, including suspension of

instalments payment.

Italian Government measures

In particular, due to the Covid-19 outbreak, the Italian Government has adopted several prevention and containment measures. In this respect, Law Decree of 17 March 2020 No. 18, as converted into law April 24, 2020, n. 27 (the "***Cura Italia* Decree**"), Law Decree of 8 April 2020, No. 23 (the "***Liquidità* Decree**") and Law Decree of 19 May 2020, No. 34 (the "***Rilancio* Decree**").

Measures affecting the ordinary course of business of Italian Courts and the judicial proceedings

The *Cura Italia* Decree and the *Liquidità* Decree have set forth, among others, provisions that led to a general slow-down of the whole judicial system due to the lock-down and suspension of the majority of judicial activities and procedures, causing postponements and delays. Indeed, from 9 March 2020 to 11 May 2020, all civil and criminal proceedings pending before all the judicial offices as well as any terms for the fulfillment of any relevant act, have been postponed after 11 May 2020. Moreover, organizational measures necessary to allow compliance with the governmental health and hygiene guidelines (such as limiting public access to judicial offices, which reduces the activities that can be completed by the courts in comparison with a regular working situation) have been adopted by the heads of the judicial offices. Such different measures and guidelines could have an impact to the timely recovery activities carried out by the Servicer.

Recent waivers to compositions with creditors (concordato preventivo) and restructuring agreements provisions due to Covid-19 outbreak

Following to the Covid-19 outbreak, the *Liquidità* Decree has established, *inter alia*, that the deadlines for fulfilling the compositions with creditors and the approved restructuring agreements expiring between 23 February 2020 and 31 December 2021 are extended by six months.

The exceptions, suspensions and waivers to the regular execution of the above procedures may have led to an increase in the length of time needed for their completion, with a potential negative impact on the cashflows on the Transaction and the Issuer's ability to meet its payment obligations under the Notes.

Consequences of the Covid-19 may result in payment disruptions and possibly higher losses under the Receivables. In particular, it should be noted that: (a) other counterparties of the Transaction, including the Servicer (for more details please refer to the risk factors under the section "*Servicing of the Portfolio*") may be impacted as a result of Covid-19 outbreak; (b) with reference to the Receivables assisted by OdAs, Employers/Social Security Administrations (for more details please refer to the risk factor headed "Risks related to the Portfolio") may be impacted as a result of Covid-19 outbreak, (c) recoveries may be delayed as a result of extra-judicial agreements not being reached, auctions not taking place and (d) recoveries could be less than anticipated in accordance with the Initial Portfolio Base Case Scenario if there is a significant and deep economic downturn. In addition, there are no assurances that there will not be further lockdowns and court closures in the future due to a new Covid-19 outbreak. Governments, regulators and central banks, including the ECB, are taking or considering measures in order to safeguard the stability of the financial sector, to prevent lending to the business sector to become severely impaired and to ensure that the payment system continues to function properly. The exact ramifications of the Covid-19 outbreak are highly uncertain and it is difficult to predict the further spread or duration of the pandemic and the economic effects thereof. The Noteholders should be aware that they may suffer losses as a result of lower recoveries under the Claims if no such economic recovery will take place.

Impact of Russia-Ukraine war

The ongoing Russian invasion of Ukraine, which was launched on 24 February 2022, together with the imposition of sanctions and export controls against Russia and Russian interests by a number of countries including the European Union, has already had a significant impact on the European and global economy, with greater market volatility and significant increases in the prices of energy and natural gas. As at the

date of this Prospectus, it is not possible to predict the broader consequences of the invasion, which could include further sanctions, export controls and embargoes, greater regional instability, geopolitical shifts and other adverse effects on macroeconomic conditions, currency exchange rates, supply chains (including the supply of fuel and gas from Russia) and financial markets, all of which could, either directly or indirectly, have an adverse impact on the ability of the Issuer to satisfy its obligations under the Subsequent Notes.

No independent investigation in relation to the Portfolio

None of the Issuer, nor J.P. Morgan SE as Arranger, nor any other party to the Transaction Documents (other than the Seller) has undertaken or will undertake any investigation, searches or other actions to verify the details of the Receivables sold by the Seller to the Issuer nor any guarantees securing the Receivables, nor of the Loan Agreements, the Orders of Assignment, the Existing Repayment Plans nor of any other document, agreement and/or deed related to the Loan Agreements and/or the Receivables, nor has any of such persons undertaken, nor will any of them undertake, any investigations, searches or other actions in order to, *inter alia* and without limitation, establish the existence and the total claim amount of any of the monetary receivables in the Portfolio nor any guarantees securing the Receivables nor of any Orders of Assignment or any the Existing Repayment Plans or any rights thereunder or establish the creditworthiness of any Assigned Debtors and/or Employers and/or Social Security Administration.

None of J.P. Morgan SE as Arranger, the Issuer, nor any other party to the Transaction Documents (other than the Seller) has carried out any due diligence in respect of the Loan Agreements, the Orders of Assignment, the Existing Repayment Plans, any guarantees securing the Receivables, nor any other document, agreement and/or deed related to the Loan Agreements and/or the Receivables in order to, *inter alia* and without limitation, (i) establish the existence and the total claim amount of any of the monetary receivables in the Portfolio nor any guarantees securing the Receivables nor of any Orders of Assignment nor any rights thereunder; and (ii) ascertain whether or not the Loan Agreements or any other document, agreement and/or deed related to the Loan Agreements and/or the Receivables contain provisions limiting the transferability of the Receivables and/or the rights under the Orders of Assignment (including the Existing OdA).

The Issuer has entered into each Transfer Agreement with the Seller on the basis of, and upon reliance on, the representations and warranties given by the Seller in each Warranty and Indemnity Agreement.

The only remedies of the Issuer in respect of the occurrence of a breach of a representation and warranty which materially and adversely affects the value of a Receivable will be the requirement that the Seller indemnifies the Issuer for the damages deriving therefrom in accordance with the Subsequent Warranty and Indemnity Agreement. However, it has to be noted that the above mentioned guarantee is enforceable by the Issuer only in relation to damages already occurred at the time of the relevant request and, in any case, for a limited period of time and therefore if the Issuer becomes aware of a breach of such representations following the period of validity thereof or within such period but the relevant damage is only potential, then the Issuer will not be entitled to claim payments by the Seller under the relevant indemnity obligations. In addition, it should also be noted that the above mentioned indemnity obligations are subject to liability thresholds and caps and therefore if the Seller's liability does not reach the relevant threshold, no indemnity will be due by the Seller to the Issuer and if the Seller's liability exceeds the relevant cap, no indemnity will be due by the Seller to the Issuer in respect of the portion of the Seller's liability exceeding the relevant cap.

Please see the section headed "*Description of the Transaction Documents*".

The indemnification obligations undertaken by the Seller under the Warranty and Indemnity Agreements are unsecured claims of the Seller and no assurance can be given that the Seller can or will pay the relevant amounts if and when due.

Servicing of the Portfolio

Servicing Agreement

Pursuant to the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), the Servicer (i) in the capacity as master servicer will carry out any activity concerning the compliance of the Transaction with applicable laws and the Prospectus pursuant to Article 2, paragraph 3(c), and 6-*bis* of the Securitisation Law and (ii) in the capacity as special servicer will carry out any activity concerning the administration, collection and recovery activities in accordance with the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) and the Collection Policies. Such Collection Policies may change over time and no assurance can be given that such changes will not have an adverse effect on the Issuer's ability to make payments on the Notes. In any case, it shall be considered that, under the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), any change to the Collection Policies proposed by the Servicer and which are not required and/or imposed by laws and/or regulation applicable to the Servicer or necessary or advisable in order to adapt to the legal (and regulatory) framework being in force from time to time is adopted only following notification to the Rating Agencies and after (i) having provided a report containing a reasoned opinion related to such amendment to the Issuer, the Monitoring Agent and the Representative of the Noteholders; and (ii) having received the written consent from the Monitoring Agent who will act upon instructions of the Committee who may not unreasonably deny it.

The net cash flows from the Portfolio may be affected by decisions made and actions taken and the collection procedures adopted by the Servicer pursuant to the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) (or any permitted successors or assignees appointed under the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement)). The Servicer has undertaken to prepare and submit to the Issuer, the Representative of the Noteholder, the Arrangers, the Monitoring Agent, the Calculation Agent, the Back-up Servicer, the Cap Counterparty and the Rating Agencies, *inter alia*, (i) by each Quarterly Servicing Report Date, the Quarterly Servicing Report; (ii) by each Quarterly Servicing Report Date and by each Semi-Annual Servicing Report Date, the Loan by Loan Information; (iii) by each Semi-Annual Servicing Report Date, Semi-Annual Servicing Report and (iv) by each Monthly Servicing Report Date, Monthly Servicing Report.

Under the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), the Servicer has the power to renegotiate certain terms and conditions of the Receivables. See for further details "*Description of the Transaction Documents - The Servicing Agreement"*.

The Portfolio is made also of non performing Receivables (some of which are assisted by Orders of Assignment) and thus the related recoveries depend largely on the ability of the Servicer to manage the Portfolio and, with respect to the OdAs, the ability of the Seller to collect payments from Employers and/or Social Security Administrations, in accordance with the Initial Portfolio Base Case Scenario which is prepared also taking into account, *inter alia*, the relevant Receivables amount, the status of the relevant judicial proceedings and all the costs that may be incurred in the recovery process. In particular, the Initial Portfolio Base Case Scenario is deposited at the office of the Representative of the Noteholders. See for further details "*Initial Portfolio Base Case Scenario*".

Pursuant to the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), the legal counsels appointed in relation to the recovery of the Portfolio will be paid directly by the Issuer mainly applying the funds standing to the credit of the Recovery Expenses Reserve Account.

Replacement of the Servicer

Following the occurrence of a termination of the Servicer under the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) only for the performance of the Master Servicing Activities and the relevant obligations thereunder, the Master Servicing Activities will be

accomplished by the Back-up Servicer in accordance with the terms of the Back-up Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) or by a different substitute in accordance with the terms of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement).

If, in addition to the termination of the Servicer for the performance of the Master Servicing Activities, the appointment of Ifis Servicing is terminated also with reference to the Special Servicing Activities and no substitute is appointed by 15 Business Days from the date of effectiveness of the relevant termination indicated in the relevant notice of termination pursuant the terms set forth under the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), the Issuer could terminate the appointment the substitute servicer who is carrying out the Master Servicing Activities in order to appoint a different entity which could carry out both the Master Servicing Activities and the Special Servicing Activities.

There can be no assurance that the Back-up Servicer (or the different replacement servicer) will be able to provide the servicing of the Portfolio in the same manner or the same standard as the Servicer.

The failure to appoint a replacement servicer in the event that the Servicer can no longer perform its agreed functions in relation to the Portfolio may result in less funds being available to make payments on the Notes. In addition, any substitute servicer may be entitled to receive a servicing fee greater than that due to the Servicer. As some Loans are non-performing, the failure to timely appoint a replacement servicer is likely to have a materially adverse impact on the amount and timing of receipts with respect to the Receivables and a reduction in amounts available to make payments on the Notes. However, such risk is mitigated *inter alia* by the fact that, under the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), the Servicer is required to share with the Back-up Servicer (or the different replacement servicer appointed by the Issuer) certain detailed information as listed in the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) and the Back-up Servicing Agreement.

In addition, the Issuer is subject to the risk that, in the event of insolvency of the Servicer, the collections then held by the Servicer are lost or temporarily unavailable to the Issuer. In order to reduce such risk, the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) provides that, following notification of the assignment of the Receivables and of the new payments instructions to the relevant obligors thereunder pursuant to the Transfer Agreements and the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), all collections and all recoveries arising from any Receivables will be collected directly on the Collection Account.

The Back-up Servicer

If the appointment of the Back-up Servicer under the Back-up Servicing Agreement is terminated, there can be no assurance that a replacement Back-up Servicer would be found who would be willing and able to service the Receivables. The ability of any entity acting as replacement Back-up Servicer to fully perform the required services would depend, among other things, on the information, software and records available to them at the time of the appointment. Any delay or inability to appoint a replacement Back-up Servicer may affect collections in relation to the Receivables and therefore payments being made on the Notes.

The failure of the Back-up Servicer to assume performance of the Servicer's duties following the termination of the appointment of the Servicer in accordance with the terms of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) and the Back-up Servicing Agreement could result in the failure of or delay in the processing of payments on the Receivables and ultimately could adversely affect payments of interest and principal on the Notes.

Data provided for in the Portfolio section

The information relating to the Receivables, contained in the section headed *"The Portfolio"*, is based on the data and information on the Portfolio provided by the Seller as of the Subsequent Economic Effective Date and it does not reflect collections and recoveries on the Receivables thereafter. Due to the dynamic nature of the recovery process, the status of the Portfolio is subject to on-going changes. The actual status of the Portfolio may be different from the one represented in the section headed *"The Portfolio"* below and such difference may be material. The Portfolio is made of also non-performing loans and thus the recoveries depend largely on the ability of the Servicer to manage the Portfolio itself and, *inter alia*, with respect to the OdAs, the ability of the Seller to collect payments from Employers and/or Social Security Administrations.

Uncertainty of net cash flows – The Initial Portfolio Base Case Scenario

The Initial Portfolio Base Case Scenario, has been prepared by the Servicer on the basis of the historical data on the Portfolio provided by the Seller as detailed in the methodology described under the section headed "*The Initial Portfolio Base Case Scenario*" below and taking into account, *inter alia*, the Receivables amount (including, without limitation, the Total Claim Amounts related to the Receivables assisted by OdAs - which include accrued interests and legal expenses charged to the relevant Assigned Debtors - as calculated by the Seller and indicated in the Updated Receivables Identification Document and/or the Subsequent Receivables Identification Document, as the case may be), the status of the relevant Proceedings and the legal costs that may be incurred in the recovery process and certain other specific costs related to the Portfolio which are expressly indicated therein.

However, there could be other costs which may be incurred in respect of the Portfolio and which have not been taken into account for the purpose of preparing the Initial Portfolio Base Case Scenario.

The Initial Portfolio Base Case Scenario is based on certain judgments, assumptions and estimates about, *inter alia*, future economic events, prospects for the property market, the amounts recoverable on the Receivables, the time it takes to recover a Receivable, the assumed continued operations of the Servicer and the disposal strategies projected by the Servicer and has been prepared exclusively in order to constitute a base for the analysis of the performance of the Servicer, the calculation of the Servicer's fees, the determination of the occurrence of the Mezzanine Interest Subordination Event and any other calculation in relation to the Collection Periods as set forth in the Transaction Documents. Such assumptions relate to a complex series of independent events and are to a significant degree subjective. Actual results will be affected by many factors outside the control of the Servicer or the Issuer so that neither the Issuer, the Servicer, the Arrangers, nor any other Transaction Party will make any representation or warranties on the collectability of the Receivables. J.P. Morgan SE as Arranger has not undertaken and will not undertake any investigation, searches or other actions to verify the details or accuracy of the information contained in the Initial Portfolio Base Case Scenario and none of it nor any of their shareholders, consultants or any of their respective representatives (including affiliates and their respective directors, officers, agents and employees) accept any liability or responsibility whatsoever for the information contained in the Initial Portfolio Base Case Scenario (including, without limitation, the fairness, accuracy, adequacy or completeness of the Initial Portfolio Base Case Scenario, the assumptions on which the information contained therein is based, the reasonableness of any projections or forecasts or valuations contained in the Initial Portfolio Base Case Scenario, or any written or oral information, or as to whether the information in the Initial Portfolio Base Case Scenario is up to date or the suitability of any investment) and any liability therefore is hereby expressly disclaimed without limiting the foregoing, including without limitation in relation to any inaccuracy in, or omission from, the Initial Portfolio Base Case Scenario or the information contained therein.

As a result, no assurance can be given that such judgements, assumptions and estimates will in any way prove to be realistic or accurate. In addition, the Initial Portfolio Base Case Scenario is not a forecast of future cashflows expected to be generated on the Portfolio but is only a base case scenario prepared on the basis of certain assumptions for calculations to be made under the Transaction. As such, the Initial

Portfolio Base Case Scenario should not be construed as either projections or predictions on the Portfolio's performance or as legal, tax, financial, investment or accounting advice. The performance of the Portfolio cannot be predicted, because a large number of factors cannot be determined. Therefore information included in the Initial Portfolio Base Case Scenario must be viewed with considerable caution.

There may be differences between the Initial Portfolio Base Case Scenario and actual results because events and circumstances frequently do not occur as expected, and those differences may be material, both with respect to timing and the aggregate amounts realised.

In performing its activities under the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), the Servicer will from time to time evaluate alternative courses of action with respect to the collection, operation, restructuring or other recovery on the Receivables and monitor conditions affecting the Receivables. As a result, it is likely that the Servicer will, from time to time, change its course of action with respect to the Receivables. See section *"Risk Factors" – "Servicing of the Portfolio"* above. Consequently, to the extent that the Servicer adopts, in the future, courses of action with respect to the collection, operation, restructuring or other recovery of the Receivables different from those assumed in preparation of the Initial Portfolio Base Case Scenario on which the estimated cash flows are based, the timing and the amount of actual sources of cash flow may differ, perhaps materially, from the sources of cash flow presented therein.

See for further details the section headed "*The Initial Portfolio Base Case Scenario*".

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.

In particular, the Initial Portfolio Base Case Scenario is not a forecast of future cashflows expected to be generated on the Portfolio but is only a base case scenario prepared on the basis of certain assumptions for calculations to be made under the Transaction. As such, the Initial Portfolio Base Case Scenario should not be construed as either projections or predictions on the Portfolio's performance or as legal, tax, financial, investment or accounting advice. The performance of the Portfolio cannot be predicted, because a large number of factors cannot be determined. Therefore, information included in the Initial Portfolio Base Case Scenario must be viewed with considerable caution. There may be differences between the Initial Portfolio Base Case Scenario and actual results because events and circumstances frequently do not occur as expected, and those differences may be material, with respect to timing, the aggregate amounts realised and the costs incurred in servicing the Portfolio.

Please see the Section headed "*Uncertainty of net cash flows – The Initial Portfolio Base Case Scenario".*

None of the Issuer, the Arrangers, nor 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.

Timing of Foreclosure actions in the Italian Courts

In addition, recovery of the Receivables depends primarily on timing of foreclosure actions in Italian courts, the ability of the Servicer to effect out of court settlements and/or assignments of the Receivables and the Italian economy generally. There will also be differences in the timing and amount of the Issuer's operating and administrative expenses. Differences in the amount and timing of such net sources of cash

flow may materially affect the expected average lives and yield to maturity of the Notes, as well as the ability of the Issuer to make payments in respect of the Notes in full at or before their maturity.

Finally, the effectiveness of enforcement proceedings in respect of the Portfolio, in the Republic of Italy, can take a considerable time depending on a number of factors, including the type of action required and where such action is taken, as well as depend on several other factors. Other factors which may affect the enforcement proceedings include the following: possible oppositions by the Assigned Debtors or other creditors; the circumstance that the Assigned Debtor is subject to a bankruptcy procedure. For the Republic of Italy as a whole, it takes an average of 6 (six) to 7 (seven) years from the time lawyers commence enforcement proceedings until the time an auction date is set for the forced sale of any assets. In this respect, it is to be taken into account that Italian Law No. 302 of 3 August 1998 ("*Norme in tema di espropriazione forzata e di atti affidabili ai notai*") (the "**Law No. 302**") has allowed notaries to conduct certain stages of the foreclosure procedures in place of the courts and that by means of Law No. 80 of 14 May 2005 ("*Conversione in legge, con modificazioni, del decreto-legge 14 marzo 2005, n. 35, recante disposizioni urgenti nell'ambito del Piano di azione per lo sviluppo economico, sociale e territoriale. Deleghe al Governo per la modifica del codice di procedura civile in materia di processo di cassazione e di arbitrato nonché per la riforma organica della disciplina delle procedure concorsuali*") extends such activity to lawyers, certified accountants and fiscal experts enrolled in a special register. The reforms are expected to reduce the length of foreclosure proceedings by between 2 (two) and 3 (three) years, although at the date of this Prospectus, the impact which the mentioned laws will have on the Portfolio cannot be fully assessed.

The length of time needed for the completion of foreclosures, as well as the effects of the Covid-19 and the impact of the outbreak on the normal course of business of Italian courts (for more details please refer to the risk factors "*Risks related to Covid-19*"), may negatively impact the cashflows on the Transaction and the Issuer's ability to meet its payment obligations under the Notes.

Risk related with the nature of the Issuer and Portfolio

In the context of certain bankruptcy proceedings the Assigned Debtor may propose to the creditors to assign to them its assets as a payment of their receivables or to assign to them equity participations in the Assigned Debtor, thereby executing a payment in kind. Due to the nature of the Issuer, which pursuant to Law 130 can only be the assignee of receivables, whereas it cannot be the assignee of other assets such as real estate and equity shareholdings, the approval of such agreements by the creditors may prevent the Issuer from accepting such assets as a payment in kind therefore creating an issue which could negatively impact the Servicer's ability to recover on such assets.

Settlements related to the Loans may cause cash shortfalls

Under the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), the Servicer may agree with the Assigned Debtors on repayments plans, settlements, discounted pay-offs and consent to assumption of debts pursuant to article 508 of the Italian Code of Civil Procedure also in combination with rescheduling agreements (the "**Servicing Transactions**").

In this respect, the yield on the Rated Notes might be heavily influenced by the ability of the Servicer to enter into Servicing Transactions in a timely and efficient manner. In some cases, the inability of the Servicer to timely enter into Servicing Transactions may reduce and/or delay amounts available for payment to the Rated Notes. The Servicer's ability to enter into Servicing Transactions may be limited due to the difficulty in contacting the Assigned Debtors or creating modifications that are acceptable to both the Issuer and the Assigned Debtor. In addition, the Servicer may not be able to individually address the needs of each Assigned Debtor if it is forced to confront an overwhelming number of requests for Servicing Transactions.

Procedural expenses may be disproportionate and will reduce proceeds available for payments on the Rated Notes

Liquidation expenses with respect to Loans do not necessarily vary directly with the unpaid principal balance of the Loans. Therefore, assuming that the Servicer took the same steps in foreclosing or collecting/recovering a Loan having a small remaining unpaid principal balance as it would have taken in the case of a Loan having a large remaining unpaid principal balance, the amount realized after expenses of foreclosure or collection/recovery process would be smaller as a percentage of the unpaid principal balance than would be the case with the Loan having a large remaining unpaid principal balance.

Such expenses such as judicial and legal fees, and maintenance and preservation expenses will reduce the portion of liquidation proceeds available for payment on the Rated Notes.

4. LEGAL AND REGULATORY RISKS

Securitisation Law

As of the date of this Prospectus, only limited interpretation of the application of the Securitisation Law has been issued by Italian governmental or regulatory authorities; therefore it is possible that further regulations, relating to the Securitisation Law or the interpretation thereof, are issued in the future, the impact of which cannot be predicted by the Issuer or any other party to the Transaction Documents, as of the date of this Prospectus.

Rights of set-off and other rights of the Assigned Debtors

Under general principles of Italian law, the Assigned Debtors are entitled to exercise rights of set-off in respect of amounts due by them under the relevant Loan against any amounts payable by the Seller to the relevant Assigned Debtor.

The assignment of receivables under the Securitisation Law is governed by reference to article 58, paragraphs 2, 3 and 4, of the Consolidated Banking Act. According to the prevailing interpretation of such provision, such assignment becomes enforceable against the relevant debtors as of the later of (i) the date of the publication of the notice of assignment in the Official Gazette of the Republic of Italy (*Gazzetta Ufficiale della Repubblica Italiana*), and (ii) the date of registration of the notice of assignment in the competent companies' register. Consequently the Assigned Debtors may exercise a right of set-off against the Issuer on claims against the Seller which have arisen before the later of: (i) the publication of the notice in the Official Gazette; and (ii) the registration in the competent companies' register have been completed.

In addition, as set out in paragraph "*Consumer protection legislation*" below, pursuant to article 125-*septies* of the Consolidated Banking Act, debtors of consumer loans are entitled to exercise against the assignee of any lender under a consumer loan contract, any defense (including set-off) which they had against the original lender, in derogation of the provisions of article 1248 of the Italian Civil Code (that means the debtors have such right even if they have accepted the assignment or have been given written notice thereof and if the transfer has been made enforceable against them).

In this respect, it must be noted that article 4, paragraph 2 of the Securitisation Law (as amended by Law No. 9 of 21 February 2014) provides that debtors of securitised receivables are not entitled to exercise any right of set-off against the securitisation company for any claims they have towards the relevant originator which have arisen after the date of completion of the enforceability formalities of the transfer of such receivables to the securitisation company as provided for under the Securitisation Law. However, it is unclear whether the amendments made to article 4, paragraph 2 of the Securitisation Law by Law No. 9 of 21 February 2014 in relation to set-off rights of the assigned debtors also prevail on Article 125-*septies* of the Consolidated Banking Act, considering the special nature of the latter (*i.e.* provisions aimed at protecting the category of consumers).

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 Italia 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.

Consumer protection legislation

The Portfolio may include Loans which qualify as "consumer loans", i.e. loans extended to individuals acting outside the scope of their entrepreneurial, commercial, craft or professional activities.

In Italy, consumer loans are regulated by, *inter alia*: (a) articles 121 to 126 of the Consolidated Banking Act and (b) regulation of the Bank of Italy dated 29 July 2009 (*Trasparenza delle operazioni e dei servizi bancari e finanziari. Correttezza delle relazioni tra intermediari e clienti*), as amended and supplemented from time to time. Under the current legislation, consumer loans are only those granted for amounts respectively lower and higher than the maximum and minimum levels set forth by article 122, first paragraph, letter a) of the Consolidated Banking Act, such levels being currently fixed at Euro 75,000 and Euro 200 respectively. Following the implementation of the Mortgage Credit Directive (the "**MCD**"), article 122 of the Consolidated Banking Act has been recently amended (in particular by means of insertion of a new 1-*bis* paragraph) with the consequence that the regulation of consumer loans currently applies to unsecured loans the purpose of which is to renovate residential immovable property involving a total amount of credit above Euro 75,000 and to the extent that such loans have been granted after 21 March 2016. As far as the loans granted before such date are concerned, reference has to be made to the previous thresholds.

The following risks, amongst others, could arise in relation to a consumer loan contract:

(i) pursuant to article 125-*quinquies* of the Consolidated Banking Act, debtors under consumer loan contracts linked to supply contracts have the right to terminate the relevant loan contract with the lender following a default by the supplier, provided that such default meets the conditions set out in article 1455 of the Italian Civil Code. In the case of termination of the consumer loan contract, the lender must reimburse all instalments and sums paid by the debtor. However, the lender has the right to claim these payments from the relevant defaulting supplier. Pursuant to sub-section 4 of article 125-*quinquies* of the Consolidated Banking Act, debtors are entitled to exercise any of the rights mentioned under sub-sections 1 to 3 of the same article, which they had against the original lender, against the assignee of any lender under such consumer loan contracts.

(ii) pursuant to sub-section 1 of article 125-*sexies* of the Consolidated Banking Act, debtors under consumer loan contracts have the right to prepay any consumer loan without penalty and with the additional right to a *pro rata* reduction in the aggregate costs and interests of the loan. It should, however, be noted that, in the event of prepayment by the debtors, the lender, under certain

circumstances, is entitled to a compensation equal to 1 per cent. of the prepaid amount of the consumer loan if the residual duration of the consumer loan is longer than one year, and equal to 0.5 per cent. of the same amount, if shorter (in any case, the amount of the compensation shall not exceed the amount of interests the consumer would have paid for the residual duration of the contract); however, no compensation will be due:

(a) if the repayment has been made under an insurance contract intended to provide a credit repayment guarantee; or

(b) in the case of overdraft facilities; or

(c) if the repayment falls within a period for which the borrowing rate is not determined as a specific fixed percentage set in advance by the contract; or

(d) the prepaid sum is equal to the total outstanding amount of the relevant consumer loan and is equal to or lower than Euro 10,000; and

(iii) pursuant to sub-section 1 of article 125-*septies* of the Consolidated Banking Act, debtors are entitled to exercise, against the assignee of a lender under a consumer loan contract, any defence (including set-off) which they had against the original lender, in derogation to the provisions of article 1248 of the Italian Civil Code (that is even if the borrower has accepted the assignment or has been notified thereof). It is debated whether sub-section 1 of article 125-*septies* of the Consolidated Banking Act allows the assigned consumer to set-off against the assignee only claims that had arisen towards the assignor before the assignment or also those receivables arising after the assignment, regardless of any notification/acceptance of the same. In this respect it should be noted that the Securitisation Law (as recently amended) provides, *inter alia*, that, notwithstanding any provision of law providing otherwise, no set-off may be exercised by a debtor towards the purchasing issuer grounded on claims which have arisen towards the seller after (a) the date of publication of the notice of transfer of the relevant receivables in the Official Gazette; or (b) the payment of the purchase price (even partial) of the relevant receivables bearing data certain at law (*data certa*).

The Receivables disbursed to Assigned Debtors which qualify as a "consumer" pursuant to the Consolidated Banking Act are regulated, *inter alia*, by article 1469-*bis* of the Italian Civil Code and by the legislative decree 6 September 2005, No. 206 ("*Codice del consumo, a norma dell'articolo 7 della legge 29 luglio 2003, n. 229*") (the "**Consumer Code**"), which implement EC Directive 93/13/CEE on unfair terms in consumer contracts, and provide that any clause in a consumer contract which contains a material imbalance between the rights and obligations of the consumer under the contract, is deemed to be unfair and is not enforceable against the consumer whether or not the consumer's counterparty acted in good faith.

Article 33 of the Consumer Code identifies clauses which, if included in consumer contracts, are deemed to be *prima facie* unfair but which are binding on the consumer if it can be shown that such clauses were actually individually negotiated or that they can be considered fair in the circumstances of the relevant consumer contract. Such clauses include, *inter alia*, clauses which give the right to the non-consumer contracting party to (a) terminate the contract; or (b) modify the conditions of the contract without reasonable cause. However, with regard to financial contracts, if there is a valid reason, the provider is empowered to modify the economic terms but must inform the consumer immediately; in this case, the consumer has the right to terminate the contract.

Pursuant to article 36 of the Consumer Code, the following clauses, *inter alia*, are considered null and void as a matter of law and are not enforceable: (a) any clause which has the effect of excluding or limiting the remedies of the consumer in case of total or partial failure by the non-consumer contracting party to perform its obligations under the consumer contract; and (b) any clause which has the effect of

making the consumer party to be bound by clauses he has not had any opportunity to consider and evaluate before entering into the consumer contract.

Italian Usury Law

Italian Law No. 108 of 7 March 1996 ("*Disposizioni in materia di usura*"), as 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 2023 and published in the Official Gazette No. 77 of 31 March 2023). 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 ("*Interpretazione 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, as interpreted by the Italian Constitutional Court by decision No. 29 of 14 February 2002, 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.

In addition to the above it is to be noted that if the Usury Law were to be applied to the Notes, the amounts payable by the Issuer to the Noteholders may be subject to reduction, renegotiation or repayment.

Prospective Noteholders should note that under the terms of the Subsequent Warranty and Indemnity Agreement, the Seller has represented and warranted to the Issuer, *inter alia*, that, with regard to the Loan Agreements, the Seller has not applied or charged interest exceeding the threshold rates fixed pursuant to Law 108/1996 at any time and the Seller has complied with the principles established by the Italian Supreme Court (*Corte di Cassazione*) (and subsequently incorporated by the legislator) on compound interest and in particular on the equal periodicity of capitalization for interest receivable credited to the customer and for interest payable charged thereto. See "*Description of the Transaction Documents*".

Representations and warranties of the Seller - limited enforceability against the Seller

Under the Subsequent Warranty and Indemnity Agreement, the Seller has assumed certain undertakings in favour of the Issuer in relation to the Portfolio and has made certain representations and warranties in favour of the Issuer in relation to *inter alia* itself, the Portfolio and the Orders of Assignments. The Issuer, in case of a breach of an undertaking or a representation and warranty will require to be indemnified from the Seller for the damages deriving therefrom.

However, it has to be noted that the above mentioned guarantee is enforceable by the Issuer only in relation to damages already occurred and, in any case, for a limited period of time and therefore if the Issuer becomes aware of a breach of such undertakings or representations following the period of validity thereof or within such period but the relevant damage is only potential, then the Issuer will not be entitled to claim payments by the Seller under the relevant indemnity obligations.

Please see the section headed "*Description of the Transaction Documents – The Warranty and Indemnity Agreements*".

Perfection of the sale of the Portfolio

The sale of the Portfolio by the Seller to the Issuer has been made in accordance with the Securitisation

Law. Pursuant to article 4 and 7.1 of the Securitisation Law (with respect to the transfer of the Initial Portfolio) and article 4 of the Securitisation Law (with respect to the transfer of the Subsequent Portfolio), the publication in the Official Gazette of two different notices for the sale of respectively the Initial Portfolio and the Subsequent Portfolio by the Seller to the Issuer (the notice was published on the Official Gazette before the relevant Issue Date) and the registration of such sale with the relevant Register of Enterprises (such registration was made before the relevant Issue Date) has rendered the assignment of the Initial Portfolio and the Subsequent Portoflio 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 Portfolio*" 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, pursuant to the combined operation of articles 4 and 7.1 of the Securitisation Law (with respect to the transfer of the Initial Portfolio) and of article 4 of Securitisation Law (with respect to the transfer of the Initial Portfolio), the publication of such notices means that the sale of the Portfolio cannot be challenged or disregarded by: (i) any third party to whom the Seller may previously have assigned the Portfolio or any part thereof but who has not perfected the assignment prior to the date of publication; (ii) a creditor of the Seller who has a right to enforce its claim on the relevant Seller's assets; or (iii) a receiver or administrative receiver or a liquidator of any assigned Assigned Debtor in the case of the Assigned Debtor's bankruptcy.

Claw-back risks of the sale of the Portfolio

A transfer pursuant to the Securitisation Law may be subject to a claw-back action by a judicial 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 the Seller 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 Seller. Under the Subsequent Warranty and Indemnity Agreement, the Seller has represented that it was solvent as of the date of the transfer and pursuant to the relevant Transfer Agreement it has delivered to the Issuer all appropriate solvency certificates as of the date of the transfer of the Portfolio.

Compounding of interest

According to Article 1283 of the Italian Civil Code, in respect of a monetary claim, interests accrued for at least six months can be capitalised and provided that the capitalisation has been agreed after the date when they have become due or from the date when the relevant legal proceedings are commenced in respect of that monetary claim. Article 1283 of the Italian Civil Code allows derogation from this provision in the event that there are recognised customary practices (*usi*) to the contrary. Banks and other financial institutions in Italy have traditionally capitalised accrued interests on a quarterly basis on the grounds that such practice could be characterised as a customary practices. Certain judgments from Italian courts (including Judgments No. 2374/99 and No. 2593/03 of the Italian Supreme Court (*Corte di Cassazione*)) have held that such practices do not meet the legal definition of customary practice. In this respect, it should be noted that article 25, paragraph 2, of the Decree No. 342 of 4 August 1999 (the "**Decree 342**") delegated to the Interministerial Committee of Credit and Saving (the "**CICR**") powers to fix the conditions for the capitalisation of accrued interests. As a matter of fact, the CICR, pursuant to article 3 of a resolution dated 9 February 2000 (the "**2000 Resolution**"), has provided, in relation to loans involving a deferred repayment that, in case of breach by the debtor, the amount due on the maturity of each instalment, shall produce interests from such date up to the date of the actual payment, if so provided by the relevant contract. Moreover, article 25, paragraph 3, of the Decree 342 provides that the provisions relating to the capitalisation of accrued interest set forth in contracts entered into before the date of the

2000 Resolution are valid and effective up to the date thereof and after such date shall be consistent to the provisions of the 2000 Resolution. Such Decree 342 has been challenged, however, before the Italian Constitutional Court on the grounds that it falls outside the scope of the powers delegated under article 1, paragraph 5 of the enabling law (*Legge Delega*) No. 128 of 24 April 1998,and article 25 paragraph 3 of the Decree 342 has been declared unconstitutional by decision No. 425 of 9/17 October 2000 issued by the Italian Constitutional Court. On the basis of the foregoing, it cannot be excluded that borrowers may, where appropriate, challenge the practice of capitalising interest by banks on the grounds set forth by the Italian Supreme Court in the above mentioned decision and, therefore, that a negative effect on the returns generated from the loan could derive.

With respect to this matter, a ruling dated 29 October 2008 by the Court of Bari (honorary judge of the detached office of Rutigliano) 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 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 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.

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 recently 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, which substitutes the 2000 Resolution, (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 Assigned Debtor becomes aware of the amount to be paid) during which the Assigned Debtor could pay such interest without being in default; and (iii) the Assigned 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 Assigned Debtor's account using 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.

Prospective Noteholders should note that under the terms of the Warranty and Indemnity Agreements, the Seller has represented and warranted to the Issuer, *inter alia*, that it has complied with the principles established by the Italian Supreme Court (*Corte di Cassazione*) (and subsequently incorporated by the legislator) on compound interest and in particular on the equal periodicity of capitalization for interest receivable credited to the customer and for interest payable charged thereto. See "*Description of the Transaction Documents*".

Fair Compensation ("*Equo compenso*")

Article 13-bis of Law decree 148/2017 ("**Article 13-bis**"), as converted into law by law 172/2017, has introduced provisions pursuant to which conventions regulating fee arrangements ("**Fee conventions**") entered into by legal counsels and banks, insurance companies or companies, not qualifying as SMEs pursuant to Commission Recommendation of 6 May 2003 shall provide for fees to be paid to the relevant legal counsel that are adequate and proportionate (*equo compenso*) to the quality and quantity of assistance required from the same; moreover, such fees shall be compliant with the parameters provided under certain decrees issued periodically by the Ministry of Justice. Clauses under Fee Conventions determining material unbalances, also due to violation of the provisions on *equo compenso*, at the disadvantage of legal counsels, are considered abusive and not enforceable vis-à-vis the latter. Article 13-bis also contains a list of specific terms that, if included in the Fee Conventions, are considered abusive (and thus not enforceable vis-à-vis the legal counsel part of the relevant Fee Convention); such list also includes terms providing that, in case of renewal of the Fee Conventions between the same parties, the renewed convention provides for lower fees compared to the substituted ones and such lower fees will apply also to mandates still ongoing at the date of substitution.

It cannot be excluded that (a) law courts may interpret or (b) changes of law (including, without limitation, changes of law resulting from the enactment of any interpretative law or regulation (*norme di interpretazione autentica*)) may occur and cause Article 13-bis to be applicable to the fee arrangements concluded by the Servicer, pursuant to the terms of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), with lawyers in charge of the recovery of the Receivables; such an interpretation or change of law (as the case may be) may increase the legal recovery expenses compared to the estimate made under the Initial Portfolio Base Case Scenario or the Updated Portfolio Base Case Scenario, as applicable, and, thus, adversely impact on the net cash flows generated from the Portfolio and therefore on the proceeds available for payments on the Notes.

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 its 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 receivables 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 Bankruptcy Law; and (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.

The Restructuring Agreement must be filed with the competent Court together with, *inter alia*, the list of all creditors of the relevant debtor.

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*") if the proposal has a going concern basis. 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 receivables 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 debtor attempts to fraud its creditors. The Restructuring Agreement does not prejudice rights of the creditor against 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 it appoints a liquidator, and orders the relevant debtor to transfer its assets to such liquidator. The appointed liquidator will then pay creditors proportionally to their receivables (save for receivables 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. 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 become part of the assets to be liquidated and will be applied by the liquidator to pay the creditors of the relevant debtor.

Should any Assigned Debtor 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 Assigned Debtor 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 Portfolio and, as a consequence, on the amortisation of the Notes may not be predicted as at the date of this Prospectus.

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

Reform of corporate reorganization 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 reorganization proceedings in the context of over-indebted corporate entities. On 12 January 2019 the government approved the Legislative Decree No. 14 including the new code of crisis and insolvency (*codice della crisi e dell'insolvenza*) (the "**New Insolvency Code**"). On 14 February 2019, the New Insolvency Code, has been published in the Official Gazette of the Republic of Italy and the entering into force was scheduled for 15 August 2020 except for certain minor amendments entered into force as of 16 March 2019. However, pursuant to the *Liquidità* Decree (as defined below), the entering into force of the New Insolvency Code was initially postponed to 1 September 2021 and, subsequently, according to the Italian Law Decree No. 118 of 24 August 2021 (as converted into law by Law n. 147 of 21 October 2021), to 16 May 2022, save for the Second Title (*Titolo II*) of the First Part (*Parte Prima*) whose entering into force is postponed to 31 December 2023.

Prospective Noteholders should be aware that, as at the date of this Prospectus, most of the provisions of the Legislative Decree No. 14 of 12 January 2019 amending the Bankruptcy Law have not 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.

The New Insolvency Code is the result of a review of the Italian royal decree no. 267 of 16 March 1942 (hereinafter the "**Bankruptcy Law**") aimed at reforming Italian insolvency legislation in a way better

suited to the current economic situation and consistent with the indications received from the European legislator.

The New Insolvency Code is inspired by the principle of an early detection and resolution of corporate insolvency also through flexible and modern reorganization 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 in the coming months this New Insolvency Code 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 New Insolvency Code introduces the new "preemptive and assisted reorganisation procedures" that, with respect to "minor creditors", further complement 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 New Insolvency Code and will likely require an *ad hoc* intervention.

The main amendments to the current legal framework contained in the New Insolvency Code are as follows.

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 proceeding. Therefore, in order to tackle such issues, the New Insolvency Code provides for the introduction of a new joined proceedings for group insolvencies. More specifically, the New Insolvency Code 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 the 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 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 "joint" 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 New Insolvency Code 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 tackle 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 tackle it on an early stage.

The Preemptive Proceedings are aimed at 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 out-of court 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 (also 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 bodies of the debtor 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 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* of 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) certain criminal offences linked to insolvency are not punishable if they have caused minor damage; (b) a certain mitigating circumstances in respect to other criminal offences ; (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:

1. for qualified public creditors: loss of their priority in payment over their debt in case of failure to timely report to the supervisory entities and the Committee the persisting default of 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 New Insolvency Code aims to encourage the use of debt restructuring agreements currently governed by 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 New Insolvency Code 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 the current 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 impose to the "minority" creditors belonging to a certain class the restructuring of their claims as agreed by at least 75% of creditors belonging to the relevant class, provided that such "minority" creditors have been informed of the opening of negotiations and have been enabled to participate to them;

b) reduction of admissibility quorum: reduction of the 60% quorum currently required for the use of such measure to 30% provided that: (a) the debtor pays creditors not adhering to the restructuring agreement 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 shareholders with unlimited liability: extension of the effects of the agreement to shareholders with unlimited liability.

As for the certified plans, the New Insolvency Code (i) requires that they be in writing, bear certain date; and (ii) states in details their minimum content.

Schemes of Arrangement

The New Insolvency Code provides for a reorganisation of the provisions on the schemes of arrangement with creditors in order to promote business continuity. More specifically, the New Insolvency Code provides as follows:

a) marginalization 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 increases payments in favours 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 scheme of arrangement deriving from 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 scheme of arrangement);

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 (50%+1); furthermore, the New Insolvency Code 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 direct the approval of the relevant scheme of arrangement proposal;

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

e) super senior loans (*finanziamenti prededucibili*) authorized by the court: super senior loans are confirmed during the proceedings and by way of execution of the plan: super senior loans granted before the commencement of the proceedings are no longer permitted;

f) mandatory classification 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, upon request by 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 case of transactions impacting on the organization or financial structure of the company.

Judicial liquidation

Under the New Insolvency Code 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 with respect to the current bankruptcy proceedings 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 New Insolvency Code 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 aimed 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) *applicability erga omnes*: judicial liquidation applies to every category of debtors (e.g. limited liability companies, individuals, professionals) with the exclusion of public entities, supervised entities (e.g. banks, insurance companies) and entities subject to over-indebtedness proceedings (see above the section named "*Restructuring Arrangements in accordance with Law No. 3 of 27 January 2012*");

c) *efficiency of the proceedings*: a number of further novelties have been envisaged 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 New Insolvency Code 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.

Change of Law

The structure of the Transaction and, *inter alia*, the issue of the Notes and the rating assigned to the Rated Notes are based on Italian law (or on English law, in the case of the each Notes Subscription Agreement, Cap Agreement and the Deed of Charge), 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 (or English law) or 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.

Benchmarks Regulation

Various interest rate benchmarks (including the EURIBOR) are the subject of recent national and international regulatory guidance and proposals for reform. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Senior Notes. Regulation (EU) no. 2016/1011 (the **Benchmark Regulation**) was published in the Official Journal of the EU on 29 June 2016 and has applied since 1 January 2018. The Benchmark Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of "benchmarks" of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmark Regulation could have a material impact on the Senior Notes, in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmark Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the benchmark. More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the following effects on certain "benchmarks": (i) discourage market participants from continuing to administer or contribute to the "benchmark"; (ii) trigger changes in the rules or methodologies used in the "benchmark" or (iii) lead to the disappearance of the "benchmark". Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on the Senior Notes (which are linked to EURIBOR).

Separate workstreams are also underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate). On 13 September 2018, the working group on euro risk-free rates recommended Euro Short- term Rate ("€STR") as the new risk free rate. The ECB published the €STR for the first time on 2 October 2019, reflecting trading activity on 1 October 2019. €STR will replace EONIA with effect from 3 January 2022. In addition, on 21 January 2019, the euro risk free-rate working group published a set of guiding principles for fallback provisions in new euro denominated cash products. The guiding principles indicate, among other things, that continuing to enter into new contracts referencing EURIBOR or EONIA or €STR without more robust provisions may increase the risk to the euro area financial system.

If Six Month Euribor on the Class A Notes cannot be calculated or administered, or it becomes illegal for the Agent Bank to determine any amounts due to be paid under the Class A Notes including as a direct or indirect result of the Benchmark Regulation, Condition 5.3 (*Fallback provision*) contains specific provisions allowing an alternative rate to be found. Alternatively, any amendments deemed necessary to change the Screen Rate applicable to the Class A Notes (and any related or consequential amendments thereto) as a direct or indirect result of the Benchmarks Regulation will need to be made in accordance with the provisions regarding amendments to the Transaction Documents contained in the Conditions and the Rules of the Organisation of the Noteholders. There can be no assurance however, that any such alternative rate (if found) or such amendment (if made) would mitigate the interest rate risk or result in an effective replacement methodology for determining the reference rate on the Class A Notes.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmark Regulation reforms in making any investment decision with respect to the Senior Notes.

European Market Infrastructure Regulation

Regulation (EU) no. 648/2012, as amended, varied or substituted from time to time, known as the European Market Infrastructure Regulation (the "**EMIR**") entered into force on 16 August 2012. Certain changes to EMIR are introduced pursuant to Regulation (EU) 2019/834 and references to "EMIR" below are construed accordingly.

Among other things, EMIR imposes on "financial counterparties" a general obligation (the "**Clearing Obligation**") to clear through a duly authorised or recognised central counterparty all "eligible" OTC derivative contracts entered into with other counterparties subject to the Clearing Obligation. They must also report the details of all derivative contracts to a trade repository (the "**Reporting Obligation**") and undertake certain risk-mitigation techniques in respect of OTC derivative contracts which are not cleared by a central counterparty such as timely confirmation of terms, portfolio reconciliation and compression and the implementation of dispute resolution procedures (the "**Risk Mitigation Obligations**"). Non-

cleared OTC derivatives entered into by financial counterparties must also be marked to market and collateral must be exchanged.

Non-financial counterparties are excluded from the Clearing Obligation and certain Risk Mitigation Obligations provided that the gross notional value of all derivative contracts entered into by the non-financial counterparty and other non-financial counterparties within its "group" (as defined in EMIR), excluding eligible hedging transactions, do not exceed certain thresholds. If the Issuer is considered to be a member of such a "group" (as defined in EMIR) and if the notional value of derivative contracts entered into by the Issuer or other non-financial counterparties within any such group exceeds the applicable threshold, the Issuer would be subject to the clearing obligation. Whilst the Cap Agreement entered into by the Issuer is expected to be treated as a hedging transaction and deducted from the total in assessing whether the notional value of derivative contracts entered by the Issuer or its "group", the regulator may take a different view.

If the Issuer exceeds the applicable clearing thresholds, it would also be subject to the relevant risk mitigation obligations and would be required to post collateral in respect of non-cleared OTC derivative contracts. The Issuer may be unable to comply with such requirements, which could result in the termination of the Cap Agreement. Any termination of the Cap Agreement as a result of non-compliance with such requirements or as a result of the Issuer becoming a financial counterparty as described above or otherwise could expose the Issuer to costs and increased interest rate risk.

Regulatory Capital Framework

The regulatory capital framework published by the Basel Committee on Banking Supervision (the "**Basel Committee**") in 2006 (the "**Basel II Framework**") has not been fully implemented in all participating countries. The implementation of the framework in relevant jurisdictions may affect the risk-weighting of the Notes for investors who are or may become subject to capital adequacy requirements that follow the framework.

The Basel Committee has approved significant changes to the Basel II Framework (such changes being commonly referred to as "**Basel III**"), including new capital and liquidity requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards. In particular, the changes refer to, amongst other things, new requirements for the capital base, measures to strengthen the capital requirements for counterparty credit exposures arising from certain transactions and the introduction of a leverage ratio as well as short-term and longer-term standards for funding liquidity (referred to as the "**Liquidity Coverage Ratio**" and the "**Net Stable Funding Ratio**"). Basel III set an implementation deadline on member countries to implement the new capital standards from January 2014, the new Liquidity Coverage Ratio from January 2015 and the Net Stable Funding Ratio from January 2018. The European authorities have indicated that they support the work of the Basel Committee on the approved changes in general and, in particular, the European Commission has implemented the changes through Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms ("**CRD IV**") and Regulation No. 575/2013 ("**CRR**"). On 7 June 2019 the following, *inter alia*, were published on the Official Journal of the EU: (i) Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending CRD IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures ("**CRD V**"), (ii) Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending CRR as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements ("**CRR II**"), and (iii) Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and

recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC ("**BRRD II**"), and entered into force on 27 June 2019. Certain portions of the new rules apply as from 27 June 2019 while others shall apply as from 28 June 2021. The new rules implement the Basel Committee's finalised Basel III reforms dated December 2017. The changes may have an impact on incentives to hold the Notes for investors that are subject to requirements that follow the revised framework and, as a result, they may affect the liquidity and/or value of the Notes.

Implementation of Basel III requires national legislation and therefore the final rules and the timetable for their implementation in each jurisdiction may be subject to some level of national variation. The Basel Committee has also published certain proposed revisions to the securitisation framework, including proposed new hierarchies of approaches to calculating risk weights and a new risk weight floor of 15%.

Implementation of the Basel framework including Basel III, the CRD IV, the CRD V, the CRR II, the BRRD II and any of their expected amendments and any changes as described above may have an impact on the capital requirements in respect of the Notes and/or on incentives to hold the Notes for investors that are subject to requirements that follow the relevant framework and, as a result, may affect the liquidity and/or value of the Notes.

The implementation of Basel III, the CRD IV, the CRD V, the CRR II, the BRRD II and any of their expected amendments have and will continue to bring about a number of substantial changes to the current capital requirements, prudential oversight and risk-management systems, including those of the Issuer. The direction and the magnitude of the impact of Basel III will depend on the particular asset structure of each credit institution and its precise impact on the Issuer cannot be quantified with certainty at this time. The Issuer may operate its business in ways that are less profitable than its present operation in complying with the guidelines resulting from the transposition of the above mentioned provisions.

The implementation of Basel III, the CRD IV, the CRD V, the CRR II, the BRRD II and any of their expected amendments could affect the risk weighting of the Notes in respect of certain investors to the extent that those investors are subject to the new guidelines resulting from the implementation of the capital requirements directives.

Accordingly, recipients of this Prospectus should consult their own advisers as to the consequences and effects the implementation of the CRD IV and of the CRD V, the CRR II, the BRRD II and any of its expected amendments could have on them.

In general, investors should consult their own advisers as to the regulatory capital requirements in respect of the Notes and as to the consequences to and effect on them of any changes to the Basel II Framework (including the Basel III changes, the CRD IV, the CRD V, the CRR II, the BRRD II and any of their expected amendments described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise. There can be no guarantee that the regulatory capital treatment of the Notes for investors will not be affected by any future changes to the Basel II Framework (including the Basel III changes, the CRD IV, the CRD V, the CRR II, the BRRD II and any of their expected amendments described above). The Issuer is not responsible for informing Noteholders of the effects of the changes which will result for investors from revisions to the Basel II Framework (including the Basel III changes described above). Significant uncertainty remains around the implementation of these initiatives. In general, prospective investors should consult their own advisers as to the regulatory capital requirements in respect of the Notes and as to the consequences to and effect on them of any changes to the Basel II Framework (including the Basel III changes, the CRD IV, the CRD V, the CRR II, the BRRD II and any of their expected amendments described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

EU Securitisation Regulation

Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation and amending certain other European Union directives and regulations (the "**EU Securitisation Regulation**") is directly applicable in member states of the European Union (the "**EU**") and will be applicable in any non-EU states of the EEA in which it has been implemented. The EU Securitisation Regulation, together with all relevant implementing regulations in relation thereto, all regulatory and/or implementing technical standards in relation thereto or applicable in relation thereto pursuant to any transitional arrangements made pursuant to the EU Securitisation Regulation and, in each case, any relevant guidance and directions published in relation thereto by the European Banking Authority (the "**EBA**")), the European Securities and Markets Authority and the European Insurance and Occupational Pensions Authority (or, in each case, any predecessor or any other applicable regulatory authority) or by the European Commission, in each case as amended and in effect from time to time, are referred to in this Prospectus as the "**EU Securitisation Regulation Rules**".

Article 5 of the EU Securitisation Regulation places certain conditions on investments in a "securitisation" (as defined in the EU Securitisation Regulation) (the "**EU Due Diligence Requirements**") by "institutional investors", defined to include (a) a credit institution or an investment firm as defined in and for purposes of Regulation (EU) No 575/2013, as amended, known as the Capital Requirements Regulation (the "**CRR**"), (b) an insurance undertaking or a reinsurance undertaking as defined in Directive 2009/138/EC, as amended, known as Solvency II, (c) an alternative investment fund manager as defined in Directive 2011/61/EU that manages and/or markets alternative investment funds in the EU, (d) an undertaking for collective investment in transferable securities ("**UCITS**") management company, as defined in Directive 2009/65/EC, as amended, known as the UCITS Directive, or an internally managed UCITS, which is an investment company that is authorised in accordance with that Directive and has not designated such a management company for its management, and (e) with certain exceptions, an institution for occupational retirement provision falling within the scope of Directive (EU) 2016/2341, or an investment manager or an authorised entity appointed by such an institution for occupational retirement provision as provided in that Directive. Pursuant to Article 14 of the CRR, the EU Due Diligence Requirements also apply to investments by certain consolidated affiliates, wherever established or located, of institutions regulated under the CRR (such affiliates, together with all such institutional investors, the "**EU Affected Investors**").

Prior to investing in (or otherwise holding an exposure to) a "securitisation position" (as defined in the EU Securitisation Regulation), an EU Affected Investor, other than the originator, sponsor or original lender (each as defined in the EU Securitisation Regulation) must, among other things:(i) verify that, where the originator, sponsor or original lender (each as defined in the EU Securitisation Regulation) is established in the EU, the originator, sponsor or original lender will retain, on an ongoing basis, a material net economic interest of not less than 5% in the securitisation determined in accordance with Article 6 of the EU Securitisation Regulation and such risk retention is disclosed to institutional investors in accordance with Article 7 of the EU Securitisation Regulation; (ii) verify that the originator, sponsor or SSPE (as defined in the EU Securitisation Regulation) has, where applicable, made available the information required by Article 7 of the EU Securitisation Regulation in accordance with the frequency and modalities provided for in that Article; and (iii) carry out a due-diligence assessment which enables the EU Affected Investor to assess the risks involved, considering at least (A) the risk characteristics of the securitisation position and the underlying exposures, and (B) all the structural features of the securitisation that can materially impact the performance of the securitisation position.

While holding a securitisation position, an EU Affected Investor must also (a) establish appropriate written procedures in order to monitor, on an ongoing basis, its compliance with the foregoing requirements and the performance of the securitisation position and of the underlying exposures, (b) regularly perform stress tests on the cash flows and collateral values supporting the underlying exposures,

(c) ensure internal reporting to its management body to enable adequate management of material risks and (d) be able to demonstrate to its regulatory authorities that it has a comprehensive and thorough understanding of the securitisation position and its underlying exposures and has implemented written policies and procedures for managing risks of the securitisation position and maintaining records of the foregoing verifications and due diligence and other relevant information.

The EU Securitisation Regulation imposes a direct obligation on the originator, sponsor or original lender of a securitisation to retain a material net economic interest in the securitisation of not less than 5% (the "**EU Risk Retention Requirements**"). Certain aspects of the EU Risk Retention Requirements are to be further specified in regulatory technical standards to be adopted by the European Commission as a delegated regulation. The EBA published a final draft of those regulatory technical standards on 7 July 2023 (the "**Final Draft RTS**"), but they have not yet been adopted by the European Commission or published in final form. Pursuant to Article 43(7) of the EU Securitisation Regulation, until these regulatory technical standards apply, certain provisions of Delegated Regulation (EU) No. 625/2014 shall continue to apply.

Under the Intercreditor Agreement and the Subsequent Notes Subscription Agreement, the Seller has undertaken to retain at the Subsequent Issue Date and to maintain on an ongoing basis a material net economic interest of at least 5% of the nominal value of each of the Senior Notes, the Mezzanine Notes, the Series J1 Notes and the Series J2 Notes in accordance with paragraph (a) of Article 6(3) of the EU Securitisation Regulation (the "**EU Retained Interest**"), as further described in "Securitisation Regulations Requirements" below. The EU Retained Interest shall not be subject to any credit risk mitigation or hedging, except to the extent permitted under the applicable provisions of the EU Securitisation Regulation.

Without limitation to the foregoing, no assurance can be given that the EU Securitisation Regulation or the interpretation or application thereof will not change, and if any such change is implemented, as to whether and to what extent the transactions described herein will be affected by such changes or any other changes in law or regulation relating to the EU Securitisation Regulation generally or the EU Risk Retention Requirements in particular.

In addition, under the Intercreditor Agreement, the Issuer and the Seller have designated among themselves the Issuer as the reporting entity pursuant to Article 7(2), first-sub-paragraph, of the Securitisation Regulations as the entity which will fulfil the information requirements referred to therein (the "**Reporting Entity**").

UK Securitisation Regulation

The United Kingdom (the "**UK**") left the EU as of 31 January 2020 and the transition period (the "**Transition Period**") referred to in the withdrawal agreement between the UK and the EU ended on 31 December 2020. Since 1 January 2021, with respect to the UK, relevant UK-established or UK-regulated persons are subject to the restrictions and obligations of the EU Securitisation Regulation as it forms part of UK domestic law by virtue of the EUWA, and as amended by the UK Securitisation Regulation. The UK Securitisation Regulation, together with (a) all applicable binding technical standards made under the UK Securitisation Regulation (including, without limitation, any regulatory or implementing technical standards of the European Union that form part of UK domestic law by virtue of the EUWA); (b) relevant guidance, policy statements or directions relating to the application of the UK Securitisation Regulation (or any binding technical standards) published by the UK Prudential Regulation Authority (the "**PRA**") and/or the FCA (or their successors); (c) any other relevant transitional, saving or other provision relevant to the UK Securitisation Regulation by virtue of the EUWA; and (d) any other applicable laws, acts, statutory instruments, rules, guidance or policy statements published or enacted relating to the UK

Securitisation Regulation, in each case, as may be further amended, supplemented or replaced, from time to time, are referred to in this Prospectus as the "**UK Securitisation Regulation Rules**", and together with the EU Securitisation Regulation Rules, the "**Securitisation Regulations Rules**").

Article 5 of the UK Securitisation Regulation places certain conditions on investments in a "securitisation" (as defined in the UK Securitisation Regulation) (the "**UK Due Diligence Requirements**" and, together with the EU Due Diligence Requirements, the "**Due Diligence Requirements**") (and references in this Prospectus to "**the applicable Due Diligence Requirements**" shall mean such Due Diligence Requirements to which a particular Affected Investor is subject)) by an "institutional investor", defined to include (a) an insurance undertaking as defined in section 417(1) of the Financial Services and Markets Act 2000 (the "**FSMA**"); (b) a reinsurance undertaking as defined in section 417(1) of the FSMA; (c) an occupational pension scheme as defined in section 1(1) of the Pension Schemes Act 1993 that has its main administration in the UK, or a fund manager of such a scheme appointed under section 34(2) of the Pensions Act 1995 that, in respect of activity undertaken pursuant to that appointment is authorised for the purposes of section 31 of the FSMA; (d) an AIFM as defined in regulation 4(1) of the Alternative Investment Fund Managers Regulation 2013 which markets or manages AIFs (as defined in regulation 3 of those Regulations) in the UK; (e) a management company as defined in section 237(2) of the FSMA; (f) a UCITS as defined by section 236A of the FSMA, which is an authorised open ended investment company as defined in section 237(3) of the FSMA; and (g) a CRR firm as defined by Article 4(1)(2A) of the EU CRR as it forms part of UK domestic law by virtue of the EUWA . The UK Due Diligence Requirements may also apply to investments by certain consolidated affiliates, wherever established or located (such affiliates, together with all such institutional investors, "**UK Affected Investors**" and, together with EU Affected Investors, the "**Affected Investors**").

Prior to investing in (or otherwise holding an exposure to) a "securitisation position" (as defined in the UK Securitisation Regulation), a UK Affected Investor, other than the originator, sponsor or original lender (each as defined in the UK Securitisation Regulation) must, among other things: (a) verify that, where the originator or original lender is established in a third country (i.e. not the UK), the originator or original lender grants all the credits giving rise to the underlying exposures on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing those credits and has effective systems in place to apply those criteria and processes to ensure that credit-granting is based on a thorough assessment of the obligor's creditworthiness, (b) verify that, if established in a third country (i.e. not the UK), the originator, sponsor or original lender retains on an ongoing basis a material net economic interest which, in any event, shall not be less than 5 %, determined in accordance with Article 6 of the UK Securitisation Regulation, and discloses the risk retention to UK Affected Investors, (c) verify that if established in a third country (i.e. not the UK), the originator, sponsor or the SSPE has, where applicable, made available information which is substantially the same as that which an originator, sponsor or SSPE would have made available as required by Article 7 of the UK Securitisation Regulation if it had been established in the UK and has done so with such frequency and modalities as are substantially the same as those with which it would have made information available as required by Article 7 of the UK Securitisation Regulation if it had been established in the UK, and (d) carry out a due-diligence assessment which enables the UK Affected Investor to assess the risks involved, considering at least (i) the risk characteristics of the securitisation position and the underlying exposures, and (ii) all the structural features of the securitisation that can materially impact the performance of the securitisation position.

While holding a securitisation position, a UK Affected Investor must also (a) establish appropriate written procedures in order to monitor, on an ongoing basis, its compliance with the foregoing requirements and the performance of the securitisation position and of the underlying exposures, (b) regularly perform stress tests on the cash flows and collateral values supporting the underlying exposures, (c) ensure internal reporting to its management body to enable adequate management of material risks and (d) be able to

demonstrate to its regulatory authorities that it has a comprehensive and thorough understanding of the securitisation position and its underlying exposures and has implemented written policies and procedures for managing risks of the securitisation position and maintaining records of the foregoing verifications and due diligence and other relevant information.

The UK Securitisation Regulation imposes a direct obligation on the originator, sponsor or original lender of a securitisation to retain a material net economic interest in the securitisation of not less than 5% (the "**UK Risk Retention Requirements**" and together with the EU Risk Retention Requirements, the "**Risk Retention Requirements**). Certain aspects of the UK Risk Retention Requirements are to be further specified in regulatory technical standards to be adopted by the UK as a delegated regulation. Until these regulatory technical standards apply, certain provisions of Delegated Regulation (EU) No. 625/2014 as it forms part of UK domestic law by virtue of the EUWA shall apply.

The UK Securitisation Regulation is silent as to the jurisdictional scope of the UK Risk Retention Requirements and consequently, whether, for example, it applies to originators in the EU such as the Seller. Notwithstanding the above, under the Intercreditor Agreement and the Subsequent Notes Subscription Agreement, the Seller has undertaken to retain at the Subsequent Issue Date and to maintain on an ongoing basis a material net economic interest of at least 5% of the nominal value of each of the Senior Notes, the Mezzanine Notes, the Series J1 Notes and the Series J2 Notes in accordance with paragraph (a) of Article 6(3) of the UK Securitisation Regulation (the "**UK Retained Interest**" and together with the EU Retained Interest, the "**Retained Interest**"), as further described in "Securitisation Regulations Requirements" below. The Retained Interest shall not be subject to any credit risk mitigation or hedging, except to the extent permitted under the applicable provisions of the UK Securitisation Regulation.

The secondary legislation relating to the EU Securitisation Regulation which was in force as at the end of the Transition Period has also been enacted with certain amendments in the UK. However, this was not the case in respect of interpretive guidance issued by the EU regulatory authorities or any secondary legislation (such as the Final Draft RTS) which was not in force at the end of the Transition Period. There remains uncertainty as to whether key interpretive guidance issued by EU Regulatory authorities in connection with the EU Securitisation Regulation will also be replicated by UK regulators in respect of the UK Securitisation Regulation. However, the Bank of England (the "**BOE**") and the PRA Statement of Policy of December 2020 stated that the BOE and PRA expect UK regulated firms and institutions operating, or intending to operate, in the UK to make every effort to comply with existing EU guidelines and recommendations that are applicable as at the end of the Transition Period, giving certain indication as to their general approach.

Without limitation to the foregoing, no assurance can be given that the UK Securitisation Regulation or the interpretation or application thereof will not change, and if any such change is implemented, as to whether and to what extent the transactions described herein will be affected by such changes or any other changes in law or regulation relating to the UK Securitisation Regulation generally or the UK Risk Retention Requirements in particular.

In addition, under the Intercreditor Agreement, the Issuer and the Seller have designated among themselves the Issuer as the reporting entity pursuant to Article 7(2), first-sub-paragraph, of the Securitisation Regulations as the entity which will fulfil the information requirements referred to therein (the "**Reporting Entity**").

Securitisation Regulations - General

Except as described herein and as provided in the Transaction Documents, no party to the transaction described in this Prospectus intends to take or refrain from taking any action with regard to such transaction in a manner prescribed or contemplated by the Securitisation Regulations Rules, or to take any action for purposes of, or in connection with, facilitating or enabling the compliance by any investor with the Due Diligence Requirements.

If, at any time, any Noteholder or potential Noteholder requires any action to be taken for purposes of its compliance with the Securitisation Regulations, no party to the transaction described in this Prospectus will be obligated to take any such action, except to the extent that it is otherwise obligated to do so, as described in this Prospectus or pursuant to the Transaction Documents. No such party gives any assurance as to any person's ability to comply, at any time, with any requirement of the Securitisation Regulations, or shall have any liability to any person in respect of any non-compliance, or inability to comply, with any requirement of the Securitisation Regulations.

It remains unclear what will be required for Affected Investors to demonstrate compliance with the Due Diligence Requirements. Each prospective investor in the Notes that is an Affected Investor is required to independently assess and determine whether the undertaking by the Seller to retain the Retained Interest as described above and in this Prospectus generally, the other information in this Prospectus and the information to be provided in any reports provided to investors in relation to the Transaction and otherwise is sufficient to comply with the Due Diligence Requirements or any corresponding national measures which may be relevant. None of the Issuer, the Seller, the Arrangers, their respective Affiliates or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose or that the structure of the Notes, the Seller (including its holding of the Retained Interest) and the transactions described herein are compliant with the Securitisation Regulations Rules or any other applicable legal or regulatory or other requirements and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transaction or structure contemplated hereby to comply with or otherwise satisfy such requirements, any subsequent change in law, rule or regulation or any other applicable legal, regulatory or other requirements or any failure by any investor that is an Affected Investor to satisfy the Due Diligence Requirements.

Failure by an Affected Investor to comply with the applicable Due Diligence Requirements with respect to an investment in the Notes may result in the imposition of a penalty regulatory capital charge on that investment or of other regulatory sanctions by the competent authority of such Affected Investor. The Securitisation Regulations and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of Affected Investors and have an adverse impact on the value and liquidity of the Notes in the secondary market. Prospective investors should analyse their own regulatory position and should consult with their own investment and legal advisors regarding application of, and compliance with, the applicable Due Diligence Requirements or other applicable regulations and the suitability of the Notes for investment.

U.S. risk retention requirements

The Credit Risk Retention regulations implemented by U.S. Federal regulatory agencies including the SEC pursuant to Section 15G of the Exchange Act of 1934 (as amended), as added by section 941 of the Dodd Frank Act (the "**U.S. Risk Retention Rules**") generally require the "sponsor" of a "securitisation transaction" to retain at least 5 per cent. of the "credit risk" of "securitised assets", as such terms are defined for purposes of that statute, and generally prohibit a sponsor from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the sponsor is required to retain. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

Neither the Seller, as sponsor, nor any other person intends to retain any credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Certain requirements are needed in order for a sponsor to be able to have the benefit of such exemption, including that (1) the securitisation transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitisation transaction are sold or transferred to U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules and referred to herein as "**Risk Retention U.S. Persons**"); (3) neither the sponsor nor the issuer is organised under U.S. law, is a branch organized under U.S. law, or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer that is organised or located in the United States.

The Seller has advised the Issuer that it made representations and warranties to satisfy the requirements of the exemptions set forth in Section 20 of the U.S. Risk Retention Rules.

Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is different from the definition of "U.S. person" under Regulation S. The definition of U.S. person in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to clauses (b) and (h), which are different than comparable provisions from Regulation S.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, "U.S. person" (and "**Risk Retention U.S. Person**" as used in this Prospectus) means any of the following:

(a) any natural person resident in the United States;

(b) any partnership, corporation, limited liability company, or other organisation or entity organised or incorporated under the laws of any State or of the United States;1

(c) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);

(d) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);

(e) any agency or branch of a foreign entity located in the United States;

(f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);

(g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and

(h) any partnership, corporation, limited liability company, or other organisation or entity if:

(i) organised or incorporated under the laws of any foreign jurisdiction; and

(ii) formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act.[2]

Consequently, and notwithstanding anything herein to the contrary, the Notes may not be purchased or

[1] The comparable provision from Regulation S is "*(ii) any partnership or corporation organised or incorporated under the laws of the United States.*".

[2] The comparable provision from Regulation S "*(vii)(B) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in 17 CFR 230.501(a)) who are not natural persons, estates or trusts*.".

held by or transferred to any person except for persons that are not Risk Retention U.S. Persons. Each holder of a Note or a beneficial interest by its acquisition of a Note or a beneficial interest in a Note, will be deemed to represent to the Issuer and the Seller that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Note or a beneficial interest therein for its own account and not for the account or benefit of a Risk Retention U.S. Person and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules described herein).

The Issuer and the Arrangers are relying on the deemed representations made by purchasers of the Notes and may not be able to determine the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in Section 20 of the U.S. Risk Retention Rules, and neither the Issuer nor the Arrangers nor any director, officer, employee, agent or affiliate of them accepts any liability or responsibility whatsoever for any such determination or characterisation.

There can be no assurance that the exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. Failure on the part of the Seller to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action against the Seller which may adversely affect the Notes and the ability of the Seller to perform its obligations under the Transaction Documents. Furthermore, a failure by the Seller to comply with the U.S. Risk Retention Rules could negatively affect the value and secondary market liquidity of the Notes.

None of the Issuer, nor the Arrangers nor any of the other transaction parties or any of their respective affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transaction described in this Prospectus complies with the U.S. Risk Retention Rules on the Subsequent Issue Date or at any time in the future. Investors should consult their own advisers as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Bank Recovery and Resolution Directive

Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 (collectively with secondary and implementing EU rules, and national implementing legislation, the "**Bank Recovery and Resolution Directive**" or "**BRRD**") established a framework for the recovery and resolution of credit institutions and investment firms. The aim of the BRRD is to provide national authorities in EU Member States (the "**Resolution Authorities**") with common tools and powers for preparatory and preventive measures, early supervisory intervention and resolution of credit institutions and significant investment firms to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses. The BRRD applies to, *inter alios*, credit institutions, investments firms and financial institutions that are established in the European Union (when the financial institution is a subsidiary of a credit institution or investment firm and is covered by the supervision of the parent undertaking on a consolidated basis) (collectively, the "**relevant institutions**"). The BRRD entered into force on 2 July 2014 and had to be transposed by the Member States of the European Union into national law by 31 December 2014. The Republic of Italy has implemented the BRRD by Legislative Decrees no. 180 and no. 181 of 16 November 2015 (respectively, the "**Decree No. 180**" and the "**Decree No. 181**"). Decree No. 180 sets forth provisions concerning resolution plans, the commencement and closing of resolution procedures, the adoption of resolution measures, crisis management related to cross-border groups, powers and functions of the national resolution authority and also regulating the national resolution fund. On the other hand, Decree No. 181 introduces certain amendments to the Consolidated Banking Act and the Financial Law Consolidation Act concerning recovery plans, intra-group financial support, early intervention measures and changes to creditor hierarchy. Decree No. 181 also amends certain provisions regulating proceedings for extraordinary administration ("*amministrazione*

straordinaria") and compulsory administrative liquidation ("*liquidazione coatta amministrativa*") in order to render the relevant proceedings compliant with the BRRD.

If a relevant institution enters into an arrangement with the Issuer and is deemed likely to fall in the circumstances identified in the BRRD, the relevant Resolution Authority may employ such tools and powers in order to intervene in the relevant institution's failure (including in the case of derivatives transactions, powers to close-out such transactions or suspend any rights to close-out such transactions). In particular, liabilities of relevant institutions arising out of the Transaction Documents to which such institutions are party not otherwise subject to an exception, could be subject to the exercise of "bail-in" powers of the relevant Resolution Authorities. It should be noted that certain secured liabilities of relevant institutions are exempted. If the relevant Resolution Authority decides to "bail-in" the liabilities of a relevant institution, then subject to certain exceptions set out in the BRRD, the liabilities of such relevant institution could, among other things, be reduced, converted or extinguished in full. As a result, the Issuer and ultimately, the Noteholders may not be able to recover any liabilities owed by such an entity to the Issuer. In addition, a relevant Resolution Authority may exercise its discretions in a manner that produces different outcomes amongst institutions resolved in different EU Member States. It should also be noted that similar powers and provisions are being considered in the context of financial institutions of other jurisdictions.

In addition to the above, it should be noted that due to the fact that the Seller is a credit institution established in the European Union, is subject to the BRRD. Therefore, in case of failure by the Seller to comply with the prudential requirements applicable to it, or upon occurrence of certain other circumstances set forth in the BRRD, it may be subject to the BRRD resolution procedure. In such circumstances, the Seller may not be in a position to meet its obligations under the Transaction Documents, including its obligations as indemnity provider under the Warranty and Indemnity Agreements.

Risks related to legal proceedings

Risks related to legal proceedings refer to the risk that the economic implications of any judicial proceedings against the Seller could have repercussions on the Seller's stability.

The amounts that could be involved in legal disputes could be considered significant in relation to the Seller's soundness. However, it is inherently difficult to estimate precisely the potential liability to which the Seller may be exposed upon conclusion of any dispute. In addition, there can be no assurance that amounts already set aside in the Seller's provisions for risks and charges for legal disputes (if any) will be sufficient to cover in full possible losses deriving from such proceedings. This could have a material adverse effect on the Seller's business, financial condition or results of operations.

Risks connected with regulatory inspections

The Seller may be subject to inspections by the Bank of Italy, CONSOB or other competent supervisory authorities (the "**Supervisory Authority**"). In general terms, inspections may concern the respect to the application of rules concerning the primary and secondary level of regulation, as well as the supervisory instruction issued by the Supervisory Authority in the relative competent matters. Such matters could refer, for example, to transparency and other investor protection rules or the correctness of the evaluation of banking and financial risk associated with the operational and current activities which each bank is currently involved. Important sectors in this respect could refer the assessment of the credit risk policies, corporate governance, internal audit controls and compliance matters. Other investigation may relate to compliance with regulations on investment services, particularly with reference to any financial instruments issued by the bank. In particular, an inspection can be commenced pursuant to Legislative Decree 385/1993 in order to assess the adequacy of the impairments on the values of the non-performing, doubtful and restructured loans, and the related policies and practices. Such kind of inspections forms part of a programme of review of impaired loans conducted by the Supervisory Authority on many banking

groups in Italy.

The Supervisory Authority usually delivers a report with the "findings and observations" arising from the inspection, with reference to the directly pertinent areas, in relation to which the bank has to submit its counterclaims. Following the conclusion of the formal inspection, the Supervisory Authority can make some recommendations in order to re-establish full compliance with the rules and practices highlighted by the Supervisory Authority. In other cases, the Supervisory Authority may apply to the bank a monetary sanction which may vary according to the seriousness and frequency of the alleged violations. In the main relevant cases, the Supervisory Authority could require (i) the respect of specific threshold of capital and liquidity in compliance with the regime set out by the capital requirement regulation; or (ii) the removal of one or more members of the board of directors of the bank.

Risk associated with potential capital impact of planned NPL disposals

The reduction of a potential large stock of non-performing loans (**"NPLs**") in banks' portfolios is a critical issue for all European banks. NPLs sales – an effective and rapid way to pursue the objective – tend to have a negative impact on banks' capital ratios via direct losses, because the sale prices are typically lower than their book value. Therefore, aggressive sales can cause economic losses and capital shortfalls that, especially in the current difficult market conditions and low profitability environment, the Seller may be unable to address.

Economic conditions in the Eurozone

Concerns relating to credit risk (including that of sovereigns and of those entities which have exposure to sovereigns) have intensified. In particular, concerns have been raised with respect to current economic, monetary and political conditions in the Eurozone, including in relation to Greece. If such concerns persist and/or such conditions further deteriorate (including as may be demonstrated by any relevant credit rating agency action, any default or restructuring of indebtedness by one or more Member States or institutions and/or any changes to, including any break up of, the Eurozone), then these matters may cause further severe stress in the financial system generally and/or may adversely affect the Issuer, one or more of the other parties to the Transaction Documents (including the Seller, the Servicer, the Cap Counterparty and/or any Assigned Debtor and/or Employers and/or Social Security Administration in respect of the Receivables). Given the current uncertainty and the range of possible outcomes, no assurance can be given as to the impact of any of the matters described above and, in particular, no assurance can be given that such matters would not adversely affect the rights of the Noteholders, the market value of the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes.

Moreover, the timing and payment of the Loans may be influenced by the economic situation generally, the Eurozone and Italy, as well as by the dynamics of financial markets. The current macroeconomic situation is characterised by significant uncertainties that relate to:

(a) the consequences of the Russian invasion of Ukraine, the impact of sanctions and the risk of the conflict spreading elsewhere;

(b) the impact of Covid-19 on global growth and individual countries;

(c) trends of the real economy as regard to the prospects of recovery, dynamics of national economic growth and the stability of the economies in those countries (United States and China), which have shown a substantial growth in recent years;

(d) future developments in the monetary policy of the ECB in the Eurozone and of the FED area in the dollar area, and in the policies implemented by various countries aimed at encouraging competitive devaluations of their currencies;

(e) recent turmoil on the main Asian financial markets, including, in particular, the Chinese market.

It should also be noted that, as at the date of this Prospectus, the Eurozone is experiencing rapid increases in inflation and the cost of living which could lead to further economic stress as consumers reduce their household expenditure leading to a negative impact on businesses (in particular those in the retail and service sectors). Potential rises in interest rates are likely to be passed on to consumers leading to an increase in their cost of debt as well as further discouraging expenditure. Rises in an Assigned Debtor's cost of debt and cost of living could lead to increased strain on their ability to service their Loans.

Negative developments in all or some only of the above factors may have an adverse effect on the ability of the Issuer to satisfy its obligations under the Notes.

Political and economic developments in the Republic of Italy and in the European Union

The financial condition, results of operations and prospects of the Republic of Italy and companies incorporated in the Republic of Italy may be adversely affected by events outside their control, namely European law generally, any conflicts in the region or taxation and other political, economic or social developments in or affecting the Republic of Italy generally.

Volcker Rule

Pursuant to the regulations adopted to implement Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (such statutory provision together with such implementing regulations, as amended, the "**Volcker Rule**"), unless an exemption or exclusion is available, "banking entities" (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates) are prohibited from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring a "covered fund" and (iii) entering into certain relationships with such funds. Under the Volcker Rule, an issuer (such as the Issuer) that relies on the exclusions contained in Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act is generally treated as a "covered fund", unless an exemption or exclusion is available. The Issuer has taken the position that it is not a "covered fund" in reliance on the loan securitization exemption provided under the Volcker Rule. As a result, it is not, and after giving effect to the offer and sale of the Notes and the application of the proceeds thereof as described in the Prospectus, will not be a "covered fund" within the meaning of the regulations adopted to implement Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Any prospective investor, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisors regarding such matters and other effects of the Volcker Rule.

None of the Arrangers has made any investigation or representation as to the availability of any exemption or exclusion under the Volcker Rule. No assurance can be given as to the availability of the "loan securitization 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.

Swap Regulations under Dodd-Frank

Pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), the Commodity Futures Trading Commission and certain other regulators have promulgated a range of new regulatory requirements (the "**Dodd-Frank Regulations**") relating to swaps. Under the regulations and guidance currently in effect, the Dodd-Frank Regulations generally should not apply to the Cap Agreement. However, because the Dodd-Frank Regulations remain, in certain respects, new, untested, and in the process of implementation, the Cap Agreement could become subject to such requirements in the future. Such requirements may have unforeseen legal consequences on the Issuer or have other material adverse effects on the Issuer or the Noteholders.

Risks arising from the sovereign debt crisis

The Issuer is affected by disruptions and volatility in the global financial markets. Since the beginning of May 2010, the sovereign debt-related difficulties in several Euro-zone countries have determined the decline of the credit quality of certain EU Member States, including Cyprus, Greece, Italy, Portugal and Spain, as also reflected by downgrades suffered by such Countries. The large sovereign debts and fiscal deficits in European countries and its impact on Euro-zone banks' funding have raised concerns regarding the stability and overall standing of the Euro-zone and the suitability of the Euro as a single currency given the diverse economic and political circumstances in individual Member States. These and other concerns could lead the potential reintroduction of national currencies in one or more Euro-zone countries or, in particularly dire circumstances, the possible dissolution of the Euro entirely. Should the Euro dissolve entirely, the legal and contractual consequences for the Noteholders would be determined by laws in effect at such time. It should be noted that the risk that certain EU Member States could exit from European Union and consequently from the single currency has become more consistent since the beginning of 2015, in particular with reference to Greece.

The occurrence of such adverse scenario might result in higher levels of financial market volatility, lower interest rates, bond impairments, increased bond spreads and other difficult to predict spill-over effects.

In particular, the credit ratings are potentially exposed to the risk of reductions in the sovereign credit rating of Italy. On the basis of the methodologies used by rating agencies, further downgrades of Italy's credit rating may have a potential knock-on effect on the credit rating of Italian issuers such as the Issuer and make it more likely that the credit ratings of the Rated Notes are downgraded.

"Brexit" risk

The UK left the EU as of 31 January 2020 ("**Brexit**") and the Transition Period (as defined above) ended on 31 December 2020. Therefore, the Treaty on the European Union and the Treaty on the Functioning of the European Union have ceased to apply to the UK.

The Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community dated 24 January 2020 provided the UK with a Transition Period until 31 December 2020, during which the UK was bound by EU rules despite not being its member state and remained in the single market area, while the future terms of the UK's relationship with the EU were being negotiated. On 24 December 2020, the EU and the UK agreed on the Trade and Cooperation Agreement (the "**Trade and Cooperation Agreement**"), which sets out the principles of the relationship between the EU and the UK following the end of the Transition Period. The European Commission initially proposed to apply the Trade and Cooperation Agreement on a provisional basis for a limited time until 28 February 2021. On request by the EU, this deadline has now been moved to 30 April 2021, by which time the Trade and Cooperation Agreement must be approved by the European Parliament.

Given the recent agreement on the wording of the Trade and Cooperation Agreement and its provisional application, as of the date of this Prospectus, the exact terms of the Trade and Cooperation Agreement, its practical application and the overall relationship of the UK and the EU is not fully clear. Any further delays with the approval of the Trade and Cooperation Agreement by the European Parliament, its potential problematic provisions or its potential uncertain interpretation could adversely and significantly affect European or worldwide economic or market conditions and may contribute to instability in global financial and foreign exchange markets. In addition, it would likely lead to legal uncertainty and divergent national laws and regulations. Any of these effects of Brexit, and others which cannot be anticipated, could adversely affect the Issuer's business, results of operations, financial condition and cash flows, and could negatively impact the value of the Notes.

Substitute tax under the Notes

Payments of interest and other proceeds under the Notes may in certain circumstances, described in the section headed *"Taxation in the Republic of Italy*" of this Prospectus, be subject to a Law 239 Deduction.

In such circumstance, any beneficial owner of an interest payment relating to the Notes of any Class will receive amounts of interest payable on the Notes net of a Law 239 Deduction. Law 239 Deduction, if applicable, is levied at the rate of 26 per cent., or such lower rate as may be applicable under the relevant double taxation treaty.

In the event that any Law 239 Deduction or any other deduction or withholding for or on account of tax is imposed in respect of payments to Noteholders of amounts due pursuant to the Notes, the Issuer will not be obliged to gross-up or otherwise compensate Noteholders for the lesser amounts that the Noteholders will receive as a result of the imposition of any such deduction or withholding, or otherwise to pay any additional amounts to any of the Noteholders.

For further details see the section headed "*Taxation in the Republic of Italy*".

Tax treatment of the Issuer

Taxable income of the Issuer is determined in accordance with Italian Presidential Decree No. 917 of 22 December 1986. Based on the general rules applicable to the calculation of the net taxable income of a company, such taxable income should be calculated on the basis of accounting, *i.e.* on-balance sheet, earnings, subject to such adjustments as are specifically provided for by applicable income tax rules and regulations. On this basis, no taxable income should accrue to the Issuer in the context of the transfer to the Issuer of the Portfolio. This opinion has been expressed by scholars and tax specialists and has been confirmed by the tax authority (Circular No. 8/E issued by *Agenzia delle Entrate* on 6 February 2003) on the grounds that the net proceeds generated by the securitised assets may not be considered as legally available to an issuer insofar as any and all amounts deriving from the underlying assets are specifically destined to satisfy the obligations of such issuer to the noteholders, the originator and any other creditors of the issuer in respect of the securitisation of the underlying assets in compliance with applicable laws.

Pursuant to Legislative Decree No. 141/2010 which modified Article 3, paragraph 3, of Securitisation Law, the Issuer is not any longer required to be registered as financial intermediary under Article 106 of the Consolidated Banking Act while it is enrolled in the register for securitisation vehicles held by the Bank of Italy pursuant to the Bank of Italy's regulation dated 7 June 2017. The Italian tax authority (*Agenzia delle Entrate*) has not changed its tax guidelines.

It is, however, possible that the Ministry of Economy and Finance or another competent authority may issue further regulations, letters or rulings relating to Securitisation Law which might alter or affect the tax position of the Issuer as described above.

Indirect taxation on the transfer of claims

A transfer of claims falls within the scope of VAT if it can be characterised as a supply of services rendered by the purchaser. In this respect, a transfer of claims entails a supply of services in the event and to the extent that (i) it has a "*financial purpose*" pursuant to Article 3, paragraph 2, item 3) of Presidential Decree of 26 October 1972, No. 633 and (ii) it is effected for consideration pursuant to Article 3, paragraph 1 of the above mentioned Presidential Decree. In such a case, the transfer of the claims is subject to VAT at the zero per cent. rate (VAT exempt transaction) provided that it could not be qualified as credit recovery (*attività di recupero crediti*) subject to VAT rate of 22 per cent. In general terms, as far as the "financial purpose" is concerned, it must be pointed out that the transfer of the claims related to a securitisation transaction takes place in the context of a "financial transaction" because (a) the originator transfers the claims to the issuer in order to enable the latter to raise funds (through the issuance of notes collateralised by the claims) to be advanced to the originator as transfer price of the claims; (b) the issuer will effectively be entitled to retain for itself all collection and recoveries proceeds of the claims to the extent necessary to repay the principal amount of the notes and to pay interest thereon and all costs borne by the issuer in the context of the transaction. In this respect, the transfer of claims in the context of a securitisation transaction should not be deemed as credit recovery (*attività di recupero crediti*) subject to a VAT rate of 22 per cent., based on the clarification given by the Italian Tax Authority in Resolution No.

32/E of 11 March 2011. As far as the transfer of claims for a consideration is concerned, it must be pointed out that this matter has been analysed by the EU Court of Justice and by *Agenzia delle Entrate* in cases dealing with the VAT analysis of the transfer of claims within the context of a factoring transaction and without specifically considering a securitisation transaction (among others EU Court of Justice judgment of June 26, 2003 on case C-305/01 and Resolution No. 32/E of 11 March 2011 issued by Agenzia delle Entrate). However, it is also to be mentioned that since both factoring and securitisation transaction share similar "financial purposes", the general consensus in the tax doctrine is that the transfer of claims must be treated similarly within the context of both transactions. According to the above mentioned judgments and resolutions, the remuneration of the "financial transaction" executed through the assignment of claims would be represented by any existing positive difference between the face value of the claims and the purchase price paid by the purchaser for the purchase of the same claims (i.e. the so-called "***Discount***") as well as by any commission paid by the transferor with the purpose to remunerate the transferee for the payment in advance made before the expiration of the claim, which in substance constitutes a financing. In such a case, the transfer of the claims is subject to VAT at the zero per cent. rate (VAT exempt transaction). In the absence of a remuneration for the financing granted through the transfer of claims, such transfer cannot result in the supply of a "financial transaction" for VAT purposes. In a judgment (Judgment of October 27, 2011 on case C-93/10), the EU Court of Justice took an even more restrictive view on this matter, by stating, with specific reference to non-performing claims, as follows "*an operator who, at its own risk, purchases defaulted debts at a price below their face value does not effect a supply of services for consideration and does not carry out an economic activity falling within the scope of that directive when the difference between the face value of those debts and their purchase price reflects the actual economic value of the debts at the time of their assignment*". Finally, it should be pointed out that the *Agenzia delle Entrate* commented on the VAT regime applicable to the transfer of non-performing claims (*crediti deteriorati*) in Resolution No. 79/E of 31 December 2021. On the basis of a cross interpretation of principles embodied in Resolution No. 32/E of 2011, EU Court of Justice C-93/10 and Resolution No. 79/E of 2021, it can be summarised that, with specific reference to non-performing claims, whenever the amount paid by a purchaser in exchange for the acquisition of the claims reflects the actual economic value of the claims, no "financial service" for VAT purposes would be rendered by the purchaser. According to the above in a context of a securitisation transaction if (i) a portfolio of performing claims is not transferred either for a consideration due by the transferor to the transferee or for a discount below the face value of the claims or (ii) a portfolio of non-performing claims is transferred for a price not below the actual economic value of the claims at the time of their assignment, the relevant transfer could be treated not as a "financial transaction" rendered by the Issuer and therefore the transaction could not qualify for VAT purposes as "*operazione esente*" (VAT exempt subject to VAT at the zero per cent. rate) and could qualify instead as "*operazione fuori campo*" (out of the scope of VAT and not subject to VAT). In this respect, if a transaction does not fall within the scope of VAT, VAT is not due and proportional registration tax will be applicable. In this latter case, should for any reason the Subsequent Transfer Agreement be subject, either voluntarily or in case of use or enunciation, to registration, 0.5% registration tax will be payable by the relevant parties thereto on the nominal value of the transferred claims.

To the extent that a transfer of a portfolio of claims (both performing and non-performing) is made between participants in a VAT group and is provided within the VAT group's same branch of activity (see also "Risk Factor - Issuer's participation in IFIS' VAT group"), the supply of services rendered to the originator by the purchaser under a transfer agreement will qualify as "*operazione fuori campo*" (out of the scope of VAT and not subject to VAT). In this respect, for registration tax purposes, it is determined that the supply of services between the participants in a VAT group is considered subject to VAT, according to the so called "*principio di alternatività IVA/registro*" (principle of alternativity VAT/registration tax), pursuant to Article 40, paragraph 1, of Presidential Decree of 26 April 1986, No. 131. In this latter case, should for any reason the Subsequent Transfer Agreement be subject, either voluntarily or in case of use or enunciation, to registration, a fixed € 200 registration tax and no *ad*

valorem 0.5% registration tax should be payable by the relevant parties thereto on the nominal value of the transferred claims.

Prospective Noteholders should be aware that, as at the date of this Prospectus, the transfer of claims in a VAT group regime has not been tested in the case law nor clarified in any further regulation. Therefore, the Issuer cannot predict its impact as at the date of this Prospectus.

Issuer's participation in IFIS' VAT group

Italian Law No. 232 of 11 December 2016 (the "**2017 Budget Law**") introduced in Presidential Decree No. 633 of 26 October 1972 (the "**VAT Decree**") rules relating to VAT groups (Articles from 70-*bis* to 70-*duodecies*) ("**VAT Group regime**"), applicable upon election starting from 1 January 2019 subject to the requirements provided by law being met. Under the VAT Group regime: (i) group members are treated as a single taxable person and supplies of goods and services between group members are no longer relevant for VAT purposes; (ii) the VAT group files a single VAT return; (iii) provided that the relevant requirements pursuant to the VAT Decree continue to be satisfied, the election has a binding effect for three years. After the first three-year period, the option for the VAT Group regime is automatically renewed every year until revocation is exercised; (iv) pursuant to the provisions of Article 70-*octies* of the VAT Decree, all entities included in the relevant VAT group are jointly and severally liable to the Italian Tax Authority for VAT debts, interest and penalties related to the VAT group.

On 31 October 2018, the Italian Tax Authority issued circular letter No. 19/E confirming that the VAT group regime is applicable to all businesses, including where a business is carried out through the creation of segregated pools of assets - such as, for instance, funds managed by alternative investment fund managers - specifying that Italian funds, as pools of segregated assets, would be liable only for the VAT payment obligations specifically relating to their assets.

In respect of the liability of securitization vehicles, tax ruling No. 487 of 15 November 2019 clarified that the Italian Tax Authority has recourse to the segregated assets of securitisation vehicles, pursuant to Article 70-*octies* of the VAT Decree, exclusively up to concurrence of the amount due as for taxes, interest and penalties further to liquidation and control activities, which result to be attributable to the assets themselves (*ascrivibili alla gestione dei patrimoni stessi*).

As at the Initial Issue Date, the Issuer was not included in the Ifis VAT Group. However, according to the Quotaholders' Agreement, (i) Stichting Mindful has granted to Banca IFIS S.p.A. (A) an option pursuant to article 1331 of the Italian civil code to purchase from Stichting Mindful (also through another company of the Gruppo Banca Ifis designated by Banca Ifis S.p.A.) a portion of the participation held by Stichting Mindful in the Issuer's quota capital (provided that the participation of Banca Ifis S.p.A (also through another company of the Gruppo Banca Ifis designated by Banca Ifis S.p.A.) in the Issuer's quota capital prior to the redemption in full of the Rated Notes shall not exceed 90% (ninety per cent) of the Issuer's Quota Capital) prior to the redemption in full of the Rated Notes (the "**Banca Ifis First Call Option**") and (B) an option pursuant to article 1331 of the Italian civil code to purchase from Stichting Mindful (also through another company of the Gruppo Banca Ifis designated by Banca Ifis S.p.A.) the entire participation (or a portion thereof) held by Stichting Mindful in the Issuer's quota capital to be exercised starting from the date on which the Rated Notes are redeemed in full (the "**Banca Ifis Second Call Option**"); (ii) following the exercise of the Banca Ifis First Call Option, a Majority Stake Acquisition Event may occur and (ii) under the Intercreditor Agreement, the parties thereto (including the Representative of the Noteholders, also on behalf of the Noteholders) have acknowledged and agreed that, following the occurrence of a Majority Stake Acquisition Event, the Issuer, subject to the requirements set out under the relevant applicable laws being met and without any other consent of the parties to the Transaction, including the Representative of the Noteholders, also on behalf of the Noteholders, being necessary, will be included in the IFIS VAT Group pursuant to and with effect from the date set out under the relevant applicable laws. Under the Intercreditor Agreement, Banca IFIS, in its capacity as Quotaholder, has undertaken to promptly notify the other Parties, the Arrangers and the Rating Agencies

of (i) the inclusion of the Issuer in the IFIS VAT Group (once occurred) and (ii) the date on which such inclusion will be effective.

For the purpose of this paragraph, "**Majority Stake Acquisition Event**" means the acquisition of a majority stake by Banca Ifis S.p.A. (or such other company of the Gruppo Banca Ifis as is designated by Banca Ifis S.p.A.) through which Banca Ifis S.p.A. (or such other company of the Gruppo Banca Ifis as is designated by Banca Ifis S.p.A) acquires control of the Issuer pursuant to article 2359, paragraph 1, sub-paragraph 1, of the Italian civil code. Banca Ifis S.p.A. has undertaken under the Quotaholders' Agreement, upon inclusion of the Issuer in its VAT group, to hold harmless and indemnity of demand the Issuer for any costs, expenses, liabilities and other charges which the Issuer may incur as a result of its participation in the Banca IFIS's VAT Group.

On 26 June 2021, Banca Ifis exercised the Banca Ifis First Call Option and, as a result of that, the authorised and issued capital of the Issuer is split as described in the section headed "*the Issuer*").

Starting from 1st January 2022 and in accordance with article 70-*ter*, VAT Decree, the Issuer has been included in the IFIS VAT Group.

Prospective Noteholders should be aware that, as at the date of this Prospectus and save for what is mentioned above, the participation of the Issuer in a VAT group regime has not been tested in the case law nor clarified in any further regulation. Therefore, the Issuer cannot predict their impact as at the date of this Prospectus.

Prospective Noteholders should be aware that the Initial Portfolio Base Case Scenario prepared by the Servicer does not take into account any benefit that may potentially derive from the Issuer becoming part of the IFIS VAT Group.

U.S. Foreign Account Tax Compliance Act Withholding

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended ("**FATCA**") generally impose a new reporting regime and potentially a 30.00 per cent U.S. withholding tax with respect to certain payments to certain non-U.S. financial institutions (including entities such as the Issuer) that do not (i) enter into and comply with an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide certain information about the holders of its debt or equity or (ii) comply with legislation implementing an intergovernmental agreement, if any, between the United States and the applicable residence jurisdiction (an "**IGA**"). The FATCA rules may also affect other non-U.S. entities that are not considered financial institutions for these purposes, but in this case different rules apply. The new withholding regime currently applies with respect to certain U.S. source payments, but FATCA withholding on debt obligations generating non-U.S. source interest (such as the Notes) will not begin to apply until 2019. Furthermore, in accordance with a grandfathering rule, even if the payments on the Notes are otherwise potentially subject to FATCA withholding, the Notes, so long as they are characterised as indebtedness for U.S. federal income tax purposes, should only become subject to the FATCA regime if the Notes are issued (or materially modified) after the date that is six months after the date final regulations defining the term "foreign passthru payment" are published. No such final regulations have been published yet. In particular, a FATCA withholding tax may be triggered if (i) the issuer is a foreign financial institution ("**FFI**") (as defined by FATCA), which enters into and complies with an agreement with the IRS to provide certain information on its account holders (a term which includes the holders of its debt or equity interests that are not regularly traded on an established securities market) (making the issuer a "**participating FFI**"), (ii) any payment by the issuer is considered to be attributable to any U.S. source "withholdable payment" to the issuer, and (iii) (a) an investor does not provide information sufficient for the participating FFI to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States account" of such issuer, or (b) any FFI through which payment on the notes or other payments are made is not a participating FFI.

The United States has entered into IGAs to implement FATCA with a number of jurisdictions. Different rules than those described above may apply if the Issuer or an investor is resident in a jurisdiction that has entered into an IGA. Italy and the United States have entered into a so-called Model 1 IGA under which information regarding certain direct and indirect holders of the Notes may be provided to the Italian tax authorities, which will provide such information to the U.S. tax authorities. Under the Italian IGA, the Issuer will not be required to enter into an agreement with the IRS or withhold under FATCA from payments it makes on the Notes if it complies with the terms of the Italian IGA. However if (i) the placement of the Notes is not performed by a Reporting Italian Financial Institution (a "**RIFI**"), or (ii) the Notes are not sold by the Issuer to a RIFI, or (iii) the Notes are not subscribed for by the Issuer and are held among its assets (*"mantenute nel proprio attivo dello stato patrimoniale"*), the Issuer may be required to register with the IRS and comply with any Italian legislation that would be implemented to give effect to such IGA.

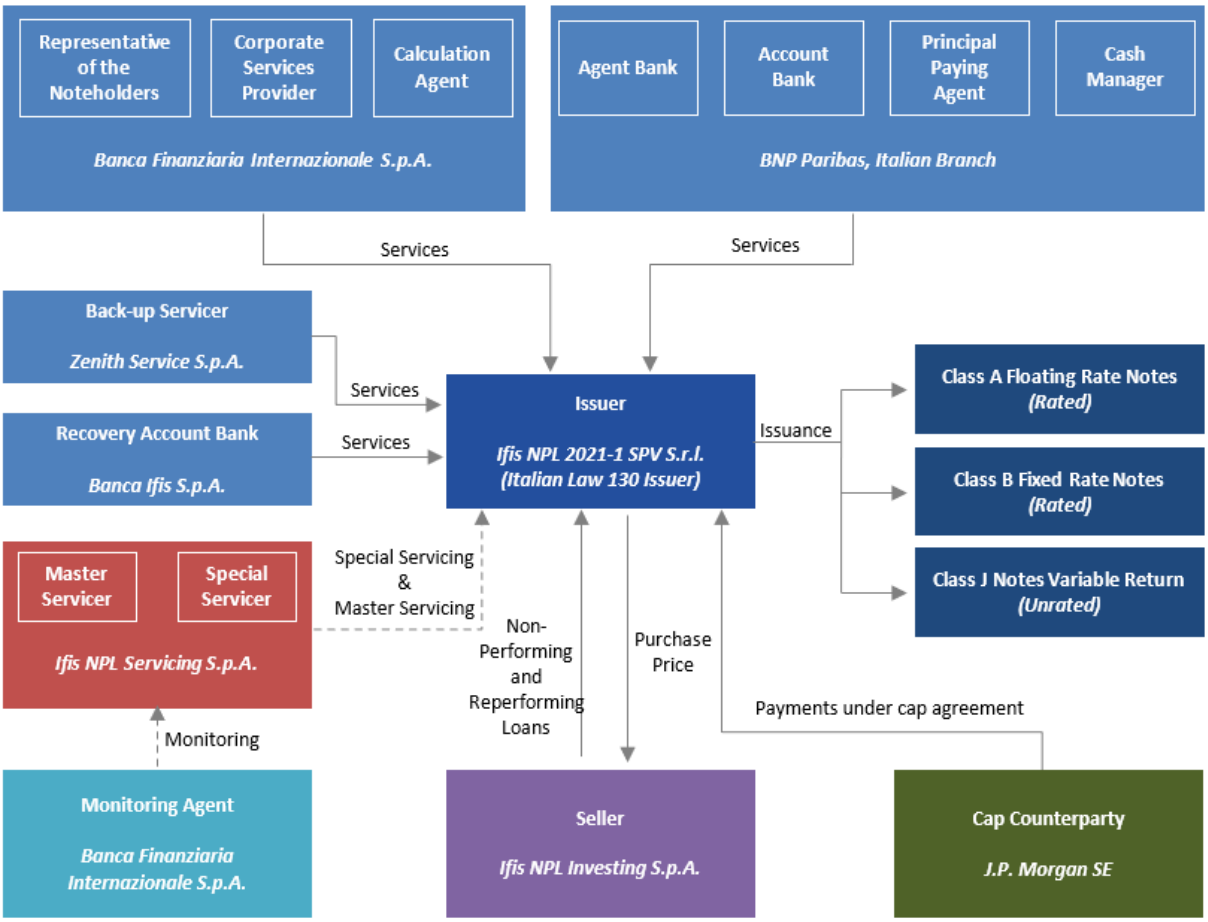
Because many aspects of the application of FATCA to the Issuer are uncertain and will have to be addressed in future legislation or regulatory guidance, it is not clear at this time how the FATCA reporting and withholding regime may affect interest, principal or other amounts due under the Notes or any payment to be made by any paying agent or any other Party to this Transaction, or what actions, if any, will be required to minimise the impact of FATCA on the Issuer and the Noteholders. No assurance can be given that the Issuer will take any actions or that, if actions are taken, they will be successful in minimising the new FATCA withholding tax. If an amount in respect of U.S. withholding tax (including under FATCA) were to be deducted or withheld from interest or principal on the Notes or other payments from a Party to this Transaction as a result of a holder's failure to comply with these rules or as a result of the presence in the payment chain of a non-participating FFI, none of the Issuer, any paying agent or any other person would, pursuant to the Conditions or any other Transaction Documents, be required to pay additional amounts as a result of the deduction or withholding of such tax.

Holders of Notes should consult their own tax advisors about the application of FATCA and on how the above rules may apply to, or affect payments to be received under the Notes or any other payments to be made by the parties to this Transaction.

Combination or "layering" of multiple risk factors may significantly increase risk of loss

Although the various risks discussed in this Prospectus are generally described separately, prospective investors in the Class A Notes should consider the potential effects of the interplay of multiple risk factors. Where more than one significant risk factor is present, the risk of loss to an investor may be significantly increased. For example, the Receivables comprise also defaulted claims, and investors will be relying on the ability of the Servicer to convert such Receivables to cash. There are many other circumstances in which layering of multiple risks with respect to the asset pool and the Class A Notes may magnify the effect of those risks.

TRANSACTION DIAGRAM



OVERVIEW OF THE TRANSACTION

The following information is an overview of certain aspects of the transactions relating to the Notes and should be read in conjunction with, and is qualified in its entirety by reference to, the detailed information presented elsewhere in this Prospectus and in the Transaction Documents. All capitalised words and expressions used in this overview of the transaction, not otherwise defined, shall have the meanings ascribed to such words and expressions elsewhere in this Prospectus.

THE PRINCIPAL PARTIES

ISSUER	**Ifis NPL 2021-1 SPV S.r.l.**, a limited liability company (*società a responsabilità limitata*) incorporated in the Republic of Italy under article 3 of Law no. 130 of 30 April 1999 (the "**Securitisation Law**"), registered office at Via Vittorio Alfieri 1, 31015 Conegliano (TV), Italy, quota capital of Euro 10,000 fully paid in, fiscal code and enrolment number with the companies register (*registro delle imprese*) of Treviso-Belluno no. 05148990269, belonging to the Ifis VAT Group with VAT number 04570150278, enrolled in the register of special purpose vehicles (*elenco delle società veicolo*) held by the Bank of Italy pursuant to article 4 of Regulation of the Bank of Italy (*provvedimento della Banca d'Italia*) dated 7 June 2017 under n. 35782.2 (the "**Issuer**").
SELLER	**Ifis NPL Investing S.p.A.**, a company incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office at Via Terraglio, 63, 30174 Venezia Mestre, Italy, share capital of Euro 22,000,000.00 fully paid up, tax code number 04494710272, belonging to the Ifis VAT Group with VAT number 04570150278, REA CCIA Venice 420580, registered with the register of financial intermediaries (*albo degli intermediari finanziari*) held by the Bank of Italy pursuant to article 106 of Italian legislative decree No. 385 of 1 September 1993 as subsequently amended and supplemented (the "**Consolidated Banking Ac**t") under number 222, belonging to the banking group "Gruppo Banca Ifis", subject to the activity of direction and coordination ("*soggetta all'attività di direzione e coordinamento*") of Banca Ifis S.p.A. ("**Ifis**" or the "**Seller**").
AGENT BANK	**BNP PARIBAS, Italian Branch,** a company incorporated under the laws of France, having its registered office at 16, Boulevard des Italiens, 75002 Paris, France, acting through its Italian branch, registered with the register of banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act under number 5482, having its registered office at Piazza Lina Bo Bardi, 3, 20124, Milan, as successor of "BNP Paribas Securities Services", further to the merger by way of incorporation (*fusione per incorporazione*) of BNP Paribas Securities Services into BNP Paribas, which took place on 1 October 2022 ("**BNP**"), acting as agent bank (the "**Agent Bank**") or any other person from time to time acting as such.
ACCOUNT BANK	**BNP**, acting as account bank (the "**Account Bank**") or any other person from time to time acting as such.

RECOVERY ACCOUNT BANK	**Banca Ifis S.p.A**., a bank incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office at Via Terraglio, 63, 30174 Venezia Mestre, Italy, share capital of Euro 53,811,095.00 fully paid up, tax code and enrolment with the Companies' Register of Venezia Rovigo under number 02505630109, VAT code 04570150278, ABI code 03205, parent company of the banking group "Gruppo Banca Ifis", registered in the register of banking groups ("**Banca Ifis**"), acting as recovery account bank (the "**Recovery Account Bank**" and, together with the Account Bank, the "**Account Banks**") or any other person from time to time acting as such.
PAYING AGENT	**BNP**, acting as paying agent (the "**Paying Agent**") or any other person from time to time acting as such.
REPRESENTATIVE OF THE NOTEHOLDERS	**BANCA FINANZIARIA INTERNAZIONALE S.P.A.**, a bank incorporated under the laws of the Republic of Italy as a joint stock company with a sole shareholder (società per azioni unipersonale), share capital of Euro 91,743,007.00 fully paid up, having its registered office at Via Vittorio Alfieri 1, 31015 Conegliano (TV), fiscal code and enrolment in the companies' register of Treviso-Belluno under the number 04040580963, VAT Group "Gruppo IVA FININT S.P.A." - VAT number 04977190265, registered with the Bank of Italy pursuant to article 13 of the Consolidated Banking Act under number 5580 ("**Banca Finint**"), acting as representative of the Noteholders (the "**Representative of the Noteholders**") or any other person from time to time acting as such.
SERVICER	**Ifis NPL Servicing S.p.A.**, a company incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office at Via Terraglio, 63, 30174 Venezia Mestre, Italy, share capital of Euro 3,000,000.00 fully paid up, fiscal code and enrolment with the Companies' Register of Venezia Rovigo under number 04602210272, VAT code 04570150278, registered with the register of financial intermediaries (*albo degli intermediari finanziari*) held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act under number 67, having as sole shareholder Ifis Npl Investing S.p.A., belonging to the banking group "Gruppo Banca Ifis" and subject to the activity of direction and coordination ("*soggetta all'attività di direzione e coordinamento*") of Banca Ifis S.p.A.; acting as servicer (the "**Servicer**") or any other person from time to time acting as such.
CORPORATE SERVICES PROVIDER	**Banca Finint**, acting as corporate services provider (the "**Corporate Services Provider**").
QUOTAHOLDERS	**Banca Ifis**, acting as quotaholder (a "**Quotaholder**"), or any other person from time to time acting as such; and **Stichting Mindful**, a foundation (Stichting) established under the laws of The Netherlands having its registered office at Locatellikade 1, 1076 AZ, Amsterdam, The Netherlands and enrolled with the Chamber of Commerce in Amsterdam at the No. 80775527, Italian Fiscal Code No. 91048790264, acting as quotaholder ("**Stichting Mindful**" or a "**Quotaholder**" and, together with Banca Ifis, the

	"**Quotaholders**") or any other person from time to time acting as such.
STICHTING CORPORATE SERVICES PROVIDER	**Wilmington Trust SP Services (London) Limited**, a private limited liability company incorporated under the laws of England and Wales, having its registered office at Third Floor, 1 King's Arms Yard, London EC2R 7AF, United Kingdom, enrolment with the Trade Register of the Chamber of Commerce of England and Wales under no. 02548079, acting as stichting corporate services provider (the "**Stichting Corporate Services Provider**").
CASH MANAGER	**BNP**, acting as cash manager (the "**Cash Manager**") or any other person from time to time acting as such.
CALCULATION AGENT	**Banca Finint**, acting as calculation agent (the "**Calculation Agent**") or any other person from time to time acting as such.
MONITORING AGENT	**Banca Finint**, acting as monitoring agent (the "**Monitoring Agent**") or any other person from time to time acting as such.
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 Corso Vittorio Emanuele II, 24/28 20122 Milan – Monza – Brianza - Lodi, Italy, fully paid share capital of Euro 2,000,000, fiscal code and enrolment with the companies register of Rome number 02200990980, enrolled in the Albo Unico held by Bank of Italy pursuant to articles 106 of the Consolidated Banking Act, ABI Code 32590.2, acting as back-up servicer ("**Zenith**" or the "**Back-up Servicer**") or any other person from time to time acting as such.
CAP COUNTERPARTY	**JPM** (as defined below), acting as cap counterparty ("the "**Cap Counterparty**") or any other person from time to time acting as such.
ARRANGERS	**J.P. Morgan SE**, stock company (*Aktiengesellschaft*) incorporated under the laws of the Federal Republic of Germany, having its registered office at Taunustor 1 (TaunusTurm) 60310 Frankfurt am Main Federal Republic of Germany, registered with the Commercial Register of the District Court in Frankfurt am Main under number HRB 126056, acting in its capacity as arranger ("**JPM**" or an "**Arranger**"). **Banca Ifis** (an "**Arranger**" and, together with JPM, the "**Arrangers**").

PRINCIPAL FEATURES OF THE NOTES

TITLE

In the context of a securitisation transaction carried out in March 2021 by the Issuer (the "**Original Securitisation**"), on 19 March 2021 (the "**Initial Issue Date**"), the Issuer issued:

(i) Euro 158,775,000 Class Ax Asset Backed Floating Rate Notes due January 2051 (the "**Class Ax Notes**");

(ii) Euro 206,225,000 Class Ay Asset Backed Floating Rate Notes due July 2051 (the "**Class Ay Notes**" and, together with the Class Ax Notes, the "**Original Class A Notes**" or the "**Original Senior Notes**");

(iii) Euro 74,400,000 Class B Asset Backed Fixed Rate Notes due July 2051 (the "**Original Class B Notes**" and, together with the Original Class A Notes, the "**Original Rated Notes**"); and

(iv) Euro 23,600,000 Class J Asset Backed Fixed Rate and Variable Return Notes due July 2051 (as subsequently amended, the "**Original Class J Notes**" or the "**Series J1 Notes**" and together with the Original Class A Notes and the Original Class B Notes, the "**Original Notes**").

In the context of the restructuring of the Original Securitisation (the "**Restructuring**"), *inter alia* on 28 July 2023 (the "**Subsequent Issue Date**") the Issuer will issue:

(i) Euro 515,000,000 Class A Asset Backed Floating Rate Notes due January 2060 (the "**Class A Notes**" or the "**Senior Notes**");

(ii) Euro 90,000,000 Class B Asset Backed Fixed Rate Notes due January 2060 (the "**Class B Notes**" or the "**Mezzanine Notes**" and, together with the Class A Notes, the "**Rated Notes**"); and

(iii) Euro 25,000,000 Class J2 Asset Backed Fixed Rate and Variable Return Notes due January 2060 (the "**Series J2 Notes**" and, together with the Series J1 Notes, the "**Class J Notes**" or the "**Junior Notes**"; the Class A Notes, the Class B Notes and the Series J2 Notes, collectively, the "**Subsequent Notes**"; following the Subsequent Issue Date, the Senior Notes, the Mezzanine Notes and the Junior Notes will jointly be referred to as the "**Notes**").

The proceeds of the offering of the Subsequent Notes, will be also used in order to, inter alia, (i) early redeem in whole the Original Class A Notes and the Original Class B Notes, and (ii) purchase of an additional portfolio of monetary claims (respectively, the "**Subsequent Portfolio**" and the "**Subsequent Receivables**") sold by Ifis, in both cases including by way of set-off.

The Subsequent Portfolio has been purchased by the Issuer under the terms of an additional transfer agreement between the Issuer and the Seller pursuant to the Securitisation Law executed on 21 July 2023 (the "**Subsequent Transfer Agreement**").

Therefore, on the Subsequent Issue Date, following the payments set forth to take place on such date and the cancellation of the Original Rated Notes, the outstanding principal amount of each class of Notes will be:

- Euro 23,600,000 Class J Asset Backed Fixed Rate and Variable Return Notes due July 2051;

- Euro 515,000,000 Class A Asset Backed Floating Rate Notes due January 2060;

- Euro 90,000,000 Class B Asset Backed Fixed Rate Notes due January 2060;

- Euro 25,000,000 Class J2 Asset Backed Fixed Rate and Variable Return Notes due January 2060.

ISSUE PRICE

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

Class	*Issue Price*
Class A Notes	100%
Class B Notes	100%
Series J2 Notes	100%

INTEREST

The floating rate of interest applicable from time to time to the Class A Notes shall be the aggregate of Six Month EURIBOR as determined and defined in accordance with Condition 5 (*Interest*) and 2.8 per cent. per annum (the "**Class A Margin**") for each Interest Period (other than the Initial Interest Period in respect of which the Class A Interest Rate shall be the aggregate of the Class A Margin and the linear interpolation between 6 (six) and 12 (twelve) months deposits in Euro) (the "**Class A Interest Rate**"); *provided that*, for the above purpose, the Class A Interest Rate on the Notes may not be below zero.

The fixed rate of interest applicable to the Class B Notes for each Interest Period, including the Initial Interest Period, shall be 6.0% *per annum*.

The fixed rate of interest applicable to the Series J1 Notes for each Interest Period, including the relevant Initial Interest Period, is 12% *per annum*.

The fixed rate of interest applicable to the Series J2 Notes for each Interest Period, including the relevant Initial Interest Period, shall be 12.0% *per annum*.

The Class J Notes bear, in addition to interest, the Class J Notes Variable

Return.

PAYMENT DATE

Interest on the Notes will accrue on a daily basis and will be payable semi-annually in arrears in Euro on the last calendar day of January and July in each year or, if such day is not a Business Day, the immediately succeeding Business Day, unless such Business Day would fall in the next calendar month in which case payment will be made on the immediately preceding Business Day (each such date, a "**Payment Date**"), it being understood that the first Payment Date with reference to the Subsequent Notes will fall on January 2024.

CLASS J NOTES VARIABLE RETURN

"**Class J Notes Variable 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 (*Thirteenth*) (inclusive) 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 (*Eleventh*) (inclusive) of the Acceleration Order of Priority.

UNPAID INTEREST

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 accrued on the Notes on the immediately following Payment Date. Any such unpaid amount on the Notes shall not accrue additional interest.

Without prejudice to the foregoing, any failure to pay the relevant Interest Amount on the Senior Notes on any Payment Date prior to the Final Maturity Date will constitute a Trigger Event pursuant to Condition 9 (*Trigger Events*) unless remedied by way of the proceeds of the Liquidity Facility.

FORM AND DENOMINATION OF THE NOTES

The Original Notes are held, and the Subsequent Notes will be held as of the Subsequent Issue Date, in dematerialised form on behalf of the Noteholders, until redemption or cancellation thereof, by Euronext Securities Milan for the account of the relevant Account Holder. Euronext Securities Milan shall act as depository for Clearstream and Euroclear. Title to the Original Notes are evidenced, and the Subsequent Notes will be evidenced, by book entries in

accordance with the provisions of (i) article 83-*bis* of the Legislative Decree No. 58 of 24 February 1998 and (ii) the regulation of 13 August 2018 jointly issued by the Bank of Italy and CONSOB (*Disciplina delle controparti centrali, dei depositary centrali e dell'attività di gestione accentrata centrali e dell'attività di gestione accentrata*), as subsequently amended and supplemented. No physical document of title are issued in respect of the Original Notes and will be issued in respect of the Subsequent Notes.

The Original Notes are issued, and the Subsequent Notes will be issued, in denominations of Euro 100,000 and multiples of Euro 1,000.

ISSUER AVAILABLE FUNDS

Means, in respect of each Payment Date, the aggregate (without duplication) of:

(i) all the Collections and any other sums received by the Issuer from or in respect of the Portfolio, during the immediately preceding Collection Period;

(ii) all amounts due and payable to the Issuer in respect of such Payment Date under the terms of the Cap Agreement (if and to the extent paid) other than (1) any Collateral Amount, any termination payment required to be made under the Cap Agreement, any collateral payable or transferable (as the case may be) under the Cap Agreement and any Replacement Cap Premium paid to the Issuer (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 Cap Tax Credit Amounts (which amounts shall be paid when due in accordance with the Cap Agreement, without regard to the Collateral Account Priority of Payments or the Order of Priority);

(iii) all other amounts (without double counting with the amounts referred to in item (i) above) credited or transferred during the immediately preceding Collection Period into the Collection Account;

(iv) all interest accrued on the amounts standing to the credit of each of the Accounts (except for the Expenses Account and the Quota Capital Account) and paid during the immediately preceding Collection Period on the Collection Account;

(v) any profit and accrued interest received (up to the Eligible Investments Maturity Date) under the Eligible Investments made out of the funds standing to the credit of the Investment Account in the immediately preceding Collection Period in accordance with the provisions of the Cash Administration and Agency Agreement;

(vi) all amounts received by the Issuer from the Seller pursuant to the Warranty and Indemnity Agreements during the immediately preceding Collection Period (including any amount received by the Issuer from the Seller as indemnity in case of breach of any representations and

warranties given by the Seller pursuant to the Warranty and Indemnity Agreements);

(vii) any amounts paid into the Payments Account during the immediately preceding Collection Period other than the Issuer Available Funds utilised on the immediately preceding Payment Date;

(viii) on each Payment Date falling after the Subsequent Issue Date, the amounts standing to the credit of the Cash Reserve Account on the preceding Payment Date (following payments under the applicable Order of Priority having been made) or, in case of the Payment Date falling on January 2024, the amounts standing to the credit of the Cash Reserve Account on the Subsequent Issue Date;

(ix) the proceeds deriving from the disposal in whole or in part (if any) of the Portfolio pursuant to the Intercreditor Agreement;

(x) any Cap Collateral Account Surplus paid into the Payments Account in accordance with the Collateral Account Priority of Payments;

(xi) any amounts (other than the amounts already allocated under other items of the Issuer Available Funds) received by the Issuer from any party to the Transaction Documents during the immediately preceding Collection Period;

(xii) on the earlier of (a) the Payment Date on which the Notes will be redeemed in full and (b) the Cancellation Date, (x) the amount transferred from the Expenses Account to the Payments Account on the immediately preceding Business Day, and (y) the balance of the Recovery Expenses Reserve Account;

(xiii) any amount deriving from the Liquidity Facility (if any) or the proceeds of any limited recourse loan or other alternative financing structure referred to in Condition 6.2 (*Redemption for Taxation*) or Condition 6.4 (*Optional Redemption*),

but excluding (i) the repurchase price to be paid on or about the Subsequent Issue Date by the Seller in relation to the Repurchase, (ii) with respect to the Payment Date falling on January 2024, the amount of Collections and other amounts standing to the credit of the Payments Account utilised to make payments on or following the Subsequent Issue Date in accordance with the provisions of the Restructuring Documents, (iii) any amount paid out of the Collection Account during the immediately preceding Interest Period in accordance with the provisions of the Transaction Documents, it being understood that the amounts standing to the credit of the Payments Account not utilised to make payments on or about the Subsequent Issue Date in accordance with the Restructuring Documents, shall form part of the Issuer Available Funds available on the Payment Date falling on January 2024.

ORDERS OF PRIORITY

PRE-ACCELERATION ORDER OF PRIORITY

Prior to (i) the service of a Trigger Notice, (ii) a Redemption for Taxation pursuant to Condition 6.2 (*Redemption for Taxation*) or (iii) an Optional Redemption pursuant to Condition 6.4 (*Optional Redemption*), the Issuer Available Funds shall be applied on each Payment Date (or on the Business Day preceding to the Subsequent Issue Date, as the case may be) 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):

(i) *First*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof):

(a) the Special Servicing Senior Fees, the Master Servicing Fees and the Debt Collectors Fees;

(b) 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 fulfill 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 the Recovery Expenses, to the extent not payable through the amounts standing to the credit of the Recovery Expenses Reserve Account;

(c) 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;

(d) the fees, expenses and all other amounts due to the Representative of the Noteholders and the members of the Committee; and

(e) 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;

(ii) *Second*, 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 Cash Manager, the Calculation Agent, the Account Banks, the Agent Bank, the Paying Agent, the Monitoring Agent, the Corporate Services Provider, the Stichting Corporate Services Provider and the Back-up Servicer;

(iii) *Third*, to credit the Recovery Expenses Reserve Account with the difference between the Recovery Expenses Reserve Amount due on such Payment Date and the balance of the Recovery Expenses Reserve Account;

(iv) *Fourth*, to pay, pari passu and pro rata, all amounts due and payable in respect of interest on the Class A Notes on such Payment Date;

(v) *Fifth*, to credit the Cash Reserve Account up to an amount equal to the Target Cash Reserve Amount;

(vi) *Sixth*, to pay (*pari passu* and *pro rata rata* to the extent of the respective amounts thereof) interest due and payable on the Class B Notes, provided that a Mezzanine Interest Subordination Event has not occurred in respect to such Payment Date;

(vii) *Seventh*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) the Principal Amount Outstanding of the Class A Notes in full;

(viii) *Eight*, upon occurrence of a Mezzanine Interest Subordination Event in respect to such Payment Date, to pay, *pari passu* and *pro rata*, interest due and payable on the Class B Notes;

(ix) *Ninth*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) (i) the Principal Amount Outstanding on the Class B Notes in full and (ii) the Special Servicer Mezzanine Performance Fees to the Servicer;

(x) *Tenth*, in or towards repayment, of (a) any interest accrued on the Liquidity Facility (if any), and, thereafter, (a) any principal or other amount due by the Issuer in respect of the Liquidity Facility (if any);

(xi) *Eleventh*, in or towards satisfaction of any amounts due and payable by the Issuer pursuant to the Notes Subscription Agreements (including any amounts due and payable as indemnity);

(xii) *Twelfth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class J Notes;

(xiii) *Thirteenth*, 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 the Principal Amount Outstanding of the Class J Notes is equal to Euro 5,000 and on the Final Redemption Date the Principal Amount Outstanding of the Class J Notes until redemption in full of the Class J Notes;

(xiv) *Fourteenth*, to pay, *pari passu* and *pro rata*, any residual amount as Class J Notes Variable Return,

provided, however, that should the Calculation Agent not receive any Semi-Annual Servicing Report within 2 (two) Business Days prior to a Calculation Date,

(i) it shall prepare the Payments Report in respect of the immediately following Payment Date by applying the Issuer Available Funds in an amount not higher than:

(a) the amounts standing to the credit of the Cash 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 respectively to the Investment Account in the immediately preceding Collection Period (as promptly indicated by the Account Bank upon request of the Calculation Agent),

towards payment only of items from (*First*) to (*Fourth*) (but excluding the Special Servicing Fees, the Master Servicing Fees and the Debt Collectors Fees) of the Pre-Acceleration Order of Priority, it being understood that any amount in excess shall be credited on the Payments Account, and

(ii) any amount that would otherwise have been payable under items from (*Fifth*) to (*Fourteenth*) of the Pre-Acceleration Order of Priority will not be included in the relevant Payments Report and shall not be payable on the relevant Payment Date and shall be payable (together with the Special Servicing Fees, the Master Servicing Fees and the Debt Collectors Fees that was not paid under (i) above) in accordance with the applicable Order of Priority on the first following Payment Date on which there are enough Issuer Available Funds and on which details for the relevant calculations will be timely provided to the Calculation Agent.

MEZZANINE INTEREST SUBORDINATION EVENT

If on any Calculation Date (starting from the Calculation Date preceding the Payment Date falling on January 2024) any of the following events occurs (each a **"Mezzanine Interest Subordination Event"**):

(i) the PV Cumulative Profitability Ratio as indicated in the Semi-Annual Servicing Report immediately preceding such Calculation Date is lower than 90%; or

(ii) the amount paid by the Issuer as interest on the Senior Notes is lower than the relevant Interest Amount; or

(iii) the Cumulative Collection Ratio as indicated in the Semi-Annual Servicing Report immediately preceding such Calculation Date is lower than 90%,

and the Monitoring Agent has sent the relevant notice to the Issuer, the Servicer, the Representative of the Noteholders, the Cap Counterparty and the Calculation Agent (the "***Mezzanine Interest Subordination Event Notice***"), interest on the Class B Notes on the immediately following Payment Date will be paid under item (*Eighth*) of the Pre-Acceleration Order of Priority (*i.e.*, junior to the repayment of the Class A Notes).

"**Liquidity Facility**" means any liquidity facility that the Issuer may obtain at any time from a liquidity facility provider for an amount not exceeding the amount sufficient to cure the event under item (ii) of Condition 9 (*Trigger Events*), paragraph (a) and/or to redeem the Notes in accordance with Conditions 6.2 (*Redemption for Taxation*) and 6.4 (*Optional Redemption*).

ACCELERATION ORDER OF PRIORITY

Following the delivery of a Trigger Notice pursuant to Condition 9 (*Trigger Events*), or (b) in the event that the Issuer opts for the Redemption for Taxation pursuant to Condition 6.2 (*Redemption for Taxation*) or for the Optional 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 (the "**Acceleration 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):

(a) the Special Servicing Senior Fees, the Master Servicing Fees and the Debt Collectors Fees;

(b) 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 fulfill 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 the Recovery Expenses, to the extent not payable through the amounts standing to the credit of the Recovery Expenses Reserve Account;

(c) all costs and taxes required to be paid to maintain the ratings of the Rated Notes and/or 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;

(d) the fees, expenses and all other amounts due to the Representative of the Noteholders and the members of the Committee; and

(e) 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;

(ii) *Second*, 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 Cash Manager, the Calculation Agent, the Account Banks, the Agent Bank, the Paying Agent, the Monitoring Agent, the Corporate Services Provider, the Stichting Corporate Services Provider and the Back-up Servicer;

(iii) *Third*, to credit the Recovery Expenses Reserve Account with the difference between the Recovery Expenses Reserve Amount due on such Payment Date and the balance of the Recovery Expenses Reserve Account;

(iv) *Fourth*, to pay, pari passu and pro rata, all amounts due and payable in respect of interest on the Class A Notes on such Payment Date;

(v) *Fifth*, to pay, pari passu and pro rata, the Principal Amount Outstanding of the Class A Notes in full;

(vi) *Sixth*, to pay, (pari passu and pro rata to the extent of the respective amounts thereof) interest due and payable on the Class B Notes;

(vii) *Seventh*, to pay, pari passu and pro rata, (i) the Principal Amount Outstanding of the Class B Notes in full and (ii) the Special Servicer Mezzanine Performance Fees to the Servicer;

(viii) *Eighth*, to pay in or towards repayment, of (a) any interest accrued on the Liquidity Facility (if any), and, thereafter, (a) any principal or other amount due by the Issuer in respect of the Liquidity Facility (if any);

(ix) *Ninth*, in or towards satisfaction of any amounts due and payable by the Issuer pursuant to the Notes Subscription Agreements (including any amounts due and payable as indemnity);

(x) *Tenth*, to pay, pari passu and pro rata, all amounts due and payable in respect of interest on the Class J Notes on such Payment Date;

(xi) *Eleventh*, to pay, pari passu and pro rata, all amounts due and payable in respect of Principal Amount Outstanding of the Class J Notes on such Payment Date; and

(xii) *Twelfth*, to pay, pari passu and pro rata, any residual amount as Class J Notes Variable Return.

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 (the "**Collateral Account Priority of Payments**"):

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

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

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

(c) any return of collateral to the Cap Counterparty upon a novation of the Cap Counterparty's obligations under the Cap Agreement to a replacement cap counterparty,

on any day (whether or not such day is a Payment Date), directly to the Cap 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 Cap Agreement) in respect of the Cap Agreement where (A) such Early Termination Date (as defined in the Cap Agreement) has been designated following an Event of Default (as defined in the Cap Agreement) in respect of which the Cap Counterparty is the Defaulting Party (as defined in the Cap Agreement) or an Additional Termination Event (as defined in the Cap Agreement) resulting from the Cap Counterparty Rating Event and in respect of which the Cap Counterparty is the Affected

Party (as defined in the Cap Agreement) and (B) the Issuer enters into a replacement cap agreement in respect of the Cap Agreement on or around the Early Termination Date of the Cap Agreement, on the later of the day on which such replacement cap agreement is entered into and the day on which the Replacement Cap 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 Cap Premium (if any) payable by the Issuer to a replacement cap counterparty in order to enter into a replacement cap agreement with the Issuer with respect to the Cap Agreement being novated or terminated;

B. *second*, in or towards payment of any termination payment due, any other payments then outstanding and any other contingent payments which are not yet due, to the outgoing Cap Counterparty pursuant to the Cap Agreement; and

C. *third*, the surplus (if any) (a "**Cap Collateral Account Surplus**") on such day to be transferred to the Payments Account for an amount equal to the Cap Collateral Account Surplus and deemed to form Issuer Available Funds;

(iii) following the occurrence or designation of an Early Termination Date in respect of the Cap Agreement where (A) such Early Termination Date has been designated following an Event of Default (as defined in the Cap Agreement) in respect of which the Cap Counterparty is the Defaulting Party (as defined in the Cap Agreement) or an Additional Termination Event (as defined in the Cap Agreement) resulting from a Cap Counterparty Rating Event and in respect of which the Cap Counterparty is the Affected Party (as defined in the Cap Agreement) and (B) the Issuer is unable to or elects not to enter into a replacement cap agreement on or around the Early Termination Date of the Cap Agreement, on any day (whether or not such day is a Payment Date) in or towards payment of any amount due in full and final settlement, any other payments then outstanding and any other contingent payments which are not yet due to the outgoing Cap Counterparty pursuant to the Cap Agreement;

(iv) following the occurrence or designation of an Early Termination Date in respect of the Cap 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 amount due in full and final settlement, any other payments then outstanding and any other contingent payments which are not yet due to the outgoing Cap Counterparty pursuant to the Cap 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 Cap Premium (if any) payable by the Issuer to a replacement cap counterparty in order to enter into a replacement cap agreement with the Issuer with respect to the Cap Agreement being terminated; and

B. *second*, the Cap Collateral Account Surplus remaining after payment of such Replacement Cap Premium to be transferred to the Payments Account and deemed to form Issuer Available Funds,

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

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

(y) 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 as soon as reasonably practicable thereafter and deemed to constitute a Cap Collateral Account Surplus and to form Issuer Available Funds.

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

(a) Non-payment:

(i) the Issuer defaults in the payment of the Principal Amount Outstanding of the Notes on the Final Maturity Date (provided that a 3 (three) Business Days' grace period shall apply); or

(ii) on any Payment Date (without prejudice to what is provided for under the definition of "Payment Date" above), the amount paid by the Issuer as interest on the Senior Notes is lower than the relevant Interest Amount, unless such default is remedied within 3 (three) Business Days by the Issuer by applying (in full or in part) the proceeds of any Liquidity Facility requested for this purpose *provided that* such cure is applicable for not more than 2 (two) consecutive Payment Dates or, in aggregate, 3 (three) Payment Dates; or

(b) 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 the obligations under (a) 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 days after the Representative of the

Noteholders has given written notice thereof to the Issuer, certifying that such default is, in the sole opinion of the Representative of the Noteholders, materially detrimental to the interests of the Most Senior Class of Noteholders and requiring the same to be remedied (provided however that, for the avoidance of doubt, non-payment of principal on the Notes, due to the Servicer not having provided the relevant Semi-Annual Servicing Report (as described in Condition 4.1 (*Pre Acceleration Order of Priority*) shall not constitute a Trigger Event); or

(c) Insolvency:

The Issuer becomes subject to any Insolvency Proceedings; or

(d) 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 (a) above;

(ii) shall, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, in case of any other Trigger Event;

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

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, "*liquidazione giudiziale*", "*concordato preventivo*", "*piani di risanamento*" and "*liquidazione coatta amministrativa*", 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 Portfolio.

SALE OF THE PORTFOLIO

In the following circumstances:

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

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

Redemption); or

(iii) if, after a Trigger Notice has been served on the Issuer (with a copy to the Rating Agencies and the 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 (but not only a part) of the Portfolio to one or more third parties,

the Issuer (in the case of Redemption for Taxation pursuant to Condition 6.2 (*Redemption for Taxation*) and Optional Redemption pursuant to Condition 6.4 (*Optional Redemption*)) or the Representative of the Noteholders in the name and on behalf of the Issuer (after a Trigger Notice has been served on the Issuer) shall be entitled to sell the whole Portfolio as provided under Condition 6.5, provided that:

(a) with respect to the Redemption for Taxation, the sale price will be subject in any case to the requirements provided by Condition 6.2 (*Redemption for Taxation*);

(b) with respect to the Optional Redemption, the sale will be made at a price sufficient to allow the Issuer to redeem:

(i) the Senior Notes, the Mezzanine Notes and the Junior 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); or

(ii) with the prior written consent of the 100% of the Junior Noteholders, the Senior Notes and the Mezzanine Notes in whole and the Junior Notes in part (together with any interest accrued and unpaid thereon until the date on which such redemption occurs); and

(iii) in any case to allow the Issuer to pay any amounts required under the Conditions to be paid in priority to or *pari passu* with such Class of Notes to be redeemed and any amounts required under the Conditions to be paid in priority to or pari passu thereto, pursuant to the Acceleration Order of Priority;

(c) with respect to the sale of the Portfolio after a Trigger Notice, the sale will be made at a price sufficient to allow the Issuer to 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 or as otherwise agreed by the holders of the Most Senior Class of Notes,

(each a "**Minimum Sale Price**").

In particular, should the Seller not exercise the Call Option within the Call Option Period and unless the funds necessary to redeem the Notes are obtained by the Issuer from one or more authorised lenders (including, without

limitation, banks and/or special purpose vehicles incorporated pursuant to Securitisation Law) pursuant to the Liquidity Facility (and subject to the Representative of the Noteholders having received legal and tax opinions to its satisfaction in respect of such new limited recourse loan or other alternative financing structure), the Issuer (in the case of Redemption for Taxation pursuant to Condition 6.2 (*Redemption for Taxation*) and Optional Redemption pursuant to Condition 6.4 (*Optional Redemption*)) or the Representative of the Noteholders in the name and on behalf of the Issuer (after the Extraordinary Resolution provided under Condition 9 (Trigger Events) has been adopted) shall organise through external advisers a competitive bid process to such purpose (the "**Bid Process**").

The Bid Process procedure shall be carried out in compliance with the best practices of the industry and in line with transparency standards, in order to maximize the purchase price of the Portfolio and the Issuer or the Representative of the Noteholders, as the case may be, will be able to sell the Portfolio to the selected party only if the proceeds deriving from the sale of the Portfolio will be applied in accordance with the applicable Order of Priority and, with respect to the Redemption for Taxation, subject in any case to the requirements provided by Condition 6.2 (*Redemption for Taxation*).

Within the date of payment of the purchase price related to the sale of the Receivables above described, the relevant purchaser shall deliver to the Issuer (or to the Representative of the Noteholders, in case of sale of the Portfolio 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 Portfolio; (ii) a solvency certificate signed by a legal representative duly authorized by the purchaser, dated the date of the sale of the Portfolio; 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 Portfolio.

The transfer of the Portfolio pursuant to Condition 6.5 (*Sale of the Portfolio*) shall be construed as a "*contratto aleatorio*" pursuant to article 1469 of the Italian Civil Code and 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 warranty, provided by the transferor, of the existence of the claims and article 1448 of the Italian Civil Code shall not apply. The transfer of the Portfolio shall be subject to the condition of payment in full to the Issuer of the relevant purchase price.

CALL OPTION ON THE WHOLE PORTFOLIO

Under the Intercreditor Agreement, the Issuer has irrevocably granted to the Seller an option right in accordance with article 1331 of the Italian Civil Code (the "**Call Option**") for the Seller, or any other company of the Gruppo Banca IFIS designated by the Seller, to repurchase or purchase, as the case may be, from the Issuer, *inter alia*, the whole Portfolio in the following circumstances:

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

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

(iii) after a Trigger Notice has been served on the Issuer (with a copy to the Rating Agencies and the Servicer) pursuant to Condition 9 (*Trigger Events*); or

(iv) following termination of the Servicer in accordance with the provisions of the Servicing Agreement,

subject to the following provisions:

(i) the sale price will be equal to:

(a) in the case of Redemption for Taxation pursuant to Condition 6.2 (*Redemption for Taxation*), the Minimum Sale Price referred to in Condition 6.5(a); or

(b) in the case of Optional Redemption pursuant to Condition 6.4 (*Optional Redemption*), the Minimum Sale Price referred to in Condition 6.5(b); or

(c) in case a Trigger Notice has been served on the Issuer (with a copy to the Rating Agencies and the Servicer) pursuant to Condition 9 (*Trigger Events*), the Minimum Sale Price referred to in Condition 6.5(c); or

(d) following termination of the Servicer in accordance with the provisions of the Servicing Agreement, a price sufficient to allow the Issuer to redeem:

(x) the Senior Notes, the Mezzanine Notes and the Junior 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); or

(y) with the prior written consent of the 100% of the Junior Noteholders, the Senior Notes and the Mezzanine Notes in whole and the Junior Notes in part (together with any interest accrued and unpaid thereon until the date on which such redemption occurs); and

(z) in any case to allow the Issuer to pay any amounts required under the Conditions to be paid in priority to or *pari passu* with such Class of Notes to be redeemed and any amounts required under the Conditions to be paid in priority to or *pari passu* thereto, pursuant to the Acceleration Order of Priority;

(ii) the intention to exercise the Call Option shall be notified within, as the case may be:

(a) 30 (thirty) calendar days from the delivery of the relevant prior notice provided under Condition 6.2 (*Redemption for Taxation*);

or

(b) 30 (thirty) calendar days prior to the relevant Payment Date, in case the Call Option is exercised in connection with an Optional Redemption pursuant to Condition 6.4 (*Optional Redemption*); or

(c) 30 (thirty) calendar days from the delivery of the relevant prior notice provided under Condition 9 (*Trigger Events*); or

(d) 30 (thirty) calendar days from the termination of the Servicer in accordance with the provisions of the Servicing Agreement

(the "**Call Option Period**");

(iii) the transfer of the Receivables to the Seller shall be construed as a "*contratto aleatorio*" pursuant to Article 1469 of the Italian Civil Code and 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 warranty, provided by the transferor, of the existence of the claims and Article 1448 of the Italian Civil Code shall not apply;

(iv) the transfer of the Receivables to the Seller shall be subject to the condition of payment in full to the Issuer of the relevant purchase price;

(v) both before exercising the Call Option and prior to the date of payment of the purchase price related to the sale of the Receivables above described, the Seller shall deliver to the Issuer (or to the Representative of the Noteholders, in case of sale of the Portfolio 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 exercise of the Call Option and the date of the sale of the Portfolio, respectively; and (ii) a solvency certificate signed by a legal representative duly authorized by the purchaser, dated the date of the exercise of the Call Option and the date of the sale of the Portfolio respectively;

(vi) the Rating Agencies have been notified in advance of such repurchase.

REPRESENTATIVE OF THE NOTEHOLDERS

The terms of the appointment of the Representative of the Noteholders (which are set out in the Notes Subscription Agreements 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.

COMMITTEE

A committee of experts (the "**Committee**") appointed by the Senior Noteholders, Mezzanine Noteholders and Junior Noteholders pursuant to the Rules of the Organisation of the Committee, is entitled to (i) authorize the entering into of settlements and/or granting of extensions and/or sales of Receivables or sub-

pools thereof for realization purposes by the Servicer that do not fall within the Delegated Powers (such term as defined under the Servicing Agreement) and (ii) resolve on certain matters to which it is granted with exclusive powers and/or give certain advice on certain other matters, as set out in the Rules of the Organisation of the Noteholders. The rights and powers of the Committee may only be exercised in accordance with the Rules of the Organisation of the Committee.

CASH RESERVE AMOUNT

On the Subsequent Issue Date, the Issuer has established a reserve fund in the Cash Reserve Account out of the proceeds of the Subsequent Notes and out of the other proceeds standing to the credit of the Payment Account (as better described in the Transaction Documents) (the "**Subsequent Cash Reserve**").

"**Cash Reserve Amount**" means the monies standing from time to time to the credit of the Cash Reserve Account at any given time up to an amount equal to the Target Cash Reserve Amount. On each Payment Date prior to the delivery of a Trigger Notice, the Issuer will, in accordance with the Pre-Acceleration Order of Priority, pay into the Cash Reserve Account an amount up to the Target Cash Reserve Amount.

"**Target Cash Reserve Amount**" means, on each Payment Date starting from (and including) the Subsequent Issue Date, an amount equal to 6.5% of the Principal Amount Outstanding of Class A Notes as of the Business Day following the immediately preceding Payment Date (or, on the Subsequent Issue Date, the Principal Amount Outstanding of Class A Notes as of the Subsequent Issue Date), provided that the Target Cash Reserve Amount will be equal to 0 (zero) on the earlier of (i) the Payment Date on which the Class A Notes can be redeemed in full, (ii) the Final Maturity Date, and (iii) the Final Redemption Date (and on each Payment Date thereafter).

As at the Subsequent Issue Date the amounts credited to the Cash Reserve Account will be equal to Euro 33,475,000, being the aggregate of the Target Cash Reserve Amount as of Subsequent Issue Date plus the Subsequent Cash Reserve.

The amounts standing to the credit of the Cash Reserve Account will form part of the Issuer Available Funds on each Payment Date and will be available to the Issuer, together with the other Issuer Available Funds, to pay amounts due under the applicable Order of Priority.

RECOVERY EXPENSES CASH RESERVE

On the Initial Issue Date, the Issuer has established a cash reserve on the Recovery Expenses Reserve Account out of the proceeds of the Original Notes (the "**Recovery Expenses Cash Reserve**").

As at the Subsequent Issue Date the amounts credited to the Recovery Expenses Reserve Account will be equal to Euro 250,000.

The Recovery Expenses Cash Reserve will be mainly applied for payments

related to the Recovery Expenses. The Recovery Expenses Cash Reserve will be replenished on any date on which the balance of such account is lower than Euro 40,000 (as notified by the Recovery Account Bank to the Account Bank) with a sum sufficient to bring the Recovery Expenses Cash Reserve to an amount equal to (but not exceeding) the Recovery Expenses Reserve Amount (the "**Replenishment**"). Such Replenishment shall be made by the Account Bank (i) by using the amount standing to the credit of the Collection Account or the Investment Account (as the case may be) in accordance with the provisions of the Cash Administration and Agency Agreement or (ii) in the event the Replenishment is to be carried out in the period between 2 (two) Business Days prior to a Calculation Date (included) and the immediately following Payment Date (included), on the relevant Payment Date pursuant to the applicable Order of Priority, in accordance with the provisions of the Cash Administration and Agency Agreement.

FINAL REDEMPTION

To the extent not otherwise redeemed, the Notes will be redeemed at their Principal Amount Outstanding on: (i) with respect to the Series J1 Notes, the Payment Date falling in January 2051; and (ii) with respect to the Series J2 Notes, the Payment Date falling in January 2060 (the "**Final Maturity Date**").

"**Final Redemption Date**" means the earlier to occur between: (i) the date when any amount payable on the Receivables will have been paid and the Servicer has confirmed that no further recoveries and amounts shall be realized thereunder; and (ii) the date when all the Receivables then outstanding will 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 relevant Pre-Acceleration Order of Priority;

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

if 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.

OPTIONAL REDEMPTION

The Issuer may redeem the Senior Notes, in whole but not in part, and the Mezzanine Notes and the Junior Notes, in whole but not in part (or only the

Mezzanine Notes in whole, if all the Junior Noteholders consent), at their respective Principal Amount Outstanding, together with interest accrued and unpaid up to the date of their redemption, on any Payment Date falling on or after the Initial Clean Up Option Date, if so instructed by the Junior Noteholders.

"**Initial Clean Up Option Date**" means the Payment Date on which the Principal Amount Outstanding of the Senior Notes is equal to or lower than 10%.

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 holders of the Rated Notes in accordance with Condition 12 (*Notices*), the Cap Counterparty and the Rating Agencies and provided that the Issuer, prior to giving such notice, 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. 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 Portfolio, subject to the provisions of the Intercreditor Agreement and Condition 6.5 (*Sale of the Portfolio*).

Alternatively, the funds necessary for the Optional Redemption may also be obtained by the Issuer from one or more authorised lenders (including, without limitation, banks and/or special purpose vehicles incorporated pursuant to Securitisation Law), pursuant to the Liquidity Facility (and subject to the Representative of the Noteholders having received legal and tax opinions to its satisfaction in respect of such new limited recourse loan or other alternative financing structure). Should the above financing be obtained, the proceeds or amounts therefrom will be included in the Issuer Available Funds on the relevant Payment Date following completion of such financing.

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; and

2. has given not more than 45 (forty-five) nor less than 15 (fifteen) calendar days prior written notice to the Representative of the Noteholders, the Cap Counterparty and the Noteholders, in accordance with Condition 12 (*Notices*) to the effect that, following the occurrence of certain legislative or regulatory changes, or official interpretations thereof by competent authorities, the Issuer (or any of the Issuer's agents):

(b) would be required on the next Payment Date to deduct or withhold (other than in respect of a Law 239 Deduction) or for or on account of FATCA legislation (and namely (i) sections 1471 to 1474 of the Code of Laws of the US Internal Revenue of 1986, any related regulation and any official interpretation; (ii) any treaty, law or regulation of any other jurisdiction or relating to an intergovernmental agreement between the US and any other jurisdiction in relation to the provisions referred to in limb (i) above, and (iii) any agreement with any US governmental and/or taxation authority relating to the implementation of any law, treaty and/or regulation referred to in limbs (i) and (ii) above) (each, a "**FATCA 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

(c) 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 Securitisation; and

3. in each case the Issuer shall have 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,

the Issuer may (or shall if so directed by the Representative of the Noteholders acting upon instructions of the holders of the Most Senior Class of Notes) (i) on the first Payment Date on which such necessary funds become available to it, 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 Pre-Acceleration Order of Priority; and (ii) on the first Payment Date on which sufficient funds become available to it, redeem 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.

Alternatively, the funds necessary (i.e., to discharge all the outstanding liabilities of the Issuer with respect of the Notes) for the Redemption for Taxation may also be obtained by the Issuer from one or more authorised lenders (including, without limitation, banks and/or special purpose vehicles incorporated pursuant to the Securitisation Law), pursuant to the Liquidity Facility (and subject to the Representative of the Noteholders having received legal and tax opinions to its

satisfaction in respect of such new limited recourse loan or other alternative financing structure). Should the above financing be obtained, the proceeds or amounts therefrom will be included in the Issuer Available Funds on the relevant Payment Date following completion of such financing.

HEDGING

On or about the Initial Issue Date, the Issuer has entered into a cap transaction (the "**Cap Transaction**") with the Cap Counterparty.

The Cap Transaction is governed by the 1992 International Swaps and Derivatives Association, Inc. ("**ISDA**") Master Agreement (Multicurrency – Cross Border) (the "**Master Agreement**"), the Schedule thereto (the "**Schedule**"), a 1995 ISDA Credit Support Annex (the "**Credit Support Annex**") and a cap confirmation (the "**Cap Confirmation**" and together with the Master Agreement, the Schedule and the Credit Support Annex, the "**Cap Agreement**"). The Cap Confirmation will be terminated on or about the Subsequent Issue Date and any termination amount payable to the Issuer thereunder (net of any set-off agreed under the Restructuring Documents) will be credited into the Payments Account.

On or about the Subsequent Issue Date, the Issuer will enter into a new cap confirmation transaction (the "**Cap Transaction**") with the Cap Counterparty, in order to hedge its floating interest rate exposure in relation to the Senior Notes.

SEGREGATION

The Notes will have the benefit of the provisions of article 3 of the Securitisation Law, pursuant to which the Issuer's Rights 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 Issuer's Rights will be available exclusively for the purpose 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 Portfolio and to the corporate existence and good standing of the Issuer. The Issuer's Rights may not be seized or attached in any form by 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 and to the corporate existence and good standing of the Issuer, until full redemption or cancellation of the Notes and full discharge by the Issuer of its obligations vis-à-vis the Other Issuer Creditors and any such third party. The Issuer's Rights are any monetary right arising out in favour of the Issuer against the Assigned Debtors and any other monetary right arising out in favour of the Issuer in the context of the Transaction, including the Collections and the Eligible Investments acquired with the Collections.

LIMITED RECOURSE

The Notes are limited recourse obligations of the Issuer and amounts payable thereunder are payable solely from amounts received by the Issuer from or in respect of the Portfolio and the other Issuer's Rights and receipts under the Transaction Documents to which it is or will be a party. On the Issue Date, the Issuer will have no significant assets other than the Portfolio and the other

Issuer's Rights. If amounts therefrom are insufficient to pay any amounts due in respect of the Notes, the Issuer will have no other assets available to meet such insufficiency and all receivables against the Issuer in respect of such unpaid amounts shall be extinguished.

TAXATION

Payments under the Notes may be subject to withholding for or on account of tax including, without limitation, a Law 239 Deduction and/or a FATCA Deduction. In such circumstances, a Noteholder of any Class will receive interest payments amounts (if any) payable on the Notes of such Class, net of such withholding tax.

Upon the occurrence of any withholding 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 Noteholder of any Class.

ADMISSION TO TRADING

Application has been made for the Senior 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 Markets in Financial Instruments Directive 2014/65/EC managed by Borsa Italiana S.p.A.

No application has been made to list or admit to trading the Class B Notes and the Series J2 Notes on any stock exchange.

RATINGS

The Rated Notes are expected to be assigned, on issue, the following ratings:

- the Class A Notes are expected to be rated Baa2 by Moody's Italia S.r.l. ("**Moody's**"), BBB+ by Scope Ratings GmbH ("**Scope**") and BBB+ by ARC Ratings S.A. ("**ARC**"); and
- the Class B Notes are expected to be rated Caa1 by Moody's, B by Scope and B by ARC.

As of the date of this Prospectus, Moody's is established in the European Union and was registered on 31 October 2011, Scope is established in the European Union and was registered on 24 May 2011 and ARC is established in the European Union and was registered on 26 August 2011 in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No. 513/2011 of the CRA Regulation and is 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 rating will be assigned to the Series J2 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.

GOVERNING LAW The Notes and all of the Transaction Documents other than the Notes Subscription Agreements, the Cap Agreement and the Deed of Charge are governed by Italian law. The Notes Subscription Agreements, the Cap Agreement and the Deed of Charge are governed by English law.

ACCOUNTS AND DESCRIPTION OF CASH FLOWS

ACCOUNT HELD WITH OTHER ENTITIES

By entering into a separate agreement, the Issuer has established with Banca Finanziaria Internazionale S.p.A. a Euro denominated account with IBAN IT09 S 03266 61620 000014080204 (the "**Quota Capital Account**")

Quota Capital Account

into which all sums contributed by the Quotaholders as quota capital of the Issuer shall be credited.

ACCOUNT HELD WITH THE RECOVERY ACCOUNT BANK

Pursuant to the terms and conditions of the Cash Administration and Agency Agreement, the Issuer has directed the Recovery Account Bank to establish, maintain and operate a Euro denominated account with IBAN IT16 K032 0502 0000 0000 2220 074 (the "**Recovery Expenses Reserve Account**"), as separate account in the name of the Issuer.

Recovery Expenses Reserve Account

into which (i) on the Initial Issue Date, an amount equal to the Recovery Expenses Cash Reserve has been transferred from the Payments Account; (ii) on each Payment Date, all sums payable under item (*Third*) of the Pre-Acceleration Order of Priority or under item (*Third*) of the Acceleration Order of Priority shall be credited pursuant to the relevant Payments Report and in compliance with the Conditions and the provisions of the Cash Administration and Agency Agreement; (iii) any amount to be credited thereon to make the Replenishment on any Business Day (other than the Business Days falling between 2 (two) Business Days prior to a Calculation Date (included) and the immediately following Payment Date (included)) pursuant to the Cash Administration and Agency Agreement; and (iv) any interest accrued and paid on the amounts standing to the credit of the Recovery Expenses Reserve Account will be credited; and

out of which (i) all payments related to the Recovery Expenses will be made on any Business Day by the Servicer, on behalf of the Issuer; (ii) all withholding tax payments related to the Recovery Expenses will be made on the due date by the Corporate Services Provider; and (iii) on the Business Day immediately preceding the earlier of (a) the Payment Date on which the Notes will be redeemed in full and (b) the Cancellation Date, all amounts standing to the credit of the Recovery Expenses Reserve Account will be credited to the Payments Account.

ACCOUNTS HELD WITH THE ACCOUNT BANK

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

Expenses Account

A Euro denominated account with IBAN IT 61 I 03479 01600 000802443400 (the "**Expenses Account**") (*Conto Spese*),

into which (i) on the Initial Issue Date, an amount equal to the Retention Amount has been transferred 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

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 fulfill payment obligations of the Issuer to third parties (other than the Noteholders and the Other Issuer Creditors) (the "**Expenses**") 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 and (b) the Cancellation Date, any amount standing to the credit hereof shall be transferred to the Payments Account, net of any known Expenses not yet paid and any Expenses forecasted by the Corporates Services Provider to fall due after the redemption in full or cancellation of the Notes.

Collection Account

A Euro denominated account with IBAN IT 38 J 03479 01600 000802443401 (the "**Collection Account**"),

into which (i) all amounts received or recovered by the Issuer (either through the Seller or the Servicer or directly also by means of checks and promissory notes, if applicable) in respect of the Receivables shall be credited (including (1) any collection in relation to the Initial Receivables received as from the Initial Economic Effective Date up to the third Business Day prior to the Initial Issue Date, which have been transferred (if any) by the Seller in accordance with Clause 3.5 of the Initial Transfer Agreement, (2) any collection in relation to the Subsequent Receivables received as from the Subsequent Economic Effective Date (excluded) and up to (and including) the third Business Day prior to the Subsequent Issue Date, to be transferred by the Seller in accordance with Clause 4.5 of the Subsequent Transfer Agreement, and (3) any collection on the Receivables received on the Servicer Accounts, to be transferred by the Servicer in accordance with Clause 3.2 of the Servicing Agreement); (ii) any amounts paid to the Seller by the Employers and/or Social Security Administrations pursuant to any Order of Assignment and/or by the Debtors pursuant to any Repayment Plan and transferred by the Seller to the Issuer in accordance with the provisions of the Transfer Agreements shall be credited; (iii) all amounts received by the Issuer under the Transaction Documents, if not credited to other Accounts pursuant to the Transaction Documents (including any indemnity payment), shall be credited; (iv) any proceeds received from the sale of all or part of, or repurchase of, the Receivables pursuant to the Transaction Documents shall be credited; (v) all amounts received by the Issuer from the Seller pursuant to the Subsequent Warranty and Indemnity Agreement shall be credited; (vi) any amount arising from the disposal or liquidation of Eligible Investments (if any) pursuant to the Cash Administration and Agency Agreement shall be credited, except for those amounts to be used upon instruction of the Servicer, on any Business Day, in order to meet the payment obligation of the Issuer for the refund of amounts erroneously paid to the Issuer in relation to the Receivables; (vii) any interest accrued and paid on the amounts standing to the credit of the Collection Account shall be credited; (viii) the proceeds of the Liquidity Facility to be applied as and when required in accordance with the Conditions shall be credited; and

out of which (i) on or about the Initial Issue Date, an amount equal to Euro 1,500,000 has been transferred to the Payments Account, as maximum amount to be used to pay certain up-front costs and expenses of the Original Securitisation (to the extent not paid out of the net subscription price of the Original Notes); (ii) without prejudice to item (i) above and items (iii),(iv) and (v) below, any amount standing to the credit of such Account will be transferred by close of business on the day of the relevant receipt into the Investment Account except for those amounts to be used upon instruction of the Servicer, on any Business Day, in order to meet the payment obligation of the Issuer for the refund of amounts erroneously paid to the Issuer in relation to the Receivables; (iii) any amount to be transferred to the Recovery Expense Reserve Account in order to make the Replenishment on any Business Day (other than the Business Days falling between a Calculation Date (included) and the immediately following Payment Date (included)) pursuant to the Cash Administration and Agency Agreement; (iv) any amount received or recovered by the Issuer (either through the Servicer or directly) by means of checks as consequence of their reversal will be debited; and (v) on any Business Day, payments instructed by the Servicer (on behalf of the Issuer) will be made in order to meet the payment obligation of the Issuer for the refund of amounts erroneously paid to the Issuer in relation to the Receivables.

Payments Account

A Euro denominated account with IBAN IT 15 K 03479 01600 000802443402 (the "**Payments Account**"):

into which: (i) any amounts standing to the credit of the Investment Account as of 2 (two) Business Days before each Payment Date shall be credited thereon except for any amount arising from the disposal or liquidation of Eligible Investments (if any), pursuant to the Cash Administration and Agency Agreement, to be used upon instruction of the Servicer in order to meet the payment obligation of the Issuer for the refund of amounts erroneously paid to the Issuer in relation to the Receivables, that shall be credited into the Collection Account; (ii) on the Business Day immediately preceding the earlier of (a) the Payment Date on which the Notes will be redeemed in full and (b) the Cancellation Date, all amounts standing to the credit of the Recovery Expenses Reserve Account will 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 and (b) the Cancellation Date, the residual amount standing to the credit of the Expenses Account shall be transferred, net of any known Expenses not yet paid and any Expenses forecasted by the Corporates Services Provider to fall due after the redemption in full or cancellation of the Notes; (iv) on the Initial Issue Date the subscription price of the Original Notes has been credited after the applicable set-off pursuant to the Original Notes Subscription Agreement; (v) on or about the Initial Issue Date, an amount equal to Euro 1,500,000, as maximum amount to be used to pay certain up-front costs and expenses of the Original Securitisation (to the extent not paid out of the net subscription price of the Notes), has been credited; (vi) on the Subsequent Issue Date, any termination amount due under the Deed of Termination and residual after the set-off agreed under the General Amendment Agreement shall be paid to the Issuer; (vii) on the Subsequent Issue Date, the subscription price of the Class J2 Notes residual after the set-off agreed under the General Amendment Agreement shall be paid; (viii) 2 (two) Business Days before each Payment Date (or, in case of payments that would have been due on the Payment Date falling on July 2023, one Business Day prior to the Subsequent Issue Date), any amount

payable by the Cap Counterparty (or its credit support provider) under the Cap Agreement (other than any amount required to be credited to the Collateral Account and the termination amount due under the termination of the original Cap Agreement) shall be credited; and (ix) any interest accrued and paid on the amounts standing to the credit of the Payments Account will be credited; and

out of which (i) on each Payment Date (other than the Subsequent Issue Date, as indicated under item (ii) below) all payments of interest and principal on the Notes and any payments to the Other Issuer Creditors and any third party creditors of the Transaction (including without limitation any payment of interest and/or other fees and costs and/or repayment of any principal amount in connection with any outstanding Liquidity Facility) and any other payment or transfer set forth under the relevant Order of Priority shall be made out of the Issuer Available Funds in accordance with the Intercreditor Agreement, the applicable Order of Priority and the relevant Payments Report; (ii) on the Business Day preceding the Subsequent Issue Date, the Issuer Available Funds available on such Payment Date will be applied in or towards payment of items (*First*) to (*Fourth*) of the Pre-Acceleration Order of Priority (provided that: (a) payments of the Master Servicing Fees and the Special Servicing Fees shall be made on the basis of the fees reported in the Simplified Report (as defined in the General Amendment Agreement); and (b) the amounts payable under item (*Fourth*) of the Pre-Acceleration Order of Priority shall include interests accrued until the Subsequent Issue Date) as well as item (*Ninth*)(ii) of the Pre-Acceleration Order of Priority and for payment of the Principal Amount Outstanding of the Class Ax and the Class Ay Notes (exclusively for an amount equal to Euro 1,949.58 divided as better described in the General Amendment Agreement); (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 redeemed in full and the Final Maturity Date) it being understood that, with respect to the Payment Date falling on the Business Day preceding the Subsequent Issue Date, by way of derogation of the provisions above: (A) the amount to be transferred to the Investment Account will be netted of an amount equal to Euro 2,000,000 that will remain credited into the Payments Account to finance certain up-front costs and expenses of the Restructuring, as better detailed in the Subsequent Notes Subscription Agreement; and (B) the amount under (A) above will be transferred to the Investment Account 2 (two) Business Day following such Payment Date (being 1 (one) Business Day after the Subsequent Issue Date); (iv) on the Initial Issue Date: (a) any amount due to be paid on such date to the Cap Counterparty pursuant to the Cap Agreement has been paid; (b) an amount equal to the Initial Cash Reserve has been transferred to the Investment Account; (c) an amount equal to the Retention Amount has been transferred to the Expenses Account; and (d) an amount equal to the Recovery Expenses Cash Reserve has been credited to the Recovery Expenses Reserve Account; (v) on or following the Initial Issue Date, certain up-front costs and expenses of the Transaction have been paid with the net subscription price of the Original Notes and with the amount of Collections referred to in item (v) of the paragraph "*into which*" of the Payments Account; (vi) on each Payment Date an amount shall be paid to the Expenses Account so that the balance standing to the credit of the Expenses Account on such Payment Date is equal to the Retention Amount; (vii) on the Subsequent Issue Date, an amount equal to the Target Cash Reserve Amount shall transferred

to the Cash Reserve Account; and (viii) on or following the Subsequent Issue Date, certain up-front costs and expenses of the Restructuring will be paid out of the Collections standing to the credit of this Payments Accounts, as better detailed in the Subsequent Notes Subscription Agreement (and, by way of derogation of any contrary provisions of any of the items above, the relevant amounts to meet such costs and expenses shall remain credited into the Payments Account until the relevant payments).

Cash Reserve Account

A Euro denominated account with IBAN IT 89 L 03479 01600 000802443403 (the "**Cash Reserve Account**"),

into which (i) on each Payment Date prior to the delivery of a Trigger Notice (other than the Business Day preceding the Subsequent Issue Date), all sums payable under item (*Fifth*) of the Pre-Acceleration Order of Priority shall be credited; (ii) without prejudice to item (i), on the Subsequent Issue Date, an amount equal to the Target Cash Reserve Amount shall transferred from the Payments Account; (ii) any interest accrued and paid on the amounts standing to the credit of the Cash Reserve Account will be credited; and

out of which on the Business Day following each Payment Date, the amount standing to the credit of the Cash Reserve Account will be transferred into the Investment Account;

Investment Account

A Euro denominated account with IBAN IT 66 M 03479 01600 000802443404 (the "**Investment Account**"),

into which (i) without prejudice to items (ii) and (iii) of the "out of which" payments of Collection Account, any amounts standing to the credit of Collection Account will be transferred by close of business on the day of the relevant receipt, except for those amounts to be used upon instruction of the Servicer, on any Business Day, in order to meet the payment obligation of the Issuer for the refund of amounts erroneously paid to the Issuer in relation to the Receivables; (ii) any amount credited into the Cash 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; (iii) 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 and the Final Maturity Date) shall be credited on such Business Day; (iv) on the Initial Issue Date, an amount equal to the Initial Cash Reserve has been transferred from the Payments Account; (v) any proceeds upon maturity or any sums deriving from the disposal of the Eligible Investments (if any) purchased through the funds standing to the credit of such account in accordance with the provisions of the Cash Administration and Agency Agreement and any profit generated thereby or interest accrued thereon, shall be credited (except for any amount arising from the disposal or liquidation of Eligible Investments (if any), to be used upon instruction of the Servicer in order to carry out pursuant to the Cash Administration and Agency Agreement, the payment obligation of the Issuer for the refund of amounts erroneously paid to the Issuer in relation to the Receivables, which shall be credited into the Collection Account; (vi) any interest accrued and paid on the

amounts standing to the credit of the Investment Account will be credited; and

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 except for any amount arising from the disposal or liquidation of Eligible Investments (if any), pursuant to the Cash Administration and Agency Agreement, to be used upon instruction of the Servicer in order to meet the payment obligation of the Issuer for the refund of amounts erroneously paid to the Issuer in relation to the Receivables, that shall be credited into the Collection Account; (ii) amounts exceeding the Buffer and standing to the credit thereof will be applied by the Cash Manager, upon instruction of the Issuer (if and when so directed by the Monitoring Agent, who will act on the basis of a resolution of the Committee), for the settlement of Eligible Investments in accordance with the provisions of the Cash Administration and Agency Agreement, provided that in no case shall Eligible Investments be purchased in the 2 (two) preceding Business Days prior to each Payment Date; and (iii) any amount to be transferred to the Recovery Expense Reserve Account in order to make the Replenishment on any Business Day (other than the Business Days falling between a Calculation Date (included) and the immediately following Payment Date (included)) pursuant to the Cash Administration and Agency Agreement.

Securities Account A securities custody account with No. 2443400 (the "**Securities Account**") for the deposit of the Issuer's entitlement to Eligible Investments made upon instruction of the Issuer (if and when so directed by the Monitoring Agent, who will act on the basis of a resolution of the Committee), not being cash invested on time deposit, which may be purchased with the monies standing to the credit of the Investment Account.

Collateral Account As to the Cap Transaction entered into with J.P. Morgan SE (as legal successor to J.P. Morgan AG) as Cap Counterparty, a securities account with No. 2443401 (the "**Securities Collateral Account**") and a cash account with IBAN IT 43 N 03479 01600 000802443405 for transfers in Euro ("**Cash Collateral Account**" and together with the Securities Collateral Account, the "**Collateral Account)**,

into which shall be credited: (i) any collateral and/or securities received from the Cap Counterparty pursuant to the Cap Agreement, (ii) any interest or distributions on, and any liquidation or other proceeds of, such collateral, (iii) any Replacement Cap Premium received by the Issuer from a replacement cap counterparty, and **(iv)** any termination payment received by the Issuer from the Cap Counterparty pursuant to the Cap Agreement; and

out of which amounts shall be paid and securities will be transferred in accordance with the Collateral Account Priority of Payments.

SECURITISATION REGULATION REQUIREMENTS

Risk retention

Under the Intercreditor Agreement and the Notes Subscription Agreement, the Seller undertook to the Issuer, the Arrangers and the Representative of the Noteholders for the purposes of the Securitisation Regulations that:

a. it has retained from the Initial Issue Date and will retain at the Subsequent Issue Date and maintain (on an ongoing basis) for so long as any of the Notes remain outstanding a material net economic interest of not less than 5% of the Transaction in accordance with paragraph (3)(a) of article 6 of the Securitisation Regulations (or any alternative method thereafter that is permitted under the Securitisation Regulations) (the "**Retained Interest**"). As at the Subsequent Issue Date, such interest will be comprised of an interest of not less than 5% of the nominal value of each of the Senior Notes, the Mezzanine Notes, the Series J1 Notes and the Series J2 Notes;

b. the Retained Interest is not and will not be subject to any credit risk mitigation or hedging, except to the extent permitted under the applicable provisions of the Securitisation Regulations.

Pursuant to the Intercreditor Agreement and the Subsequent Notes Subscription Agreement, the Seller has confirmed to have provided, from the Initial Issue Date and has undertaken to continue to provide information on the material net economic interest of not less than 5% in the Transaction held by it in accordance with paragraph (3)(a) of article 6 of the Securitisation Regulations (or any alternative method thereafter that is permitted under the Securitisation Regulations) and any change to the manner in which the Retention Requirement is held, together with any relevant information in this respect, by delivering such information to the Servicer on or about each Quarterly Servicing Report Date and each Semi-Annual Servicing Report Date.

Transparency Requirements

The Seller and the Issuer designated on or about the Initial Issue Date among themselves the Issuer as the reporting entity pursuant to article 7(2) of the Securitisation Regulations (the "**Reporting Entity**"), and the Reporting Entity agreed to pay all fees, costs and expenses in connection with the transparency requirements under the Securitisation Regulations.

In its capacity as Reporting Entity, in full reliance on the information provided by the Seller in respect of the securitised exposures on or prior to the date of the Initial Transfer Agreement and/or the Subsequent Transfer Agreement, as the case may be, the Issuer has confirmed to the Seller, the Arrangers and the Representative of the Noteholders to have fulfilled, and has undertaken to the Seller, the Arrangers and the Representative of the Noteholders to fulfil, the information requirements pursuant to points (a), (b), (c), (e) and (f) or (g) (as the case may be) of the first subparagraph of article 7(1) of the Securitisation Regulations by making available the relevant information to the Noteholders, the competent authorities referred to under article 29 of the Securitisation Regulations and, upon request, to potential investors by means of publication on the following two websites protected with user ID and password (which will, together and collectively, contain the information requirements pursuant to points (a), (b), (c), (e) and (f) or (g) (as the case may be) of the first subparagraph of article 7(1) of the Securitisation Regulations): (i) https://www.securitisation-services.com/en/reports/index.php, "Reports" section or on such other website as will be notified by the Issuer (or its agents) in accordance with Clause 15 (*Communications*) of the Cash Administration and Agency Agreement; and (ii) a website protected with user ID and password accessible by sending an email request to: ifisnplspv2021@bancaifis.it (together, the "**Permitted Website**").

As to pre-pricing information requested pursuant to points (b) and (c) of the first subparagraph of article 7(1) of the Securitisation Regulations, the Issuer, in its capacity as Reporting Entity, hereby represents to the Seller, the Arrangers and the Representative of the Noteholders that, before pricing, the final Initial

Prospectus or this final Prospectus, as the case may be (including a transaction summary complying with the requirements under point (c) of the first subparagraph of article 7(1) of the Securitisation Regulations) and the Transaction Documents have been made available to the potential Noteholders and competent supervisory authorities pursuant to article 29 of the Securitisation Regulations by means of publication on the Permitted Website.

As to post-closing information requested pursuant to points (a), (e) and (f) or (g) (as the case may be) of the first subparagraph of article 7(1) of the Securitisation Regulations, the Issuer, in its capacity as the Reporting Entity, declared to the Seller, the Arrangers, the Representative of the Noteholders and the Subsequent Notes Subscribers:

(a) to have disclosed until the date of execution of the Subsequent Notes Subscription Agreement, and to undertake continuing to disclose on each SR Investor Report Date or without delay (as the case may be) as required under the Securitisation Regulations, to the Noteholders, the competent supervisory authorities pursuant to article 29 of the Securitisation Regulations and, upon request, potential investors:

(i) information on the material net economic interest of not less than 5% of the Transaction held by the Seller in accordance with paragraph (3) (a) of article 6 of the Securitisation Regulations (or any alternative method thereafter that is permitted under the Securitisation Regulations) and any change to the manner in which the Retained Interest is held, together with any relevant information in this respect, subject to the receipt of such information from the Seller (through the Servicer) pursuant to the Intercreditor Agreement;

(ii) all materially relevant data on the credit quality and performance of the Loans;

(iii) information on:

(A) trigger events which entail changes to the Order of Priority set out in the Conditions;

(B) the replacement of any counterparties of the Transaction;

(C) data on the cash flows generated by the Loans and by the liabilities of the Transaction;

(iv) loan by loan information regarding each Loan (organized by relevant Debtor NDG position) included in the Portfolio;

(v) details relating to the sale of the Receivables pursuant to the terms of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement);

(vi) any material breach of the obligations provided for in the Transaction Documents including any remedy, waiver or consent subsequently provided in relation to such a breach;

(vii) any amendment or supplement of the Transaction Documents and the Prospectus (other than those of a minor, formal or technical nature), any request of consent received by the Representative of the Noteholders, any written resolution; and

(viii) in relation to the information referred to under letter (e) of the first subparagraph of article 7(1) of the Securitisation Regulations, by means of publication on the Permitted Website, on the SR Investor Report Date, of the SR Investor Report delivered by the Calculation Agent pursuant to the Cash Administration and Agency Agreement;

(ix) any other significant event relating to the Securitisation that is required to be disclosed (without delay) by Article 7(1) letters (f) or (g) (as the case may be) of the Securitisation

Regulations; and

(x) any further information which from time to time is required under the Securitisation Regulations that is not covered under the items from (i) to (ix) above;

(b) to have ensured that, and to undertake continuing 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 the Securitisation Regulations, which does not form part of the Prospectus as at the Subsequent 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 Regulations; and

(c) to have ensured that, and to undertake continuing to ensure that the competent supervisory authorities pursuant to article 29 of the Securitisation Regulations have readily available access to any information which is required to be disclosed pursuant to the Securitisation Regulations.

Without prejudice to the information made available on or about the Initial Issue Date in accordance with the Transaction Documents, the Reporting Entity undertakes to the Seller, the Arrangers, the Representative of the Noteholders and the Subsequent Notes Subscribers that the information set out above will be made available, *inter alia*, as follows:

(a) on the Subsequent Issue Date, the information regarding the risk retention, and the information on which entity is designated as the reporting entity pursuant to article 7(2) of the Securitisation Regulations will be included in the Prospectus and published on the Permitted Website;

(b) following the Subsequent Issue Date, the information set out above (which include the information required to be disclosed to the Noteholders, potential investors and competent authorities referred to in article 29 of the Securitisation Regulations in accordance with article 7 of the Securitisation Regulations on a quarterly basis) will be published without delay on the Permitted Website or will be included (where applicable) in the SR Investor Report to be delivered by the Calculation Agent in accordance with the Cash Administration and Agency Agreement and the Loan by Loan Information to be issued by the Servicer in accordance with the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) and be generally available to the Noteholders, prospective investors and competent authorities referred to in article 29 of the Securitisation Regulations at (i) the registered office of the Issuer and of the Representative of the Noteholders, and (ii) on the Permitted Website on a quarterly basis or as otherwise required by the Securitisation Regulations. In particular:

i) the loan by loan information referred to under letter (a) of the first sub-paragraph of article 7(1) of the Securitisation Regulations will be made available by means of publication of the Loan by Loan Information according to the provisions of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement);

ii) the information referred to under letter (e) of the first sub-paragraph of article 7(1) of the Securitisation Regulations will be made available by means of publication of the SR Investor Report according and pursuant to the provisions of the Cash Administration and Agency Agreement ;

iii) the information referred to under letters (f) or (g) (as the case may be) of the first subparagraph of article 7(1) of the Securitisation Regulations will be made available by means of publication, without delay, of the relevant information on the Permitted Website as soon as the Reporting Entity is aware of the occurrence of any such events;

iv) any further information which from time to time may be required under the Securitisation Regulations will be made available upon request,

in each case by the Reporting Entity, in compliance with the requirements provided by the Securitisation Regulations and in a timely manner in order for the Reporting Entity to comply with the disclosure requirements set out under article 7 of the Securitisation Regulations.

Without prejudice to the documents made available on or about the Initial Issue Date in accordance with the Transaction Document, the Reporting Entity also undertook that, within 15 days of the Subsequent Issue Date, it will make available on the Permitted Website pdf copies of the amended Transaction Documents (including the executed Restructuring Documents) and the Prospectus (including a transaction summary).

In addition and without prejudice to the provisions above, the Reporting Entity undertook to provide all information required to be provided to the Noteholders, competent authorities and or potential investors pursuant to Article 7 of the Securitisation Regulations with the frequency and modalities provided for under the Securitisation Regulations.

In order to ensure that the disclosure requirements set out under article 7 of the Securitisation Regulations are fulfilled by the Issuer (in its capacity as Reporting Entity), each other party of the Intercreditor Agreement has undertaken to provide the Reporting Entity with any further information which from time to time is required under the Securitisation Regulations that is not covered above.

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 the Securitisation Regulations and any corresponding national measure which may be relevant and none of the Issuer, the Seller, the Servicer, the Arrangers or any other party to the Transaction Documents makes any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes.

THE PORTFOLIO

Introduction

Pursuant to the Initial Transfer Agreement and the Subsequent Transfer Agreement, the Issuer has purchased, respectively, pursuant to article 1, 4 and 7.1 of the Securitisation Law and pursuant to article 1 and 4 of the Securitisation Law, the Initial Portfolio and the Subsequent Portfolio.

The Portfolio purchased by the Issuer from the Seller comprises debt obligations arising out of also non-performing loans.

The Transaction Documents do not provide for the possibility to assign further portfolios to the Issuer. The Seller has represented that the Portfolio includes the Receivables which comply with the criteria listed in each Transfer Agreement and described below. In addition, the Seller has made certain representations and warranties in accordance with the Subsequent Warranty and Indemnity Agreement as described below in the section "*Description of the Transaction Documents – The Warranty and Indemnity Agreements"*.

A notice of transfer of the Receivables has been published, (a) with reference to the Initial Portfolio, in the Official Gazette, Part II, No. 27 dated 4 March 2021 and on the register of companies of 2 March 2021; (b) with reference to the Subsequent Portfolio, in the Official Gazette, Part II, No. 86 dated 22 July 2023 and on the register of companies of 25 July 2023.

Stratification Tables

The following tables describe the characteristics of the Portfolio provided by the Seller in connection with the acquisition of the Initial Receivables and the Subsequent Receivables by the Issuer on, respectively the Initial Transfer Date and the Subsequent Issue Date. The information in the following tables reflects the position as at the Subsequent Economic Effective Date.

Due to the dynamic nature of the recovery process, the status of the Portfolio is subject to on-going changes. The actual status of the Portfolio may be different from the one represented in this section, and such difference may be material.

In the following range breakdown tables, numbers might not add up to total shown due to rounding.

Statistic	**Value**
Total Claim Amount (€)	1,905,799,538
Borrowers (#)*	114,373
ODA (#)	58,219
Total Claim Amount by Borrower ODA (€)**	1,028,042,511
Total Claim Amount by Borrower pre ODA (€)	589,581,573
Total Claim Amount by Borrower Piani (€)	288,175,454
Total Claim Amount by Credit ODA (€)*	879,595,332
Total Claim Amount by Credit Pre ODA (€)	738,028,752
Total Claim Amount by Credit Repayment Plan (€)	288,175,454
Ammontare rate future Piani (€)	209,232,998
Average Total Claim Amount per Borrower (€)	16,663
Max Total Claim Amount per Borrower (€)	5,037,574

**The stratification tables on a borrower basis were prepared taking into account the Total Claim Amount and Cluster associated to the main debtors while looking at the characteristics (age, job type, etc.) of the debtor or guarantor the claim was/will ultimately be actioned against. For each debtor the associated Total Claim Amount refers to the aggregate exposure of all receivables of*

that borrower.

***A borrower has been classified as "ODA" as long as there is one credit associated to an ODA*

Tables by Borrower

Asset type	by Borrower Age	Total Claim Amount (€)	Total Claim Amount (%)	Borrowers (#)	Borrowers (%)
ODA	< 40 yrs	45,251,097	4.40%	3,478	6.28%
ODA	40 yrs - 50 yrs	204,906,400	19.93%	12,145	21.94%
ODA	50 yrs - 60 yrs	316,660,452	30.80%	17,137	30.96%
ODA	60 yrs - 70 yrs	214,643,872	20.88%	10,821	19.55%
ODA	70 yrs - 80 yrs	194,607,342	18.93%	9,063	16.37%
ODA	> 80 yrs	34,235,997	3.33%	1,749	3.16%
ODA	N.A.	2,175,069	0.21%	42	0.08%
ODA	Deceased	15,562,282	1.51%	920	1.66%
Sub-Total ODA		**1,028,042,511**	**100.00%**	**55,355**	**100.00%**
Pre ODA	< 40 yrs	59,263,357	10.05%	4,765	12.81%
Pre ODA	40 yrs - 50 yrs	169,235,196	28.70%	11,121	29.90%
Pre ODA	50 yrs - 60 yrs	207,975,579	35.28%	12,440	33.45%
Pre ODA	60 yrs - 70 yrs	112,846,932	19.14%	6,687	17.98%
Pre ODA	70 yrs - 80 yrs	25,491,460	4.32%	1,457	3.92%
Pre ODA	> 80 yrs	3,186,441	0.54%	226	0.61%
Pre ODA	N.A.	1,858,523	0.32%	36	0.10%
Pre ODA	Deceased	9,724,085	1.65%	462	1.24%
Sub-Total Pre ODA		**589,581,574**	**100.00%**	**37,194**	**100.00%**
Repayment Plans	< 40 yrs	23,594,501	8.19%	2,150	9.85%
Repayment Plans	40 yrs - 50 yrs	66,667,493	23.13%	5,218	23.91%
Repayment Plans	50 yrs - 60 yrs	93,935,770	32.60%	6,923	31.72%
Repayment Plans	60 yrs - 70 yrs	73,071,729	25.36%	5,241	24.01%
Repayment Plans	70 yrs - 80 yrs	26,758,253	9.29%	1,982	9.08%
Repayment Plans	> 80 yrs	1,363,330	0.47%	115	0.53%
Repayment Plans	N.A.	2,101,035	0.73%	142	0.65%
Repayment Plans	Deceased	683,343	0.24%	53	0.24%
Sub-Total Repayment Plans		**288,175,454**	**100.00%**	**21,824**	**100.00%**
Total	< 40 yrs	128,108,954	6.72%	10,393	9.09%
Total	40 yrs - 50 yrs	440,809,089	23.13%	28,484	24.90%
Total	50 yrs - 60 yrs	618,571,801	32.46%	36,500	31.91%
Total	60 yrs - 70 yrs	400,562,534	21.02%	22,749	19.89%
Total	70 yrs - 80 yrs	246,857,055	12.95%	12,502	10.93%
Total	> 80 yrs	38,785,768	2.04%	2,090	1.83%
Total	N.A.	6,134,627	0.32%	220	0.19%
Total	Deceased	25,969,710	1.36%	1,435	1.25%
Total		**1,905,799,538**	**100.00%**	**114,373**	**100.00%**

For deceased borrowers with an associated ODA, the legal action will be carried out on the guarantors

Asset type	by Borrower Region	Total Claim Amount (€)	Total Claim Amount (%)	Borrowers (#)	Borrowers (%)
ODA	South & Islands	448,106,697	43.59%	23,017	41.58%
ODA	North	387,241,438	37.67%	22,269	40.23%
ODA	Centre	192,694,376	18.74%	10,069	18.19%
ODA	Other	0	0.00%	0	0.00%
Sub-Total ODA		**1,028,042,511**	**100.00%**	**55,355**	**100.00%**
Pre ODA	South & Islands	272,386,565	46.20%	16,842	45.28%
Pre ODA	North	188,180,687	31.92%	12,462	33.51%
Pre ODA	Centre	129,014,321	21.88%	7,890	21.21%
Pre ODA	Other	0	0.00%	0	0.00%
Sub-Total Pre ODA		**589,581,574**	**100.00%**	**37,194**	**100.00%**
Repayment Plans	South & Islands	116,446,922	40.19%	8,216	39.75%
Repayment Plans	North	109,764,460	38.02%	9,000	39.33%
Repayment Plans	Centre	61,542,781	21.67%	4,589	20.85%
Repayment Plans	Other	421,291	0.12%	19	0.06%
Sub-Total Repayment Plans		**288,175,454**	**100.00%**	**21,824**	**100.00%**
Total	South & Islands	836,940,185	43.92%	48,075	42.03%
Total	North	685,186,585	35.95%	43,731	38.24%
Total	Centre	383,251,478	20.11%	22,548	19.71%
Total	Other	421,291	0.02%	19	0.02%
Total		**1,905,799,538**	**100.00%**	**114,373**	**100.00%**

Asset type	by Borrower Sex	Total Claim Amount (€)	Total Claim Amount (%)	Borrowers (#)	Borrowers (%)
ODA	M	758,874,635	73.82%	40,376	72.94%
ODA	F	266,540,959	25.93%	14,916	26.95%
ODA	Corporate/Joint ownership	2,626,916	0.26%	63	0.11%
Sub-Total ODA		**1,028,042,511**	**100.00%**	**55,355**	**100.00%**
Pre ODA	M	449,608,950	76.26%	27,661	74.37%
Pre ODA	F	136,660,914	23.18%	9,433	25.36%
Pre ODA	Corporate/Joint ownership	3,311,710	0.56%	100	0.27%
Sub-Total Pre ODA		**589,581,573**	**100.00%**	**37,194**	**100.00%**
Repayment Plans	M	192,490,723	66.80%	13,661	62.60%
Repayment Plans	F	93,125,640	32.32%	7,978	36.56%
Repayment Plans	Corporate/Joint ownership	2,559,091	0.89%	185	0.85%
Sub-Total Repayment Plans		**288,175,454**	**100.00%**	**21,824**	**100.00%**
Total	M	1,400,974,308	73.51%	81,698	71.43%
Total	F	496,327,514	26.04%	32,327	28.26%
Total	Corporate/Joint ownership	8,497,717	0.45%	348	0.30%

Total	**1,905,799,538**	**100.00%**	**114,373**	**100.00%**

Asset type	by Borrower Employment Status (only ODA)	Total Claim Amount (€)	Total Claim Amount (%)	Borrowers (#)	Borrowers (%)
ODA	Private Employee	537,888,707	52.32%	31,241	56.44%
ODA	Pensioner	314,163,128	30.56%	14,575	26.33%
ODA	Public employee	136,672,364	13.29%	7,328	13.24%
ODA	Not Available	39,318,311	3.82%	2,211	3.99%
Sub-Total ODA		**1,028,042,511**	**100.00%**	**55,355**	**100.00%**

Tables by Receivables

Asset type	by Total Claim Amount Bucket (€)	Total Claim Amount (€)	Total Claim Amount (%)	Loans (#)	Loans (%)
ODA	0k - 25k	442,123,160	50.26%	69,953	87.82%
ODA	25k - 50k	245,717,096	27.94%	7,080	8.89%
ODA	50k - 100k	152,877,661	17.38%	2,344	2.94%
ODA	100k - 150k	26,359,511	3.00%	229	0.29%
ODA	150k - 200k	5,528,657	0.63%	33	0.04%
ODA	200k - 300k	3,030,912	0.34%	13	0.02%
ODA	300k - 400k	680,030	0.08%	2	0.00%
ODA	400k - 500k	1,354,176	0.15%	3	0.00%
ODA	500k - 1mln	911,334	0.10%	1	0.00%
ODA	1mln - 2mln	1,012,796	0.12%	1	0.00%
ODA	> 2mln	0	0.00%	0	0.00%
Sub-Total ODA		**879,595,332**	**100.00%**	**79,659**	**100.00%**
Pre ODA	0k - 25k	493,882,771	66.92%	77,069	92.51%
Pre ODA	25k - 50k	179,965,567	24.38%	5,379	6.46%
Pre ODA	50k - 100k	49,505,402	6.71%	797	0.96%
Pre ODA	100k - 150k	5,375,717	0.73%	45	0.05%
Pre ODA	150k - 200k	1,706,406	0.23%	10	0.01%
Pre ODA	200k - 300k	1,874,515	0.25%	8	0.01%
Pre ODA	300k - 400k	680,799	0.09%	2	0.00%
Pre ODA	400k - 500k	0	0.00%	0	0.00%
Pre ODA	500k - 1mln	0	0.00%	0	0.00%
Pre ODA	1mln - 2mln	0	0.00%	0	0.00%
Pre ODA	> 2mln	5,037,574	0.68%	1	0.00%
Sub-Total Pre ODA		**738,028,752**	**100.00%**	**83,311**	**100.00%**
Repayment Plans	0k - 25k	196,224,782	68.09%	26,853	91.29%
Repayment Plans	25k - 50k	76,970,618	26.71%	2,324	7.90%
Repayment Plans	50k - 100k	13,132,218	4.56%	225	0.76%
Repayment Plans	100k - 150k	1,154,467	0.40%	10	0.03%
Repayment Plans	150k - 200k	693,368	0.24%	4	0.01%
Repayment Plans	200k - 300k	0	0.00%	0	0.00%

Repayment Plans	300k - 400k	0	0.00%	0	0.00%
Repayment Plans	400k - 500k	0	0.00%	0	0.00%
Repayment Plans	500k - 1mln	0	0.00%	0	0.00%
Repayment Plans	1mln - 2mln	0	0.00%	0	0.00%
Repayment Plans	> 2mln	0	0.00%	0	0.00%
Sub-Total Repayment Plans		**288,175,454**	**100.00%**	**29,416**	**100.00%**
Total	0k - 25k	1,132,230,714	59.41%	173,875	90.38%
Total	25k - 50k	502,653,280	26.37%	14,783	7.68%
Total	50k - 100k	215,515,282	11.31%	3,366	1.75%
Total	100k - 150k	32,889,696	1.73%	284	0.15%
Total	150k - 200k	7,928,432	0.42%	47	0.02%
Total	200k - 300k	4,905,427	0.26%	21	0.01%
Total	300k - 400k	1,360,828	0.07%	4	0.00%
Total	400k - 500k	1,354,176	0.07%	3	0.00%
Total	500k - 1mln	911,334	0.05%	1	0.00%
Total	1mln - 2mln	1,012,796	0.05%	1	0.00%
Total	> 2mln	5,037,574	0.26%	1	0.00%
Total		**1,905,799,538**	**100.00%**	**192,386**	**100.00%**

By Workout Phase	**Total Claim Amount (€)**	**Total Claim Amount (%)**	**Loans (#)**	**Loans (%)**
Pre ODA: Initial phase	172,380,206	9.05%	25,010	13.00%
Pre ODA: Injunction decree	64,634,254	3.39%	6,763	3.52%
Pre ODA: Formal request of payment	207,625,076	10.89%	22,157	11.52%
Pre ODA: Deed of seizure	293,389,216	15.39%	29,381	15.27%
ODA	879,595,332	46.15%	79,659	41.41%
Repayment Plan	288,175,454	15.12%	29,416	15.29%
Total	**1,905,799,538**	**100.00%**	**192,386**	**100.00%**

Tables Repayment Plan Receivables

# of missed installments	**Total Claim Amount (€)**	**Total Claim Amount (%)**	**Loans (#)**	**Loans (%)**
0	269,080,862	93.37%	25,956	88.24%
1	2,279,600	0.79%	331	1.13%
2	1,500,301	0.52%	196	0.67%
3	141,794	0.05%	28	0.10%
4	16,215	0.01%	5	0.02%
5	18,347	0.01%	6	0.02%
6	2,629	0.00%	1	0.00%
Not available	15,135,705	5.25%	2,893	9.83%
Total	**288,175,454**	**100.00%**	**29,416**	**100.00%**

Repayment plan start date	**Total Claim Amount (€)**	**Total Claim Amount (%)**	**Loans (#)**	**Loans (%)**
pre 2017	23,697,792	8.22%	2,517	8.56%

2017	18,462,998	6.41%	2180	7.41%
2018	25,898,451	8.99%	2970	10.10%
2019	37,307,787	12.95%	3968	13.49%
2020	52,524,568	18.23%	4987	16.95%
2021	90,931,335	31.55%	7853	26.70%
2022	23,912,045	8.30%	2019	6.86%
>=2023	304,772	0.11%	29	0.10%
Not available	15,135,705	5.25%	2,893	9.83%
Total	**288,175,454**	**100.00%**	**29,416**	**100.00%**

THE INITIAL PORTFOLIO BASE CASE SCENARIO

In connection with the Transaction, Ifis NPL Servicing S.p.A., as Servicer, has developed a statistical initial portfolio base case scenario (the "**Initial Portfolio Base Case Scenario**") to estimate the expected cash flows of the Portfolio. For the portion of the Portfolio assisted by judicial orders of assignment or in the process of obtaining judicial orders of assignment the Servicer assumed periodic payments from the borrowers' employers or pension provider while for the portion of the Portfolio assisted by repayment plans the Servicer assumed periodic payments based on the schedule of the agreed repayment plan. In the Initial Portfolio Base Case Scenario, legal and proceeding expenses as well as servicing fees are deducted from expected gross cash flows to project the net cash flows available which will be part of the Issuer Available Funds.

The table below reports the main cash flows envisaged in the Initial Portfolio Base Case Scenario.

Initial Portfolio Base Case Scenario cash flows	**Euro**
Gross Expected Collections Total	1,073,192,478
Gross Expected Collections OdA and Pre OdA	912,770,420
Gross Expected Collections Repayment Plan	160,422,057
Expected Recovery Expenses* Total	61,078,177
Expected Recovery Expenses* OdA and Pre OdA	51,213,226
Expected Recovery Expenses* Repayment Plan	9,864,952
Expected Master Special Servicing Fees and Special Servicing Fees* Total	60,490,935
Expected Master Special Servicing Fees and Special Servicing Fees* Oda and Pre OdA	51,212,392
Expected Master Special Servicing Fees and Special Servicing Fees* Repayment Plan	9,278,543
Net Cash Flows Total	**951,623,365**
Net Cash Flows OdA and Pre OdA	**810,344,803**
Net Cash Flows Repayment Plan	**141,278,563**

**Inclusive of VAT*

The Initial Portfolio Base Case Scenario has been developed applying a statistical methodology based on the criteria described in the following paragraph.

INITIAL PORTFOLIO BASE CASE SCENARIO METHODOLOGY

The statistical Initial Portfolio Base Case Scenario is based on two different approaches which are applied depending on the underlying exposure: (i) unsecured receivables assisted by judicial orders of assignment or in the process of obtaining judicial orders of assignment originally issued in favour of the Seller or any assignor thereof ("**OdA and Pre OdA Receivables**") (ii) unsecured receivables assisted by voluntary repayment plans agreed with the borrowers ("**Repayment Plan Receivables**").

Recoveries from OdA and Pre OdA Receivables are computed based on a model that projects the expected amount paid periodically by the borrower's employer according to the relative OdA or projected future OdA over the expected life of the borrower. The periodic amounts are reduced over time according to a decay factor to take into account the probability of certain events which could reduce or suspend the

period payments made by the borrower's employer (such as, but not limited to, the borrower's loss of job or salary reduction). The length of the expected recoveries depends on the life expectancy of the borrower, taking into account several sources, among other, data published by the Italian National Institute of Statistics (ie ISTAT).

Recoveries from the Repayment Plan Receivables are computed based on a model that projects the expected amount paid periodically by the borrower according to the relative repayment plan over a maximum of twenty years. The periodic amounts are reduced over time according to a decay factor to take into account the probability of certain events which could cause the borrower to default on the repayment plan (such as, but not limited to, the borrower's loss of job or salary reduction).

The Initial Portfolio Base Case Scenario full methodological note is reported below.

The full version of the Initial Portfolio Base Case Scenario is available at the website protected with user ID and password accessible by sending an email request to: ifisnplspv2021@bancaifis.it.

INITIAL PORTFOLIO BASE CASE SCENARIO METHODOLOGICAL NOTE

OdA Receivables

1. Definition of OdA
The Ordinanza di Assegnazione ("OdA"), is the provision by which the Judge, pursuant to art. 553 of the Italian Civil Code, assigns to the creditor the sum to be paid by the borrower's employer or social security administrator. The Judge establishes the portion of the borrower's salary or pension, equal to one fifth or other percentage as provided by law, that must be paid directly from the borrower's employer or social security administrator to the creditor through the attachment of the borrower's salary or pension.

2. Classification of the OdA
The OdA is classified into the following macro clusters:

- **Active OdA**: this cluster includes OdAs for which a recent payment from the employer or social security administrator has been made
- **Adjusted OdA**: this cluster includes OdAs where there is a temporary salary reduction for the respective borrower (for example due to maternity, furlough scheme, etc.)
- **Queued OdA**: this cluster includes OdAs notified to a debtor who already has a portion of the salary seized by a third party (different from the Seller) and therefore the OdA may start paying in the future, as soon as the currently outstanding OdA (senior to the OdA in the Portfolio) is reimbursed.

The particular characteristics of each type of OdA are details in paragraph 4 and 5.

3. Active OdA - Determination of cash flows
The methods for determining gross and net recoveries are set out below.

Definitions:

- **Amount of the installment:** it is the value of the monthly installment indicated in the OdA document at issuance (or computed on the basis of the declaration pursuant to the Article 547 of the Italian Civil Code) for the initial establishment of the repayment plan. The amount of the installment is monitored every six months by the Servicer;
- **Interest effective date:** it is the date representing the moment from which the creditor is entitled to request default interests - date subsequent to the last calculation carried out in deeds or expressly indicated in the OdA;
- **Issue date:** it is the actual issue date of the OdA

- **Rate applied:** it is the type of interest rate to be used to compute the interest on arrears as established in the assignment order (or injunction). The interest rate considered in the business plan has been capped at the value of the usury rate into effect at the issue date according to the type of the receivable, furtherly reduced by 1% as a precaution.
- **Total amount of the OdA:** it is the total amount, uploaded to the bank's system, equal to the amount assigned in the OdA (principal, accrued interest and expenses paid in deeds at the time of assignment, plus execution costs assigned in the OdA) plus taxes:
    - **Principal:** it is the principal amount on which the post-OdA interests are computed according to the interest rate indicated in the OdA document.
    - **Interest already accrued:** they are the interests already quantified in the last judicial act prior to obtaining the OdA (normally in a deed of obligations).
    - **Expenses:** they are the legal expenses accrued prior to obtaining the OdA.

In order to correctly assess the value to be projected, all collected amounts (or any other past events) are taken into account in assessing the balances (principal, interest, expenses) available at the start date of the legal phase.

All the collections received after the issue date of the OdA will be applied in the following order: firstly to repay the Expenses component, then to repay the Interest component (accrued before and after the issuance of the OdA) and finally to repay the Principal component of the OdA.

The Interest component includes also default interest which are computed from time to time on the outstanding Principal of the OdA as follows:

Interest_t = Rate_t * residual principal_ (t-1),

where:

"*t*" is the reference month
"*Rate_t*" is the lowest of:

1. reference rate[3] indicated in the database increased by the spread (if available) and taking into account the calculation frequency
2. threshold value of the usury rate as published by the Bank of Italy at the issue date according to the type of receivable, reduced by a further 1% as a precaution.

As a result of the above and given the periodical application of default interest, the expected time needed to reimburse the outstanding balance of the OdA may be longer.

For the purposes of the Business Plan estimation, regardless of whether the borrower is a worker or a pensioner, the projected cash flow stops when the borrower reaches his/her life expectancy, according to sex and region of residence, as reported in the tables of mortality published by Italian National Institute of Statistics (ie ISTAT).

In any case, the expected cash flows are simulated up to December 2053, about 30 years after the cut-off date

Reaching retirement age
If a public and private employee reaches the retirement age:

- as a precaution, the one fifth share of the severance pay (or equivalent indemnity) that the creditor has the right to collect even after retirement by the debtor was not taken into account.
- the amount of the OdA installment is not changed and therefore it reflects the reduction implied by the decay factor, as detailed in the "OdA decay rate section".

[3]The interest rate is recognized by the judge and, depending on the case, it can be fixed or variable (parameterized to a reference rate such as, legal, Euribor, or other).

Calculation of the expected amount collected

The amount of the installment indicated in the database is used for the calculation of the expected future cashflows assuming:

- for retired debtors / guarantors, 13 monthly payments on an annual basis
- for Private / Public debtors / guarantors 14 monthly payments on an annual basis

The amount of the expected installment does not take into account any salary increase linked to the inflation rate.

Furthermore, no salary increases were considered (such as increases due to the renegotiation of collective job contracts or company contracts, or following the receipt of bonuses or lump sums).

It is worth highlighting that, on a six-month basis any deviation of the installment collected vs the amount expected is checked (and if necessary, the periodic installment is updated).

OdA decay rate

Several factors contribute to reduce the actual amount collected of each OdA, in other words, there is a decay of the collection of each OdA over time.

The main factors that contributed to the decay rate are highlighted below:

- job loss (also due to transition to retirement)
- furlough scheme (or similar scheme)
- salary reduction
- death
- bankruptcy or other procedures relating to the employer.

The decay rates are expressed by type of debtor/guarantor and by year of projection of the cash flows. The below table highlights the decay rate used by IFIS for their business plan and are based on historical info for the period 2016-2022.

	Public	Retired	Private
First Year	**1.55%**	**0.32%**	**3.25%**
Second Year	**5.90%**	**1.45%**	**15.24%**
Third Year	**10.33%**	**2.98%**	**25.80%**
Fourth Year	**15.21%**	**4.95%**	**33.95%**
Fifth Year	**20.02%**	**6.96%**	**39.55%**
Sixth Year	**25.23%**	**8.85%**	**43.39%**
Seventh Year	**29.69%**	**13.56%**	**47.50%**
Beyond the seventh year	**29.69%**	**13.56%**	**47.50%**

The decay rate does not take into account that in the event of decay of the OdA (due to reasons other than the death of the debtor/guarantor), the Servicer may continue or restart the enforcement action against the debtor/guarantor (for example by notifying the OdA to the new employer, if any). Therefore, the decay rate does not take into account (i) the OdAs that may subsequently be reactivated on the debtor/guarantor or (ii) any revaluation (or inflation adjustments) of wages or pension for the OdAs that remain active.

Based on the historical data (for event like loss of job or transition to pension) the expected time required by the Servicer for the reactivation of an OdA with respect to a debtor who recovers a job or retires is approximately 6/9 months.

4. Adjusted OdA - Determination of cash flows

OdAs with a temporary salary reduction event in place (for example due to maternity, furlough

scheme, etc) are included in this cluster.

Compared to the methodology indicated in Paragraph 3 relating to Active OdAs, for adjusted OdAs, the cash flow relating to the first year is reduced by 50% due to the temporary nature of the adjustment event. Starting from the second year onwards, the expected cash flow will be reduced using the same decay rates indicated in the previous paragraph.

Please note that the amount of the installment presented in the database does not take into account the temporary adjustment event.

5. Queued ODA - Determination of cash flows
This cluster includes the OdAs notified to a debtor who already has on OdA in favour of a third party creditor (which is senior compared to the OdA issued in favour of the Seller), and therefore the OdA in favour of the Seller will start paying as soon as the prior OdA is repaid.

Based on the information received during the legal action and from the employer, the receivable manager, through a constant monitoring process, is able to estimate the expected date of repayment of the previous debt. After that date, the OdA will begin to produce the economic effects. In the database the queuing end date is indicated.

Pre OdA Receivables

1. Pre OdA: Definition of Formal Request of Payment and Assignment
Within the pre OdA category we find positions that are at an advanced stage of the judicial process to obtain the OdA. Specifically, it includes Precetto (Formal Request of Payment) and Pignoramento (Assignment).

- **Precetto** (art. 480 c.p.c.): this is the act by which the creditor exhorts the debtor to respect the obligation contained in the enforcement title, giving the debtor notice that in case of non-performance, the creditor will proceed to enforcement. It includes udpated claim amount, i.e., it specifies the exact amount due, net of any partial payments that have since occurred, and including interest on the claim that has since accrued, and the costs that the creditor has incurred since the issuance of the enforcement order
- **Pignoramento** (art. 513 - 522 c.p.c.): is an act of execution, consisting of the request made by the creditor to the judge, to identify the debtor's assets available to satisfy the claim contained in the enforcement title and Precetto
  6.

2. Determination of Cash Flows
The main assumptions for the determination of gross and net recoveries are set out below

Probability of Migration between Legal Phases

The estimation of the probability of an OdA being issued is made by calculating the migration rate per phase, i.e., the probability of progress relative to a given phase of the judicial process.

Probability of OdA being issued
=
Probability of transforming a precetto to a pignoramento
***
Probability of transforming a pignoramento in OdA

The probability of survival between legal stages was calculated by counting the number of OdA decayed over time and ensuring the decreasing monotonicity of the survival rate

- **Precetto Stage**: Probability that a position arrived to precetto will advance to pignoramento
- **Pignoramento Stage**: Probability that a position arrived to pignoramento will advance to OdA

Probability of migration between stages			
Legal Stage	**Borrower type**	**Rate**	**Probability of migration ODA**
Precetto	Private	86.79%	64.90%
	Public	94.33%	82.89%
Pignoramento	Private	74.78%	74.78%
	Public	87.88%	87.88%

Legal Stage Timings

The timing estimate is divided into three distinct phases following the court's obtaining of the injunction:

- **Precetto phase:** estimated time required to advance to the Pignoramento phase
- **Pignoramento phase:** estimated time required to advance to the OdA phase
- **OdA phase:** estimated time required for receipt of first payment from issuance of the OdA

7.

8. When calculating the cash flow of positions in Pre-OdA (precetto or pignoramento stage), the first element analyzed is the Time to Cash (i.e. the time it takes to receive the first ODA payment) estimated while waiting to receive the first payment, given by the sum of the following components:

- Time to Cash Precetto and Pignoramento: for both phases, the timing associated with the 90th percentile of the historical distribution by court is extrapolated, and then the average of the 90th percentile of all courts is applied, as shown in the table below
- Timing of the registration of first payment: the average timing from the beginning of the OdA phase to the registration of the first collection is equal to 93 days on average

Average timing based on the 90th percentile of all courts	
Legal Stage	**Average timing - days**
Precetto - Pignoramento	180
Pignoramento - OdA	485

Average Rate Pre ODA

The average has been based on historical data in the management systems, the average installment represents the monthly amount, corresponding to one-fifth of the salary, that is expected to be paid to the Bank.

This amount corresponds to the average monthly installment, which will be used to estimate future cash flows, as shown below and broken down by type of borrower, constructed from the bank's

historical data.

However, cash flow is always truncated if the age coincident with life expectancy is exceeded, according to sex and region of residence, as indicated in the ISTAT mortality tables.

Average Rate OdA	
Borrower	**Amount**
Private	219.24 €
Public	239.17 €
Pensioner	91.87 €

The monthly amount is then lowered by (i) the migration probabilities (shown above) and (ii) the lifetime decay rate.

Retiree Attackability Rate

Once the retirement age is reached, for borrowers in public and private employment, the likelihood that the pension will be above the statutory €1,000 minimum threshold is estimated. The attackability rate then measures the likelihood that it will still be possible to enforce the claim against the individual once he or she reaches retirement age because upon reaching retirement age the OdA decays as the payer changes (from the employer to the penion provider).

The modeling technique used to estimate the rate of attackability was to calculate the percentage ratio, on a national basis, of retirees with a monthly allowance of more than €1,000, compared to the entire population who had ceased working due to age limit or other reasons attributable to the provision of a pension. The attackability rate is applied to each subject's estimated pension.

Estimated pensioner attackability rate: **55.03%**

3. Legal expenses

The total amount of expected cash flows is equal to the Value Issued in the Injunction Decree, a determined amount awarded to us by the court onto which legal fees will be added.

These are estimated based on historical costs incurred in reaching the OdA stage, based on historical data. The average costs recognized by the court in issuing an OdA were estimated by claim amount in the Injuction Decree.

- Injunction Decree value: known amount

- Legal fees: estimated figure based on historical data and clustered based on decree amount

Estimated legal fees: €2,979.80

Repayment Plan Receivables

1. Repayment Plan - Definition
9.

10. Repayment plans are extra judicial agreements with the debtor agreed on a voluntary basis, in which a total amount is paid via a series of future periodic installments, typically monthly.
11. The amount to be paid is determined starting from the credit claim and is then defined on the basis of the debtor's economic possibilities. In some cases, it may be contemplated to write off part of the credit claim so as to make the resulting debt a sustainable amount for the debtor.
12. Should the repayment plan not be complied with by the debtor, the amount collectible would revert to the entire credit claim (net of collections up to the time of default), without taking into account the write-off.
13.

2. Determination of Cash Flows

14.
15. Cash flows are determined on the basis of future installments included in the repayment plan. These cash flows are then reduced by application of the decay curves (below), divided by cluster based on seasoning of the plans (i.e. based on how much time has passed since the closure of the repayment plan). For example, the P_0_13_18 column includes plans with 0 missed instalments and between 13 and 18 paid instlaments. At the end of the 16th quarter until the end of the plan, the rate of the 16th quarter is applied. A cap was placed on recoveries at the lower of 20 years and residual GBV.

Quarter	P_0_13_18	P_0_19_24	P_0_25_36	P_0_37_48	P_0_49_UP
1	93.21%	93.99%	94.83%	95.60%	96.38%
2	91.99%	93.90%	94.50%	94.88%	95.24%
3	89.87%	93.81%	94.16%	94.15%	94.89%
4	87.75%	93.33%	92.17%	94.07%	94.55%
5	87.05%	92.02%	90.17%	93.98%	94.20%
6	86.35%	88.85%	89.76%	93.90%	93.86%
7	84.02%	88.15%	88.96%	93.81%	93.23%
8	81.69%	87.78%	88.17%	92.72%	92.60%
9	79.36%	87.42%	87.37%	92.59%	91.75%
10	78.94%	87.05%	86.57%	91.24%	91.75%
11	78.51%	86.68%	86.29%	90.48%	91.75%
12	78.24%	84.78%	86.02%	89.72%	91.75%
13	77.96%	84.10%	85.74%	89.72%	91.75%
14	77.22%	81.93%	85.46%	89.72%	91.75%
15	76.48%	79.58%	84.71%	89.72%	91.75%
16	74.59%	76.26%	83.96%	89.72%	91.75%

16.

Curves	
P_0_13_18	Repayment Plans with 0 missed instalments and between 13 – 18 paid instalments
P_0_19_24	Repayment Plans with 0 missed instalments and between 19 – 24 paid instalments
P_0_25_36	Repayment Plans with 0 missed instalments and between 25 – 36 paid instalments
P_0_37_48	Repayment Plans with 0 missed instalments and between 37 – 48 paid instalments
P_0_49_UP	Repayment Plans with 0 missed instalments and above 48 paid instalments

ODA, Pre ODA and Repayment Plan Expenses

1. Legal and Operational Expenses

Operational expenses: with regards to positions not yet in the OdA stage and on positions where the OdA has decayed, the costs required during the legal process for background checks to confirm

continued employment at the existing job or to identify a new job were estimated. The average cost of a confirmed Job Search is ca.10-12€ depending on the info-provider.

In addition to these, the costs required to find the information on phone numbers and residential addresses useful for contacting either by phone or through postal communication campaigns (welcome letters, reminders, etc...) were estimated. The average cost of a registry trace is 0.8€, that of a telephone search is ca.2€.

In addition, costs were estimated to access chamber of commerce registration records for legal persons debtors and employers.

Finally, costs were factored in for managing postal communications, document storage and maintenance of digital and paper archives.

Legal fees: with regards to positions not yet in the OdA stage, based on the current stage the positions are in and the probability of transition from one stage to the other, the costs of obtaining the OdA were estimated (costs of injunction decree, precetto, pignoramento and the enforcement stage-including fees and charges, out-of-pocket expenses and taxes). With regards to the OdA positions and those in the pre-Oda stage expected to reach the OdA stage, given the impact of the OdA decay rate, and based on the probability of reactivating the legal procedure in the event the debtor subsequently finds a new job, the costs of obtaining the new OdA were estimated (costs of precetto, pignoramento and the enforcement phase-including fees and charges, out-of-pocket expenses and taxes), taking into account the likelihood of success of the new action.

Across the board, the likelihood of any oppositions to injunction decree, precetto, and pignoramento was also assumed, and related legal costs were estimated accordingly.

The average cost of a complete legal action that is successful in obtaining an OdA (costs of the injunction decree, precetto, pignoramento, and enforcement phase-including fees and charges, out-of-pocket expenses, and taxes) has been estimated according to the claim amount (some cost items vary according to the claim amount). The average cost was of €1,700, while the average cost of an opposition was about €1,200.

2. Servicing fees

Base and master fees: assumed to be 0.03% of GBV and 0.01% of GBV, respectively.

Performance fees: assumed to be 6% of Net Cash Flow before application of base and master servicing fees.

Extra judicial reimbursement fees: where applicable, an estimation was made of the reimbursement of hypothetical costs to be incurred for extra judicial agrrements reached by external networks (debt collectors) of files that are no longer paying or can no longer be judicially attacked. For these positions, the collection rate of new agreements and the corresponding fee to be paid to collectors was estimated. The hypothetical cost of recovery and follow-up for any overdue installments in connection with outsourced activities for the repayment plans was also estimated.

Copy of the Initial Portfolio Base Case Scenario is available for consultation on the website protected with user ID and password accessible by sending an email request to: ifisnplspv2021@bancaifis.it.

The Arranger has not undertaken nor will undertake any investigation, searches or other actions to verify the details or accuracy of the information contained in the Initial Portfolio Base Case Scenario and it nor any of its shareholders, consultants or any of its respective representatives (including affiliates and their respective directors, officers, agents and employees) accept no liability or responsibility whatsoever for the information contained in the Initial Portfolio Base Case Scenario (including, without limitation, the fairness, accuracy, adequacy or completeness of the Initial Portfolio Base Case Scenario, the assumptions on which the information contained therein is based, the reasonableness of any projections or forecasts or valuations contained in the Initial Portfolio Base Case Scenario, or any written or oral information, or as to whether the information in the Initial Portfolio Base Case Scenario is up to date or the suitability of any investment) and any liability therefore is hereby expressly disclaimed without limiting the foregoing, including without limitation in relation to any inaccuracy in, or omission from, the Initial Portfolio Base Case Scenario or the information contained therein.

ESTIMATED MATURITY AND WEIGHTED AVERAGE LIFE OF THE SENIOR NOTES

The weighted average life ("**WAL**") of the Senior Notes cannot be predicted, as the actual amount and timing of the Collections is unpredictable due to the non performing nature of some Receivables and a number of other relevant factors unknown at the date hereof. The WAL of the Senior Notes will be influenced by several factors, among others, the timing of judicial proceedings in courts for the assignment of the OdA, ability to enter in discounted pay-offs and repayment plans.

Calculations of the expected weighted average life of the Senior Notes has been prepared under certain assumptions. These estimates have certain inherent limitations. No representations can be made that such estimates are accurate, or that all assumptions relating to such estimates have been considered or stated or that such estimates will be realised. The tables below show the expected weighted average life of the Senior Notes, based, among other things, on the following assumptions:

(i) the issue date of the Subsequent Notes is 28 July 2023;

(ii) the payment dates do not take into consideration public holidays;

(iii) the reference rate (EURIBOR) applicable to the Payment Date falling in January 2024 is equal to 3.76% (from Intex, Euribor 6m Vector as of 18 July 2023);

(iv) the six months forward EURIBOR curve was used as a reference rate (the curve was downloaded from Intex, Euribor 6m Vector as of 18 July 2023);

(v) no purchase/sale/indemnity/renegotiations on the Portfolio is made according to the Transaction Documents;

(vi) expected general Issuer costs/fees have been assumed to be equivalent to a maximum amount of Euro 150,000 per annum;

(vii) the portfolio base case scenario is met at any payment date, in other words no subordination event, nor special servicing fee subordination event will occur;

(viii) the Cash Reserve will amortize as provided for in the Conditions;

(ix) no replenishment of the Recovery Expense Reserve Account and Expenses Account has been modelled;

(x) the Issuer will not exercise the redemption options pursuant to Conditions;

(xi) from the Subsequent Economic Effective Date to the Subsequent Issue Date, Euro 60,000,000 of actual Collections have been considered as available to the Issuer on the Subsequent Issue Date,

(xii) no upfront costs at closing have been modelled;

(xiii) no Trigger Event will occur in respect of the Subsequent Notes.

The actual amount and timing of the Collections are likely to differ from the assumptions used in constructing the tables set forth below, which is hypothetical in nature and is provided only to give a general sense of how the principal cash-flows might behave. Any difference between such assumptions and the actual characteristics and distribution of the Collection will cause the estimated weighted average life and the principal payment window of the Senior Notes to differ (which difference could be material) from the corresponding information in this section.

The base case assumptions above reflect the current expectations of the Issuer but no assurance can be given that the redemption of the Senior Notes will occur as described above.

The expected maturity and the estimated weighted average life of the Senior Notes are subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and estimates in this section will prove in any way to be realistic and they must therefore be viewed with considerable caution.

Based on the above assumptions, the Estimated Weighted Average Life (years) is: **3.2 years.**

THE ISSUER

Introduction

The Issuer was incorporated in the Republic of Italy on 1 February 2021 as a special purpose vehicle pursuant to Article 3 of Law 130, as a *società a responsabilità limitata* (limited liability company) under the name of IFIS NPL 2021-1 SPV S.r.l.. The Issuer was enrolled in the Register of Companies of Treviso-Belluno on 2 February 2021 under No. 05148990269, belonging to the Ifis VAT Group with VAT number 04570150278 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 under No. 35782.2.

The Issuer's by-laws provides for termination of the same on 31 December 2100. The registered office of the Issuer is at Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, the fiscal code and number of enrolment with the companies' register of Treviso-Belluno is 05148990269 (telephone number: +39 0438 360926; fax number: +39 0438 360962). The Issuer operates under the laws of the Republic of Italy. The Issuer has no employees and no subsidiaries.

The legal entity identifier (LEI) of the Issuer is 8156008F44C68F142745.

Since the date of its incorporation, the Issuer has not engaged in any business not related with the purchase of the Portfolio, no dividends have been declared or paid, other than: (i) the authorisation and the execution of this Prospectus and the other Transaction Documents to which it is a party; (ii) the activities incidental to any registration under the laws of the Republic of Italy; (iii) the activities referred to or contemplated in this Prospectus and in the Transaction Documents; and (iv) the authorisation by it of the Notes.

The Issuer has no employees. The authorised and issued capital of the Issuer is Euro 10,000.00 fully paid up as of the date of this Prospectus and it is held as follows:

a. Banca Ifis S.p.A., which holds a participation for an aggregate nominal amount of Euro 5,100.00 (five thousand one hundred/00), representing a participation equal to 51% (fifty one per cent.) of the quota capital; and

b. Stichting Mindful, which hold a participation for an aggregate nominal amount of Euro 4,900.00 (four thousand nine hundred/00), representing a participation equal to 49% (forty nine per cent.) of the quota capital.

(Banca Ifis S.p.A. and Stichting Mindful are referred to, collectively, the "**Quotaholders**").

Pursuant to the Quotaholders' Agreement:

(i) Stichting Mindful has granted to Banca Ifis S.p.A an option pursuant to article 1331 of the Italian civil code (the "**Banca Ifis First Call Option**") to purchase from Stichting Mindful a portion of the participation held by Stichting Mindful in the Issuer's Quota Capital, provided that the participation of Banca Ifis S.p.A. (also through another company of the Gruppo Banca Ifis designated by Banca Ifis S.p.A.) in the Issuer's Quota Capital prior to the Rated Notes Redemption shall not exceed 90% (ninety per cent) of the Quota Capital, at a price equal to (i) the aggregate of nominal value of such portion of the participation held by Stichting Mindful or (ii) any other amount agreed between the relevant parties; the Banca Ifis First Call Option may be exercised by Ifis (also through another company of the Gruppo Banca Ifis designated by Ifis) in one or more times during the terms of the Quotaholders' Agreement, exclusively prior to the redemption in full of the Rated Notes (the "**Rated Notes Redemption**"); the Banca Ifis First Call Option has been exercised on 26 June 2021 and, as a result of that, the authorised and issued capital of the Issuer is split as described above.

(ii) Stichting Mindful has granted to Banca Ifis S.p.A. an option pursuant to article 1331 of the Italian civil code (the "**Banca Ifis Second Call Option**") to purchase from Stichting Mindful the entire

participation (or a portion thereof) held by Stichting Mindful in the Issuer's Quota Capital, at a price equal to the aggregate of nominal value of the participation (or the relevant portion thereof) held by Stichting Mindful. The Banca Ifis Second Call Option may be exercised by Banca Ifis S.p.A. (also through another company of the Gruppo Banca Ifis designated by Banca Ifis S.p.A.), exclusively starting from the Rated Notes Redemption.

To the best of its knowledge, the Issuer is not aware of directly or indirectly ownership or control apart from its Quotaholders. Under the Agreement between the Issuer and the Quotaholders, each of the Quotaholders has undertaken to exercise its voting rights in such a way as not prejudice the interest of the Noteholders, the ratings of the Rated Notes and the Transaction.

Principal Activities

The scope of the Issuer, as set out in 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 Law 130. The issuance of the Original Notes was approved by means of a meeting of the Board of Directors held on 24 February 2021. The issuance of the Subsequent Notes was approved by means of a meeting of the Board of Directors held on 11 July 2023. 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 Portfolio, 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. The Issuer will covenant to observe, *inter alia*, those restrictions which are detailed in the Conditions.

Board of Directors and registered office

The following table sets out certain information regarding the current members of the Board of Directors of the Issuer:

Name	Position	Principal activities performed outside the Issuer
Paolo Gabriele	Chairman of the Board of Directors	Head of Financial Institutional Structured Credit e Specialised Lending | CIB Banca Finint
Matteo Pigaiani	Director	Banca Ifis in charge as Head of Securitisation & Structured Solutions
Marco Pisoni	Managing Director	N.A.

Matteo Pigaiani has been appointed at the incorporation of the company occurred on 1 February 2021. Paolo Gabriele has been appointed on February 4, 2022 and Marco Pisoni has been appointed in October 28, 2021.

Following the exercise of the Banca Ifis First Call Option on 26 June 2021, a Majority Stake Acquisition Event has occurred and, therefore, pursuant to the Quotaholders' Agreement, starting from the occurrence of a Majority Stake Acquisition Event, two of three members of the Board of Directors have been selected by Banca Ifis S.p.A. and one Independent Director has been selected by Stichting Mindful.

For the purpose of this paragraph:

"**Indipendent Director**" means an individual who is not an employee or a director of, or carries out activities for, any company of the Gruppo Banca Ifis and has not been, at the time of appointment, or at any time in the preceding five years: (a) a direct or indirect legal or beneficial owner in Ifis or any of its affiliates or a family member of a legal or beneficial owner in Ifis or any of its affiliates; (b) a creditor, employee, officer, director, manager, or contractor of Ifis or its affiliates; or (c) a person who controls (whether directly, indirectly, or otherwise) Ifis or its affiliates or any creditor, employee, officer, director, manager, or contractor of Ifis or its affiliates.

"**Majority Stake Acquisition Event**" means the acquisition of a majority stake by Banca Ifis S.p.A. (or by any other company of the Gruppo Banca Ifis designated by Banca Ifis S.p.A) through which Banca Ifis S.p.A. (or the other company of the Gruppo Banca Ifis designated by Banca Ifis S.p.A) acquires control of the Issuer pursuant to article 2359, paragraph 1, sub-paragraph 1, of the Italian civil code.

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 and fully paid up Euro 10,000.00

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 assets and liabilities

Class A Asset Backed Floating Rate Notes due January 2060, Euro 515,000,000;

Class B Asset Backed Fixed Rate Notes due January 2060, Euro 90,000,000;

Class J Asset Backed Fixed Rate and Variable Return Notes due July 2051, Euro 23,600,000;

Class J2 Asset Backed Fixed Rate and Variable Return Notes due January 2060, Euro 25,000,000;

TOTAL INDEBTEDNESS	**Euro 124.209,00 as of 31 December 2022**

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.

Financial Statements and Report of the Auditors

The Issuer's accounting reference date is 31 December in each year. The Issuer has been incorporated on 1 February 2021 and, since the date of incorporation, the financial information of the Issuer derives from the statutory financial statements of the Issuer as at and for the years ended on 31 December 2021 and on 31 December 2022. The statutory financial statements of the Issuer as at and for the year ended on 31 December 2021 have been prepared in accordance with Italian accounting principles in respect of which an auditors' report has been delivered by EY S.p.A. on 22 April 2022. The statutory financial statements of the Issuer as at and for the year ended on 31 December 2022 have been prepared in accordance with Italian accounting principles in respect of which an auditors' report has been delivered by EY S.p.A. on 30 March 2023. Such financial statements, together with the reports of the Administrator and the accompanying notes, are incorporated into this Prospectus (see the section headed "*Documents incorporated by reference*").

No interim financial statements are produced by the Issuer.

Copy of the financial statements of the Issuer for each financial year since the Issuer's incorporation may be inspected and obtained free of charge during usual business hours at the specified offices of the Issuer and the Representative of the Noteholders and on the following website https://www.securitisation-services.com/it.

Independent Auditors

The auditors of the Issuer are EY S.p.A. for the period 2021, 2022. EY S.p.A. has audited the financial statements of the Issuer in accordance with the article 2409-bis of Codice Civile and the article 14, comma 1, lettera a) of Decreto Legislativo 27 gennaio 2010, n. 39 as at and for the years ended on 31 December 2021 and 31 December 2022. The audit report on 2021 audited financial statements of the Issuer has been issued by EY S.p.A. on 22 April 2022. The audit report on 2022 audited financial statements of the Issuer has been issued by EY S.p.A. on 30 March 2023.

EY S.p.A. is a auditor's company.

EY S.p.A. is included in the Register of Certified Auditors held by the Ministery for Economy and Finance – Stage general accounting office, at no. 00891231003.

EY S.p.A. address is: Via Isonzo, 11 - 37126 Verona.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2022 and 31 December 2021, respectively, together in each case with the audit report thereon, which have been previously published or are published simultaneously with this Prospectus and which may be inspected during normal business hours at the registered office of the Issuer and of the Representative of the Noteholders.

Documents	**Information contained**		**Reference Page**
Financial statement of the Issuer as of **31 December 2022**	Balance Sheet	p. 1	https://www.securitisation-services.com/it/
	Profit and Loss account	p. 2	
	Cash Flow Statement	p. 4	
	Note to the Balance Sheet	p. 5	
	Note to the Profit and Loss Account	p. 12	
	Note to the Cash Flow Statement	p. 13	
Annex 1 to the financial statement of the Issuer as of **31 December 2022**	Other information relating to the securitisation carried out by the Issuer		https://www.securitisation-services.com/it/
Management report relating to the financial statement of the Issuer as of **31 December 2022**	-		https://www.securitisation-services.com/it/
Auditors' reports on the financial statement of the Issuer as of **31 December 2022**	-		https://www.securitisation-services.com/it/
Financial statement of the Issuer as of **31 December 2021**	Balance Sheet	p. 1	https://www.securitisation-services.com/it/
	Profit and Loss account	p. 2	

	Cash Flow Statement	p. 3	
	Note to the Balance Sheet	p. 4	
	Note to the Profit and Loss Account	p. 5	
	Note to the Cash Flow Statement	p. 6	
Annex 1 to the financial statement of the Issuer as of **31 December 2021**	-		https://www.securitisation-services.com/it/
Management report relating to the financial statement of the Issuer as of **31 December 2021**	Other information relating to the securitisation carried out by the Issuer		https://www.securitisation-services.com/it/
Auditors' reports on the financial statement of the Issuer as of **31 December 2021**	-		https://www.securitisation-services.com/it/

Those parts of the documents incorporated by reference in this Prospectus which are not specifically incorporated by reference in this Prospectus are either not relevant for the prospective investors or covered elsewhere in this Prospectus.

THE SELLER

Ifis Npl Investing S.p.A. (formerly Ifis NPL S.p.A.) is a company incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office at Via Terraglio, 63, 30174 Venezia Mestre, Italy, share capital of Euro 22,000,000.00 fully paid up, belonging to the Ifis VAT Group with VAT number 04570150278, REA CCIA Venice 420580, registered with the register of financial intermediaries (*albo degli intermediari finanziari*) held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act under number 222, belonging to the banking group "Gruppo Banca Ifis", fully controlled by, and subject to the activity of direction and coordination ("*soggetta all'attività di direzione e coordinamento*") of, Banca Ifis S.p.A.

Ifis Npl Investing S.p.A.'s term, pursuant to the provision of article 3 of its by-laws, ends on 31 December 2050, subject to extensions under Italian law.

The purpose of Ifis Npl Investing S.p.A., according to article 4 of its by-laws, is to:

- purchase receivables, mainly classified as non performing;
- carry out the activities necessary for the management, collection and possible sale of receivables;
- participation in securitisation transactions both as sponsor and underwriter.

To achieve the corporate purpose, Ifis Npl Investing S.p.A. may also, among other things, grant loans.

The Board of Directors of Ifis Npl Investing S.p.A. is currently composed of the following members:

Chairman of the Board of Directors	Luca Lo Giudice
CEO	Katia Mariotti
Director	Monica Billio
Director	Alberto Staccione
Director	Frederik Herman Geertman
Director	Simona Arduini

The Board of Statutory Auditors of Ifis Npl Investing S.p.A. is currently composed of the following members:

Chairman of the Board of Statutory Auditors	Paolo Giosuè Maria Bifulco
Standing Auditor	Marinella Monterumisi
Standing Auditor	Massimo Donati
Alternate Auditor	Ferruccio Di Lenardo
Alternate Auditor	Franco Olivetti

The information contained herein relates to Ifis NPL Investing S.p.A. and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the

affairs of Ifis NPL Investing S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE SERVICER

IFIS Npl Servicing S.P.A. is a company incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office at Via Terraglio, 63, 30174 Venezia Mestre, Italy, share capital of Euro 3,000,000.00 fully paid up, fiscal code and enrolment with the Companies' Register of Venezia Rovigo under number 04602210272, VAT code 04570150278, registered with the register of financial intermediaries (*albo degli intermediari finanziari*) held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act under number 67, having as sole shareholder Ifis Npl Investing S.p.A., belonging to the banking group "Gruppo Banca Ifis" and subject to the activity of direction and coordination ("*soggetta all'attività di direzione e coordinamento*") of Banca Ifis S.p.A.

Ifis Npl Servicing S.p.A. manages the portfolios of Ifis Npl Investing S.p.A. and those of third companies not belonging to the banking group "Gruppo Banca Ifis".

The information contained herein relates to Ifis NPL Servicing S.p.A. and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Ifis NPL Servicing S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE COLLECTION AND RECOVERY POLICY OF THE SERVICER

1. GENERAL CRITERIA

1.1. The Servicer oversees the activities of protection and recovery of the Receivables and the liquidation of the related Ancillary Guarantee in compliance with the terms and conditions established in the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) of which the Collection Policy constitute Schedule A.

1.2. The Servicer promptly and proactively starts judicial or out-of-court initiatives being attemptable and/or appropriate in order to manage the Receivables and the enforcement of the relevant Ancillary Guarantees in accordance with the terms and conditions of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), critically evaluating the Documents received in order to maximize the net present value of the Receivables in the interest of the Issuer and the Noteholders.

1.3. The Servicer takes into account all the Documents available and reasonably relevant delivered by the Seller to the Issuer or otherwise obtained, relating to the Receivables.

1.4. The terms and expressions not otherwise defined in this Schedule bear the same meaning attributed to them in the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement).

2. THE ACTIVITY

2.1. The Servicer performs the management and administration of the Proceedings, including but not limited to:

(a) the establishment, prosecution, monitoring and resumption of the Enforcement Proceedings (*procedure esecutive*) with the acquisition of the enforcement order (*titolo esecutivo*), if not already available, the notice of the executive court order (*precetto*) and therefore the attachment of the assets (*pignoramento*) of the Assigned Debtor and/or its Guarantor, followed by the Enforcement Proceeding with the recovery of the Receivables according to law;

(b) the commencement of any in-court initiative deemed appropriate, including by way of example: the filing for bankruptcy, the participation in creditors' meetings in order to approve the Insolvency Proceedings, the appointment of representatives in the creditors' committees of the Insolvency Proceedings, in full autonomy and discretion;

(c) the commencement and/or the continuation of any judicial activity aimed at protecting the Issuer's receivables, including the inception of any appropriate judicial proceeding and/or the defending in proceedings set up by the Assigned Debtor and/or third parties;

(d) the execution, where deemed appropriate, of settlements, even deferred ones, and the entering into of the relevant agreements, as well as the transfer of the Receivables to third parties within the limits of the Delegated Powers exercisable as stated in Clause **Errore. L'origine riferimento non è stata trovata.** or Clause **Errore. L'origine riferimento non è stata trovata.** of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement);

(e) the release of acts of write-off, remission, debt cancellation or quittance (in full or in part) in accordance with the exercise of the Delegated Powers;

(f) the consent to the cancellation of the Mortgages and/or Ancillary Guarantees and any other registration or transcription being detrimental if connected to the exercise of the Delegated Powers or in accordance with the provisions of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement);

(g) the promotion of the sales, with or without auction, of the real estate assets on which a mortgage granting the Receivables repayment has been registered;

(h) the completion of the activities for the conservation and enforcement of the Mortgages and/or Ancillary Guarantees and/or the OdA (where applicable).

2.2. The Servicer, in relation to all proceedings, whether judicial initiatives are pending or not, can pursue the most extensive out-of-court campaigns, either internally (through its own call center or internal asset managers who also handle the legal phases) or externally (through networks of agents, collection companies e trustee lawyers according to the agreements made with them), for the purpose of entering into full and final settlements, subject to the provisions set forth in the Servicing Agreement.

2.3. Even if judicial proceedings are pending, the out-of-court activities - aimed at maximizing the recovery on the Receivables and limiting costs and expenses - are commenced and continued.

2.4. For the Judicial Proceedings, the Servicer shall, without prejudice to the Expected Annual Maximum Amount, deal with the Servicer Legal Counsels or Original Legal Counsels.

Should the Servicer terminate the appointment of any Original Legal Counsels, the Servicer shall deal with a Servicer Legal Counsel duly appointed upon execution of any Attorney Agreement.

If the Servicer so wishes, it may use lawyers other than the Servicer Legal Counsels *provided that* the relevant fees are not higher than the ones set out in the existing Attorney Agreements.

Without prejudice to the limitations of the provisions of Article 19.3 of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), the Parties agree that the Servicer, after informing the Monitoring Agent (who will inform the Committee), may pay the Servicer Legal Counsels fees higher than to those provided for in the relevant Attorney Agreements, *provided that* the Expected Annual Maximum Amount is not exceeded.

It is understood that in case this limit is exceeded, the Committee's authorization will be required pursuant to Clause 19.3 of this Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement). The Parties agree that this provision does not apply if the higher fee is due to regulatory changes that have occurred.

2.5. The Servicer agrees that the Original Legal Counsels and the Servicer Legal Counsels shall bill their fees and expenses directly to the Issuer (each such invoice, the "**Legal Counsel Invoice**").

2.6. The in-court and/or out-of-court process ends with the collection of the amounts realized or, in case of a negative result, with the quittance, remission or debt cancellation. In order to settle the Debt Relationship administratively, the Servicer informs the Issuer, the Monitoring Agent and the Representative of the Noteholders of the impossibility or non-convenience of further in-court or out-of-court activities.

3. DELEGATED POWERS - SETTLEMENT OF THE DEBT RELATIONSHIP

3.1 Settlement of the Debt Relationship means any hypothesis of agreement aimed at repaying Receivables related to a certain Debt Relationship, in whole or in part by balance, or on balance and write-off, even on a deferred basis, on the part of the Assigned Debtor, its assignees, Guarantors or third parties under any obligation, also through the liquidation of real estate assets (the "**Settlement of the Debt Relationship**") *provided that* the provisions of Clause 3.17 of the

Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) shall apply for the assignment of the Receivables to third parties.

3.2 The Settlement of the Debt Relationship proposal put forward by the Servicer will be treated according to the Delegated Powers referred to in Clause 3.3 of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement).

4. DELEGATED POWERS

As conditions for the exercise of the Delegated Power are met as per Clause **Errore. L'origine riferimento non è stata trovata.** or Clause **Errore. L'origine riferimento non è stata trovata.** of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), the proposal for the Settlement of the Debt Relationship and/or the assignment of the Receivables to third parties will be subject to a decision and/or resolution of the competent body/authorised person of the Servicer, in accordance with the internal delegation system adopted by the Servicer. If the competent body/authorised person approves such proposal, the data relative to the agreed new repayment plan, settlement or assignment of receivables will be subject to a specific written agreement with the counterparty.

The Servicer shall adopt at any time an internal delegation system so to ensure compliance by the Servicer with the obligations of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) and applicable laws and regulations. Without prejudice to this, as of the date of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), the Servicer's internal delegation system for the exercise of the Delegated Power as per Clause **Errore. L'origine riferimento non è stata trovata.** and/or Clause 3.17 of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) and/or the other powers therein indicated will be as follows. It remains understood that in no case the Servicer's internal delegation system may vary the limits of the Delegated Power and/or the other powers granted under the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) and/or limit the obligations of the Servicer undertaken under the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement); therefore, in case of any conflicts between the Servicer's internal delegation system indicated below (as amended from time to time) and the provisions of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement), the provisions of the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement) shall prevail.

*** *** ***

For the purpose of this section:

"**Attorney Agreements**" means the agreements which the Servicer enters into with the attorneys belonging to the network used by it.

"**Delegated Powers**" has the meaning ascribed to such term under the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement).

"**Documents**" means all data, documents, registrations and/or information delivered or in the possession of the Servicer in any form concerning:

(a) the Receivables, the Loans, the Loan Agreements, the Mortgages, the Order of Assignments and the Ancillary Guarantees; including any related enforcement order (*formula esecutiva*) (if any) and any enforcement titles (*titoli esecutivi*) (if any);

(b) the Insolvency Proceedings (including, without limitation, the deeds of admission to the creditors list and the correspondence exchanged with the bodies of such proceedings and with attorneys), the Enforcement Proceedings (including, without limitation, any deed of seizure or judicial ruling), or the jurisdiction proceedings;

(c) the collections on the Receivables, including, without limitation, any invoice, receipt, letter of collection, request for consolidation or restructuring of a Receivable and the documentation pertaining to settlements perfected with the Assigned Debtors and negotiations aimed at the execution of settlement agreements with the same, as well as in relation to any amounts paid by the Employers and/or Social Security Administrations pursuant to any Order of Assignment; and

(d) in general, all of the evidentiary documentation delivered, in accordance with the Transfer Agreement, by the Seller to the Servicer as the party appointed by the Issuer as its agent.

"**Original Legal Counsels**" means in connection with a judicial proceeding, the legal counsels which had been originally appointed by the relevant Original Lender for such judicial proceeding which have not been replaced by the Seller afterwards and/or by the Seller.

"**Servicer Legal Counsel**" means the legal counsels (other than the Original Legal Counsels) who have been appointed by the Servicer and have entered into the Attorney Agreements.

THE BACK-UP SERVICER

Zenith Service S.p.A. is a joint stock company (*società per azioni*) incorporated under the laws of the Republic of Italy, with registered office at Corso Vittorio Emanuele II, 24/28, 20122 Milan, Italy, fully paid share capital of Euro 2.000.000, fiscal code and enrolment with the companies register of Milan 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.

In the context of this Transaction, Zenith Service S.p.A. acts as Back-up Servicer.

The information contained herein relates to Zenith Service S.p.A. and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Zenith Service S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE REPRESENTATIVE OF THE NOTEHOLDERS, THE CALCULATION AGENT, THE MONITORING AGENT AND THE CORPORATE SERVICES PROVIDER

Banca Finanziaria Internazionale S.p.A., *breviter* Banca Finint S.p.A. is a bank incorporated under the laws of Italy as a "società per azioni", with a sole shareholder, having its registered office in Via V. Alfieri,1, 31015 Conegliano (TV), Italy, share capital of Euro 91.743.007,00 fully paid up, tax code and enrolment in the Companies' Register of Treviso-Belluno number 04040580963, VAT Group "*Gruppo IVA FININT S.P.A.*" - VAT number 04977190265, registered in the Register of the Banks under number 5580 pursuant to article 13 of the Consolidated Banking Act and in the Register of the Banking groups as Parent Company of the Banca Finanziaria Internazionale Banking Group, member of the "*Fondo Interbancario di Tutela dei Depositi*" and of the "Fondo Nazionale di Garanzia".

In the context of this Transaction, Banca Finanziaria Internazionale S.p.A. acts as Representative of the Noteholders, Calculation Agent, Corporate Services Provider and the Monitoring Agent.

The information contained herein relates to Banca Finanziaria Internazionale S.p.A. and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Banca Finanziaria Internazionale S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE AGENT BANK, THE ACCOUNT BANK, THE PAYING AGENT AND THE CASH MANAGER

BNP PARIBAS, **ITALIAN BRANCH** a company incorporated under the laws of France, licensed to conduct banking operations, having its registered office at Boulevard des Italiens n. 16, Paris, France, registered with the Chamber of Commerce of Paris under number 662 042 449, with a fully paid-up share capital of Euro 2,468,663,292, which acts for the purposes hereof through its Italian branch, whose offices are located in Piazza Lina Bo Bardi n. 3, Milan, enrolled in the register of the banks held by the Bank of Italy under no. 5482, Fiscal code and VAT code no. 04449690157, REA n. 731270, as successor of "BNP Paribas Securities Services", further to the merger by way of incorporation (fusione per incorporazione) of BNP Paribas Securities Services into BNP Paribas, which took place on 1 October 2022
Under the Transaction, BNP Paribas will act as Agent Bank, Account Bank, Paying Agent and Cash Manager, through its Securities Services business line.

The Securities Services business of BNP Paribas is a multi-asset servicing specialist with local expertise in 35 markets around the world and a global reach covering 90+ markets. This extensive network enables BNP Paribas to provide its institutional investor clients with the connectivity and local knowledge they need to navigate change in a fast-moving world.

As of 31 December 2022, Securities Services had USD 11.9 trillion in assets under custody, USD 2.5 trillion in assets under administration and 9,382 funds administered.

Currently the BNP Paribas Group has Long Term Senior Preferred debt ratings of "A+" with stable outlook from S&P, "Aa3" with stable outlook from Moody's Investors Service, Inc. , "AA-" with stable outlook from Fitch Ratings, Ltd and "AA (low)" with stable outlook from DBRS.

Fitch	**Moody's**	**S&P**	**DBRS**
Short term F1	Short term Prime-1	Short-term A-1	Short-term R-1 (middle)
Long term senior debt AA-	Long term senior debt Aa3	Long term senior debt A+	Long term senior debt AA (low)
Outlook Stable	Outlook Stable	Outlook Stable	Outlook Stable

The information contained herein relates to BNP Paribas, Italian branch and has been obtained from it. This information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by BNP Paribas, Italian branch, no facts have been omitted which would render the reproduced information inaccurate or misleading. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of BNP Paribas, Italian branch since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE RECOVERY ACCOUNT BANK

Banca Ifis S.p.A. is a bank incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office at Via Terraglio, 63, 30174 Venezia Mestre, Italy, share capital of Euro 53,811,095.00 fully paid up, tax code and enrolment with the Companies' Register of Venezia Rovigo under number 02505630109, VAT code 04570150278, ABI code 03205, parent company of the banking group "Gruppo Banca Ifis", registered in the register of banking groups.

The information contained herein relates to Banca IFIS S.p.A. and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Banca IFIS S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE CAP COUNTERPARTY

J.P. Morgan SE is a stock corporation (*Aktiengesellschaft*) established and existing in accordance with the laws of the Federal Republic of German with registered address Taunusturm, Taunustor 1, 60310 Frankfurt am Main, Germany and registered with the Commercial Register B (*Handelsregister B*) of the local court (*Amtsgericht*) of Frankfurt am Main under registration number HRB 126056.

Management Board: Stefan Behr (Chairman), Nicholas Conron, Burkhard Kübel-Sorger, Cynderella Amistadi, Pablo Garnica and Matthieu Wiltz. Chairman of the Supervisory Board: Mark S. Garvin. J.P. Morgan SE is authorized by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht - "BaFin"), Marie-Curie-Straße 24-28, 60439 Frankfurt am Main, and jointly supervised by BaFin, the German Central Bank ("Deutsche Bundesbank"), Taunusanlage 5, 60329 Frankfurt am Main and the European Central Bank, Sonnemannstraße 20, 60314 Frankfurt am Main.

The purpose of J.P. Morgan SE's business is banking transactions of all kinds with the exception of investment and Pfandbrief business. J.P. Morgan SE is an indirect wholly owned subsidiary of JPMorgan Chase & Co., has a full banking licence pursuant to Section 1 (1) of the German Banking Act (*Kreditwesengesetz*) (including, but not limited to, Nos. 1 to 5 (excluding Pfandbrief business) and 7 to 9) and conducts banking business with institutional clients, banks, corporate clients and clients from the public sector. J.P. Morgan SE does not have securities admitted to trading on a regulated market or an equivalent market.

JPM will act in its capacity as the Cap Counterparty pursuant to the Cap Agreement.

The information contained in this paragraph relates to JPM and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of JPM since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

USE OF PROCEEDS

The proceeds of the offering of the Subsequent Notes will be used in order to, *inter alia*, (i) early redeem in whole the Original Class A Notes and the Original Class B Notes (ii) purchase the Subsequent Portfolio, in both cases including by way of set-off and (iii) fund, together with the other funds available in the Payments Account, the Target Cash Reserve Amount at the Subsequent Issue Date.

DESCRIPTION OF THE TRANSACTION DOCUMENTS

THE TRANSFER AGREEMENTS

Initial Transfer Agreement

The description of the Initial Transfer Agreement set out below is a summary of certain features of the Initial Transfer Agreement and is qualified in its entirety by reference to the detailed provisions of the Initial Transfer Agreement. Prospective Noteholders may inspect a copy of the Initial Transfer Agreement (i) upon request, at the registered offices of the Representative of the Noteholders; and (ii) on the Permitted Website. Capitalised terms used in the description below, to the extent not defined in this Prospectus, shall have the meanings ascribed to them in the Initial Transfer Agreement.

Pursuant to a transfer agreement, entered into between the Issuer and the Seller (the "**Initial Transfer Agreement**") on 1 March 2021 (the "**Initial Transfer Date**"), the Seller sold, pursuant to Articles 1, 4 and 7.1 of Italian Law No. 130 of 30 April 1999, as amended from time to time, for consideration to the Issuer without recourse (*pro soluto*) certain monetary receivables and connected rights consisting of secured and unsecured loans, whose debtors (the "**Assigned Debtors**") have been classified as non performing (*debitori classificati a sofferenza*), which were identified in accordance with the *Initial* Transfer Agreement (the "**Initial Portfolio**" or the "**Initial Receivables**").

The Purchase Price

As consideration for the acquisition of the Initial Receivables and the transfer of the rights deriving from and relating to any Orders of Assignment pursuant to the Initial Transfer Agreement, the Issuer has undertaken to pay to the Seller a price equal to the aggregate of the Individual Purchase Price of each Initial Receivable comprised in the Initial Portfolio assigned to it by the Seller (the "**Initial Portfolio Purchase Price**").

Pursuant to the Initial Transfer Agreement, the relevant parties have agreed that the economic effects of the transfer of the Initial Receivables start from the Initial Economic Effective Date and therefore the Issuer will be the sole owner of all the proceeds received in respect to the Initial Receivables from the Seller as of the Initial Economic Effective Date.

Representations and Warranties of the parties

Each party to the Initial Transfer Agreement made the following representations and warranties with reference to the Initial Transfer Date and repeated on the Initial Issue Date with reference and circumstances existing at such date:

(a) only in relation to the Seller, it is a company duly established in the form of a joint stock company (*società per azioni*), validly existing and operating in accordance with Italian laws and enrolled under no. 222 in the register of financial intermediaries (*albo degli intermediari finanziari*) held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act;

(b) only in relation to the Issuer, it is a company whose sole corporate scope consists in the performance of securitisation transactions, pursuant to article 3 of the Securitisation Law, duly established in the form of a limited liability company (*società a responsabilità limitata*) and validly existing and operating in accordance with Italian law;

(c) has carried out all necessary activities and has obtained all the necessary permits, licences and authorizations to: (i) enter into and perform the Initial Transfer Agreement and any other act, contract and/or document related hereto; and (ii) ensure that all the obligations assumed under the

Initial Transfer Agreement and any other act, contract and/or document related hereto are lawful, valid and binding thereon;

(d) the execution and performance of the Initial Transfer Agreement, as well as the performance of the activities provided for herein, do not conflict with or constitute a breach with respect to: (i) its memorandum and articles of association; (ii) laws and regulations in force and applicable thereto; or (iii) any orders, summonses, judgments, arbitration awards, decrees or other judicial acts binding thereon or affecting its assets;

(e) as far as it is aware, no legal proceedings, arbitrations or administrative proceedings have been proposed or threatened in writing, and no claims, demands or complaints have been made against the it such as to jeopardize its business or its capacity to fulfil its obligations arising under the Initial Transfer Agreement;

(f) is not in a state of insolvency and, as far as it is aware, no facts or circumstances exist that could render it insolvent or incapable of duly fulfilling its obligations or expose it to possible insolvency proceedings, nor has it carried out any measures that may lead to its liquidation or dissolution, nor have any other initiatives been undertaken against it that could adversely affect its capacity to fulfil the obligations hereby assumed, nor shall it become insolvent due to the execution of the Initial Transfer Agreement or the fulfilment of the obligations established therein.

Costs and taxes

The relevant parties have agreed that any expense, cost, charge, direct duty and/or tax, plus interest and penalties for non-payment and/or late payment relating thereto, relating to or to be incurred in relation to the execution of the Initial Transfer Agreement and/or the assignment of the Initial Receivables and/or the deeds directly resulting from and/or dependent upon the assignment of the Initial Receivables (including VAT, registration tax and legal expenses), shall be paid by the Seller.

Governing law and jurisdiction

The Initial Transfer Agreement and any non-contractual obligations arising out of or in connection with each of them shall be governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with such agreement including all non contractual obligations thereof, the relevant parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

Subsequent Transfer Agreement

The description of the Subsequent Transfer Agreement set out below is a summary of certain features of the Subsequent Transfer Agreement and is qualified in its entirety by reference to the detailed provisions of the Subsequent Transfer Agreement. Prospective Noteholders may inspect a copy of the Subsequent Transfer Agreement (i) upon request, at the registered offices of the Representative of the Noteholders; and (ii) on the Permitted Website. Capitalised terms used in the description below, to the extent not defined in this Prospectus, shall have the meanings ascribed to them in the Subsequent Transfer Agreement.

Pursuant to a transfer agreement, entered into between the Issuer and the Seller (the "**Subsequent Transfer Agreement**") on 21 July 2023 (the "**Subsequent Transfer Date**"), the Seller sold, pursuant to Articles 1 and 4 of Italian Law No. 130 of 30 April 1999, as amended from time to time, for consideration to the Issuer without recourse (*pro soluto*) certain monetary receivables and connected rights consisting of unsecured loans, which were identified in accordance with the Subsequent Transfer Agreement (the "**Subsequent Portfolio**" or the "**Subsequent Receivables**").

The Purchase Price

As consideration for the acquisition of the Subsequent Receivables and the transfer of the rights deriving from and relating to, *inter alia*, any Existing Orders of Assignment pursuant to the Subsequent Transfer Agreement, the Issuer has undertaken to pay to the Seller a price equal to the aggregate of the Individual Purchase Price of each Subsequent Receivable comprised in the Subsequent Portfolio assigned to it by the Seller (the "**Subsequent Portfolio Purchase Price**").

Pursuant to the Subsequent Transfer Agreement, the relevant parties have agreed that the economic effects of the transfer of the Subsequent Receivables start from the Subsequent Economic Effective Date and therefore the Issuer will be the sole owner of all the proceeds received in respect to the Subsequent Receivables from the Seller as of the Subsequent Economic Effective Date (included).

The parties to the Subsequent Transfer Agreement have also agreed that all costs and expenses relating to the management and collection of the Subsequent Receivables (including legal and court fees and costs and any VAT thereon, as well as any servicing fee) due for any reason:

(i) already invoiced prior to or on 31 July (included), or, if not already invoiced, in respect of which a *pro-forma* invoice has already been sent prior to or on 31 July 2023 (included), shall be borne solely by the Seller and, if they are incurred erroneously by the Issuer, shall be promptly reimbursed thereto following issue of an invoice by the Issuer;

(ii) invoiced following 31 July 2023 (excluded) or, if not invoiced in respect of which a *pro-forma* invoice has been sent following 31 July 2023 (excluded), shall be borne solely by the Issuer and, if they are incurred erroneously by the Seller, shall be reimbursed thereto. Such costs and expenses shall be reimbursed by the Issuer to the Seller, following the issue of the relevant invoice, within 15 (fifteen) Business Days of receipt of the relevant payment request.

Representations and Warranties of the parties

Each party to the Subsequent Transfer Agreement made the following representations and warranties with reference to the Subsequent Transfer Date and repeated on the Subsequent Issue Date with reference and circumstances existing at such date:

(a) only in relation to the Seller, it is a company duly established in the form of a joint stock company (*società per azioni*), validly existing and operating in accordance with Italian laws and enrolled under no. 222 in the register of financial intermediaries (*albo degli intermediari finanziari*) held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act;

(b) only in relation to the Issuer, it is a company whose sole corporate scope consists in the performance of securitisation transactions, pursuant to article 3 of the Securitisation Law, duly established in the form of a limited liability company (*società a responsabilità limitata*) and validly existing and operating in accordance with Italian law;

(c) has carried out all necessary activities and has obtained all the necessary permits, licences and authorizations to: (i) enter into and perform the Subsequent Transfer Agreement and any other act, contract and/or document related hereto; and (ii) ensure that all the obligations assumed under the Subsequent Transfer Agreement and any other act, contract and/or document related hereto are lawful, valid and binding thereon;

(d) the execution and performance of the Subsequent Transfer Agreement, as well as the performance of the activities provided for herein, do not conflict with or constitute a breach with respect to: (i) its memorandum and articles of association; (ii) laws and regulations in force and applicable thereto; or (iii) any orders, summonses, judgments, arbitration awards, decrees or other judicial acts binding thereon or affecting its assets;

(e) as far as it is aware, no legal proceedings, arbitrations or administrative proceedings have been proposed or threatened in writing, and no claims, demands or complaints have been

made against the it such as to jeopardize its business or its capacity to fulfil its obligations arising under the Subsequent Transfer Agreement;

(f) is not in a state of insolvency and, as far as it is aware, no facts or circumstances exist that could render it insolvent or incapable of duly fulfilling its obligations or expose it to possible Insolvency Proceedings, nor has it carried out any measures that may lead to its liquidation or dissolution, nor have any other initiatives been undertaken against it that could adversely affect its capacity to fulfil the obligations hereby assumed, nor shall it become insolvent due to the execution of the Subsequent Transfer Agreement or the fulfilment of the obligations established therein.

Costs and taxes

The relevant parties have agreed that any expense, cost, charge, direct duty and/or tax, plus interest and penalties for non-payment and/or late payment relating thereto, relating to or to be incurred in relation to the execution of the Subsequent Transfer Agreement and/or the assignment of the Subsequent Receivables and/or the deeds directly resulting from and/or dependent upon the assignment of the Subsequent Receivables (including VAT (if any), registration tax and legal expenses), shall be paid by the Seller.

Governing law and jurisdiction

The Subsequent Transfer Agreement and any non-contractual obligations arising out of or in connection with each of them shall be governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with such agreement including all non contractual obligations thereof, the relevant parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

THE WARRANTY AND INDEMNITY AGREEMENTS

Initial Warranty and Indemnity Agreement

The description of the Initial Warranty and Indemnity Agreement set out below is a summary of certain features of the Initial Warranty and Indemnity Agreement and is qualified in its entirety by reference to the detailed provisions of the Initial Warranty and Indemnity Agreement. Prospective Noteholders may inspect a copy of the Initial Warranty and Indemnity Agreement (i) upon request, at the registered offices of the Representative of the Noteholders and (ii) on the Permitted Website. Capitalised terms used in the description below, to the extent not defined in this Prospectus, shall have the meanings ascribed to them in the Initial Warranty and Indemnity Agreement.

Pursuant to a warranty and indemnity agreement, entered into on 1 March 2021 between the Issuer and the Seller (the "**Initial Warranty and Indemnity Agreement**"), the Seller has made certain representations and warranties, assumed certain undertakings and undertaken certain indemnity obligations *vis-à-vis* the Issuer in relation, among others, to the Initial Portfolio and the Initial Receivables, and it has undertaken to indemnify the Issuer for, inter alia, any damages incurred by the Issuer resulting directly from the inaccuracy, untruthfulness and/or breach of such representations and warranties, at the terms and the conditions set out in the Initial Warranty and Indemnity Agreement. Please note that the overall liability for the indemnity obligations of the Seller for any damages incurred by the Issuer resulting directly from (i) the inaccuracy, untruthfulness and/or breach of the representations and warranties given by the Seller under the Initial Warranty and Indemnity Agreement and (ii) the breach of the Seller's obligations under the Initial Warranty and Indemnity Agreement, has expired on the date falling 18 months after the execution date of the Initial Warranty and Indemnity Agreement (*i.e.*, 1 March 2021), except for those representations and warranties which are expressly repeated under the Subsequent Warranty and Indemnity Agreement.

Governing law and jurisdiction

The Initial Warranty and Indemnity Agreement and any non-contractual obligations arising out of or in connection with each of them shall be governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with such agreement including all non contractual obligations thereof, the relevant parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

Subsequent Warranty and Indemnity Agreement

The description of the Subsequent Warranty and Indemnity Agreement set out below is a summary of certain features of the Subsequent Warranty and Indemnity Agreement and is qualified in its entirety by reference to the detailed provisions of the Subsequent Warranty and Indemnity Agreement. Prospective Noteholders may inspect a copy of the Subsequent Warranty and Indemnity Agreement (i) upon request, at the registered offices of the Representative of the Noteholders and (ii) on the Permitted Website. Capitalised terms used in the description below, to the extent not defined in this Prospectus, shall have the meanings ascribed to them in the Subsequent Warranty and Indemnity Agreement.

Pursuant to a subsequent warranty and indemnity agreement, entered into in the context of the Restructuring on 21 July 2023 between the Issuer and the Seller (the "**Subsequent Warranty and Indemnity Agreement**"), the Seller has made certain representations and warranties, assumed certain undertakings and undertaken certain indemnity obligations *vis-à-vis* the Issuer in relation, among others, to the Initial Portfolio, the Subsequent Portfolio, the Initial Receivables and the Subsequent Receivables, and it has undertaken to indemnify the Issuer for, *inter alia*, any damages incurred by the Issuer resulting directly from the inaccuracy, untruthfulness and/or breach of such representations and warranties, at the terms and the conditions set out in the Subsequent Warranty and Indemnity Agreement.

Representations and Warranties by the Seller

Under the Subsequent Warranty and Indemnity Agreement, the Seller has made, *inter alia*, the following representations and warranties:

Representations and warranties relating to the Seller

(a) The Seller is a company duly established in the form of a joint stock company (*società per azioni*), validly existing and operating in accordance with Italian laws and enrolled under no. 222 in the register of financial intermediaries (*albo degli intermediari finanziari*) held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act.

(b) The Seller has carried out all necessary activities and has obtained all the necessary permits, licenses and authorizations to: (i) enter into and perform this Agreement and any other act, contract and/or document related hereto; and (ii) ensure that all the obligations assumed under this Agreement and any other act, contract and/or document related hereto are lawful, valid and binding thereon.

(c) The execution and performance of this Agreement, as well as the performance of the obligations set out herein, do not conflict with or constitute a breach with respect to: (i) its memorandum and articles of association; (ii) laws and regulations in force and applicable thereto; (iii) contracts, acts, agreements or other documents binding thereon; or (iv) any orders, summonses, judgments, arbitration awards, decrees or other judicial acts binding thereon or affecting its assets.

(d) No civil or administrative actions or jurisdictional proceedings, arbitration proceedings or legal actions exist or are pending or threatened in writing in respect of it, nor has any dispute, arbitration proceedings, civil or administrative proceedings, claim or

action been brought before competent courts, agencies or authorities, whose effects could significantly prejudice the Seller's capacity to observe and fulfil its obligations pursuant to this Agreement.

(e) The Seller is not in a state of insolvency and, as far as it is aware, no facts or circumstances exist that could render it insolvent or incapable of duly fulfilling its obligations or expose it to possible insolvency proceedings, nor has it carried out any measures that may lead to its liquidation or dissolution, nor have any other initiatives been undertaken against it that could adversely affect its capacity to fulfil the obligations hereby assumed, nor shall it become insolvent due to the execution of this Agreement or the fulfilment of the obligations established herein.

(f) The representations and warranty released by the Seller under clause 2.1, (a), (b), (c), (d) and (e) of the Initial Warranty and Indemnity Agreement are true and correct at the Initial Transfer Date.

Representations and warranties relating to the Subsequent Receivables

(a) The Subsequent Receivables are fully and solely owned by and freely available, without any restriction, to the Seller, the Subsequent Receivables are not subject to any seizure, attachment, pledge or other encumbrance. The Seller has not received any written notice claiming its title to the Subsequent Receivables and holds undisputed legal title (enforceable (*opponibile*) against the relevant Assigned Debtors and third parties) to each of the Subsequent Receivables.

(b) With reference to the Subsequent Receivables, any repayment plans or settlement agreements relating thereto (including the Existing Repayment Plans) have been executed without fraud and willful misconduct by the Seller.

(c) There exists no receivables of the Assigned Debtors of the Subsequent Receivables against the Seller and, as far as the Seller is aware, the relevant Original Lenders which could be set-off against the Subsequent Receivables.

(d) The processes for the management, administration, collection and recovery of the Subsequent Receivables (including the entering into of any Existing Repayment Plans) has been carried out by the Seller and, as far as the Seller is aware, the relevant Original Lender, without fraud and willful misconduct and in compliance with applicable law (it being understood in any case that the Seller shall only warrant the existence of the Subsequent Receivables to the extent set out in paragraph (h) below).

(e) Any duty or tax due by the Seller and, as far as the Seller is aware, the relevant Original Lender in relation to the relevant Loan Agreements, any Existing Order of Assignment relating to the Subsequent Receivables and/or any Existing Repayment Plan has been fully paid.

(f) All the Subsequent Receivables are denominated in Euro and the relevant Loan Agreements and any Existing Repayment Plans do not provide for conversion in any other currency and are governed by Italian law.

(g) The relevant Loan Agreements and any Existing Repayment Plans do not contain any clauses or provisions preventing or limiting the transfer or sale, in full or in part, of the Subsequent Receivables pursuant to the Subsequent Transfer Agreement.

(h) Each Subsequent Receivable:

A. other than those referred to under letter (B) and (C) below, is valid, existing and enforceable (*esigibile*) at the Subsequent Transfer Date in the amount equal to the

relevant GBV as at the Subsequent Economic Effective Date, as indicated in the Subsequent Receivables Identification Document under the column "*Total Claim Amount*"; and

B. which is assisted by an Existing Repayment Plan, is valid, existing and enforceable (*esigibile*) at the Subsequent Transfer Date, in the amount indicated in the Subsequent Receivables Identification Document as at the Subsequent Economic Effective Date under the column ""*Scheduled Repayment Date*""; and

C. which is assisted by an Existing Order of Assignment (as indicated in the Subsequent Receivables Identification Document) is valid, existing and enforceable (*esigibili*) at the Subsequent Transfer Date in an aggregate amount for the relevant Subsequent Receivable indicated in the Subsequent Receivables Identification Document under the column "*Total Claim Amount*", and equal to:

(i) the amount (*pretesa creditoria*) set out in the relevant Existing Order of Assignment related to such Subsequent Receivable, plus

(ii) interests accrued from the date of issue of the relevant Existing Order of Assignment to the Subsequent Economic Effective Date, calculated in accordance with applicable laws and regulations and the provisions set out in the relevant Existing Order of Assignment, less

(iii) collections received in relation to such Subsequent Receivable from the date of issue of the relevant Existing Order of Assignment to the Subsequent Economic Effective Date,

save for, in any case:

(X) the effect of collections received in relation to the Subsequent Receivables after the Subsequent Economic Effective Date or settlements, or cancellations, waivers and releases contemplated under paragraph (q) below;

(Z) the effects deriving from the possible non-application of interest in the amount provided for by contract as a consequence of the application of the usury legislation and, in particular, Law 108/1996 (without prejudice to the provision under paragraph (i) below) and/or compound interest (without prejudice to the provision under paragraph (o) below), as well as the effects deriving from the inapplicability, invalidity, inefficacy or reduction in the penalties or fees laid down by contract or from the application of the provisions of article 2855 of the Italian Civil Code in the interpretation or case-law application or from subsequent legal provisions affecting the calculation of the amount of the Subsequent Receivables.

(i) With reference to the Subsequent Receivables, the Seller has not applied or charged interest exceeding the threshold rates fixed pursuant to Law 108/1996 at any time (it being understood in any case that the Seller shall only warrant the existence of the Subsequent Receivables to the extent set out in paragraph (h) above).

(j) With reference to the Subsequent Receivables, the Seller has complied with the principles established by the Italian Supreme Court (*Corte di Cassazione*) (and subsequently incorporated by the legislator) on compound interest and in particular on the equal periodicity of capitalization for interest receivable credited to the customer and for interest payable charged thereto (it being understood in any case that the Seller shall only warrant the existence of the Subsequent Receivables to the extent set out in paragraph (h) above).

(k) Apart from any changes occurred between the Subsequent Economic Effective Date and the Subsequent Transfer Date, and relating to the collections received by the Seller in relation to the Subsequent Receivables, all the information relating to the Subsequent Receivables included in the Subsequent Receivables Identification Document and the Database or made available in writing to the Issuer with regard to the relevant Loan Agreements, the Existing Repayment Plans, the Existing Pre-OdA Subsequent Receivables, and the Existing Order of Assignments relating to the Subsequent Receivables, is true, accurate and up to date at the Subsequent Transfer Date.

(l) The Relevant Documentation relating to the Subsequent Receivables is sufficient to commence enforcement in respect of the relevant Subsequent Receivables.

(m) The Relevant Documentation relating to the Subsequent Receivables is in good condition and duly kept by the Seller.

(n) No Assigned Debtor holds any right to disbursements or granting of credit *vis-à-vis* the Seller, the Issuer or the relevant Original Lender.

(o) No claims or credit rights are held by the relevant Assigned Debtors or Guarantors against the Seller and/or, as far as the Seller is aware, the relevant Original Lenders which, if offset against the Subsequent Receivables, would give rise to a reduction of the amount payable under the Subsequent Receivable (it being understood in any case that the Seller shall only warrant the existence of the Subsequent Receivables to the extent set out in paragraph (h) above).

(p) As from the Subsequent Economic Effective Date, the Seller has not renounced to any Subsequent Receivables or released any of the relevant Assigned Debtors or waived any right in respect thereof or subordinated its claims to claims held by third parties in respect of the relevant Assigned Debtors.

(q) The activities related to the management, recovery (including judicial and insolvency proceedings) and collection of the Subsequent Receivables have been performed by the Seller in compliance with the legal and regulatory provisions without incurring in any prescription (*prescrizioni*) or forfeiture (*decadenze*) or capable of negatively affecting the existence or the enforceability of the Subsequent Receivables and in any case without fraud.

(r) The Subsequent Receivables Identification Document (i) has been prepared by the Seller diligently and in good faith, identifying the Subsequent Receivables that have to be transferred to the Issuer, and (ii) constitutes an accurate and correct list of all Subsequent Receivables.

(s) There are no legal, regulatory or supervisory measures pursuant to which the Seller is prohibited from selling the Subsequent Receivables and its rights arising from the relevant Loans or from any Existing Order of Assignment relating to such Subsequent Receivables.

(t) The relevant Assigned Debtors have been declared accelerated (*decaduti dal beneficio del termine*) in respect of the relevant Subsequent Receivables.

(u) As at the Subsequent Economic Effective Date, no Subsequent Receivables was owed by a commercial company whose bankruptcy or insolvency procedure, as the case may be, was already closed at that date, in the absence of third party guarantees valid and effective at the Subsequent Economic Effective Date.

(v) The Seller has not entered into, in relation to one or more Loans and/or to one or more Subsequent Receivables, any servicing agreements that are binding on the Issuer.

(w) The sale of the Subsequent Receivables by the Seller to the Issuer pursuant to the Subsequent Transfer Agreement does not prejudice in any way whatsoever the claims held against the relevant Assigned Debtors and/or the relevant Guarantors or the payment of any outstanding amount under the Subsequent Receivables.

(x) Each Assigned Debtor was at the time of the drawdown of the loan under the relevant Loan Agreement and is, as far the Seller is aware, either an individual resident or domiciled in Italy or an entity incorporated under Italian law with registered office in Italy.

(y) The Assigned Debtors are not employees or directors of the Seller.

(z) All the Subsequent Receivables are reported as non-performing exposures (*attività deteriorate*) in accordance with Bank of Italy's circular No. 272 of 30 July 2008, as amended.

(aa) As at the Subsequent Economic Effective Date and with reference to the Subsequent Receivables, no Employer and/or Social Security Administration was subject to an Insolvency Proceedings.

(bb) Each Existing Order of Assignment indicated in the Subsequent Receivable Identification Document exists and the transfer of the rights deriving from the aforesaid Existing Order of Assignments does not negatively affect the right of the Seller to receive the payments set out in the relevant Existing Order of Assignments issued in respect of the relevant Subsequent Receivables.

(cc) As at the Subsequent Economic Effective Date, each Existing Order of Assignment relating to the Subsequent Receivables and/or any other deed and/or acts leading to the issuance of an Existing Order of Assignment relating to the Subsequent Receivables (including any formal request of payment (*precetto*) and/or seizure (*pignoramento*)) had not been challenged by the relevant Assigned Debtor and/or relevant Guarantors and/or any other parties and the terms for any opposition against each Existing Order of Assignment relating to the Subsequent Receivables and/or any such other deed and/or acts had elapsed; as at the Subsequent Economic Effective Date, there were no legal proceedings pending to challenge any injunction decree (in relation to which enforcement actions leading to the issuance of any Existing Order of Assignment relating to the Subsequent Receivables have been taken) and the terms for any opposition to such injunction decree had elapsed.

(dd) Amounts to be paid by the Employer and/or the Social Security Administration under each Existing Order of Assignment relating to the Subsequent Receivables is inclusive of interest accruing, until satisfaction of the relevant Subsequent Receivable, on the outstanding principal amount of such Subsequent Receivable; such interests accrue at the rate indicated in the Database, as set forth in the relevant injunction decree and reflected in the relevant Existing Order of Assignment relating to the Subsequent Receivables.

(ee) The Seller has maintained appropriate records of all payments received and to be received by any Employer and/or Social Security Administration in respect of the Existing Orders of Assignment relating to the Subsequent Receivables.

(ff) The relevant Assigned Debtors and/or relevant Guarantors, as the case may be, in respect of which an Existing Order of Assignment relating to the Subsequent

Receivables has been issued are individual being private or public employees or retired persons which are, as far the Seller is aware, resident in Italy.

(gg) With reference to the Subsequent Receivables, the relevant Employers and/or Social Security Administration have registered office in Italy.

(hh) Other than for Existing OdAs flagged in the Subsequent Receivable Identification Document, with respect to each Subsequent Receivable assisted by an Existing Order of Assignment, on the Subsequent Economic Effective Date the Seller has received at least one payment pursuant to the relevant Existing Order of Assignment relating to the Subsequent Receivables and/or from the relevant Assigned Debtors and/or relevant Guarantors.

(ii) As at the Subsequent Economic Effective Date, each injunction decree (*decreto ingiuntivo*) and/or any other deed and/or acts leading to the issuance of an order of assignment (including any formal request of payment (*atto di precetto*) and/or deed of seizure (*atto di pignoramento*)) relating to an Existing Pre-OdA Subsequent Receivable had not been challenged by the relevant Assigned Debtor and/or relevant Guarantors and/or any other parties.

(jj) Each Existing Repayment Plan indicated in the Subsequent Receivable Identification Document is valid and enforceable and provides for the right of the Seller to terminate the agreement in case of non-payment by the relevant Assigned Debtor of up to 5 (five) or 6 (six) instalments, as indicated in the relevant Existing Repayment Plan.

(kk) As at the Subsequent Economic Effective Date, the relevant Assigned Debtor of each Existing Repayment Plan has paid any instalments until such date under such relevant Existing Repayment Plan.

(ll) The relevant Assigned Debtors in respect of which an Existing Repayment Plan has been agreed are individual which are, as far the Seller is aware, resident in Italy.

(mm) On the Subsequent Economic Effective Date the Seller has received at least one payment from the relevant Assigned Debtors pursuant to the Existing Repayment Plans.

(nn) The Subsequent Receivables owned towards the same Debtor and assigned to the Issuer includes at least a Subsequent Receivable assisted by an Existing OdAs or an Existing Repayment Plan or an Existing Pre-OdA Receivable; with respect to such Debtors, the Seller does not own receivables in addition to the Subsequent Receivables assigned to the Issuer.

(oo) With respect to the Subsequent Portfolio the Seller complies with the criteria and processes for credit-granting as well as all other obligations provided under article 9 of the Securitisation Regulations.

(pp) The Seller has not selected the Subsequent Receivables transferred to the Issuer with the aim of rendering losses on the Subsequent Receivables transferred to the Issuer, measured over the life of the Securitisation, higher than the losses over the same period on comparable assets held on the balance sheet of the Seller pursuant to article 6(2) of the Securitisation Regulations.

(qq) The Seller has selected the Subsequent Receivables as of the Subsequent Economic Effective Date pursuant to the Criteria, which apply cumulatively so that their legal and financial homogeneity is ensured and as of the Subsequent Economic Effective Date, the Subsequent Receivables meet the Criteria.

Representations and warranties relating to the Subsequent Receivables

(a) The representations and warranty relating to the Initial Receivables released by the Seller with reference to the Initial Transfer Date under clause 2.1, letters (f), (g), (h), (i), (j), (k), (l), (n), (o), (v), (w), (x), (z), (bb), (cc), (ee), (ff), (gg), (hh), (ii), (nn), (oo), (rr) and (ss) of the Initial Warranty and Indemnity Agreement, are true and correct at the Initial Transfer Date.

(b) The representations and warranty relating to the Initial Receivables released by the Seller with reference to the Initial Economic Effective Date under clause 2.1, letters (y), (dd), (jj) and (ll) of the Initial Warranty and Indemnity Agreement, are true and correct at the Initial Economic Effective Date.

(c) Each Initial Receivable:

A. other than those referred to under letter (B) below, is valid, existing and enforceable (*esigibile*) at the Subsequent Transfer Date in the amount equal to the relevant GBV as at the Subsequent Economic Effective Date, as indicated in the Updated Receivables Identification Document under the column "*Total Claim Amount*"; and

B. which is assisted by an Order of Assignment (as indicated in the Updated Receivables Identification Document) is valid, existing and enforceable (*esigibili*) at the Subsequent Transfer Date in an aggregate amount for the relevant Initial Receivable indicated in the Updated Receivables Identification Document under the column "*Total Claim Amount*", and equal to:

(i) the amount (*pretesa creditoria*) set out in the relevant Existing Order of Assignment related to such Initial Receivable, plus

(ii) interests accrued from the date of issue of the relevant Existing Order of Assignment to the Subsequent Economic Effective Date, calculated in accordance with applicable laws and regulations and the provisions set out in the relevant Existing Order of Assignment, less

(iii) collections received in relation to such Initial Receivable from the date of issue of the relevant Existing Order of Assignment to the Subsequent Economic Effective Date,

save for, in any case:

(X) the effect of collections received in relation to the Initial Receivables after the Subsequent Economic Effective Date;

(Z) the effects deriving from the possible non-application of interest in the amount provided for by contract as a consequence of the application of the usury legislation and, in particular, Law 108/1996 (without prejudice to the provision under paragraph 2.1 (n) of the Initial Warranty and Indemnity Agreement) and/or compound interest (without prejudice to the provision under paragraph 2.1(o) of the Initial Warranty and Indemnity Agreement), as well as the effects deriving from the inapplicability, invalidity, inefficacy or reduction in the penalties or fees laid down by contract or from the application of the provisions of article 2855 of the Italian Civil Code in the interpretation or case-law application or from subsequent legal provisions affecting the calculation of the amount of the Initial Receivables.

(d) Apart from any changes occurred between the Subsequent Economic Effective Date

and the Subsequent Transfer Date, and relating to the collections received in relation to the Initial Receivables, all the information included in the Updated Receivables Identification Document and the Database or made available in writing to the Issuer with regard to the relevant Loan Agreements and the Order of Assignments indicated in the Updated Receivables Identification Document and relating to the Initial Receivables, is true, accurate and up to date at the Subsequent Transfer Date.

(e) The Updated Receivables Identification Document (i) has been prepared by the Seller diligently and in good faith, identifying the Initial Receivables (net of the Repurchased Receivables), and (ii) constitutes an accurate and correct list of all the Initial Receivables (net of the Repurchased Receivables).

(f) Each Order of Assignment indicated in the Updated Receivable Identification Document exists.

(g) As at the Subsequent Economic Effective Date and with reference to the Initial Receivables, no Employer and/or Social Security Administration was subject to an Insolvency Proceedings, save as otherwise disclosed in the Database.

(h) Save as otherwise disclosed in the Database, as at the Subsequent Economic Effective Date, each Order of Assignment indicated in the Updated Receivables Identification Document and relating to the Initial Receivables and/or any other deed and/or acts leading to the issuance of an Order of Assignment relating to the Initial Receivables (including any formal request of payment (*precetto*) and/or seizure (*pignoramento*)) had not been challenged by the relevant Assigned Debtor and/or relevant Guarantors and/or any other parties and the terms for any opposition against each Order of Assignment relating to the Initial Receivables and/or any such other deed and/or acts had elapsed; as at the Subsequent Economic Effective Date, there were no legal proceedings pending to challenge any injunction decree (in relation to which enforcement actions leading to the issuance of any Order of Assignment relating to the Initial Receivables have been taken) and the terms for any opposition to such injunction decree had elapsed.

(i) Amounts to be paid by the Employer and/or the Social Security Administration under each Order of Assignment indicated in the Updated Receivables Identification Document and relating to the Initial Receivables is inclusive of interest accruing, until satisfaction of the relevant Initial Receivable, on the outstanding principal amount of such Initial Receivable; such interests accrue at the rate indicated in the Database, as set forth in the relevant injunction decree and reflected in the relevant Order of Assignment relating to the Initial Receivables.

(j) The Assigned Debtors are not employees or directors of the Seller.

Indemnity obligations of the Seller

Without prejudice to clauses 2.5 and 11 of the Initial Transfer Agreement and clauses 2.5 and 13 of the Subsequent Transfer Agreement, the Seller undertakes to indemnify the Issuer in accordance with the procedure and within the limits set forth in this Clause 4 (*Indemnity by the Seller*) in respect of damage suffered by the latter (the "**Damage pursuant to Clause 4.1**"):

(a) as a result of the exercise of any claw-back and/or restitution rights by any third party in relation to payments received by the Seller (a) up to the relevant Economic Effective Date (inclusive) or (b) after the relevant Economic Effective Date not transferred to the Issuer in accordance with the relevant Transfer Agreement;

(b) as a result of any claims for set-off (eccezioni di compensazione), any claims for damages

(pretese risarcitorie and/or restitutorie) even by way of counterclaims (in via riconvenzionale), payment obligations and/or undertakings concerning facts, events or circumstances attributable to the Seller and the Original Lenders;

(c) as a result of the coming into existence, before the date of the fulfilment of the transfer formalities of the Receivables provided under each Transfer Agreement, of rights on the part of Assigned Debtors or Guarantors that may be off-set against the Receivables;

(d) due to (a) any material default by the Seller with respect to any of its obligations under the Loan Agreement; (b) fraud and breach of law by the Seller in the management, administration, collection and recovery of the Receivables.

In addition to the above, the Seller undertakes to indemnify the Issuer with the procedure and within the limits laid down in this Clause 4 (*Indemnity by the Seller*), in respect of any damage, duly documented or reasonable charge or cost (including duly documented and reasonable defense costs) (the "**Damage pursuant to Clause 4.2**" and any of such damage and the Damage pursuant to Clause 4.1, a "**Damage**") incurred by the Issuer and which is a direct consequence of:

(a) inaccuracy, untruthfulness and/or breach of the representations and warranties given and/or any undertaking given by the Seller in Clause 2 above; and

(b) in respect of any breach by the Seller of one or more of its obligations pursuant to this Agreement and each Transfer Agreement,

(each event under (i) and (ii) above, the "**Breach**").

In the event that the Issuer, subject to the provisions of clause 20.1(i)(a)(16) of the Servicing Agreement, becomes aware of events or circumstances that have resulted in, or may result in, an actual Damage, it shall promptly notify the Seller by sending a written communication (the "**Indemnification Notice**").

The Indemnification Notice must contain a specific description of the Damage and the facts on which the claim is based (including a copy of any court order indicating the Damage), the documentation proving the existence of the indemnification obligation, and the amount of indemnity sought.

Within 30 (thirty) Business Days of receipt of the Indemnification Notice, the Seller may object in writing the content of the Indemnification Notice. In such a case:

(a) in the absence of an objection by the Seller within the aforesaid period, the indemnity request made by the Issuer in the relevant notice shall be deemed to be finally accepted by the Seller;

(b) in the event of a timely objection by the Seller, the Parties shall attempt an amicable conciliation within 45 (forty-five) Business Days as from the relevant date of receipt of the relevant objection;

(c) in the event of failure to reach an agreement pursuant to paragraph (b) above on the grounds of the Issuer's claims, the dispute shall be referred to the Courts of Milan in accordance with Clause 11 below.

The parties to the Subsequent Warranty and Indemnity Agreement expressly agreed that, in the case provided for in paragraph (a) above or if the parties, following an attempted amicable conciliation conducted in accordance with paragraph (b), have reached an agreement on the amount of indemnity due with regard to the Indemnification Notice or, finally, if the competent court has definitively established a Damage or a Breach, the Seller shall pay the Issuer, as indemnity and without prejudice in any event to the provisions of the Subsequent Warranty and Indemnity Agreement, an amount equal to, respectively, (i) the amount indicated in the Indemnification Notice, (ii) the amount agreed between them, or (iii) the amount determined by the competent court (each of them, an "**Indemnity Due**").

If the Issuer subsequently recovers from any Assigned Debtor, Guarantor or third party sums from a Receivable in respect of which it has received an indemnity payment by the Seller pursuant to the

Subsequent Warranty and Indemnity Agreement, the Issuer has undertaken to repay to the Seller, on the immediately following Payment Date, the indemnity received on such sums (up to the relevant amount indemnified), provided that the Issuer has at least recovered, in relation to the Receivable forming the subject of indemnity, an amount equal to: (a) the entire Individual Purchase Price (taking into account the payment of the indemnity itself) plus interest calculated at an annual rate equal to the Euribor (as defined in the Conditions) plus 1% (one per cent p.a.) as from the date of payment of the Purchase Price; plus (b) any reasonably incurred and duly documented expenses borne in relation to such Receivable.

The parties to the Subsequent Warranty and Indemnity Agreement have agreed that:

(a) the indemnity obligations undertaken by the Seller to pay any Indemnities Due pursuant to clause 4 (*Indemnity by the Seller*) of the Subsequent Warranty and Indemnity Agreement shall be subject to a minimum threshold equal to Euro 250,000/00 (two hundred fifty thousand) (the "**Minimum Threshold**"); if the aggregate amount of Indemnities Due is higher than the Minimum Threshold, without prejudice to what provided for in paragraph (b) below, the indemnity obligations of the Seller to pay any Indemnities Due shall apply only for the amount exceeding such Minimum Threshold;

(b) no indemnity shall be due in any event in respect of a Damage or a Breach in respect of which the relevant Indemnity Due is equal to the lower of (i) Euro 7,000.00 (seven thousand), and (ii) 5% of the Individual Purchase Price of the relevant Receivable, without prejudice to the fact that each of such Indemnity Due shall be counted for the purposes of reaching the Minimum Threshold;

(c) without prejudice to paragraphs (a) and (b) above, the indemnity due by the Seller pursuant to Clause 4 (*Indemnity by the Seller*) of the Subsequent Warranty and Indemnity Agreement may not in any event exceed, for each Receivable, the lower of (i) the amount not collected on such Receivable due to a Damage or a Breach and (ii) the difference between the Individual Purchase Price of such Receivable, on the one hand, and the collections received by the Issuer in relation to such Receivable, on the other, in both cases (the amount not collected and the Individual Purchase Price) *plus* interest calculated at an annual rate equal to the Euribor (as defined in the Conditions) *plus* 1% (one per cent) *p.a.*, with effect from the date of payment of the relevant Purchase Price, plus any reasonably incurred and duly documented costs and expenses borne by the Issuer for the collection of the Receivable and *minus* any other sum collected by the Issuer for any reason in relation to the relevant Receivable.

In no event the amounts due by the Seller shall cumulatively exceed 23 % (twenty three per cent) of the Purchase Price of the Portfolio. Once this limit is reached, no further indemnity shall be due or other payment shall be made.

The overall liability of the Seller in respect of the Issuer shall only continue to exist with regard to the Indemnification Notice notified before the Expiry Date. Thereafter, no further amount may be requested without prejudice to any claim in respect of which an Indemnification Notice has been submitted before such date and for which the indemnity (if any) has not yet been paid in full.

The Issuer shall promptly inform the Seller of any material fact or circumstances concerning potential disputes arising from the alleged inaccuracy, untruthfulness and/or breach of any representations and warranties given by the Seller pursuant to Clause 2 above for which an Indemnification Notice has been delivered. Without prejudice to the foregoing, the Seller shall be entitled, at its expense, to participate in the negotiation, settlement or defence of such dispute. More particularly, the Seller shall be entitled at any time to appoint legal advisers who, at its expense, shall work alongside those appointed by the Issuer in managing the defence in the relevant dispute. If the Seller makes use of the right referred to in this paragraph in the management of the negotiations, settlement or defence, the Issuer shall (a) consult the Seller in advance and agree with it the strategy to be followed in this respect, and (b) duly inform the Seller (if they decide not to participate) of the developments in the negotiations, settlement or defence.

For a complete description of the indemnity provisions and/or any other provisions of the Subsequent Transfer Agreement, see the Subsequent Transfer Agreement.

In connection with the limitations of the indemnity provisions, see also "*Risk factors – Certain material interests*" and "*Risk factors – No independent investigation in relation to the Portfolio*".

Governing law and jurisdiction

The Subsequent Warranty and Indemnity Agreement and any non-contractual obligations arising out of or in connection with each of them shall be governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with such agreement including all non contractual obligations thereof, the relevant parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

THE SERVICING AGREEMENT

The description of the Servicing Agreement set out below is a summary of certain features of the Servicing Agreement and is qualified in its entirety by reference to the detailed provisions of the Servicing Agreement. Prospective Noteholders may inspect a copy of Servicing Agreement (i) upon request, at the registered offices of the Representative of the Noteholders and (ii) on the Permitted Website. Capitalised terms used in the description below, to the extent not defined in this Prospectus, shall have the meanings ascribed to them in the Servicing Agreement.

On 1 March 2021 the Issuer, Ifis NPL Servicing S.p.A. ("**Ifis Servicing**") in its capacity as servicer and Banca Finanziaria Internazionale S.p.A. in its capacity as monitoring agent (the "**Monitoring Agent**") entered into a servicing agreement, as amended on or about the Subsequent Transfer Date in the context of the Restructuring pursuant to the Amendment to the Servicing Agreement (the "**Servicing Agreement**") pursuant to which, *inter alia*, the Issuer appointed Ifis Servicing (i) as "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento*" and "*responsabile della verifica della conformità delle operazioni alla legge ed al prospetto informativo*" under Article 2, paragraph 3, letter (c) and paragraph 6-bis of Securitisation Law; and (ii) to perform certain activities related to the management, administration, recovery and collection of the Receivables and the related reporting activities.

Settlements, extended payments schedule

If this appears necessary or appropriate for a swifter management of the recovery procedure of the Debt Relationships, the Servicer may, acting in the name and on behalf of the Issuer:

(i) agree with the Assigned Debtors on repayment plans, settlements, discounted pay-offs; and

(ii) consent to assumption of debts pursuant to article 508 of the Italian Code of Civil Procedure also in combination with rescheduling agreements (*accordi di riscadenziamento e rimodulazione*),

(the transactions referred to in (i) and (ii) above, hereinafter, the "**Servicing Transactions**) subject to the limitations and at the conditions set forth in the Servicing Agreement, as well as those indicated in the Collection Policy.

Sale of the Receivables

To the extent that this is advantageous for the Noteholders in accordance with the provisions of Article 2, paragraph 3, letter d) of Securitisation Law, the Servicer may, in the name and on behalf of the SPV, transfer, subject to the limitations of the Collection Policy and the provisions and limitations under the Servicing Agreement, to third parties, the Receivables in accordance with the procedure set forth therein.

Enforcement Proceedings and Insolvency Proceedings

The Servicer shall continue the Proceedings pending by intervening in the name and on behalf of the Issuer and, in the name and on behalf of the Issuer, commence new Proceedings, where necessary or advisable and economically advantageous, in accordance with the provisions of the Collection Policy (it being understood that, in relation to any Existing Order of Assignment, the provisions of clause 6.2 of the Initial Transfer Agreement and clause 8.2 of the Subsequent Transfer Agreement will apply and in relation to any Existing Repayment Plan the provisions of clause 6.3 of the Subsequent Transfer Agreement will apply). In particular, the Servicer shall, in line with the provisions of the Servicing Agreement and the Collection Policy and clause 5 of the Initial Transfer Agreement and clause 7 of the Subsequent Transfer Agreement (also in relation to the maximum timeframes for taking over the proceedings/procedures), perform any action/deed, transaction or formality pertaining to the management and administration of the Enforcement Proceedings and Insolvency Proceedings including, by way of example:

(i) the commencement, continuation, reinstatement and settlement of enforcement proceedings or other judicial proceedings, including precautionary injunction proceedings;

(ii) out-of-court settlements, agreements on debt restructuring, cash management and/or the sale of the Receivables;

(iii) deeds of debt write-off, cancellation of debt, partial or total discharge;

(iv) acts/deeds, formalities and preparation of documents aimed at preserving the Mortgages and the Ancillary Guarantees; and

(v) the commencement of enforcement proceedings against the Assigned Debtors,

it being agreed that the Servicer may waive, without any consent, any Proceedings pending if, in its opinion, the continuation of such Proceedings is not considered economically advantageous for the Issuer's interest, provided however that any such waiver can be given in relation to Receivables whose aggregate GBV do not exceed (i) on a semiannual basis, Euro 5,000,000.00 (five million/00); and (ii) on a cumulative basis until the Final Redemption Date, Euro 50,000,000.00 (fifty million/00). For any waiver exceeding such limits, the Servicer shall provide to the Issuer, the Monitoring Agent and the Representative of the Noteholders a report specifying the rationale behind such waiver and obtain the consent of the Monitoring Agent (which will act upon instructions of the Committee). The Monitoring Agent shall inform the Servicer about the outcome of the consultation and provide the relative consent or denial within 10 (ten) Business Days from the delivery of the report by the Servicer.

For the purpose of the paragraph above:

"**Enforcement Proceedings**" means any enforcement or judicial proceedings (including injunctive and jurisdiction proceedings) or other proceedings aimed at recovering the Receivables, including through the enforcement of a guarantee or, in any case, pertaining to the same, the Loan Agreements, the Mortgage, an Ancillary Guarantee, an Order of Assignment or a Repayment Plan.

"**Insolvency Proceedings**" means the bankruptcy and the insolvency proceedings or similar proceedings provided under Italian law (and, in particular, the Bankruptcy Law, the Corporate Crisis and Insolvency Code and the Consolidated Banking Act), including by way of example but without any limitation, compulsory administrative liquidation, extraordinary administration, prior composition with creditors, composition in bankruptcy and extraordinary administration of large enterprises in a state of insolvency.

"**GBV**" means, in relation to each Receivable, the gross book value (*valore contabile lordo*) of such Receivable.

"**Proceedings**" means the Insolvency Proceedings and the Enforcement Proceedings concerning the Receivables.

Servicer's Reports

Pursuant to the Servicing Agreement, the Servicer shall prepare in electronic form and shall provide to the Reporting Parties (other than, with reference to the Monthly Report, to the Rating Agencies):

i) by each Quarterly Servicing Report Date, the Quarterly Servicing Report;

ii) by each Quarterly Servicing Report Date and by each Semi-Annual Servicing Report Date, the Loan by Loan Information;

iii) by each Semi-Annual Servicing Report Date, Semi-Annual Servicing Report;

iv) by each Monthly Servicing Report Date, Monthly Servicing Report;

v) by 24 July 2023, the Simplified Report (relating only to the Collection Period beginning on (and excluding) 31 December 2022 (as amended in the context of the Restructuring)).

The Servicer has also undertaken to make available the electronic version of the following documents in the format agreed between the Parties prior to the Subsequent Issue Date:

(i) the Quarterly Servicing Report and the Semi-Annual Servicing Report on an electronic file/device with access through a password to be made available to the Noteholders and prospective investors in the Notes on the Permitted Website or as otherwise required by the Securitisation Regulations and, following a request by the Monitoring Agent, who will act upon the Committee's indication, to send the Quarterly Servicing Report and the Semi-Annual Servicing Report to the entities that may be indicated by the Monitoring Agent or by the Issuer;

(ii) the Loan by Loan Information on an electronic file/device with access through a password (meaning a file accessible through internet with user ID and password or analogous method to be notified to the Reporting Parties); and

(iii) the Initial Portfolio Base Case Scenario on an electronic file/device with access through a password (meaning a file accessible through internet with user ID and password or analogous method) to be notified to the Reporting Parties and, upon request by the Monitoring Agent (who will act upon the Committee's indication), to the subjects that may be indicated by the Monitoring Agent or by the Issuer.

"**Reporting Parties**" means the Issuer, the Representative of the Noteholders, the Arrangers, the Corporate Services Provider, the Calculation Agent, the Monitoring Agent, the Back–up Servicer, the Cap Counterparty and the Rating Agencies.

Monitoring Agent supervision on the Initial Portfolio Base Case Scenario

Pursuant to the Servicing Agreement, the Monitoring Agent has undertaken *inter alia* to verify, in the name and on behalf of the Issuer, if a First Level Underperformance Event or a Second Level Underperformance Event (each, as defined below) has occurred, it being understood that the Monitoring Agent will not be required to verify such circumstances with respect to the Collection Period beginning on (and excluding) 31 December 2022.

If any of such events has occurred in respect of a Collection Period starting from the Collection Period ending on December 2023, the Monitoring Agent at least 2 (two) Business Days before the following Calculation Date shall send a notification to the Issuer, the Servicer, the Arrangers, the Calculation Agent and the Representative of the Noteholders substantially in the form attached to the Servicing Agreement (respectively, a "**First Level Underperformance Event Notice**" and a "**Second Level Underperformance Event Notice**") which specifies which parameter is not complying with respect to the immediately following Payment Date.

Pursuant to the Servicing Agreement the Monitoring Agent also undertook to carry out all other verifications or determinations that may be necessary under the Conditions, the Intercreditor Agreement or the Servicing Agreement.

The verifications referred to above do not entail any qualitative or assessment activities by the Monitoring Agent, but solely constitute an automatized/computerized comparison between data, which may be carried out provided that they are uniform and comparable.

Servicer's fees

The Servicing Agreement provides that the Issuer shall correspond to the Servicer the following fees for the performance of the activities regulated therein:

(i) Master Servicing Fees;

(ii) Special Servicing Fees which consist of a "*Base fee*" and a "*Performance Fee*";

(iii) Debt Collectors Fees.

For a description, please see the Servicing Agreement.

Term and early termination

Term

The Servicing Agreement shall remain in force and effect until the relevant termination date with the only exception of clause 8 of the Servicing Agreement which shall remain in force until the expiry of one year (or two years in case of early redemption of the Notes) and one day after the redemption in full or cancellation of the Notes.

Termination of the appointment of the Servicer

The Servicer has acknowledged and expressly accepted that the Issuer, without prejudice to the rights or remedies available to it under the applicable legal framework in force, shall, upon resolution of the Committee, revoke the engagement of the Servicer and, should the Back-up Servicer have not become operational or the Back-up Servicing Agreement not be in force, grant such engagement to a different party (the "**Successor Servicer**"), upon the occurrence of any of the events specified below, which constitute just cause for revocation pursuant to Article 1725 of the Italian Civil Code:

(i) the Servicer is subject or admitted to or commences Insolvency Proceedings or its voluntary liquidation has been resolved by the competent authorities, or the appointment of a liquidator or director or the Servicer adopts a resolution aimed at obtaining such measures, or the Servicer is admitted to an Insolvency Proceeding, or the Servicer adopts a resolution aimed at obtaining admission to one of the Insolvency Proceedings mentioned, or a resolution aimed at putting the Servicer in voluntary liquidation;

(ii) failure on the part of the Servicer to transfer into the Collection Account any amounts in respect of the Receivables or in connection thereto in accordance with clauses 3.2(b) and 3.2(c) of the Servicing Agreement, except where such non-payment is due to technical reasons and the relevant payment is made within 5 Business Days from the relevant reconciliation;

(iii) failure on the part of the Servicer to comply or failure to observe, for wilful misconduct or gross negligence, not remedied within 15 (fifteen) Business Days from the receipt of the written request for fulfilment by the Issuer of any of its obligations pursuant to the Servicing Agreement or any other Transaction Document to which the Servicer is a party;

(iv) the representations and warranties given by the Servicer pursuant to the Servicing Agreement are found to be false or misleading under any material aspect and this leads to a substantially negative effect on the Issuer and/or the Securitisation and the Servicer does not remedy it within 15 (fifteen) Business Days from the date of receipt of the first written complaint of breach of these representations and warranties;

(v) any change of control of the Servicer (other than in case the Servicer continues to belong to the Ifis banking group), or any modification of its corporate form, or any transfer of all or a significant part of its company or of its corporate group, or any transfer or winding-up of the units to which the administration and/or recovery of the Receivables has been assigned, have occurred, if these individually or jointly may reasonably prejudice the regular fulfilment by the Servicer of the obligations assumed by it pursuant to the Servicing Agreement;

(vi) the Servicer loses any characteristic required by law or by the Bank of Italy in relation to the execution of the services provided hereunder, or the failure to meet other requirements that may in the future be requested by the Bank of Italy or by other governmental or administrative authorities competent to provide for on the matter;

(vii) failure to comply with the obligation of delivery of the Semi-Annual Servicing Report Date, not remedied within 7 (seven) Business Days from the relevant Semi-Annual Servicing Report Date;

(viii) the Monitoring Agent issues a negative report, as provided under clause 3.14, paragraph (c) of the Servicing, to the Issuer and the Representative of the Noteholders for reasons dependent on the Servicer and the Committee resolves, in accordance with the Rules of the Organisation of the Committee, that such reasons are (a) attributable to the wilful misconduct or gross negligence of the Servicer and (b) detrimental to the Securitisation;

(ix) the Issuer has received from the Monitoring Agent, after 24 months from the Effective Date, 2 (two) consecutive First Level Underperformance Event Notices (in which case the Monitoring Agent shall act upon instructions of the Committee in accordance with the Rules of the Organisation of the Committee) or Second Level Underperformance Event Notices (in which case a Meeting of the Noteholders shall take a decision in accordance with the Rules of the Organisation of the Noteholders).

The revocation of the engagement of the Servicer must be notified in writing by the Issuer to the Servicer, the Back-up Servicer, the Rating Agencies, the Monitoring Agent and the Representative of the Noteholders, and shall have effect upon the expiry of 30 (thirty) calendar days from the date of the Servicer's receipt of the above-mentioned notification of revocation or on such other later date indicated therein or, in any case, on the date on which the Back-up Servicer has become operational or the appointment of a different Successor Servicer has occurred. It is agreed between the Parties that in the event of revocation of the Servicer's engagement:

i) the Servicer will be entitled to receive the Master Servicing Fees and the Special Servicing Fees and any Debt Collectors Fees due at the time when the revocation will be effective (net of any sums due by the Servicer to the Issuer at the moment of revocation) in accordance with the applicable Order of Priority. The Servicer will furthermore be entitled to receive the agreed fees until the moment of takeover by the Successor Servicer;

ii) the Back-up Servicer will automatically take over as Successor Servicer with regard to the Master Servicing Activities in accordance with and subject to the provisions of the Back-up Servicing Agreement;

iii) if item (ii) above does not apply, in accordance with the "Rules of the Organisation of the Noteholders" attached to the Conditions, an entity (other than Ifis Npl Servicing S.p.A.) shall be identified to perform the Master Servicing Activities and the Special Servicing Activities through the execution of a specific letter of engagement and accession to the Servicing Agreement and the other Transaction Documents to which the Servicer is a party.

The Servicer has undertaken not to request any provision aimed at obtaining the suspension of its termination.

The Issuer has undertaken (also for the purposes of article 1381 of the Italian Civil Code) that, should any of the events set forth above occur only with reference to the Master Servicing Activities, the Back-up Servicer or, if different, the Successor Servicer appointed for carrying out of the Master Servicing Activities shall, upon instruction of the Meeting of the Noteholders, appoint the Servicer for carrying out the Special Servicing Activities.

Withdrawal by the Servicer

The Servicer shall have the right, after 36 (thirty-six) months from the Initial Issue Date to withdraw from the Servicing Agreement and waive the mandate conferred therein, giving the Issuer, the Back-up Servicer, the Monitoring Agent and the Representative of the Noteholders written notice of at least 6 (six) months and prior notification to the Rating Agencies.

The withdrawal shall be effective after 12 (twelve) months from the date of receipt by the Issuer of the aforementioned withdrawal notice or a different subsequent date indicated therein or, in all cases, on the date on which the Back-up Servicer has become operative or the different Successor Servicer has been appointed.

In the event the withdrawal should take place, the Servicer will be entitled to receive the Master Servicing Fees and the Special Servicing Fees and any Debt Collectors Fees due at the time when the withdrawal will be effective (net of any sums due by the Servicer to the Issuer at the moment of revocation) in accordance with the applicable Order of Priority. The Servicer will furthermore be entitled to receive the agreed fees until the moment of takeover by the Successor Servicer.

Portfolio Base Case Scenario

On or before the execution date of the Amendment Agreement to the Servicing Agreement, the Servicer has delivered to the Seller, the Issuer, the Representative of the Noteholders, the Arrangers, the Corporate Services Provider, the Back-up Servicer and the Monitoring Agent the Initial Portfolio Base Case Scenario with respect to the aggregate Portfolio and referring to the period from the Subsequent Economic Effective Date.

In addition to the above, the Servicer shall send on an annual basis by 5 (five) Business Days after each anniversary of the Subsequent Issue Date (the "**Updated Portfolio Base Case Scenario Date**"), to the Monitoring Agent, an updated portfolio base case scenario (the "**Updated Portfolio Base Case Scenario**") on the basis of the data related to the collections on the Receivables as of December 31st of the previous year that will indicate the parameters that were used for the above-mentioned updating, which will be then submitted by the Monitoring Agent to the Committee for the relevant approval. Subject to the prior written consent of the Committee, the Servicer may send the Updated Portfolio Base Case Scenario within 30 (thirty) Business Days from the Updated Portfolio Base Case Scenario Date.

Compliance with the Recovery Expenses envisaged in the Initial Portfolio Base Case Scenario

For each calendar year, the Servicer undertakes to comply with the annual maximum amounts set forth under the Initial Portfolio Base Case Scenario with respect to the relevant Expected Annual Maximum Amount.

In the event that, in a calendar year, the above Recovery Expenses have reached the threshold of 90% of the relevant Expected Annual Maximum Amount, the Servicer undertakes to inform the Monitoring Agent in order for this latter, if so required by the Servicer, to call the Committee meeting for the purposes of authorizing (if any) activities/expenses exceeding the relevant Expected Annual Maximum Amount, in accordance with the Rules of the Organisation of the Committee.

Once the relevant Expected Annual Maximum Amount is reached and the Committee has not authorized activities/expenses exceeding such Expected Annual Maximum Amount, the Servicer undertakes to give instructions to the attorneys in charge of the recovery of the Receivables to:

(a) not carry out any further activity that goes beyond the relevant Expected Annual Maximum Amount without the Servicer's express consent, warning the attorney that any additional activities carried out in the absence of such consent will not be remunerated; and

(b) interrupt any activity that goes beyond the relevant Expected Annual Maximum Amount.

The Monitoring Agent, within 5 (five) Business Days of the Servicer's request, shall, upon convocation of the Committee meeting, provide its consent to exceed the relevant Expected Annual Maximum Amount or express its dissent; it is agreed between the Parties that in cases of urgency indicated by the Servicer, the Monitoring Agent shall call the Committee urgently in order to provide the indications requested by the Servicer within 24 (twenty-four) hours. The Monitoring Agent and/or the Committee remain entitled to request supplementary information, in such case the term for the answer to the Servicer's request shall be deemed to start to run from the date on which such information has been provided.

The Servicer is entitled to authorize activities beyond the relevant Expected Annual Maximum Amount which it may consider undeferrable for the purposes of the successful recovery of the Receivables *provided that* in such an event such costs shall be borne by the Servicer itself.

Should the relevant Expected Annual Maximum Amount not be reached in a calendar year, the difference amount between the relevant Expected Annual Maximum Amount and the amounts spent in such calendar year for the recovery activities shall increase the relevant Expected Annual Maximum Amount for the next years until full utilisation of such amounts.

Governing law and jurisdiction

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 such agreement including all non contractual obligations thereof, the relevant parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

DESCRIPTION OF THE OTHER TRANSACTION DOCUMENTS

The description of the Transaction Documents set out below is a summary of certain features of such Transaction Documents and is qualified in its entirety by reference to the detailed provisions of such Transaction Documents (i) upon request, at the registered offices of the Representative of the Noteholders and (ii) on the Permitted Website. Capitalised terms used in the description below, to the extent not defined in this Prospectus, shall have the meanings ascribed to them in the Transaction Documents.

THE GENERAL AMENDMENT AGREEMENT

Under a general amendment agreement entered into on or prior to the Subsequent Issue Date between, *inter alios*, the Issuer, the Representative of the Noteholders (on its own behalf and as agent for the Noteholders), the Corporate Services Provider, the Agent Bank, the Account Banks, the Cap Counterparty, the Calculation Agent, the Monitoring Agent, the Servicer, the Paying Agent, the Cash Manager, the Stichting Corporate Services Provider, the Seller and the Back-up Servicer, the parties thereto have amended the Transaction Documents indicated therein in order to, *inter alia*, (i) include reference to the Subsequent Receivables and to the Class A Notes, the Class B Notes and the Series J2 Notes in the Transaction Documents; and (iii) agree to the early and full redemption of the Original Class A Notes and of the Original Class B Notes.

THE REPURCHASE AGREEMENT

On or prior the Subsequent Issue Date, the Issuer and the Seller have entered into the Repurchase Agreement, with economic effective date as at 1 July 2023, pursuant to which the Seller has repurchased without recourse from the Issuer a portion of the receivables assigned under the Initial Transfer Agreement, being the secured non-performing loans (the "**Repurchase**"). In accordance with the Repurchase Agreement, the Collections deriving from the Repurchased Receivables received until 30 June 2023 will be retained by the Issuer.

THE CORPORATE SERVICES AGREEMENT

Under a corporate services agreement entered into on 1 March 2021 between the Issuer and the Corporate Services Provider, as amended by the General Amendment Agreement (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 or prior to the Initial Issue Date, as amended by the General Amendment Agreement (the "**Intercreditor Agreement**"), between the Issuer, the Seller, the Representative of the Noteholders (on its own behalf and as agent for the Noteholders), the Cap Counterparty and the Other Issuer Creditors, provisions are made as to the application of the Collections in respect of the Portfolio 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.

Under the Intercreditor Agreement, the Issuer granted to the Seller an option right in accordance with article 1331 of the Italian Civil Code (the "**Repurchase Option**") for the Seller, or any other company of the Gruppo Banca IFIS designated by the Seller, to repurchase or purchase (as the case may be) from the Issuer, the Receivables related to one or more Debt Relationships (each, a "**Repurchased Debt Relationship**") according to the provisions set out under clause 13-bis of the Intercreditor Agreement.

Under the Intercreditor Agreement, the parties thereto (including the Representative of the Noteholders, also on behalf of the Noteholders) have acknowledged and agreed that, following the occurrence of a Majority Stake Acquisition Event, the Issuer, subject to the requirements set out under the relevant applicable laws being met and without any other consent of the parties to the Transaction, including the Representative of the Noteholders, also on behalf of the Noteholders, being necessary, will be included in the IFIS VAT Group pursuant to and with effect from the date set out under the relevant applicable laws. Under the Intercreditor Agreement, Banca IFIS, in its capacity as Quotaholder, has undertaken to promptly notify the other Parties, the Arrangers and the Rating Agencies of (i) the inclusion of the Issuer in the IFIS VAT Group (once occurred) and (ii) the date on which such inclusion will be effective.

Under the Intercreditor Agreement, the Issuer has irrevocably granted to the Seller an option right in accordance with article 1331 of the Italian Civil Code (the "**Call Option**") for the Seller, or any other company of the Gruppo Banca IFIS designated by the Seller, to repurchase or purchase, as the case may be, from the Issuer, the whole Portfolio in the circumstances described under Condition 6.6 (*Call Option*).

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.

THE CASH ADMINISTRATION AND AGENCY AGREEMENT

Under an agreement entered into on or prior to the Initial Issue Date between the Issuer, the Servicer, the Account Bank, the Calculation Agent, the Paying Agent, the Recovery Account Bank, the Back-up Servicer, the Cash Manager, the Representative of the Noteholders, the Cap Counterparty and the Agent Bank, as amended by the General Amendment Agreement (the "**Cash Administration and Agency Agreement**"):

(a) the 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 Notes;

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

(c) the Calculation Agent has agreed to 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 Portfolio; and

(d) the Account Bank and the Cash Manager has agreed to 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 (save for the Recovery Expenses Reserve Account);

(e) the Recovery Account Bank has agreed to provide the Issuer certain cash administration services in relation to the monies standing, from time to time, to the credit of the Recovery Expenses Reserve Account.

The Cash Administration and Agency Agreement and all non contractual obligations arising out or in connection with the Cash Administration and Agency 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 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 BACK-UP SERVICING AGREEMENT

Under a back-up servicing agreement entered into on or prior to the Initial Issue Date, as amended by the General Amendment Agreeement (the "**Back-up Servicing Agreement**"), among the Issuer, the Servicer and the Back-up Servicer, this latter has undertaken to act as substitute servicer of Ifis Servicing in relation to the Master Servicing Activities.

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 NOTES SUBSCRIPTION AGREEMENTS

Original Notes Subscription Agreement

Under a notes subscription agreement entered into on or prior to the Initial Issue Date among, *inter alios*, the Issuer, the Original Notes Subscriber, the Arrangers and the Representative of the Noteholders (the "**Original Notes Subscription Agreement**"), the Original Notes Subscriber has agreed to subscribe and pay for Original Notes upon the terms and subject to the conditions thereof and has appointed the Representative of the Noteholders to act as the representative of the holders of the Original Notes.

The Original Notes Subscription Agreement and any non-contractual obligations arising out of or connected with it are governed by and construed in accordance with English law.

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

Subsequent Notes Subscription Agreement

Under a notes subscription agreement entered into on or prior to the Subsequent Issue Date among, *inter alios*, the Issuer, the Subsequent Notes Subscribers, the Arrangers and the Representative of the Noteholders (the "**Subsequent Notes Subscription Agreement**"), the Subsequent Notes Subscribers have agreed to subscribe and pay for the relevant Subsequent Notes upon the terms and subject to the conditions thereof and has appointed the Representative of the Noteholders to act as the representative of the holders of the Subsequent Notes.

The Subsequent Notes Subscription Agreement and any non-contractual obligations arising out of or connected with it are governed by and construed in accordance with English law.

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

DEED OF CHARGE

Pursuant to the deed of charge (the "**Deed of Charge**") entered into on or about the Initial Issue Date, as amended on or about the Subsequent Issue Date, the Issuer (1) assigned absolutely with full title

guarantee all of its present and future rights, title, interest and benefit in, to and under the Cap Agreement (subject to the netting and set-off provisions thereof, if any) and all payments due thereunder; and (2) charged by way of first floating charge all or substantially all of the assets and undertaking of the Issuer which are located in England and Wales not subject to effective security created pursuant to the Deed of Charge or otherwise in connection with the Securitisation, in each case, in favour of the Representative of the Noteholders to hold on trust on behalf of the Noteholders and the Other Issuer Creditors.

The Deed of Charge and any non-contractual obligations arising out of or connected with it are governed by and construed in accordance with, English law. The Courts of England have exclusive jurisdiction to hear any disputes that arise in connection therewith.

THE QUOTAHOLDERS AGREEMENT

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

The Issuer believes that the provisions of the Quotaholders Agreement and of the other Transaction Documents are adequate to ensure that the participation by the Quotaholders in the quota capital of the Issuer is not abused.

The Quotaholders Agreement and all non contractual obligations arising out or in connection with the Quotaholder 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 Quotaholders Agreement including all non contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

THE STICHTING CORPORATE SERVICES AGREEMENT

Pursuant to the Stichting Corporate Services Agreement entered into on or about the Initial Issue Date between the Issuer, Stichting Mindful and the Stichting Corporate Services Provider, as amended by the General Amendment Agreement, the Stichting Corporate Services Provider has undertaken to provide certain management and administration services in relation to Stichting Mindful.

The Stichting Corporate Services Agreement, and any non-contractual obligations arising out of or in connection with it, is governed by and shall be construed in accordance with Italian law.

THE CAP AGREEMENT

On or about the Subsequent Issue Date, the Issuer entered into a cap transaction with J.P. Morgan SE as Cap Counterparty ("**Cap Transaction**"). The Cap Transaction is 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 cap confirmation (the "**Cap Confirmation**" and together with the ISDA Master Agreement, the Schedule and the Credit Support Annex, the "**Cap Agreement**"). The Cap Transaction was 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 Cap Agreement shall be limited recourse to the Issuer Available Funds.

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

(a) transfer all of its rights and obligations under the Cap 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 Cap Agreement; and

(c) post collateral to support its obligations under the Cap 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 Cap Agreement may cause the termination of the Cap Agreement prior to its stated termination date. Such events include (1) redemption of the Rated Notes pursuant to Condition 6.3 (*Mandatory redemption*); (2) redemption of the Rated Notes pursuant to Condition 6.4 (*Optional redemption*) or 6.2 (*Redemption for Taxation*); (3) amendment of any Transaction Document without the prior written consent of the Cap Counterparty if such amendment affects the amount, timing or priority of any payments due from the Cap Counterparty to the Issuer or from the Issuer to the Cap Counterparty or remuneration of the Collateral Account, (4) failure by the Cap Counterparty to take certain remedial measures required under the Cap Agreement following a Cap Counterparty Rating Event; and (5) acceleration of the Notes following service of a Trigger Notice.

Pursuant to the Cap Confirmation, on the Subsequent Issue Date the Issuer paid to the Cap Counterparty a premium and the Cap Counterparty will make a payment to the Issuer on each Payment Date only if the floating rate payable on the Rated Notes exceeds the strike price indicated in the Cap Confirmation for the relevant reference period. The notional amount for calculating any such payment will be the scheduled notional amount contained therein for the relevant Interest Period.

The Cap Counterparty will be required to make payments pursuant to the Cap Agreement without any withholding or deduction of taxes unless required by law. If any such withholding or deduction is required by law, the Cap 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 Cap Agreement. The Issuer will not be required to gross up under the Cap Agreement. Any Cap Tax Credit Amounts payable by the Issuer shall be paid directly to the Cap Counterparty following receipt without regard to the Collateral Account Priority of Payments or the Order of Priority and shall not form Issuer Available Funds.

The Cap Agreement and any non-contractual obligation arising out of, or in connection with, the Cap Agreement is 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.

TERMS AND CONDITIONS OF THE NOTES

*The following is the entire text of the terms and conditions of the Notes (as amended, in the context of the Restructuring, the "**Conditions**"). In these Conditions, references to the "**holder**" or to the "**Noteholder**" of a Class A Note, a Class B Note or a Class J Notes or to a Class A Noteholder, a Class B Noteholder or a Class J Noteholder are to the ultimate owners of the Class A 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. (commercial name Euronext Securities Milan) ("**Monte Titoli**") in accordance with the provisions of (i) Article 83-bis of the Legislative Decree No. 58 of 24 February 1998 and (ii) the Regulation jointly issued by the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") on 13 August 2018 (*Disciplina delle controparti centrali, dei depositari centrali e dell'attività di gestione accentrata centrali e dell'attività di gestione accentrata*), 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.

The Euro 158,775,000 Class Ax Asset Backed Floating Rate Notes due January 2051 (the "**Class Ax Notes**"), Euro 206,225,000 Class Ay Asset Backed Floating Rate Notes due July 2051 (the "**Class Ay Notes**" and, together with the Class Ax Notes, the "**Original Class A Notes**" or the "**Original Senior Notes**"), the Euro 74,400,000 Class B Asset Backed Fixed Rate Notes due July 2051 (the "**Original Class B Notes**" or the "**Original Mezzanine Notes**" and, together with the Original Class A Notes, the "**Original Rated Notes**") and the Euro 23,600,000 Class J Asset Backed Fixed Rate and Variable Return Notes due July 2051 (as subsequently amended, the "**Original Class J Notes**" or the "**Series J1 Notes**" and together with the Original Class A Notes and the Original Class B Notes, the "**Original Notes**") were issued by IFIS NPL 2021-1 SPV S.r.l. (the "**Issuer**") on the Initial Issue Date in the context of a securitisation transaction (the "**Original Transaction**" or the "**Original Securitisation**") to finance, pursuant to Article 1 of Italian Law No. 130 of 30 April 1999 ("*Disposizioni sulla cartolarizzazione dei crediti*") ("**Law 130**" or the "**Securitisation Law**"), the purchase from Ifis NPL Investing S.p.A. ("**Ifis**" or the "**Seller**") of a portfolio of monetary receivables and connected rights (such receivables as outstanding on the Subsequent Economic Effective Date and net of the Repurchased Receivables (as defined below), the "**Initial Receivables**" and such portfolio as outstanding on the Subsequent Effective Date and net of the Repurchased Receivables (as defined below) the "**Initial Portfolio**") arising out of secured and unsecured loans which are reported as non-performing exposures (*attività deteriorate*) in accordance with Bank of Italy's circular No. 272 of 30 July 2008, as amended.

The Euro 515,000,000 Class A Asset Backed Floating Rate Notes due January 2060 (the "**Class A Notes**" or the "**Senior Notes**"), the Euro 90,000,000 Class B Asset Backed Fixed Rate Notes January 2060 (the "**Class B Notes**" or the "**Mezzanine Notes**" and, together with the Class A Notes, the "**Rated Notes**") and the Euro 25,000,000 Class J2 Asset Backed Fixed Rate and Variable Return Notes January 2060 (the "**Series J2 Notes**" and, together with the Series J1 Notes, the "**Class J Notes**" or the "**Junior Notes**"; the Class A Notes, the Class B Notes and the Series J2 Notes, collectively, the "**Subsequent Notes**"; following the Subsequent Issue Date, the Senior Notes, the Mezzanine Notes and the Junior Notes will jointly be referred to as the "**Notes**") are issued by the Issuer on the Subsequent Issue Date in the context of the restructuring of the Original Transaction authorized, *inter alia*, by way of a written resolution passed by the holders of the Original Notes on 21 July 2023 (the "**Restructuring**") to finance (together with other amounts available to the Issuer), *inter alia*: (i) the early redemption in full of the Original Class A Notes and of the Original Class B Notes; and (ii) pursuant to Article 1 of Securitisation

Law, the purchase from Ifis of an additional portfolio of monetary receivables and connected rights (respectively, the "**Subsequent Portfolio**" and the "**Subsequent Receivables**" and, together with the Initial Receivables and the Initial Portfolio, the "**Receivables**" and the "**Portfolio**").

Therefore, on the Subsequent Issue Date, following the payments set forth to take place on such date and the cancellation of the Original Rated Notes, the outstanding principal amount of each class of Notes will be:

- Euro 23,600,000 Class J Asset Backed Fixed Rate and Variable Return Notes due July 2051;
- Euro 515,000,000 Class A Asset Backed Floating Rate Notes due January 2060;
- Euro 90,000,000 Class B Asset Backed Fixed Rate Notes due January 2060; and
- Euro 25,000,000 Class J2 Asset Backed Fixed Rate and Variable Return Notes due January 2060.

The Initial Portfolio was purchased by the Issuer pursuant to a transfer agreement entered into on 1 March 2021 between the Issuer and the Seller (the "**Initial Transfer Agreement**").

The Subsequent Porfolio has been purchased by the Issuer pursuant to a transfer agreement entered into on 21 July 2023 between the Issuer and the Seller (the "**Subsequent Transfer Agreement**" and, together with the "**Initial Transfer Agreement**", the "**Transfer Agreements**").

In these Conditions, any references to (i) the "**holders of the Rated Notes**" are to the beneficial owners of the Rated Notes; (ii) references to the "**Class A Noteholders**" are to the beneficial owners of the Class A Notes; references to the "**Class B Noteholders**" are to the beneficial owners of the Class B Notes; and references to the "**Class J Noteholders**" are to the beneficial owners of the Class J Notes and 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 A 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 are collections and recoveries made in respect of the Portfolio (the "**Collections**"). By operation of Italian law, the Issuer's right, title and interest in and to the Portfolio and the other Issuer's Rights (as defined below) are segregated from all other assets of the Issuer, and amounts deriving therefrom (for so long as such amounts are credited to one of the Issuer's Accounts under this Transaction and not commingled with other sums) will only 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 pay any costs, fees and expenses payable, or other amounts due, to the Other Issuer Creditors (as defined below) and to any third party creditor in respect of any costs, fees or expenses payable by the Issuer to such third party creditors in relation to the securitisation of the Portfolio (the "**Securitisation**"). Amounts derived from the Portfolio will not be available to any such creditors of the Issuer in respect of any other amounts owed to them or to any other creditors of the Issuer. The Noteholders and the Other Issuer Creditors will agree that the Issuer Available Funds (as defined below) will be applied by the Issuer in accordance with the application of the orders of priority of payments of the Issuer Available Funds set forth in Condition 4 (*Orders of Priority*) and the Intercreditor Agreement (the "**Orders of Priority**").

On:

(a) 1 March 2021, *inter alios*, the Issuer and Ifis NPL Servicing S.p.A. ("**Ifis Servicing**") as Servicer (the "**Servicer**") entered into a servicing agreement (the "**Original Servicing Agreement**") according to which Ifis Servicing has agreed (i) 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 and (ii) to provide the Issuer with administration, collection and recovery services in respect of the Receivables as better detailed

under the Original Servicing Agreement. In addition, under the Original Servicing Agreement the Issuer has appointed Banca Finanziaria Internazionale S.p.A. as monitoring agent ("**Banca Finint**" or the "**Monitoring Agent**") of the Original Transaction in order to carry out certain services in favour of the Issuer as better detailed in the Original Servicing Agreement;

(b) 21 July 2023, the parties to such agreement have agreed to amend certain provisions by entering into an amendment agreement (respectively, the "**Amendment Agreement to the Original Servicing Agreement**" and the Original Servicing Agreement, as amended by the Amendment Agreement to the Original Servicing Agreement, the "**Servicing Agreement**").

Under a warranty and indemnity agreement entered into on the Initial Transfer Date (the "**Initial Warranty and Indemnity Agreement**") between the Issuer and Ifis, Ifis as Seller gave certain representations and warranties in favour of the Issuer, subject to the terms provided therein.

Under a subsequent warranty and indemnity agreement entered into on the Subsequent Transfer Date (the "**Subsequent Warranty and Indemnity Agreement**" and, together with the Initial Warranty and Indemnity Agreement, the "**Warranty and Indemnity Agreements**") between the Issuer and Ifis, Ifis as Seller (i) has given certain representations and warranties in favour of the Issuer; and (ii) being liable *vis-à-vis* the Issuer for its indemnity obligations thereunder, has agreed to indemnify the Issuer in respect of certain liabilities incurred in connection, *inter alia*, the Receivables.

Under a back-up servicing agreement entered into on or prior to the Initial Issue Date, as amended by the General Amendment Agreement executed on or prior the Subsequent Issue Date, (the "**Back-up Servicing Agreement**"), between the Issuer, the Servicer and Zenith Service S.p.A. (the "**Back-up Servicer**"), this latter has undertaken, *inter alia*, to act as substitute servicer of Ifis Servicing in order to carry out the Master Servicer Activities (as defined in the Servicing Agreement), according to the Back-up Servicing Agreement, in case of termination of the appointment of Ifis Servicing as Servicer in accordance with the Servicing Agreement.

Under a notes subscription agreement relating to the Original Senior Notes, the Original B Notes and the Class J1 Notes, entered into on or prior to the Initial Issue Date between, *inter alios*, the Issuer, the Arrangers, and the Representative of the Noteholders (the "**Original Notes Subscription Agreement**"), the Notes Subscriber has agreed to subscribe and pay for the Original Senior Notes, the Original B Notes and the Class J1 Notes upon the terms and subject to the conditions thereof and has appointed the Representative of the Noteholders to act as the representative of the holders of the Original Senior Notes, the Original B Notes and the Class J1 Notes.

Under a notes subscription agreement relating to the Class A Notes, the Class B Notes and the Series J2 Notes, entered into on or prior to the Subsequent Issue Date between, *inter alios*, the Issuer, the Arrangers, the Subsequent Notes Subscribers and the Representative of the Noteholders (the "**Subsequent Notes Subscription Agreement**" and, together with the Original Notes Subscription Agreement, the "**Notes Subscription Agreements**"), the Subsequent Notes Subscribers have agreed to subscribe and pay for the Class A Notes, the Class B Notes and the Series J2 Notes upon the terms and subject to the conditions thereof and has appointed the Representative of the Noteholders to act as the representative of the holders of the Subsequent Notes.

Under a cash administration and agency agreement entered into on or prior to the Initial Issue Date, as amended by the General Amendment Agreement executed on or prior the Subsequent Issue Date, (the "**Cash Administration and Agency Agreement** between, *inter alios*, the Issuer, the Representative of the Noteholders, the Calculation Agent, the Account Banks, the Paying Agent, the Agent Bank, the Cash Manager, the Cap Counterparty, the Servicer: (i) the 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 Calculation 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; (iv) the Account Bank 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 and (v) the Recovery Account Bank has agreed to provide certain cash administration services in respect of the amounts standing, from time to time, to the credit of the Recovery Expenses Reserve Account.

Under a corporate services agreement entered into on the Initial Transfer Date, as lastly amended by the General Amendment Agreement executed on or prior the Subsequent Issue Date (the "**Corporate Services Agreement**"), between the Issuer and Banca Finanziaria Internazionale S.p.A. as corporate services provider (the "**Corporate Services Provider**"), the Corporate Services Provider has agreed to provide the Issuer with certain corporate administration services.

Under an intercreditor agreement entered into on or prior to the Initial Issue Date, as amended by the General Amendment Agreement executed on or prior the Subsequent Issue Date (the "**Intercreditor Agreement**"), between, *inter alios*, the Issuer, the Representative of the Noteholders (on its own behalf and as agent for the Noteholders), the Corporate Services Provider, the Agent Bank, the Account Banks, the Cap Counterparty, the Calculation Agent, the Monitoring Agent, the Servicer, the Paying Agent, the Cash Manager, the Stichting Corporate Services Provider, the Seller 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 Portfolio 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 Servicer) in relation to the recovery of the Receivables in the name and on behalf of the Issuer.

Pursuant to a deed of charge governed by English law executed by the Issuer on 17 March 2021, as amended on or about the Subsequent Issue Date (the "**Deed of Charge**"), the Issuer has (i) assigned absolutely with full title guarantee all of its present and future rights, title, interest and benefit in, to and under the Cap Agreement (subject to the netting and set-off provisions thereof, if any) and all payments due thereunder; and (ii) charged by way of first floating charge all or substantially all of the assets and undertaking of the Issuer which are located in England and Wales not subject to effective security created pursuant to the Deed of Charge or otherwise in connection with the Securitisation, in each case, in favour of the Representative of the Noteholders to hold on trust on behalf of the Noteholders and the Other Issuer Creditors.

Pursuant to an International Swaps and Derivatives Association, Inc. ("**ISDA**") 1992 Master Agreement (Multicurrency-Cross Border) the "**Master Agreement**") dated as of March 2021 together with a Schedule thereto (the "**Schedule**") and the 1995 ISDA Credit Support Annex thereunder (the "**Credit Support Annex**"), each as amended on or about the Subsequent Issue Date and supplemented by a confirmation dated 26 July 2023 (the "**Cap Confirmation**") documenting a cap transaction (the "**Cap Transaction**") thereunder and, together with the Master Agreement, the Schedule and the Credit Support Annex, the "**Cap Agreement**"), the Issuer hedged against the potential interest rate exposure in relation to its floating rate interest obligations under the Senior Notes.

Under an agreement entered into on or prior to the Initial Issue Date between Banca IFIS S.p.A. and Stichting Mindful as quotaholders (the "**Quotaholders**" and each a "**Quotaholder**"), the Issuer and the Representative of the Noteholders (the "**Quotaholders' Agreement**"), certain rules have been set out in relation to the corporate management of the Issuer.

Under a stichting corporate services agreement entered into on or prior to the Initial Issue Date (the "**Stichting Corporate Services Agreement**") between Wilmigton Trust SP Services (London) Limited (the "**Stichting Corporate Services Provider**"), the Issuer and Stichting Mindful, the Stichting Corporate Services Provider has undertaken to provide certain management and administration services in relation to Stichting Mindful.

Under a repurchase agreement executed on or prior the Subsequent Issue Date, the Issuer and the Seller have entered into a repurchase agreement (the "**Repurchase Agreement**"), with economic effective date as at 1 July 2023, pursuant to which the Seller has repurchased without recourse from the Issuer a portion of the receivables assigned under the Initial Transfer Agreement (the "**Repurchased Receivables**"), being the secured non-performing loans (the "**Repurchase**"). In accordance with the Repurchase Agreement, the Collections deriving from the Repurchased Receivables received until 30 June 2023 will be in favour of the Issuer.

Under a general amendment agreement entered into on or prior to the Subsequent Issue Date in the context of the Restructuring between, *inter alios*, the Issuer, the Representative of the Noteholders (on its own behalf and as agent for the Noteholders), the Corporate Services Provider, the Agent Bank, the Account Banks, the Cap Counterparty, the Calculation Agent, the Monitoring Agent, the Servicer, the Paying Agent, the Cash Manager, the Stichting Corporate Services Provider, the Seller and the Back-up Servicer, the parties thereto have amended the Transaction Documents indicated therein in order to, *inter alia*, (i) include reference to the Subsequent Receivables and to the Class A Notes, the Class B Notes and the Series J2 Notes in the Transaction Documents, (ii) include reference to the Subsequent Portfolio and (iii) agreed to the early and full redemption of the Original Class A Notes and of the Original Class B Notes (the "**General Amendment Agreement**").

These Conditions include summaries of, and are subject to, the detailed provisions of the Initial Transfer Agreement, the Original Servicing Agreement, the Back-up Servicing Agreement, the Intercreditor Agreement, the Corporate Services Agreement, the Initial Notes Subscription Agreement, the Initial Warranty and Indemnity Agreement, the Stichiting Corporate Services Agreement, the Cash Administration and Agency Agreement, the Cap Agreement, the Quotaholders' Agreement, the Deed of Charge and the Restructuring Documents (as defined below) (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. In addition, on certain matters, a committee of experts (the "**Committee**") appointed by the Noteholders is entitled to express its consent and give advises on certain matters, as set out in the Rules of the Organization of the Noteholders. The rights and powers of the Committee may only be exercised in accordance with the rules attached to the Rules of the Organisation of the Noteholders (the "**Rules of the Organisation of the Committee**") and which form an integral and substantive part of the Rules of the Organisation of the Noteholders and therefore 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:

"**Amendment Agreement to the Original Servicing Agreement**" means the amendment agreement to the Original Servicing Agreement entered into between, *inter alios*, the Issuer and the Servicer on the date hereof, in the context of the Restructuring.

"**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 and upon the occurrence of the other events provided thereunder.

"**Account Banks**" means the Account Bank and the Recovery Account Bank.

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

"**Agents**" means the Cash Manager, the Agent Bank, the Account Bank, the Recovery Account Bank, the Paying Agent, the Calculation Agent collectively and "**Agent**" means any of them.

"**Aggregate Receivables Identification Document**" means the Subsequent Receivables Identification Document together with the Updated Receivables Identification Document, as attached under Schedule L to the Servicing Agreement.

"**Ancillary Guarantee**" means, without any limitation, any personal or real guarantee (*garanzia personale o reale*), other than the Mortgages and the Orders of Assignment, provided by a Guarantor to guarantee a specific Receivable (including, for avoidance of doubts, the so-called *fideiussioni omnibus* and consortium guarantees) owed by an Assigned Debtor, to the extent acquired by the Seller from the relevant Original Lender and, in case of the Subsequent Receivables, complying with the Criteria.

"**Applicable Privacy and Data Protection Legislation**" means the Privacy Code, the GDPR and any other legislative act or administrative or regulatory measure, adopted by the Privacy Authority and/or by any other competent authority.

"**ARC**" means ARC Ratings S.A..

"**Arrangers**" means J.P. Morgan SE and Banca Ifis S.p.A..

"**Assigned Debtor**" means the main obligor responsible for the payment of the relevant Receivable and/or any successor or assignee of the same.

"**Back-up Servicer**" means the party which will act as back-up servicer in accordance with the provisions of the Back-up Servicing Agreement, or any replacement thereof.

"**Back-up Servicing Agreement**" means the back-up servicing agreement entered into among the Issuer, the Servicer and the Back-up Servicer on or about the Initial Issue Date, as amended by the General Amendment Agreement executed on or prior the Subsequent Issue Date, and any further Back-up Servicing Agreement as effective from time to time, according to which Zenith Service S.p.A. has undertaken to act as substitute master servicer in case of termination of the appointment of Ifis Servicing in carrying out the *Master Servicer Activities* according to the Servicing Agreement.

"**Bid Process**" has the meaning as ascribed in the Condition 6.5 (*Sale of the Portfolio*).

"**Buffer**" means Euro 210,000.

"**Business Day**" means, with reference to and for the purposes of any payment obligation provided for under the Transaction Documents, any day on which T2 (or any successor thereto) is open and, with reference to any other provision specified under the Transaction Documents, any day which is not bank holiday or public holiday in Milan, London and Frankfurt.

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

"**Call Option**" has the meaning ascribed to it in Condition 6.6 (*Call Option*).

"**Call Option Period**" has the meaning ascribed to it in Condition 6.6 (*Call Option*).

"**Cancellation Date**" means, upon expiry of the Final Maturity Date, the earlier of:

(a) the date on which the Notes have been redeemed in full;

(b) the later of the date on which (i) the Servicer have certified to the Issuer that all the Collections due in respect of all the Receivables have been received or recovered and that all judicial enforcement procedures in respect of the Receivables have been exhausted; and (ii) the last of those Collections are applied in accordance with the applicable Order of Priority; and

(c) the date on which all the Receivables comprised in the Portfolio have been sold and the relevant Issuer Available Funds have been received and applied in accordance with the applicable Order of Priority.

"**Cap Collateral Account Surplus**" has the meaning ascribed to such term in clause 9 (*Management and Application of Collateral with respect to the Cap Counterparty*) of the Intercreditor Agreement and Condition 4.3.

"**Cap Counterparty**" means J.P. Morgan SE (as legal successor to J.P. Morgan AG), in its capacity as cap counterparty, or its permitted successors or assigns from time to time or any other person for the time being acting as Cap Counterparty pursuant to the Cap Agreement.

"**Cap Counterparty Rating Event**" means the failure of the Cap Counterparty or its guarantor, as applicable, to satisfy the rating requirements specified in Part 6(1) (*Ratings Downgrade Provisions*) of the Schedule to the Cap Agreement.

"**Cap Premium Amount**" means the premium paid by the Issuer to the Cap Counterparty pursuant to the Cap Agreement on the Issue Date.

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

"**Cash Manager**" means BNP Paribas, Italian Branch, a company incorporated under the laws of France, having its registered office at 16, Boulevard des Italiens, 75002 Paris, France, acting through its Italian branch, registered with the register of banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act under number 5482, having its registered office at Piazza Lina Bo Bardi, 3, 20124, Milan, as successor of "BNP Paribas Securities Services", further to the merger by way of incorporation (*fusione per incorporazione*) of BNP Paribas Securities Services into BNP Paribas, which took place on 1 October 2022.

"**Cash Reserve Account**" means a Euro denominated account opened in the name of the Issuer with the Account Bank, 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.

"**Cash Reserve Amount**" means the monies standing from time to time to the credit of the Cash Reserve Account at any given time up to an amount equal to the Target Cash Reserve Amount. On each Payment Date prior to the delivery of a Trigger Notice, the Issuer will, in accordance with the Pre-Acceleration Order of Priority, pay into the Cash Reserve Account an amount up to the Target Cash Reserve Amount.

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

"**Class A Notes**" means the Euro 515,000,000 Class A Asset Backed Floating Rate Notes due January 2060.

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

"**Class A Margin**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*).

"**Class Ax Notes**" means the Euro 158,775,000 Class Ax Asset Backed Floating Rate Notes due January 2051 that will be repaid in full (also by way of set-off) on the Subsequent Issue Date.

"**Class Ay Notes**" means the Euro 206,225,000 Class Ay Asset Backed Floating Rate Notes due July 2051 that will be repaid in full (also by way of set-off) on the Subsequent Issue Date.

"**Class B Notes**" means the Euro 90,000,000 Class B Asset Backed Fixed Rate Notes January 2060.

"**Class J Notes**" means the Series J1 Notes and the Series J2 Notes.

"**Class J Notes Variable 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 (*Thirteenth*) (inclusive) 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 (*Eleventhth*) (inclusive) of the Acceleration Order of Priority.

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

"**Closure of the Debt Relationship**" means that a Debt Relationship has been classified as "closed" when the Servicer has completed all the Special Servicing activities provided under the Servicing Agreement and considered necessary or expedient for the collection and the recovery or such activities cannot be more usefully carried out.

"**Collateral Accounts**" means the accounts (for deposits denominated in Euro) opened or to be opened in the name of the Issuer with the Account Bank in accordance with the provisions of the Cash Administration and Agency Agreement.

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

"**Collateral Amounts**" means any amounts from time to time standing to the credit of the Collateral Account.

"**Collection Account**" means a Euro denominated account opened in the name of the Issuer with the Account Bank in respect of the Collections arising from the servicing of the Portfolio 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.

"**Collection Date**" means 30 June and 31 December of each calendar year, provided that the First Restructuring Collection Date will fall on 31 December 2023.

"**Collection Period**" means each semi-annual period beginning on (and excluding) a Collection Date and ending on (and including) the following Collection Date, with the exception of (i) the Collection Period beginning on (and excluding) 31 December 2022, which will end on (and include): (a) 30 April 2023 in respect of all the Receivables other than the Repurchased Receivables; and (b) 30 June 2023 in respect of the Repurchased Receivables; (ii) the first Collection Period pending on the Subsequent Issue Date, which began on the Subsequent Economic Effective Date and will end on (and include) the First Restructuring Collection Date.

"**Collection Policy**" means the collection policy applied by the Servicer in relation to the Portfolio, indicated in the Servicing Agreement.

"**Collections**" means any amount collected and/or received in relation to the Receivables, including, without limitation, the sums paid towards the repayment of principal and the payment of interest on the Receivables and credited into the Issuer's Accounts.

"**Committee**" means a committee of experts appointed by the Senior Noteholders, the Mezzanine Noteholders and the Junior Noteholders, being entitled to express its consent and give certain advice on certain matters, as set out in the "Rules of the Organisation of the Committee" attached to this Conditions.

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

"**Consolidated Banking Act**" means legislative decree no. 385 of 1 September 1993 ("*Consolidated act setting forth laws on banking and lending*"), as subsequently amended and supplemented.

"**Corporate Crisis and Insolvency Code**" means Legislative Decree No 14 of 12 January 2019 (codice della crisi d'impresa e dell'insolvenza) as amended and supplemented from time to time.

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

"**Credit Line**" means, for each Receivable, each different legal relationship (for example, mortgage loan, unsecured loan, bank account overdraft, etc.) existing with the same Assigned Debtor, as indicated in each Transfer Agreement.

"**Criteria**" means the selection criteria of the Subsequent Receivables indicated in Article 3 (*Selection Criteria*) of the Subsequent Transfer Agreement.

"**Cumulative Collection Ratio**" means, in respect of any Payment Date starting from the Payment Date falling in January 2024 (included), the percentage ratio as indicated in the immediately preceding Semi-Annual Servicing Report between: (i) the cumulative Gross Collections from the Subsequent Economic Effective Date up to the Collection Date immediately preceding such Payment Date (included); and (ii) the aggregate Gross Expected Collections from the Subsequent Economic Effective Date up to the Collection Date immediately preceding such Payment Date (included).

"**Database**" means the database containing the data and information in electronic format relating to the Receivables to be sent by the Seller to the Issuer in accordance with the Subsequent Transfer Agreement.

"**Debt Collectors Fees**" means an amount equal to the fees due by the Servicer to the relevant debt collectors (esattori) and/or other external agents in connection with the collection of the Receivables in the relevant Collection Period, which shall be paid by the Issuer to the Servicer up to the relevant Debt Collectors Fees Maximum Amount; the Debt Collectors Fees due by the Servicer and related to each Collection Period shall be identified in each Semi-Annual Servicing Report.

"**Debt Collectors Fees Maximum Amount**" means the annual maximum amount set forth under the Initial Portfolio Base Case Scenario with respect to the Debt Collectors Fees.

"**Debt Relationship**" means the sum of all of the Credit Lines deriving from the Loans granted to the same Assigned Debtor.

"**Discount Factor**" means 7% per year.

"**Economic Effective Date**" means the Initial Economic Effective Date and/or the Subsequent Economic Effective Date, as the case may be.

"**Employer**" means the relevant public or private employer that, pursuant to an Order of Assignment and according to the provisions thereof, shall pay to the Seller a portion of the salary of the Assigned Debtor and/or the Guarantor, as the case may be, in or towards payment of interest and/or repayment of principal in respect of the Receivables.

"**Eligible Institution**" means a depository institution organised under the laws of any State which is a member of the European Union or of England or Wales or of the United States of America whose debt obligations (or whose obligations under the Transaction Documents to which it is a party are guaranteed by 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 England or Wales or of the United States of America, whose unsecured and unsubordinated debt obligations) are rated as follows:

(a) should the relevant institution be rated by Moody's, at least "P-2" by Moody's as a short-term deposit rating and at least "Baa2" by Moody's as a long-term deposit rating; and

(c) only in case the institution is rated by Scope, at least "S3" by Scope as a short-term bank issuer rating and at least "BB" by Scope as long term bank issuer rating, provided that a rating by Scope is (a) the public or subscription rating assigned by Scope or, if there is no public or subscription rating, (b) the private rating assigned by Scope.

"**Eligible Investments**" means euro-denominated senior (unsubordinated) debt securities in dematerialized form, bank account or euro-denominated senior debt deposit (excluding, for the avoidance of doubt, time deposits) or other debt instruments, provided that, in all cases (i) such Eligible Investments shall be "cash equivalents" for purposes of section 10(c)(8)(iii)(A) of the regulations adopted to implement section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act; (ii) such investments are immediately repayable on demand, disposable without penalty or have a maturity date falling on or before the Eligible Investments Maturity Date; (iii) such investments provide 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; (iv) in the case of bank account or deposit, such bank account or deposit are held in the name of the Issuer with an Eligible Institution in the Republic of Italy or (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) with an Eligible Institution in England or Wales or any other EU member state (and in any case are not held through a sub-custodian) and (v) the debt securities or other debt instruments are issued by, or guaranteed by a first demand, irrevocable and unconditional guarantee, on an unsubordinated basis by, an institution whose unsecured and unsubordinated debt obligations have at least a long term rating of at least "Baa2" with respect to Moody's, *provided that*, in no case shall such investment be made, in whole or in part, actually or potentially, in (i) tranches of other asset-backed securities; or (ii) credit-linked notes, swaps or other derivatives instruments, or synthetic securities; or (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 Senior Notes as eligible collateral, further provided that in case of downgrade below the rating allowed with respect to Moody's the Issuer shall (i) in case of Eligible Investments being securities, sell the securities, if it could be achieved without a loss, otherwise the relevant security shall be allowed to mature, and (ii) in case of Eligible Investments being deposits, transfer within 30 calendar days the deposits to another account opened with an Eligible Institution in the Republic of Italy or (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) with an Eligible Institution in England or Wales or any other EU member state.

"**Eligible Investments Maturity Date**" means any date falling one Business Day prior to each Calculation Date.

"**ESMA**" means European Securities and Markets Authority.

"**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).

"**EU Insolvency Regulation**" means the Council Regulation (EC) No. 848/2015 of 20 May 2015, as amended from time to time.

"**EU Securitisation Regulation**" means the Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017, together with any relevant delegated regulation and/or regulatory

technical standards thereof, and/or implementing measures or official guidance in relation thereto (including without limitation any opinion and/or Q&A document from time to time issued by the European Securities Market Authority (ESMA) and/or the European Banking Authority (EBA)), in each case, as amended, varied and supplemented from time to time.

"**EUWA**" means the European Union (Withdrawal) Act 2018.

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

"**Euro**" and "**€**" means the single currency introduced in the member states of the European Union 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 amended by the Treaty on European Union (signed in Maastricht on 7 February 1992).

"**Exhausted Debt Relationship**" means a Debt Relationship becoming subject to the "Closure of the Debt Relationship" *provided that* the Servicer shall be obliged to indicate a Debt Relationship as an Exhausted Debt Relationship recurring the relevant conditions indicated in the Servicing Agreement.

"**Existing Order of Assignment**" or "**Existing OdA**" means any order of assignment (ordinanza di assegnazione) issued on or prior to the Subsequent Transfer Date in favor of the Seller pursuant to article 553 of the Italian Civil Procedure Code in relation to certain Receivables, pursuant to which the relevant Employer and/or the relevant Social Security Administration shall pay to the Seller a portion of the salary and/or pension of (i) the Assigned Debtor and/or (ii) the Guarantor, as the case may be, - in any case in the maximum amount calculated in accordance with article 545 of the Italian Civil Procedure Code – in or towards payment of interest and/or repayment of principal in respect of such relevant Receivables.

"**Existing Pre-OdA Receivables**" means the Subsequent Receivables in relation to which no order of assignment has yet been issued as at the Subsequent Transfer Date and which are at the legal stage identified in the Database.

"**Existing Repayment Plan**" means any Repayment Plan entered into by the Seller prior to the Subsequent Transfer Date with the relevant Assigned Debtor setting out new repayment plan (*piano di rientro*) in relation to certain Loans relating to the Subsequent Receivables, as identified in Schedule A (*Receivables Identification Document*) to the Subsequent Transfer Agreement.

"**Expected Recovery Expenses**" means, in relation to each Debt Relationship, the Recovery Expenses envisaged until the relevant Closure of the Debt Relationship as indicated in the Initial Portfolio Base Case Scenario.

"**Expenses**" means 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 fulfill payment obligations of the Issuer to third parties (other than the Noteholders and the Other Issuer Creditors) incurred in relation to the Transaction.

"**Expenses Account**" means a Euro denominated account opened in the name of the Issuer with the Account Bank, 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.

"**Expected Special Servicing Fees**" means, in relation to each Debt Relationship, the Special Servicing Fees provided for until the relevant Closure of the Debt Relationship as indicated in the Initial Portfolio Base Case Scenario.

"**ExtraMOT Market**" means the multilateral trading facility "ExtraMOT" managed by Borsa Italiana.

"**ExtraMOT Market Regulation**" means the regulation related to the management and functioning of the ExtraMOT Market issued by Borsa Italiana and in force since 8 June 2009 (as amended and supplement from time to time).

"**ExtraMOT PRO**" means the professional segment of ExtraMOT Market, managed by Borsa Italiana on which financial instruments are traded and reserved to professional investors (as defined the ExtraMOT Market Regulation) only.

"**Final Maturity Date**" means (i) with respect to the Series J1 Notes, the Payment Date falling in January 2051; and (ii) with respect to the Series J2 Notes, the Payment Date falling in January 2060.

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

"**First Level Underperformance Event**" means the occurrence of any of the following events:

(i) the Cumulative Collection Ratio calculated by the Servicer, on each Semi-Annual Servicing Report Date with reference to the Collection Period immediately prior to the above-mentioned date (starting from the Collection Period ending on December 2023), and set forth in the related Semi-Annual Servicing Report is lower than 90% (ninety percent); or

(ii) the PV Cumulative Profitability Ratio calculated (if applicable) by the Servicer, on the Semi-Annual Servicing Report Date with reference to the Collection Period immediately prior to the above-mentioned date (starting from the Collection Period ending on December 2023), and set forth in the related Semi-Annual Servicing Report is lower than 90% (ninety percent).

"**First Restructuring Collection Date**" means 31 December 2023.

"**First Restructuring Intermediate Collection Date**" means on 31 March 2024.

"**GDPR**" means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 (on the protection of natural persons with regard to the processing of personal data and on the free movement of such data) and the relevant implementing regulations.

"**Gross Collections**" means, in respect of specific Debt Relationship, the collections, recoveries, realisations or proceeds received by the Issuer at any title on the Receivables (also following a sale or disposal and including any amounts paid to the Seller by the Employers and/or Social Security Administrations pursuant to any Order of Assignment and transferred to the Issuer pursuant to clause 6.2 of the Initial Transfer Agreement and clause 8.2 of the Subsequent Transfer Agreement and any amounts paid to the Seller by any Assigned Debtor pursuant to any Existing Repayment Plan and transferred to the Issuer pursuant to clause 8.3 of the Subsequent Transfer Agreement) up to when such Debt Relationship has become an Exhausted Debt Relationship.

"**Gross Expected Collections**" means, in respect of specific Debt Relationship, the collections, recoveries, realisations or proceeds at any title on the Receivables (also following a sale or disposal) as indicated in the Initial Portfolio Base Case Scenario.

"**Gross Periodic Collections of the Debt Relationship**" means, in respect to a Debt Relationship and in relation to a given Collection Period, the aggregate of any gross collection, recovery, realisation or proceed at any title on a Receivable, including any amount in respect of any indemnity paid by the Seller or an insurance company.

"**Initial Clean Up Option Date**" means the Payment Date on which the Principal Amount Outstanding of the Senior Notes is equal to or lower than 10% of the Principal Amount Outstanding of the Senior Notes as of the Subsequent Issue Date.

"**Initial Economic Effective Date**" means 23:59 CET of 31 July 2020.

"**Initial First Collection Date**" means 30 June 2021.

"**Initial Interest Period**" means (i) with respect to the Original Notes, the period which begins on (and includes) the Initial Issue Date and ends on (but excludes) the Payment Date falling in July 2021and (ii) with respect to the Subsequent Notes, the period which begins on (and includes) the Subsequent Issue Date and ends on (but excludes) the first Payment Date following the Subsequent Issue Date.

"**Initial Issue Date**" means 19 March 2021, being the date of issue of the Original Notes.

"**Initial Portfolio**" means the portfolio of Initial Receivables and connected rights sold to the Issuer by Ifis, pursuant to the Initial Transfer Agreement.

"**Initial Portfolio Base Case Scenario**" means the base case scenario on the Portfolio, referring to the period from the Subsequent Economic Effective Date, produced by the Servicer on or before the Subsequent Transfer Date to be utilized for the calculation of certain Servicer Fees and the occurrence of a First Level Underperformance Event, a Second Level Underperformance Event and a Mezzanine Interest Subordination Event, as sent through certified mail by the Servicer to the Issuer and the Monitoring Agent as at the Subsequent Transfer Date and deposited in the registered office of the Servicer, the Issuer and the Monitoring Agent.

"**Initial Prospectus**" means the prospectus of the Original Notes.

"**Initial Receivables**" means the receivables sold by the Seller to the Issuer pursuant to the Initial Transfer Agreement in the context of the Original Securitisation, as outstanding on the Subsequent Economic Effective Date, net of the Repurchased Receivables.

"**Initial Receivables Identification Document**" means the document identifying the receivables referred to in schedule A (Receivables Identification Document) to the Initial Transfer Agreement.

"**Initial Transfer Agreement**" means the transfer agreement entered into between the Issuer and the Seller on 1 March 2021 and under which the Seller has transferred to the Issuer the Initial Portfolio.

"**Initial Transfer Date**" means the date of execution of the Initial Transfer Agreement.

"**Initial Warranty and Indemnity Agreement**" means the warranty and indemnity agreement entered into between the Issuer and the Seller on 1 March 2021 with respect to the Initial Portfolio.

"**Insolvency Proceedings**" means the bankruptcy and the insolvency proceedings or similar proceedings provided under Italian law (and, in particular, the Bankruptcy Law, the Corporate Crisis and Insolvency Code and the Consolidated Banking Act), including by way of example but without any limitation, compulsory administrative liquidation, extraordinary administration, prior composition with creditors, composition in bankruptcy and extraordinary administration of large enterprises in a state of insolvency.

"**Insurance Policies**" has the meaning ascribed to the term "*Insurance Policy*" in the Servicing Agreement.

"**Intercreditor Agreement**" means the agreement entered into on 17 March 2021 which governs the relationships among certain creditors of the Issuer and the Issuer itself and establishes, *inter alia*, the

order of priority of payments that the latter will have to make in the context of the Securitisation, as amended by the General Amendment Agreement on or prior the Subsequent Issue Date.

"**Interest Amount**" has the meaning ascribed to it in Condition 5.4.1.

"**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 Period**" means the Initial Interest Period and, thereafter, each period from (and including) a Payment Date to (but excluding) the following Payment Date.

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

"**Intermediate Collection Date**" means 31 March and 30 September of each calendar year, provided that the First Restructuring Intermediate Collection Date shall fall on 31 March 2024.

"**Intermediate Collection Period**" means each quarter beginning on (but excluding) a Collection Date and ending on (and including) the following Intermediate Collection Date, with the exception of the first Intermediate Collection Period which began on the Subsequent Economic Effective Date and will end on (and include) the First Restructuring Intermediate Collection Date.

"**Investment Account**" means a Euro denominated account opened in the name of the Issuer with the Account Bank, 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.

"**Investment Guidelines**" means the guidelines to be followed in order to make the investments included within the definition of Eligible Investments, as approved by the Committee following the Issue Date and any amendment to them from time to time.

"**Issue Date**" means the Initial Issue Date and/or the Subsequent Issue Date, as the case may be.

"**Issue Price**" means the 100% of the principal amount of the Notes.

"**Issuer**" means Ifis NPL 2021-1 SPV S.r.l., a limited liability company (società a responsabilità limitata) incorporated in the Republic of Italy under article 3 of the Securitisation Law, registered office at Via Vittorio Alfieri 1, 31015 Conegliano (TV), Italy, quota capital of Euro 10,000 fully paid in, fiscal code and enrolment number with the companies register (registro delle imprese) of Treviso-Belluno no. 05148990269, belonging to the Ifis VAT Group with VAT number 04570150278, enrolled in the register of special purpose vehicles (elenco delle società veicolo) held by the Bank of Italy pursuant to article 4 of Regulation of the Bank of Italy (provvedimento della Banca d'Italia) dated 7 June 2017 under n. 35782.2.

"**Issuer Available Funds**" means, in respect of each Payment Date, the aggregate (without duplication) of:

(i) all the Collections and any other sums received by the Issuer from or in respect of the Portfolio, during the immediately preceding Collection Period;

(ii) all amounts due and payable to the Issuer in respect of such Payment Date under the terms of the Cap Agreement (if and to the extent paid) other than (1) any Collateral Amount, any termination payment required to be made under the Cap Agreement, any collateral payable or transferable (as the case may be) under the Cap Agreement and any Replacement Cap Premium paid to the Issuer (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 Cap Tax Credit Amounts (which amounts shall be paid when due in accordance with the Cap Agreement, without regard to the Collateral Account Priority of Payments or the Order of Priority);

(iii) all other amounts (without double counting with the amounts referred to in item (i) above) credited or transferred during the immediately preceding Collection Period into the Collection Account;

(iv) all interest accrued on the amounts standing to the credit of each of the Accounts (except for the Expenses Account and the Quota Capital Account) and paid during the immediately preceding Collection Period on the Collection Account;

(v) any profit and accrued interest received (up to the Eligible Investments Maturity Date) under the Eligible Investments made out of the funds standing to the credit of the Investment Account in the immediately preceding Collection Period in accordance with the provisions of the Cash Administration and Agency Agreement;

(vi) all amounts received by the Issuer from the Seller pursuant to the Warranty and Indemnity Agreements during the immediately preceding Collection Period (including any amount received by the Issuer from the Seller as indemnity in case of breach of any representations and warranties given by the Seller pursuant to the Warranty and Indemnity Agreements);

(vii) any amounts paid into the Payments Account during the immediately preceding Collection Period other than the Issuer Available Funds utilised on the immediately preceding Payment Date;

(viii) on each Payment Date falling after the Subsequent Issue Date, the amounts standing to the credit of the Cash Reserve Account on the preceding Payment Date (following payments under the applicable Order of Priority having been made) or, in case of the Payment Date falling on January 2024, the amounts standing to the credit of the Cash Reserve Account on the Subsequent Issue Date;

(ix) the proceeds deriving from the disposal in whole or in part (if any) of the Portfolio pursuant to the Intercreditor Agreement;

(x) any Cap Collateral Account Surplus paid into the Payments Account in accordance with the Collateral Account Priority of Payments;

(xi) any amounts (other than the amounts already allocated under other items of the Issuer Available Funds) received by the Issuer from any party to the Transaction Documents during the immediately preceding Collection Period;

(xii) on the earlier of (a) the Payment Date on which the Notes will be redeemed in full and (b) the Cancellation Date, (x) the amount transferred from the Expenses Account to the Payments Account on the immediately preceding Business Day, and (y) the balance of the Recovery Expenses Reserve Account;

(xiii) any amount deriving from the Liquidity Facility (if any) or the proceeds of any limited recourse loan or other alternative financing structure referred to in Condition 6.2 (*Redemption for Taxation*) or Condition 6.4 (*Optional Redemption*),

but excluding (i) the repurchase price to be paid on or about the Subsequent Issue Date by the Seller in relation to the Repurchase, (ii) with respect to the Payment Date falling on January 2024, the amount of Collections and other amounts standing to the credit of the Payments Account utilised to make payments on or following the Subsequent Issue Date in accordance with the provisions of the Restructuring Documents, (iii) any amount paid out of the Collection Account during the immediately preceding Interest Period in accordance with the provisions of the Transaction Documents, it being understood that the amounts standing to the credit of the Payments Account not utilised to make payments on or about the Subsequent Issue Date in accordance with the Restructuring Documents, shall form part of the Issuer Available Funds available on the Payment Date falling on January 2024.

"**Issuer's Rights**" means any monetary right of the Issuer against the Assigned Debtors and any other monetary right arising in favour of the Issuer in the context of the Transaction (whether or not arising

under the Transaction Documents), including the Collections and the Eligible Investments acquired with the Collections.

"**Junior Noteholders**" means the Class J Noteholders.

"**Junior Notes**" means the Class J Notes.

"**Law 239 Deduction**" means any withholding or deduction for or on account of "*imposta sostitutiva*" under Legislative Decree No. 239 of 1 April 1996 as subsequently amended.

"**Liquidity Facility**" means any liquidity facility that the Issuer may obtain at any time from a liquidity facility provider for an amount not exceeding the amount sufficient to cure the event under item (ii) of Condition 9 (*Trigger Events*), paragraph (a) and/or to redeem the Notes in accordance with Conditions 6.2 (*Redemption for Taxation*) and 6.4 (*Optional Redemption*).

"**Loan Agreements**" means each contractual document setting forth the terms and conditions pursuant to which a Loan has been granted, as well as any deed, contract, agreement or document supplementing or amending the same or, in any case, related to the same (including, without limitation, any deeds of takeover/assumption (*atti di accollo*)).

"**Loan**" means each of the loans referred to in schedule A (*Receivables Identification Document*) to the Transfer Agreements.

"**Mandatory Redemption**" means the mandatory redemption of the Notes pursuant to Condition 6.3 (*Mandatory Redemption*) of the Notes.

"**Mortgage**" means, with respect to a Receivable, a voluntary or judicial mortgage (*ipoteca volontaria o giudiziale*) which secures the payment of such Receivable.

"**Mezzanine Interest Subordination Event**" means on any Calculation Date (starting from the Calculation Date preceding the Payment Date falling on January 2024) any of the following events:

(i) the PV Cumulative Profitability Ratio as indicated in the Semi-Annual Servicing Report immediately preceding such Calculation Date is lower than 90%; or

(ii) the amount paid by the Issuer as interest on the Senior Notes is lower than the relevant Interest Amount; or

(iii) the Cumulative Collection Ratio as indicated in the Semi-Annual Servicing Report immediately preceding such Calculation Date is lower than 90%.

"**Mezzanine Noteholder(s)**" means the holder(s) of a Mezzanine Note or Mezzanine Notes.

"**Mezzanine Notes**" means the Class B Notes.

"**Monte Titoli**" means Monte Titoli S.p.A. (commercial name Euronext Securities Milan), 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.

"**Monthly Servicing Report**" means the monthly report to be prepared by the Servicer in accordance with the Servicing Agreement.

"**Monthly Servicing Report Date**" means the fifteenth calendar day of each calendar month, it being agreed that the first Monthly Servicing Report Date following the Restructuring will be 15 November 2023 and will include the period falling between the Subsequent Economic Effective Date and 31 October 2023 (included).

"**Moody's**" means Moody's Italia S.r.l..

"**Most Senior Class of Noteholders**" means the Class A Noteholders or, upon redemption in full of the Class A Notes, the Class B Noteholders, or, upon redemption in full of the Class B Notes, the Class J Noteholders.

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

"**Net Expected Collections**" means the difference between (i) the aggregate Gross Expected Collections, (ii) the Expected Recovery Expenses, and (iii) the Expected Special Servicing Fees.

"**New Technical Standards**" means any delegated regulatory technical standards in force specifying the information and the details of a securitisation to be made available by a reporting entity pursuant to the Securitisation Regulations, as published pursuant to Article 7(3) and 7(4) of the Securitisation Regulations.

"**Noteholders**" means the Class A Noteholders, the Class B Noteholders and the Class J Noteholders.

"**Notes**" means the Class A Notes, the Class B Notes and the Class J Notes.

"**Notes Subscriber**" means the Original Notes Subscriber and/or the Subsequent Notes Subscribers, as the case may be.

"**Notes Subscription Agreement**" means the Original Notes Subscription Agreement and/or the Subsequent Notes Subscription Agreement, as the case may be.

"**OdA's Events**" has the meaning ascribed to such term under Clause 6.2 of the Initial Transfer Agreement and to the term "*Existing OdA's Events*" under clause 8.2 of the Subsequent Transfer Agreement.

"**Optional Redemption**" has the meaning ascribed to it in Condition 6.4 (*Optional Redemption*).

"**Order of Assignment**" or "**OdA**" means any order of assignment (*ordinanza di assegnazione*) issued in favor of the Seller and/or that will be issued in favor of the Issuer pursuant to article 553 of the Italian Civil Procedure Code in relation to certain Receivables, pursuant to which the relevant Employer and/or the relevant Social Security Administration shall pay to the Seller a portion of the salary and/or pension of the Assigned Debtor and/or the Guarantor, as the case may be, - in the maximum amount calculated in accordance with article 545 of the Italian Civil Procedure Code - in or towards payment of interest and/or repayment of principal in respect of such relevant Receivables.

"**Order of Priority**" means the Pre-Acceleration Order of Priority or the Acceleration Order of Priority, as applicable, according to which the Issuer Available Funds, shall be applied on each Payment Date in accordance with the Conditions and the Intercreditor Agreement (together the "**Orders of Priority**").

"**Original Class B Notes**" or "**Original Mezzanine Notes**" means Euro 74,400,000 Class B Asset Backed Fixed Rate Notes due July 2051.

"**Original Lender**" means any original lender and/or original owner of the Receivables from which Ifis purchased part of the Receivables.

"**Original Notes**" means the Notes issued by the Issuer in the context of the Original Securitisation.

"**Original Notes Subscriber**" means Ifis.

"**Original Notes Subscription Agreement**" means the agreement that governs the subscription of the Original Notes and which was entered into between, *inter alios*, the Issuer, the Seller, the Arrangers and the Representative of the Noteholders on 17 March 2021.

"**Original Securitisation**" or "**Original Transaction**" means the transaction involving the securitisation of the Initial Receivables performed by the Issuer through the issuance of the Original Notes.

"**Original Servicing Agreement**" means the servicing agreement entered into between, *inter alios*, the Issuer and the Servicer on 1 March 2021, in the context of the Original Securitisation.

"**Other Issuer Creditors**" means the Cap Counterparty, the Servicer, the Seller, the Back-up Servicer, the Representative of the Noteholders, the Agent Bank, the Account Banks, the Paying Agent, the Corporate Services Provider, the Stichting Corporate Services Provides, the Cash Manager, the Monitoring Agent and the Calculation Agent.

"**Payment Date**" means the last calendar day of January and July in each year, or, if such day is not a Business Day, the immediately succeeding Business Day, unless such Business Day would fall in the next calendar month in which case payment will be made on the immediately preceding Business Day, being understood that the first Payment Date with reference to the Subsequent Notes will fall on January 2024.

"**Payments Account**" means a Euro denominated account opened in the name of the Issuer with the Account Bank, 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 Calculation Agent pursuant to clause 6.3.1 of the Cash Administration and Agency Agreement.

"**Portfolio**" means, collectively, the Initial Portfolio and the Subsequent Portfolio.

"**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 and upon the occurrence of the other events provided thereunder.

"**Present Value**" or "**PV**" means the amount calculated according to the following formula:

PV(X) = X/((1+i)^(t/360))

where:

"i" = Discount Factor

"t" = means the number of days passed between the Subsequent Economic Effective Date and the date on which the X amount is collected or paid, assuming that all the Collections are received on the last day of the Collection Period in which they occur or are anticipated to occur.

"**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.

"**Privacy Code**" means the "*Code on the protection of personal data*", provided under Legislative Decree No. 196 of 30 June 2003, as from time to time amended, supplemented or replaced.

"**Prospectus**" means the Initial Prospectus and/or the Subsequent Prospectus, as the case may be.

"**PV Cumulative Profitability Ratio**" means, in respect of any Payment Date starting from the Payment Date falling in January 2024 (included), the ratio indicated in the immediately preceding Semi-Annual Servicing Report between (i) the sum of the PV of the Gross Collections of the Debt Relationship of all Debt Relationships which are Exhausted Debt Relationship (other than those which have become subject to the "Closure of the Debt Relationship" due to the invalidity and/or the inexistence and/or the non-enforceability of the relevant Debt Relationship for reasons provided by law); and (ii) the sum of the Target Price of all Debt Relationships which are Exhausted Debt Relationship (other than those which have become subject to the "Closure of the Debt Relationship" due to the invalidity and/or the inexistence and/or the non-enforceability of the relevant Debt Relationship for reasons provided by law).

"**PV of the Gross Collections of the Debt Relationship**" means, in respect of a Debt Relationship and for a given Collection Period, the sum of the Present Value of the Gross Periodic Collections of the Debt

Relationship from the Subsequent Economic Effective Date to the end of such Collection Period (included).

"**Quarterly Servicing Report**" means the report, containing information as to the collections and recoveries to be made in respect of the Portfolio in each Quarterly Collection Period, which the Servicer has undertaken to prepare and submit on the Quarterly Servicing Report Date.

"**Quarterly Servicing Report Date**" means the fifteenth calendar day after each Intermediate Collection Date.

"**Quota Capital Account**" means a Euro denominated account opened in the name of the Issuer with Banca Finanziaria Internazionale S.p.A..

"**Quotaholders**" means, collectively, Banca Ifis S.p.A. and Stichting Mindful, and "**Quotaholder**" means each of them.

"**Rated Notes**" means the Class A Notes and the Class B Notes.

"**Rated Notes Redemption**" means the redemption in full of the Rated Notes.

"**Rating Agencies**" means ARC, Moody's and Scope; each a "**Rating Agency**".

"**Receivables**" means, collectively, the Initial Receivables and the Subsequent Receivables.

"**Receivables Identification Document**" means the Initial Receivables Identification Document and/or the Subsequent Receivables Identification Document, as the case may be.

"**Recoveries**" means any recoveries made by the Servicer pursuant to the Servicing Agreement.

"**Recovery Account Bank**" means Banca IFIS S.p.A..

"**Recovery Expenses**" means the sum of the Recovery Expenses related to the Debt Relationship with reference to all of the Debt Relationships in Portfolio.

"**Recovery Expenses Cash Reserve**" means the cash reserve which on the Initial Issue Date was established on the Recovery Expenses Reserve Account out of the proceeds of the Original Notes, which will be mainly applied for payments related to the Recovery Expenses.

"**Recovery Expenses Reserve Account**" means a Euro denominated account opened in the name of the Issuer with the Recovery Account Bank in respect of the Portfolio serviced by Ifis Servicing pursuant to the Servicing Agreement, or such other accounts as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**Recovery Expenses Reserve Amount**" means, on any Payment Date, in respect of the Recovery Expenses Cash Reserve Account, Euro 250,000.

"**Recovery Expenses related to the Debt Relationship**" means all of the costs and the expenses borne (directly or indirectly) by the Issuer (other than, for avoidance of doubt, any Debt Collectors Fees) in relation to in-court and out-of-court activities related to the recovery of the Receivables pertaining to the same Debt Relationship, including by way of example:

(a) all of the costs and expenses related to the the invoices of external lawyers, the invoices of consultants and/or other experts appointed by the Servicer and/or by the judicial authority in relation to the in-court and out-of-court activities related to the recovery of the Receivables (including taxes and other duties on such invoices and expenses incurred by the same, including merely by way of example and without any limitation, withholdings on fees of autonomous workers, as well as costs and expenses related to acts of payment demand and acts interrupting prescription, and indirect taxes, taxes and expenses incurred in legal proceedings (by way of example: for court injunctions, judgments, judicial registrations, any deed and/or acts leading to the issuance of an Order of Assignment (including any formal request of payment (*atto di*

precetto) and/or deed of seizure (*atto di pignoramento pignoramento*)) relating to an Existing Pre-OdA Receivable, etc.)), or related to the commencement of legal actions aimed at the enforcement of the Ancillary Guarantees and/or any Order of Assignment (including, without limitation, the Out of Pocket Expenses);

(b) all of the costs and expenses related to real estate appraisals, estimates and financial valuations conducted on both the Receivables and the Assigned Debtors, related Guarantors and/or any Employer and Social Security Administration and linked to the recovery of the Receivables, including the services related to corporate survey and business information and expenses for database and informational searches on the Assigned Debtors or the Guarantors or any Employer and Social Security Administration, the costs relating to cadastral and ownership data (visure catastali e ipotecarie) and the costs related to the tracing of personal data (costi di rintraccio) - in the event that personal data are not available through public archives, and related to environmental assessments, real estate consultancies, feasibility studies and inspections on land or Real Estate Assets;

(c) all of the costs and expenses related to the renewal and registration of the Mortgages and any other Ancillary Guarantee related to the Receivables;

(d) all of the costs and expenses deriving from or otherwise related to the Insurance Policies (including the costs and the payments of the insurance premiums) (in the event of activation of an umbrella policy, the premium will be allocated to the individual Debt Relationship pro-quota on the basis of the relevant Total Claim Amount as of the Subsequent Economic Effective Date);

(e) all of the costs and expenses deriving from or otherwise related to the recovery of the Receivables and/or the administration of the same, but not expressly defined under items above (such as, for example, the payment of the costs of safekeeping of Documents, if outsourced to the Authorised Depository, rental payments for IT platforms, the postal expenses for the mailing of tax certifications or costs for contacting customers),

without prejudice to the fact that costs and expenses related to the above-mentioned activities, which are expressly requested by third parties other than the Servicer and which are not required by law or by the Transaction Documents, will be borne by the relevant requesting party and therefore will not constitute Recovery Expenses related to the Debt Relationship.

"**Redemption for Taxation**" has the meaning ascribed to it in Condition 6.2 (*Redemption for Taxation*).

"**Repayment Plan**" means any Existing Repayment Plan as well as any agreement entered into by or on behalf of the Issuer with the relevant Assigned Debtor setting out new repayment plan (*piano di rientro*) in relation to a Loan.

"**Repayment Plan's Events**" has the meaning ascribed to such term under clause 8.3(b) of the Subsequent Transfer Agreement.

"**Replacement Cap Premium**" means the amount payable by the Issuer to the replacement cap counterparty or by the replacement cap counterparty to the Issuer (as the case may be) in order to enter into a replacement cap agreement to replace or novate the Cap Agreement.

"**Replenishment**" means the replenishment of the Recovery Expenses Cash Reserve made on any date on which the balance of the Recovery Expenses Reserve Account is lower than Euro 40,000, with a sum sufficient to bring the Recovery Expenses Cash Reserve to an amount equal to (but not exceeding) the Recovery Expenses Reserve Amount.

"**Reporting Entity**" means the Issuer, as reporting entity pursuant to article 7 of the Securitisation Regulations or any other entity acting as such under the Transaction from time to time.

"**Representative of the Noteholders**" means Banca Finanziaria Internazionale 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 Agreements and the Rules of the Organisation of the Noteholders.

"**Repurchase Agreement**" means the repurchase agreement entered into between, *inter alios*, the Issuer and the Seller on or about the Subsequent Transfer Date, pursuant to which the Seller has repurchased without recourse from the Issuer a portion of the receivables assigned under the Initial Transfer Agreement, being the secured non-performing loans.

"**Repurchased Receivables**" means the receivables assigned under the Initial Transfer Agreement, repurchased by the Seller pursuant to the Repurchase Agreement on or about the Subsequent Transfer Date.

"**Reserved Matters**" has the meaning ascribed to it under the Rules of the Organisation of the Committee attached to the Conditions.

"**Restructuring**" means the restructuring of the Original Securitisation involving the securitisation of the Subsequent Receivables performed by the Issuer through the issuance of the Subsequent Notes.

"**Restructuring Documents**" means the Subsequent Transfer Agreement, the Subsequent Warranty and Indemnity Agreement, the Amendment Agreement to the Original Servicing Agreement, the Repurchase Agreement, the General Amendment Agreement (including the amended Conditions), the Subsequent Notes Subscription Agreement, the Cap Confirmation, the Deed of Amendment (Charge) Deed of Amendment (Cap) and any other agreement as may be necessary and/or appropriate to implement the Restructuring and to issue the Subsequent Notes.

"**Retention Amount**" means an amount equal to Euro 150,000.

"**Rules of the Organisation of the Committee**" means the rules of the organisation of the Committee attached to the Conditions.

"**Schedule**" means the Schedule supplementing and forming part of the Master Agreement.

"**Scope**" means Scope Ratings AG.

"**Screen Rate**" has the meaning as ascribed in the Condition 5.2 (*Interest Rate*).

"**Second Level Underperformance Event**" means the occurrence of one of the following events:

(i) the Cumulative Collection Ratio calculated by the Servicer, on each Semi-Annual Servicing Report Date with reference to the Collection Period immediately prior to the above-mentioned date (starting from the Collection Period ending on December 2023), and set forth in the related Semi-Annual Servicing Report is lower than 72% (seventy-two percent); or

(ii) the PV Cumulative Profitability Ratio calculated (if applicable) by the Servicer, on the Semi-Annual Servicing Report Date with reference to the Collection Period immediately prior to the above-mentioned date (starting from the Collection Period ending on December 2023), and set forth in the related Semi-Annual Servicing Report is lower than 72% (seventy-two percent).

"**Securities Account**" means a Euro denominated account opened in the name of the Issuer with the Account Bank, 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 Regulations**" means the EU Securitisation Regulation and the UK Securitisation Regulation.

"**Security Documents**" 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.

"**Seller**" means Ifis NPL Investing S.p.A..

"**Semi-Annual Investor Report**" has the meaning ascribed to it in clause 6.3.7 of the Cash Administration and Agency Agreement.

"**Semi-Annual Investor Report Date**" means the date within which the Semi-Annual Investor Report shall be sent by the Calculation Agent, the Representative of the Noteholders, the Paying Agent, the Rating Agencies, the Reporting Entity, the Monitoring Agent, the Seller and the Servicer in accordance with the Cash Administration and Agency Agreement.

"**Semi-Annual Servicing Report**" means the semi-annual report to be prepared by the Servicer in accordance with the Servicing Agreement.

"**Semi-Annual Servicing Report Date**" means the fifteenth calendar day after each Collection Date, it being agreed that (i) the first Semi-Annual Servicing Report Date has fallen in July 2021; (ii) the execution date of the Amendment Agreement to the Servicing Agreement shall constitute the Semi-Annual Servicing Report Date with respect to the Collection Period beginning on (and excluding) 31 December 2022 (that, according to this Agreement, will end on (and include): (a) 30 April 2023 in respect of all the Receivables other than the Repurchased Receivables; and (b) 30 June 2023 in respect of the Repurchased Receivables).

"**Senior Notes**" means the Class A Notes.

"**Series J1 Notes**" means the Euro 23,600,000 Class J Asset Backed Fixed Rate and Variable Return Notes due July 2051.

"**Series J2 Notes**" means the Euro 25,000,000 Class J2 Asset Backed Fixed Rate and Variable Return Notes January 2060.

"**Servicer**" means Ifis Servicing and any successor or replacement thereof appointed in accordance with the Transaction Documents.

"**Servicer Accounts**" means the following accounts opened by the Servicer and operated by the Servicer in accordance with the provisions of the Servicing Agreement:

(i) the account opened with Banca Ifis S.p.A. - Conto Ifis Impresa, with IBAN IT11 G032 0502 0000 0000 2220 070;
(ii) the account opened with Unicredit S.p.A., with IBAN IT90 G020 0805 3510 0010 6744 161; and
(iii) the account opened with Poste Italiane S.p.A., with IBAN IT58 V076 0102 8000 0106 6139 534.

"**Servicer Mezzanine Performance Fees**" has the meaning ascribed to such term in the Servicing Agreement.

"**Servicing Agreement**" means the Original Servicing Agreement, as amended by the Amendment Agreement to the Original Servicing Agreement.

"**Six Month EURIBOR**" means Euribor for six months deposits calculated as provided for in Condition 5.2 (*Interest Rate*) of the Notes.

"**Social Security Administration**" means the relevant social security administration that, pursuant to an Order of Assignment and according to the provisions thereof, shall pay to the Seller and/or the Issuer, as the case may be, a portion of the pension of the Assigned Debtor and/or the Guarantor, as the case may be, in or towards payment of interest and/or repayment of principal in respect of the Receivables.

"**Special Servicing Senior Fees**" has the meaning ascribed to such term in the Servicing Agreement.

"**Special Procedure**" means the procedure described under Article 17 (*Special Procedure*) of the Rules of the Organisation of Committee.

"**SR Investor Report**" means the report required to be made available by the Reporting Entity for a non-ABCP securitisation to comply with its obligations under Article 7(1)(e) of the Securitisation Regulations, in accordance with the New Technical Standards.

"**SR Investor Report Date**" means the date falling not later than a calendar month after (1) each Payment Date, (2) the last calendar day of April in each year and (3) the last calendar day of October in each year.

"**Subsequent Economic Effective Date**" means 00:01 CET of 1st May 2023.

"**Subsequent Issue Date**" means the date of issue of the Subsequent Notes.

"**Subsequent Notes**" means the notes which will be issued by the Issuer in the context of the Restructuring.

"**Subsequent Notes Subscribers**" means, collectively, Ifis and Banca Ifis S.p.A..

"**Subsequent Notes Subscription Agreement**" means the agreement that governs the subscription of the Subsequent Notes and which will be entered into between, *inter alios*, the Issuer, the Seller, the Subsequent Notes Subscribers, the Arrangers and the Representative of the Noteholders on or about the Subsequent Issue Date.

"**Subsequent Portfolio**" means the portfolio of Subsequent Receivables and connected rights sold to the Issuer by Ifis, pursuant to the Subsequent Transfer Agreement.

"**Subsequent Prospectus**" means the prospectus of the Subsequent Notes.

"**Subsequent Receivables**" means all of the receivables sold by the Seller to the Issuer in the context of the Restructuring.

"**Subsequent Receivables Identification Document**" means the document identifying the receivables referred to in schedule A (Receivables Identification Document) to the Subsequent Transfer Agreement.

"**Subsequent Transfer Agreement**" means the transfer agreement entered into between the Issuer and the Seller on 21 July 2023 and under which the Seller has transferred to the Issuer the Subsequent Portfolio.

"**Subsequent Transfer Date**" means the date of execution of the Subsequent Transfer Agreement.

"**Subsequent Warranty and Indemnity Agreement**" means the warranty and indemnity agreement entered into between the Issuer and the Seller on 21 July 2023 pursuant to which, *inter* alia, the Seller (x) makes certain representations and warranties to the Issuer, and (y) undertakes certain indemnity obligations in favour of the Issuer subject to the terms and conditions set out therein, in the context of the Restructuring.

"**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.

"**Target Cash Reserve Amount**" means, on each Payment Date starting from (and including) the Subsequent Issue Date, an amount equal to 6.5% of the Principal Amount Outstanding of Class A Notes as of the Business Day following the immediately preceding Payment Date (or, on the Subsequent Issue Date, the Principal Amount Outstanding of Class A Notes as of the Subsequent Issue Date), provided that the Target Cash Reserve Amount will be equal to 0 (zero) on the earlier of (i) the Payment Date on which

the Class A Notes can be redeemed in full, (ii) the Final Maturity Date, and (iii) the Final Redemption Date (and on each Payment Date thereafter).

"**Target Price**" has the meaning ascribed to such term in the Servicing Agreement.

"**Total Claim Amount**" means, in relation to each Receivable, the total claim amount, as indicated for each Receivable, in respect of the Subsequent Economic Effective Date, in the Aggregate Receivables Identification Document under the column "*Total Claim Amount*" or, for the purposes of clause 3.14(c) of the Servicing Agreement, in each Semi-Annual Servicing Report, as the case may be.

"**Transfer Agreements**" means, collectively, the Initial Transfer Agreement and the Subsequent Transfer Agreement.

"**Transaction**" or "**Securitisation**" means the Original Securitisation as restructured in the context of the Restructuring.

"**Transaction Documents**" means collectively the Initial Transfer Agreement, the Original Servicing Agreement, the Initial Warranty and Indemnity Agreement, the Back-up Servicing Agreement, the Intercreditor Agreement, the Corporate Services Agreement, the Initial Notes Subscription Agreement, the Cash Administration and Agency Agreement, the Quotaholders' Agreement, the Stichting Corporate Services Agreement, the Cap Agreement, the Deed of Charge, the Conditions, the Restructuring Documents and any other agreement which will be entered into from time to time in connection with the Transaction.

"**Transfer Date**" means the Initial Transfer Date and/or the Subsequent Transfer Date, as the case may be.

"**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*).

"**Updated Receivables Identification Document**" means the updated document identifying the Initial Receivables, as of the Subsequent Economic Effective Date, attached to the Subsequent Warranty and Indemnity Agreement as Schedul A (*Updated Receivables Identification Document*).

"**UK Securitisation Regulation**" means the EU Securitisation Regulation as it forms part of UK domestic law by virtue of EUWA, as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019 (and as may be further amended, supplemented or replaced, from time to time).

"**Warranty and Indemnity Agreements**" means, collectively, the Initial Warranty and Indemnity Agreement and the Subsequent Warranty and Indemnity Agreement.

1. FORM, DENOMINATION, STATUS

(1) The Notes are held in dematerialised form on behalf of the Noteholders as of the Initial Issue Date (with reference to the Class J1 Notes) and as of the Subsequent Issue Date (with reference to the Class A Notes, the Class B Notes and the Series J2 Notes) and 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.

(2) Title to the Notes will be evidenced by book entries in accordance with the provisions of (i) Article 83-*bis* of the Legislative Decree No. 58 of 24 February 1998 and (ii) the regulation jointly issued by the Bank of Italy and CONSOB on 13 August 2018 (*Disciplina delle controparti centrali, dei depositari centrali e dell'attività di gestione accentrata centrali e dell'attività di gestione accentrata*) as subsequently amended and supplemented. No physical document of title will be issued in respect of the Notes.

(3) The Series J1 Notes have been issued in denominations of Euro 100,000 and multiples of Euro 1,000 and the Subsequent Notes will be issued in denominations of Euro 100,000 and multiples of Euro 1,000.

(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. In addition, on certain matters, the Committee appointed by the Noteholders is entitled to express its consent and give advises on certain matters, as set out in the Rules of the Organization of the Noteholders. The rights and powers of the Committee may only be exercised in accordance with the Rules of the Organisation of the Committee attached to the Rules of the Organisation of the Noteholders as Schedule 1, which form an integral and substantive part of the Rules of the Organisation of the Noteholders and therefore of these Conditions.

(5) Each Note is issued subject to and has the benefit of the Security Documents.

2. STATUS, PRIORITY AND SEGREGATION

(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 Portfolio and the other Issuer's Rights. Notwithstanding any other provision of these Conditions, the obligation of the Issuer to make any payment under the Notes shall be equal to the lower 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 Cancellation Date. Without prejudice to the foregoing, any payment obligations of the Issuer under the Notes which have remained unpaid to the extent referred to above on the Cancellation Date shall be deemed extinguished and the relevant Receivables irrevocably relinquished, waived and surrendered by the Noteholders to the Issuer and the Noteholders will have no further recourse to the Issuer in respect of such obligations. The amount and timing of repayment of principal under the Receivables will affect also the yield to maturity of the Notes which cannot be predicted. 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) The Notes are secured by certain assets of the Issuer pursuant to the Deed of Charge and in addition, by operation of the Securitisation Law, the Issuer's rights, title and interest in and to the Portfolio and the other Issuer's Rights will be segregated from all other assets of the Issuer and amounts deriving therefrom 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, 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.

(3) 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*)):

(i) the Class A Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the payment of interest on the Class B Notes and the Class J Notes, the repayment of principal on the Class A Notes, the Class B Notes and Class J Notes and the payment of the Class J Notes Variable Return;

(ii) the Class B Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of principal on the Class A Notes (provided that a Mezzanine Interest Subordination Event has not occurred), the repayment of principal on the Class B Notes and the Class J Notes and to, the payment of interest on the Class J Notes and the payment of the Class J Notes Variable Return but subordinated to the payment of interest on the Class A Notes; provided that, upon the occurrence of a Mezzanine Interest Subordination Event, payment of interest on the Class B Notes will become subordinated to the repayment of principal on the Class A Notes; and

(iii) 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 Variable Return, but subordinated to the payment of interest on the Class A Notes, payment of interest on the Class B Notes and the repayment of principal on the Class A Notes and the repayment of principal on the Class B Notes,

(4) 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*)):

(i) the Class A Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the repayment of principal on the Class B Notes, the repayment of principal on the Class J Notes, the payment of interest on the Class J Notes and the payment of the Class J Notes Variable Return but subordinated to the payment of interest on the Class A Notes and to the payment of interest on Class B Notes, *provided that*, upon the occurrence of a Mezzanine Interest Subordination Event, the payment of interest on the Class B Notes will become subordinated to the repayment of principal on the Class A Notes;

(ii) the Class B Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the payment of interest on the Class J Notes, the repayment of principal on the Class J Notes and the payment of the Class J Notes Variable Return but subordinated to the payment of interest on the Class A Notes and the interest on the Class B Notes and the repayment of principal on the Class A Notes; and

(iii) 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 Variable Return but subordinated to the payment of interest on the Class A Notes, the repayment of principal on the Class A Notes, the repayment of principal on the Class B Notes, the payment of interest on the Class B Notes and to the payment of interest on the Class J Notes,

(5) In respect of the obligation of the Issuer to pay interest on the Notes following the delivery of a Trigger Notice (as defined in Condition 9 (*Trigger Events*)):

(i) the Class A Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the payment of interest on the Class B Notes and on the Class J Notes and Class J Notes Variable Return, the repayment of principal on the Class A Notes, the Class B Notes and Class J Notes;

(ii) the Class B 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 on the Class J Notes, the repayment of principal on the Class J Notes and payment of the Class J Notes Variable Return but subordinated to the payment of interest and repayment of principal on the Class A Notes; and

(iii) 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 Variable Return but subordinated to the payment of interest, repayment of principal on the Class A Notes and payment of interest and repayment of principal on the Class B Notes.

(6) In respect of the obligation of the Issuer to repay principal on the Notes following the delivery of a Trigger Notice (as defined in Condition 9 (*Trigger Events*)):

(i) the Class A Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the payment of interest and the repayment of principal on the Class B Notes and to the payment of interest on the Class J Notes and the repayment of principal on the Class J Notes and payment of the Class J Notes Variable Return, but subordinated to the payment of interest on the Class A Notes;

(ii) the Class B Notes will rank pari passu without preference or priority amongst themselves and in priority to the payment of interest on the Class J Notes and the repayment of principal on the Class J Notes and payment of the Class J Notes Variable Return but subordinated to the payment of interest on the Class A Notes, repayment of principal on the Class A Notes and the payment of interest on the Class B Notes; and

(iii) 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 Variable Return but subordinated to the payment of interest and repayment of principal on the Class A Notes, the payment of interest and repayment of principal on the Class B Notes and to the payment of interest on the Class J Notes.

(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 (without prejudice to the matters which are to be resolved upon by one or more specific Class(es) of Noteholders pursuant to the Rules of the Organization of the Noteholders), 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 or, in respect of any matter which relates to the Cap Counterparty, of the Cap Counterparty, in all cases acting in compliance with the Transaction Documents.

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 acting in accordance with the Rules and without prejudice in any case to any additional requirement which may be required

under each Covenant below and/or under the Transaction Documents and/or save as otherwise provided by the Transaction Documents:

3.1 **Negative pledge**

save as provided in Conditions 3.11 (*Further Securitisation*), create or permit to subsist any Security Interest whatsoever over the Portfolio 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 Portfolio or any of its assets related to the Transaction; or

3.2 **Restrictions on activities**

(a) save as provided in Condition 3.11 (*Further securitisations*) below, 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 Italian Civil Code) 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 Most Senior Class of Notes; or

(d) 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 center 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 any of its Quotaholder (or successor quotaholders), or issue any further quota or shares; or

3.4 **De-registrations**

ask for de-registration from the "*elenco delle società veicolo*" held by Bank of Italy under Article 2 of the Bank of Italy resolution dated 7 June 2017, for as long as the Securitisation Law, the Consolidated Banking Act or any other applicable law or regulation requires issuers of notes issued under the Securitisation Law or companies incorporated pursuant to the Securitisation Law to be registered thereon; or

3.5 **Borrowings**

save as provided in Conditions 3.11 (*Further Securitisation*) and for any Liquidity Facilities granted in accordance with the Transaction Documents below 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 Most Senior Class of 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 holder of the Most Senior Class of 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 of the Most Senior Class of Notes,

provided that if the effect of such amendment is to affect the amount, timing or priority of any payments or deliveries due from the Issuer to the Cap Counterparty or from the Cap Counterparty to the Issuer or the remuneration of the Collateral Account (whether or not the Rating Agencies have been given prior written notice of such amendment in accordance with the Master Agreement) such amendments requires, to the extent that the Senior Notes are still outstanding, the prior written consent of the Cap Counterparty in accordance with the Master Agreement; or

3.8 **Bank Accounts**

save as provided in Condition 3.11 (*Further Securitisation*) below, have an interest in any bank account other than the Accounts or the other accounts which may be opened in the name of the Issuer in the context of the Securitisation; 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 **Withdrawal of the rating of the Rated Notes**

ask for the withdrawal of any rating assigned to the Rated Notes, so long as such Class of Notes is outstanding;

3.11 **Further securitisation**

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 Receivables either from the Seller 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 Seller 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 Receivables 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 it has received the written consent of the Cap Counterparty in relation to its intention to carry out a Further Securitisation;

(F) 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 (E) above; and (II) provisions which are the same as or, in the sole discretion of the Representative of the Noteholders, equivalent to this provision;

(G) the Representative of the Noteholders is satisfied that conditions (A) to (G) 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.

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 for Taxation pursuant to Condition 6.2 (*Redemption for Taxation*) or (iii) an Optional Redemption pursuant to Condition 6.4 (*Optional Redemption*), the Issuer Available Funds shall be applied on each Payment Date (or on the Business Day preceding to Subsequent Issue Date, as the case may be) 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):

(i) *First*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof):

(a) the Special Servicing Senior Fees, the Master Servicing Fees and the Debt Collectors Fees;

(b) 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 fulfill 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 the Recovery Expenses, to the extent not payable through the amounts standing to the credit of the Recovery Expenses Reserve Account;

(c) 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;

(d) the fees, expenses and all other amounts due to the Representative of the Noteholders and the members of the Committee; and

(e) 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;

(ii) *Second*, 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 Cash Manager, the Calculation Agent, the Account Banks, the Agent Bank, the Paying Agent, the Monitoring Agent, the Corporate Services Provider, the Stichting Corporate Services Provider and the Back-up Servicer;

(iii) *Third*, to credit the Recovery Expenses Reserve Account with the difference between the Recovery Expenses Reserve Amount due on such Payment Date and the balance of the Recovery Expenses Reserve Account;

(iv) *Fourth*, to pay, pari passu and pro rata, all amounts due and payable in respect of interest on the Class A Notes on such Payment Date;

(v) *Fifth*, to credit the Cash Reserve Account up to an amount equal to the Target Cash Reserve Amount;

(vi) *Sixth*, to pay (*pari passu* and *pro rata rata* to the extent of the respective amounts thereof) interest due and payable on the Class B Notes, provided that a Mezzanine Interest Subordination Event has not occurred in respect to such Payment Date;

(vii) *Seventh*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) the Principal Amount Outstanding of the Class A Notes in full;

(viii) *Eight*, upon occurrence of a Mezzanine Interest Subordination Event in respect to such Payment Date, to pay, *pari passu* and *pro rata*, interest due and payable on the Class B Notes;

(ix) *Ninth*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) (i) the Principal Amount Outstanding on the Class B Notes in full and (ii) the Special Servicer Mezzanine Performance Fees to the Servicer;

(x) *Tenth*, in or towards repayment, of (a) any interest accrued on the Liquidity Facility (if any), and, thereafter, (a) any principal or other amount due by the Issuer in respect of the Liquidity Facility (if any);

(xi) *Eleventh*, in or towards satisfaction of any amounts due and payable by the Issuer pursuant to the Notes Subscription Agreements (including any amounts due and payable as indemnity);

(xii) *Twelfth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class J Notes;

(xiii) *Thirteenth*, 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 the Principal Amount Outstanding of the Class J Notes is equal to Euro 5,000 and on the Final Redemption Date the Principal Amount Outstanding of the Class J Notes until redemption in full of the Class J Notes;

(xiv) *Fourteenth*, to pay, *pari passu* and *pro rata*, any residual amount as Class J Notes Variable Return,

provided, however, that should the Calculation Agent not receive any Semi-Annual Servicing Report within 2 (two) Business Days prior to a Calculation Date,

(i) it shall prepare the Payments Report in respect of the immediately following Payment Date by applying the Issuer Available Funds in an amount not higher than:

(a) the amounts standing to the credit of the Cash 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 respectively to the Investment Account in the immediately preceding Collection Period (as promptly indicated by the Account Bank upon request of the Calculation Agent),

towards payment only of items from (*First*) to (*Fourth*) (but excluding the Special Servicing Fees, the Master Servicing Fees and the Debt Collectors Fees) of the Pre-Acceleration Order of Priority, it being understood that any amount in excess shall be credited on the Payments Account, and

(ii) any amount that would otherwise have been payable under items from (*Fifth*) to (*Fourteenth*) of the Pre-Acceleration Order of Priority will not be included in the relevant Payments Report and shall not be payable on the relevant Payment Date and shall be payable (together with the Special Servicing Fees, the Master Servicing Fees and the Debt Collectors Fees that was not paid under (i) above) in accordance with the applicable Order of Priority on the first following Payment Date on which there are enough Issuer Available Funds and on which details for the relevant calculations will be timely provided to the Calculation Agent.

If on any Calculation Date (starting from the Calculation Date preceding the Payment Date falling on January 2024) any Mezzanine Interest Subordination Event occurs and the Monitoring Agent has sent the relevant notice to the Issuer, the Servicer, the Representative of the Noteholders, the Cap Counterparty and the Calculation Agent (the "**Mezzanine Interest Subordination Event Notice**"), interest on the Class B Notes on the immediately following Payment Date will be paid under item (*Eighth*) of the Pre-Acceleration Order of Priority (i.e. junior to the repayment of the Class A Notes).

4.2 Acceleration Order of Priority

Following the delivery of a Trigger Notice pursuant to Condition 9 (*Trigger Events*), or (b) in the event that the Issuer opts for the Redemption for Taxation pursuant to Condition 6.2 (*Redemption for Taxation*) or for the Optional 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 (the "**Acceleration 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):

(a) the Special Servicing Senior Fees, the Master Servicing Fees and the Debt

Collectors Fees;

(b) 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 fulfill 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 the Recovery Expenses, to the extent not payable through the amounts standing to the credit of the Recovery Expenses Reserve Account;

(c) all costs and taxes required to be paid to maintain the ratings of the Rated Notes and/or 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;

(d) the fees, expenses and all other amounts due to the Representative of the Noteholders and the members of the Committee; and

(e) 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;

(ii) *Second*, 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 Cash Manager, the Calculation Agent, the Account Banks, the Agent Bank, the Paying Agent, the Monitoring Agent, the Corporate Services Provider, the Stichting Corporate Services Provider and the Back-up Servicer;

(iii) *Third*, to credit the Recovery Expenses Reserve Account with the difference between the Recovery Expenses Reserve Amount due on such Payment Date and the balance of the Recovery Expenses Reserve Account;

(iv) *Fourth*, to pay, *pari passu* and *pro rata*, all amounts due and payable in respect of interest on the Class A Notes on such Payment Date;

(v) *Fifth*, to pay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class A Notes in full;

(vi) *Sixth*, to pay, (*pari passu* and *pro rata* to the extent of the respective amounts thereof) interest due and payable on the Class B Notes;

(vii) *Seventh*, to pay, *pari passu* and *pro rata*, (i) the Principal Amount Outstanding of the Class B Notes in full and (ii) the Special Servicer Mezzanine Performance Fees to the Servicer;

(viii) *Eighth*, to pay in or towards repayment, of (a) any interest accrued on the Liquidity Facility (if any), and, thereafter, (a) any principal or other amount due by the Issuer in respect of the Liquidity Facility (if any);

(ix) *Ninth*, in or towards satisfaction of any amounts due and payable by the Issuer pursuant to the Notes Subscription Agreements (including any amounts due and payable as indemnity);

(x) *Tenth*, to pay, pari passu and pro rata, all amounts due and payable in respect of interest on the Class J Notes on such Payment Date;

(xi) *Eleventh*, to pay, *pari passu* and *pro rata*, all amounts due and payable in respect of Principal Amount Outstanding of the Class J Notes on such Payment Date; and

(xii) *Twelfth*, to pay, *pari passu* and *pro rata*, any residual amount as Class J Notes Variable Return.

4.3 **Collateral Account Priority of Payments**

Amounts standing to the credit of the Collateral Accounts 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 Cap Agreement, solely in or towards payment or transfer of:

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

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

(c) any return of collateral to the Cap Counterparty upon a novation of the Cap Counterparty's obligations under the Cap Agreement to a replacement cap counterparty,

on any day (whether or not such day is a Payment Date), directly to the Cap 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 Cap Agreement) in respect of the Cap Agreement where (A) such Early Termination Date (as defined in the Cap Agreement) has been designated following an Event of Default (as defined in the Cap Agreement) in respect of which the Cap Counterparty is the Defaulting Party (as defined in the Cap Agreement) or an Additional Termination Event (as defined in the Cap Agreement) resulting from the Cap Counterparty Rating Event and in respect of which the Cap Counterparty is the Affected Party (as defined in the Cap Agreement) and (B) the Issuer enters into a replacement cap agreement in respect of the Cap Agreement on or around the Early Termination Date of the Cap Agreement, on the later of the day on which such replacement cap agreement is entered into and the day on which the Replacement Cap 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 Cap Premium (if any) payable by the Issuer to a replacement cap counterparty in order to enter into a replacement cap agreement with the Issuer with respect to the Cap Agreement being novated or terminated;

B. *second*, in or towards payment of any termination payment due, any other payments then outstanding and any other contingent payments which are not yet due, to the outgoing Cap Counterparty pursuant to the Cap Agreement; and

C. *third*, the surplus (if any) (a "**Cap Collateral Account Surplus**") on such day to be transferred to the Payments Account for an amount equal to the Cap Collateral Account Surplus and deemed to form Issuer Available Funds;

(iii) following the occurrence or designation of an Early Termination Date in respect of the Cap Agreement where (A) such Early Termination Date has been designated following an Event of Default (as defined in the Cap Agreement) in respect of which the Cap Counterparty is the Defaulting Party (as defined in the Cap Agreement) or an Additional Termination Event (as defined in the Cap Agreement) resulting from a Cap Counterparty

Rating Event and in respect of which the Cap Counterparty is the Affected Party (as defined in the Cap Agreement) and (B) the Issuer is unable to or elects not to enter into a replacement cap agreement on or around the Early Termination Date of the Cap Agreement, on any day (whether or not such day is a Payment Date) in or towards payment of any amount due in full and final settlement, any other payments then outstanding and any other contingent payments which are not yet due to the outgoing Cap Counterparty pursuant to the Cap Agreement;

(iv) following the occurrence or designation of an Early Termination Date in respect of the Cap 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 amount due in full and final settlement, any other payments then outstanding and any other contingent payments which are not yet due to the outgoing Cap Counterparty pursuant to the Cap 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 Cap Premium (if any) payable by the Issuer to a replacement cap counterparty in order to enter into a replacement cap agreement with the Issuer with respect to the Cap Agreement being terminated; and

B. *second*, the surplus (if any) (a "**Cap Collateral Account Surplus**") remaining after payment of such Replacement Cap Premium to be transferred to the Payments Account and deemed to form Issuer Available Funds,

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

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

(y) 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 as soon as reasonably practicable thereafter and deemed to constitute a Cap Collateral Account Surplus and 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) (i) with respect to the Series J1 Notes, the Initial Issue Date and (ii) with respect to the Subsequent Notes, the Subsequent Issue Date.

Save as provided for in Condition 5.9 (*Unpaid Interest*), interest in respect of the Notes is payable in Euro semi-annually in arrears on each Payment Date, it being understood that the first Payment Date with reference to the Subsequent Notes will fall on January 2024.

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 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 floating rate of interest applicable to the Class A Notes shall be the aggregate of Six Month EURIBOR as determined and defined in accordance with Condition 5 (*Interest*) and 2.8 per cent. per annum (the "**Class A Margin**") for each Interest Period (other than the relevant Initial Interest Period in respect of which the floating rate of interest applicable to the Class A Notes shall be the aggregate of the Class A Margin and the linear interpolation between 6 (six) and 12 (twelve) months deposits in Euro) (the "**Class A Interest Rate**"), *provided that*, for the above purpose, the Class A Interest Rate may not be below zero.

The fixed rate of interest applicable to the Class B Notes for each Interest Period, including the relevant Initial Interest Period, shall be 6.0 per cent. *per annum* (the "**Class B Interest Rate**").

The fixed rate of interest applicable to the Series J1 Notes for each Interest Period, including the relevant Initial Interest Period, shall be 12.0 per cent. *per annum* (the "**Class J1 Interest Rate"**). The fixed rate of interest applicable to the Series J2 Notes for each Interest Period, including the relevant Initial Interest Period, shall be 12.0 per cent. *per annum* (the "**Class J2 Interest Rate**" and together with the Class A Interest Rate, the Class B Interest Rate and the Class J1 Interest Rate, the "**Interest Rate**").

The Class A Interest Rate applicable from time to time will be determined by the Agent Bank, in respect of each Interest Period, on the relevant Interest Determination Date.

The Class A Interest Rate for each Interest Period (other than the relevant Initial Interest Period in respect of which the Class A Interest Rate shall be the aggregate of the Class A Margin and the linear interpolation between 6 (six) and 12 (twelve) months deposits in Euro) shall be the aggregate of:

(a) the Class A Margin; and

(b) (A) EURIBOR for six 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 six 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. (London time) on the relevant Interest Determination Date; or

(B) if the Screen Rate is unavailable at such time for six 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 5.8 (*Reference Banks*

and Agent Bank) hereof as the rate at which six 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 10:00 a.m. (London 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 "**Six Month EURIBOR**").

5.3 **Fallback provisions**

(a) Notwithstanding anything to the contrary, including Condition 5.2 (*Interest Rate*) above, the following provisions will apply if the Issuer (which may rely on the relevant written notice from the Agent Bank) determines that any of the following events (each a "**Base Rate Modification Event**") has occurred:

(i) a material disruption to EURIBOR, an adverse change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or to be published;

(ii) the insolvency or cessation of business of the EURIBOR administrator (in circumstances where no successor EURIBOR administrator has been appointed);

(iii) a public statement by the EURIBOR administrator that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR or will be changed in an adverse manner);

(iv) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;

(v) a public statement by the supervisor of the EURIBOR administrator which means that EURIBOR may no longer be used or that its use is subject to restrictions or adverse consequences;

(vi) a public announcement of the permanent or indefinite discontinuity of EURIBOR as it applies to the Senior Notes; or

(vii) the reasonable expectation of the Issuer (which may rely on any notice from the Agent Bank) that any of the events specified in sub-paragraphs (i), (ii), (iii), (iv), (v) or (vi) will occur or exist within six months of the proposed effective date of such Base Rate Modification.

(b) Following the occurrence of a Base Rate Modification Event, the Issuer will inform the Representative of the Noteholders of the same and will appoint a rate determination agent to carry out the tasks referred to in this Condition 5.3 (the "**Rate Determination Agent**").

(c) The Rate Determination Agent shall determine an alternative base rate (the "**Alternative Base Rate**") to be substituted for EURIBOR as the Reference Rate of the Senior Notes and those amendments to these Conditions and the Transaction Documents to be made by the Issuer as are necessary or advisable to facilitate such change (the "**Base Rate Modification**"), provided that no such Base Rate Modification will be made unless the Rate Determination Agent has determined and confirmed to the Representative of the Noteholders in writing (such certificate, a "**Base Rate Modification Certificate**") that:

(i) such Base Rate Modification is being undertaken due to the occurrence of a Base Rate Modification Event and, in each case, such modification is required solely for such purpose and it has been drafted solely to such effect; and

(ii) such Alternative Base Rate is:

(A) a base rate published, endorsed, approved or recognised by the relevant regulatory authority or any stock exchange on which the Notes are listed or any relevant committee or other body established, sponsored or approved by any of the foregoing); or

(B) a base rate utilised in a material number of publicly-listed new issues of Euro denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification; or

(C) such other base rate as the Rate Determination Agent reasonably determines (and in relation to which the Rate Determination Agent has provided reasonable justification of its determination to the Issuer and the Representative of the Noteholders),

provided that, for the avoidance of doubts in each case, the change to the Alternative Base Rate will not, in the Representative of the Noteholders' opinion, be materially prejudicial to the interest of the Noteholders.

(d) It is a condition to any such Base Rate Modification that:

(i) the Issuer pays (or arranges for the payment of) all fees, costs and expenses (including legal fees) properly incurred by itself and the Agent Bank and each other applicable party including the Rate Determination Agent. For the avoidance of doubt, such costs shall not include any amount in respect of any reduction in the interest payable to a Noteholder;

(ii) with respect to each Rating Agency, the Issuer has notified such Rating Agencies of the proposed Base Rate Modification and, in the Issuer's reasonable opinion, formed on the basis of such notification, the relevant Base Rate Modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agencies or (y) such Rating Agencies placing the Rated Notes on rating watch negative (or equivalent); and

(iii) the Issuer (or the Agent Bank on its behalf) provides at least 30 (thirty) days' prior written notice to the Noteholders of the proposed Base Rate Modification. If the proposed Alternative Base Rate is determined by the Rate Determination Agent on the basis of paragraph (c) above and if the Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes have notified the Issuer in accordance with the notice provided above and the then current practice of any applicable clearing system through which the Notes may be held within the notification period referred to above that they object to the proposed Base Rate Modification, then such Base Rate Modification will not be made unless a resolution is passed in favour of such modification in accordance with the Conditions by the holders of the Notes representing at least the majority of the then Principal Amount Outstanding of each Class of Notes.

(iv) When implementing any modification pursuant to this Condition 5.3, the Rate Determination Agent, the Issuer and the Agent Bank, as applicable, shall act in good faith and (in the absence of gross negligence (*colpa grave*) or wilful misconduct (*dolo*)), shall have no responsibility whatsoever to the Issuer, the Noteholders or any other party.

(v) If a Base Rate Modification is not made as a result of the application of paragraph (c) above, and for so long as the Issuer (which may rely on any notice from the Agent Bank) considers that a Base Rate Modification Event is continuing, the Agent Bank may provide any reasonable support to the Issuer to initiate again the procedure for a Base Rate Modification as set out in this Condition 5.3 (including, for the avoidance of doubt, the re-application of paragraph (c) above).

(vi) Any modification pursuant to this Condition 5.3 must comply with the rules of any stock exchange or multilateral trading facilities on which the Senior Notes are from time to time listed or admitted to trading and may be made on more than one occasion.

(vii) As long as a Base Rate Modification is not deemed final and binding in accordance with this Condition 5.3, the Reference Rate applicable to the Senior Notes will be equal to the last Reference Rate available on the relevant applicable Screen Rate pursuant to paragraph (a) above.

This Condition 5.3 shall be without prejudice to the application of any higher interest under applicable mandatory law.

5.4 **Determination of Class A Interest Rate, Calculation of Interest Amount and Class J Notes Variable Return**

5.4.1 The Agent Bank shall, on each Interest Determination Date:

(i) determine the Class A 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 Initial Issue Date or the Subsequent Issue Date, as the case may be); and

(ii) calculate the Euro amount (the "**Interest Amount**") accrued on each Class of Notes 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 each Class of Notes 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 Initial Issue Date or the Subsequent Issue Date (as the case may be), 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).

5.4.2 The Calculation Agent shall, on each Calculation Date, determine the Class J Notes Variable Return (if any) applicable on the Payment Date following such Calculation Date.

5.5 **Publication of Interest Rate and Interest Amount**

The Agent Bank will cause the Class A 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 Calculation Agent, the Servicer, the Account Bank, the Monitoring Agent, Monte Titoli (for further distribution to Euroclear and Clearstream), the Paying Agent and, as long as the Senior Notes are admitted to trading on the ExtraMOT PRO of the ExtraMOT Market, 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.

5.6 **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 Class A 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:

5.6.1 determine the Class A 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

5.6.2 calculate the Interest Amount in the manner specified in Condition 5.4 above (*Determination of Class A Interest Rate, Calculation of Interest Amount and Class J Notes Variable Return*);

and any such determination and/or calculation shall be deemed to have been made by the Agent Bank.

5.7 **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 Calculation Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful default (*dolo*) or gross negligence (*colpa grave*) be binding on the Reference Banks, the Agent Bank, the Calculation 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 Calculation Agent, the Monitoring 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.

5.8 **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., Banco Santander and Deutsche Bank. 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 ensure 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*).

5.9 Unpaid Interest

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 accrued on the Notes on the immediately following Payment Date. Any such unpaid amount on the Notes shall not accrue additional interest.

In addition, any failure to pay the relevant Interest Amount on the Senior Notes on any Payment Date prior to the Final Maturity Date will constitute a Trigger Event pursuant to Condition 9 (*Trigger Events*) unless remedied by way of the proceeds of the Liquidity Facility *provided that* such cure is applicable for not more than 2 (two) consecutive Payment Date or, in aggregate, 3 (three) Payment Dates.

The Agent Bank, based upon the information contained in the Payments Report, shall give notice in writing to Monte Titoli of any unpaid Interest Amount no later than 3 (three) Business Days prior to 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 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 Cancellation 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.

All Notes will, on the Cancellation Date, be deemed to be discharged in full and any amount in respect of principal, interest or other amounts due and payable in respect of the Notes will (unless payment of any such amount is improperly withheld or refused) be finally and definitively cancelled.

6.2 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; and

2. has given not more than 45 (forty-five) nor less than 15 (fifteen) calendar days prior written notice to the Representative of the Noteholders, the Cap Counterparty and the Noteholders, in accordance with Condition 12 (*Notices*)

to the effect that, following the occurrence of certain legislative or regulatory changes, or official interpretations thereof by competent authorities, the Issuer (or any of the Issuer's agents):

(d) would be required on the next Payment Date to deduct or withhold (other than in respect of a Law 239 Deduction) or for or on account of FATCA legislation (and namely (i) sections 1471 to 1474 of the Code of Laws of the US Internal Revenue of 1986, any related regulation and any official interpretation; (ii) any treaty, law or regulation of any other jurisdiction or relating to an intergovernmental agreement between the US and any other jurisdiction in relation to the provisions referred to in limb (i) above, and (iii) any agreement with any US governmental and/or taxation authority relating to the implementation of any law, treaty and/or regulation referred to in limbs (i) and (ii) above) (each, a "**FATCA 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

(e) 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 Securitisation;

and

3. in each case the Issuer shall have 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,

the Issuer may (or shall if so directed by the Representative of the Noteholders acting upon instructions of the holders of the Most Senior Class of Notes) (i) on the first Payment Date on which such necessary funds become available to it, 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 Pre-Acceleration Order of Priority; and (ii) on the first Payment Date on which sufficient funds become available to it, redeem 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.

Alternatively, the funds necessary (i.e., to discharge all the outstanding liabilities of the Issuer with respect of the Notes) for the Redemption for Taxation may also be obtained by the Issuer from one or more authorised lenders (including, without limitation, banks and/or special purpose vehicles incorporated pursuant to the Securitisation Law), pursuant to the Liquidity Facility (and subject to the Representative of the Noteholders having received legal and tax opinions to its satisfaction in respect of such new limited recourse loan or other alternative financing structure).

Should the above financing be obtained, the proceeds or amounts therefrom will be included in the Issuer Available Funds on the relevant Payment Date following completion of such financing.

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;

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

if 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 redeem the Senior Notes, in whole but not in part, and the Mezzanine Notes and the Junior Notes, in whole but not in part (or only the Mezzanine Notes in whole, if all the Junior Noteholders consent), at their respective Principal Amount Outstanding, together with interest accrued and unpaid up to the date of their redemption, on any Payment Date falling on or after the Initial Clean Up Option Date, if so instructed by the Junior Noteholders.

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 holders of the Rated Notes in accordance with Condition 12 (*Notices*), the Cap Counterparty and the Rating Agencies and provided that the Issuer, prior to giving such notice, 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. 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 Portfolio, subject to the provisions of the Intercreditor Agreement and Condition 6.5 (*Sale of the Portfolio*).

Alternatively, the funds necessary for the Optional Redemption may also be obtained by the Issuer from one or more authorised lenders (including, without limitation, banks and/or special purpose vehicles incorporated pursuant to Securitisation Law), pursuant to the Liquidity Facility (and subject to the Representative of the Noteholders having received legal and tax opinions to its satisfaction in respect of such new limited recourse loan or other alternative financing structure). Should the above financing be obtained, the proceeds or amounts therefrom will be included in the Issuer Available Funds on the relevant Payment Date following completion of such financing.

6.5 **Sale of the Portfolio**

In the following circumstances:

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

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

(iii) if, after a Trigger Notice has been served on the Issuer (with a copy to the Rating Agencies and the 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 (but not only a part) of the Portfolio to one or more third parties,

the Issuer (in the case of Redemption for Taxation pursuant to Condition 6.2 (*Redemption for Taxation*) and Optional Redemption pursuant to Condition 6.4 (*Optional Redemption*)) or the Representative of the Noteholders in the name and on behalf of the Issuer (after a Trigger Notice has been served on the Issuer) shall be entitled to sell the whole Portfolio as provided under this Condition 6.5, provided that:

(a) with respect to the Redemption for Taxation, the sale price will be subject in any case to the requirements provided by Condition 6.2 (*Redemption for Taxation*);

(b) with respect to the Optional Redemption, the sale will be made at a price sufficient to allow the Issuer to redeem:

(i) the Senior Notes, the Mezzanine Notes and the Junior 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); or

(ii) with the prior written consent of the 100% of the Junior Noteholders, the Senior Notes and the Mezzanine Notes in whole and the Junior Notes in part (together with any interest accrued and unpaid thereon until the date on which such redemption occurs); and

(iii) in any case to allow the Issuer to pay any amounts required under the Conditions to be paid in priority to or pari passu with such Class of Notes to be redeemed and any amounts required under the Conditions to be paid in priority to or pari passu thereto, pursuant to the Acceleration Order of Priority;

(c) with respect to the sale of the Portfolio after a Trigger Notice, the sale will be made at a price sufficient to allow the Issuer to 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 or as otherwise agreed by the holders of the Most Senior Class of Notes,

(each a "**Minimum Sale Price**").

In particular, should the Seller not exercise the Call Option within the Call Option Period and unless the funds necessary to redeem the Notes are obtained by the Issuer from one or more authorised lenders (including, without limitation, banks and/or special purpose vehicles incorporated pursuant to Securitisation Law) pursuant to the Liquidity Facility (and subject to the Representative of the Noteholders having received legal and tax opinions to its satisfaction in respect of such new limited recourse loan or other alternative financing structure), the Issuer (in the case of Redemption for Taxation pursuant to Condition 6.2 (*Redemption for Taxation*) and Optional Redemption pursuant to Condition 6.4 (*Optional Redemption*)) or the Representative of the Noteholders in the name and on behalf of the Issuer (after the Extraordinary Resolution provided under Condition 9 (*Trigger Events*) has been adopted) shall organise through external advisers a competitive bid process to such purpose (the "**Bid Process**").

The Bid Process procedure shall be carried out in compliance with the best practices of the industry and in line with transparency standards, in order to maximize the purchase price of the

Portfolio and the Issuer or the Representative of the Noteholders, as the case may be, will be able to sell the Portfolio to the selected party only if the proceeds deriving from the sale of the Portfolio will be applied in accordance with the applicable Order of Priority and, with respect to the Redemption for Taxation, subject in any case to the requirements provided by Condition 6.2 (*Redemption for Taxation*).

Within the date of payment of the purchase price related to the sale of the Receivables above described, the relevant purchaser shall deliver to the Issuer (or to the Representative of the Noteholders, in case of sale of the Portfolio 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 Portfolio; (ii) a solvency certificate signed by a legal representative duly authorized by the purchaser, dated the date of the sale of the Portfolio; 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 Portfolio.

The transfer of the Portfolio pursuant to this Condition 6.5 (*Sale of the Portfolio*) shall be construed as a "*contratto aleatorio*" pursuant to Article 1469 of the Italian Civil Code and 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 warranty, provided by the transferor, of the existence of the claims and Article 1448 of the Italian Civil Code shall not apply. The transfer of the Portfolio shall be subject to the condition of payment in full to the Issuer of the relevant purchase price.

6.6 **Call Option**

Under the Intercreditor Agreement, the Issuer has irrevocably granted to the Seller an option right in accordance with article 1331 of the Italian Civil Code (the "**Call Option**") for the Seller, or any other company of the Gruppo Banca IFIS designated by the Seller, to repurchase or purchase, as the case may be, from the Issuer, the whole Portfolio in the following circumstances:

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

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

(iii) after a Trigger Notice has been served on the Issuer (with a copy to the Rating Agencies and the Servicer) pursuant to Condition 9 (*Trigger Events*); or

(iv) following termination of the Servicer in accordance with the provisions of the Servicing Agreement,

subject to the following provisions:

(i) the sale price will be equal to:

(a) in the case of Redemption for Taxation pursuant to Condition 6.2 (*Redemption for Taxation*), the Minimum Sale Price referred to in Condition 6.5(a) above; or

(b) in the case of Optional Redemption pursuant to Condition 6.4 (*Optional Redemption*), the Minimum Sale Price referred to in Condition 6.5(b) above; or

(c) in case a Trigger Notice has been served on the Issuer (with a copy to the Rating Agencies and the Servicer) pursuant to Condition 9 (*Trigger Events*), the Minimum Sale Price referred to in Condition 6.5(c) above; or

(d) following termination of the Servicer in accordance with the provisions of the Servicing Agreement, a price sufficient to allow the Issuer to redeem:

(x) the Senior Notes, the Mezzanine Notes and the Junior 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); or

(y) with the prior written consent of the 100% of the Junior Noteholders, the Senior Notes and the Mezzanine Notes in whole and the Junior Notes in part (together with any interest accrued and unpaid thereon until the date on which such redemption occurs); and

(z) in any case to allow the Issuer to pay any amounts required under the Conditions to be paid in priority to or pari passu with such Class of Notes to be redeemed and any amounts required under the Conditions to be paid in priority to or *pari passu* thereto, pursuant to the Acceleration Order of Priority;

(ii) the intention to exercise the Call Option shall be notified within, as the case may be:

(a) 30 (thirty) calendar days from the delivery of the relevant prior notice provided under Condition 6.2 (*Redemption for Taxation*); or

(b) 30 (thirty) calendar days prior to the relevant Payment Date, in case the Call Option is exercised in connection with an Optional Redemption pursuant to Condition 6.4 (*Optional Redemption*); or

(c) 30 (thirty) calendar days from the delivery of the relevant prior notice provided under Condition 9 (*Trigger Events*); or

(d) 30 (thirty) calendar days from the termination of the Servicer in accordance with the provisions of the Servicing Agreement

(the "**Call Option Period**");

(iii) the transfer of the Receivables to the Seller shall be construed as a "*contratto aleatorio*" pursuant to Article 1469 of the Italian Civil Code and 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 warranty, provided by the transferor, of the existence of the claims and Article 1448 of the Italian Civil Code shall not apply;

(iv) the transfer of the Receivables to the Seller shall be subject to the condition of payment in full to the Issuer of the relevant purchase price;

(v) both before exercising the Call Option and prior to the date of payment of the purchase price related to the sale of the Receivables above described, the Seller shall deliver to the Issuer (or to the Representative of the Noteholders, in case of sale of the Portfolio 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 exercise of the Call Option and the date of the sale of the Portfolio, respectively; and (ii) a solvency certificate signed by a legal representative duly authorized by the purchaser, dated the date of the exercise of the Call Option and the date of the sale of the Portfolio respectively;

(vi) the Rating Agencies have been notified in advance of such repurchase.

6.7 **Notice of Redemption**

Any 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*).

6.8 **Principal Payments and Principal Amount Outstanding**

On each Calculation Date, the Issuer shall determine or procure that the Calculation 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 Variable Return on the Class J Notes 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 willful 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 Calculation Agent to the Representative of the Noteholders, the Servicer, the Account Bank, the Paying Agent and, as long as the Senior Notes are admitted to trading on the ExtraMOT PRO of the ExtraMOT Market, Borsa Italiana and shall cause notice of each determination of a principal payment and Principal Amount Outstanding of each Class to be given by the Paying Agent to Monte Titoli (for further distribution to Euroclear and Clearstream) 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 6.8 (*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 6.8 (*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 6.8 (*Principal Payments and Principal Amount Outstanding*), whether by the Calculation Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful default (*dolo*) or gross negligence (*colpa grave*) be binding on the Calculation Agent, the Representative of the Noteholders, the Servicer, the Account Bank and the Paying Agent and all the Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Calculation 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.

6.9 **No purchase by Issuer**

The Issuer shall not purchase any of the Notes.

6.10 **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 on the Cancellation Date.

7. PAYMENTS

7.1 Payment of principal and interest in respect of the Notes will be credited, according to the instructions of the Calculation Agent through the Payments Report, 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 the Paying Agent, subject to the prior written approval of 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 45 (forty-five) days prior notice to be given to the Noteholders of any replacement of the 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 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:

(a) Non-payment:

(i) the Issuer defaults in the payment of the Principal Amount Outstanding of the Notes on the Final Maturity Date (provided that a 3 (three) Business Days' grace period shall apply); or

(ii) on any Payment Date (without prejudice to what is provided for under the

definition of "Payment Date" above), the amount paid by the Issuer as interest on the Senior Notes is lower than the relevant Interest Amount, unless such default is remedied within 3 (three) Business Days by the Issuer by applying (in full or in part) the proceeds of any Liquidity Facility requested for this purpose *provided that* such cure is applicable for not more than 2 (two) consecutive Payment Dates or, in aggregate, 3 (three) Payment Dates; or

(b) 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 the obligations under (a) 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 days after the Representative of the Noteholders has given written notice thereof to the Issuer, certifying that such default is, in the sole opinion of the Representative of the Noteholders, materially detrimental to the interests of the Most Senior Class of Noteholders and requiring the same to be remedied (provided however that, for the avoidance of doubt, non-payment of principal on the Notes, due to the Servicer not having provided the relevant Semi-Annual Servicing Report (as described in Condition 4.1 (*Pre Acceleration Order of Priority*) shall not constitute a Trigger Event); or

(c) Insolvency:

The Issuer becomes subject to any Insolvency Proceedings; or

(d) 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 (a) above;

(ii) shall, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, in case of any other Trigger Event;

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

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, "*liquidazione giudiziale*", "*concordato preventivo*", "*piani di risanamento*" and "*liquidazione coatta amministrativa*", 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 Portfolio.

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 contains (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 these 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 willful default or gross negligence) 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 Agreements), the Class A Noteholders, the Class B Noteholders and the Class J Noteholders by subscribing respectively for the Class A 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 Agreements recognize the appointment of Banca Finanziaria Internazionale S.p.A. as Representative of the Noteholders. Each Noteholder 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. Such successor to 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 an Italian branch or through a branch situated in a European Union country; or

(b) a company or financial institutions registered under Article 106 of the Consolidated Banking Act; or

(c) any other entity permitted by 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.

12. NOTICES

Any notice regarding the Notes, as long as the Notes are held by Monte Titoli on behalf of the authorised financial intermediaries and/or their customers, shall be deemed to have been duly given if given through the systems of Monte Titoli. In addition, as long as the Senior Notes are admitted to trading on the ExtraMOT PRO of the ExtraMOT Market, all notices will be given also in accordance with the rules of such multilateral trading facility and published on the website https://www.securitisation-services.com/it/. 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 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 any 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. For this purpose, the Noteholders agree to provide the Representative of the Noteholders with all the relevant contact details and email addresses for notices.

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

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.

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, increasing 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. the appointment and removal of the Representative of the Noteholders;
7. a modification to the definition of Cancellation Date;
8. any amendment to these Rules of the Organisation of the Committee and to the Rules of the Organisation of the Committee;
9. an alteration of any Order of Priority;
10. any exchange, conversion or substitution of the Notes of any Class for, or any conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate, formed or to be formed; and
11. an amendment of this definition;

"**Blocked Notes**" means the Notes which have been blocked in an account with the relevant clearing system, the Monte Titoli Account Holders or the relevant custodian for the purposes of obtaining a Voting Certificate and which will not be released until the conclusion of the Meeting.

"**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 A Noteholders**" means, collectively, the holders of the Class A 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 A Notes or the Class B Notes or the Class J Notes, as the context may require, and "**Classes of Notes**" means all of them.

"**Committee**" has the meaning ascribed to it under Clause 1 of the *Rules of the Organisation of the Committee* attached as Schedule 1 to these Rules.

"**Deed of Amendment (Charge)**" means the deed of amendment dated on or about the Subsequent Issue Date amending the Deed of Charge.

"**Deed of Amendment (Cap)**" means the deed of amendment dated on or about the Subsequent Issue Date amending the Schedule to the Cap Agreement and terminating the cap confirmation entered into pursuant to the Cap Agreement on or about the Initial Issue Date.

"**Delegated Member**" has the meaning ascribed to it under Article 3 below.

"**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 Ifis NPL 2021-1 SPV S.r.l..

"**Meeting**" means the meeting of the Noteholders or a Class of Noteholders (held either in first or second call, 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 A Notes, the Class B Notes and the Class J Notes.

"**Noteholders**" means:

(a) in connection with a Meeting of Class A Noteholders, the Class A Noteholders;

(b) in connection with a Meeting of Class B Noteholders, the Class B Noteholders;

(c) in connection with a Meeting of Class J Noteholders, the Class J Noteholders;

(d) 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 A Noteholders, the Class B Noteholders and the Class J Noteholders.

"**Ordinary Resolution**" means a resolution of the Meeting of the Relevant Class Noteholders in relation to the matters specified under Article 19 (*Powers exercisable by Ordinary Resolution*) of these Rules, duly convened and held in accordance with the provisions of these Rules.

"**Paying Agent**" means BNP Paribas, Italian Branch in its capacity as paying agent pursuant to the Cash Administration and Agency Agreement and its permitted successors or assignees from time to time.

"**Person(s)**" means any natural person, partnership, corporation, company, limited liability company, public limited company, trust, estate, joint stock partnership, or company, joint venture, governmental entity, unincorporated organisation or other entity or association.

"**Proxy**" means, in relation to any Meeting, a person duly appointed to vote.

"**Relevant Class Noteholders**" means the Class A Noteholders or the Class B Noteholders or the Class J Noteholders, as the context may require.

"**Relevant Fraction**" means:

(i) for voting on any Ordinary 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 (A) one relating to a Basic Terms Modification or (B) one related to any Business indicated under Article 20, items (j), (k), (o), (p), (q), (r), and (s), two-thirds of the Principal Amount Outstanding of the outstanding Notes in each relevant Class of Notes (or in case of a joint meeting of more than one Class of Notes, pursuant to Article 4 below, more than 50% (fifty per cent) of the Principal Amount Outstanding of the outstanding Notes of such Classes of Notes);

(iii) for voting on any Extraordinary Resolution relating to (A) a Basic Terms Modification or (B) a Business indicated under Article 20, item (j), three-quarters of the Principal Amount Outstanding of the outstanding Notes in each relevant Class of Notes;

(iv) for voting on any Extraordinary Resolution relating to Article 20, items (o), (p) and (q), two-third of the Principal Amount Outstanding of the Notes *provided that* for such matters, only a joint Meeting is permitted;

(v) for voting on the Extraordinary Resolution relating to Article 20, items (k), (r) and (s), more than 50% of the Principal Amount Outstanding of the relevant Notes,

provided, however, that, in the case of a Meeting held in second call for lack 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, more than 50% (fifty per cent) of the Principal Amount Outstanding of the outstanding Notes in each relevant Class of Note.

"**Representative of the Noteholders**" means Banca Finanziaria Internazionale 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 Agreements and the Rules of the Organisation of the Noteholders.

"**Rules**" means these Rules of the Organisation of the Noteholders.

"**Secured Parties**" means the beneficiaries of the Security Documents.

"**Security Documents**" means the Deed of Charge.

"**Specified Office**" means the office of the Paying Agent located at Piazza Lina Bo Bardi 3, Milan, Italy.

"**Successor Servicer**" means the entity different from the Back-up Servicer which may be appointed as replacement servicer pursuant to the Servicing Agreement.

"**Voter**" means, in relation to any Meeting, the holder of a Blocked Note and, in respect of the Mezzanine Noteholder and the Junior Noteholders, the Delegated Member.

"**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 passed in writing by a number of votes satisfying the voting majority applicable to the subject matter of the relevant resolution, whether contained in one document or

several documents substantially in the same form, each signed by or on behalf of one or more Noteholders or Proxy holder on their behalf entitled to express their votes pursuant to the Conditions.

"**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 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.

Article 3 (*Organisation purpose*)

Each Class A Noteholder, Class B Noteholder and the 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 A Noteholders and/or the Class B Noteholders and/or the Class J Noteholders or, where the context requires, a reference to the Class A Noteholders, the Class B Noteholders and the Class J Noteholders collectively.

It is understood that each of the Mezzanine Noteholders and the Junior Noteholders may delegate its voting rights in the Meetings and any related ancillary activities to any member appointed by it in the Committee in accordance with the Rules of the Organisation of the Committee (the "**Delegated Member**").

Upon delegation, the relevant Noteholder shall promptly inform the Representative of the Noteholders and the relevant Monte Titoli Account Holder in order to permit the Delegated Member to carry out activities and participate to the Meetings in the name and on behalf of it.

The relevant Noteholder shall provide the Representative of the Noteholders and the Monte Titoli Account Holder with the relevant power of attorney to the Delegated Member for the performance of its duties in the context of the Meetings.

The Delegated Member will take part to the Meetings as if he/she were the Noteholder who has appointed him/her.

The appointment of the Delegated Member will expire on the earlier between (i) the expiry date of the engagement of the Delegated Member as member of the Committee and (ii) the revocation of its engagement by the relevant Noteholder.

Should the engagement of the Delegated Member be terminated, revoked or expired, the relevant Noteholder shall promptly inform the Representative of the Noteholders and the Monte Titoli Account Holder.

It remains understood that any remuneration of the Delegated Members shall be borne by the relevant appointing Noteholder.

In the event of the appointment of the Delegated Member, the Mezzanine Noteholders and the Junior Noteholders undertake to comply with the provisions hereunder and operate in such a way to not prejudice the functioning and the operating of the Meetings.

TITLE II - THE MEETING OF NOTEHOLDERS

Article 4 (*General*)

Any resolution passed at:

(a) a Meeting of the holder of Class(es) of Noteholders duly convened and held in accordance with these Rules shall be binding upon all the holders of such Class(es) of Notes whether present or not present at such Meeting and whether voting or not voting;

(b) a Meeting of the Class A Noteholders pursuant to Article 20, items (j), and (k), shall also be binding upon all the Class B Noteholders and the Class J Noteholders;

(c) a Meeting of the Junior Noteholders pursuant to Article 20, item (l), shall also be binding upon all the Class A Noteholders and the Class B Noteholders; and

(d) a Meeting of the Most Senior Class of Notes pursuant to Article 20, items (i) and (m) shall also be binding upon other Class of 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.

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 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 A Noteholders, the Class B Noteholders and the Class J Noteholders may be held (or shall be held pursuant to Article 20) to consider the same Ordinary Resolution and/or, as the case may be, the same Extraordinary Resolution (other than a Basic Terms Modification) and the provisions of these Rules shall apply *mutatis mutandis* thereto.

Without prejudice to the foregoing, 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) Without prejudice to item (iii) below and to Article 20, first section, Business which in the absolute opinion of the Representative of the Noteholders affects more than one Class of Notes shall be transacted at separate Meetings of the Noteholders of each such Class of Notes;

(iii) Business regarding matters which under the Transaction Documents are to be decided by one or more specific Class of Notes shall be transacted at separate meeting of Noteholders of such relevant Classes of Notes only.

In addition to the above, in order to avoid conflict of interests that may arise as a result of the Seller having multiple roles in the Securitisation, those Senior Notes which are for the time being held by, or which may be in the future held by, the Seller and/or any other company of the banking group to which the Seller belongs, 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.

Article 5 (*Voting Certificates*)

Noteholders may obtain a Voting Certificate from the relevant Monte Titoli Account Holder upon request in accordance with article 41 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 Paying Agent, or at some other place approved by the Paying Agent, not later than 24 hours before the relevant Meeting. If the Representative of the Noteholders 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 Representative of the Noteholders 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 or 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 or the Representative of the Noteholders 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 or the Issuer (as appropriate) 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.

Meetings may be held via audio-conference or video-conference where Voters are located at different places, *provided that*:

(i) the Chairman may 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;

(ii) the person drawing up the minutes may hear well the meeting events being the subject-matter of the minutes;

(iii) each Voter attending via audio-conference or video-conference may follow and intervene in the discussions and vote the items on the agenda in real time;

(iv) 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 video-conference equipment; and

(v) for the avoidance of doubt, the Meeting is deemed to take place where the Chairman and the person drawing up the minutes are located.

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 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 21 (twenty-one) days before the date of the Meeting. The notice shall set forth the full text of any resolutions to be proposed or

the agenda of the Meeting, as the case may be, 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:

(i) Noteholders representing 100% (hundred per cent.) of the Principal Amount Outstanding of the relevant Class of Notes attend the relevant Meeting; or

(ii) Noteholders representing 100% (hundred per cent.) of the Principal Amount Outstanding of the relevant Class of Notes request the relevant Meeting and propose or otherwise separately agree a date, time and place for such 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, *provided that* any resolution transacting any Business indicated under Article 20, item (l), shall be validly passed when 100% of the Junior Noteholders having voting rights have been cast in favour of it.

Article 11 (*Second call*)

If 15 (fifteen) minutes after the time fixed for any first call Meeting, Voters representing or holding not less than the applicable Relevant Fraction are not present, the Meeting shall be immediately held in second call.

Should a Meeting be adjourned for any reason other than for lack of quorum, then such Meeting 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 unless by resolution of Meeting that represents not 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 (other than the Meeting to be held in second call after the elapsing of 15 (fifteen) minutes after the time fixed for the first call) 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 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 or its representatives and the Paying Agent;

(f) the Monitoring Agent; and

(g) 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 10 (ten) Notes present at the relevant Meeting. 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 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 held in second call or resumed following an adjournment for want of quorum, 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 (*Powers exercisable by Ordinary Resolution*)

The Meeting shall have exclusive powers:

(a) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes;

(b) grant any authority, order or sanction which, under the provisions of the Rules or the Conditions, is required to be the subject of an Ordinary Resolution or required to be the subject of a resolution or determined by a Meeting and not required to be the subject of an Extraordinary Resolution;

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:

Resolutions to be passed by either separate or joint Meetings:

(a) 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) to assent to (i) any alteration, modification, abrogation of the provisions contained in these Rules, the Notes or any Class of Notes, the Intercreditor Agreement, the Cash Administration and Agency Agreement, the Conditions (which is not a Basic Terms Modification) or any other Transaction Document (including the amendments to any definition of the Cumulative Collection Ratio, PV Cumulative Profitability Ratio and Delegated Powers (such terms as defined under the Servicing Agreement) or to the fees applicable to the Servicer) which shall be proposed by the Issuer and/or the Representative of the Noteholders or any other party thereto; and (ii) any arrangement in respect of any obligation (which are not Basic Terms Modifications) of the Issuer under the Notes;

(c) 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;

(d) 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 an Extraordinary Resolution;

(e) 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;

(f) to give instructions to the Representative of the Noteholders in case the Representative of the Noteholders should express its discretion under Article 4 (*General*);

(g) 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;

(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(a));

Resolutions to be passed only by one Class of Noteholders:

(i) to authorize or direct the Representative of the Noteholders to serve a Trigger Notice, as a consequence of a Trigger Event under Condition 9 (*Trigger Events*), other than the Trigger Event under Condition 9(a), and assent the relevant Bid Process *provided that* in such a case the relevant decision shall be taken by the Meeting of the Most Senior Class of Notes;

(j) to resolve on, or to approve any proposal by the Issuer for, the withdrawal of any rating assigned to the Senior Notes, *provided that* in such case such decision shall be taken by the Meeting of the Senior Noteholders only;

(k) to resolve on the appointment of the Senior Noteholders' member of the Committee in the event that the Senior Noteholders have not appointed the relevant member of the Committee in accordance with article 2 of the Rules of the Organisation of the Committee, *provided that* in such a case only the Meeting of the Senior Noteholders shall have the power to resolve;

(l) to provide the Issuer with the consents pursuant to Condition 6.4 (*Optional Redemption*) and assent the relevant Bid Process *provided that* in such a case only the Meeting of the Junior Noteholders shall have the power to resolve;

(m) to provide the Issuer with the consents pursuant to Condition 6.2 (*Redemption for Taxation*) and assent the relevant Bid Process provided that in such a case only the Meeting of the Most Senior Class of Noteholders shall have the power to resolve;

Resolutions to be passed mandatorily by separate Meetings:

(n) to sanction a Basic Terms Modification;

Resolutions to be passed mandatorily by joint Meetings:

(o) to resolve on the decision to terminate the mandate granted to the Servicer upon the occurrence of any event other than those specified in paragraph (4) of Article 8 of the Rules of Organisation of the Committee and reserved to the Committee's exclusive powers *provided that*, in relation to these resolutions to be passed mandatorily by joint Meetings, if - on the proposal date of the relevant termination – the Representative of the Noteholders consider, in its reasonable opinion, that such termination would negatively affect the rating of the Senior Notes, the decision on the termination shall be taken by separate Meetings of the Senior Noteholders, the Mezzanine Noteholders and the Junior Noteholders;

(p) to resolve on the termination of the Back-up Servicer;

(q) to select from the list of perspective Successor Servicers approved by the Committee in accordance with the Rules of the Organisation of the Committee, a Successor Servicer other than the Back-up Servicer or to which the Special Servicing Activities (as defined in the Servicing Agreement) are to be delegated;

(r) to resolve on the authorization for the sale of the Receivables provided under Article 3.17 (*Sale of the Receivables*) and Schedule I(v)(c) of the Servicing Agreement in accordance with the terms and conditions provided thereunder;

(s) to appoint a new representative of the Noteholders.

Save as otherwise expressly provided, in relation to each Class of Notes:

(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 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 A Noteholders (to the extent that there are Class A 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 A Noteholders (to the extent that there are Class A Notes then outstanding); and

(c) no Extraordinary Resolution of the Class J 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 A Noteholders and/or the Class B Noteholders (to the extent that there are Class A 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 holder of the Class A Notes and/or the Mezzanine Notes (to the extent that there are Class A Notes and/or Mezzanine Notes, respectively, then outstanding).

(d) if a Trigger Event has occurred and is continuing, resolutions approving any of the matters referred to in Article 19 (*Powers exercisable by Ordinary Resolution*) and Article 20 (*Powers exercisable by Extraordinary Resolution*) above (other than the matters referred to in (a) above and the matters in respect of which the holders of other Class(es) of Notes have exclusive power to resolve pursuant to the Conditions or any Transaction Documents) shall be passed at a Meeting of the Most Senior Class of Noteholders without any sanction by the holders of any other Class(es) of Notes being required (without however prejudice to the rights and powers of the Class J Noteholders under Conditions 6.4 (*Optional Redemption*), if applicable).

Article 21 (*Challenge of Resolution*)

Each Noteholder who was absent 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 A Noteholders, the Class B Noteholders and the Class J Noteholders by subscribing respectively for the Class A Notes, the Class B Notes and the Class J Notes and paying the relevant subscription price in accordance with the provisions of the Original Notes Subscription Agreement (with reference to the holders of the Series J1 Notes) and of the Subsequent Notes Subscription Agreement (with reference to the holders of the Subsequent Notes), respectively, recognize the appointment of Banca Finanziaria Internazionale S.p.A. as Representative of the Noteholders.

Simultaneously with the issue and delivery of the Notes, the Class A Noteholders, the Class B Noteholders and the Class J Noteholders, pursuant to the terms of the Original Notes Subscription Agreement (with reference to the holders of the Series J1 Notes) and of the Subsequent Notes Subscription Agreement (with reference to the holders of the Subsequent Notes), respectively, have confirmed or will confirm the appointment of Banca Finanziaria Internazionale S.p.A. as Representative of the Noteholders and Banca Finanziaria Internazionale S.p.A., respectively have accepted or will accept such appointment.

The Issuer acknowledges and accepts the appointment of Banca Finanziaria Internazionale S.p.A. as Representative of the Noteholders and

(i) each initial holder of the Class A Notes (and each subsequent holder of the Class A Notes) as well as

(ii) each initial holder of the Class B Notes (and each subsequent holder of the Class B Notes) as well as

(iii) 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 A Notes or 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 A Notes or the Class B Notes or the Class J Notes was a signatory thereto.

Each initial holder of the Class A Notes (and each subsequent holder of the Class A 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 A Notes or the Class B Notes or the Class J Notes, as the case may be,

(i) confers to the Representative of the Noteholders all powers, rights and authority, to act as representative of the holders of the Class A 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 A Notes, the Class B Notes and the Class J Notes, as the case may be, in connection with the issue of the Class A 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 Documents.

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 A 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 Documents, as well as all proceeds upon the enforcement thereof in accordance with the Acceleration Order of Priority.

The Representative of the Noteholders shall be:

1. a bank incorporated in any jurisdiction of the European Union or a bank incorporated in any other jurisdiction acting through an Italian branch or through a branch situated in a European Union country; or

2. a company or financial institution registered under Article 106 of the Consolidated Banking Act; or

3. 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 until the Final Maturity Date and can be removed and/or revoked 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 originally 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 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-a-vis* the Issuer, in accordance with and following any resolution taken by the Meeting. The Representative of the Noteholders has the right to attend the 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. Notwithstanding the above, with sole reference to the Bid Process, the Representative of the Noteholders shall be responsible for any loss incurred by the Issuer as a consequence of any misconduct or default on the part of such delegate or sub-delegate only for *culpa in eligendo* and *culpa in vigilando*.

The Representative of the Noteholders shall act in accordance with the provisions of article 1176, second paragraph of the Italian Civil Code.

The Class A Noteholders, the Class B Noteholders and the Class J Noteholders recognize 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 A Notes, the Class B Notes and the Class J Notes are or will be a party. Each of the Class A 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 A 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 (*"liquidazione giudiziale"*) 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 other than those arising from the Representative of the Noteholders' gross negligence (*colpa grave*) or willful misconduct (*dolo*). 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.

1. 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 Portfolio; and (v) any accounts, books, records or files maintained by the Issuer, the Servicer, the Paying Agent, and the Corporate Services Provider or any other Person in respect of the Portfolio;

   (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 Rated 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 Portfolio 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 Portfolio 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 Documents 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.

2. 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 holder of the Most Senior Class of Notes; and (ii) to the extent that there are still Rated Notes outstanding, 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 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 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 gross negligence ("*colpa grave*") or willful 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(c) (*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 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;

(x) assume without enquiry that no Notes are for the time being held by or for the benefit of the Issuer.

3. 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 save in case of its gross negligence (*colpa grave*) or willful misconduct (*dolo*);

(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 holders of the Rated Notes, 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 4. 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 for any action taken in

accordance with, and/or consequence deriving from, the relevant resolution 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.

4. Should the Senior Noteholders not appoint the member of the Committee pursuant to article 2 of the Rules of the Organisation of the Committee within 3 (three) months from the Subsequent Issue Date, upon notice from the Monitoring Agent, the Representative of the Noteholders shall promptly convene the Meeting of the Senior Noteholders upon the expiring of such term for the relevant appointment in accordance with Article 20, item (k) above.

5. In case the Representative of the Noteholders exercises its discretion in accordance with Article 4 (*General*), the Representative of the Noteholders shall convene a Meeting of the Noteholders in order to obtain an Extraordinary Resolution providing instructions upon how the Representative of the Noteholders should exercise such discretion. Upon determination by the Meeting of the Noteholders, the Representative of the Noteholders shall comply and shall act in accordance with the instructions contained in the Extraordinary Resolution of the 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 Documents*)

The Representative of the Noteholders is entitled to exercise all rights granted by the Issuer in favour of the Noteholders and the Other Issuer Creditors under the Security Documents to which it is party.

The Representative of the Noteholders, acting on behalf of the Secured Parties, agrees 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.

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 and reasonably incurred 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 Portfolio, 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.

SCHEDULE 1 TO THE RULES OF THE ORGANISATION OF THE NOTEHOLDERS

RULES OF THE ORGANISATION OF THE COMMITTEE

Definitions

Capitalised terms not otherwise defined here below shall have the meaning ascribed to the terms and conditions of the Notes.

"**Annex**" means any annex to the present rules of organization of the Committee, which form an integral part thereof.

"**Article**" means an article of the present rules of organization of the Committee.

"**Disposal**" means a sale, transfer, assignment or otherwise disposal of the Mezzanine Notes and/or the Junior Notes, in whole or in part.

"**Expected Annual Maximum Amounts**" has the meaning ascribed to it under the Servicing Agreement.

"**Rules**" means these rules of organization of the Committee.

"**Relevant Noteholders**" means the Senior Noteholders, the Mezzanine Noteholders or the Junior Noteholders, as the case may be.

"**Relevant Notes**" means the Senior Notes, the Mezzanine Notes or the Junior Notes, as the case may be.

Membership of the Committee

1. Organisation

The committee (the "**Committee**") shall consist of:

(a) 1 member appointed by the Senior Noteholders, 1 member appointed by the Mezzanine Noteholders and 1 member appointed by the Junior Noteholders; or

(b) in case the Seller and/or any other company of the banking group to which the Seller belongs hold(s) 100% of the Senior Notes, 100% of the Mezzanine Notes and 100% of the Junior Notes, 1 member, it being understood that, during the period in which the Seller and/or any other company of the banking group to which the Seller belongs hold(s) 100% of the Senior Notes, 100% of the Mezzanine Notes and 100% of the Junior Notes, such Noteholder(s) may at any time - by giving notice to the Monitoring Agent, the Issuer and the Representative of the Noteholders - appoint 3 members in accordance with (a) above and/or subsequently maintain 1 member only and revoke the others, in accordance with Article 5 below.

The same individual may be appointed to cover several member positions and may cast the votes attributed to it in several ways.

The Committee is responsible, and has exclusive powers, for resolving and approving the matters proposed by the Monitoring Agent referred to in Articles 8 and 14.

2. Appointment of the initial members

1. The members of the Committee shall be appointed as follows:

(a) without prejudice to what provided under article 20, item (k), of the Rules of the Organisation of the Noteholders and to Article 2.2(a) with respect to the initial member of the Committee appointed by the initial Notes Subscribers of the Senior Notes (if any) ("**Initial Senior Member**"), should at any time the Senior Notes be held only in part by the Seller and/or any

other company of the banking group to which the Seller belongs, the Senior Noteholder holding (jointly or separately) a share of not less than 51% of the outstanding amount of the Senior Notes (other than those Senior Notes held at that time by the Seller and/or any other company of the banking group to which the Seller belongs, that for such purpose will not be deemed to remain outstanding) (in respect of the Senior Notes, the "**Minimum Holding**") may appoint 1 member of the Committee (and, if the Initial Senior Member has been already appointed pursuant to Article 2.2(a), shall have the right to replace it pursuant to Article 5);

(b) the Mezzanine Noteholder holding (jointly or separately) a share of not less than 51% of the outstanding amount of the Mezzanine Notes (net of the outstanding amount of the portion of the Mezzanine Notes held by the Seller for the purpose of complying with risk retention obligations under article 6 of the Securitisation Regulations) (in respect of the Mezzanine Notes, the "**Minimum Holding**") may appoint 1 member of the Committee; and

(c) the Junior Noteholder holding (jointly or separately) a share of not less than 51% of the outstanding amount of the Junior Notes (net of the outstanding amount of the portion of the Junior Notes held by the Seller for the purpose of complying with risk retention obligations under article 6 of the Securitisation Regulations) (in respect of the Junior Notes, the "**Minimum Holding**") may appoint 1 member of the Committee.

2. Without prejudice to article 20, item (k), of the Rules of the Organisation of the Noteholders, as regards the first appointment of the members of the Committee within the earlier of (i) 20 Business Days after the Subsequent Issue Date; and (ii) the date on which the Monitoring Agent request in writing to the then current Noteholders to appoint the Committee member(s) in accordance with these Rules (the "First Appointment Deadline"):

(a) the initial Notes Subscribers of the Senior Notes may appoint 1 member of the Committee, provided that if the Senior Notes (other than those subject to retention requirements pursuant to the Securitisation Regulations) are transferred in whole or in part by the initial Notes Subscribers and/or any other company of the banking group to which the Seller belongs to a third party both prior or following the appointment of the relevant member, for the appointment and/or replacement of such member Article 2.1(a) shall apply;

(b) each Mezzanine Noteholder or group of Mezzanine Noteholders holding in the aggregate the Minimum Holding in the Mezzanine Notes may appoint 1 member of the Committee;

(c) each Junior Noteholder or group of Junior Noteholders holding in the aggregate the Minimum Holding in the Junior Notes may appoint 1 member of the Committee.

3. The appointment of each member to be sent to the Monitoring Agent, the Issuer and the Representative of the Noteholders shall (i) be accompanied by 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, confirming the amount of the Senior Notes, the Mezzanine Notes or the Junior Notes (as the case may be) held by that entity, (ii) contain the details of the appointed member(s) together with a copy of the relevant identity card or passport and any other appropriate and necessary information for the performance of its duties within the Committee (including any relevant contact details), (iii) be signed by the appointed member authorizing the publication of the information provided in the appointment.

The Monitoring Agent shall:

(a) declare the appointment, pursuant to the provisions of this Rules and without any discretion thereon, of the members in accordance with this Article 2; and

(b) give confirmation to the Relevant Noteholders, the Representative of the Noteholders and the Issuer of the members of the Committee appointed within 7 Business Days from the First Appointment

Deadline by publishing the relevant appointments on a specific section, password protected, of the website of the Monitoring Agent.

Should the appointment of Banca Finanziaria Internazionale S.p.A. as Monitoring Agent be terminated, it should notify each member of the Committee, the Servicer, the Relevant Noteholders, the Representative of the Noteholders and the Issuer of such termination and arrange the migration of all information published so far pursuant to the present Rules to the password-protected website of the successor monitoring agent.

It is understood that, neither to the purpose of having a Minimum Holding nor to any other purpose under these Rules, any holding in a Class of Notes can be summed up to any holding in another Class of Notes.

3. Requirements and personal details of each member

Each member of the Committee may be either a natural or legal person, including without limitation, and in any case without prejudice to the following paragraphs, any natural or legal person acting as legal representative and/or managing member to any Noteholder.

Each member of the Committee (other than any member appointed by the Seller and/or any other company of the banking group to which the Seller belongs, which in any case will be subject to the provisions of Article 13 below) shall be "independent" from the Servicer and the Monitoring Agent.

For the purpose of this Article 3, "independent" shall mean that, at any time, the relevant individual is not and has not been an employee, director, auditor, consultant, affiliate of the Servicer or any of their affiliates during the previous five-year period.

Terms of the appointment, remuneration

4. Terms of the appointment

Each member of the Committee shall remain in office for 1 year from the relevant appointment and such appointment will be deemed automatically renewed, unless terminated in accordance with the paragraphs below.

5. Revocation, termination and other natural events

1. Any Relevant Noteholder or group of Relevant Noteholders who has become the owner of the relevant Minimum Holding may proceed to:

(i) propose the appointment of the members of the Committee, which it has the right to appoint, in such a case the Monitoring Agent shall terminate the member of the Committee being currently appointed by the Relevant Noteholder having the lower holding in the Relevant Notes, or

(ii) replace the member appointed by it pursuant to Article 2 (*Appointment of the initial members*) or this Article.

In such cases, Article 2.2 shall apply to the extent applicable.

Any Relevant Noteholder who has sold the Minimum Holding shall notify the Monitoring Agent of such sale.

2. In addition, each appointed member of the Committee shall be deemed revoked when the entity who has appointed it communicates in writing to (i) the Monitoring Agent; (ii) the member of the committee who intends to revoke; and (iii) the other members of the Committee, its intention of revoking such member and replacing him/her with a new member of the Committee, providing all the information indicated in Article 2.3 including the date on which such revocation and the new appointment will be in force.

3. The appointment of a new member of the Committee shall be accompanied by evidence of the Minimum Holding (or holding pursuant to Article 2.1) at such date by the Relevant Noteholder through

the certificate issued 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, provided that the correct outstanding amount of the Relevant Notes at any date (if necessary) may be certified in writing by the Calculation Agent to the Monitoring Agent upon request of this latter.

4. The Monitoring Agent shall promptly notify the Servicer, the Representative of the Noteholders and the Issuer of the appointment of any successor member of the Committee and give publication of any termination of appointment and new appointment on a specific section, password protected, of the website of the Monitoring Agent.

6. Termination and other natural events

In case of death of one of the members of the Committee, or if the same (member) has submitted a letter of resignation from office, the person who has appointed such member shall appoint a new entity as a member of the Committee within 10 Business Days from the occurrence of such event.

7. Remuneration of the members of the Committee

It is understood that the remuneration of each member shall be borne by the Issuer.

Duties and functions of the Committee

8. Duties of the Committee

1. The Monitoring Agent, whenever it deems appropriate or whenever it would want to receive instructions from the Committee on the matters on which the Monitoring Agent is requested to express an opinion or to give its consent under the Transaction Documents, may request the Committee to resolve on the matters on which the Monitoring Agent is requested to express an opinion or to give its consent under the Transaction Documents. Without prejudice to the foregoing, the Monitoring Agent shall have to call for a resolution of the Committee (and the Committee shall be under the exclusive power to resolve) on the following matters:

(1) imposing additional restrictions and thresholds pursuant to clause 3.3, paragraph (d), of the Servicing Agreement, provided that any amendment to the Delegated Powers shall be treated as a Reserved Matter (but without prejudice to Annex 1 of the present Rules of the Organisation of the Committee);

(2) authorization for the revocation of an Agent (such term as defined in the Conditions) appointed by the Issuer and its replacement with another party;

(3) authorization for changes to the fees of the Agents of the Issuer (whether already appointed as of the Issue Date or newly appointed after the Issue Date) provided that any increase for an amount higher than 10% shall be treated as a Reserved Matter;

(4) termination of the Servicer upon the occurrence of 2 (two) consecutive First Level Underperformance Events after 24 months from the date of execution of the Amendment Agreement to the Servicing Agreement in accordance with the Servicing Agreement;

(5) authorization of the realisation by the Servicer of settlements and extended payment schedules which falls outside the Delegated Powers provided under Clause 3.3, paragraph (b) of the Servicing Agreement in accordance with the majority provided by these Rules of the Organization of the Committee;

(6) authorization for the sale of the Receivables provided under clause 3.17 (Sale of the Receivables) and Schedule I(v)(b) of the Servicing Agreement in accordance with the terms and conditions provided thereunder and in accordance with the majority provided by these Rules of Organization of the Committee;

(7) to approve excess/additional costs and expenses if any of the Recovery Expenses referred to in letter (a) of the definition of "Recovery Expenses Related to the Debt Relationship" or the Recovery Expenses referred to in letters (b) to (e) of the definition of "Recovery Expenses related to the Debt Relationship", has reached, with reference to one specific calendar year period, the relevant Expected Annual Maximum Amount (as eventually increased in accordance with the Servicing Agreement), *provided that* in the event of deviation from the relevant Expected Annual Maximum Amount higher than (i) 5% upon occurrence of a Second Level Underperformance Event and (ii) 30% (whether under any Underperformance Event or not), such matter shall be treated as a "Reserved Matter";

(8) to approve excess/additional Debt Collectors Fees in case the relevant Debt Collector Fees Maximum Amount (as eventually increased in accordance with the Servicing Agreement) has been reached, *provided that* in the event of deviation from the relevant Debt Collector Fees Maximum Amount higher than (i) 7% upon occurrence of a Second Level Underperformance Event and (ii) 20% (whether under any Underperformance Event or not), such matter shall be treated as a "Reserved Matter";

(9) approval of the Investment Guidelines and investments by the Issuer in Eligible Investments (these terms as defined in the Conditions);

(10) to approve the Updated Portfolio Base Case Scenario proposed by the Servicer;

(11) to request to access the documents and information relating to the Receivables (also through direct access to the electronic platform usually used by the Servicer) pursuant to clause 3.12 (*Access to Documents*) of the Servicing Agreement and provide indications to that effect;

(12) to give instructions to provide the Servicer with a list of parties identified by the Committee, to send the Quarterly Servicing Report, the Semi-Annual Servicing Report, the Loan by Loan Information and the Initial Portfolio Base Case Scenario;

(13) upon termination of the Servicer, to select and approve, on the basis of the list submitted by the Monitoring Agent, a list of perspective Successor Servicers to be proposed to the Meeting of the Noteholders for the approval;

(14) resolution on, or approval of, any proposal by the Issuer for the appointment of a substitute Agent provided that such matter shall be treated as a Reserved Matter;

(15) to approve any amendment to the Delegated Powers provided that such matter shall be treated as Reserved Matter (but without prejudice to Annex 1 of these Rules of Organization of the Committee); and

(16) to approve the activation of the contractual remedies provided under the Subsequent Warranty and Indemnity Agreement in accordance with clause 3.18, paragraph (a)(ix)(II) of the Servicing Agreement, provided that such matter shall be treated as a Reserved Matter;

(17) to approve any other matter in respect of which the Transaction Documents provided that the Monitoring Agent shall act upon instructions by the Committee;

it being agreed that the Monitoring Agent, following the call of the Committee (in cases of both optional call and mandatory call), is under a duty to follow and implement all matters resolved upon by the Committee.

2. It remains understood that the Monitoring Agent shall submit to the Committee a proposal relating to the matters listed above always representing the best solution to be formulated in order to allow the members of the Committee to cast their vote in favour or against the relevant proposal.

3. In addition, the Monitoring Agent may request at its discretion, depending on the nature of the matter proposed, to the Committee to resolve on the matters proposed in accordance with Articles 9 and 10, provided that the Monitoring Agent shall always act in order to reduce the costs connected to the resolutions passed by the Committee.

9. Written Resolutions

1. Each member of the Committee will be able to cast its vote in relation to the matters submitted to the Committee by the Monitoring Agent:

(i) within (a) five (5) Business Days of receipt of the relevant request of written resolution by the Monitoring Agent containing all the information related to the matters for which a written resolution of the Committee is required or (b) in case of urgent matters, the shorter time (in any case not lower than two (2) Business Days) indicated by the Monitoring Agent (the "**First Written Resolution Request Deadline**");

(ii) within (a) three (3) Business Days of receipt of the New Request of Written Resolution (as defined in Article 14 below) pursuant to Article 14, as the case may be or (b) in case of urgent matters, the shorter time (in any case not lower than one (1) Business Day) indicated by the Monitoring Agent.

2. The Monitoring Agent shall provide to the members of the Committee all the information deemed important and relevant to the subject of the written resolution by sending the relevant request of written resolution or the New Request of Written Resolution, as the case may be, by e-mail to the addresses indicated in writing upon appointment of the relevant member of the Committee. Such notices shall be sent by the Monitoring Agent also to the Representative of the Noteholders and the Issuer.

3. With respect to the information received by the Monitoring Agent, each member of the Committee has the right to request clarifications without impact on the elapsing of the period referred to in paragraph 1 above.

4. The Monitoring Agent shall publish on a specific section, password protected, of the website of the Monitoring Agent, the result of any written resolution undertaken pursuant to this Article 9.

10. Convening of the Committee

1. Where the nature of the subject matter of the resolution of the Committee is likely to be considered appropriate to be resolved by convening the Committee, the Monitoring Agent shall send to each member of the Committee, by e-mail or by fax at the addresses indicated in the proposal of the appointment of the relevant member of the Committee, a prior written notice of at least the timing indicated under Article 9.1(i) or 9.1(ii) as the case may be, convening each member of the Committee at the place and time expressly specified in the notice itself.

The Committee may be convened by the Monitoring Agent also in the following circumstances:

(i) at written request of at least one member of the Committee;

(ii) at written request of the Representative of the Noteholders and/or of the Issuer;

(iii) should the Servicer require so pursuant to these Rules;

(iv) in any other situation in which the Transaction Documents provide that the Monitoring Agent has to comply with the Committee's instructions.

3. The written notice shall contain all the information relevant to the subject matter of the resolution and available to the Monitoring Agent and shall be sent also to the Representative of the Noteholders and the Issuer.

11. Meetings of the Committee

1. The meetings of the Committee may be held by audio-conference or video-conference, provided that all participants can be identified and such identification is recorded in the relevant minutes, and the participants may follow and intervene in the discussion of the items in the agenda in real time. In this case, the meeting is deemed to take place where the Monitoring Agent has its office.

2. Minutes shall be made of all resolutions and proceedings at each meeting of the Committee. The Monitoring Agent shall write and 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. The Monitoring Agent shall publish the minute of each meeting on a specific section, password protected, of the website of the Monitoring Agent.

12. Participation to the meetings of the Committee

The Representative of the Noteholders and the Issuer have the right to attend the meetings of the Committee without any decision-making power.

13. Conflicts of Interest

The members of the Committee shall report the presence of any conflicts of interest they may have also as representatives of the Relevant Noteholder.

14. Validity of meetings and resolutions

1. Without prejudice to Article 15 below, in case of resolutions after convening of a meeting of the Committee convened to resolve on matters other than the Reserved Matters and either in case of written resolutions or resolutions after convening of a meeting of the Committee convened to resolve on Resolved Matters:

(a) the Committee shall be duly constituted by the majority of its current members (*provided that* for matters other than the Reserved Matters the member appointed by the Senior Noteholders shall not be counted);

(b) each member of the Committee shall have one vote (without in any case prejudice to what under Article 1, second-last past paragraph);

(c) a resolution is validly passed when the majority (*quorum deliberativo*) of the votes of the members attending the meeting have been cast in favour of it, *provided that*:

(i) any resolution on a Reserved Matter (as defined below) shall be equal to unanimity of the voters (without prejudice to paragraph 2 below);

(ii) upon the occurrence of a Trigger Event, any Reserved Matter as well as any decision set forth under Article 8 above shall be taken only by the member appointed by Senior Noteholders.

For avoidance of doubts the quorums set out above do not apply in case the Committee consists of 1 member only in accordance with Article 1(b).

2. As to the Reserved Matters, in case of lack or absence of the member appointed by the Senior Noteholders, the Special Procedure shall apply to the Meeting of the Senior Noteholders pursuant to Article 17 below (the "**Senior Member Vacancy Procedure**"). Where the Senior Member Vacancy Procedure is applied, the Monitoring Agent shall consider the decision passed by the Meeting of the Senior Noteholders together with the decision passed by the members of the Committee respectively

appointed by the Mezzanine Noteholders and the Junior Noteholders in order to verify whether the relevant Reserved Matter has been passed by the unanimity of the relevant voters.

3. In case of lack of quorum for the constitution of the Committee pursuant to paragraph 1 (a) above, (i) the meeting shall be adjourned to a date which shall be not less than 1 Business Day and no more than 4 Business Days (at the discretion of the Monitoring Agent depending on the urgency of the relevant matter) from the date of the first calling of the relevant meeting (provided that, for the avoidance of doubt, such adjourned meeting shall always be held on a Business Day); or (ii) in case of written resolution, the Monitoring Agent shall send a new request of written resolution (the "**New Request of Written Resolution**") to each member of the Committee, not before than 1 Business Day and no after than 4 Business Days (at the discretion of the Monitoring Agent depending on the urgency of the relevant matter) from the elapsing of the First Written Resolution Request Deadline.

4. It being understood that a meeting may be adjourned only once and any subsequent lack of quorum is counted as a negative vote to the subject proposed by the Monitoring Agent.

5. For the purpose of this Article 14, "**Reserved Matters**" means any of the following:

a) the authorization for (i) the realisation by the Servicer of settlements and extended payment schedules which falls outside the Delegated Powers provided under Clause 3.3, paragraph (b) of the Servicing Agreement and (ii) the sale of the Receivables provided under schedule I(v)(b) of the Servicing Agreement, unless in the circumstances provided under Annex 1 hereto (in which case the decision of the Committee will be adopted with the majority provided under Article 14(c), first paragraph);

b) the authorization to increase the fees of any Agent (either if already appointed on the relevant Issue Date or appointed thereafter) for an amount which is higher than 10% of the fee paid then to such Agent;

c) to approve excess/additional costs and expenses (if any) of the Recovery Expenses referred to in letters (a) to (e) of the definition of "Recovery Expenses related to the Debt Relationship" in the event of deviation from the relevant Expected Annual Maximum Amount higher than (i) 5% upon occurrence of a Second Level Underperformance Event and (ii) 30% (whether under any Underperformance Event or not);

d) without prejudice to Annex 1, any amendment to the Delegated Powers;

e) resolution on, or approval of, any proposal by the Issuer for the appointment of a substitute Agent;

f) to approve the activation of the contractual remedies provided under the Subsequent Warranty and Indemnity Agreement in accordance with clause 3.18, paragraph (a)(ix)(II) of the Servicing Agreement; and

g) any matter different from the above in the event that it may prejudice the rating of the Senior Notes.

15. Effects of the resolutions adopted by the Committee

The resolutions passed by the Committee, whether by written resolution or resolution following the convening of a meeting, are binding on the Monitoring Agent and therefore on the Issuer, the Servicer, the Representative of the Noteholders and all the other parties involved in the Transaction.

16. Removal of the Monitoring Agent

The Monitoring Agent can be removed by the meetings of the Committee at any time, provided that: (i) in such case, the relevant resolution of the Committee is validly passed by a number of members which for the time being represent at least 80% of the total voting rights of the Committee (or, in case the

Committee is composed of one sole member, by the sole member of the Committee); and (ii) the Monitoring Agent receives in writing the reason behind such removal.

17. Special Procedure

In the event of lack or absence of the member representing the Senior Noteholders in the Committee called to resolve on a Reserved Matter, the Monitoring Agent, the Representative of the Noteholders and the Issuer shall act in accordance with the procedure set forth below (the "**Special Procedure**"):

(i) the Monitoring Agent shall send, upon consultation with the members of the Committee appointed by the Mezzanine Noteholders and the Junior Noteholders, a notice to the Issuer and the Representative of the Noteholders communicating the Committee's intention to determine and decide on a specific Reserved Matter and the proposal of the members of the Committee appointed by the Mezzanine Noteholders and the Junior Noteholders;

(ii) the Representative of the Noteholders, within 1 Business Day from the receipt of such notice from the Monitoring Agent, shall inform the Senior Noteholders of the proposal that the members of the Committee appointed by the Mezzanine Noteholders and the Junior Noteholders are intended to make with respect to such specific matter giving them a period of 10 Business Days (which may be reduced to 5 Business Days if the Monitoring Agent receives evidence of the urgency of the relevant matter) (the "**Evaluation Period**"), to evaluate the possibility to convene a Meeting in order to decide on the same matter and instruct the Issuer to proceed accordingly;

(iii) the Issuer, pending the Evaluation Period, shall not implement the decision notified by the Monitoring Agent and proposed by the members of the Committee appointed by the Mezzanine Noteholders and the Junior Noteholders;

(iv) upon expiry of the Evaluation Period, in case the Issuer: (a) has not received any notice by the Representative of the Noteholders, it will implement the decision notified by the Monitoring Agent and proposed by the members of the Committee appointed by the Mezzanine Noteholders and the Junior Noteholders and act accordingly; or (b) has been notified by the Representative of the Noteholders of the intention of the Senior Noteholders to convene a Meeting on the relevant Reserved Matter submitted to their assessment, it will wait for the relevant resolution – to be assumed by the Meeting not later than 15 Business Days from the receipt by the Issuer of the relevant notice (or within 10 Business Days if the Representative of the Noteholders receives evidence of the urgency of the relevant matter) – and then it shall consider, in accordance with Article 14 paragraph 2 above, the decision passed by the Meeting of the Senior Noteholders together with the decision passed by the members of the Committee respectively appointed by the Mezzanine Noteholders and the Junior Noteholders in order to verify whether the relevant Reserved Matter has been passed by the unanimity of the relevant voters.

Miscellanea

18. Confidentiality obligations

1. Each Relevant Noteholder is committed to make the relevant member of the Committee to undertake in writing, upon appointment, (i) confidentiality obligations in relation to all the information, documents and records received or known in connection with its appointment as a member of the Committee and (ii) to refrain from disclosing to third party any such information (unless required to do so by law or the relevant information is disclosed to any parent and/or subsidiary and/or affiliate and/or lender provided that the relevant recipient is under a confidentiality obligation substantially in line with the terms of this clause) nor using them for purposes not consistent with the activity of the Committee.

19. Amendments to these Rules – technical errors

1. Any amendment to these Rules shall be agreed by, and transacted at, a separate Meetings of the Mezzanine Noteholders and the Junior Noteholders in accordance with the Rules of the Organisation of the Noteholders and shall be subject to the prior written notice to the Representative of the Noteholders, the Monitoring Agent and (to the extent that there are Rated Notes outstanding) the Rating Agencies.

2. The Monitoring Agent may agree (in the name and on behalf of the Noteholders) amendments or modifications to these Rules which in the sole and absolute opinion of the Monitoring Agent it is expedient to make or is to correct a manifest error or is of a formal, minor or technical nature.

3. The Monitoring Agent shall publish any such amendment on a specific section, password protected, of the website of the Monitoring Agent to be effective towards the Noteholders.

20. Notices

1. Any communications hereunder to the Monitoring Agent and any other party to the Transaction shall be in English and shall be sent to the addresses and/or facsimile numbers indicated in the Intercreditor Agreement, as amended and supplemented from time to time.

2. Any communications hereunder to a member of the Committee shall be sent to the addresses and/or facsimile numbers indicated in the relevant proposal of appointment.

21. Dispute Resolutions

Any disputes arising out of or in connection with the application and/or interpretation of these Rules shall be notified by the Monitoring Agent to the Representative of the Noteholders, who will act on the basis of the instructions received by an Extraordinary Resolution of the Senior Noteholders, the Mezzanine Noteholders and the Junior Noteholders.

ANNEX 1 TO THE RULES OF THE ORGANISATION OF THE COMMITTEE

The authorization for:

(i) the realisation by the Servicer of settlements and extended payment schedules which falls outside the Delegated Powers provided under Clause 3.3, paragraph (b) of the Servicing Agreement; and/or

(ii) the sale of the Receivables provided under schedule I, paragraph (v)(b) of the Servicing Agreement

(collectively, "the "**Servicing Negotiations subject to Committee Approval**"),

shall not be treated as "Reserved Matter" in the following circumstances:

(a) if the lower of (i) the Cumulative Collection Ratio as at the previous Payment Date; and (ii) the PV Cumulative Profitability Ratio as at the previous Payment Date is equal to or higher than 90% (included), the entering into of Servicing Negotiations subject to Committee Approval shall not be considered as a Reserved Matter to the extent they refer to Debt Relationships for an aggregate amount for each Collection Period, in terms of Total Claim Amount, no higher than 4% of the Total Claim Amount of the Portfolio as at the immediately preceding Calculation Date;

(b) if the lower of (i) the Cumulative Collection Ratio as at the previous Payment Date; and (ii) the PV Cumulative Profitability Ratio as at the previous Payment Date is between 90% (excluded) and 85% (included), the entering into of Servicing Negotiations subject to Committee Approval shall not be considered as a Reserved Matter to the extent they refer to Debt Relationships for an aggregate amount for each Collection Period, in terms of Total Claim Amount, no higher than 3% of the Total Claim Amount of the Portfolio as at the immediately preceding Calculation Date;

(c) if the lower of (i) the Cumulative Collection Ratio as at the previous Payment Date; and (ii) the PV Cumulative Profitability Ratio as at the previous Payment Date is between 85% (excluded) and 80% (included), the entering into of Servicing Negotiations subject to Committee Approval shall not be considered as a Reserved Matter to the extent they are in relation to Debt Relationships for an aggregate amount for each Collection Period, in terms of Total Claim Amount, no higher than 2% of the Total Claim Amount of the Portfolio as at the immediately preceding Calculation Date.

In addition to the above, in case the Servicer gives evidence to the Monitoring Agent that the lower of:

(1) the percentage ratio between: (a) the cumulative Gross Collections from the Subsequent Economic Effective Date up to the date of the relevant Servicing Negotiation subject to Committee Approval (increased of the Gross Collections that would derive from the relevant transaction); and (b) the aggregate Gross Expected Collections from the Subsequent Economic Effective Date up to the date of the relevant Servicing Negotiations subject to Committee Approval increased of the Gross Expected Collections that would derive from the relevant transaction; and

(2) the percentage ratio, calculated at the date of the relevant Servicing Negotiation subject to Committee Approval, between: (a) the sum of the Present Value of the Gross Collections from the Subsequent Economic Effective Date up to the date of the relevant transaction, of all Debt Relationships which are Exhausted Debt Relationship (increased of the Present Value of the Gross Collections of the Debt Relationship object of the relevant transaction from the Subsequent Economic Effective Date up to the date of the relevant transaction, including those that would derive from the relevant transaction, and (b) the sum of the Target Price of all Debt Relationships which are Exhausted Debt Relationship (increased of the Target Price the Debt Relationship object of the relevant transaction,

is higher than 85%, then the approval of the relevant Servicing Negotiation subject to Committee Approval shall not in any case be treated as a Reserved Matter and therefore the decision of the Committee will be adopted with the majority provided under Article 14(c), first paragraph.

TAXATION IN THE REPUBLIC OF ITALY

The following is a general description of current Italian law and practice relating to certain Italian tax considerations concerning the purchase, ownership and disposition of the Rated Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to your decision to purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of the Notes, some of which may be subject to special rules. The following description does not discuss the treatment of the Notes that are held in connection with a permanent establishment or fixed base through which a non-Italian resident beneficial owner carries on business or performs professional services in Italy.

This description is based upon tax laws and practice of Italy in effect on the date of this Prospectus which are however subject to a potential retroactive change. Prospective noteholders should consult their tax advisers as to the consequences under Italian tax law, under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws.

Prospective noteholders should in any event seek their own professional advice regarding the Italian or other jurisdictions' tax consequences of the subscription, purchase, ownership and disposition of the Notes, including the effect of Italian or other jurisdictions' tax rules on residence of individuals and entities.

1. INCOME TAX

Under the current legislation, pursuant to the combined provision of Article 6, paragraph 1, of the Securitisation Law, Articles 1 and 2 of Legislative Decree No. 239 of 1 April 1996, as amended and restated ("**Law 239**") and Law Decree No. 66 of 24 April 2014 converted into Law No. 89 of 23 June 2014 ("**Decree 66/2014**"), payments of interest and other proceeds in respect of the Rated Notes:

(i) will be subject to *imposta sostitutiva* at the rate of 26 per cent. in the Republic of Italy levied as final tax if made to beneficial owners who are: (i) individuals resident in the Republic of Italy for tax purposes; (ii) Italian resident non-commercial partnerships; (iii) Italian resident public and private entities, other than companies, not carrying out commercial activities as their exclusive or principal purpose (including the Italian State and public entities); and (iv) Italian resident entities exempt from corporate income tax.

Payments of interest and other proceeds in respect of the Rated Notes will not be included in the general taxable base of the above mentioned individuals, partnerships and entities.

The *imposta sostitutiva* will be levied by the Italian resident qualified financial intermediaries that will intervene, in any way, in the collection of interest and other proceeds on the Rated Notes or in the transfer of the Rated Notes;

(ii) will be subject to *imposta sostitutiva* at the rate of 26 per cent. in the Republic of Italy levied as provisional tax if made to beneficial owners who are: (i) individuals resident in the Republic of Italy for tax purposes; (ii) Italian resident non-commercial partnerships; and (iii) Italian resident public and private entities, other than companies; any of them engaged in an entrepreneurial activity – to the extent permitted by law – to which the Rated Notes are connected;

(iii) will not be subject to the *imposta sostitutiva* if made to beneficial owners who are: (i) Italian resident corporations, commercial partnerships or permanent establishments in Italy of non-resident corporations to which the Rated Notes are effectively connected; (ii) Italian resident collective investment funds, SICAVs, Italian resident pension funds referred to in Legislative Decree No. 124

of 21 April 1993, as further superseded by Legislative Decree 5 December 2005, No. 252 and Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of February 24, 1998 and Article 14-*bis* of law No. 86 of January 25, 1994; (iii) Italian resident individuals who have entrusted the management of their financial assets, including the Rated Notes, to an Italian authorised financial intermediary and have opted for the so-called "*risparmio gestito regime*" according to Article 7 of Legislative Decree No. 461 of 21 November 1997 - the "Asset Management Option" and (iv), non-Italian resident with no permanent establishment in Italy to which Rated Notes are effectively connected, provided that:

(a) they are (i) resident of a country which allows an adequate exchange of information with Italy, which are those countries listed in the Ministerial Decree of 4 September 1996 (pursuant to Article 1-*bis* of such Ministerial Decree, the Ministry of Economy and Finance holds the right to test the actual compliance of each country included in the list with exchange of information obligation and, in case of reiterated violations, to remove from the list the uncooperative countries), as amended from time to time, or, in the case of qualifying institutional investors not subject to tax, they are established in such a country, (ii) supranational entities set up in accordance with an international treaty executed by Italy, or (iii) central banks of foreign countries, or other entities also managing the official reserves of such countries; and

(b) the Rated Notes are deposited directly or indirectly: (i) with a bank or an Italian securities dealing firm ("**SIM**") resident in Italy; (ii) with the Italian permanent establishment of a non-resident bank or brokerage company which is electronically connected with the Italian Ministry of Economy and Finance; or (iii) with a non-resident entity or company which has an account with a centralised clearance and settlement system which has a direct relationship with the Italian Ministry of Economy and Finance; and

(c) as for recipients characterizing under category (a)(i) above, the banks or brokers mentioned in (b) above receive a self-declaration from the beneficial owner of the interest which states that the beneficial owner is a resident of that country. The self-declaration must be in conformity with the model approved by the Ministry of Economy and Finance (approved with Decree of the Ministry of Economy and Finance 12 December 2001, published on the Ordinary Supplement No. 287 to the Official Journal No. 301 of 29 December 2001) and its further amendments and is valid until revoked by the investor. A self-statement does not have to be filed if an equivalent self-declaration (including Form 116/IMP) has already been submitted to the same intermediary for the same or different purposes; in the case of institutional investors not subject to tax, the institutional investor shall be regarded as the beneficial owner and the relevant self-declaration shall be produced by the management company; and

(d) the banks or brokers mentioned in (b) and (c) above receive all necessary information to identify the non-resident beneficial owner of the deposited Rated Notes and all necessary information in order to determine the amount of interest that such beneficial owner is entitled to receive.

Non-resident holders are subject to the 26 per cent. tax (*imposta sostitutiva*) on interest and other proceeds on the Rated Notes if any or all of the above conditions (a), (b), (c) and (d) are not satisfied. In this case, *imposta sostitutiva* may be reduced under double taxation treaties, where applicable.

Italian resident individuals holding Rated Notes not in connection with an entrepreneurial activity who have opted for the Asset Management Option are subject to an annual substitute tax levied at the rate of 26 per cent. (the "**Asset Management Tax**") on the increase in value of the managed assets accrued at the end of each tax year (which increase would include interest and other proceeds accrued on the Rated

Notes). The Asset Management Tax is applied on behalf of the taxpayer by the managing authorised intermediary.

Interest and other proceeds accrued on the Rated Notes held by Italian resident corporations, commercial partnerships, individual entrepreneurs as well as Italian resident public and private entities, other than companies, holding Rated Notes in connection with entrepreneurial activities or permanent establishments in Italy of non-resident corporations to which the Rated Notes are effectively connected, are included in the taxable base for the purposes of: (i) corporate income tax (*imposta sul reddito delle società*, "IRES"); or (ii) individual income tax (*imposta sul reddito delle persone fisiche*, "**IRPEF**") plus local surtaxes, if applicable; under certain circumstances, such interest is included in the taxable basis of the regional tax on productive activities (*imposta regionale sulle attività produttive*, "**IRAP**").

If the investor is resident in Italy and is an open-ended or closed-ended investment fund, a SICAF ("*Società di investimento a capitale fisso*") or a SICAV ("*Società di investimento a capitale variabile*") established in Italy and either (i) the fund, the SICAF or the SICAV or (ii) their manager is subject to the supervision of a regulatory authority (the "**Fund**"), and the relevant Rated Notes are held by an authorised intermediary, interest accrued during the holding period on the Rated Notes will not be subject to *imposta sostitutiva*, but must be included in the management results of the Fund.

Italian resident pension funds are subject to a 20 per cent annual substitute tax (the "**Pension Fund Tax**") on the increase in value of the managed assets accrued at the end of each tax year.

Any positive difference between the nominal redeemable amount of the Rated Notes and their issue price is deemed to be interest for capital income (*redditi di capitale*) tax purposes. In general terms, income from capital is treated as a separate classification of tax liability only for tax-payers who are not engaged in entrepreneurial activities.

2. CAPITAL GAINS

Any capital gain earned upon the sale for consideration or redemption of Rated Notes would be treated for the purpose of corporate income tax and of individual income tax as part of the taxable business income of the holders of the Rated Notes (and, in certain cases, depending on the status of the holders of the Rated Notes, may also be included in the taxable basis of IRAP), and therefore subject to tax in Italy according to the relevant tax provisions, if derived by the holders of the Rated Notes who are:

(a) Italian resident corporations;

(b) Italian resident commercial partnerships;

(c) permanent establishments in Italy of foreign corporations to which the Rated Notes are effectively connected; or

(d) Italian resident individuals carrying out a commercial activity, as to any capital gains earned within the scope of their commercial activity.

Pursuant to Legislative Decree No. 461 of 21 November 1997, any capital gain earned by Italian resident individuals holding the Rated Notes not in connection with an entrepreneurial activity and by certain other persons upon the sale for consideration or redemption of the Rated Notes would be subject to an *imposta sostitutiva* at the rate of 26 per cent. Under the tax declaration regime, which is the standard regime for taxation of capital gains earned by Italian resident individuals not engaged in an entrepreneurial activity, *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, earned by Italian resident individual noteholders holding Rated Notes not in connection with an entrepreneurial activity pursuant to all disposals on Rated Notes carried out during any given fiscal year. These individuals must report the overall capital gains earned in any tax year, net of any relevant incurred capital loss, in the annual tax declaration to be filed with the Italian tax authority for such year and pay *imposta sostitutiva* on such gains together with any balance

income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains earned in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Italian resident individual noteholders holding the Rated Notes not in connection with an entrepreneurial activity may elect to pay *imposta sostitutiva* separately on the capital gains earned upon each sale or redemption of the Rated Notes (the "***Risparmio Amministrato***" regime). Such separate taxation of capital gains is permitted subject to: (i) the Rated Notes being deposited with Italian banks, società di intermediazione mobiliare (SIM) or certain authorised financial intermediaries; and (ii) an express election for the *Risparmio Amministrato* regime being timely made in writing by the relevant noteholder. The financial intermediary, on the basis of the information provided by the taxpayer, accounts for *imposta sostitutiva* in respect of capital gains earned on each sale or redemption of the Rated Notes, net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authority on behalf of the taxpayer, deducting a corresponding amount from proceeds to be credited to the noteholder. Under the *Risparmio Amministrato* regime, where a sale or redemption of the Rated Notes results in a capital loss, such loss may be deducted from capital gains subsequently earned in the same tax year or in the following tax years up to the fourth. Under the *Risparmio Amministrato* regime, the noteholder is not required to report capital gains in its annual tax declaration.

Any capital gains earned by Italian resident individuals holding the Rated Notes not in connection with an entrepreneurial activity who have elected for the Asset Management Option will be included in the calculation of the annual increase in net value of the managed assets accrued, even if not earned, at year end, subject to the Asset Management Tax to be applied on behalf of the taxpayer by the managing authorised intermediary. Under the Asset Management Option, any depreciation of the managed assets accrued at year end may be carried forward against an increase in the net value of the managed assets accrued in any of the four succeeding tax years. Under the Asset Management Option, the noteholder is not required to report capital gains earned in its annual tax declaration.

Any capital gains earned by a holder of the Rated Notes which is a Fund (as defined above) will be included in the results of the relevant portfolio accrued at the end of the tax period.

Any capital gains earned by the holders of the Rated Notes who are Italian resident pension funds will be included in the calculation of the taxable basis of Pension Fund Tax.

The 26 per cent. *imposta sostitutiva* may in certain circumstances be payable on capital gains earned upon sale for consideration or redemption of the Rated Notes by non-Italian resident persons or entities without a permanent establishment in Italy to which the Rated Notes are effectively connected, if the Rated Notes are held in Italy.

However, pursuant to Article 23 of Presidential Decree of 22 December 1986, No. 917, any capital gains earned, by non-Italian residents without a permanent establishment in Italy to which the Rated Notes are effectively connected, through the sale for consideration or redemption of the Rated Notes are exempt from taxation in Italy to the extent that the Rated Notes are listed on a regulated market in Italy or abroad and in certain cases subject to filing of required documentation, even if the Rated Notes are held in Italy. The exemption applies provided that the non-Italian beneficial owner of the Rated Notes promptly files with the authorized financial intermediary an appropriate affidavit (*autodichiarazione*) stating that the investor is not resident in Italy for tax purposes.

In case the Rated Notes are not listed on a regulated market in Italy or abroad:

(1) non-Italian resident beneficial owners of the Rated Notes with no permanent establishment in Italy to which the Rated Notes are effectively connected are exempt from *imposta sostitutiva* in the Republic of Italy on any capital gains earned upon sale for consideration or redemption of the Rated Notes if they are resident, for tax purposes, in a country which allows an adequate exchange of information with Italy, which are those countries listed in the Ministerial Decree of 4 September 1996 (pursuant to Article 1-*bis* of such Ministerial Decree, the Ministry of Economy and Finance

holds the right to test the actual compliance of each country included in the list with exchange of information obligation and, in case of reiterated violations, to remove from the list the uncooperative countries), as amended from time to time, or, in the case of qualifying institutional investors not subject to tax, they are established in such a country (see Article 5, paragraph 5, letter a) of Italian Legislative Decree No. 461 of 21 November 1997); in this case, if non Italian residents without a permanent establishment in Italy to which the Rated Notes are effectively connected have opted for the *Risparmio Amministrato* regime or the Asset Management Option, exemption from Italian capital gains tax will apply upon condition that they file in due course with the authorised financial intermediary an appropriate self-declaration (*autocertificazione*) stating that they meet the requirements indicated above; and

(2) in any event, non-Italian resident persons or entities without a permanent establishment in Italy to which the Rated Notes are effectively connected that may benefit from a double taxation treaty with the Republic of Italy, providing that capital gains earned upon the sale or redemption of the Rated Notes are to be taxed only in the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in the Republic of Italy on any capital gains earned upon sale for consideration or redemption of the Rated Notes; in this case, if non Italian residents without a permanent establishment in Italy to which the Rated Notes are effectively connected have opted for the *Risparmio Amministrato* regime or the Asset Management Option, exemption from Italian capital gains tax will apply upon the condition that they file in due course with the authorised financial intermediary appropriate documents which include, *inter alia*, a statement issued by the competent tax authorities of the country of residence of the non-Italian residents.

3. ANTI - ABUSE PROVISIONS AND GENERAL ABUSE OF LAW DOCTRINE

With Legislative Decree 5 August 2015, No. 128, the Italian Government introduced a new definition of "abuse of law or tax avoidance" ("*abuso del diritto o elusione fiscale*") that replaces all definitions and doctrines previously developed by the Italian tax authorities and endorsed by case law. Under the new definition, abuse of law occurs when one or more transactions, formally compliant with tax law, instead are lacking economic substance and are essentially aimed at obtaining undue tax advantages. There is no abuse of law when a transaction is justified by sound and material non-tax reasons, including managerial and organizational ones, aimed at improving the structure or the functionality of the business. Consequently, it is not possible to exclude, if the parties involved are not able to demonstrate that this securitisation transaction has been implemented not essentially for the purpose of obtaining a tax saving or reduction and that there are alternative or concurring financial motivation that are not of a merely marginal or theoretical character, that the tax regime of the securitisation as herein outlined is disallowed by the Italian Tax Authority, thereby possibly causing, amongst other, the recharacterisation of the Notes as shares-like securities or in any case securities not having the legal nature of a bond.

4. INHERITANCE AND GIFT TAXES

Italian inheritance and gift taxes were first abolished by Law No. 383 of 18 October, 2001 in respect of gifts made or succession proceedings started after 25 October, 2001 and then reintroduced by Law Decree No. 262 of 3 October 2006, converted with amendments into Law No. 286 of 24 November 2006, entered into force on 29 November 2006 and further modified by Law No. 296 of 27 December 2006, effective as of 1 January 2007.

Further to the above amendments to the legislation in force, the transfer by inheritance of the Notes is currently subject to inheritance tax at the following rates:

(i) when the beneficiary is the spouse or a relative in direct lineage, the value of the Notes transferred to each beneficiary exceeding Euro 1,000,000 is subject to a 4 per cent. rate;

(ii) when the beneficiary is a brother or sister, the value of the Notes exceeding Euro 100,000 for each beneficiary is subject to a 6 per cent. rate;

(iii) when the beneficiary is a relative within the fourth degree or is a relative-in-law in direct and collateral lineage within the third degree, the value of the Notes transferred to each beneficiary is subject to a 6 per cent. rate;

(iv) in any other case, the value of the Notes transferred to each beneficiary is subject to an 8 per cent. rate.

The transfer of the Notes by donation is subject to gift tax at the same rates as in case of inheritance.

5. TAX MONITORING

Pursuant to Law Decree No. 167 of 28 June, 1990, converted by Law No. 227 of 4 August, 1990, as amended, individuals resident in Italy who, during the fiscal year, hold investments abroad or have financial activities abroad must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return). This obligation is also provided for those individuals who are not direct holders ("*possessori diretti*") of foreign investments or foreign financial activities but who are the beneficial owners ("*titolari effettivi*") of such investments or financial activities.

6. STAMP DUTY

Article 13, paragraph 2-*ter*, of the First Part of the Tariff attached to Presidential Decree No. 642 of 26 October 1972 ("**Stamp Duty Law**"), as amended by Law Decree No. 201 of 6 December 2011, converted into Law No. 214 of 22 December 2011, and by Law No. 147 of 27 December 2013 introduced a stamp duty on the value of the financial products and/or financial instruments included in the statement sent to the clients as of 1 January 2012 ("**Statement Duty**"). The Statement Duty is levied at the rate of 0.2 per cent. and cannot exceed € 14,000 for taxpayers different from individuals. According to a literal interpretation of the amended Article 13, the Statement Duty seems to be applicable to the value of the Notes included in any statement sent to the clients, as the Notes are to be characterized for tax purposes as "financial instruments". The relevant taxable basis shall be determined as of the sending of each periodic statement and, therefore, shall be liquidated taking into account the period of the relevant statement.

The statement is deemed to be sent at least once a year, even for instruments for which is not mandatory nor the deposit nor the release nor the drafting of the statement. In case of reporting periods less than 12 months, the stamp duty is payable on a *pro rata* basis.

The Italian Ministerial Decree dated May 24, 2012 stated that the Stamp Duty has to be applied by the financial intermediary which has the relationship with the clients and qualified it as an "*ente gestore*" (managing entity). Such "*ente gestore*", according to the law, is the financial intermediary that has direct or indirect contact with the clients for the purposes of periodical reports relating to the relationship in place and the statement made in any form.

The Issuer seems not to fall within the list of the obligors, as set forth in the Stamp Duty Law, neither in the definition of "*ente gestore*". However, the lack of an interpretation by the Italian tax authority with respect to securitisation transactions and the broad scope of the Statement Duty could lead the Italian tax authority to a different interpretation and may induce the authority to include the Issuer among the obligors.

SUBSCRIPTION, SALE AND SELLING RESTRICTIONS

Under the Initial Notes Subscription Agreement entered into on or prior to the Initial Issue Date among, *inter alios*, (i) JPM and DB in their capacities as Arrangers, (ii) Ifis in its capacity as Seller and Initial Notes Subscriber; and (iii) Banca Finanziaria Internazionale S.p.A. in its capacity as the Representative of the Noteholders; the Initial Notes Subscriber agreed to subscribe and pay for the Series J1 Notes and the other Original Notes. Under the Subsequent Notes Subscription Agreement entered into on or prior to the Subsequent Issue Date among, *inter alios*, (i) JPM in its capacity as Arranger, (ii) Ifis NPL Investing in its capacity as Seller and Subsequent Notes Subscriber; and (iii) Banca Ifis S.p.A. (in its capacity as Arranger and Subsequent Notes Subscriber); and (vi) Banca Finanziaria Internazionale S.p.A. in its capacity as the Representative of the Noteholders; the Subsequent Notes Subscribers agreed to subscribe and pay for the Subsequent Notes.

Each Notes Subscription Agreement is subject to a number of conditions.

In the context of the Subsequent Notes Subscription Agreement, the Seller has declared to has retained form the Initial Issue Date and has agreed to retain on the Subsequent Issue Date and maintain on an ongoing basis a material net economic interest of at least 5% (five per cent.) of the nominal value of each of the Senior Notes, the Mezzanine Notes, the Series J1 Notes and the Series J2 Notes in accordance with paragraph (a) of Article 6(3) of the Securitisation Regulations (or any permitted alternative method thereafter).

Any sale of the Notes shall comply in all material respects with the restrictions below and all applicable laws and regulations in each jurisdiction in or which the Notes may be offered or sold.

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.

Each of the Issuer and each Notes Subscriber has represented and has agreed under the Subscription Agreement that it has 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 its 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 Issuer, each Notes Subscriber, nor their respective Affiliates nor any persons acting respectively on behalf of the Issuer, each Notes Subscriber, or 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, they 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 by the Notes Subscribers, 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.

In no event shall any Notes be sold or transferred to or for the account or benefit of a U.S. person except to a "qualified purchaser" within the meaning of Section 3(c)(7) under the Investment Company Act.

Notwithstanding anything herein to the contrary, in no event shall any Notes be sold, directly or indirectly, to or for the account of a Risk Retention U.S. person (as that term is defined in the U.S. Risk Retention Rule (defined herein)) (a "**Risk Retention U.S. Person**") nor otherwise in a manner intended to evade the requirements of the U.S. Risk Retention Rules. Each purchaser of Notes, including beneficial interests therein will, by its acquisition of a Note or beneficial interest therein, be deemed, and in certain circumstances will be required, to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note; and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules).

Terms used in this paragraph and not otherwise defined herein shall have the meaning given to them by Regulation S under the Securities Act.

REPUBLIC OF ITALY

Each of the Issuer and each Notes Subscriber has acknowledged 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.

Pursuant to the Notes Subscription Agreement, each of the Issuer and each Notes Subscriber has acknowledged 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 each Notes Subscriber has represented and agreed 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, this 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 Italian legislative decree No. 58 of 24 February 1998 (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 No. 11971/1999, and in accordance with the applicable Italian laws and regulations.

In any case the Junior Notes may not be offered to individuals or entities not being professional investors in accordance with the Securitisation Law. Additionally, the Junior Notes may not be offered to any investor qualifying as "*cliente al dettaglio*" pursuant to CONSOB Regulation 20307/2018, as amended and replaced from time to time.

Each of the Issuer and each Notes Subscriber has represented and agreed 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 No. 385 of 1 September 1993, as amended, the Consolidated Financial Act, CONSOB Regulation No.

20307/2018 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 each Notes Subscriber has represented and agreed that this 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 this 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 each Notes Subscriber has also represented and agreed in connection with the initial distribution of the Notes by it that:

(a) there has 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 *offre 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 in compliance with applicable laws and regulations and only to (i) qualified investors (*investisseurs qualifiés*), as defined in, and in accordance with articles 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 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 on the condition that:

  (i) this 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 of the *Code monétaire et financier*).

UNITED KINGDOM

Prohibition of sales to UK Retail Investors

Each of the Issuer and each Notes Subscriber has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus in relation thereto to any retail investor in the United Kingdom. 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 (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; 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 for the Notes.

Other regulatory restrictions

Each of the Issuer and each Notes Subscriber has represented and agreed will be required to represent and agree, that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of 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

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any 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 EEA. 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 (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 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

Pursuant to the Notes Subscription Agreements, the Issuer and the Noteholders (including the Notes Subscribers) shall comply with all applicable laws and regulations in each jurisdiction in or 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.

Persons into whose hands this Prospectus comes are required by the Issuer and the Notes Subscribers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver the Notes or have in their possession, distribute or publish this Prospectus or any other offering material relating to the Notes, in all cases at their own expense.

GENERAL INFORMATION

Listing and admission to trading

Application has been made for the Senior Notes to be admitted to trading on the ExtraMOT PRO of the ExtraMOT Market, which is a multilateral trading system for the purposes of the Market in Financial Instruments Directive 2014/65/EC managed by Borsa Italiana.

No application has been made to list the Mezzanine Notes and the Junior Notes on any stock exchange.

Authorisation

Since the date of its incorporation, the Issuer has not entered into any agreement or effected any transaction other than those related to the purchase of the Receivables or which are instrumentals to the Transaction. The execution by the Issuer of the Transaction Documents (other than the Restructuring Documents) and the issue of the Original Notes were authorised by a resolution of the Board of Directors' of the Issuer which passed on 24 February 2021. The execution by the Issuer of the Restructuring Documents and the issue of the Subsequent Notes were authorised by a resolution of the Board of Directors' of the Issuer which passed on 11 July 2023. The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Funds available to the Issuer

The principal source of funds available to the Issuer for the payment of interest and the repayment of principal on the Notes will be collections made in respect of the Receivables thereunder.

Clearing systems

The Notes have been accepted for clearance through Monte Titoli by Euroclear and Clearstream, Luxembourg. Monte Titoli will act as depository for Euroclear and Clearstream, Luxembourg. The ISIN for the Notes are as follows:

Class	ISIN	Common Code
Class A Notes	IT0005556391	265780709
Class B Notes	IT0005556409	265782990
Series J1 Notes	IT0005439614	-
Series J2 Notes	IT0005556417	265783007

No material adverse change

Save as disclosed in this Prospectus, there has been no material adverse change in the financial position, trading and prospects of the Issuer since the date of its last published audited financial statements.

Litigation

The Issuer is not involved in any legal, governmental or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) which may have or have had, since the date of its incorporation, a significant effect on the financial position of the Issuer.

Post Issuance Reporting

Under the terms of the Cash Administration and Agency Agreement, the Calculation Agent has undertaken to (i) prepare not later than 5 (five) Business Days after each Payment Date (the "**Semi-Annual Investor Report Date**"), and (ii) deliver, via electronic mail, to the Representative of the Noteholders, the Paying Agent, the Rating Agencies, the Reporting Entity, the Servicer, the Seller, the Monitoring Agent, Bloomberg, Intex and the Cap Counterparty an investors report, substantially in the form attached thereto as Schedule 2 (*Form of Semi-Annual Investor Report*) (the "**Semi-Annual Investors Report**") which shall be based on the information provided by the Seller upon Calculation Agent's request and on the data contained in the relevant Semi-Annual Servicing Report, in the relevant Quarterly Servicing Report (as the case may be) and in the relevant Payments Report (including information related to the Replenishment and/or the Reinstatement (if any). Such report will be available for inspection on the following website: https://www.securitisation-services.com/it/ or on such other website as will be notified by the Issuer (or its agent) in accordance with Clause 15 (*Communications*) of the Cash Administration and Agency Agreement.

Borrowings

Save as disclosed in this Prospectus, after the issue of the Subsequent Notes, the Issuer will have no outstanding loan capital, borrowings, indebtedness or contingent liabilities, nor will the Issuer create any mortgages or charges or given any guarantees.

Documents available for inspection

As long as the Notes are outstanding, copies of the following documents in electronic form may be inspected during usual office hours on any weekday at the registered office of the Issuer and of the Representative of the Noteholders, at the Specified Office of the Paying Agent (as set forth in Condition 12 (*Notices*)) and on the Permitted Website, at any time after the Subsequent Issue Date:

a) the by-laws ("*statuto"*) and the deed of incorporation ("*atto costitutivo"*) of the Issuer;

b) the financial statements of the Issuer and the relevant auditors'reports;

c) the Quarterly Servicer's Report, which has a quarterly frequency, setting forth the performance of the Receivables and the Collections made in respect of the Receivables prepared by the Servicer;

d) the Semi-Annual Servicing Report, which has a semi-annual frequency, setting forth the performance of the Receivables and the Collections made in respect of the Receivables prepared by the Servicer;

e) the Loan by Loan Information, which has a quarterly frequency, setting forth also certain information required pursuant to point (a) of the first subparagraph of article 7(1) of the Securitisation Regulations, prepared by the Servicer;

f) the SR Investor Report setting forth certain information with respect to the Portfolio and the Notes (including the information referred to in point (e), items (i), (ii) and (iii) of the first sub-paragraph of article 7(1) of the Securitisation Regulations, prepared by the Calculation Agent; each SR Investor Report will be also made available on each SR Investor Report Date on the Permitted Website. The Calculation Agent's website does not form part of the information provided for the purposes of the Prospectus and disclaimers may be posted with respect to the information posted thereon;

g) the Semi-Annual Investors Report;

h) copies of the following documents:

   i. the Intercreditor Agreement;

ii. the Cash Administration and Agency Agreement;

iii. the Corporate Services Agreement;

iv. the Quotaholders' Agreement;

v. the Transfer Agreements;

vi. the Warranty and Indemnity Agreements;

vii. the Servicing Agreement (as amended by the Amendment Agreement to the Servicing Agreement);

viii. the Back-up Servicing Agreement;

ix. the Stichting Corporate Services Agreement;

x. the Deed of Charge;

xi. the Cap Agreement;

xii. the Repurchase Agreement;

xiii. the General Amendment Agreement; and

xiv. this Prospectus.

Information available in the internet

As long as the Senior Notes are admitted to trading on the ExtraMOT PRO, the Prospectus, the financial statements of the Issuer (if available) and the Semi-Annual Investor Report shall also be published on website of the Corporate Servicer being, as at the date of this Prospectus, https://www.securitisation-services.com/it.

The websites referred to in this Prospectus and the information contained in such web-sites do not form part of this Prospectus. Neither the Issuer nor any of the parties listed under this Prospectus take responsibility for the further information available in the websites referred to in this Prospectus.

Annual fees

The Issuer estimates that its aggregate ongoing expenses in relation to the Transaction amount to approximately Euro 150,000 *per annum* (plus VAT), excluding the Master Servicing Fees and Special Servicing Fees.

The total expenses payable in connection with the admission of the Senior Notes to trading on the ExtraMOT PRO of the ExtraMOT Market, amount approximately to Euro 5,000.

LEI code

The legal entity identifier (LEI) of the Issuer is 8156008F44C68F142745.

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BACK-UP SERVICER
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