PROSPECTUS dated 11 June 2020
pursuant to Article 2 of Italian Law No. 130 of 30 April 1999

FANES S.R.L.

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

Euro 2,000,000,000 Series 2020-1-A Asset Backed Partly Paid Floating Rate Notes due June 2060

Issue Price: 100 per cent.

Euro 1,000,000,000 Series 2020-1-J Asset Backed Partly Paid Fixed Rate and Variable Return Notes due June 2060

Issue Price: 100 per cent.

This prospectus (the "**Prospectus**") contains information relating to the issue by Fanes S.r.l., a limited liability company, with a sole quotaholder, organised under the laws of the Republic of Italy ("**Fanes**" or the "**Issuer**") of Euro 2,000,000,000 Series 2020-1-A Asset Backed Partly Paid Floating Rate Notes due June 2060 (the "**Class A Notes**" or the "**Senior Notes**") and Euro 1,000,000,000 Series 2020-1-J Asset Backed Partly Paid Fixed Rate and Variable Return Notes due June 2060 (the "**Class J Notes**" or the "**Junior Notes**" and, together with the Senior Notes, the "**Notes**").

Application has been made for the Senior Notes to be admitted to listing and trading on "**ExtraMOT PRO**", being the professional segment of the multilateral trading facility "**ExtraMOT**", which is a multilateral system for the purposes of the Market and Financial Instruments Directive 2014/65/EC managed by Borsa Italiana S.p.A. ("**Borsa Italiana**"). No application has been made to list the Junior Notes on any stock exchange. The Junior Notes are not being offered pursuant to this Prospectus. The Notes will be issued on 12 June 2020 (the "**Issue Date**"). This document constitutes a *Prospetto Informativo* for all Notes for the purposes of article 2, sub-section 3 of the Law 130.

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

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 of repayment of principal, as well as payment of the Junior Notes Premium (if any) on the Class J Notes, on the Notes will be the collections and recoveries made in respect of the Receivables arising out of loan agreements purchased by the Issuer from Cassa di Risparmio di Bolzano S.p.A. ("**CR Bolzano**" or the "**Originator**") pursuant to the terms of the Master Transfer Agreement entered into on 15 May 2020.

By virtue of the operation of article 3 of the Law 130 and the Transaction Documents, the Issuer's rights, title and interest in and to the Aggregate Portfolio and under the Transaction Documents will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Law 130 in the context of the Previous Securitisations and any Further Securitisations) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the Securitisation.

Interest on the Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on 28 September 2020, and thereafter on 27 December, 27 March, 27 June and 27 September in each year (or, if such day is not a Business Day, on the immediately following Business Day) (each such date, a "**Payment Date**"). The rate of interest applicable to the Senior Notes for each Interest Period shall be a floating rate equal to the higher of (A) zero; and (B) the aggregate of Euribor plus a margin of 0.80 per cent. *per annum*, provided that Euribor shall be capped to, and shall not in any case be higher than, 3.00 per cent. *per annum*; provided that, during the Initial Interest Period, the rate of interest applicable to the Senior Notes will be the higher of (A) zero; and (B) the aggregate of (i) margin of 0.80 per cent. per annum, and (ii) the linear

interpolation of Euribor for 3 and 6 month deposits in Euro, provided that Euribor shall be capped to, and shall not in any case be higher than, 3.00 per cent. *per annum*.

The Senior Notes are expected, on issue, to be rated "A" (sf) by DBRS Ratings GmbH ("**DBRS**") and "A +" (sf) by S&P Global Ratings Europe Limited ("**S&P**"). As of the date of this Prospectus, each of DBRS and S&P is established in the European Union and was registered on 31 October 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 (the "**CRA Regulation**") and is 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 (being, as at the date of this Prospectus, http://www.esma.europa.eu/page/List-registered-and-certified-CRAs). It is not expected that the Junior 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, suspension or withdrawal at any time by the assigning rating organisation.

As at the date of this Prospectus, all payments of principal and interest in respect of the Notes will be made free and clear of any withholding or deduction for or on account of Italian taxes, unless such a withholding or deduction is required to be made by Italian Decree No. 239 or otherwise by applicable law. Upon the occurrence of any withholding or deduction for or on account of tax from any payment under the Notes, neither the Issuer nor any other person shall have any obligation to pay any additional amount(s) to any holder of the Notes. For further details, see the section entitled "*Taxation in the Republic of Italy*".

The Notes will be limited recourse obligations solely of the Issuer. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any of the Originator, the Servicer, the Representative of the Noteholders, the Arranger or any other party to the Transaction Documents. 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.

As of the Issue Date, the Notes will be issued in bearer form (*al portatore*) held in dematerialised form (*in forma dematerializzata*) on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holders. Monte Titoli shall act as depositary for Euroclear and Clearstream. The Notes will at all times be in book entry form and title to the Notes will be evidenced by book entry in accordance with the provisions of (i) article 83-*bis* of the Financial Laws Consolidated Act; and (ii) Regulation jointly issued by the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") on 13 August 2018 (*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.

Before the relevant maturity date, the Notes will be subject to mandatory and/or optional redemption in whole or in part in certain circumstances (as set out in Condition 8 (*Redemption, Purchase and Cancellation*). Unless previously redeemed in full or cancelled in accordance with the Conditions, the Notes will be redeemed on the Final Maturity Date. Save as provided in the Conditions, the Notes will start to amortise on the Payment Date falling in September 2020, subject to there being sufficient Issuer Available Funds and in accordance with the applicable Priority of Payments. The Notes, to the extent not redeemed in full by the Cancellation Date, shall be cancelled on such date.

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 manufacturers' 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.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**") or in the United Kingdom (the "**UK**"). 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 (EU) 2016/97, as amended or superseded, 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 Regulation (EU) 2017/1129. 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 or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPS Regulation.

Under the Senior Notes Subscription Agreement, CR Bolzano has covenanted to and agreed with the Issuer and with the Representative of the Noteholders that it will retain on the Issue Date and maintain on an ongoing basis a material net economic interest of at least 5% in the Securitisation in accordance with option (a) of article 6(3) of the Regulation (EU) No. 2402/2017 (the "**Securitisation Regulation**"). For further details see the section entitled "*Subscription and Sale*" and "*Regulatory Disclosure and Retention Undertaking*".

The Originator does not intend to retain at least 5 per cent. of the 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. Such non-U.S. transactions must meet certain requirements, including that (1) the 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 securitization 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 in this Prospectus as Risk Retention U.S. Persons); (3) neither the sponsor nor the issuer is organised 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 organised or located in the United States.

There will be restrictions on the sale of the Notes and on the distribution of information in respect thereof. For further details see the section entitled "*Subscription and Sale*".

Amounts payable under the Class A Notes are calculated by reference to Euribor, which is provided by the European Money Markets Institute (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 Regulation (EU) 2016/1011 (the "**Benchmarks 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 entitled "***Risk Factors***"**.**

Arranger

FISG

Responsibility statements

None of the Issuer, the Arranger or any other party to the Transaction Documents other than the Originator has undertaken or will undertake any investigations, searches or other actions to verify the details of the Receivables sold by the Originator to the Issuer or to establish the creditworthiness of any Debtor. In the Warranty and Indemnity Agreement the Originator has given certain representations and warranties to the Issuer in relation to, inter alia*, the Receivables, the Loan Agreements, the Loans and the Debtors.*

The Issuer accepts responsibility for the information contained or incorporated by reference in this Prospectus. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not contain any omission likely to affect the import of such information.

The Issuer, having made all reasonable enquiries, confirms that this Prospectus contains or incorporates all information which is material in the context of the issuance and offering of the Class A Notes, that the information contained in this Prospectus is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Prospectus are honestly held and that there are no other facts the omission of which would make this Prospectus or any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

CR Bolzano accepts, jointly with the Issuer, responsibility for the information contained in this Prospectus in the sections entitled "The AGGREGATE Portfolio", "The Originator, the Servicer and the Cash Manager" and "the Credit and Collection Policies" and any other information contained in this Prospectus relating to itself, the Receivables, the Loan Agreements, the Loans, the Mortgages and the Collateral Security. To the best of the knowledge of CR Bolzano (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not contain any omission likely to affect the import of such information.

BNP Paribas Securities Services, Milan branch is member of the BNP Paribas Group and accepts, jointly with the Issuer, responsibility for the information contained in this Prospectus in the section entitled "The BNP Paribas Group" and any other information contained in this Prospectus relating to itself. To the best of the knowledge of BNP Paribas Securities Services, Milan branch (which have taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not contain any omission likely to affect the import of such information.

Securitisation Services accepts, jointly with the Issuer, responsibility for the information contained in this Prospectus in the section entitled "Securitisation Services" and any other information contained in this Prospectus relating to itself. To the best of the knowledge of Securitisation Services (which have taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not contain any omission likely to affect the import of such information.

Save for the parties accepting responsibility for the information included in this Prospectus as stated above, no other party to the Transaction Documents accepts responsibility for such information.

Save as described under the section headed "Subscription and Sale" and in the sections describing the Transaction Documents, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

Representations about the Notes

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 Arranger, the Representative of the Noteholders, the Issuer, the Sole Quotaholder or CR Bolzano (in any capacity) or any other party to the Transaction Documents. Neither the delivery of this Prospectus nor any sale or allotment made in connection with the offering of any of the Notes

shall in any circumstances constitute a representation or create an implication that there has not been any change or any event reasonably likely to involve any change in the condition (financial or otherwise) of the Issuer, CR Bolzano or the information contained herein since the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Prospectus.

No person other than the Issuer (or in the case of CR Bolzano, BNP Paribas Securities Services, Milan branch and Securitisation Services solely to the extent described above) makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus.

Limited recourse

The Notes constitute direct, secured, limited recourse obligations of the Issuer backed by the Portfolio and the other rights and assets of the Issuer. In particular, the Notes are not obligations or responsibilities of, or guaranteed by, any person except the Issuer and no person other than the Issuer shall be liable in respect of any failure by the Issuer to make payment of any amount due on the Notes. By virtue of the operation of the Law 130 and the Transaction Documents, the Issuer's rights, title and interest in and to the Aggregate Portfolio and under the Transaction Documents will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Law 130) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the Securitisation. The Noteholders will agree that the Issuer Available Funds will be applied by the Issuer in accordance with the applicable Priority of Payments.

Other business relations

*In addition to the interests described in this Prospectus, prospective noteholders should be aware that the Arranger and its respective 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 party to the Transaction Documents, 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 party to the Transaction Documents 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.*

Selling Restrictions

The distribution of this Prospectus and the offer, sale and delivery of the Notes in certain jurisdictions may be restricted by law and by the Transaction Documents in particular, as provided for by the Subscription Agreements. 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 this Prospectus 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.

To the fullest extent permitted by law, the Arranger may not accept any responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Arranger or on its respective behalf, in connection with the Issuer, the Originator, any other Transaction Party or the issue

and offering of the Notes. The Arranger accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Prospectus or any such statement.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the ***Securities Act****) or any other state securities laws and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered or sold within the United States or for the benefit of U.S. persons (as defined in Regulation S under the Securities Act). The Notes are in dematerialised form and are subject to U.S. tax law requirements. The Notes are being offered for sale outside the United States in accordance with Regulation S under the Securities Act (see the section headed "Subscription and Sale").*

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 (including the Republic of Italy, the United Kingdom and the United States), except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations. For a further description of certain restrictions on offers and sales of the Notes and the distribution of this Prospectus, see the section headed "Subscription and Sale".

The Notes are complex instruments which involve a high degree of risk and are suitable for purchase only by sophisticated investors which are capable of understanding the risk involved. In particular the Notes should not be purchased by or sold to individuals and other non-expert investors.

No action has or will be taken which would allow an offering (or a "sollecitazione all'investimento") 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. 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.

Neither this Prospectus nor any other information supplied in connection with the issue of the Notes should be considered as a recommendation or an invitation or offer by the Issuer, CR Bolzano (in any capacity), the Arranger 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.

For a further description of certain restrictions on offers and sales of the Notes and the distribution of this Prospectus, see the section entitled "Subscription and Sale".

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****") or in the United Kingdom (the "****UK****"). 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 Directive 2016/97/EC (as amended, the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MIFID II; or (iii) not a qualified investor as defined in the Regulation (EU) 2017/1129 (the "****Prospectus Regulation****"). Consequently no key information document required by Regulation (EU) number 1286/2014 (the "****PRIIPs Regulation****") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPS Regulation.*

Benchmark Regulation

*Amounts payable under the Class A Notes are calculated by reference to EURIBOR, as specified in the Conditions, which is provided by the European Money Markets Institute (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 Regulation (EU) 2016/1011 (the "**Benchmarks Regulation**").*

Interpretation

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 "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 and currency translations included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which preceded them.

All references in this Prospectus to "Euro" and "€" are to the single currency introduced in the member states of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957, as amended and integrated from time to time.

The language of this 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.

Any websites included in this Prospectus are for information purposes only and do not form part of this Prospectus.

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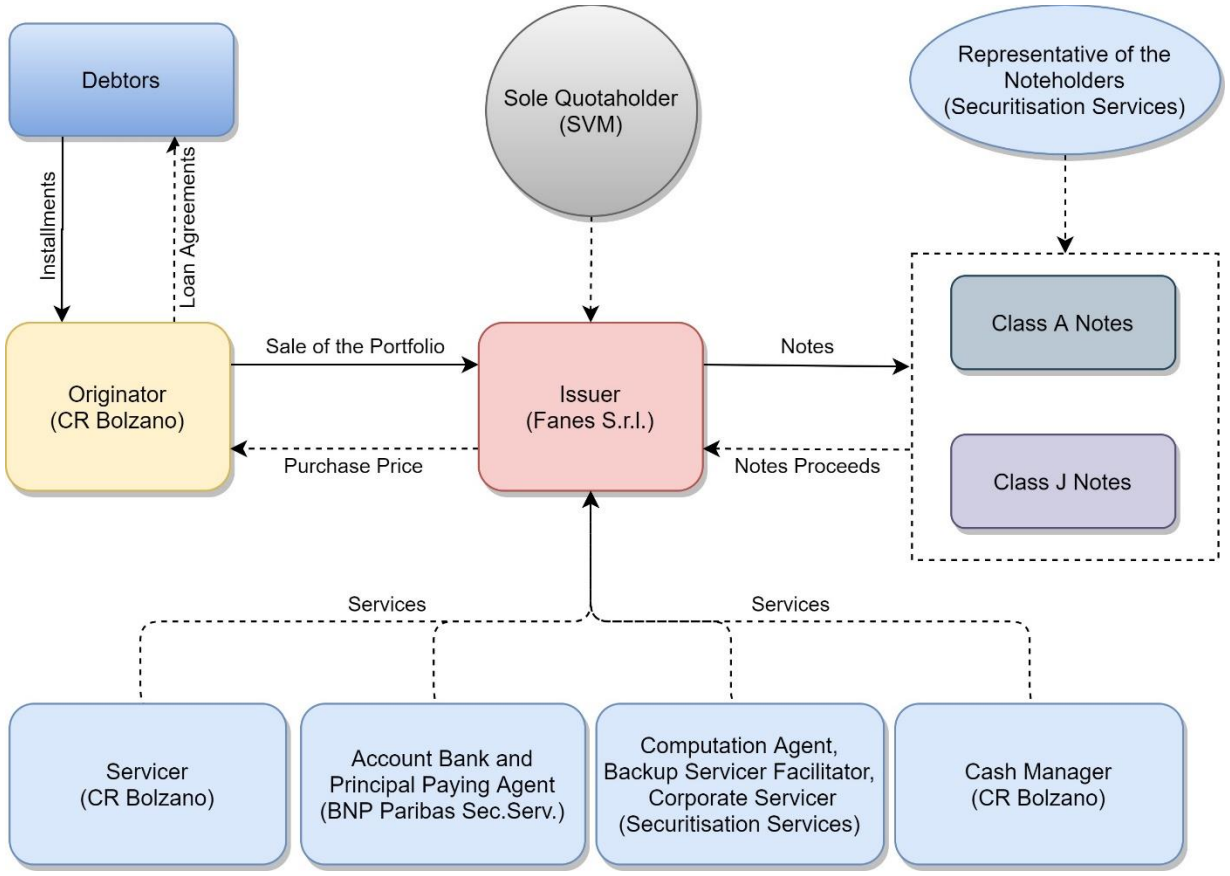
TRANSACTION OVERVIEW

The following information is an overview of certain aspects of the transaction, the parties thereto, the assets underlying the Notes and the related documents and does not purport to be complete. Therefore, it should be read in conjunction with and is qualified in its entirety by reference to the more detailed information presented elsewhere in this Prospectus and in the Transaction Documents. Prospective investors should base their decisions on this Prospectus as a whole.

1. TRANSACTION DIAGRAM



2. THE PRINCIPAL PARTIES

Issuer

Fanes S.r.l., a limited liability company, with a sole quotaholder, incorporated under the laws of the Republic of Italy, whose registered office is at Via V. Alfieri No. 1, 31015 Conegliano (TV), Italy (hereinafter, the Issuer), quota capital €10,000 fully paid up, fiscal code, VAT code and enrolment with the Treviso-Belluno Companies Register No. 04213700265, enrolled with the register of securitisation vehicles ("*elenco delle società veicolo*") held by the Bank of Italy pursuant to the regulation issued by the Bank of Italy on 7 June 2017 ("*Disposizioni in materia di obblighi informativi e statistici delle società veicolo coinvolte in operazioni di cartolarizzazione*") with No. 33527.3, having as sole corporate object the realisation of securitisation transactions pursuant to article 3 of the Law 130.

	The Issuer has been established as a special purpose vehicle for the purposes of issuing asset backed securities in the context of one or more securitisation transactions, subject to Condition 5.2 (*Further Securitisations*). For further details, see the section entitled "*The Issuer*".
Originator	**Cassa di Risparmio di Bolzano S.p.A.**, a bank incorporated under the laws of the Republic of Italy, whose registered office is at Via Cassa di Risparmio No. 12, 39100 Bolzano, Italy, fiscal code, VAT code and enrolment with the Companies Register of Bolzano No. 00152980215, registered under No. 6045.9 with the roll of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act ("**CR Bolzano**"). For further details, see the section entitled "*The Originator, the Servicer and the Cash Manager*".
Servicer	**CR Bolzano**. The Servicer will act as such pursuant to the Servicing Agreement. For further details, see the section entitled "*The Originator, the Servicer and the Cash Manager*".
Computation Agent	**Securitisation Services S.p.A.**, a joint stock company with a sole shareholder (*società per azioni con socio unico*) incorporated under the laws of the Republic of Italy, having its registered office at Via V. Alfieri no. 1, 31015 Conegliano (TV), Italy, fiscal code, VAT code and enrolment with the companies' register of Treviso-Belluno under number 03546510268, with a share capital of Euro 2,000,000.00 (fully paid-up), company registered under number 50 in the register of the Financial Intermediaries held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act, belonging to the banking group known as "*Gruppo Banca Finanziaria Internazionale*", registered with the register of the banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act, subject to the activity of direction and coordination (*soggetta all'attività di direzione e coordinamento*) of Banca Finanziaria Internazionale S.p.A. pursuant to articles 2497 and following of the Italian civil code ("**Securitisation Services**"). The Computation Agent will act as such pursuant to the Cash Allocation, Management and Payment Agreement. For further details, see the section entitled "*The Computation Agent, the Representative of the Noteholders, the Corporate Servicer and the Back-Up Servicer Facilitator*".

Account Bank	**BNP Paribas Securities Services, Milan Branch**, a *société en commandite par actions*, a company incorporated under the laws of the Republic of France, having its registered office at 3 Rue d'Antin, 75002 Paris, France, acting through its Milan branch, with offices at Piazza Lina Bo Bardi No. 3, 20124 Milan ("**BNP Paribas Securities Services, Milan Branch**"). The Account Bank will act as such pursuant to the Cash Allocation, Management and Payment Agreement. For further details, see the section entitled "*The Account Bank and the Paying Agent*".
Paying Agent	**BNP Paribas Securities Services, Milan Branch**. The Paying Agent will act as such pursuant to the Cash Allocation, Management and Payment Agreement. For further details, see the section entitled "*The Account Bank and the Paying Agent*".
Cash Manager	**CR Bolzano** The Cash Manager will act as such pursuant to the Cash Allocation, Management and Payment Agreement. For further details, see the section entitled "*The Originator, the Servicer and the Cash Manager*".
Representative of the Noteholders	**Securitisation Services**. The Representative of the Noteholders will act as such pursuant to the Subscription Agreements, the Conditions, the Rules of the Organisation of the Noteholders, the Intercreditor Agreement and the other Transaction Documents. For further details, see the section entitled "*The Computation Agent, the Representative of the Noteholders, the Corporate Servicer and the Back-Up Servicer Facilitator*".
Corporate Servicer	**Securitisation Services**. The Corporate Servicer will act as such pursuant to the Corporate Services Agreement. For further details, see the section entitled "*The Computation Agent, the Representative of the Noteholders, the Corporate Servicer and the Back-Up Servicer Facilitator*".
Back-Up Servicer Facilitator	**Securitisation Services**.

	The Back-Up Servicer Facilitator will act in such capacity pursuant to the Cash Allocation, Management and Payment Agreement. For further details, see the section entitled "*The Computation Agent, the Representative of the Noteholders, the Corporate Servicer and the Back-Up Servicer Facilitator*".
Sole Quotaholder	**SVM Securitisation Vehicles Management S.r.l.**, a limited liability company, with a sole quotaholder, incorporated under the laws of the Republic of Italy, fiscal code, VAT code and enrolment with the Treviso-Belluno Companies Register No. 03546650262, quota capital Euro 30,000 fully paid up, having its registered office at Via V. Alfieri No. 1, 31015 Conegliano (TV), Italy.
Reporting Entity	**CR Bolzano** acting as reporting entity pursuant to and for the purposes of article 7(2) of the Regulation (EU) 2017/2402 of 12 December 2017 (as amended and supplemented from time to time, the "**Securitisation Regulation**") or any person from time to time acting in such capacity for such purposes (the "**Reporting Entity**").
Arranger	**FISG S.r.l.**, a company with sole shareholder incorporated under the laws of the Republic of Italy as a *società per azioni con socio unico*, having its registered office at Via V. Alfieri, No. 1, 31015 Conegliano (TV), Italy, fiscal code and enrolment in the Companies' Register of Treviso-Belluno number 04796740266, belonging to the banking group known as "*Gruppo Banca Finanziaria Internazionale*", subject to the activity of direction and coordination (*soggetta all'attività di direzione e coordinamento*) pursuant to article 2497 of the Italian civil code of Banca Finanziaria Internazionale S.p.A. ("**FISG**").
Subscriber	**CR Bolzano**. The Subscriber will act as such pursuant to the Subscription Agreements.
Rating Agencies	DBRS and S&P.

As at the date of this Prospectus, there are no relationships of direct or indirect control or ownership among the parties listed above, except for the relationships between the Issuer and the Sole Quotaholder as described in the section entitled "*The Issuer*".

3. THE PRINCIPAL FEATURES OF THE NOTES

The Notes	The Notes will be issued by the Issuer on the Issue Date in the following classes:

The Senior Notes

Euro 2,000,000,000 Series 2020-1-A Asset Backed Partly Paid Floating Rate Notes due June 2060 (the "**Class A Notes** or the **Senior Notes**").

The Junior Notes

Euro 1,000,000,000 Series 2020-1-J Asset Backed Partly Paid Fixed Rate and Variable Return Notes due June 2060 (the "**Class J Notes**" or the "**Junior Notes**").

Partly Paid Notes

The Notes will be issued on a partly-paid basis by the Issuer as provided in the Conditions and the other Transaction Documents. Therefore:

(a) on the Issue Date, the Notes will be issued for the full Nominal Amount of the Notes and the following Notes Initial Instalments will be paid by the Subscriber in respect of each Class of Notes, in accordance with the Subscription Agreement:

Class A Notes € 479,300,000

Class J Notes € 269,583,000.

(b) during the Ramp-Up Period, the Subscriber may be requested, in accordance with the Transaction Documents, to make the Notes Further Instalments payments in respect of the relevant Class of Notes held by it to fund the payment of the Purchase Price of the Further Portfolios and the relevant Cash Reserve Increase Amount and, in particular:

i. with regard to the Senior Notes, up to the Senior Notes Nominal Amount; and

ii. with regard to the Junior Notes, up to the Junior Notes Nominal Amount.

Upon payment of a Notes Further Instalment, the then current Paid-Up Amount of the Notes shall be increased accordingly.

In particular, on each Payment Date, the amount of the Notes Further Instalments will be equal to the Notes Further Instalment Amount and will be split among the Senior Notes Further Instalment and the Junior Notes Further Instalment.

"**Collateral Portfolio**" means, on any given date, the aggregate of all outstanding Receivables comprised in the Aggregate Portfolio which are not Defaulted Receivables as of that date and for which the Originator has not advanced a Limited Recourse Loan pursuant to clause 4.1 of the Warranty and Indemnity Agreement.

"**Junior Notes Further Instalment**" means on any Calculation Date prior to a Settlement Date an amount equal to the Drawdown Amount multiplied by the Junior Notes

Ratio and then reduced by the Principal Amount Outstanding of the Junior Notes. Should such amount be negative, it shall be deemed to be equal to 0 (zero).

"**Junior Notes Nominal Amount**" means Euro 1,000,000,000.

"**Junior Notes Ratio**" means 36%.

"**Notes Further Instalment Amount**" means an amount equal to the sum of the Portfolio Further Instalment Amount and the Cash Reserve Increase Amount.

"**Notes Further Instalment**" means any further payment of the Notes during the Ramp-Up Period, pursuant to the Conditions and the Subscription Agreements.

"**Notes Initial Instalments**" means the initial instalments of the subscription price for the Notes made by the Subscriber on the Issue Date, pursuant to the relevant Subscription Agreement and "**Notes Initial Instalment**" means each of them;

"**Offer**" means each "*Offerta di Cessione*" made by the Originator to the Issuer for the sale of a Further Portfolio, in accordance with the Master Transfer Agreement;

"**Paid-Up Amount**" means, on any date, with reference to a Note, the aggregate of the Notes Initial Instalments and any Notes Further Instalments paid-up on such Note up to such date.

"**Portfolio Further Instalment Amount**" means an amount equal to the difference, if positive, between:

(a) the Purchase Price of the Further Portfolio to be paid in accordance with the relevant Offer; and

(b) the Principal Allocation Amount.

"**Principal Allocation Amount**" means the amount, as calculated by the Computation Agent on each Calculation Date immediately preceding a Payment Date, equal to the difference, if positive, between (i) the Principal Amount Outstanding of the Notes (without taking into account the Notes Further Instalments to be made on such Payment Date) and (ii) the sum of the Outstanding Principal of the Collateral Portfolio on the last day of the immediately preceding Quarterly Collection Period and the Required Cash Reserve Amount on such Payment Date.

"**Senior Notes Further Instalment**" means on any Calculation Date prior to a Settlement Date an amount equal to the difference between the Notes Further Instalment Amount and the Junior Notes Further Instalment Amount.

	"**Senior Notes Nominal Amount**" means Euro 2,000,000,000.
Ramp-Up Period	Ramp-Up Period means the period starting from the Issue Date and until the earlier of: (a) the Payment Date falling on June 2022 (included); (b) the date on which the Representative of the Noteholders has notified to the Issuer a Purchase Termination Event; (c) the Payment Date (included) on which the Paid-up Amount on the Notes on that date (included) is equal to the Nominal Amount of the Notes; and (d) the date on which the Subscriber has notified the Issuer the intention of selling (the date on which the Subscriber has notified the Issuer the intention of selling (other than (i) any transaction relating to the Senior Notes as eligible collateral executed pursuant to the ECB Guidelines and (ii) any repurchase agreement transactions (repo) relating to the Junior Notes) in whole or in part the Notes.
Issue Date	The Notes will be issued on 12 June 2020.
Issue Price	The Notes will be issued at 100 per cent. of their principal amount upon issue.
Interest on the Senior Notes	The Senior Notes will bear interest on their Principal Amount Outstanding from (and including) the Issue Date until final redemption or cancellation as provided for in Condition 8 (*Redemption, Purchase and Cancellation*). The rate of interest payable from time to time on the Senior Notes will be the higher of (A) zero; and (B) the aggregate of Euribor plus a margin of 0.80 per cent. *per annum*, provided that Euribor shall be capped to, and shall not in any case be higher than, 3.00 per cent. *per annum*; provided that, during the Initial Interest Period, the rate of interest applicable to the Senior Notes will be the higher of (A) zero; and (B) the aggregate of (i) margin of 0.80 per cent. per annum, and (ii) the linear interpolation of Euribor for 3 and 6 month deposits in Euro, provided that Euribor shall be capped to, and shall not in any case be higher than, 3.00 per cent. *per annum*. Interest in respect of the Senior Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on each Payment Date in accordance with the applicable Priority of Payments. Interest in respect of the Senior Notes will start to accrue:

a) from the Issue Date (included), in respect of the Notes Initial Instalments; and

b) from the relevant Payment Date (included), in respect of any Notes Further Instalment.

The first payment of interest on the Senior Notes will be due on the Payment Date falling in September 2020 in respect of the period from (and including) the Issue Date up to (but excluding) such date.

Interest and Junior Notes Premium on the Junior Notes

The rate of interest payable from time to time on the Junior Notes will be a fixed rate equal to 1 per cent. per annum.

Interest in respect of the Junior Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on each Payment Date in accordance with the applicable Priority of Payments.

Interest in respect of the Junior Notes will start to accrue:

a) from the Issue Date (included), in respect of the Notes Initial Instalments; and

b) from the relevant Payment Date (included), in respect of any Notes Further Instalment.

The first payment of interest on Junior Notes will be due on the Payment Date falling in September 2020 in respect of the period from (and including) the Issue Date up to (but excluding) such date.

In addition, a Junior Notes Premium may or may not be payable on the Junior Notes in Euro on each Payment Date in accordance with the relevant Priority of Payments. The Junior Notes Premium on the Junior Notes will be equal to any Issuer Available Funds available after making all payments ranking in priority to the Junior Notes Premium and may be equal to 0 (zero).

Interest deferral

Payment of interest on the Class J Notes will be subject to deferral to the extent that there are insufficient Issuer Available Funds on any Payment Date prior to the Final Maturity Date in accordance with the applicable Priority of Payments to pay in full the relevant interest amount which would otherwise be due on such Class of Notes. The amount by which the aggregate amount of interest paid on the Class J Notes on any Payment Date prior to the Final Maturity Date falls short of the aggregate amount of interest which otherwise would be due on such Class of Notes on that Payment Date shall be aggregated with the amount of, and treated as if it were, interest amount due on such Class of Notes on the immediately following Payment Date and will be payable on such Payment Date in accordance with the

applicable Priority of Payments. No interest will accrue on any amount so deferred. Any interest amount due but not payable on the Senior Notes on any Payment Date prior to the Final Maturity Date will not be deferred and any failure to pay such interest amount will constitute a Trigger Event pursuant to Condition 14 (*Trigger Events*).

Form and Denomination

The denomination of the Senior Notes will be € 100,000 and integral multiples of € 1,000 in excess thereof. The denomination of the Junior Notes will be € 1,000. The Notes will be issued in bearer form (*al portatore*) and held in dematerialised form (*in forma dematerializzata*) on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holders. The Notes will be accepted for clearance by Monte Titoli with effect from the Issue Date. The Notes will at all times be in book entry form and title to the Notes will be evidenced by book entry in accordance with the provisions of (i) article 83-*bis* of the Financial Laws Consolidated Act; 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"*) and, insofar as is still in force, the regulation issued by Bank of Italy and CONSOB on 22 February 2008 as subsequently amended and supplemented. No physical document of title will be issued in respect of the Notes.

Status

The Notes constitute limited recourse obligations of the Issuer and, accordingly, the obligation of the Issuer to make payments under the Notes is limited to the Issuer Available Funds available to make such payments in accordance with Condition 9 (*Non Petition and Limited Recourse*).

The Notes are obligations solely of the Issuer and are not obligations of, or guaranteed by, any other entity or person.

Ranking and Subordination

Both prior to and following the service of a Trigger Notice, in respect of the obligations of the Issuer to pay interest on the Notes:

(a) the Class A Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of principal on the Class A Notes, the payment of interest on the Class J Notes, the repayment of principal on the Class J Notes and the payment of the Junior Notes Premium (if any) on the Class J Notes; and

(b) the Class J Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of the principal on the Class J Notes and the payment of the Junior Notes Premium (if any) on the Class J Notes, but subordinated to the payment of interest on the Class

A Notes and the repayment of principal on the Class A Notes .

Both prior to and following the service of a Trigger Notice, in respect of the obligations of the Issuer to repay principal on the Notes:

(a) the Class A 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 Junior Notes Premium (if any) on the Class J Notes, but subordinated to the payment of interest on the Class A Notes;

(b) the Class J Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the payment of the Junior Notes Premium (if any) on the Class J Notes, but subordinated to the payment of interest on the Class A Notes, the repayment of principal on the Class A Notes, and the payment of interest on the Class J Notes.

The rights of the Noteholders in respect of the priority of payment of interest and repayment of principal on the Notes, as well as payment of the Junior Notes Premium (if any) on the Class J Notes, are set out in Condition 6.1 (*Pre-Enforcement Priority of Payments*) or Condition 6.2 (*Post-Enforcement Priority of Payments*), as the case may be, and are subject to the provisions of the Intercreditor Agreement and subordinated to certain prior ranking amounts due by the Issuer as set out therein.

Withholding on the Notes

As at the date of this Prospectus, payments of interest and other proceeds under the Notes may be subject to a Decree 239 Deduction. Upon the occurrence of any withholding or deduction for or on account of tax (including any Decree 239 Deduction) from any payment under the Notes, neither the Issuer nor any other person shall have any obligation to pay any additional amount(s) to any holder of the Notes on account of such withholding or deduction. For further details, see the section entitled "*Taxation*".

Final Redemption

The Notes are due to be repaid in full at their Principal Amount Outstanding (together with interest accrued but unpaid thereon) on the Payment Date falling in June 2060 (the "**Final Maturity Date**").

The Issuer may not redeem the Notes in whole or in part prior to that date except as provided below in Condition 8.2 (*Redemption, Purchase and Cancellation - Mandatory Redemption*), 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) and 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*), but without prejudice to Condition 14 (*Trigger Events*).

Cancellation

The Notes will be finally and definitively cancelled:

(a) (i) on the Final Maturity Date, or (ii) on the earlier date on which the Notes are redeemed pursuant to Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) or 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*) or following the delivery of a Trigger Notice pursuant to Condition 14 (*Trigger Events*); or

(b) if the Notes cannot be redeemed in full on the Final Maturity Date as a result of the Issuer having insufficient Issuer Available Funds for application in or towards such redemption, on the later of (i) the Payment Date immediately following the end of the Quarterly Collection Period during which all the Receivables will have been paid in full; and (ii) the Payment Date immediately following the end of the Quarterly Collection Period during which all the Receivables then outstanding will have been entirely written off by the Issuer as a consequence of the Servicer having certified to the Representative of the Noteholders, and the Representative of the Noteholders having notified the Noteholders in accordance with Condition 17 (*Notices*), that there is no reasonable likelihood of there being any further realisations in respect of the Aggregate Portfolio and the Issuer's Rights (whether arising from judicial enforcement proceedings or otherwise) which would be available to pay unpaid amounts outstanding under the Notes,

(the applicable date of cancellation, the "**Cancellation Date**").

Mandatory Redemption

The Notes of each Class will be subject to mandatory redemption *pro rata* on each Payment Date prior to the Final Maturity Date, in accordance with the provisions of the Conditions, in each case if and to the extent that, on such dates, there are sufficient Issuer Available Funds which may be applied towards redemption of the Notes, in accordance with the Pre-Enforcement Priority of Payments, provided that the redemption of the Notes in respect of any Notes Further Instalment will be made starting from the Payment Date following the relevant Settlement Date on which such Notes Further Instalment has been paid by the Noteholder.

Optional Redemption

Provided that no Trigger Notice has been served, on any Payment Date falling on or after the Clean Up Option Date (as defined below), the Issuer may at its option redeem the Senior Notes (in whole but not in part) and the Junior Notes (in whole but not in part, unless the Class J Noteholders have consented to a partial redemption of the Junior Notes) at their Principal Amount Outstanding, together with interest

accrued but unpaid thereon up to (and including) the date fixed for redemption, in accordance with Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) subject to the Issuer:

(i) giving not less than 30 (thirty) days' prior written notice to the Representative of the Noteholders (with copy to the Servicer, the Computation Agent and the Rating Agencies) and the Noteholders in accordance with Condition 17 (*Notices*) (which notice shall be irrevocable) of its intention to redeem the Notes; and

(ii) delivering, on or prior to the delivery of the notice of redemption referred to in paragraph (i) above, to the Representative of the Noteholders evidence satisfactory to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any other person) on such Payment Date to discharge all of its outstanding liabilities in respect of the Senior Notes and any other payment in priority to or *pari passu* with the Senior Notes in accordance with the applicable Priority of Payments and all (unless the Class J Noteholders have consented to a partial redemption of the Class J Notes) the Junior Notes and any other payment ranking higher or *pari passu* therewith in accordance with the applicable Priority of Payments.

"**Clean Up Option Date**" means any date on which the aggregate Outstanding Principal of the Aggregate Portfolio is equal to or lower than 10 per cent. of the sum of the Outstanding Principal of the Initial Portfolio as at the relevant Valuation Date and the Outstanding Principal of the Further Portfolios as at the relevant Valuation Date.

"**Outstanding Principal**" means, on any given date and in relation to any Receivable, the sum of (i) all Principal Instalments due on any subsequent Scheduled Instalment Date; (ii) any Principal Instalments due but unpaid as at that date; plus (iii) the Accrued Interest as at that date

Under the Intercreditor Agreement, the Issuer has irrevocably granted to the Originator an option (the "**Clean Up Option**"), pursuant to article 1331 of the Italian Civil Code, to repurchase (in whole but not in part) the Aggregate Portfolio then outstanding on any Payment Date falling on or after the Clean Up Option Date, in order to finance the early redemption of the Notes, in accordance with Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*), (for further details, see the section entitled "*Description of the Intercreditor Agreement*"). The relevant sale proceeds shall form part of the Issuer Available Funds.

Redemption for Taxation

Provided that no Trigger Notice has been served, if the Issuer at any time provides evidence satisfactory to the Representative of the Noteholders, immediately prior to

giving the notice referred to below, that on the next Payment Date:

(a) the Issuer or any other person would be required to deduct or withhold (other than in respect of a Decree 239 Deduction) from any payment of principal or interest on any Class of Notes (the "**Affected Class**"), 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 Italy or any political or administrative sub-division thereof or any authority thereof or therein (or that amounts payable to the Issuer in respect of the Aggregate Portfolio would be subject to withholding or deduction) (hereinafter, the "**Tax Event**"); and

(b) the Issuer will have the necessary funds (not subject to the interests of any other person) to discharge at least all of its outstanding liabilities in respect of the Notes of the Affected Class and any amount required to be paid, according to the applicable Priority of Payments, in priority to or *pari passu* with the Notes of the Affected Class,

then the Issuer may at its option, on any such Payment Date having given not less than 30 (thirty) days' prior written notice to the Representative of the Noteholders (with copy to the Servicer, the Computation Agent and the Rating Agencies) and to the Noteholders in accordance with Condition 17 (*Notices*) (which notice shall be irrevocable), redeem the Notes of the Affected Class (if the Affected Class is the Senior Notes, in whole but not in part or, if the Affected Class is the Junior Notes, in whole or in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon up to (and including) the relevant Payment Date, in accordance with Condition 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*).

Following the occurrence of a Tax Event, the Issuer may, or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders) direct the Issuer to dispose of the Aggregate Portfolio, or any part thereof, to finance the early redemption of the Notes in accordance with Condition 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*), subject to the terms and conditions of the Intercreditor Agreement. For further details, see the section entitled "*Description of the Intercreditor Agreement*".

Source of Payments of the Notes

The principal source of payment of interest and of repayment of principal on the Notes, as well as payment of the Junior Notes Premium (if any) on the Class J Notes, will be the Collections made in respect of the Receivables arising out of the Loans included in the Aggregate Portfolio, purchased by the Issuer from the Originator pursuant to the Master Transfer Agreement.

Segregation of the Aggregate Portfolio

By virtue of the operation of article 3 of the Law 130 and the Transaction Documents, the Issuer's rights, title and interest in and to the Aggregate Portfolio and under the Transaction Documents will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Law 130 in the context of the Previous Securitisations and any Further Securitisations) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the Securitisation.

The Aggregate Portfolio may not be seized or attached in any form by creditors of the Issuer other than the Noteholders and the Other Issuer Creditors, until full discharge by the Issuer of its payment obligations under the Notes or cancellation of the Notes. Pursuant to the terms of the Intercreditor Agreement and the Mandate Agreement, the Issuer has empowered the Representative of the Noteholders, following the service of a Trigger Notice or upon failure by the Issuer to promptly exercise its rights under the Transaction Documents, to exercise all the Issuer's Rights, powers and discretions under the Transaction Documents taking such action in the name and on behalf of the Issuer as the Representative of the Noteholders may deem necessary to protect the interests of the Issuer, the Noteholders and the Other Issuer Creditors in respect of the Aggregate Portfolio and the Issuer's Rights. Italian law governs the delegation of such power.

Limited Recourse

Notwithstanding any other provision of the Transaction Documents, all obligations of the Issuer to the Noteholders are limited in recourse as set out below:

(a) each Noteholder will have a claim only in respect of the Issuer Available Funds and at all times only in accordance with the applicable Priority of Payments and will not have, by operation of law or otherwise, any claim against, or recourse to, the Issuer's other assets or its contributed capital;

(b) sums payable to each Noteholder in respect of the Issuer's obligations to such Noteholder shall be

limited to the lower of (i) the aggregate amount of all sums due and payable to such Noteholder; and (ii) the Issuer Available Funds, net of any sums which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to or *pari passu* with such sums payable to such Noteholder; and

(c) on the Cancellation Date, the Noteholders shall have no further claim against the Issuer in respect of any such unpaid amounts and such unpaid amounts shall be cancelled and discharged in full.

Non Petition

Only the Representative of the Noteholders may pursue the remedies available under the general law or under the Transaction Documents to obtain payment of the obligations of the Issuer deriving from any of the Transaction Documents and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment of such obligations, save as provided by the Rules of the Organisation of the Noteholders. In particular:

(d) no Noteholder (nor any person on its behalf, other than the Representative of the Noteholders) shall, save as expressly permitted by the Transaction Documents, have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to it;

(e) until the date falling 2 (two) years and one day after the date on which all the Previous Notes, the Notes and any other notes issued in the context of any securitisation transaction carried out by the Issuer have been redeemed in full or cancelled in accordance with their terms and conditions, no Noteholder (nor any person on its behalf, other than the Representative of the Noteholders when so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes following the occurrence of a Trigger Event and only if the representatives of the noteholders of all Further Securitisation carried out by the Issuer, if any, have been so directed by an extraordinary resolution of their respective holders of the most senior class of notes following the occurrence of a trigger event under the relevant securitisation transaction) shall be entitled to cause, initiate or join any person in initiating an Insolvency Event in relation to the Issuer; and

(f) no Noteholder (nor any person on its behalf) shall be entitled to take or join in the taking of any corporate action, legal proceeding or other procedure or step which would result in the Priority of Payments not being complied with.

The Organisation of the Noteholders and the Representative of the Noteholders	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 redemption in full or cancellation of the Notes. Pursuant to the Rules of the Organisation of the Noteholders, for as long as any Note is outstanding, there shall at all times be a Representative of the Noteholders. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of the Noteholders, is made by the Noteholders subject to and in accordance with the Rules of the Organisation of the Noteholders, except for the initial Representative of the Noteholders appointed at the time of the issue of the Notes, who is appointed by the Senior Notes Subscriber and the Junior Notes Subscriber, subject to and in accordance with the provisions of the Subscription Agreements. Each Noteholder is deemed to accept such appointment.
Approval, listing and admission to trading	Application has been made for the Class A Notes, to be admitted to trading on the professional segment ExtraMOT PRO of the multilateral trading facility "ExtraMOT", which is a multilateral trading system for the purposes of the Market in Financial Instruments Directive 2014/65/EC managed by Borsa Italiana S.p.A. No application has been made to list the Junior Notes on any stock exchange. The Junior Notes are not being offered pursuant to this Prospectus.
Rating	The Class A Notes are expected, on the Issue Date, to be assigned the rating "A" (sf) by DBRS and "A +" (sf) by S&P. The Junior Notes will not be assigned any credit rating. As of the date of this Prospectus, each of DBRS and S&P is established in the European Union and is registered 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 (EC) No. 513/2011 of the European Parliament and of the Council of 11 May 2011and by Regulation (EC) 462/2013 of the European Parliament and of the Council of 21 May 2013 (the "**CRA Regulation**") and is 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 (being, as at the date of this Prospectus, 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). **A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision,**

suspension or withdrawal at any time by the assigning rating organisation.

Governing Law — The Notes will be governed by Italian law.

Purchase of the Notes — The Issuer may not purchase any Notes at any time.

Selling restrictions — There will be restrictions on the sale of the Notes and on the distribution of information in respect thereof.

For further details see the section entitled "*Subscription and Sale*".

4. ACCOUNTS

Collection Account — The Issuer has established with the Account Bank the Collection Account, into which the Servicer shall transfer on a daily basis all the amounts received or recovered from the Debtors.

Payments Account — The Issuer has established with the Account Bank the Payments Account, into which all amounts due to the Issuer under any of the Transaction Documents (other than the Collections) will be paid.

Cash Reserve Account — The Issuer has established with the Account Bank the Cash Reserve Account, for the deposit:

a) on the Issue Date, of the Cash Reserve Initial Amount, and

b) thereafter, *inter alia*, on each Payment Date, until (but excluding) the earlier of (1) the Payment Date on which the Senior Notes have been redeemed in full or cancelled, and (2) the Payment Date following the service of a Trigger Notice, of the Required Cash Reserve Amount in accordance with the applicable Priority of Payments; and/or

"**Cash Reserve Increase Amount**" means in relation to each Settlement Date an amount equal to: 1.29% of the Outstanding Principal of the Collateral Portfolio (considering also the Further Portfolio to be transferred on or upon the relevant Payment Date) reduced by the amount credited on the Cash Reserve Account as of the preceding Payment Date, being understood that should such amount be negative it shall be deemed to be equal to 0 (zero).

"**Cash Reserve Initial Amount**" means an amount equal to Euro 9,558,000.

"**Drawdown Amount**" means on any Calculation Date prior to a Settlement Date an amount equal to the sum of the Principal Amount Outstanding of the Notes and the Notes Further Instalment Amount.

"**Settlement Date**" means each Payment Date during the Ramp-Up Period and on which a Notes Further Instalment Payment is paid on the Notes in accordance with the Transaction Documents.

"**Required Cash Reserve Amount**" means in relation to each relevant Payment Date, an amount equal to the greater of:

a) 2% of the Principal Amount Outstanding of the Senior Notes as of the preceding Payment Date (for the avoidance of doubt after the application of the relevant Priority of Payments); and

b) 1.29% of the Outstanding Principal of the Collateral Portfolio (not considering the Further Portfolio transferred on or upon the relevant Payment Date);

provided that:

a) in any case, the Required Cash Reserve Amount shall not be lower than 2,396,500; and

b) on the earlier of (1) the Payment Date on which the Senior Notes have been redeemed in full or cancelled (also by applying the amounts standing to the credit of the Cash Reserve Account), and (2) the Payment Date following the service of a Trigger Notice;, the Required Cash Reserve Amount will be equal to 0 (zero).

Securities Account

The Issuer has established with the Account Bank the Securities Account, for the deposit of all securities constituting Eligible Investments (if any) purchased with the monies from time to time standing to the credit of the Collection Account, the Payments Account and the Cash Reserve Account (the Securities Account, together with the Collection Account, the Payments Account and the Cash Reserve Account, the "**Eligible Accounts**").

Expense Account

The Issuer has established with CR Bolzano the Expense Account, into which, on the Issue Date, the Retention Amount will be credited.

On any Business Day (other than a Payment Date), the Retention Amount will be used by the Issuer to pay the Expenses.

To the extent that the amount standing to the credit of the Expense Account on any Payment Date is lower than the Retention Amount, the Issuer shall credit available amounts to the Expense Account to bring the balance of the Expense Account up to (but not exceeding) the Retention Amount in accordance with the relevant Priority of Payments.

Quota Capital Account

The Issuer has opened the Quota Capital Account with Banca Finint S.p.A, for the deposit of the Issuer's quota capital.

For further details, see the section entitled "*The Accounts*".

5. CREDIT STRUCTURE

Aggregate Portfolio

The Aggregate Portfolio is comprised of the Initial Portfolio and any Further Portfolio to be purchased by the Issuer during the Ramp-Up Period pursuant to the Master Transfer Agreement. The Initial Portfolio and the Further Portfolios shall constitute one sole Aggregate Portfolio.

The Receivables, comprised in the Aggregate Portfolio, purchased by the Issuer pursuant to the Master Transfer Agreements arise out of performing (*in bonis*) Loans deriving from Loan Agreements, entered into by the Originator, or the Lending Banks, with their debtors.

For further details, see the section entitled "*The Aggregate Portfolio*".

Issuer Available Funds

The Issuer Available Funds will comprise, in respect of any Payment Date, the aggregate amounts (without duplication) of:

(a) all Collections received or recovered in respect of the Receivables during the immediately preceding Quarterly Collection Period (but excluding any Collection to be applied towards repayment of any Limited Recourse Loan advanced by the Originator pursuant to the Warranty and Indemnity Agreement);

(b) any other amount received by the Issuer from any party to the Transaction Documents during the immediately preceding Quarterly Collection Period (including, for the avoidance of doubt, any adjustment of the Purchase Price paid to the Issuer pursuant to the Master Transfer Agreement, any proceeds deriving from the repurchase of individual Receivables pursuant to the Intercreditor Agreement, any amount paid by the Originator in case of renegotiation of the rate of interest applicable to the Loans pursuant to the Servicing Agreement and the proceeds of any Limited Recourse Loan advanced or indemnity paid by the Originator pursuant to the Warranty and Indemnity Agreement);

(c) all amounts standing to the credit of the Collection Account (without double counting with the amounts referred under item (a) above), the Payments Account and the Cash Reserve Account, following the relevant payments required to be made from such accounts, pursuant to the relevant Priority of Payments, on the immediately preceding Payment Date;

(d) any interest paid on the amounts standing to the credit of the Collection Account, the Payments Account and the Cash Reserve Account during the immediately preceding Quarterly Collection Period (net of any applicable withholding or expenses);

(e) all amounts on account of principal, interest, premium or other profit received, up to the immediately preceding Eligible Investments Maturity Date, from any Eligible Investments made in accordance with the Cash Allocation Management and Payments Agreement using funds standing to the credit of the Collection Account, the Payments Account and the Cash Reserve Account during the immediately preceding Quarterly Collection Period;

(f) all amounts received from any sale of the Aggregate Portfolio (in whole or in part) pursuant to the Intercreditor Agreement;

(g) the Notes Further Instalments to be paid by the Subscriber on such Payment Date, in accordance with the relevant Subscription Agreement;

(h) the Issuer Available Funds relating to the immediately preceding Payment Date, to the extent not applied in full on that Payment Date due to the failure of the Servicer to deliver the Quarterly Servicer's Report to the Computation Agent in a timely manner in accordance with the provisions of the Cash Allocation, Management and Payment Agreement;

(h) any other amount received by the Issuer from any other party to the Transaction Documents during the immediately preceding Quarterly Collection Period and not already included in any of the other items of this definition of Issuer Available Funds, and

(i) the Cash Reserve Integration to be paid by the Originator on such Payment Date

provided that, prior to the delivery of a Trigger Notice or the redemption of the Notes in Condition 8.1 (*Redemption, Purchase and Cancellation - Final Redemption*), 8.3

(*Redemption, Purchase and Cancellation - Optional Redemption*) or 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*), if the Servicer fails to deliver the Quarterly Servicer's Report to the Computation Agent in a timely manner in accordance with the provisions of the Cash Allocation, Management and Payment Agreement, only a portion of the Issuer Available Funds corresponding to the amounts necessary to make payments under items from (i) (*First*) to (iii) (*Third*) (inclusive) of the Pre-Enforcement Priority of Payments will be applied in accordance with the Pre-Enforcement Priority of Payments.

Use of Notes Further Instalments

On each Payment Date up to the end of the Ramp-Up Period, the Issuer, should the Issuer Available Funds not be sufficient (in full or in part) to such purpose, will use the net proceeds of the payment of any Notes Further Instalments made by the Subscriber in respect of the Notes on such Payment Date, as Issuer Available Funds to be applied in accordance with the Pre-Enforcement Priority of Payments to pay the Purchase Price – due and payable on such Payment Date – of the Further Portfolio purchased by the Issuer on the immediately preceding Transfer Date in accordance with the relevant Transfer Agreement and to pay the relevant Cash Reserve Increase Amount into the Cash Reserve Account.

Trigger Events

The occurrence of any of the following events will constitute a "**Trigger Event**":

(i) *Non-payment:* the Issuer defaults in the payment of:

(i) any amount of interest due on the Senior Notes, provided that such default remains unremedied for 5 (five) Business Days; or

(ii) any amount of principal due on the Senior Notes on the Final Maturity Date or any other date of early redemption in full of the Senior Notes, provided that such default remains unremedied for 5 (five) Business Days; or

(iii) any amount of principal due and payable on the Senior Notes on any Payment Date prior to the Final Maturity Date or any other date of early redemption in full of the Senior Notes (to the extent the Issuer has sufficient Issuer Available Funds to make such repayment of principal in accordance with the applicable Priority of Payments), provided that such default remains unremedied for 5 (five) Business Days (it being understood that, prior to the delivery

of a Trigger Notice or the redemption of the Notes in Condition 8.1 (*Redemption, Purchase and Cancellation - Final Redemption*), 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) or 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*), if the Servicer fails to deliver the Quarterly Servicer's Report to the Computation Agent in a timely manner in accordance with the provisions of the Cash Allocation, Management and Payment Agreement, no amount of principal will be due and payable in respect of the Notes); or

(j) *Breach of other obligations:* the Issuer defaults in the performance or observance of any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party (other than any obligation specified in paragraph (a) above) which is, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Noteholders and such default remains unremedied for 30 (thirty) days after the Representative of the Noteholders having given written notice thereof to the Issuer requiring the same to be remedied (except where, in the opinion of the Representative of the Noteholders, such default is not capable of remedy in which case no term of 30 (thirty) days will be given); or

(k) *Breach of representations and warranties by the Issuer*: any of the representations and warranties given by the Issuer under any of the Transaction Documents to which it is party is, or proves to have been, incorrect or erroneous (in any respect deemed to be material by the Representative of the Noteholders) when made or repeated, unless it has been remedied within 15 (fifteen)) days after the Representative of the Noteholders having given written notice thereof to the Issuer requiring the same to be remedied (except where, in the sole opinion of the Representative of the Noteholders, such breach is not capable of remedy in which case no term of 15 (fifteen) days will be given); or

(l) *Insolvency of the Issuer*: an Insolvency Event occurs in respect of the Issuer; or

(m) *Unlawfulness*: it is or will become unlawful (in any respect deemed to be material by the Representative of the Noteholders) 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.

Upon the occurrence of a Trigger Event, the Representative of the Noteholders:

(1) in the case of a Trigger Event under paragraph (a) or (e) above, shall; and/or

(2) in the case of a Trigger Event under paragraph (b) or (c) above, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, shall; and/or

(3) in the case of a Trigger Event under paragraph (d) above, may at its sole discretion or, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, shall,

serve a Trigger Notice to the Issuer (with copy to the Servicer, the Computation Agent and the Rating Agencies). Upon the service of a Trigger Notice, the Notes shall (subject to Condition 9 (*Non Petition and Limited Recourse*)) become immediately due and repayable at their Principal Amount Outstanding, together with any accrued but unpaid interest thereon, without any further action, notice or formality, and the Issuer Available Funds shall be applied in accordance with the Post-Enforcement Priority of Payments.

Following the service of a Trigger Notice, the Issuer may (subject to the prior written consent of the Representative of the Noteholders) or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders) direct the Issuer to dispose of the Aggregate Portfolio (in full or in part), subject to the terms and conditions of the Intercreditor Agreement.

Pre-Enforcement Priority of Payments

Prior to the service of a Trigger Notice, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full):

(ii) *First*,

(a) to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Expenses (to the extent that amounts standing to the credit of the Expense Account have been insufficient to pay such Expenses during the immediately preceding Interest Period); and

(b) to credit to the Expense Account an amount necessary to bring the balance of the

Expense Account up to (but not exceeding) the Retention Amount;

(iii) *Second*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders, the Account Bank, the Computation Agent, the Paying Agent, the Cash Manager, the Corporate Servicer, the Back-Up Servicer Facilitator and the Servicer;

(iv) *Third*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, interest due and payable on the Class A Notes;

(v) *Fourth*, to credit to the Cash Reserve Account an amount necessary to bring the balance of the Cash Reserve Account up to (but not exceeding) the Required Cash Reserve Amount;

(vi) *Fifth*, during the Ramp-up Period, if applicable, to pay the Cash Reserve Increase Amount (if any) into the Cash Reserve Account;

(vii) *Sixth*, to pay to the Originator an amount equal to the Cash Reserve Integration Ledger;

(viii) *Seventh*, during the Ramp-Up Period, if applicable, to pay any amount due and payable to the Originator as Purchase Price relating to the Further Portfolio purchased on the immediately preceding Transfer Date;

(ix) *Eighth*, to pay *pari passu* and *pro rata* all amounts due and payable as Senior Notes Repayment Amount in respect of the Class A Notes;

(x) *Ninth*, to pay any amount due and payable to the Originator as adjustment of the Purchase Price or any other amount due to the Originator pursuant to the Master Transfer Agreement and the relevant Transfer Agreement;

(xi) *Tenth*, to pay, *pari passu* and *pro rata*, any other amount due and payable by the Issuer under any Transaction Document which are not due and payable under the other items of this Pre-Enforcement Priority of Payments;

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

(xiii) *Twelfth*, subject to the Class A Notes having been redeemed in full, to pay the Junior Notes Repayment Amount (on all Payment Dates other than the Cancellation Date, up to an amount that

makes the aggregate Principal Amount Outstanding of all the Class J Notes not lower than Euro 1,000); and;

(xiv) *Thirteenth*, to pay, *pari passu* and *pro rata*, the Junior Notes Premium.

"**Cash Reserve Integration**" means, on any Payment Date, an amount, calculated by the Computation Agent, equal to the positive difference between the Required Cash Reserve Amount and the Issuer Available Funds (net of any Cash Reserve Integration) that would remain after having paid items from (i) to (iv) of the Pre Enforcement Priority of Payments.

"**Cash Reserve Integration Ledger**" means, on any Payment Date, an amount equal the difference between (i) the sum of any Cash Reserve Integration provided by the Originator and (ii) the amounts paid to the Originator under item (vi) of the Pre Enforcement Priority of Payments on the preceding Payment Dates.

"**Acceleration Event**" means the event triggered by one or more of the following:

(a) the Collateralisation Condition is not satisfied on the immediately preceding Payment Date or;

(b) a Purchase Termination Event Notice has been served by the Representative of the Noteholders or;

(c) the Issuer has terminated the appointment of Cassa di Risparmio di Bolzano as Servicer following the occurrence of a Servicer Termination Event set forth in Clause 9.1 of the Servicing Agreement or;

(d) the Cumulative Gross Default Ratio exceeds 10% as of the end of the immediately preceding Collection Period.

"**Collateralisation Condition**" means the condition that will be deemed to be satisfied on any Payment Date if the sum of:

(a) the Outstanding Principal of the Collateral Portfolio as of the end of the immediately preceding Collection Period, including any Further Portfolio transferred to the Issuer on or about such Payment Date;

(b) the Cash Reserve Amount credited to the Cash Reserve Account;

is equal or higher than 95% of the Principal Amount Outstanding of the Notes on the relevant Payment Date

(taking into account any repayment of principal made to the Noteholders on such Payment Date).

"**Junior Notes Repayment Amount**" means, as of the relevant Payment Date:

(a) in the event that no Acceleration Event has occurred, an amount equal to the lower of:

(i) the Principal Amount Outstanding of the Junior Notes on the day following the immediately preceding Payment Date; and

(ii) the lower between (x) and (y) where (x) is any amount equal to the Principal Allocation Amount less: (i) the Outstanding Balance of the Further Portfolio; and (ii) the Senior Notes Repayment Amount and (y) is zero; or

(b) in the event that an Acceleration Event has occurred, the Principal Amount Outstanding in respect of the Junior Notes.

"**Senior Notes Repayment Amount**" means, as of the relevant Payment Date:

(a) in the event that no Acceleration Event has occurred, an amount equal to the lower of:

(i) the Principal Amount Outstanding of the Senior Notes on the day following the immediately preceding Payment Date; and

(ii) the lower between (x) the difference between the Principal Allocation Amount and the Outstanding Balance of the Further Portfolio and (y) zero; and or

(b) in the event that an Acceleration Event has occurred, the Principal Amount Outstanding in respect of the Senior Notes.

Post-Enforcement Priority of Payments

Following the service of a Trigger Notice, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

(xv) *First*,

(a) to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Expenses (to the extent that amounts standing to the credit of the Expense Account have been insufficient to pay such

Expenses during the immediately preceding Interest Period); and

(b) to credit to the Expense Account an amount necessary to bring the balance of the Expense Account up to (but not exceeding) the Retention Amount;

(xvi) *Second*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders, the Account Bank, the Computation Agent, the Paying Agent, the Cash Manager, the Corporate Servicer, the Back-Up Servicer Facilitator and the Servicer;

(xvii) *Third*, to pay, pari passu and pro rata according to the respective amounts thereof, interest due and payable on the Class A Notes;

(xviii) *Fourth*, to pay *pari passu* and *pro rata* all amounts due and payable as Principal Amount Outstanding of the Class A Notes;

(xix) *Fifth*, to pay any amount due and payable to the Originator as adjustment of the Purchase Price pursuant to the Master Transfer Agreement and the relevant Transfer Agreement;

(xx) *Sixth*, to pay, *pari passu* and *pro rata*, any other amount due and payable by the Issuer under any Transaction Document which are not due and payable under the other items of this Post-Enforcement Priority of Payments;

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

(xxii) *Eighth*, subject to the Class A Notes having been redeemed in full, to pay the Principal Amount Outstanding of the Class J Notes (on all Payment Dates other than the Cancellation Date, up to an amount that makes the aggregate Principal Amount Outstanding of all the Class J Notes not lower than Euro 1,000);

(xxiii) *Ninth*, subject to the Class A Notes having been redeemed in full and the payment in full of any other amount due under the items above, to pay, *pari passu* and *pro rata*, the Junior Notes Premium (if any).

Cash Reserve

On the Issue Date, part of the proceeds of the issuance of the Class J Notes, in an amount equal to the Cash Reserve Initial Amount, will be transferred from the Payments Account into the Cash Reserve Account.

On each Payment Date up to (but excluding) the earlier of (i) the Payment Date following the delivery of a Trigger Notice, and (ii) the Payment Date on which the Class A Notes will be redeemed in full or cancelled, the balance of the Cash Reserve Account will form part of the Issuer Available Funds and will be available to cover any shortfall of other Issuer Available Funds in making payments under items from (i) (*first*) to (iii) (*third*) (inclusive) of the Pre-Enforcement Priority of Payments.

The Issuer Available Funds will be applied in accordance with the Pre-Enforcement Priority of Payments to credit to the Cash Reserve Account, *inter alia*, on each Payment Date up to (but excluding) the earlier of (i) the Payment Date following the delivery of a Trigger Notice, and (ii) the Payment Date on which the Class A Notes will be redeemed in full or cancelled, an amount necessary to bring the balance of the Cash Reserve Account up to (but not exceeding) the Required Cash Reserve Amount.

6. REPORTS

Monthly Servicer's Report

Under the Servicing Agreement, the Servicer has undertaken to prepare, on each Monthly Servicer's Report Date, the Monthly Servicer's Report setting out information on the performance of the Receivables and the Mortgages during the relevant Monthly Collection Period.

Quarterly Servicer's Report

Under the Servicing Agreement, the Servicer has undertaken to prepare, on each Quarterly Servicer's Report Date, the Quarterly Servicer's Report setting out information on the performance of the Receivables during the relevant Quarterly Collection Period.

Transparency Loan Report

Under the Servicing Agreement, the Servicer has undertaken to prepare on each Quarterly Servicer's Report Date, the Transparency Loan Report, setting out information referred to in Article 7, paragraph 1, letter (a) of the Securitisation Regulation and in the applicable Regulatory Technical Standards.

Account Bank Report

Under the Cash Allocation, Management and Payment Agreement, the Account Bank has undertaken to prepare, on each Account Bank Report Date, the Account Bank Report setting out information concerning, *inter alia*, the transfers and the balances relating to the Collection Account, the Cash Reserve Account, the Securities Account and the Payments Account.

Cash Manager Report

Under the Cash Allocation, Management and Payment Agreement, the Cash Manager has undertaken to prepare, on or prior to each Cash Manager Report Date, the Cash Manager Report setting out information relating to the Eligible Investments made during the immediately

	preceding Quarterly Collection Period pursuant to the Cash Allocation, Management and Payment Agreement.
Paying Agent Report	Under the Cash Allocation, Management and Payment Agreement, the Paying Agent has undertaken to prepare, no later than the first day of each Interest Period, the Paying Agent Report setting out information in respect of certain calculations to be made on the Notes.
Payments Report	Under the Cash Allocation, Management and Payment Agreement, the Computation Agent has undertaken to prepare, on or prior to each Calculation Date, the Payments Report setting out, *inter alia*, the Issuer Available Funds and each of the payments and allocations to be made by the Issuer on the next Payment Date, in accordance with the applicable Priority of Payments.
Investors Report	Under the Cash Allocation, Management and Payment Agreement, the Computation Agent has undertaken to prepare, on or prior each Investors Report Date, the Investors Report setting out certain information with respect to the Notes.
Transparency Investors' Report	Under the Cash Allocation, Management and Payment Agreement, the Computation Agent has undertaken to prepare and submit to the Reporting Entity the Transparency Investors' Report setting out certain information with respect to the Notes, in compliance with Article 7(1)(e), 7(1)(f) and 7(1)(g) of the Securitisation Regulation and the applicable Regulatory Technical Standards. Such report shall be prepared both (i) on or prior to the Transparency Report Date with reference to the information requested under Article 7(1)(e), 7(1)(f) and 7(1)(g) of the Securitisation Regulation, and (ii) in case an inside information or significant event (within the respective meanings of Articles 7(1)(f) and (g) of the Securitisation Regulation) has occurred, without delay with reference to the information requested under Article 7(1)(f) and 7(1)(g) of the Securitisation Regulation.
Material net economic interest in the Securitisation	Under the Intercreditor Agreement / Subscription Agreements, CR Bolzano has agreed and undertaken, with, *inter alios*, the Issuer, the Arranger, the Representative of the Noteholders and the Subscriber that it will retain on the Issue Date and maintain on an ongoing basis at least 5 per cent. of material economic interest in accordance with paragraph (3)(a) of article 6 of the Securitisation Regulation (the "**Retention Requirement**"). In order to fulfil the obligations under option (a) of article 6(3) of the Securitisation Regulation and the applicable Regulatory Technical Standards, the Originator shall subscribe: (i) on the Issue Date, an amount of the Senior Notes for a principal amount as of the Issue Date equal to Euro

479,300,000 and an amount of the Junior Notes for a principal amount as of the Issue Date equal to Euro 269,583,000; and

(ii) on each Settlement Date, an amount equal to 5% of each Senior Notes Further Instalment and each Junior Notes Further Instalment.

Reporting Entity

Under the Intercreditor Agreement, each of the Originator and the Issuer has agreed that the Originator is designated and will act as Reporting Entity, pursuant to and for the purposes of article 7(2) of the Securitisation Regulation. In such capacity as Reporting Entity, the Originator shall fulfil the information requirements pursuant to points (a), (b), (c), (e), (f) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulation by making available the relevant information to the Noteholders, the competent authorities referred to under article 29 of the Securitisation Regulation and, upon request, to potential investors on the website of European DataWarehouse GMBH (being, as at the date of this Prospectus, https://editor.eurodw.eu/) (the "**Temporary Website**") or on the Data Repository, as the case may be.

For further details see the section entitled "*Regulatory Disclosure and Retention Undertaking*".

7. PREVIOUS SECURITISATIONS AND FURTHER SECURITISATIONS

The 2009 Previous Securitisation

In July 2009, the Issuer carried out a first securitisation transaction in compliance with the provisions of the Law 130 (the "**2009 Previous Securitisation**"). Under the 2009 Previous Securitisation, the Issuer has purchased a portfolio of mortgage loan receivables originated by CR Bolzano with an outstanding principal and interest equal to Euro 481,905,143.

In order to fund the purchase of the portfolio under the 2009 Previous Securitisation, on 28 July 2009 the Issuer issued the following classes of notes (the "**2009 Previous Notes**"):

(i) Euro 400,000,000 Series 2009-1-A Asset Backed Floating Rate Notes due July 2057; and

(ii) Euro 89,950,000 Series 2009-1-B Asset Backed Notes due July 2057.

All of the Series 2009 Notes have been redeemed as at the date of this Prospectus.

The 2011 Previous Securitisation

In December 2011, the Issuer carried out the second securitisation transaction in compliance with the provisions of the Law 130 (the "**2011 Previous Securitisation**"). Under the 2011 Previous Securitisation, the Issuer has purchased a portfolio of mortgage loan receivables

originated by CR Bolzano with an outstanding principal and interest equal to Euro 557,948,680.18.

In order to fund the purchase of the portfolio under the 2011 Previous Securitisation, on 2 December 2011 the Issuer issued the following classes of notes (the "**2011 Previous Notes**"):

(i) Euro 446,400,000 Series 2011-1-A Asset Backed Floating Rate Notes due July 2058; and

(ii) Euro 133,900,000 Series 2011-1-B Asset Backed Notes due July 2058.

All of the Series 2011 Notes have been redeemed as at the date of this Prospectus.

The 2014 Previous Securitisation

In July 2014 the Issuer carried out a third securitisation transaction in compliance with the provisions of the Law 130 (the "**2014 Previous Securitisation**"). Under the 2014 Previous Securitisation, the Issuer has purchased from CR Bolzano a portfolio of mortgage loan receivables with an outstanding principal and interest equal to Euro 509,774,968.22.

In order to fund the purchase of the portfolio under the 2014 Previous Securitisation, on 31 July 2014 the Issuer issued the following notes (the "**2014 Previous Notes**"):

(i) Euro 423,000,000 Series 2014-1-A Notes due October 2060; and

(ii) Euro 102,100,000 Series 2014-1-B Notes.

On 29 November 2016, further to the assignment from CR Bolzano to the Issuer of an additional portfolio of mortgage loan receivables with an outstanding principal and interest equal to Euro 529,416,979.29, the notional amount of the 2014 Previous Notes has been increased, resulting as follows:

(i) Euro 1,237,600.000 Series 2014-1-A Asset Backed Floating Rate Notes due October 2060; and

(ii) Euro 179,200,000 Series 2014-1-B Asset Backed Notes due October 2060.

All of the 2014 Previous Notes are still outstanding as at the date of this Prospectus for an amount equal to:

(i) Euro 275,941,236.48 for Series 2014-1-A Asset Backed Floating Rate Notes due October 2060; and

(ii) Euro 179,200,000 for Series 2014-1-B Asset Backed Notes due October 2060.

The Issuer has completed in advance all the required formalities, pursuant to the terms and conditions of the 2014 Previous Securitisation, in order to carry out the Securitisation.

The 2018 Previous Securitisation

In June 2018, the Issuer carried out a fourth securitisation transaction in compliance with the provisions of the Law 130 (the "**2018 Previous Securitisation**"). Under the 2018 Previous Securitisation, the Issuer has purchased from CR Bolzano a portfolio of mortgage loan receivables with an outstanding principal and interest equal to Euro 498,382,249.40.

In order to fund the purchase of the portfolio under the 2018 Previous Securitisation, on 18 June 2018 the Issuer issued the following classes of notes (the "**2018 Previous Notes**"):

(i) Euro 355,900,000 Series 2018-1-A1 Asset Backed Floating Rate Notes due December 2061;

(ii) Euro 90,000,000 Series 2018-1-A2 Asset Backed Fixed Rate Notes due December 2061; and

(iii) Euro 61,315,000 Series 2018-1-J Asset Backed Fixed Rate and Variable Return Notes due December 2061.

All of the 2018 Previous Notes are still outstanding as at the date of this Prospectus for an amount equal to:

(i) Euro 236,018,466.05 for Series 2018-1-A1 Asset Backed Floating Rate Notes due December 2061;

(ii) Euro 90,000,000 for Series 2018-1-A2 Asset Backed Fixed Rate Notes due December 2061; and

(iii) Euro 61,315,000 for Series 2018-1-J Asset Backed Fixed Rate and Variable Return Notes due December 2061.

The Issuer has completed in advance all the required formalities, pursuant to the terms and conditions of the 2018 Previous Securitisation, in order to carry out the Securitisation.

Further Securitisations

The Issuer may carry out Further Securitisations in addition to the Securitisation described in this Prospectus, provided that the Issuer confirms in writing to the Representative of the Noteholders – or the Representative of the Noteholders is otherwise satisfied – that the conditions set out in the Conditions are fully satisfied.

8. TRANSFER AND ADMINISTRATION OF THE AGGREGATE PORTFOLIO

Transfer of the Aggregate Portfolio

On 15 May 2020, the Originator and the Issuer entered into the Master Transfer Agreement, pursuant to which the Originator:

Initial Portfolio

(a) assigned and transferred to the Issuer the Initial Portfolio; and.

Further Portfolios

(b) during the Ramp-Up Period, also on a revolving basis, may assign and transfer to the Issuer, Further Portfolios,

in accordance with the provisions of the Master Transfer Agreement.

Pro-soluto transfer

The Initial Portfolio has been, and any Further Portfolios will be, assigned and transferred to the Issuer without recourse (*pro soluto*), in accordance with the Law 130 and subject to the terms and conditions of the Transfer Agreement.

Criteria

The Receivables comprised in the Initial Portfolio have been, and the Receivables comprised in the Further Portfolios will be transferred as a block (*in blocco*), selected on the basis of the Criteria set forth in the Transfer Agreement.

Purchase Price of each Portfolio

The Purchase Price in respect of the Initial Portfolio and each Further Portfolio is or will be equal to the sum of all Individual Purchase Prices of the relevant Receivables.

Purchase Price of the Initial Portfolio

The Purchase Price in respect of the Initial Portfolio will be paid on the Issue Date using the net proceeds of the issue of the Notes.

Purchase Price of the Further Portfolios

The Purchase Price in respect of any Further Portfolio will be paid on the Payment Date immediately following the relevant Transfer Date through (i) the Issuer Available Funds available on the Calculation Date preceding the relevant Payment Date, for such purposes; and (ii) should the Issuer Available Funds not be sufficient (in full or in part) to such purpose, through the proceeds of the Notes Further Instalments, subject to the terms and conditions of the relevant Transfer Agreement and the other Transaction Documents.

Purchase Conditions

The preliminary condition for the transfer of a Further Portfolio is that the Originator has received written confirmation by the Calculation Agent that the Notes Residual Further Instalment of each class is equal to or higher than each class' Notes Further Instalment Amount necessary to fund the Purchase Price of such Further Portfolio according to the Conditions.

The following conditions shall be satisfied in relation to the relevant Further Portfolio:

(1) the Further Portfolio shall not include loans which are benefiting from a payment holyday granted after the end of the Covid-19 Contingency Period;

(2) the Further Portfolio shall not include loans owed by Debtors indicated in section B - "*Estrazione di Minerali da Cave o Miniere*" (Mining & quarrying) of the ATECO categories;

(3) the Outstanding Balance of the Receivables in the Further Portfolio for which one instalment is due and unpaid should amount for no more than 1% of the Further Portfolio;

(4) the Further Portfolio shall not include loans due by Debtors whose rating falls on classes 8, 9 and 10 of the rating scale of the Originator (or such other equivalent classes in term of probability of default from time to time in use by the Originator).

The following conditions shall be satisfied in relation to the Aggregate Portfolio including the Further Portfolio for which has been proposed the transfer:

(1) the Weighted Average Rate of the Aggregate Portfolio shall be equal to or higher than 1.8%;

(2) at least 70% of the Receivables pay a floating rate coupon;

(3) at least 90% of the Receivables in respect of which is provided a floating rate interest are indexed to the three or six months Euribor;

(4) the Outstanding Balance of the Mortgage Portfolio shall not be (a) lower than 50% nor (b) higher than 70% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(5) the Outstanding Balance of the Receivables paying a monthly, two-monthly or quarterly instalment shall not be lower than 65% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(6) the Outstanding Balance of Receivables owed by the same Debtor or Group of Debtors shall not be higher than 2% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(7) the Outstanding Balance of Receivables owed by the Top 20 Debtors or Group of Debtors shall not be higher than 17% of the Outstanding Balance of the

Aggregate Portfolio as at the end of the relevant Collection Period;

(8) the number of Debtors or Group of Debtors in respect of Receivables included in the Aggregate Portfolio shall not be lower than 2200;

(9) the Outstanding Balance of Receivables owed by Debtors indicated in section I - "*Attività dei servizi di alloggio e ristorazione*" (Accommodation and food service activities) of the ATECO categories shall not be higher than 33% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(10) the Outstanding Balance of Receivables owed by Debtors indicated in section A - "*Agricoltura, Silvicolutra e Pesca*" (Agriculture, forestry and fishing) of the ATECO categories shall not be higher than 20% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(11) the Outstanding Balance of Receivables owed by Debtors indicated in section C - "*Attività Manifatturiere*" (Manufacturing Activities) of the ATECO categories shall not be higher than 12% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(12) the Outstanding Balance of Receivables owed by Debtors indicated in section G - "*Commercio all'Ingrosso e al Dettaglio, Riparazione di Autoveicoli e Motocicli*" (Wholesale and Retail Trade, Repair of Motor vehicles and Motorcycles) of the ATECO categories shall not be higher than 12% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(13) the Outstanding Balance of Receivables owed by Debtors indicated in section F - "Costruzioni" (Constructions) of the ATECO categories shall not be higher than 7% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(14) the Outstanding Balance of Receivables owed by Debtors belonging to ATECO categories which are different from the ones mentioned above under (11) to (15), excluding the category L and B, shall not be higher than 5% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(15) the Outstanding Balance of the Receivables belonging to areas of economic activity defined by

the first two figures of the 2007 ATECO code, as a percentage of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period, shall not be higher, respectively, than: a) 35% for the first area; b) 50% for the first two areas; c) 60% for the first three areas; d) 70% for the first five areas; e) 90% for the first ten areas;

(16) the Outstanding Balance of the Mortgage Portfolio backed by at least one residential property shall not be lower than 20% of the Outstanding Balance of the Aggregate Mortgage Portfolio as at the end of the relevant Collection Period;

(17) the Weighted Average Residual Life of the Aggregate Mortgage Portfolio shall not be higher than 11 years;

(18) the Weighted Average Residual Life of the Aggregate Non-Mortgage Portfolio shall not be higher than 6 years;

(19) the Weighted Average Current Loan to Value of the Aggregate Mortgage Portfolio shall not be higher than 50%; and

(20) the Set Off Risk Exposure for all the Receivables included in the Aggregate Portfolio shall be lower than 8% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period.

(21) the Weighted Average Cap of the Aggregate Portfolio shall not be lower than 4.5% and the Outstanding Balance of the loans benefiting from a cap on the interest rate payable should not exceed 10% of the Outstanding Balance of the Aggregate Portfolio.

It is understood that, should the limits provided above be breached as a consequence of the amortisation of the Aggregate Portfolio, the transfer of any Further Portfolio shall be allowed only in the case, following such transfer, the breaches result to be at least mitigated.

The following condition shall be satisfied in relation to the Aggregate Portfolio not including the Further Portfolio for which has been proposed the transfer:

(1) the Delinquency Ratio of the Aggregate Portfolio as at the end of the immediately preceding Collection Period shall be lower than 5%.

Purchase Termination Events

Pursuant to the Master Transfer Agreement and the Intercreditor Agreement, the occurrence of any of the

following events during the Ramp-Up Period and up to the Payment Date (included) immediately following the end of the Ramp-Up Period shall constitute a purchase termination event (the "**Purchase Termination Events**"):

(a) *Breach of obligations by the Originator*:

(i) the Originator defaults in the performance or observance of any of its payment obligations under or in respect of any of the Transaction Documents to which it is a party and (except where, in the reasonable opinion of the Representative of the Noteholders, such default is not capable of remedy) such default remains unremedied for 5 days after the Representative of the Noteholders has given written notice thereof to the Issuer and the Originator, declaring that such default is, in its opinion, materially prejudicial to the interest of the Senior Noteholders; or

(ii) the Originator defaults in the performance or observance of any of its obligations under or in respect of any of the Transaction Documents to which it is a party - other than the payment obligations under (a) above - and (except where, in the reasonable opinion of the Representative of the Noteholders, such default is not capable of remedy) such default remains unremedied for 30 days after the Representative of the Noteholders has given written notice thereof to the Issuer and the Originator declaring that such default is, in its opinion, materially prejudicial to the interest of the Senior Noteholders; or

(b) *Breach of representations and warranties by the Originator*:

any of the representations and warranties given by the Originator under any of the Transaction Documents to which it is party is or proves to have been incorrect in any material respect which is materially prejudicial to the interest of the Senior Noteholders in the opinion of the Representative of the Noteholders when made or repeated and such breach is not remedied; or

(c) *Insolvency of the Originator*:

(i) 30 days have elapsed since an application is made for the commencement of a *liquidazione coatta amministrativa* or any other applicable bankruptcy proceedings or preparatory or early intervention measures pursuant to the Directive 2014/59/EU (as

implemented from time to time) against the Originator in any jurisdiction and such application has not been rejected by the relevant court nor has it been withdrawn by the relevant applicant (unless the Originator has provided the Representative of the Noteholders with a legal opinion or other adequate comfort confirming that such application is manifestly without grounds), provided that in the 30 days period following the date of the relevant application, the Originator shall not be entitled to deliver any Offer to the Issuer for the transfer of a Further Portfolio pursuant to the Transfer Agreement; or

(ii) the Originator becomes subject to any *liquidazione coatta amministrativa* or any other applicable bankruptcy proceedings pursuant to the Directive 2014/59/EU (as implemented from time to time) against the Originator in any jurisdiction or the whole or any substantial part of the assets of the Originator are subject to a *pignoramento* or similar procedure having a similar effect; or

(iii) the Originator takes any action for a restructuring or deferment of fulfilment of any of its obligations relating to financial indebtedness or makes any out of court settlements with its creditors (to the extent such out of court settlements may be materially prejudicial to the interests of the Senior Noteholders) for the extension of fulfilment of its obligations relating to financial indebtedness or the enforcement of any guarantee given to guarantee such fulfilment; or

(d) *Winding up of the Originator*:

an order is made or an effective resolution is passed for the winding up, liquidation or dissolution in any form of the Originator; or

(e) *Breach of ratios:*

(i) the Cumulative Gross Default Ratio of the Aggregate Portfolio, as determined by the Servicer is equal to 10%, as of the end of the immediately preceding Collection Period; or

(ii) the Delinquency Ratio of the Aggregate Portfolio, as determined by the Servicer is equal or higher than 8%, with reference to the Collection Period immediately preceding the

relevant Offer, as of the end of three consecutive Collection Period; or

(iii) the Collateralisation Condition is not satisfied; or

(iv) the Cash Reserve Amount is less than the Required Cash Reserve Amount as of the immediately preceding Payment Date; or

(f) *Termination of CR Bolzano appointment as Servicer:*

the Issuer has terminated the appointment of CR Bolzano as Servicer following the occurrence of a Servicer Termination Event set forth in Article 9 of the Servicing Agreement; or

(g) *Occurrence of a Trigger Event:*

a Trigger Event has occurred.

For further details, see the sections entitled "*The Aggregate Portfolio*" and "*Description of the Master Transfer Agreement*".

Purchase Termination Event Notice

Upon the occurrence of any Purchase Termination Event, the Representative of the Noteholders, having previously verified that any provided remediation period has expired, shall serve a Purchase Termination Notice on the Issuer, the Originator and the Rating Agencies stating that a Purchase Termination Event has occurred.

After the service of a Purchase Termination Event Notice, the Ramp-Up Period will be terminated, the Issuer shall refrain from purchasing any Further Portfolio and, unless the delivery of a Trigger Notice occurs, the Pre-Enforcement Priority of Payments shall continue to be applied.

For further details, see the sections entitled "The Aggregate Portfolio" and "Description of the Master Transfer Agreement".

Warranties in relation to the Aggregate Portfolio

Pursuant to the Warranty and Indemnity Agreement, the Originator has given certain representations and warranties in favour of the Issuer in relation to, *inter alia*, the Receivables, the Aggregate Portfolio, the Loan Agreements, the Real Estate Assets and the Collateral Securities and has agreed to grant a Limited Recourse Loan or indemnify the Issuer in respect of certain liabilities of the Issuer incurred in connection with the purchase and ownership of the Aggregate Portfolio.

For further details, see the section entitled "*Description of the Warranty and Indemnity Agreement*".

Servicing Agreement

Pursuant to the terms of the Servicing Agreement and in compliance with the Law 130, the Servicer has agreed to administer and service the Receivables comprised in the Aggregate Portfolio on behalf of the Issuer and, in particular:

(a) to collect and recover amounts due in respect thereof;

(b) to administer relationships with the Debtors; and

(c) to carry out, on behalf of the Issuer, certain activities in relation to the Receivables in accordance with the Servicing Agreement and the Credit and Collection Policies.

In particular, the Servicer will be the "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento*" pursuant to article 2, paragraph 3(c) of the Law 130 and, therefore, it has undertaken to verify that the operations comply with the law and this Prospectus, in accordance with article 2, paragraph 6-*bis*, of the Law 130.

For further details, see the section entitled "*Description of the Servicing Agreement*".

9. OTHER TRANSACTION DOCUMENTS

Intercreditor Agreement

Pursuant to the Intercreditor Agreement, the Issuer, the Representative of the Noteholders (for itself and in the name and on behalf of the Noteholders), the Other Issuer Creditors and the Quotaholder have agreed, *inter alia*, on the order of application of the Issuer Available Funds and the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to the Aggregate Portfolio and the Transaction Documents.

Each of the Other Issuer Creditors, pursuant to Articles 1723, paragraph 2, and 1726 of the Italian Civil Code, has irrevocably appointed in the interest and for the benefit of the Other Issuer Creditors, as from the date hereof and with effect from the date when a Trigger Notice is served on the Issuer, the Representative of the Noteholders (which has accepted such appointment) as its sole agent (*mandatario esclusivo*) to receive on behalf of the Other Issuer Creditors from the Issuer any and all monies payable by the Issuer to the Other Issuer Creditors pursuant to the Transaction Documents from and including the date when a Trigger Notice is served on the Issuer.

The parties to the Intercreditor Agreement have agreed that the obligations owed by the Issuer to the Other Issuer Creditors will be limited recourse obligations of the Issuer. The Other Issuer Creditors will have a claim against the

Issuer only to the extent of the Issuer Available Funds and in accordance with the applicable Priority of Payments, subject to and as provided in the Intercreditor Agreement and the other Transaction Documents.

For further details, see the section entitled "*Description of the Intercreditor Agreement*".

Cash Allocation, Management and Payment Agreement

Pursuant to the Cash Allocation, Management and Payment Agreement, the Servicer, the Computation Agent, the Account Bank, the Paying Agent and the Cash Manager have agreed to provide the Issuer with certain agency services and certain calculation, notification and reporting services together with account handling, investment and cash management services in relation to monies and securities from time to time standing to the credit of the Accounts.

In addition, under the Cash Allocation, Management and Payment Agreement the Back-Up Servicer Facilitator has undertaken, in the event that, following the occurrence of a Servicer Termination Event, the appointment of the Servicer is terminated in accordance with the Servicing Agreement, to reasonably assist and cooperate with the Issuer in order to identify an eligible entity which meets the requirements for the successor servicers provided by the Servicing Agreement and is available to be appointed as Servicer under the Transaction Documents.

Pursuant to the terms of the Cash Allocation, Management and Payment Agreement, amounts standing from time to time to the credit of the Collection Account, the Payments Account and the Cash Reserve Account may be invested in Eligible Investments.

For further details, see the section entitled "*Description of the Cash Allocation, Management and Payment Agreement*".

Mandate Agreement

Pursuant to the Mandate Agreement, the Representative of the Noteholders will be authorised, subject to a Trigger Notice being served or following failure by the Issuer to exercise its rights under the Transaction Documents, to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of the Transaction Documents to which the Issuer is a party.

For further details, see the section entitled "*Description of the Mandate Agreement*".

Corporate Services Agreement

Pursuant to the Corporate Services Agreement, the Corporate Servicer has agreed to provide the Issuer with certain corporate administrative services, including the maintenance of corporate books and of accounting and tax registers, in compliance with reporting requirements relating

	to the Receivables and with other regulatory requirements imposed on the Issuer. For further details, see the section entitled "*Description of the Corporate Services Agreement*".
Quotaholder Agreement	Pursuant to the Quotaholder Agreement, the Sole Quotaholder has given certain undertakings in relation to the management of the Issuer and the exercise of its rights as Sole Quotaholder of the Issuer. For further details, see the section entitled "*Description of the Quotaholder Agreement*".
Letter of Undertakings	Pursuant to the Letter of Undertakings, the Originator has undertaken to indemnify the Issuer in respect of certain tax charges which may at any time be incurred by the Issuer. For further details, see the section entitled "*Description of the Letter of Undertakings*".
Subscription Agreements	Pursuant to the Subscription Agreements entered into on or about the Issue Date between the Issuer, the Subscriber and the Representative of the Noteholders, the Issuer and the Subscriber have agreed the terms and conditions upon which the Issuer will issue, and the Subscriber will subscribe and pay the Notes Initial Instalments as of the Issue Date. During the Ramp-Up Period, the Issuer (also through the Computation Agent) will request the Noteholders to pay the Notes Further Instalments up to the Nominal Amount of the Notes thereof, and the Noteholders will have the right (but not the obligation) to fund such Notes Further Instalments, in any case upon the occurrence of certain conditions precedent provided for under the Subscription Agreement. For further details, see the section entitled "*Description of the Subscription Agreements*".

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 Class A Notes, there can be no assurance that these measures will be sufficient or effective to ensure payment to the holders of the Class A Notes of interest or principal on such Class A 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 elsewhere in this Prospectus and reach their own views prior to making any investment decision.

RISK FACTORS RELATED TO THE ISSUER

Law 130

As of the date of this Prospectus, only limited interpretation of the application of the Law 130 has been issued by Italian governmental or regulatory authorities; therefore it is possible that further regulations, relating to the Law 130 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. It should be noted that:

(a) Law Decree No. 145 of 23 December 2013 ("*Interventi urgenti di avvio del piano "Destinazione Italia", per il contenimento delle tariffe elettriche e del gas, per la riduzione dei premi RC-auto, per l'internazionalizzazione, lo sviluppo e la digitalizzazione delle imprese, nonché misure per la realizzazione di opere pubbliche ed EXPO 2015*") converted with amendments into Law No. 9 of 21 February 2014;

(b) Law Decree No. 91 of 24 June 2014 ("*Disposizioni urgenti per il settore agricolo, la tutela ambientale e l'efficientamento energetico dell'edilizia scolastica e universitaria, il rilancio e lo sviluppo delle imprese, il contenimento dei costi gravanti sulle tariffe elettriche, nonché per la definizione immediata di adempimenti derivanti dalla normativa europea*") converted with amendments into Law No. 116 of 11 August 2014;

(c) Law Decree No. 50 of 24 April 2017 (published in the Official Gazette No. 95 of 24 April 2017) (*Disposizioni urgenti in materia finanziaria, iniziative a favore degli enti territoriali, ulteriori interventi per le zone colpite da eventi sismici e misure per lo sviluppo*) concerning urgent "Corrective Measures" (*Manovra Correttiva*) converted with amendments into Law No. 96 of 21 June 2017;

(d) Law No. 145 of 30 December 2018 (the "**2019 Budget Law**"), published in the Official Gazette No. 302 of 31 December 2018;

(e) Law Decree No. 34 of 30 April 2019 (*Misure urgenti di crescita economica e per la risoluzione di specifiche situazioni di crisi*), converted with amendments into Law No. 58 of 28 June 2019;

(f) Law No. 160 of 27 December 2019 (the "**2020 Budget Law**"), published in the Official Gazette No. 304 of 30 December 2019; and

(g) Law Decree No. 162 of 30 December 2019 (*Disposizioni urgenti in materia di proroga di termini*

legislativi, di organizzazione delle pubbliche amministrazioni, nonché di innovazione tecnologica) converted with amendments into Law No. 8 of 28 February 2020;

introduced certain amendments to the Securitisation Law by granting additional legal benefits to the entities involved in securitisation transactions in Italy and by better clarifying certain provisions of the Securitisation Law.

Issuer's ability to meet its obligations under the Notes

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent on the receipt by the Issuer of (a) the Collections made on its behalf by the Servicer in respect of the Aggregate Portfolio and (b) any other amounts required to be paid to the Issuer by the various agents and counterparts of the Issuer pursuant to the terms of the relevant Transaction Documents. The performance by such parties of their respective obligations under the relevant Transaction Documents is dependent on the solvency of each relevant party.

In addition, for so long as any amounts remain outstanding in respect of the Notes, the Issuer has undertaken to carry out further securitisation transactions only in accordance with Condition 5 (*Covenants*). The assets relating to each further securitisation transaction carried out by the Issuer in accordance with Condition 5 (*Covenants*) will, by operation of law and of the Transaction Documents, be segregated for all purposes from the Portfolios and the Issuer's rights under the Transaction Documents (see also the paragraph headed "Further Securitisations" below).

Consequently, there is no assurance that, over the life of the Notes or at 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 the Notes in full.

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

Certain risks relating to the Real Estate Assets

None of the Issuer, the Arranger or any Other Issuer Creditors has undertaken or will undertake any investigations, searches or other due diligence as to the Debtors' or the Mortgagors' status or the title to the Real Estate Assets. The only due diligence conducted was undertaken by the Originator (or on its behalf) at the time of the origination of the Mortgage Loans, and such due diligence was largely limited to a review of the certificates of title prepared by the relevant Debtor's lawyers, site visits and third party valuations of the Real Estate Assets. No update of such due diligence has been performed in connection with the assignment of the Receivables to the Issuer.

No assurances can be given that the values of the Real Estate Assets will not decrease at a rate higher than that anticipated on the origination of the Receivables. Should this happen, it could have an adverse effect on the levels of recoveries under the Aggregate Portfolio.

In the event of a default by the Debtors, the full recovery of amounts due pursuant to the Mortgage Loan Agreements will largely depend upon the value of the Real Estate Assets at the relevant time. The value of the Real Estate Assets depends on several factors, including their location and the manner in which the Real

Estate Assets are maintained. The value of the Real Estate Assets may be affected by changes in general and regional economic conditions such as an oversupply of space, a reduction in demand for residential or commercial real estate in an area, competition from other available space or increased operating costs. The value of the Real Estate Assets may also be affected by such factors as political developments, government regulations and changes in planning, zoning or tax laws, interest rate levels, inflation, availability of financing and yields of alternative investments. Therefore, no assurance can be given that the values of the Real Estate Assets have remained or will remain at the level at which they were on the origination dates of the related Mortgage Loans.

The security for the Notes consists of, *inter alia*, the Issuer's interest in the Mortgage Loans. The value of such security may be affected by, among other things, a decline in property values as described above. Should the Italian commercial property market experience an overall decline in property values, such a decline could, in certain circumstances, result in a significantly reduced security value and ultimately, may result in losses to the Noteholders if the security is required to be enforced. In addition, no assurances can be given that the values of the Real Estate Assets will not decrease at a rate higher than that anticipated on the origination of the Receivables. Should this happen, it could have an adverse effect on the levels of recoveries under the Aggregate Portfolio.

All the Real Estate Assets are assisted by an Insurance Policy issued by leading insurance companies approved by the Originator. There can be no assurance that all risks that could affect the value of the Real Estate Assets are or will be covered by the insurance policy or that, if such risks are covered, the insured losses will be covered in full. Any loss incurred which is not covered (or which is not covered in full) by the relevant Insurance Policy could adversely affect the value of the Receivables and the ability of the Issuer to recover the full amount due under the relevant Loan.

Any property in Italy may be subject to a compulsory purchase order in connection with general utility purposes at any time. If a compulsory purchase order is made regarding any of the Real Estate Assets, compensation would be payable to the Debtor (as owner of the relevant Real Estate Asset) on the basis of specific criteria set out in the applicable legislation. There can be no assurance that the amount of such compensation would at least be equal to the value of the relevant Real Estate Asset. In addition, there is often a delay between the completion of a compulsory purchase of a property and the date of payment of the statutory compensation. Any such delay, or a payment of statutory compensation to the Debtor that is lower than the value of the relevant Real Estate Asset, could have an adverse impact on the ability of the Issuer to meet its obligations to pay principal and interest under the Notes.

No independent investigation in relation to the Receivables

None of the Issuer, nor the Arranger nor any other party to the Transaction Documents (other than the Originator) has undertaken or will undertake any investigation, search or other action to verify the details of the Receivables sold by the Originator to the Issuer, nor has any of such persons undertaken, nor will any of them undertake, any investigation, search or other action to establish the creditworthiness of any of the Debtors. There can be no assurance that the assumptions used in modelling the cash flows of the Receivables and the Aggregate Portfolio accurately reflect the status of the underlying Loans.

The Issuer will rely instead on the representations and warranties given by the Originator in the Warranty and Indemnity Agreement and in the Master Transfer 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 Originator indemnifies the Issuer for the damage deriving therefrom, subject to the terms and conditions of the Warranty and Indemnity Agreement. There can be no assurance, however, that the Originator will have the financial resources to honour such obligations. For further details, see the section entitled "*Description of the Warranty and Indemnity Agreement*".

Commingling Risk

Pursuant to article 3, paragraph 2-*bis*, of the Law 130, no actions by persons other than the noteholders can be brought on the accounts opened in the name of the issuer with the servicer or an account bank, where the amounts paid by the debtors and any other sums paid or pertaining to the issuer in accordance with the transaction documents are credited. In case of any proceedings pursuant to Title IV of the Consolidated Banking Act, or any bankruptcy proceedings (*procedura concorsuale*), the sums credited to the issuer's accounts (whether before or during the relevant insolvency proceeding) shall not be subject to suspension of payments and shall be immediately and fully repaid to the issuer, without the need to file any petition (*domanda di ammissione al passivo o di rivendica*) and wait for the distributions (*riparti*) and the restitutions of sums (*restituzioni di somme*).

In addition, pursuant to article 3, paragraph 2-*ter*, of the Law 130, no actions by the creditors of the servicer or any sub-servicer can be brought on the sums credited to the accounts opened in the name of the servicer or any such sub-servicer with a third party account bank, save for any amount which exceeds the sums collected by the servicer or any such sub-servicer and due from time to time to the issuer. In case of any insolvency proceeding (*procedura concorsuale*) in respect of the servicer or any sub-servicer, the sums credited to such accounts (whether before or during the relevant insolvency proceeding), up to the amounts collected by the servicer or any such sub-servicer and due to the Issuer, will not be deemed to form part of the estate of the servicer or any such sub-servicer and shall be immediately and fully repaid to the issuer, without the need to file any petition (*domanda di ammissione al passivo o di rivendica*) and wait for the distributions (*riparti*) and the restitutions of sums (*restituzioni di somme*).

However, such provisions of the Law 130 have not been the subject of any official interpretation and to date they have been commented by a limited number of legal commentators. Consequently, there remains a degree of uncertainty with respect to the interpretation and application of article 3, paragraphs 2-*bis* and 2-*ter*, of the Law 130.

Prospective Noteholders should note that, in order to mitigate any possible risk of commingling, the Servicer has undertaken to transfer any Collections received or recovered by the Servicer into the Collection Account on a daily basis pursuant to the Servicing Agreement.

Finally, pursuant to the Servicing Agreement, if the appointment of CR Bolzano as Servicer is terminated, the Debtors will be instructed to pay any amount due in respect of the Receivables directly into the Collection Account.

Liquidity and Credit Risk

The Issuer is subject to the risk of delay arising between the receipt of payments due from the Debtors and the Scheduled Instalment Dates. This risk is mitigated, in respect of the Senior Notes, through the establishment of a cash reserve into the Cash Reserve Account.

Furthermore, the Issuer is subject to the risk of failure by the Servicer to collect or to recover sufficient funds in respect of the Aggregate Portfolio in order to enable the Issuer to discharge all amounts payable under the Notes when due.

The Issuer is also subject to the risk of default in payment by the Debtors and the failure to realise or to recover sufficient funds in respect of the Loans in order to discharge all amounts due from those Debtors under the Loans. With respect to the Senior Notes, this risk is mitigated by the credit support provided by the Junior Notes.

However, in each case, there can be no assurance that the levels of Collections received from the Aggregate Portfolio together with the credit support and the liquidity support provided by respectively the subordination of the Junior Notes and the cash reserve will be adequate to ensure timely and full receipt of amounts due under the Senior Notes.

Credit Risk on the Originator and the other parties to the Transaction Documents

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 Originator and the other parties to the Transaction Documents of their respective various obligations under the Transaction Documents to which they are a party. In particular, without limiting the generality of the foregoing, the timely payment of amounts due on the Notes will depend on the ability of the Servicer to service the Aggregate Portfolio and to recover the amounts relating to Defaulted Receivables (if any). In addition, the ability of the Issuer to make payments under the Notes may depend to an extent upon the due performance by the Originator of its obligations under the Warranty and Indemnity Agreement in respect of the Aggregate Portfolio. The performance by such parties of their respective obligations under the relevant Transaction Documents may be influenced on the solvency of each relevant party.

It is not certain that a suitable alternative servicer could be found to service the Aggregate Portfolio in the event that the Servicer becomes insolvent or its appointment under the Servicing Agreement is otherwise terminated. If such an alternative servicer is found it is not certain whether such alternative servicer would service the Aggregate Portfolio on the same terms as those provided for in the Servicing Agreement. Such risk is mitigated by the provision of the Servicing Agreement pursuant to which, upon the occurrence of a Servicer Termination Event, the Issuer (with the cooperation of the Back-Up Servicer Facilitator) shall appoint an eligible entity which meets the requirements for a substitute servicer provided for by the Servicing Agreement no later than 45 days from the occurrence of such Servicer Termination Event.

The Originator faces significant competition from a large number of banks throughout Italy and abroad. The deregulation of the banking industry in Italy and throughout the European Union has intensified competition in both deposit-taking and lending activities, contributing to a progressive narrowing of spreads between deposit and loan rates. In addition, as with all European banks, the introduction of the EMU may eliminate markets in which the Originator has a comparative advantage and provide significantly more competition in other areas, such as electronic banking.

Claims of Unsecured Creditors of the Issuer

By virtue of the operation of article 3 of the Law 130 and of the Transaction Documents, the Issuer's rights, title and interest in and to the Aggregate Portfolio and under the Transaction Documents will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Law 130) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) 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, the Other Issuer Creditors and any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the Securitisation. Amounts deriving from the Aggregate Portfolio will not be available to any other creditor 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.

Under Italian law, *prima facie*, any creditor of the Issuer who has a valid and unsatisfied claim may file a petition for the bankruptcy of the Issuer, although no creditors other than the Representative of the Noteholders on behalf of the Noteholders and the Other Issuer Creditors would have the right to claim in respect of the Receivables, even in the event of bankruptcy of the Issuer.

The Issuer is unlikely to have a large number of creditors unrelated to the Securitisation, the Previous Securitisations or any Further Securitisation because (a) the corporate object of the Issuer, as contained in its By-laws (*statuto*) is very limited and (b) under the Conditions, the Issuer has undertaken to the Noteholders, *inter alia*, not to engage in any activity whatsoever which is not incidental to or necessary in connection with the Previous Securitisations or any Further Securitisation or with any of the activities in which the Transaction Documents provide and envisage that the Issuer will engage. Therefore, the Issuer must comply with certain covenants provided for by the Conditions (and the terms and conditions of the Previous Notes) which contain restrictions on the activities which the Issuer may carry out (including incurring further substantial debt), with the result that the Issuer may only carry out limited transactions in connection with the Securitisation and, subject to the satisfaction of Condition 5.2 (*Further Securitisations*), future securitisations. Accordingly, the Issuer is less likely to have creditors who would claim against it other

than the ones related to the Previous Securitisations, the Further Securitisations, if any, the Noteholders and the Other Issuer Creditors (all of whom have agreed to non-petition provisions contained in the Transaction Documents) and the other third parties creditors in respect of any taxes, costs, fees or expenses incurred in relation to such securitisations and in order to preserve the corporate existence of the Issuer, to maintain it in good standing and to comply with applicable legislation.

To the extent that the Issuer incurs any ongoing taxes, costs, fees and expenses (whether or not related to the Securitisation), the Issuer has established the Expense Account, into which the Retention Amount shall be credited on the Issue Date and refilled on each Payment Date in accordance with the applicable Priority of Payments and out of which payments of the aforementioned taxes, costs, fees and expenses shall be paid on any Business Day (other than a Payment Date).

Notwithstanding the foregoing, there can be no assurance that if any bankruptcy proceedings were to be commenced against the Issuer, the Issuer would be able to meet all of its obligations under the Notes.

Previous Securitisations and Further Securitisations

The Issuer's principal assets are the Aggregate Portfolio and the Previous Portfolios purchased by the Issuer from the Originator in the context of the Previous Securitisations. By operation of the Law 130 the Previous Portfolios are segregated in favour of the holders of the Previous Notes and the Aggregate Portfolio is segregated in favour of the Noteholders. The Issuer may carry out Further Securitisations in addition to the Securitisation described in this Prospectus, provided that the Issuer confirms in writing to the Representative of the Noteholders – or the Representative of the Noteholders is otherwise satisfied – that the conditions set out in the Condition 5.2 (*Further Securitisations*)) are fully satisfied.

Under the terms of article 3 of the Law 130, the assets relating to each securitisation transaction will by operation of law and of the Transaction Documents be segregated for all purposes from all other assets of the company that purchases the receivables. On a winding up of such a company such assets will only be available to the holders of the notes issued to finance the acquisition of the relevant receivables and to certain creditors claiming payment of debts incurred by the company in connection with the securitisation of the relevant assets. In addition, the assets relating to a particular transaction will not be available to the holders of notes issued to finance any other securitisation transaction or to general creditors of the issuer company.

RISK FACTORS RELATED TO THE NOTES

Suitability

Structured securities, such as the Notes, are sophisticated instruments, which can involve a significant degree of risk. Prospective investors in any Class of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to the relevant risks. Such prospective investors should also ensure that they have sufficient knowledge, experience and access to professional advice to make their own legal, tax, accounting and financial evaluation of the merits and risks of an investment in the Notes and that they consider the suitability of the Notes as an investment in light of their own circumstances and financial condition and upon advice from such advisers as they may deem necessary.

Investment in the Notes is only suitable for investors who (i) have the requisite knowledge and experience in financial and business matters to evaluate such merits and risks of an investment in the Notes; (ii) have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation; (iii) are capable of bearing the economic risk of an investment in the Notes; and (iv) recognise that it may not be possible to dispose of the Notes for a substantial period of time, if at all.

Prospective investors 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 Originator or the Arranger 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 Originator, the Arranger 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.

Source of Payments to Noteholders

The Notes will be limited recourse obligations solely of the Issuer and will not be the responsibility of, or be guaranteed by, any other entity. In particular, the Notes will not be obligations or responsibilities of or guaranteed by any of the Originator, the Servicer, the Representative of the Noteholders, the Arranger or any other party to the Transaction Documents. None of such parties, other than the Issuer, will accept any liability whatsoever in respect of any failure by the Issuer to make any payment of any amount due under the Notes.

The Issuer will not as at the Issue Date have any significant assets for the purpose of meeting its obligations under the Securitisation, other than the Aggregate Portfolio, any amounts and/or securities standing to the credit of the Accounts and its rights under the Transaction Documents to which it is a party. Consequently, there is a risk 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), the funds available to the Issuer may be insufficient to pay interest on the Notes or to repay the Notes in full.

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 payment in accordance with the applicable Priority of Payments. If there are not sufficient Issuer Available Funds to pay in full all principal and interest and 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. 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.

Yield and Prepayment Considerations

The yield to maturity of the Notes of each Class will depend on, *inter alia*, the amount and timing of repayment of principal on the Loans (including prepayments and sale proceeds arising on enforcement of a Loan) and on the actual date (if any) of exercise of the Optional Redemption pursuant to Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*). Such yield may be adversely affected by higher or lower than anticipated rates of prepayment, delinquency and default of the Loans.

Prepayments may result in connection with refinancing or sales of properties by Debtors voluntarily. The receipt of proceeds from Insurance Policies may also impact on the way in which the Loans are repaid.

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

Subordination

Both prior to and following the service of a Trigger Notice, in respect of the obligations of the Issuer to pay interest on the Notes:

(a) the Class A Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of principal on the Class A Notes, the payment of interest on the Class J Notes, the repayment of principal on the Class J Notes and the payment of the Junior Notes Premium (if any) on the Class J Notes; and

(b) the Class J Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of the principal on the Class J Notes and the payment of the Junior Notes Premium (if any) on the Class J Notes, but subordinated to the payment of interest on the Class A Notes and the repayment of principal on the Class A Notes .

Both prior to and following the service of a Trigger Notice, in respect of the obligations of the Issuer to repay principal on the Notes:

(a) the Class A 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 Junior Notes Premium (if any) on the Class J Notes, but subordinated to the payment of interest on the Class A Notes;

(b) the Class J Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the payment of the Junior Notes Premium (if any) on the Class J Notes, but subordinated to the payment of interest on the Class A Notes, the repayment of principal on the Class A Notes, and the payment of interest on the Class J Notes.

The rights of the Noteholders in respect of the priority of payment of interest and repayment of principal on the Notes, as well as payment of the Junior Notes Premium (if any) on the Class J Notes, are set out in Condition 6.1 (*Pre-Enforcement Priority of Payments*) or Condition 6.2 (*Post-Enforcement Priority of Payments*), as the case may be, and are subject to the provisions of the Intercreditor Agreement and subordinated to certain prior ranking amounts due by the Issuer as set out therein.

Limited Enforcement Rights

The protection and exercise of the Noteholders' rights against the Issuer and the preservation and enforcement of the security under the Notes is one of the duties of the Representative of the Noteholders to the extent provided by the Transaction Documents. The Conditions and the Rules of the Organisation of the Noteholders limit the ability of each individual Noteholder to bring individual actions against the Issuer.

Only the Representative of the Noteholders may pursue the remedies available under general law or under the Transaction Documents to obtain payment of the obligations of the Issuer deriving from any of the Transaction Documents and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment of such obligations, save as provided by the Rules of the Organisation of the Noteholders.

The Representative of the Noteholders

The Conditions and the Intercreditor Agreement contain provisions requiring the Representative of the Noteholders to have regard to the interests of the holders of each Class of Notes as regards all powers, authorities, duties and discretion of the Representative of the Noteholders as if they formed a single class (except where expressly provided otherwise) but requiring the Representative of the Noteholders, in the event of a conflict between the interests of the holders of different Classes of Notes, to have regard only to the interests of the holders of the Class of Notes ranking highest in the order of priority then outstanding.

Limited secondary market and liquidity risk

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

Although an application has been made to ExtraMOT PRO for the Senior Notes to be listed on the official list of ExtraMOT PRO and to be admitted to trading on the unregulated market of ExtraMOT, 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 such 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 Senior Noteholder may not be able to find a buyer to buy its Senior Notes readily or at prices that will enable the Senior Noteholder to realise a desired yield. Illiquidity can have a severe adverse effect on the market value of the Senior Notes. Consequently, any sale of the Senior Notes by the Senior Noteholders in any secondary market which may develop may be at a discount to the original purchase price of those Senior Notes.

Prospective Senior 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 Senior Notes.

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

Certain material interests

Certain parties to the transaction, such as the Originator, may perform multiple roles. In particular, (i) CR Bolzano is, in addition to being an Originator, also Servicer, Reporting Entity, Senior Notes Subscriber, Junior Notes Subscriber and Cash Manager; (ii) Securitisation Services is, in addition to being Corporate Servicer, also the Computation Agent, the Back-Up Servicer Facilitator and the Representative of the Noteholders; and (iii) BNP Paribas Securities Services, Milan Branch is, in addition to being the Account Bank, also, the Paying Agent.

The Arranger is a global financial institution that provides a wide range of financial services to a diversified global client base. As such, the Arranger 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 this Securitisation: (a) having previously engaged or in the future engaging in transactions with other parties to the Securitisation; (b) having multiple roles in this Securitisation; and/or (c) 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, in particular, be lender, and provide general banking, investment

and other financial services to the Debtors and other parties. In such relationships the aforementioned parties are not obliged to take into account the interests of the Noteholders. In addition, CR Bolzano in its capacity as, present or future, holders of any Notes, may exercise the relevant voting rights in respect of the Notes held by it also in a manner that may be prejudicial to other Noteholders.

Limited Nature of Credit Ratings Assigned to the Senior Notes

Each credit rating assigned to the Senior Notes reflects the relevant Rating Agencies' assessment only of the likelihood that interest will be paid promptly and principal will be paid by the final redemption date, not that it will be paid when expected or scheduled. These ratings are based, among other things, on the reliability of the payments on the Portfolio and the availability of credit enhancement.

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

(a) the possibility of the imposition of Italian or European withholding tax;

(b) the marketability of the Senior Notes, or any market price for the Senior Notes; or

(c) whether an investment in the Senior Notes is a suitable investment for the relevant Noteholder.

A rating is not a recommendation to purchase, hold or sell the Senior Notes. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor or the Tax-exempt nature or taxability of payments made in respect of any security.

Any Rating Agency may lower its ratings or withdraw its ratings if, in the sole judgement of that Rating Agency, the credit quality of the Senior Notes has declined or is in question. If any rating assigned to the Senior Notes is lowered or withdrawn, the market value of the Senior Notes may be affected.

Risks related to the Securitisation Regulation

General uncertainty in relation to the Securitisation Regulation

On 12 December 2017, the European Parliament adopted the Securitisation Regulation which applies from 1 January 2019. The Securitisation Regulation creates a single set of common rules for European "institutional investors" (as defined in the Securitisation Regulation) as regards: (i) risk retention, (ii) due diligence, (iii) transparency, and (iv) underwriting criteria for loans to be comprised in securitisation pools. These requirements apply in respect of the Notes.

There is at present some uncertainty in relation to certain of the requirements of the Securitisation Regulation, including the risk retention requirements under article 6 of the Securitisation Regulation, the transparency obligations imposed under article 7 of the Securitisation Regulation (as to which see below) and the homogeneity criteria set out in article 20, paragraph 8 of the Securitisation Regulation. The regulatory technical standards relating to such requirements are not in final form or have not been adopted yet. Therefore, the final scope of application of such regulatory technical standards and the compliance of the Securitisation with the same is not assured. Non-compliance with final regulatory technical standards may adversely affect the value, liquidity of, and the amount payable under the Notes. Prospective investors must make their own assessment in this regard.

The risk retention, transparency, due diligence and underwriting criteria requirements described below apply in respect of the Notes. Prospective investors should therefore make themselves aware of such requirements (and any corresponding implementing rules made at the national level), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. Prospective investors are required to independently assess and determine the sufficiency of the information contained in this Prospectus or made available by the Issuer and the Originator for the purposes of complying with any relevant requirements and none of the Issuer, the Originator, the Reporting Entity, the Arranger,

the Representative of the Noteholders or any other party to the Transaction Documents makes any representation that such information is sufficient in all circumstances for such purposes.

Prospective investors' compliance with due diligence requirements under the Securitisation Regulation

Prospective investors should be aware of the due diligence requirements under article 5 of the Securitisation Regulation that apply to institutional investors with an EU nexus (including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings, institutions for occupational retirement provision and UCITS funds). Amongst other things, such requirements restrict an institutional investor (other than the originator, sponsor or original lender within the meaning of the Securitisation Regulation) from investing in securitisation positions unless, prior to holding the securitisation position:

(a) that institutional investor has verified that:

  (i) for certain originators, certain credit-granting standards were met in relation to the origination of the underlying exposures;

  (ii) the risk retention requirements set out in article 6 of the Securitisation Regulation are being complied with; and

  (iii) information required by article 7 of the Securitisation Regulation has been made available; and

(b) that institutional investor has carried out a due diligence assessment which enables it to assess the risks involved, which shall include at least (among other things) the risk characteristics of its securitisation position and the underlying exposures of the securitisation, and all the structural features of the transaction that can materially impact the performance of its securitisation position.

In addition, under article 5(4) of the Securitisation Regulation, an institutional investor (other than the originator, sponsor or original lender) holding a securitisation position shall at least establish appropriate written procedures that are proportionate to the risk profile of the securitisation position and, where relevant, to the institutional investor's trading and non-trading book, in order to monitor, on an ongoing basis, compliance with its due diligence requirements and the performance of the securitisation position and of the underlying exposures.

Depending on the approach in the relevant EU Member State, failure to comply with one or more of the due diligence requirements may result in penalties including fines, other administrative sanctions and possibly criminal sanctions. In the case of those institutional investors subject to regulatory capital requirements, penal capital charges may also be imposed on the securitisation position (i.e., notes) acquired by the relevant institutional investor.

The institutional investor due diligence requirements described above apply in respect of the Notes. Relevant institutional investors are required to independently assess and determine the sufficiency of the information contained in this Prospectus for the purposes of complying with article 5 of the Securitisation Regulation and any corresponding national measures which may be relevant to investors.

Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear and are still evolving. Prospective investors who are uncertain as to the requirements that will need to be complied with in order to avoid the consequences of the non-compliance should seek guidance from their regulator.

Default Risk in relation to the Securitisation Regulation

In the event that the Originator breach its undertaking to retain on an ongoing basis a material net economic interest in the Securitisation of not less than 5% in accordance with the requirements of the Securitisation

Regulation the Securitisation would cease to be compliant with the Securitisation Regulation which may result in penalties including fines, other administrative sanctions and possibly criminal sanctions being imposed and would also affect the liquidity of the Notes. In this regard, prospective investors should note that it is expected that the Originator will use the Notes retained by them as collateral for secured funding purposes in a manner permitted under the Securitisation Regulation. It is possible that the Securitisation may cease to satisfy the requirements of article 6 of the Securitisation Regulation should the enforcement of that security or any consequences arising from those dealings result in the Originator ceasing to retain the requisite level of material net economic interest in the Securitisation.

Disclosure requirements under Securitisation Regulation and CRA Regulation are uncertain in some respects

The CRA Regulation provides for certain additional disclosure requirements for structured finance instruments within the meaning of Commission Delegated Regulation (EU) No. 2015/3 of 30 September 2014 (**SFIs).** According to the CRA Regulation, such disclosure needs to be made via a website to be set up by ESMA. The Commission Delegated Regulation (EU) No. 2015/3 of 30 September 2014, which contains regulatory technical standards adopted by the European Commission to implement provisions of the CRA Regulation, came into force on 26 January 2015. These regulatory technical standards apply from 1 January 2017. In relation to an SFI issued or outstanding on or after the date of application of Commission Delegated Regulation (EU) No. 2015/3 of 30 September 2014, the issuer, originator and sponsor are required to comply with the reporting requirements. In its press release, dated 27 April 2016, ESMA communicated to the public that it is unlikely that ESMA will make available the SFI-website on which the reports on outstanding SFIs must be made available by 1 January 2017 or that it will be able to publish the technical instructions which ESMA must prepare pursuant to article 8b of the CRA Regulation by that date. In the press release ESMA concluded that the reporting obligations under the CRA Regulation for SFIs may possibly be replaced by obligations based on new rules to be adopted and to be included in the Securitisation Regulation. Accordingly, pursuant to the obligations set forth in article 7(2) of the Securitisation Regulation, the originator, sponsor and securitisation special purpose entity ("**SSPE**") of a securitisation shall designate amongst themselves one entity to submit the information set out in points (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulation, which includes the prospectus issued in the context of the offer of notes in a securitisation transaction, to a regulated securitisation repository. The securitisation repository, which authorisation requirements are set out in chapter 4 of the Securitisation Regulation will in turn disclose information on securitisation transactions to the public. With the application of these provisions, the disclosure requirements of the CRA Regulation concerning SFI's are also addressed.

The Notes are issued after 1 January 2019. Consequently, the disclosure requirements of article 7 of the Securitisation Regulation apply in respect of the Notes. Such disclosure requirements replace the disclosure requirements stemming from the provisions of law applicable prior to 1 January 2019, including the requirements stemming from the CRA Regulation concerning SFI's as a result of the repealing of article 8b of the CRA Regulation as set forth in article 40 of the Securitisation Regulation. On 22 August 2018, ESMA published its Final Report on securitisation disclosure technical standards (RTS/ITS) which included draft reporting templates, but on 31 January 2019, ESMA published a document headed "Opinion regarding amendments to ESMA's draft regulatory technical standards on disclosure requirements under the Securitisation Regulation which included revised draft reporting templates" (the "**Opinion RTS**"). On 16 and 29 October 2019, the European Commission has substantially confirmed the content of the Opinion RTS by publication of two proposals of regulation submitted to the European Parliament and the Council to be finally approved in the next few months. The transitional provision of article 43(8) of the Securitisation Regulation applies and, consequently, disclosures in respect of the Notes must be made in accordance with the requirements of Annexes I to VIII of Commission Delegated Regulation (EU) No. 2015/3 of 30 September 2014. In a joint statement of the European Supervisory Authorities published on 30 November 2018, the European Supervisory Authorities confirmed that with the repealing of article 8b of the CRA Regulation effective since 1 January 2019 and until the ESMA reporting templates to be used to meet the reporting requirements under article 7 Securitisation Regulation will be available, the national competent authority will be required to make a case-by-case assessment when examining the compliance with the disclosure requirements of the Securitisation Regulation, taking into account the type and extent of

information being disclosed by the reporting entities. As at the date of this Prospectus, no national competent authority has been designated in some European countries, including Italy.

In addition, there remains some uncertainty as to the nature and detail of the information to be published, the manner in which it will need to be published and what the consequences would be for the Issuer, related third parties and investors resulting from any potential non-compliance by the Issuer with the reporting obligations.

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, *inter alia*, to 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 number 180 and number 181 of 16 November 2015.

If a relevant institution enters into an arrangement with the Issuer and is deemed likely to fail 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 excepted. 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 Originator are credit institutions established in the European Union, they are subject to the BRRD. Therefore, in case of failure by any of the Originator 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, such Originator may not be in a position to meet its obligations under the Transaction Documents, including its obligations as Servicer under the Servicing Agreement and as indemnity provider under the Warranty and Indemnity Agreement.

Implementation of, and amendments to, the Basel II framework may affect the regulatory capital and liquidity treatment of the Notes

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.

Class A Notes as Eligible Collateral for ECB Liquidity and/or Open Market Transactions

After the Issue Date an application may be made to a central bank in the Euro-Zone to record the Class A Notes as eligible collateral, within the meaning of the guidelines issued by the European Central Bank Guidelines ECB/2019/11, ECB/2019/12 and ECB/2019/13 on the Implementation of monetary policy framework, amending (i) the Guideline on the implementation of the Eurosystem monetary policy framework (ECB/2014/60), (ii) the Guideline on the valuation haircuts applied in the implementation of the Eurosystem monetary policy framework (ECB/2015/35), and (iii) the Guideline on additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral (ECB/2014/31), as subsequently amended and integrated from time to time (the "**ECB Guidelines**"), for liquidity and/or open market transactions carried out with such central bank. In this respect, it should be noted that in accordance with the ECB Guidelines and the central banks of the Euro-Zone policies, neither the European Central Bank nor such central banks will confirm the eligibility of the Class A Notes for the above purpose prior to their issuance and if the Class A Notes are accepted for such purpose, the relevant central bank may amend or withdraw any such approval in relation to the Class A Notes at any time. The assessment and/or decision as to whether the Class A Notes qualify as eligible collateral for liquidity and/or open market transactions rests with the relevant central bank. None of the Issuer, the Originator, the Arranger or any other party to the Transaction Documents gives any representation or warranty as to the eligibility of the Class A Notes for such purpose, nor do they accept any obligation or liability in relation to such eligibility or lack of it of the Class A Notes at any time.

Selling Restrictions

The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law and by the Transaction Documents, in particular, as provided by and described in the Subscription Agreements. 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 is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer that any recipient of this Prospectus should purchase any of the Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the Aggregate Portfolio and of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

To the fullest extent permitted by law, the Arranger do not accept any responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Arranger or on its behalf, in connection with the Issuer or CR Bolzano or the issue and offering of the Notes. The Arranger disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Prospectus or any such statement.

The Notes may not be offered or sold directly or indirectly, and neither this Prospectus nor any other 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. For a further description of certain restrictions on offers and sales of the Notes and the distribution of this Prospectus, see the section headed "*Subscription and Sale*".

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and subject to certain exceptions, may not be offered, sold or delivered 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). The Notes are in bearer and dematerialised form and are subject to U.S. tax law requirements. The Notes are being offered for sale outside the United States in accordance with Regulation S under the Securities Act (see the section headed "*Subscription and Sale*").

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 manufacturers' 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.

The Notes are not intended to be offered, sold or otherwise made available to any retail investor in the European Economic Area or in the United Kingdom (the "**UK**"). For these purposes, a **retail investor** means a person who is one (or more) of: (a) a retail client as defined in point (11) of Article 4 (1) of MiFID II; (b) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) a person who is not a qualified investor as defined in the Prospectus Directive. Accordingly, none of the Issuer or the Arranger expects to be required to prepare, and none of them has prepared, or will prepare, a "key information document" in respect of the Notes for the purposes of Regulation (EU) No 1286/2014 of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (the "**PRIIPs Regulation**") and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.

Changes or uncertainty in respect of Euribor may affect the value or payment of interest under the Class A Notes

Various interest rate benchmarks (including the Euro Interbank Offered Rate ("**Euribor**") are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented including the Regulation (EU) No. 2016/1011 (the "**Benchmarks Regulation**").

The Benchmarks Regulation will, among other things, (i) require 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 to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevent certain uses by EU-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognised or endorsed).

Additionally, in March 2017, the European Money Markets Institute (formerly Euribor-EBF) (the "**EMMI**") published a position paper referring to certain proposed reforms to Euribor, which reforms aim to clarify the Euribor specification, to develop a transaction-based methodology for Euribor and to align the relevant methodology with the Benchmarks Regulation, the IOSCO's proposed Principles for Financial Market Benchmarks (July 2013) (the "**IOSCO Principles**") and other regulatory recommendations. The EMMI has since indicated that there has been a "change in market activity as a result of the current regulatory requirements and a negative interest rate environment" and "under the current market conditions it will not be feasible to evolve the current Euribor methodology to a fully transaction-based methodology following a seamless transition path". It is the current intention of the EMMI to develop a hybrid methodology for Euribor.

These reforms and other pressures may cause one or more interest rate benchmarks to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted.

Based on the foregoing, prospective investors should in particular be aware that:

(a) any of these reforms or pressures described above or any other changes to a relevant interest rate benchmark (including Euribor) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be; and

(b) if Euribor is discontinued or is otherwise unavailable, then the rate of interest on the Class A Notes will be determined for a period by the fallback provisions provided for under Condition 7.2.2, although such provisions, being dependent in part upon the provision by reference banks of offered quotations for leading banks in the Euro-zone interbank market (in the case of Euribor), may not operate as intended (depending on market circumstances and the availability of rates information at the relevant time) and may in certain circumstances result in the effective application of a fixed rate based on the rate which applied in the previous period when Euribor was available.

In addition, it should be noted that broadly divergent interest rate calculation methodologies may develop and apply as between the Class A Notes due to applicable fall-back provisions or other matters and the effects of this are uncertain but could include a reduction in the amounts available to the Issuer to meet its payment obligations in respect of the Class A Notes.

In addition, the Italian Government approved the Legislative Decree No. 19 dated 13 February 2019 with the aim of harmonizing the Italian legislation to the Benchmark Regulation. According to a press release issued on 25 February 2019, the EU institutions agreed to grant providers of "critical benchmark" – interest rates such as Euribor or EONIA – an extension until 31 December 2021 to comply with the new Benchmarks Regulation.

The Benchmarks Regulation could have a material impact on Notes, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmarks 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, national or other proposals for reform, 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 such "benchmark"; (ii) trigger changes in the rules or methodologies used in the "benchmarks" or (iii) lead to the disappearance of the "benchmark". Any of the above changes or any other consequential changes as a result of international, national or other proposals for reform or other initiatives or investigations, could have a material adverse effect on the value of and return on the Senior Notes.

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

Moreover, any of the above matters or any other significant change to the setting or existence of Euribor could affect the ability of the Issuer to meet its obligations under the Class A Notes and/or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Class A Notes. Changes in the manner of administration of Euribor could result in adjustment to the Conditions, early redemption, discretionary valuation by the Computation Agent, delisting or other consequences in relation to the Class A Notes. No assurance may be provided that relevant changes will not occur with respect to Euribor and/or that such benchmark will continue to exist. Investors should consider these matters when making their investment decision with respect to the Class A Notes.

U.S. Risk Retention Requirements

Section 941 of the Dodd-Frank Act amended the Exchange Act to generally require the "securitizer" of a "securitization transaction" to retain at least 5 per cent. of the "credit risk" of "securitized assets", as such terms are defined for purposes of that statute, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. Final rules implementing the statute (the "**U.S. Risk Retention Rules**") came into effect on 24 December 2016 with respect to non-RMBS securitisations. The U.S. Risk Retention Rules provide that the securitizer of an asset backed securitisation is its sponsor. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The Originator does not intend to retain at least 5 per cent. of the 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. Such non-U.S. transactions must meet certain requirements, including that (1) the 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 securitization 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 in this Prospectus as Risk Retention U.S. Persons); (3) neither the sponsor nor the issuer is organised 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 organised or located in the United States.

The Originator has advised the Issuer that it has not acquired, and it does not intend to acquire more than 25 per cent. of the assets from an affiliate or branch of the Originator or the Issuer that is organised or located in the United States.

The Notes provide that they may not be purchased by Risk Retention U.S. Persons except with the express written consent of the Originator in the form of a U.S. Risk Retention Waiver and where such purchase falls within the exemption provided for 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" 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;

(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

(j) 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.

Consequently, the Notes may not be purchased by any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained a U.S. Risk Retention Waiver from the Originator and where such purchase falls within the exemption provided for in Section _.20 of the U.S. Risk Retention Rules. Each holder of a Note or a beneficial interest acquired in the initial syndication of the Notes, by its acquisition of a Note or a beneficial interest in a Note, will be deemed to represent to the Issuer, the Originator and the Arranger that it (1) either (i) is not a Risk Retention U.S. Person or (ii) it has obtained a U.S. Risk Retention Waiver, (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 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules described herein).

The Originator has advised the Issuer that it will not provide a U.S. Risk Retention Waiver to any investor if such investor's purchase would result in more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) (as determined by fair value under US GAAP) of all Classes of Notes to be sold or transferred to Risk Retention U.S. Persons on the Note Issuance Date.

Failure on the part of the Originator 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 Originator which may adversely affect the Notes and the ability of the Originator to perform its obligations under the Transaction Documents. Furthermore, a failure by the Originator to comply with the U.S. Risk Retention Rules could negatively affect the value and secondary market liquidity of the Notes.

Volcker Rule

The enactment of the Dodd-Frank Act, which was signed into law on 21 July 2010, imposed a new regulatory framework over the U.S. financial services industry and the U.S. consumer credit markets in general. On 10 December 2013, U.S. regulators adopted final regulations to implement Section 619 of the Dodd-Frank Act. Section 619 of the Dodd-Frank Act added a new section 13 to the Bank Holding Company Act of 1956, commonly referred to as the **Volcker Rule**.

The Volcker Rule generally prohibits "banking entities" broadly defined to include U.S. banks, bank holding companies and foreign banking organisations, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading in financial instruments, (ii) acquiring or retaining any "ownership

interest" in, or in "sponsoring", a "covered fund" and (iii) entering into certain transactions with such funds subject to certain exemptions and exclusions.

An "ownership interest" is defined widely and may arise through a holder's exposure to the profits and losses of the "covered fund", as well as through certain rights of the holder to participate in the selection or removal of an investment advisor, investment manager, or general partner, trustee, or member of the board of directors of the "covered fund". A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act of 1940 (the "**ICA**") but is exempt from registration solely in reliance on section 3(c)(1) or 3(c)(7) of that Act, subject to certain exemptions found in the Volcker Rule's implementing regulations.

Not all investment vehicles or funds, however, fall within the definition of a "covered fund" for the purposes of the Volcker Rule. For example, for most non-U.S. banking entities, a non-U.S. issuer that offers its securities only to non-U.S. persons may be considered not to be a "covered fund. Additionally, the Issuer should not be a "covered fund" for the purposes of the regulations adopted to implement Section 619 of the Volcker Rule, and also should be able to qualify for the "Loan Securitization Exclusion" provided under Section 10(c)(8) of the Volcker Rule, although there may be additional exclusions or exemptions available to the Issuer. However, if the Issuer is deemed to be a "covered fund", the provisions of the Volcker Rule and its related regulatory provisions, will severely limit the ability of "banking entities" to hold an "ownership interest" in the Issuer or enter into certain credit related financial transactions with the Issuer and this could adversely impact the ability of the banking entity to enter into new transactions with the Issuer and may require amendments to certain existing transactions and arrangements. "Ownership interest" is defined to include, among other things, interests arising through a holder's exposure to profits and losses in the covered fund or through any right of the holder to participate in the selection of an investment manager or advisor or the board of directors of such covered fund.

The Volcker Rule and any similar measures introduced in another relevant jurisdiction may restrict the ability of relevant individual prospective purchasers to invest in the Notes and, in addition, may have a negative impact on the price and liquidity of the Notes in the secondary market. There is limited interpretive guidance regarding the Volcker Rule, and implementation of the regulatory framework for the Volcker Rule is still evolving. The Volcker Rule's prohibitions and lack of interpretive guidance could negatively impact the liquidity and value of the Notes. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in "ownership interests" of the Issuer should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally. Each investor must determine for itself whether it is a "banking entity" subject to regulation under the Volcker Rule. If investment by "banking entities" in the Notes of any Class is prohibited or restricted by the Volcker Rule, this could impair the marketability and liquidity of such Notes. None of the Issuer, the Arranger nor any other party to the Transaction Documents makes any representation regarding (i) the status of the Issuer under the Volcker Rule or (ii) the ability of any purchaser to acquire or hold the Notes, now or at any time in the future.

RISK FACTORS RELATED TO THE UNDERLYING ASSETS

Right to future Receivables

Under the Master Transfer Agreement, the Originator has transferred to the Issuer also the claims relating to any prepayment fees (if any) and any indemnities payable upon early repayment of the Loans or termination of the Loan Agreements. If the Originator is or becomes insolvent, the court may treat the above claims as "future receivables". The Issuer's claims to any future receivables that have not yet arisen at the time of the Originator's admission to the relevant insolvency proceeding might not be effective and enforceable against the insolvency receiver of the Originator.

Loans' Performance

The Aggregate Portfolio is exclusively comprised of loans which were performing as at the relevant Valuation Date (for further details, see the section entitled "*The AGGREGATE Portfolio*"). However, there

can be no guarantee that the Debtors will not default under such Loans and that they will therefore continue to perform their relevant payment obligations. Debtors may default on their obligations due under the Loans for a variety of reasons. Various factors influence delinquency rates, prepayment rates, repossession frequency and the ultimate payment of interest and principal, such as changes in the national or international economic climate, regional economic conditions, changes in tax laws, interest rates, inflation, the availability of financing, yields on alternative investments, political developments and government policies. Certain factors (including general economic conditions and other similar factors) may lead to an increase in default by and bankruptcies of the Debtors and could ultimately have an adverse impact on their ability to repay the Loans. Overall economic recession and a further decline in the national and international economic outlook, or a general deterioration of economic conditions in any industry in which the Debtors operate may negatively impact the solvency of the Debtors and therefore the recovery of Loans

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

Settlement of the crisis (*sovraindebitamento*) under Law No. 3/2012

Law No. 3 of 27 January 2012 (*Disposizioni in materia di usura e di estorsione, nonché di composizione delle crisi da sovraindebitamento*), as amended (the "**Law No. 3/2012**"), provides for the possibility for a debtor to enter into a debt restructuring agreement (the "**Settlement Agreement**") with his creditors through a settlement procedure provided for therein (the "**Settlement Procedure**"). A Settlement Agreement can only be approved (*omologato*) by the competent Court if it is entered into by a Debtor with creditors representing at least 60 per cent. of such Debtor's debts.

The collection of Receivables may be adversely affected under Law No. 3/2012 in consideration of the fact that payments owed to the Originator in respect of the relevant Receivables by a Debtor who has entered into a Settlement Agreement may be subject to a one-year *moratorium*. Furthermore, the Court may issue an order preventing creditors for a period of up to 120 days from commencing or continuing foreclosure proceedings (*azioni esecutive*) and seizures (*sequestri conservativi*) and creating pre-emption rights on the assets of a Debtor. Such preventive effects may also be produced in case of approval (*omologazione*) of the Settlement Agreement by the Court for a maximum period of one year starting from the date of the approval.

Prospective Noteholders should also note that under the Servicing Agreement the Servicer has undertaken to adhere to Settlement Agreements exclusively within the terms and limits provided for therein in respect of, *inter alia*, settlements, renegotiations and suspensions.

Insolvency Proceedings

A company or individual qualifying as commercial entrepreneur (*imprenditore che esercita un'attività commerciale*) under Article 1 of the Bankruptcy Law may be subject to insolvency proceedings (*procedure concorsuali*). Insolvency proceedings (*procedure concorsuali*) under Bankruptcy Law may take the form of, inter alia, bankruptcy (*fallimento*) or a composition with creditors (*concordato preventivo*).

Bankruptcy proceedings are applicable to commercial entrepreneurs (companies or individuals) that are in state of insolvency (*stato di insolvenza*) pursuant to Article 5 of the Bankruptcy Law. A debtor can be declared bankrupt (*fallito*) (either by its own initiative or upon the initiative of any of its creditors) if it is not able to timely and duly fulfil its obligations. The debtor loses control over all its assets and of the management of its business which is taken over by a court-appointed receiver (*curatore fallimentare*).

Once judgment has been made by the court on the basis of the evidence of the creditors and the opinion of the court-appointed receiver (*curatore fallimentare*), and the creditors' claims have been approved, the sale of the Debtor's property is conducted in a manner similar to foreclosure proceedings or forced sale of goods, as the case may be. After insolvency proceedings are commenced, no legal action can be taken against the

debtor and no foreclosure proceedings or forced sale proceedings may be initiated. Moreover, all action taken and proceedings already initiated by creditors are automatically suspended.

An entrepreneur that is in a crisis situation (*stato di crisi*) may propose, pursuant to Articles 160 and following of the Bankruptcy Law, to its creditors a creditors' composition (*concordato preventivo*). The proposed composition plan may provide for the restructuring of debt and terms for the satisfaction of creditors, the transfer of business activities, the grouping of creditors in classes and their proposed treatment. The proposed composition plan must be accompanied by specific documentation relating to, inter alia, the financial situation of the enterprise and a report by an expert certifying that the data relating to the enterprise are true and the proposed composition plan is feasible.

A proposal for a composition plan is approved if it receives the favorable vote of creditors representing the majority of the claims admitted to vote; in case of classes of creditors, such majority shall be verified also in respect of the majority of the classes. If an approved composition plan is not challenged in court, the court will validate the composition plan by decree; such decree terminates the procedure.

Pursuant to the newly introduced Italian Law 27 January 2012, No. 3 (*Disposizioni in materia di usura e di estorsione, nonchè di composizione delle crisi da sovraindebitamento*), a debtor who is not eligible to be adjudicated bankrupt under the Bankruptcy Law is entitled to file to the competent court a restructuring plan, to be approved by its creditors representing at least 60% of the outstanding debts, in order to request, among others, up to a one-year suspension of the payments of the outstanding debts and a rescheduling of any other payments.

Recent Amendment to Enforcement and Bankruptcy Proceedings

On June 30, 2016, the Italian Parliament approved Law no. 119 ("**Conversion Law n. 119**"), which converts law decree no. 59/2016, published on the Official Gazette no. 102, on May 3, 2016 introducing "urgent provisions relating to the enforcement and insolvency proceedings, as well as in favor of investors of banks subject to winding up" ("**Law Decree n. 59**"). The Conversion Law n. 119 has been published on the Official Gazette no. 153 dated July 2, 2016 and entered into force on July 3, 2016. The Conversion Law n. 119 confirmed almost in full the content of the Law Decree n. 59, with certain amendments and integrations. The Law Decree n. 59 has been adopted with the aim of improving the efficiency of the civil justice system and the insolvency proceedings, with particular regard to the safeguard and the valorization of credits recovery. The main relevant changes introduced by the Law Decree n. 59 and by the Conversion Law n. 119 relate to:

1. the enforcement proceedings regulated by the Italian Code of Civil Procedure;

2. the insolvency proceedings regulated by the Bankruptcy Law.

For some of the changes introduced by the Law Decree n. 59, especially in relation to forced expropriation issues, a transitory period is provided. More in particular, the Law Decree n. 59 provides that certain provisions shall apply:

- only to enforcement proceedings commenced after the entry into force of the Conversion Law n. 119;

- also to enforcement proceedings already pending, but only to the extent that the enforcement acts subject to the provisions amended by the Law Decree n. 59 shall be carried out once a certain period of time has elapsed (which varies between 30 and 90 days) following the entry into force of the Conversion Law n. 119.

The Law Decree n. 59 demonstrates the attention paid to enterprises and investors in relation to the difficulties that, for a long time, have been affecting the civil justice system. Two significant bills concerning the civil process and the insolvency proceedings system are in any case subject to the parliamentary scrutiny and may introduce more important changes in such context, and in accordance with the improvements already adopted.

However, the guidelines of the reform project are the following:

- to optimize the overall functioning of the judicial offices with a progressive implementation of their computerization - especially with respect to the enforcement proceedings some case the duty) to perform procedural steps by digital means;

- to ensure more transparency to investors and economic subjects in relation to relevant information concerning their debtors, if such debtors are parties to enforcement or insolvency proceedings or if they made recourse to other instruments aimed at the management of the business crisis;

- to reduce the duration of recovery proceedings, both individual and insolvency ones, and consequently to fasten the timing of credit recovery, through the restriction of the terms of certain procedural steps (e.g., introduction of a term for the opposition against the enforcement, introduction of a limit in the number of sales attempts in the context of expropriation procedures concerning movable assets together with the introduction of a time limit for their performance, etc.), the disempowering of the specious initiatives of the debtors and the optimization of the negotiation of the pledged assets;

- to increase the instruments aimed at safeguarding the creditors providing more flexible securities which allow a faster credit recovery and, in some cases, without the need to make recourse to the judicial authorities.

With respect to the provisions concerning the use of digital instruments, their actual application will require the adoption of ministerial implementing provisions. As of today, the timing for the actual entry into functioning of such systems remains unknown.

Italian laws and regulations protecting the loan debtors and promoting competitiveness in the Italian banking sector

In the last years the Italian Legislator has introduced certain provisions aimed at, inter alia, protecting the loan debtors and promoting competitiveness in the Italian banking sector. The key features of such provisions are set out in the following paragraphs.

Prepayment fees and subrogation under Decree No. 7/2007 (so called *Decreto Bersani*) and the Consolidated Banking Act.

Italian Law Decree No. 7 of 31 January 2007 ("**Decree No. 7/2007**"), converted into law No. 40 of 2 April 2007, has introduced certain provisions affecting mortgage loans granted to individuals for the purpose of purchasing or restructuring real estate assets for residential use (uso abitativo) or carrying out its own business or professional activity (*attività economica or professionale*), as is the case for certain Loans. Such provisions deal also with (a) prepayment fees due by borrowers upon early repayment of the loan and (b) prepayment of the loan by way of voluntary subrogation of the debtor (*surrogazione per volontà del debitore*).

Pursuant to Italian Legislative Decree No. 141 of 13 August 2010 and Italian Legislative Decree No. 218 of 14 December 2010, the provisions of Decree No. 7/2007 concerning prepayment of the loans and voluntary subrogation of the debtor have been repealed and are now regulated by Articles 120-ter and 120-quater of the Consolidated Banking Act.

In relation to the prepayment fees due by the borrowers upon the early or partial repayment of the mortgage loan, articles 120-ter and 161 of the Consolidated Banking Act provide a different regime for (a) mortgage loan agreements entered into after 2 February 2007 (i.e. the date on which Decree No. 7/2007 entered into force) and (b) mortgage loan agreements entered into before such date.

Prospective investors should note that, as a result of the above mentioned provisions, (a) the level of prepayments of the Loans may increase, (b) in relation to Mortgage Loan Agreements entered into after 2 February 2007, no prepayment fee will be due and payable and (c) in relation to Mortgage Loan Agreements

entered into before 2 February 2007, any prepayment fee provided contractually due and payable which is greater than the maximum amount determined in accordance with article 161, paragraph 7-ter of the Consolidated Banking Act, could be reduced to such maximum amount.

Convention between the Ministry of Economy and Finance, the Italian Banking Association and associations of the representative of the companies

On 3 August 2009, the Ministry of Economy and Finance, the ABI (*Associazione Bancaria Italiana*) and the associations of the representative of the companies signed a convention about the temporary suspension of small and middle-sized companies debts to the banking system in order to help companies struck by the financial crisis (the "**PMI Convention**").

The PMI Convention provides, *inter alia*, the possibility of a 12 (twelve) months suspension for the payment of the principal component of the loan's instalments (the "**Suspension**") and the postponement of the payment of such instalments at the end of the original amortization plan of the relevant loan.

All the small and middle-sized companies which (i) on the 30th of September 2008 were solvent (*in bonis*), and (ii) at the moment of the submission of the request, had no financings classified as "*restructured*" (*ristrutturato*) or as "*non-performing*" (*in sofferenza*) and were not subject to enforcement proceedings, are allowed to request the Suspension. Originally, the request for Suspension could be submitted within the 30th of June 2010. On 15 June 2010, an agreement between the Ministry of Economy and Finance, the ABI (*Associazione Bancaria Italiana*) and the associations of the representative of the companies has extended the date within which the request for the Suspension could be submitted until 31 July 2011.

Only the instalments not yet expired or expired (not paid or paid in part) from not more than 180 days before the date of submission of the request for Suspension may be suspended.

On 28 February 2012 the ABI and the Ministry of Economy and Finance entered into a new convention (the "**New PMI Convention**") providing for, *inter alia*: (i) a 12-month suspension of payments of instalments in respect of the principal of medium-and long-term loans, which did not benefit from the Suspension. The suspension applies on the condition that the instalments (A) are timely paid or (B) in case of late payments, the relevant instalment has not been outstanding for more than 90 days from the date of request of the suspension; and (ii) the possibility for small and middle-sized companies that have not already requested a Suspension to request an extension of the duration of the relevant loans for a period equal to the residual duration of the relevant loans and in any case for a maximum period of two years for unsecured loans and of three years for mortgage loans.

On 20 March 2013, the terms within which the request for the Suspension according to the New PMI Convention could be requested has been extended until 30 June 2013.

On 1 July 2013, ABI and the associations of the representative of the companies signed a new further convention (the "**July 2013 PMI Convention**"). The July 2013 PMI Convention provides for, *inter alia*: (i) a 12-month suspension of payments of instalments in respect of the principal of medium-and long-term loans, which did not benefit from the suspension under the New PMI Convention. The suspension applies on the condition that the instalments (A) are timely paid or (B) in case of late payments, the relevant instalment has not been outstanding for more than 90 days from the date of request of the suspension; and (ii) the option for small and middle-sized companies that have not already requested a suspension under the New PMI Convention to request an extension of the duration of the relevant loans for a period equal to the residual duration of the relevant loans and in any case for a maximum period of three years for unsecured loans and of four years for mortgage loans. Any requests under item (i) and (ii) above shall be submitted by 30 June 2014. However, in respect of loans that still benefit from the above suspension at 30 June 2014, the requests for the extension of the duration of such loans may be submitted within 31 December 2014.

Pending the implementation of the above measures of the July 2013 PMI Convention, the date within which the request for the Suspension pursuant to the New PMI Convention could be submitted has been further extended to 30 September 2013.

On 8 August 2013 further clarifications with respect to the implementation of the July 2013 PMI Convention have been issued by the ABI. In particular, ABI (*Associazione Bancaria Italiana*) has clarified that the securitised claims are not expressly excluded from the object of the July 2013 PMI Convention. The assigning banks shall autonomously evaluate the possibility to grant the suspension or the extension under the July 2013 PMI Convention in respect of securitised claims. In any case ABI (*Associazione Bancaria Italiana*) has further clarified that in case a suspension or extension under the July 2013 PMI Convention is granted by the assigning bank, such suspension or extension shall not result in additional expenses (also considering the costs that would have been incurred in case the suspension or extension had been granted with respect to the original loan).

On 30 December 2014, ABI and the associations of the representative of the companies agreed to extend the validity period of the July 2013 PMI Convention from 1 July 2013 until 30 March 2015 and to enter into a new convention by the same date. On 31 March 2015, ABI and the associations of the representative of the companies entered into a new convention (the "**2015 PMI Convention**"). The 2015 PMI Convention provides for three different initiatives addressed to certain small and middle-sized companies, including the initiative providing for, *inter alia*: (i) a 12-month suspension of payments of instalments in respect of the principal of medium and long term loans which are outstanding as at 31 March 2015 and did not benefit, in the previous 24 months from other suspension other than those granted by law. The suspension applies on the condition that the instalments are not yet due or are due (and not paid in full or in part) for not more than 90 (ninety) days from the date of request of the suspension; and (ii) the option for small and middle-sized companies that have not already requested, in the previous 24 months, for a suspension or the extension of the duration of the relevant loan (other than those granted by law) to request an extension of the duration of the relevant loans (to the extent still outstanding as at 31 March 2015) for a period equal to 100% of the residual duration of the relevant loans and in any case for a maximum period of three years for unsecured loans and of four years for mortgage loans. Any requests under item (i) and (ii) above was to be submitted by 31 December 2017.

On 12 June 2015 further clarifications with respect to the implementation of the 2015 PMI Convention have been issued by the ABI. In particular, ABI has clarified, similarly for what has been done with reference to the previous convention, that the securitised claims are not expressly excluded from the object of the 2015 PMI Convention. The assigning banks shall autonomously evaluate the possibility to grant the suspension or the extension under the 2015 PMI Convention in respect of securitised claims. In any case ABI has further clarified that in case a suspension or extension under the 2015 PMI Convention is granted by the assigning bank, such suspension or extension shall not result in additional expenses, considering the costs that would have been applied in the event the assigning bank would have not securitised the relevant loan.

On 15 November 2018, ABI and the associations of the representative of the companies signed a new further convention (the "**2019 PMI Convention**"). The 2019 PMI Convention provides for two different initiatives addressed to certain small and middle-sized companies, including the initiative providing for, *inter alia*: (i) a 12-month suspension of payments of instalments in respect of the principal of medium and long term loans which are outstanding as at 15 November 2018 and did not benefit, in the previous 24 months from other suspension other than those granted by law. The suspension applies on the condition that the 93 instalments are not yet due or are due (and not paid in full or in part) for not more than 90 (ninety) days from the date of request of the suspension; and (ii) the option for small and middle-sized companies that have not already requested, in the previous 24 months, for a suspension or the extension of the duration of the relevant loan (other than those granted by law) to request an extension of the duration of the relevant loans (to the extent still outstanding as at 15 November 2018) for a period equal to 100% of the residual duration of the relevant loans. Any requests under item (i) and (ii) above to be submitted by 31 December 2020.

In addition, on 6 March 2020, ABI and the associations of the representative of the companies signed an addendum to the 2019 PMI Convention (the "**Addendum to the 2019 PMI Convention**"), according to which, *inter alia*, the initiatives provided under (i) and (ii) above relating to the 2019 PMI Convention have been extended to loans outstanding as at 31 January 2020 granted in favour of companies damaged by the epidemiological emergency "COVID-19". The Addendum to the 2019 PMI Convention provides that all other conditions set out under the 2019 PMI Convention are not modified.

It should be considered that the Originator has adhered to the 2019 PMI Convention.

Prospective investors' attention is drawn to the fact that the potential effects of the suspension schemes, the impact on the cash flows deriving from the Loans and, consequently, on the amortisation of the Notes, cannot be predicted.

RISK FACTORS RELATED TO TAX MATTERS

Tax Treatment of the Issuer

Taxable income of the Issuer is determined in accordance with Italian Presidential Decree No. 917 of 22 December 1986. In light of the principles arising from the regulations issued by the Bank of Italy on 15 December 2015 (*Istruzioni per la redazione dei bilanci e dei rendiconti degli intermediari finanziari, degli istituti di pagamento, degli istituti di moneta elettronica, delle SGR e delle SIM*), as amended and supplemented, the assets, liabilities, costs and revenues of the Issuer in relation to the Securitisation of the Aggregate Portfolios will be treated as off-balance sheet assets, liabilities, costs and revenues, to be reported in the notes to the financial statements. 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 Aggregate Portfolios. 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 Law 130, 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 in respect of all or certain of its revenues and/or items of income also through the non-deduction of costs and expenses.

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 securitization 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 securitization 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 securitization 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 his 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". On the basis of a cross interpretation of principles embodied in Resolution No. 32/E of 2011 and EU Court of Justice C-93/10, 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. Should for any reason the Transfer Agreements 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.

Registration Tax

If the Issuer were to obtain a judgment from an Italian court in respect of a breach of any transaction document or were to enforce a foreign judgment in Italy in respect of any such breach, a registration tax at a fixed amount of €200 or at a rate of up to three per cent. of the amount awarded pursuant to any such judgment may be payable.

In addition, each transaction document may be subject to registration tax at a fixed amount of €200 or at a rate of up to three per cent. of the amount indicated in each transaction document where a case of use (*caso d'uso*) or an explicit reference (*enunciazione*) will occur.

For the purposes of the Italian registration tax, a "case of use" occurs when a document is: (i) deposited with a judiciary office for administrative purposes only (e.g. the mere production of a document in court does not represent a "case of use"); or (ii) deposited with a government agency or local authority, unless such deposit is mandatory by law or regulation or is required in order for the relevant government agency or local authority to comply with its own obligations. In addition, reference in a document which is submitted for registration to another document (enunciazione) would entail the registration of such second document provided that all the parties to the document to which reference is made are also parties to the document submitted for registration.

In such a case, the Italian tax authorities may ask for the cross-referenced transaction documents to be filed with the competent Italian registration tax office and, consequently, the application of registration tax to such transaction documents according to the ordinary rules. The rule applies at Italian tax authorities' request and only to the extent that the document filed with the registration tax office and the transaction document which has been mentioned therein are entered into by the same parties.

The same rule also applies in case of cross-references into a judicial decision of a transaction document which has not been subject to registration tax in Italy.

In cases where the transaction documents filed with the registration tax office as a consequence of a caso d'uso or enunciazione regulate supplies falling within the scope of VAT (even if VAT-exempt), registration tax would be levied at the fixed rate of Euro 200.

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 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*".

GENERAL RISK FACTORS

Claw-back of the sale of the Receivables

A transfer pursuant to the Law 130 may be subject to a claw-back action of such sale by a liquidator of the transferor: (i) if the sale is not undervalued, within three months following the transfer if: (a) the transferor was insolvent at the time of the transfer; and (b) the liquidator can prove that the transferee was, or ought to have been, aware of such insolvency; or (ii) if the sale is undervalued, within six months following the transfer if: (a) the transferor was insolvent at the time of the transfer; and (b) the transferee cannot prove that it was not, or ought not to have been, aware of such insolvency.
Accordingly, if the Originator 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 Originator. Under the Warranty and Indemnity Agreement, the Originator has represented that it was solvent as of the date of the transfer, and that such representations shall deemed to be repeated as of the Issue Date, each relevant Valuation Date and each relevant Transfer Date by the Originator, and that all appropriate solvency certificates have been obtained as of the date of the transfer of the relevant Portfolio.
On 11 October 2017, the Italian Parliament approved Law No. 155 of 19 October 2017 (*Legge Delega*) conferring to the Government the powers to enact certain amendments to the Bankruptcy Law including, inter alia, to the claw-back discipline. On 14 February 2019, Legislative Decree No. 14 of 12 January 2019, enacting Law No. 155 of 19 October 2017 and introducing the "Company Crisis and Insolvency Code" (*Codice della Crisi di Impresa e dell'Insolvenza*) containing the reform of bankruptcy law, has been published on the Official Gazette of the Republic of Italy. It will enter into force as of 1 September 2020 except for certain amendments related, among others, to corporate governance and directors' liability which have entered into force as of 16 March 2019. It should be noted that originally, the reform should have entered into force on 15 August 2020. However, due to a pandemic emergency caused by a new form of coronavirus (for further details see section "*Risks related to Covid-19*"), the reform should have entered into

force during such epidemiological emergency, and for this reason by Law Decree No. 20/2020 it has delayed to 1 September 2021.
Prospective Noteholders should be aware that, as at the date of this Prospectus, the provisions of the Legislative Decree No. 14 of 12 January 2019 amending the Bankruptcy Law have not been entered into force and have not been tested in any case law nor specified in any further regulation and, therefore, the Issuer cannot predict their impact as at the date of this Prospectus.

Claw-back of other payments made to the Issuer

According to article 4, paragraph 3, of the Law 130, payments made by an assigned debtor to the Issuer are not subject to any claw-back (*revocatoria fallimentare*) according to article 67 of the Italian Bankruptcy Law, nor to any declaration of ineffectiveness (*declaratoria di inefficacia*) pursuant to article 65 of the Italian Bankruptcy Law.

Save for what described above, all other payments made to the Issuer by any party to the Transaction Documents in the 1 (one) year or 6 (six) month suspect period, as applicable, prior to the date on which such party has been declared bankrupt or has been admitted to compulsory liquidation, may be subject to claw-back (*revocatoria fallimentare*) according to article 67 of the Italian Bankruptcy Law (or any equivalent rules under the applicable jurisdiction of incorporation of such party). In case of application of article 67, paragraph 1, of the Italian Bankruptcy Law, the relevant payment will be set aside and clawed back if the Issuer does not give evidence that it did not have knowledge of the state of insolvency of the relevant party when the payments were made, whereas, in case of application of article 67, paragraph 2, of the Italian Bankruptcy Law, the relevant payment will be set aside and clawed back if the receiver gives evidence that the Issuer had knowledge of the state of insolvency of the relevant party. The question as to whether or not the Issuer had actual or constructive knowledge of the state of insolvency at the time of the payment is a question of fact with respect to which a court in its discretion may consider all relevant circumstances.

Interest Rate Risk

The Receivables include interest payments calculated at interest rates and times which are different from the interest rates and times applicable to the interest due in respect of the Senior Notes.

The Issuer expects to meet its floating rate payment obligations under the Class A Notes primarily from the payments deriving from the Collections. However, the interest component in respect of such payments may have low correlation to the Euribor rate from time to time applicable in respect of the Class A Notes.

The risk in respect of the Class A Notes would consist in the (a) basis risk (i.e. the risk represented by the mismatch between the fixing of the coupon payable on the Class A Notes and the fixing applied on the "floating rate" and the "capped floating rate" Loans), (b) fixed rate risk (i.e. the risk represented by the mismatch between the fixing of the coupon payable on the Class A Notes and the rate applied on the "fixed rate" Loans) and (c) interest rate cap risk (i.e. the risk represented by the mismatch between the fixing of the coupon payable on the Class A Notes and the cap rate applied on the "capped floating rate" Loans).

Prospective Noteholders should also note that the composition of the Portfolio and the cash flows that should derive therefrom have been appropriately evaluated and, notwithstanding the above, the Receivables have the characteristics that would demonstrate the capacity to produce funds to service any payments due and payable under the Notes.

Historical Information

The historical financial and other information set out in the sections headed "*The Originator, the Servicer and the Cash Manager*" and *"The AGGREGATE Portfolio*", including in respect of the default rates, represents the historical experience of CR Bolzano, which accepts responsibility for the fairness and accuracy of these sections. However, there can be no assurance that the future experience and performance of CR Bolzano as Servicer will be similar to the experience shown in this Prospectus.

Servicing of the Aggregate Portfolio

The Aggregate Portfolio has been serviced by the Servicer starting from the Transfer Date pursuant to the Servicing Agreement. Previously, the Aggregate Portfolio was serviced by CR Bolzano as owner of the Aggregate Portfolio. The net cash flows deriving from the Aggregate Portfolio may be affected by decisions made, actions taken and collection procedures adopted by the Servicer pursuant to the provisions of the Servicing Agreement.

The Servicer has undertaken to prepare and submit to the Issuer on a periodical basis certain reports in the form set out in the Servicing Agreement, containing information as to, *inter alia*, the Collections made in respect of the Aggregate Portfolio.

Rights of Set-off (*compensazione*) and Other Rights of the Debtors

Under general principles of Italian law, the borrowers are entitled to exercise rights of set-off in respect of amounts due under any loan against any amounts payable by the originator to the relevant borrower.

The assignment of receivables under the Law 130 is governed by article 58 paragraphs 2, 3 and 4 of the Consolidated Banking Act. According to the prevailing interpretation of such provisions, such assignment becomes enforceable against the relevant debtors as of the later of (a) the date of the publication of the notice in the Official Gazette and (b) the date of its registration in the competent companies' register. Consequently, Debtors may exercise a right of set off against the Issuer on the basis of claims against the Originator and/or the Issuer which have arisen before both the publication of the notice in the Official Gazette and the registration in the competent companies register have been completed.

On 24 December 2013, Decree No. 145 came into force providing expressly that, from the date of publication of the notice of transfer of the receivables in the Official Gazette, the debtors will not be entitled to set-off any claim arisen after such date with the amounts due to the special purpose vehicle in relation to the receivables. Decree No. 145 has been converted into Italian Law No. 9 of 21 February 2014.

The transfer of the Receivables from CR Bolzano to the Issuer has been (i) registered on the Companies Register of Treviso-Belluno on 23 May 2020 and (ii) published in the Official Gazette No. 61 Part II of 23 May 2020.

Under the terms of the Warranty and Indemnity Agreement, the Originator has agreed to indemnify the Issuer in respect of any reduction in amounts received by the Issuer in respect of the Portfolio as a result of the exercise by any Debtor of a right of set-off.

Italian Usury Law

Italian law No. 108 of 7 March 1996 (the "**Usury Law**") introduced legislation preventing lenders from applying interest rates equal to or higher than rates (the "**Usury Rates**") set every three months on the basis of a Decree issued by the Italian Treasury (the last such decree having been issued on 26 March 2020 and being applicable for the quarterly period from 1 April 2020 to 30 June 2020) . 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: (a) 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 (b) 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.

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 *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 would become null and void in its entirety.

The Italian Government has intervened in this situation with Law Decree No. 394 of 29 December 2000 (the "**Usury Law Decree**"), converted into Law No. 24 by the Italian Parliament on 28 February 2001, which provides, *inter alia*, that interest is to be deemed usurious only if the interest rate agreed by the parties exceeds the Usury Rate applicable at the time the relevant agreement is reached. The Usury Law Decree has also provided that, as an extraordinary measure due to the exceptional fall in interest rates in the years 1998 and 1999, interest rates due on instalments payable after 2 January 2001 on loans already entered into on the date on which the Usury Law Decree came into force (namely 31 December 2000) are to be substituted with a lower interest rate fixed in accordance with parameters fixed by the Usury Law Decree.

The validity of the Usury Law Decree has been challenged before the Italian Constitutional Court by certain consumers' associations claiming that the Usury Law Decree does not comply with the principles set out in the Italian Constitution. By decision No. 29 of 14 February 2002, the Italian Constitutional Court has stated, *inter alia*, that the Usury Law Decree complies with the principles set out in the Italian Constitution except for such provisions of the Usury Law Decree providing that the interest rates due on instalments payable after 2 January 2001 on loans are to be substituted with lower interest rates fixed in accordance with the Usury Law Decree. By such decision the Italian Constitutional Court has established that the lower interest rates fixed in accordance with the Usury Law Decree are to be substituted on instalments payable from the date on which such Decree came into force (31 December 2000) and not on instalments payable after 2 January 2001.

The Italian Supreme Court, under decision number 350/2013, as recently confirmed by decision number 23192/17, has clarified that the 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 Rates. Such 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.

Prospective Noteholders should note that whilst the Originator has undertaken in the Warranty and Indemnity Agreement to indemnify the Issuer in respect of any damages, losses, claims, costs and expenses that may be incurred by the Issuer in connection with any loss or reduction in any interest accrued on the Loans as a result of the application of the Usury Law or of the Usury Law Decree, the ability of the Issuer to maintain scheduled payments of interest and principal on the Senior Notes may be adversely affected as a result of a Loan being found to be in contravention with the Usury Law, thus allowing the relevant borrower to claim relief on any interest previously paid and obliging the Issuer in the future to accept a reduced rate of interest, or potentially no interest, payable on such Loan.

The Originator has represented that the interest rates applicable to the Loans are in compliance with the then applicable Usury Rate.

Compounding of Interest (*Anatocismo*)

Pursuant to article 1283 of the Italian civil code, in respect of a monetary claim or receivable, accrued interest may be capitalised after a period of not less than six months only (i) under an agreement entered into after the date on which it has become due and payable or (ii) from the date when any legal proceedings are commenced in respect of that monetary claim or receivable. 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 the Republic of Italy have traditionally capitalised accrued interest on a three monthly basis on the grounds that such practice could be characterised as a customary practice (*uso normativo*). However, a number of judgements from Italian courts (including the judgements from the Italian Supreme Court (*Corte di Cassazione*) No. 2374/99, No. 2593/2003, No. 21095/2004 as confirmed by judgment No. 24418/2010 of the same Court) have held that such practices may not be defined as customary practices (*uso normativo*).

As a consequence thereof, the challenge by any Debtor of the practice of capitalising interest and the upholding of such interpretation of the Italian civil code in judgments of the other courts of the Republic of Italy could have a negative effect on the returns generated from the Loan Agreements.

In this respect, it should be noted that article 25, paragraph 3, of Italian Legislative Decree No. 342 of 4 August 1999, enacted by the Italian Government under a delegation granted pursuant to Italian Law no. 142 of 19 February 1992, has considered the capitalisation of accrued interest (*anatocismo*) made by banks prior to the date on which it came into force (19 October 1999) to be valid. After such date, the capitalisation of accrued interest will still be possible upon the terms established by a resolution of the Interministerial Committee of Credit and Saving (C.I.C.R.) dated 9 February 2000 and published on 22 February 2000. Italian Law No. 342 of 4 August 1999 was challenged, however, before the Italian Constitutional Court on the grounds that it falls outside the scope of the legislative powers delegated under Italian Law No. 142 of 19 February 1992. By decision No. 425 of 9 October 2000, the Italian Constitutional Court declared as unconstitutional on these grounds article 25, paragraph 3, of Italian Law No. 342 of 4 August 1999.

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 No. 18 of 14 February 2016 (as converted into law by Law No. 49 of 8 April 2016), providing that interest (other than defaulted interest) shall not accrue on capitalised interest. Paragraph 2 of article 120 of the Consolidated Banking Act also requires the *Comitato Interministeriale per il Credito e il Risparmio* (CICR) to establish the methods and criteria for the compounding of interest. Decree No. 343 of 3 August 2016 of the CICR, implementing paragraph 2 of article 120 of the Consolidated Banking Act, has been published in the Official Gazette No. 212 of 10 September 2016. Given the novelty of this new legislation and in the absence of any jurisprudential interpretation, the impact of such new legislation may not be predicted as at the date of this Prospectus.

The Originator has represented in the Transfer Agreement that the Receivables comprised in the Portfolio comply with applicable Italian laws on compounding of interest (*anatocismo*).

Administration and reliance on third parties

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 Originator (in any capacity) and the other parties to the Transaction Documents of their respective obligations under the Transaction Documents to which they are parties. In particular, without limiting the generality of the foregoing, the timely payment of amounts due on the Notes will depend on the ability of the Servicer to service the Aggregate Portfolio and, in particular, to recover the amounts relating to Defaulted Receivables (if any) and Delinquent Receivables (if any). In addition, the ability of the Issuer to make payments under the Notes may depend to an extent upon the due performance by the Originator of its obligations under the Transfer Agreement in respect of the Aggregate Portfolio.

The performance of such parties of their respective obligations under the relevant Transaction Documents is also dependent on the solvency of each relevant party and, in each case, the performance by the Issuer of its obligations under the Transaction Documents is also dependent on the solvency of, *inter alios*, the Issuer itself.

If a termination event occurs in relation to the Servicer pursuant to the terms of the Servicing Agreement, then the Issuer may terminate the appointment of such Servicer. It is not certain that a suitable alternative servicer could be found to service the Aggregate Portfolio if the Servicer becomes insolvent or its appointment under the Servicing Agreement is otherwise terminated. If such an alternative servicer were to be found it is not certain whether it would service the Aggregate Portfolio on the same terms as those provided for in the Servicing Agreement. Any delay or inability to appoint an alternative servicer may affect the realisable value of the Aggregate Portfolio or any part thereof and/or the ability of the Issuer to make payments related to the Notes.

The ability of an alternative servicer to fully perform its duties would depend on the information and records made available to it at the time of termination of the appointment of any of the Servicers and the absence of any material interruption in the administration of the Receivables upon the substitution of such Servicer.

In addition, the Issuer is subject to the risk that, in the event of insolvency of any of the Servicers, the Collections then held by such Servicer and not yet credited into the Collection Account are lost. For the purpose of reducing such risk, the Issuer has taken certain actions, such as the obligation of each of the Servicers in the Servicing Agreement to credit any Collections to the Collection Account within the Business Day immediately following the day of receipt thereof.

Statute of Limitations

Certain rights of the Issuer under the Transaction Documents may become barred under statutes of limitation by operation of law. In particular, there is a possibility that the one year statute of limitation period set out in article 1495 of the Italian Civil Code could be held to apply to some or all of the representations and warranties given by the Originator in the Warranty and Indemnity Agreement, on the ground that such provisions may not be derogated from by the parties to a sale contract ("*contratto di compravendita*") (such as the Transfer Agreement to which the Warranty and Indemnity Agreement is related).

However, the Originator and the Issuer have acknowledged and agreed that the representations and warranties given by the Seller thereunder were given as a separate and independent guarantee (which is in addition to those provided for by law) and, accordingly, the provisions of articles 1495 et seq. of the Italian Civil Code are not applicable in respect thereto.

Preferred claims

According to a ruling of the Tribunal of Genoa dated 25 January 2001 and the relevant judgement of the Italian Supreme Court (*Corte di Cassazione)* dated 14 November 2003, issued with reference to Italian law decree No. 669 of 31 December 1996 and converted into law No. 30 of 28 February 1997, claims of any person having concluded preliminary agreements (*contratti preliminari)* with the relevant Mortgagor for the purchase of the Real Estate Assets which were registered in the relevant real estate registries (*Conservatoria dei Registri Immobiliari)* prior to the registration of the relevant Mortgage or even after such registration, would be preferred to the claims of the creditors of the relevant Mortgage.

Macro-risks in the European Union

A severe or extended downturn in the Republic of Italy's economy could adversely affect the results of operations and the financial condition of the Originator which could in turn affect the ability to perform its obligations under the Transaction Documents to which it is a party and, solely with reference to macro-economic conditions affecting the Republic of Italy, the ability of Debtors to repay the Receivables.

The Issuer is affected by disruptions and volatility in the global financial markets. During the period between 2011 and 2012, the debt crisis in the Euro-zone intensified and three countries (Greece, Ireland and Portugal) requested the financial aid of the European Union and the International Monetary Fund. More recently, in 2013, aid was also requested by Cyprus.

Credit quality has generally declined, as reflected by downgrades suffered by several countries in the Euro-zone, including Italy, since the beginning of the sovereign debt crisis in May 2010. The large sovereign debts and fiscal deficits in European countries have raised concerns regarding the financial condition of Euro-zone financial institutions and their exposure to such countries. These concerns may have an impact on Euro-zone banks' funding. In particular, the credit ratings assigned to the Senior Notes 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 rating of the Senior Notes are downgraded.

Brexit risk

On 23 June 2016, in a public referendum, the UK voted to leave the EU ("**Brexit**"). On 29 March 2017, by formal notice of the British Prime Minister, the UK triggered official exit negotiations with the EU. In accordance with Article 50 of the Lisbon Treaty, the EU negotiated a withdrawal agreement with the UK. On 24 January 2020, it was announced that the government of the UK and the EU had executed and entered into a withdrawal agreement (the "**Withdrawal Agreement**"). On 29 January 2020, the European Parliament voted to consent to the Withdrawal Agreement, and on 30 January 2020, the European Council adopted, by written procedure, the decision on the conclusion of the Withdrawal Agreement on behalf of the EU.

On 31 January 2020, upon the UK's exit from the EU, the Withdrawal Agreement entered into force. A transition period began following the date of the UK's withdrawal until 31 December 2020 (the "**Transition Period**"). During the Transition Period, in effect, the UK will continue to be part of the EU Single Market, Customs Union and trade deals. Under the Withdrawal Agreement, the Transition Period may, before 1 July 2020, be extended once by up to two years. During the Transition Period, the UK and the EU will negotiate their future relationship but may not be able to reach an agreement, or may reach a significantly narrower agreement than that envisaged by the political declaration of the European Commission and the UK Government. Therefore, the scope, nature and terms of the relationship between the UK and the EU after the Transition Period remains uncertain; as a result of this the precise impact on the Issuer is difficult to determine.

The withdrawal by the UK could adversely affect economic and market conditions in the UK, in the EU and its Member States and elsewhere, and could contribute to uncertainty and instability in global financial markets. In particular, the withdrawal by the UK could significantly impact volatility, liquidity and/or the market value of securities, including the Notes. No assurance can be given that such matters would not adversely affect the Issuer's financial performance or the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market. As such, an investment in the Notes should only be made by investors who understand such risks and are capable of bearing such risks.

Concentration in the Region Trentino - Alto Adige

As the activities of CR Bolzano are mainly concentrated in the Region Trentino - Alto Adige, a geological or social event such as flooding, earthquake, riot or general strike in the Region Trentino - Alto Adige would adversely affect the financial conditions of the Debtors and their ability to perform their obligations under the Loans.

Change of Law

The structure of the Securitisation and, *inter alia*, the issue of the Notes and the ratings assigned to the Senior Notes are based on Italian, 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, tax or administrative practice will not change after the Issue Date or that such change will not adversely impact the structure of the Securitisation and the treatment of the Notes.

Projections, forecasts and estimates

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

Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements. Prospective investors are 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 in this Prospectus to reflect events or circumstances occurring after the date of this Prospectus.

Risks related to Covid-19

In parallel with the developments described under "Economic conditions in the Eurozone", "Risks arising from the sovereign debt crisis" and "Brexit" risk", 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 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 entreprises, 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 "**Liquidity Decree**") and Law Decree of 19 May 2020, No. 34 (the "**Rilancio Decree**").

According to article 56 of the Cura Italia Decree, SMEs having debt exposures against bank, financial intermediaries pursuant to under article 106 of the Consolidated Banking Act and other entities authorized to carry out lending activity, may request, with respect to loans and other loans repayable in instalments (including those completed through the issue of bills of exchange (*cambiali*)), (i) the suspension until 30 September 2020 of the payment of instalments or lease instalments falling due before 30 September 2020 and (ii) the deferral of the amortization plan for the instalments or lease instalments subject to suspension together with any ancillary component and without any formality, in a manner that ensures the absence of new or increased charges for both parties; in any case, the SMEs may decide to request the suspension of only the repayments of principal.

The Cura Italia Decree and the Liquidity 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 that supposedly might take several months to be dealt with. The exceptions, suspensions and waivers to the regular execution of the judicial activities and procedures may lead to an increase in the length of time needed for their completion.

Consequences of the Covid-19 may result in payment disruptions under the Receivables. Governments, regulators and central banks, including the ECB, have also announced that they 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 AGGREGATE PORTFOLIO

Introduction

Pursuant to a Master Transfer Agreement, entered into on the Transfer Date, between the Originator and the Issuer, in accordance with the Law 130, (ii) on the Transfer Date, the Originator has assigned and transferred to the Issuer the Initial Portfolio of Receivables arising out of certain Loan Agreements in accordance with the relevant Criteria and the terms and conditions established in the Master Transfer Agreement and (iii) subsequently, during the Ramp-Up Period, also on a revolving basis, the Originator may assign and transfer to the Issuer certain Further Portfolios of Receivables in accordance with the relevant Criteria, the Further Portfolios Purchase Conditions, and the terms and conditions established in the Master Transfer Agreement and in the relevant Transfer Agreement (the Further Portfolios and the Initial Portfolio, the "**Aggregate Portfolio**").

The Aggregate Portfolio is comprised of the Initial Portfolio and the Further Portfolios. The Initial Portfolio comprises debt obligations arising out of loans entered into between CR Bolzano or Kärntner Sparkasse AG ("**Kärntner Sparkasse**") or Banca Sella S.p.A. ("**Banca Sella**" and, together with CR Bolzano and Kärntner Sparkasse, the "**Lending Banks**") and certain obligors (the "**Debtors**"). Kärntner Sparkasse and Banca Sella subsequently transferred to CR Bolzano the relevant Loan Agreements. The Further Portfolios will comprise debt obligations arising out of loans entered into between CR Bolzano and certain Debtors. The Loan Agreements are classified as performing by CR Bolzano as at the relevant Valuation Date.

The Receivables in the Initial Portfolio have been purchased by the Issuer from CR Bolzano pursuant to the terms of the Master Transfer Agreement entered into on 15 May 2020.

The information relating to the Initial Portfolio contained in this Prospectus is, unless otherwise specified, a description of the Initial Portfolio as at hours 23.59 of 30 April 2020 (the "**Initial Valuation Date**"). As at the date of this Prospectus, no material changes in respect of the Initial Portfolio have occurred and no Receivable is classified as Defaulted Receivable.

The Receivables do not consist, in whole or in part, actually or potentially, of credit-linked notes, swaps or other derivatives instruments or synthetic securities.

Eligibility criteria for the Initial Portfolio

All the Receivables comprised in the Initial Portfolio purchased by the Issuer from CR Bolzano pursuant to the Master Transfer Agreement arise from Loans which, as at the Initial Valuation Date (save as otherwise specified), met the common criteria for the selection of the Aggregate Portfolio (the "**Common Criteria**") and the specific criteria for the selection of the Initial Portfolio (the "**Specific Criteria of the Initial Portfolio**"):

Common Criteria

Pursuant to the Master Transfer Agreement, each Receivable to be sold by the Originator to the Issuer shall meet, as at the relevant Valuation Date, the following Common Criteria:

(1) have been disbursed pursuant to Loan Agreements governed by the laws of Italy providing for a repayment in installments;

(2) have been disbursed by the CR Bolzano or by Banca Sella or Kärntner Sparkasse, subsequently acquired by CR Bolzano;

(3) have been disbursed after 31 December 2001;

(4) have been fully disbursed and in relation to them the relevant Debtor cannot claim any further disbursement;

(5) the main Debtors (also further to the assumption of the relevant commercial loan):

(a) are, as of the relevant Valuation Date:

(i) companies with registered offices in the territory of Italy; or

(ii) individuals resident or domiciled in Italy, Italian citizens, who entered into the relevant loan within their profession and/or business,

(b) are not, as of the relevant Valuation Date:

(i) public entities or similar companies, state-owned enterprises, banks or financial enterprises, ecclesiastic or religious institutions or entities, welfare institutions or entities, charities or other non-profit entities; or

(ii) as co-owner of the relevant Loan, subjects who, as of the relevant Valuation Date, are bank employees or representatives (pursuant to Article 136 of the Consolidated Banking Act, TUB) of CR Bolzano;

(6) the main Debtors (also following to the assumption of the relevant commercial Loan) are classified, in accordance with the classification criteria adopted by the Bank of Italy with Circular 140 of 11 February 1991 (as amended from time to time), under the following economic activity sector codes (*Settore Attività Economica* - SAE): 430, 432, 450, 480, 481, 482, 490, 491, 492, 614, 615.

(7) they are denominated in Euro, and the relevant Loan Agreements do not contain any provision allowing for the conversion into another currency;

(8) in relation to them, the amount originally disbursed to the Debtor under the relevant Loan Agreement is lower than or equal to Euro 20,000,000;

(9) their Outstanding Principal pursuant to the relevant Loan Agreement is not:

(a) higher than Euro 15,000,000 and

(b) lower than Euro 1,000;

(10) have not been entered into and concluded (as stated in the relevant Loan Agreement) pursuant to any law or regulation providing for the granting of:

(a) financial benefits (so-called *mutui agevolati*);

(b) public contributions of any nature;

(c) other benefits or reductions in favor of the relevant Debtors, Mortgagor or any other guarantor with regards to the principal and/or interest;

(11) have not been disbursed from third-party funds, including funding made available by the European Investment Bank or the European Investment Fund or by Cassa Depositi e Prestiti S.p.A.;

(12) the amortization plan is based on the "French" amortization plan (by which each installment has a principal fixed upon disbursement and which progressively increases, and a floating interest, as reported on the date of the loan or, if applicable, of the latest agreement for the amortization plan), "bullet" or tailor made to the client needs;

(13) are not in a default status pursuant to Article 178(1) of Regulation (EU) 575/2013;

(14) do not hold any due and unpaid Installment for more than 30 days (it being understood that any suspended installment is to be construed as due);

(15) each Loan Agreement provides for a payment by the relevant Debtor by (a) direct debit on a current account held by the Debtor and open with CR Bolzano or (b) pre-authorized direct debit (*i.e.* "Sepa Direct Debit") on a current account held by the Debtor and open with a bank other than CR Bolzano or (c) cash at the reference counter, or bank transfer;

(16) do not benefit from a guarantee by the European Investment Fund;

(17) have not been disbursed in pool;

(18) have not been secured by a Confidi (*consorzi di garanzia collettiva di fidi*);

Specific Criteria of the Initial Portfolio

The following Specific Criteria of the Initial Portfolio shall be applied:

1. The transfer does not include Receivables deriving from Loans:

   a) that have been disbursed before 9 January 2002 and after 24 April 2020; or

   b) whose Outstanding Principal pursuant to the relevant Loan Agreement is:
      (i) higher than Euro 7,934,000; and
      (ii) lower than Euro 1,171.

2. Furthermore, the transfer does not include Receivables deriving from Loans whose "account code" (*i.e.* the numerical code consisting of the "technical form code", "branch code" and "account identification number", as stated in the communications sent by CR Bolzano to each Debtor concerning their Loan Agreement) is one of the following:

06 020	06 034	06 083	06 123
03532630 -	03545049 -	03557988 -	03585309 -
06 027	06 040	06 083	06 124
03541798 -	03523991 -	03567674 -	03579384 -
06 142	06 040	06 089	06 124
03561962 -	03538565 -	03541318 -	03587459 -
06 092	06 040	06 089	06 125
03539967 -	03541469 -	03580081 -	03533835 -
06 090	06 040	06 089	06 125
03571168 -	03555776 -	03581028 -	03577068 -
06 014	06 040	06 089	06 125
03584199 -	03556566 -	03585759 -	03579547 -
06 001	06 040	06 090	06 125
03516068 -	03563660 -	03532709 -	03581750 -
06 001	06 040	06 090	06 125
03535082 -	03568688 -	03537682 -	03584321 -
06 001	06 040	06 090	06 126
03539715 -	03573700 -	03584847 -	03569913 -
06 001	06 040	06 091	06 126
03556321 -	03574038 -	03541529 -	03577686 -
06 001	06 040	06 091	06 126
03565160 -	03576367 -	03542980 -	03580645 -
06 001	06 040	06 092	06 127
03573415 -	03588237 -	03533256 -	03562462 -
06 001	06 050	06 092	06 127
03575563 -	03527474 -	03557122 -	03581946 -
06 002	06 050	06 092	06 127
03545293 -	03546107 -	03558155 -	03584498 -
06 002	06 050	06 092	06 129
03545859 -	03555409 -	03564853 -	03540298 -
06 002	06 050	06 092	06 129
03551357 -	03569773 -	03567714 -	03564767 -

06 002
03576403 - 06 002
03576451 - 06 002
03586084 - 06 004
03544498 - 06 006
03575176 - 06 007
03555745 - 06 007
03556798 - 06 007
03574820 - 06 010
03532358 - 06 010
03556049 - 06 014
03541477 - 06 015
03532015 - 06 015
03537835 - 06 015
03543477 - 06 015
03564011 - 06 015
03564641 - 06 016
03570648 - 06 016
03580448 - 06 018
03542347 - 06 018
03543842 - 06 018
03570784 - 06 019
03530454 - 06 019
03566984 - 06 019
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03527910 - 06 020
03572742 - 06 021
03531157 -

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03541235 - 06 065
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03581658 - 06 089
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03547163 - 06 116
03561052 - 06 116
03566036 - 06 116
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03539850 - 06 117
03585666 - 06 119
03573517 - 06 119
03574760 - 06 121
03540537 - 06 121
03540542 - 06 121
03564313 - 06 121
03574499 - 06 078
03546660 - 06 078
03524432 - 06 077
03589910 - 06 076
03576948 - 06 076
03573709 - 06 076
03551439 - 06 121
03536782 -

06 076 03529104 -
06 004 03543625 -
06 092 03544798 -
06 073 03586248 -
06 053 03569523 -
06 094 03527301 -

06 142
03562304 - 06 142
03576760 - 06 155
03536412 - 06 155
03541742 - 06 155
03542964 - 06 155
03561764 - 06 155
03565655 - 06 155
03581149 - 06 155
03581278 - 06 155
03581550 - 06 155
03583296 - 06 155
03586207 - 06 169
03582912 - 06 073
03585077 - 06 060
03523787 - 06 010
03578615 - 06 060
03533599 - 06 060
03568721 - 06 080
03543107 - 06 072
03548722 - 06 076
03546078 -

06 138 06 089
03580575 - 03581001 - 06 094 03578227 -

Eligibility criteria for the Further Portfolios

During the Ramp-Up Period, also on a revolving basis, the Originator may assign and transfer to the Issuer, Further Portfolios of Receivables in accordance with the terms and conditions set forth in the Master Transfer Agreement and in each relevant Transfer Agreement and that met the Common Criteria, the additional selection criteria of each Further Portfolio (the "**Additional Criteria**") and the relevant specific criteria for the selection of the Further Portfolios (the "**Specific Criteria of the Further Portfolios**" and, together with the Common Criteria and the Specific Criteria for the Initial Portfolio and the Additional Criteria, the "**Criteria**").

Additional Criteria

Pursuant to the Master Transfer Agreement, each Further Portfolio to be sold by the Originator to the Issuer shall meet, as at the relevant Valuation Date, the following Additional Criteria:

(1) the interest rate is indexed and/or fixed, and there are no clauses that allow for the transition from indexed rate to fixed rate;

(2) have not been not disbursed to Debtors indicated in Section L – "Real Estate Activities" (Attività Immobiliari, code 68), of the ATECO classification nor indicated in section F – "Constructions" (*Costruzioni*) under code 41.1;

(3) if secured by Mortgage, the ratio between the amount disbursed and the appraisal value of the relevant property(ies) (loan to value) is not higher than 100%;

(4) the amortization is based on the "French" amortization plan (their amortization is based on the "French" amortization plan (by which each installment has a principal fixed upon disbursement and which progressively increases, and a floating interest, as reported on the date of the loan or, if applicable, of the latest agreement for the amortization plan);

Specific Criteria of the Further Portfolios

Pursuant to the Master Transfer Agreement, each Further Portfolio to be transferred by the Originator to the Issuer shall meet, as at the relevant Valuation Date, further to the Additional Criteria also the following Specific Criteria of the Further Portfolio:

(5) have been disbursed between [●] and [●];

(6) the Outstanding Principal pursuant to the relevant Loan Agreement is not:

(7) higher than Euro [●] and

(8) lower than Euro [●];

(9) all the Installments have been duly paid or only one Installment is due and unpaid for no more than [●] days;

(10) the relevant Loan Agreements provide for a repayment by [monthly], [bi-monthly], [quarterly], [semi annual] or [annual] Installments;

(11) [additional criteria inserted from time to time]

The Loans

As at the Initial Valuation Date, the Initial Portfolio comprised debt obligations owed by 2394 Debtors under 3208 Loans. All the Loan Agreements are governed by Italian Law.

The Receivables of the Initial Portfolio have been transferred to the Issuer pursuant to the terms of the Master Transfer Agreement, together with any ancillary rights of CR Bolzano to guarantees or security interests and any related rights, which have been granted to CR Bolzano to secure or ensure the payment and/or the recovery of any of the Receivables (the "**Collateral Securities**"). The Outstanding Balance of the Initial Portfolio as at the Initial Valuation Date was equal to Euro 739,294,999.82.

Description of the Initial Portfolio

The following tables set out details of the Portfolio derived from information provided by CR Bolzano as Originator and Servicer on behalf of the Issuer of the Receivables comprised in the Portfolio. The information in the following tables reflects the position as at the Valuation Date.

Summary

Number of Loans	3208	
Outstanding Principal	737,818,707.92	
Mortgage portfolio	501,551,207.02	67.98%
Non-Mortgage portfolio	236,267,500.90	32.02%
Floating rate Outstanding Principal	588,319,346.57	79.74%
Fixed rate Outstanding Principal	149,499,361.35	20.26%
Floating rate portfolio weighted average spread	1.96%	
Floating rate portfolio weighted average rate	1.88%	
Fixed rate portfolio weighted average rate	2.18%	
Weighted average seasoning (years)	4.66	
Weighted average residual life (years)	8.76	

Breakdown by Class of Outstanding Principal

Class of Outstanding Principal	*Number of Loans*	*%*	*Outstanding Principal*	*%*
01) 0,000 - 20,000	389	12.13%	4,179,157.42	0.57%
02) 20,000 - 50,000	594	18.52%	20,657,003.80	2.80%
03) 50,000 - 75,000	365	11.38%	22,637,318.96	3.07%
04) 75,000 - 100,000	290	9.04%	25,638,778.50	3.47%
05) 100,000 - 300,000	977	30.46%	176,580,595.31	23.93%
06) 300,000 - 500,000	266	8.29%	102,943,629.08	13.95%
07) 500,000 – 1,000,000	210	6.55%	145,727,622.75	19.75%
08) 1,000,000 – 3,000,000	99	3.09%	155,944,005.33	21.14%
09) Over 3,000,000	18	0.56%	83,510,596.77	11.32%
Total	**3208**	**100.00%**	**737,818,707.92**	**100.00%**

Breakdown by Class of Original Balance

Class of Original Balance	*Number of Loans*	*%*	*Outstanding Principal*	*%*
01) 0,000 - 20,000	88	2.74%	706,096.34	0.10%
02) 20,000 - 50,000	363	11.32%	8,901,993.09	1.21%
03) 50,000 - 75,000	217	6.76%	8,803,612.41	1.19%
04) 75,000 - 100,000	353	11.00%	20,425,546.26	2.77%
05) 100,000 - 300,000	1149	35.82%	135,681,297.18	18.39%
06) 300,000 - 500,000	433	13.50%	101,814,445.98	13.80%
07) 500,000 – 1,000,000	360	11.22%	150,740,400.25	20.43%
08) 1,000,000 – 3,000,000	194	6.05%	177,580,484.87	24.07%
09) Over 3,000,000	51	1.59%	133,164,831.54	18.05%
Total	**3208**	**100.00%**	**737,818,707.92**	**100.00%**

Breakdown by Type of Debtor (SAE Code)

SAE Code	*Number of Loans*	*%*	*Outstanding Principal*	*%*
430	1007	31.39%	376,849,716.88	51.08%
492	694	21.63%	131,380,245.37	17.81%
615	891	27.77%	128,388,496.09	17.40%
491	108	3.37%	22,886,452.26	3.10%
490	53	1.65%	22,096,716.10	2.99%
482	185	5.77%	21,694,092.89	2.94%
614	183	5.70%	17,684,345.67	2.40%
481	61	1.90%	7,088,724.88	0.96%
432	11	0.34%	4,931,314.83	0.67%
480	12	0.37%	4,402,256.77	0.60%
450	3	0.09%	416,346.18	0.06%
Total	**3208**	**100.00%**	**737,818,707.92**	**100.00%**

Breakdown by ATECO Classification

ATECO Sector	*Number of Loans*	*%*	*Outstanding Principal*	*%*

Accommodation and food service activities	755	23.53%	226,121,851.47	30.65%
Administrative and support service activities	41	1.28%	6,455,659.52	0.87%
Agriculture, forestry and fishing	582	18.14%	106,696,306.06	14.46%
Arts, entertainment and recreation	28	0.87%	5,816,184.08	0.79%
Construction	256	7.98%	41,069,735.42	5.57%
Education	6	0.19%	408,028.06	0.06%
Electricity, gas, steam and air conditioning supply	34	1.06%	17,601,933.21	2.39%
Financial and insurance activities	12	0.37%	1,316,217.43	0.18%
Information and communication	40	1.25%	12,297,264.56	1.67%
Manufacturing	363	11.32%	79,027,161.95	10.71%
Mining and quarrying	3	0.09%	691,077.39	0.09%
Other services activities	84	2.62%	8,430,973.81	1.14%
Professional, scientific and technical activities	83	2.59%	14,582,743.76	1.98%
Public administration and defence; compulsory social security	27	0.84%	2,939,039.82	0.40%
Real estate activities	301	9.38%	109,853,506.06	14.89%
Transporting and storage	94	2.93%	23,490,402.80	3.18%
Water supply; sewerage; waste mgmt and remediation activities	11	0.34%	4,035,175.40	0.55%
Wholesale and retail trade; repair of motor vehicles	488	15.21%	76,985,447.12	10.43%
Total	**3208**	**100.00%**	**737,818,707.92**	**100.00%**

Breakdown by Type of Loan

Type of Loan	*Number of Loans*	*%*	*Outstanding Principal*	*%*
Mortgage	1668	52.00%	501,551,207.02	67.98%
Non Mortgage	1540	48.00%	236,267,500.90	32.02%
Total	**3208**	**100.00%**	**737,818,707.92**	**100.00%**

Breakdown by Payment Frequency

Payment Frequency	*Number of Loans*	*%*	*Outstanding Principal*	*%*
Annually	4	0.12%	1,517,472.38	0.21%
Bi-monthly	5	0.16%	568,668.07	0.08%
Monthly	2327	72.54%	377,016,774.50	51.10%
Quarterly	334	10.41%	155,845,109.61	21.12%
Semi Annually	538	16.77%	202,870,683.36	27.50%
Total	**3208**	**100.00%**	**737,818,707.92**	**100.00%**

Breakdown by Interest Rate Type

Interest Rate Type	*Number of Loans*	*%*	*Outstanding Principal*	*%*
Fixed	382	11.91%	103,878,908.47	14.08%
Fixed (2 Steps)	28	0.87%	13,666,520.73	1.85%
Floating	2742	85.47%	88,319,346.57	79.74%
Mixed	56	1.75%	31,953,932.15	4.33%
Total	**3208**	**100.00%**	**737,818,707.92**	**100.00%**

Breakdown by Class of Spread (Floating Rate Loans)

Class of Spread	*Number of Loans*	*%*	*Outstanding Principal*	*%*
01) 0%-1.00%	126	4.60%	41,041,936.15	6.98%
02) 1.00%-1.50%	463	16.89%	148,122,038.34	25.18%
03) 1.50%-2.00%	771	28.12%	191,521,812.04	32.55%
04) 2.00%-2.50%	540	19.69%	111,112,652.14	18.89%
05) 2.50%-3.00%	338	12.33%	51,250,100.07	8.71%
06) 3.00%-3.50%	191	6.97%	22,842,745.45	3.88%
07) 3.50%-4.00%	137	5.00%	11,430,211.45	1.94%
08) 4.00%-4.50%	82	2.99%	6,181,653.79	1.05%
09) 4.50%-5.00%	52	1.90%	3,299,752.88	0.56%
10) Over 5.00%	42	1.53%	1,516,444.26	0.26%
Total	**2742**	**100.00%**	**588,319,346.57**	**100.00%**

Breakdown by Class of Interest Rate (Fixed Rate Loans)

Class of Interest Rate	*Number of Loans*	*%*	*Outstanding Principal*	*%*
01) 0%-0.50%	0	0.00%	-	0.00%
02) 0.50%-1.00%	11	2.36%	11,578,332.76	7.74%
03) 1.00%-1.50%	40	8.58%	15,962,345.74	10.68%
04) 1.50%-2.00%	103	22.10%	50,078,982.17	33.50%
05) 2.00%-2.50%	108	23.18%	38,826,667.22	25.97%
06) 2.50%-3.00%	69	14.81%	15,988,323.64	10.69%
07) 3.00%- 4,00%	70	15.02%	9,252,839.25	6.19%
08) 4,00%-5.00%	40	8.58%	2,911,110.05	1.95%
09) 5.00%-6.00%	19	4.08%	4,611,502.08	3.08%
10) 6.00%-7,00%	6	1.29%	289,258.44	0.19%
Total	**466**	**100.00%**	**149,499,361.35**	**100.00%**

Breakdown by Funding Year

Funding Year	*Number of Loans*	*%*	*Outstanding Principal*	*%*
2002	22	0.69%	3,530,170.24	0.48%
2003	27	0.84%	2,237,333.18	0.30%
2004	28	0.87%	5,480,065.40	0.74%
2005	47	1.47%	10,612,480.64	1.44%
2006	85	2.65%	8,770,917.37	1.19%
2007	87	2.71%	14,881,824.83	2.02%
2008	115	3.58%	33,936,077.27	4.60%
2009	148	4.61%	43,303,321.03	5.87%
2010	156	4.86%	30,187,142.85	4.09%
2011	150	4.68%	31,277,756.81	4.24%
2012	92	2.87%	17,217,727.74	2.33%
2013	87	2.71%	11,583,540.12	1.57%
2014	140	4.36%	36,084,802.76	4.89%
2015	164	5.11%	24,053,699.42	3.26%
2016	267	8.32%	59,244,168.66	8.03%
2017	334	10.41%	81,358,365.63	11.03%
2018	502	15.65%	123,190,257.75	16.70%
2019	609	18.98%	163,635,383.62	22.18%
2020	148	4.61%	37,233,672.60	5.05%
Total	**3208**	**100.00%**	**737,818,707.92**	**100.00%**

Breakdown by Original Life

Original Life (years)	*Number of Loans*	*%*	*Outstanding Principal*	*%*
01) 0 - 2	15	0.47%	1,459,217.08	0.20%
02) 2 - 4	116	3.62%	6,609,467.21	0.90%
03) 4 - 6	533	16.61%	80,446,218.40	10.90%
04) 6 - 8	363	11.32%	58,023,674.61	7.86%
05) 8 - 10	470	14.65%	78,604,486.04	10.65%
06) 10 - 12	356	11.10%	74,653,953.95	10.12%
07) 12 - 14	157	4.89%	53,799,464.95	7.29%
08) 14 - 16	520	16.21%	159,069,560.27	21.56%
09) 16 - 18	264	8.23%	96,319,889.62	13.05%
10) 18 - 20	193	6.02%	53,387,303.35	7.24%
11) 20 - 22	166	5.17%	55,294,680.97	7.49%
12) 22 - 24	41	1.28%	11,658,766.84	1.58%
13) 24 - 26	6	0.19%	1,511,757.78	0.20%
14) > 26	8	0.25%	6,980,266.85	0.95%
Total	**3208**	**100.00%**	**737,818,707.92**	**100.00%**

Breakdown by Seasoning

Seasoning (years)	*Number of Loans*	*%*	*Outstanding Principal*	*%*
01) 0 - 1	553	17.24%	148,058,586.24	20.07%
02) 1 - 2	533	16.61%	130,747,217.29	17.72%
03) 2 - 3	405	12.62%	94,646,625.91	12.83%
04) 3 - 4	286	8.92%	73,430,116.81	9.95%
05) 4 - 5	193	6.02%	34,531,575.96	4.68%
06) 5 - 6	150	4.68%	35,974,371.10	4.88%
07) 6 - 7	105	3.27%	16,241,628.66	2.20%
08) 7 - 8	96	2.99%	14,221,786.43	1.93%
09) 8 - 9	129	4.02%	32,693,579.66	4.43%
10) 9 - 10	163	5.08%	26,771,120.91	3.63%
11) > 10	595	18.55%	130,502,098.95	17.69%
Total	**3208**	**100.00%**	**737,818,707.92**	**100.00%**

Breakdown by Residual Life

Residual LIfe (years)	*Number of Loans*	*%*	*Outstanding Principal*	*%*
01) 0 - 2	386	12.03%	22,435,137.29	3.04%
02) 2 - 4	586	18.27%	78,595,780.63	10.65%
03) 4 - 6	681	21.23%	128,355,476.26	17.40%
04) 6 - 8	517	16.12%	124,196,093.14	16.83%
05) 8 - 10	440	13.72%	111,971,138.48	15.18%
06) 10 - 12	262	8.17%	90,368,575.08	12.25%
07) 12 - 14	145	4.52%	78,598,234.02	10.65%
08) 14 - 16	128	3.99%	66,922,754.46	9.07%
09) 16 - 18	43	1.34%	21,584,924.20	2.93%
10) 18 - 20	15	0.47%	11,207,792.53	1.52%
11) > 20	5	0.16%	3,582,801.83	0.49%
Total	**3208**	**100.00%**	**737,818,707.92**	**100.00%**

Breakdown by Region of Borrower

Macro Region	*Region*	*Number of Loans*	*%*	*Outstanding Principal*	*%*
01_Northern Italy	Emilia Romagna	16	0.50%	3,844,352.92	0.52%
01_Northern Italy	Friuli Venezia Giulia	19	0.59%	1,129,540.66	0.15%
01_Northern Italy	Lombardia	94	2.93%	29,942,634.78	4.06%
01_Northern Italy	Piemonte	1	0.03%	424,761.73	0.06%
01_Northern Italy	Trentino Alto Adige	2422	75.50%	554,593,403.18	75.17%
01_Northern Italy	Veneto	646	20.14%	144,099,907.70	19.53%
02_Central Italy	Lazio	5	0.16%	3,100,822.04	0.42%
02_Central Italy	Toscana	4	0.12%	542,150.95	0.07%
03_Southern Italy	Sicilia	1	0.03%	141,133.96	0.02%
Total		**3208**	**100.00%**	**737,818,707.92**	**100.00%**

Capacity to produce funds

In light of the above and subject to the risks set out in the section entitled "*Risk Factors*", the Receivables should have characteristics that demonstrate capacity to produce funds to service any payments due under the Senior Notes.

THE ORIGINATOR, THE SERVICER AND THE CASH MANAGER

Introduction and History

Cassa di Risparmio di Bolzano S.p.A., otherwise known by its German corporate name Südtiroler Sparkasse AG, was incorporated under the laws of Italy on 10 August 1992 as a company limited by shares (*società per azioni*), although the business it carries on dates back to 1854. The Bank is registered at the Companies' Registry (*Registro delle Imprese*) of the Chamber of Commerce of Bolzano, Italy under registration number 00152980215. Its registered office and headquarters is at Via Cassa di Risparmio 12, 39100 Bolzano and its telephone number is +39 0471 231111. Under its by-laws (*Statuto*), the Bank's duration is until 31 December 2100, which may be extended by a resolution passed at an extraordinary meeting of shareholders.

The Bank's objects, as set out in its by-laws, are to collect savings and to carry on lending activity in its various forms, both in Italy and abroad. Subject to compliance with the law and obtaining any authorisation required, the Bank may perform all banking and financial transactions and services, as well as any other transaction that is required for or connected with the achievement of its object. The Bank may issue bonds, subject to compliance with current regulatory provisions.

The Bank is a local savings bank based in Bolzano, in the prosperous Trentino - Alto Adige region in north-eastern Italy, which has a mixed German and Italian speaking population. As at 30 April 2020, the Bank had a network of 106 branches, of which 61 in Alto Adige and 45 outside (mainly in the neighbour province Trentino and in the north eastern region Veneto). Furthermore, the Bank has a branch in Germany (Munich).

Prior to its incorporation, the Bank's business was carried on by Cassa di Risparmio della Provincia di Bolzano, which was itself the result of a merger (pursuant to Royal Decree No. 2273 of 10 October 1935) between Cassa di Risparmio di Bolzano (established in 1854), Cassa di Risparmio di Merano (incorporated in 1870) and Cassa di Risparmio di Brunico (established in 1857).

This entity was initially the sole shareholder of the Bank and, upon incorporation of the Bank, it transferred its entire banking business to the Bank, changed its name to Fondazione Cassa di Risparmio di Bolzano and became a charitable foundation pursuant to Law. No. 218 of 30 July 1990. The incorporation of the Bank and the transfer of its business to the Bank took place in the context of a wide-ranging and significant re-shaping of the Italian banking sector following legislative changes in the early 1990's.

Business Overview and Principal Markets

The Bank's principal business is traditional retail banking, targeted at private customers and small to medium-sized businesses, and it has a solid base in this sector, developed through one-to-one customer relationships. The Bank has also enhanced its product range to include innovative products such as long term rent of cars and motorcycles, electricity contracts and e-payment systems. This is designed to diversify the Bank's sources of revenues towards fee-based products and strengthen customer loyalty.

As an autonomous district, Alto Adige enjoys a high degree of political and financial autonomy from the Italian central government and, as a result of this, the provincial economy benefits from generous public expenditure. At a regional level, Alto Adige also benefits from a high degree of self-government, especially in areas such as budgeting and public spending. Its geographical location - at the crossroads of the affluent regions of Trentino-Alto-Adige, Veneto and Friuli Venezia Giulia in north-eastern Italy, Tyrol in Austria and Bavaria in southern Germany - has also contributed to the development of a healthy economy based on tourism, industry and agriculture. This is also reflected in a high standard of living and higher than average levels of personal savings.

Shareholders

- Upon incorporation, the Bank had an initial share capital of Lit. 300 billion (€ 154,94 million), comprising 3,000,000 ordinary shares with a nominal value of Lit. 100,000 (€ 51,65) each, and its sole

shareholder was Fondazione Cassa di Risparmio di Bolzano ("**Fondazione CRB**"). The main changes to the Bank's share capital and other transactions of the Bank from 1994 to 2020 included:

- in 1994 the issue of a convertible bond to Bayerische Landesbank ("**BayernLB**"), subsequently converted into ordinary shares of the Bank by BayernLB in 1997, making it the second largest shareholder holding a 10 per cent. of the Bank's share capital; in 1994, 1996 and 1998, respectively three offers of new ordinary shares to the Bank's retail customers, representing 21.18 per cent. of the Bank's share capital;

- in 1999 the merger of the Bank with Credito Fondiario Bolzano S.p.A., a local bank specialising in mortgage lending, which in 1998 had previously been demerged from Credito Fondiario Trentino Alto Adige S.p.A.; in 2000, the Bank's share capital was converted into euro, with the nominal value of each share changing from Lit. 100,000 to € 55, thereby increasing the share capital of the Bank to € 198,000,000;

- in February 2003, the Banca Popolare Italiana Group, through its subsidiary Reti Bancarie Holding S.p.A., acquired 19.99 per cent. of the share capital of the Bank from Fondazione CRB. The Board of Directors was increased from 11 to 15 members, with four members nominated by the Banca Popolare Italiana Group;

- following the Law No. 212 of 1 August 2003, in July 2004 Fondazione CRB bought back the 10 per cent. stake of BayernLB, thereby reacquiring a controlling stake in the Bank and increasing its shareholding to 58.8 per cent.;

- in 2006, with respect of the authorisation of the Ministero dell'Economia e delle Finanze, Dipartimento del Tesoro (Economical and Financial Ministry, Treasury Department's), Fondazione CRB bought back from Reti Bancarie Holding S.p.A. the 10 per cent. stake of the bank, increasing its shareholding from 58.8 per cent to 68.8 per cent.;

- in 2007 Fondazione CRB took over the remaining 9.99 per cent. hold by Reti Bancarie Holding S.p.A.; afterwards the bank acquired from Fondazione CRB a 5 per cent. shareholding;

- in 2008 Fondazione CRB and the bank sold 360,000 shares through a Public Offering (180,000 by each one).
  Moreover, in order to strengthen its capital ratio, a Subordinated Lower Tier II Bond of € 100 million has been issued successfully.
  In the same year the bank acquired 60 per cent. of Millennium Sim S.p.A., specialised for service offer in trading online and trading on site;

- in 2012 the Bank completed a nominal capital increase of € 79.20 million and an ordinary capital increase of € 94.50 million;

- in 2014 Avv. Gerhard Brandstätter was appointed as Chairman, furthermore the Board of Director has decreased from 14 to 8 members;

- in March 2015, Nicola Calabrò was appointed as General Manager and on 12 May 2015 additionally as Chief Executive Officer;

- in 2015 the Bank implemented a further capital increase by € 250.00 million (incl. additional tier 1 bond issue);

- in March 2016 the Bank sold its stake equal to 24 per cent in Itas Assicurazioni S.p.A. as well as its stake equal to 50 per cent in R.U.N. S.p.A.;

- in the first half of 2016 the Bank sold € 320.00 million of Non Performing Loans;

- on 27 December 2017 and on 3 January 2018 the Bank listed its financial instruments (bonds and shares) at the multilateral trading facility Hi-MTF;

- in September 2018 a Tier 2 subordinated bond was placed with a nominal amount of Euro 20,000,000.0 and a 10NC5-year maturity. The Bank structured and placed the bond issue directly and without the intervention of any investment banks;

- in February 2019, Cassa di Risparmio di Bolzano sold the tranche A1 of the of the Fanes S.r.l. 2018 - 1 securitisation with a nominal value of Euro 315,400,000.0 to institutional investors located in Italy, Germany, France, Spain and the United Kingdom/Ireland; the demand exceeded the offer 2.5 times;

- at the Shareholders' Meeting, held on 9 April 2019, the Board of Directors with Chairman and Vice Chairman and the Board of Statutory Auditors were reconfirmed for the three-year period 2019 – 2021;

- as at 31 December 2019, the Bank had a net NPL of 2,3%, one of the lowest in the banking system and lower than the Bank had in 2006;

The following table shows the principal shareholders of the Bank as at 26 May 2020.

Shareholder	**Shareholding**	
	(No. of shares)	*(%)*
Fondazione Cassa di Risparmio di Bolzano	40,110,266	65.81
Others (mainly Bank's retail customers)	20,512,644	33,65
Temporary held by the Bank	329,103	0.54
Total	60,952,013	100.00

The Board of Directors has authority from shareholders to increase the Bank's share capital within the limits set in the article of incorporations. At the date of this Prospectus there are two subordinated convertible bonds outstanding which could be converted into ordinary shares of the Bank. There are no arrangements known to the Bank the operation of which may result in a change in control of the Bank.

Group Structure

The Bank owns 100,00% of its subsidiary Sparim S.p.A., which operates in the management as in the development of real estate and movable property and in project finance. The real estate business was transferred to Sparim S.p.A. in October 2002.

Over the past few years, the Bank has conducted a process of rationalisation of its shareholdings in other companies. It currently holds a minority stake in five banks and in thirteen other companies.

The following table shows the information of the companies which Cassa di Risparmio di Bolzano S.p.A., as of 31 December 2019, controls:

Denomination	**Percentage of capital own**	**Head office**
Sparim S.p.A.	100.00%	Bolzano
Sparkasse Haus S.r.l.	100.00%	Bolzano

Raetia Sgr S.p.A. in liquidation	97.185%	Bolzano

Strategy

In the two-year period 2015-2016, Sparkasse Group has achieved important strategic results which lay the foundations for the evolution foreseen in the 2017-2021 Strategic Plan:

Risk reduction - the Group has reached a significant reduction of the exposures to non-performing loans and has reinforced and improved the safeguarding both of the credit process and of the bank´s governance in general;

Cost reduction and greater efficiency of company structures: important results have been achieved in terms of reducing operational costs, with reference in particular to the creation of more efficient structures and the related reduction of personnel costs, both by way of extraordinary and by pursuing a careful policy of containing costs;

Streamlining the sales network, amalgamating branches has allowed the bank to achieve greater efficiency and to recoup resources which has led to the reaching of the aforementioned ambitious operational costs reduction;

New management: the insertion of several new professionals coming from a variety of important national banks has allowed a major change and renewal of the bank´s management team which takes on the task of implementing the 2017-2021 Strategic Plan.

In the light of the achievement of such important results, Sparkasse Group has approved the 2017-2021 Strategic Plan which has set the objective of implementing the following goals:

Sustainable Commercial Growth: The sales force will be strengthened and exploited further, benefiting to the full from existing commercial agreements and from new ones that will be entered into. Pricing models will be reviewed in order to better invest capital resources and the bank will proceed with the progressive closure and/or exit from unprofitable business areas.

Renewal of the Operational Model: the bank will create a more structured and organized sales network capable of realizing its full potential, with a branch model which will allow the bank to face future challenges in terms of containing costs and of making available additional sales and support resources.

Reduction and active management of Non Performing Exposures (NPE): through active management, the definition of clear objectives and the adoption of new instruments, the bank will proceed towards a further reduction of NPE that will be sustainable both from the point of view of profit and loss and capital balances.

Reduction of risks and reinforcement of controls: further to completing the reinforcement of control functions and the continuous improvement of the credit process, the bank will proceed with the adoption of the advanced internal rating based system (AIRB). The bank will will carefully manage its capital resources having regard to risk levels retained sustainable as stated in the Risk Assessment Statement (RAS) for the Group.

On the meeting of the Board of Directors of the 16 March 2020, it has been approved that, in consideration of the changed market conditions, and with particular respect to the prospective trends of interest rate curve, it would be necessary to prepare a new Strategic Plan for the 2021-2023 period. This means that the previous Strategic Plan would cease in advance to produce its effects from the end of the 2020.

Capital Adequacy

The Bank of Italy has adopted risk-based capital ratios pursuant to European Union capital adequacy directives. Italy's current requirements are similar to the requirements imposed by the international framework for capital measurement and capital standards of banking institutions of the Basel Committee on Banking Regulations and Supervisory Practices. Capital ratios compare core (Tier I) and supplemental (Tier II) capital requirements relating to the bank's assets and certain off-balance sheet items weighted according to risks ("**Risk-Weighted Assets**").

Under the Bank of Italy's regulations, the Bank is required to maintain on a consolidated basis a total capital ratio (that is, the ratio of total capital to total risk-weighted assets) of at least 11.30%, a Tier I ratio (Tier I Capital to total risk-weighted assets) of at least 9.10% and a CET1 ratio of at least 7.45% as at May 2020. The Bank's total capital as at 31 December 2019 and 2018, on a consolidated basis, is shown in the table below and exceed the minimum levels prescribed by the Bank of Italy.

		31/12/2019	31/12/2018
A	Common Equity Tier 1 Capital (CET1) before application of the prudential filters	686,506	650.793
	whereof CET1-instruments subject to transitional provisions	-	-
B	Prudential filters of CET1 (+/-)	412	(2,900)
C	CET1 including deductible items and the impacts of the transitional arrangement (A +/- B)	686,918	647,894
D	Items to be deducted from CET1	(8,352)	(28,434)
E	Transitional arrangement– impact on CET1 (+/-), included the minority interests subject to transitional provisions	44,412	49,637
F	**Total Common Equity Tier 1 Capital (CET1) (C – D +/-E)**	**722,979**	**669,096**
G	Additional Tier 1 Capital (AT1) including deductible elements and the impacts of the transitional arrangement	45,200	45,200
	whereof AT1-instruments subject to transitional provisions	-	-
H	Items to be deducted from AT1	-	-
I	Transitional arrangement – impact on AT1 (+/-), including the instruments issued by subsidiaries and included in AT1 owing to transitional provisions	-	-
L	**Total Additional Tier 1 Capital (AT1) (G - H +/- I)**	**45,200**	**45,200**
M	Tier 2 Capital (T2) including deductible elements and the impacts of the transitional arrangement	24,554	35,073
	whereof T2-instruments subject to transitional provisions	-	-

N	Items to be deducted from T2	-	-
O	Transitional arrangement – impact on T2 (+/-), including the instruments issued by subsidiaries and included in T2 owing to transitional provisions	-	-
P	**Total Tier 2 Capital (T2) (M - N +/- O)**	**24,554**	**35,073**
Q	**Total own funds (F + L + P)**	**792,733**	**749,369**

Credit risk

The Bank has a very conservative credit policy, adopting procedures based both on qualitative and quantitative elements. The Bank has adopted a procedure that sets out, through clearly defined powers and responsibilities, all the stages in the credit authorisation and control processes. The quality and performance of granted loans are regularly monitored through key ratios relating to performance, liquidity and equity structure. Credit risk control is carried out by a specific department that monitors, partly through automated procedures, the performance of the loan portfolio, promptly highlighting any anomalies so that the appropriate measures can be taken.

The Bank has adopted a Credit Rating System, which is used to define the Probability of Default of a specific client and therefore establish the level of credit authorisation. This Rating is also taken into account in calculating the Expected Credit Loss (ECL) and in determining if a financial instrument has had a significant increase in credit risk since initial recognition (SICR), as required by the introduction of the International Financial Reporting Standard 9 (IFRS9).

Independent Auditors

Deloitte & Touche S.p.A. audited the annual consolidated and non-consolidated financial statements of the Bank as at 31 December 2019, the annual consolidated and non-consolidated financial report as at 31 December 2018 was audited by KPMG S.p.A.. In both cases unqualified reports were issued. Deloitte & Touche S.p.A. and KPMG S.p.A. are member of Assirevi, the Italian association of auditors.

Employees

As at 31 December 2019, at group level, the total number of permanent employees, temporary employees (used primarily to provide additional capacity during the tourist season) and apprendices was 1.265 compared to 1,248 as at 31 December 2018.

Rating

At the time the document was drawn up, the Bank had no public rating.

THE UNDERWRITING PROCESS

The underwriting process adopted by CR Bolzano for loans to corporate customers is very well structured and is carried out by following these steps:

1) **Client interview**: carried out by the client manager that gathers the initial information about the loan request from the client.

2) **Presentation of the application**: loan request applications consist of two parts: the first must contain formal declarations on the applicant's financial and economic conditions while the second is dedicated to information and consent to the processing of personal data. The authorization to sign on behalf of the company must also be verified. Finally, holding companies must issue a declaration in relation to the direct and indirect links with the companies they participate in and with the individuals that hold interests in its capital structure.

3) **Identification of the effective owner**: the client manager fills in the questionnaire "identification of beneficial owner" for corporate customers (excluding sole proprietorships) in order to:
   a. carefully evaluate the adequacy and completeness of the documentation collected, especially in the case of complex control chains;
   b. archive all the chamber of commerce records of the parent companies, including foreign ones, or similar documents necessary for the verification of actual ownership.

4) **Anti-Money Laundering**: the client manager assesses the reasonableness of the project that the customer is planning to carry out and origin of own funds. Transactions which, by amount, method, territorial location and interested counterparts, have characteristics that have no connection with the economic activity carried out by the company must be carefully evaluated for anti-money laundering purposes. The client manager must compile a clear and synthetic write-up where it summarizes if the operation is reasonable and the general criteria on which the evaluation is based on. If the laundering risk band of the credit applicant is HIGH, the related preliminary investigation can no longer be approved by the client manager or members of the local branches but must be forwarded to the Central Credit Department.

5) "**Legality Rating**" **(Rating di Legalità)**: if the client has a "Legality Rating" assigned by the Competition and Market Authority (Autorità Garante della Concorrenza e del Mercato), the client manager has to double check it and then the application can be prioritized.

6) **Gathering of information and necessary documentation**: collection of several documents that allow the examination of the Balance Sheet, Cash Flow and Income Statements of the credit applicant.

7) **Assessment of the validity and accuracy of the data represented by the applicants**: thorough analysis of the information received. Sharing incorrect information by the credit applicant, as well as faults in the process carried out by employees of the credit institutions aimed at ascertaining the truthfulness of these information are subject to civil and criminal sanctions.

8) **Qualitative and quantitative evaluation of the groups of connected customers (Gruppo di Clienti Connessi)**: the credit exposures to groups of connected customers are thoroughly examined making sure to acquire the necessary information to identify the composition as well as the Balance Sheet, Cash Flow and Income Statements of the group to which they belong to.

9) **Rating attribution**: this is an essential condition for being able to proceed with the granting or reviewing of the credit line.

10) **Qualitative and quantitative analysis of the credit applicant**: the client manager, based on the available information, must identify and correctly evaluate the potential sources of credit repayment such as cash flows and as a last resort the possibility of assets disposals.

11) **Analysis of collateral**: each asset that constitutes collateral for loans must be estimated, regardless of the amount of the loan. In addition to the customer evaluation, the technical-legal examination of the asset offered as guarantee is carried out through an insolvency analysis and an estimator report.

12) **Grant / Resolution.**

COLLECTION PROCESS AND MONITORING

Most of the borrowers have an account with CR Bolzano from which the instalments are directly debited. Other customers are directly debited from their external bank account.

CR Bolzano follows a thorough process aimed at identifying all the events that could signal a potential change in the customer's creditworthiness and classification. Through the CQM (Credit Quality Management) procedure based on the criteria defined in the Policy called "Criteria for monitoring and for the classification of credits" (*Criteri per il monitoraggio e per la classificazione dei crediti*), the client manager must analyse the customer position and promptly undertake any actions if required. After that, the CQM automatically assigns the client position to one of the classes with different risks which are:

1) **Alert Class (including related parties).** These are loans that require a further analysis to identify the reason for the worsening in its conditions such as:
   a. belonging to the "Corporate Airb" credit risk model, having a face value higher or equal to € 500,000 and for which the "rating deterioration" event was triggered and placed them in batch rating classes 008, 009, 010.
   b. belonging to the "Retail Airb Companies" credit risk model, having a face value higher or equal to € 250,000 and for which the "rating deterioration" event was triggered and placed them in the batch rating classes 08M, 09M, 10M.
   c. belonging to the "Private Airb" credit risk model, having a face value higher or equal to € 150,000 and for which the "rating deterioration" event was triggered and placed them in the batch rating classes 08M, 09M, 10M.
   d. Residual counterparties not included in the AIRB models but analysed by the Classic and Statistical CRS models.
2) **Mild Alert Class.** These are loans that have the following characteristics:
   a. unpaid Riba of over 20% and with face value of over € 500,000;
   b. unpaid position of over Euro 500 for over 10 days and with total exposures of over Euro 1,000;
   c. positions that have more than 3 requests for information in the Central Credit Register and have a face value of over € 500,000.
3) **Medium Alert Class.** These are loans that have the following characteristics:
   a. unpaid position over an amount of Euro 1,000;
   b. loan with face value over € 1,000 and for which there has been a notification of revocation of credit cards by other institutions;
   c. loans flagged due to unpaid instalments to other banks in the Central Credit Register that have a face value equal to or greater than Euro 100,000 and in any case that have an unpaid balance greater than 5% of borrowed amount and with a face value of more than Euro 100,000 with us;
   d. clients with loans with credits past due from 90 - 180 days with other banks and that have a credit with us greater than € 100,000;
   e. loans that in the Central Credit Register report the status of bad loans (*sofferenze*);
   f. loans that have prejudicial prejudice (*pregiudizievoli di conservatoria*) and face value greater than zero;
   g. positions with unpaid Riba over 40% and a face value of over € 500,000;
   h. positions with more than 5 days past due in the presence of one or more forborne lines;
   i. forborne under probation positions with past due positions from the first day;
   j. positions with unpaid instalments equal to or greater than Euro 500 for over 33 days for total exposures of over Euro 1,000;
   k. positions with unpaid balance equal to or greater than Euro 10,000 for over 5 days;
   l. positions with unpaid balance "cat 088" equal to or greater than Euro 15,000 and for over 10 days;
   m. positions with "Infocamere" events (such as liquidations) and with at least one open;
   n. positions with unpaid balance with us equal to or more than 5% for over 90 days and with a and which have a face value of over Euro 10,000.

4) **Forborne Class.** Loans that require an in depth, immediate and adequate analysis of the position by the client manager or, if necessary, that need to be evaluated in a different manner: positions with more than 5 days past due in the presence of one or more forborne lines or forborne under probation positions past due from the first day.

5) **Non-Performing Class.** Loans that require high level of attention by the client manager in order to return the position to a "performing" status or, if necessary, that need to be evaluated in different credit classification: positions with unpaid balance for over 90 days and with a punctual overdraft equal to or more than 5% and are greater than Euro 500 or positions classified as "deteriorate forborne" with an existing unpaid balance.

6) **Strong Alert Class (including related parties).** These are loans that require daily monitoring:
   a. positions with "Infocamere" events (such as liquidations) and with at least one open;
   b. positions for which a bad debt is reported in the "system" for an amount of more than 10% of the total use in the system and with a face value of over € 1,000;
   c. unpaid positions for over 150 days and with a punctual overdraft equal to or over 5% and a face value of over € 100,000.
   d. positions with unpaid balance "cat 088" of over Euro 15,000 for over 90 days;
   e. positions reported as "adjusted bad debts" and with a face value of more than € 1,000;
   f. mortgages and loans with bullet repayments that have been paying in arrears for over 180 days;
   g. forborne under probation positions with over 30 days past due;
   h. forborne under probation positions for which a further forbearance measure has been granted.

SECURITISATION REGULATION REQUIREMENTS

Under the Intercreditor Agreement and the Notes Subscription Agreements:

1) the Originator has undertaken to the Issuer, the Noteholders and the Representative of the Noteholders that it will:

   (a) retain on the Issue Date and maintain on an ongoing basis a material net economic interest of at least 5 per cent. in the Securitisation in accordance with paragraph (a) of article 6(3) of the Securitisation Regulation and the applicable Regulatory Technical Standards and ensure that relevant information to the Noteholders and prospective investors in this respect are given on a quarterly basis through the Transparency Investors' Report. As of the Issue Date such material net economic interest will be represented, in accordance with article 6, paragraph 3(a) of the Securitisation Regulation, by holding a portion of at least 5% of each Class of Notes. In order to fulfil the obligations under option (a) of article 6(3) of the Securitisation Regulation and the applicable Regulatory Technical Standards, the Originator shall subscribe;

      (i) on the Issue Date, an amount of the Senior Notes for a principal amount as of the Issue Date equal to Euro 479,300,000 and an amount of the Junior Notes for a principal amount as of the Issue Date equal to Euro 269,583,000; and

      (ii) on each Settlement Date, an amount equal to 5% of each Senior Notes Further Instalment and each Junior Notes Further Instalment;

   (b) not change, according to article 6(1) of the Securitisation Regulation, the manner in which the net economic interest is held, unless a change is required due to exceptional circumstances, permitted by the Securitisation Regulation and the applicable Regulatory Technical Standards and such change is not used as a means to reduce the amount of retained interest in the Securitisation resulting in a breach of any provision of the Securitisation Regulation and the applicable Regulatory Technical Standards

   (c) ensure that Noteholders and prospective investors have readily available access to all information as it would be necessary to conduct comprehensive and well-informed stress tests and to fulfil their monitoring and due diligence duties under article 5 of the Securitisation Regulation;

   (d) ensure that the material net economic interest held by it shall not be split amongst different types of retainers and shall not be subject to any credit-risk mitigation or hedging, in accordance with article 6(1) of the Securitisation Regulation and the applicable Regulatory Technical Standards;

   (e) notify (or procure that it is notified) to the Noteholders any change to the manner in which the material net economic interest set out above is held; and

   (f) comply with any other obligation binding upon it as "originator" (such term as defined under the Securitisation Regulation) in the context of the Securitisation, other than those being the subject matter of the designation of the Reporting Entity as indicated below.

   As at the Issue Date, such material net economic interest will be represented by the retention by the Originator of not less than 5% of the total nominal value of each of the tranches sold or transferred to investors (i.e. the Class A Notes, and the Class J Notes);

2) the Originator and the Issuer have designated among themselves the Originator as the reporting entity pursuant to article 7 of the Securitisation Regulation (the "**Reporting Entity**"). The Reporting Entity has agreed to pay all fees, costs and expenses in connection with the transparency requirements under the Securitisation Regulation. The parties of the Intercreditor Agreement and the Notes Subscription Agreement have acknowledged that the Originator (in its capacity as Reporting Entity) shall be responsible for compliance with article 7 of the Securitisation Regulation pursuant to the Transaction Documents. In such capacity as Reporting Entity, the Originator has undertaken to fulfil the information requirements pursuant to points (a), (b), (c), (e), (f) and (g) of the first

subparagraph of article 7(1) of the Securitisation Regulation by making available the relevant information to the Noteholders, the competent authorities referred to under article 29 of the Securitisation Regulation and, upon request, to potential investors on the website of European DataWarehouse GMBH (being, as at the date of this Prospectus, https://editor.eurodw.eu/) (the "**Temporary Website**"). The Reporting Entity agrees to pay all fees, costs and expenses in connection with the transparency requirements under the Securitisation Regulation.

The parties of the Intercreditor Agreement have acknowledged that the Reporting Entity could, following a data repository being authorized by ESMA and enrolled within the relevant register pursuant to article 10 of the Securitisation Regulation, appoint such data repository for the purposes of complying with the information requirements set out under the Intercreditor Agreement (the entity so appointed, the "**Data Repository**").

In case a Data Repository is appointed, Reporting Entity has undertaken to:

(a) notify in writing the other Parties of the corporate name and the relevant details of the Data Repository so appointed;

(b) publish a notice, pursuant to Condition 17, with the corporate name and the relevant details of the Data Repository so appointed; and

(c) procure that all documents and information published on the Temporary Website are promptly relocated to the Data Repository, if so required in accordance with the Securitisation Regulation.

The Reporting Entity, by placing full reliance on the correctness and completeness of the information provided by the Originator in respect of the relevant securitized exposures (x) with reference to the Initial Portfolio, on or prior to the date of the Master Transfer Agreement; and (y) with reference to any Further Portfolio, on or prior to the date of the relevant Transfer Agreement, hereby undertakes that information requested by the first subparagraph of article 7(1) of the Securitisation Regulation, will be made available as follows:

(a) as to pre-pricing information requested pursuant to letters (b) and (c) of the first subparagraph of article 7(1) of the Securitisation Regulation:

(1) the Transaction Documents in final and agreed form; and

(2) a transaction summary complying with the requirements under letter (c) of the first subparagraph of article 7(1) of the Securitisation Regulation,

has been made available, before pricing, to the prospective holders of a securitisation positions, the competent authorities referred to under article 29 of the Securitisation Regulation and, upon request, to potential investors on the Temporary Website or the Data Repository, as the case may be ;

(b) as to post-closing information requested pursuant to letters (a), (e), (f) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulation, following the Issue Date:

(1) in relation to the loan by loan information regarding each Loan included in the Aggregate Portfolio referred to under letter (a) of the first subparagraph of article 7(1) of the Securitisation Regulation, by means of publication on the Temporary Website or the Data Repository, as the case may be, on a quarterly basis, of the Transparency Loan Report;

(2) in relation to the information referred to under letter (e) of the first subparagraph of article 7(1) of the Securitisation Regulation, by means of publication on the Temporary Website or the Data Repository, as the case may be, on a quarterly basis, of the Transparency Investors' Report;

(3) in relation to any information pursuant to letter (f) of the first subparagraph of article 7(1) of the Securitisation Regulation and/or any significant event occurred in the context of the Securitisation pursuant to letter (g) of the first subparagraph of article 7(1) of the Securitisation Regulation, by means of publication, without delay, of the Transparency Investors' Report on the Temporary Website or the Data Repository, as the case may be as soon as the Reporting Entity is aware of the occurrence of any such events;

(4) upon request, any further information which from time to time may be deemed necessary under the Securitisation Regulation and the applicable Regulatory Technical Standards in accordance with the market practice and not covered under the items (i) to (iii) above,

in each case in a timely manner in order for the Reporting Entity to comply with the disclosure requirements set out under article 7 of the Securitisation Regulation.

THE ISSUER

Introduction

The Issuer was incorporated in the Republic of Italy as a special purpose vehicle pursuant to the Law 130 on 3 March 2008 as a limited liability company (*società a responsabilità limitata*) under the name "Sedna Finance S.r.l." and changed its name to "Fanes S.r.l." by an extraordinary resolution of the meeting of the quotaholders held on 11 May 2009. The registered office of the Issuer is in Via Vittorio Alfieri n. 1, 31015 Conegliano (TV), Italy and its telephone number is +39 0438 360926. The Issuer is registered in the Companies' Register of Treviso-Belluno with No. 04213700265. Since the date of its incorporation the Issuer has not engaged in any business other than the Previous Securitisations and the purchase of the Initial Portfolio. No dividends have been declared or paid and no indebtedness has been incurred by the Issuer other than (i) the Issuer's costs and expenses of incorporation and (ii) the costs and indebtedness related to the Previous Securitisations. The Issuer has no employees and no subsidiaries. The Issuer operates under Italian Law and shall expire on 31 December 2070.

The authorised and issued capital of the Issuer is € 10,000, fully paid up. The Sole Quotaholder of the Issuer is SVM, which holds 100 per cent. of the quota capital of the Issuer.

To the best of its knowledge, the Issuer is not aware of direct or indirect ownership or control apart from its Sole Quotaholder. Italian company law combined with the holding structure of the Issuer, covenants made by the Issuer and its Sole Quotaholder in the Transaction Documents and the role of the Representative of the Noteholders are together intended to prevent any abuse of control of the Issuer.

The Issuer has not declared or paid any dividends or, save as otherwise described in this Prospectus, incurred any indebtedness.

Issuer's Principal Activities

The principal corporate object of the Issuer as set out in article 3 of its by-laws (statuto) and in compliance with the Law 130 is to perform securitisation transactions (*operazioni di cartolarizzazione*).

The Issuer was established as a special purpose vehicle which may carry out further securitisation transactions in addition to the Securitisation, subject to the provisions set forth in Condition 5.2 (*Further Securitisations*).

So long as any of the Notes remain outstanding, the Issuer shall not, without the prior consent of the Representative of the Noteholders and as provided in the Quotaholder Agreement, incur any other indebtedness for borrowed monies (except in relation to any further securitisation carried out in accordance with the Conditions and the Transaction Documents) or engage in any business (other than acquiring and holding the assets on which the Notes are secured, 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 other person or convey or transfer its property or assets to any person (otherwise than as contemplated in the Conditions or the Intercreditor Agreement) or increase its capital.

The Issuer has covenanted to observe, inter alia, those restrictions set forth in Condition 5 (*Covenants*).

Previous Securitisations

2009 Previous Securitisation

In July 2009 the Issuer entered into a first securitisation transaction in compliance with the provisions of the Law 130 (the "**2009 Previous Securitisation**"). Under the 2009 Previous Securitisation, the Issuer has purchased a portfolio of mortgage loan receivables originated by CR Bolzano with an Outstanding Principal and interest equal to Euro 481,905,143.

In order to fund the purchase of portfolio under the 2009 Previous Securitisation, on 28 July 2009 the Issuer issued two classes of asset backed notes due July 2057 (the "**2009 Previous Notes**"), as follows:

(i) € 400,000,000 Series 2009-1-A Asset Backed Floating Rate Notes due July 2057; and

(ii) € 89,950,000 Series 2009-1-B Asset Backed Notes due July 2057.

All of the 2009 Previous Notes have been redeemed as at the date of this Prospectus.

2011 Previous Securitisation

In December 2011 the Issuer entered into the second securitisation transaction in compliance with the provisions of the Law 130 (the "**2011 Previous Securitisation**"). Under the 2011 Previous Securitisation, the Issuer has purchased a portfolio of mortgage loan receivables originated by CR Bolzano with an Outstanding Principal and interest equal to Euro 557,948,680.18.

In order to fund the purchase of portfolio under the 2011 Previous Securitisation, on 2 December 2011 the Issuer issued two classes of asset backed notes due July 2057 (the "**2011 Previous Notes**"), as follows:

(i) € 446,400,000 Series 2011-1-A Asset Backed Floating Rate Notes due July 2058; and

(ii) € 133,900,000 Series 2011-1-B Asset Backed Notes due July 2058.

All of the 2011 Previous Notes have been redeemed as at the date of this Prospectus.

2014 Previous Securitisation

In July 2014 the Issuer entered into a third securitisation transaction in compliance with the provisions of the Law 130 (the "**2014 Previous Securitisation**"). Under the 2014 Previous Securitisation, the Issuer has purchased a portfolio of mortgage loan receivables originated by CR Bolzano with an Outstanding Principal and interest equal to Euro 509,774,968.22.

In order to fund the purchase of portfolio under the 2014 Previous Securitisation, on 31 July 2014 the Issuer issued two classes of asset backed notes due October 2060 (the "**2014 Previous Notes**"), as subsequently increased in November 2016 (further to the assignment of an additional portfolio of mortgage loan receivables originated by CR Bolzano with an Outstanding Principal and interest equal to Euro 529,416,979.29, as follows:

(i) € 1,237,600.000 Series 2014-1-A Asset Backed Floating Rate Notes due October 2060; and

(ii) € 179,200,000 Series 2014-1-B Asset Backed Notes due October 2060.

All of the 2014 Previous Notes are still outstanding as at the date of this Prospectus.

2018 Previous Securitisation

In June 2018, the Issuer carried out a fourth securitisation transaction in compliance with the provisions of the Law 130 (the "**2018 Previous Securitisation**"). Under the 2018 Previous Securitisation, the Issuer has purchased from CR Bolzano a portfolio of mortgage loan receivables with an Outstanding Principal and interest equal to Euro 498,382,249.40.

In order to fund the purchase of the portfolio under the 2018 Previous Securitisation, on 18 June 2018 the Issuer issued the following classes of notes (the "**2018 Previous Notes**"):

(i) Euro 355,900,000 Series 2018-1-A1 Asset Backed Floating Rate Notes due December 2061;

(ii) Euro 90,000,000 Series 2018-1-A2 Asset Backed Fixed Rate Notes due December 2061; and

(iii) Euro 61,315,000 Series 2018-1-J Asset Backed Fixed Rate and Variable Return Notes due December 2061.

All of the 2018 Previous Notes are still outstanding as at the date of this Prospectus.

Management

The current Sole Director of the Issuer is Ms. Giovanna Pujatti, officer of Securitisation Services S.p.A., a company providing services related to securitisation transactions. Such Sole Director was appointed by a quotaholders' resolution passed on 24 June 2009. The business address of Ms. Giovanna Pujatti, in her capacity as Sole Director of the Issuer, is at Via Vittorio Alfieri 1, 31015 Conegliano (TV), Italy.

Documents Available for Inspection

Copies of the following documents may be inspected during normal business hours at the registered office of each of the Issuer and of the Representative of the Noteholders:

(a) the memorandum and articles of association of the Issuer (*atto costitutiv*o and *statuto*); and

(b) the Issuer's financial statements, the relevant auditor's report, and all reports, letters, and other documents, historical financial information, valuations and statements (if any) prepared by any expert at the Issuer's request, any part of which is included or referred to this Prospectus.

Capitalisation and Indebtedness Statement

The capitalisation of the Issuer as at the date of this Prospectus, adjusted for the issue of the Notes, is as follows:

Capital	*Euro*
Issued, authorised and fully paid up capital	10,000

Loan Capital	*Euro*
€ 1,237,600,000 Series 2014-1-A Asset Backed Floating Rate Notes due October 2060	275,941,236.48
€ 179,200,000 Series 2014-1-B Asset Backed Floating Rate Notes due October 2060	179,200,000.00
€ 355,900,000.00 Series 2018-1-A1 Asset Backed Floating Rate Notes due December 2061	236,018,466.05
€ 90,000,000.00 Series 2018-1-A2 Asset Backed Fixed Rate Notes due December 2061	90,000,000.00
€ 61,315,000.00 Series 2018-1-J Asset Backed Floating Rate Notes due December 2061	61,315,000.00

€ 2,000,000,000 Series 2020-1-A Asset Backed Partly Paid Floating Rate Notes due June 2060	479,300,000.00
€ 1,000,000,000 Series 2020-1-J Asset Backed Partly Paid Fixed Rate and Variable Return Notes due June 2060	269,583,000.00
Total Loan Capital	1,591,357,702.53
Total Capitalisation and Indebtedness	1,591,367,702.53

Subject to the above, as at the date of this Prospectus, the Issuer has no borrowings or indebtedness in respect 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.

Auditors' Report

The Issuer's auditor is DELOITTE & TOUCHE S.P.A., whose offices are in Milan. The Issuer's accounting reference date is 31 December in each year and its last accounting year ended on 31 December 2019.

BNP PARIBAS SECURITIES SERVICES, MILAN BRANCH

BNP Paribas Securities Services, a wholly-owned subsidiary of the BNP Paribas Group, is a leading global custodian and securities services provider backed by a strong universal bank. It provides integrated solutions to all participants in the investment cycle including the buy-side, sell-side, corporates and issuers.

BNP Paribas Securities Services has a local presence in 34 countries across five continents, effecting global coverage of more than 90 markets.

At 31 December 2019 BNP Paribas Securities Services has USD 11,825 billion of assets under custody, USD 2,817 billion assets under administration. BNP Paribas Securities Services has 10,484 administered funds and more than 12,000 employees.

BNP Paribas Securities Services currently has long-term senior debt ratings of "A+" (negative) from S&P's, "Aa3" (stable) from Moody's and "A+" (stable) from Fitch Ratings.

Fitch	**Moody's**	**Standard & Poor's**
Long term senior debt **A+**	Long term senior debt **Aa3**	Long term senior debt **A+**
Short term **F1**	Short term **Prime-1**	Short-term **A-1**
Outlook **Stable**	Outlook **Stable**	Outlook **Negative**

The information contained herein relates to and has been obtained from BNP Paribas Securities Services. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of BNP Paribas Securities Services since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE COMPUTATION AGENT, THE REPRESENTATIVE OF THE NOTEHOLDERS, THE CORPORATE SERVICER AND THE BACK-UP SERVICER FACILITATOR

Securitisation Services S.p.A., a joint stock company with a sole shareholder (*società per azioni con socio unico*) incorporated under the laws of the Republic of Italy, having its registered office at Via V. Alfieri no. 1, 31015 Conegliano (TV), Italy, fiscal code, VAT code and enrolment with the companies' register of Treviso-Belluno under number 03546510268, Gruppo IVA Finint - VAT number 04977190265, with a share capital of Euro 2,000,000.00 (fully paid-up), company registered under number 50 in the register of the Financial Intermediaries held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act, belonging to the banking group known as "*Gruppo Banca Finanziaria Internazionale*", registered with the register of the banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act, subject to the activity of direction and coordination (*soggetta all'attività di direzione e coordinamento*) of Banca Finanziaria Internazionale S.p.A. pursuant to articles 2497 and following of the Italian civil code.

Securitisation Services S.p.A. is a professional Italian dealer specialising in managing and monitoring securitisation transactions. In particular, Securitisation Services S.p.A. acts as servicer, corporate servicer, calculation agent, programme administrator, cash manager, representative of the noteholders, back-up servicer, back-up servicer facilitator, back-up calculation agent in several structured finance deals.

In the context of this Securitisation, Securitisation Services S.p.A. acts as Computation Agent, Representative of the Noteholders, Back-up Servicer Facilitator and Corporate Servicer.

Securitisation Services S.p.A. is subject to the auditing activity of PricewaterhouseCoopers S.p.A.

USE OF PROCEEDS

The proceeds from the issue of the Notes, being equal to Euro 748,883,000, will be applied by the Issuer on the Issue Date to make the following payments:

(i) *First*, to pay to the Originator the Purchase Price of the Initial Portfolio;

(ii) *Second*, to credit Euro 9,558,000 into the Cash Reserve Account as Cash Reserve Initial Amount; and

(iii) *Third*, to credit the Retention Amount into the Expense Account,

being understood that, after the payments set out in (i), (ii) and (iii) above, any remaining amount will be credited to the Payments Account.

DESCRIPTION OF THE MASTER TRANSFER AGREEMENT

The description of the Master Transfer Agreement set out below is a summary of certain features of this agreement and is qualified by reference to the detailed provisions of the Master Transfer Agreement. Prospective Noteholders may inspect a copy of the Master Transfer Agreement upon request at the registered office of the Representative of the Noteholders.

General

Pursuant to the Master Transfer Agreement, the Originator (a) assigned and transferred to the Issuer the Initial Portfolio; and (b) during the Ramp-Up Period, may assign and transfer to the Issuer, Further Portfolios.

The Initial Portfolio has been, and any Further Portfolio will be, assigned and transferred to the Issuer without recourse (pro soluto), in accordance with the Law 130 and subject to the terms and conditions of the Master Transfer Agreement and the Issuer acquired from the Originator all of its rights, title and interest in and to the Receivables comprised in the Portfolio.

The Receivables comprised in the Initial Portfolio have been, and the Receivables comprised in the Further Portfolios will be selected on the basis of the relevant Criteria.

Under the terms of the Master Transfer Agreement, the transfer of the Receivables becomes effective in legal terms from the relevant Transfer Date (included) and in economic terms from the relevant Valuation Date (excluded).

Purchase Price

The Purchase Price for each Portfolio is the aggregate of the individual purchase prices of all the Receivables comprised in relevant Portfolio (each an "**Individual Purchase Price**") and the price for the Initial Portfolio ("**Purchase Price of the Initial Portfolio**") is equal to Euro 739.294.999,82. The Individual Purchase Price of each Receivable is equal to the sum of (i) the Outstanding Principal as at the Valuation Date, (ii) the interest accrued thereon and (iii) the Outstanding Principal and the interest amounts relating to the Receivable expired and unpaid as at the Valuation Date, as indicated in Schedule 4 of the Master Transfer Agreement, with respect to each Receivable comprised in the Initial Portfolio, and (ii) in the Schedule B of each Offer with respect to each Receivable of each Further Portfolio.

The Purchase Price will be paid by the Issuer to the Originator (i) with reference to the Initial Portfolio on the Issue Date using the proceeds deriving from the initial instalment of the subscription price for the Notes (the "**Notes Initial Instalment**") and (ii) with reference to each Further Portfolios, will be paid on the Payment Date immediately following the relevant Transfer Date through the Issuer Available Funds available for such purposes under the Priority of Payments which include the amounts requested during the Ramp-Up Period by the Issuer to the Noteholders to effect additional payment of the Issue Price of the relevant Class of Notes and therefore increase the Principal Amount Outstanding (the "**Notes Further Instalment**"), following, in any case, the publication of the notice of assignment in Official Gazette or, if subsequent, to the registration of the transfer in the relevant Companies Register .

The Master Transfer Agreement provides that:

- in relation to the Initial Portfolio if, on the Issue Date, there has not been published the assignment of receivables on the Official Gazette and the relevant Companies Register, the Issuer shall set aside in the Payments Account the proceeds deriving from the Notes.

- in relation to the Further Portfolios, if on a Payment Date the Issuer has received an "*Offerta di Cessione*" (the "**Offer**") of a Further Portfolio but on that date (a) such Offer has not been accepted by the Issuer; or (b) the formalities of the publication in the Official Gazette, or in the Companies Register has not been performed yet, the Issuer shall, in the event that the Issuer Available Funds

are sufficient, shall set aside in the Payments Account, in accordance with the applicable Priority of Payments a sum equal to the Purchase Price;

and the amounts will be paid the day immediately following the publication of the notice of assignment in Official Gazette or, if subsequent, to the registration of the transfer in the relevant Companies Register.

No interest will accrue, in relation to each Portfolios, on the relevant Purchase Price during the period between the date of the Master Transfer Agreement and the relevant date of payment.

Adjustment of the Purchase Price

The Master Transfer Agreement provides that:

(a) if, after the relevant Transfer Date, (i) with respect to the Initial Portfolio one or more Receivables comprised in the Initial Portfolio; or (ii) with respect to any Further Portfolios one or more Receivables comprised in any of the Further Portfolios regarding the relevant Offer prove not to meet the relevant Criteria, then such Receivables will be deemed not to have been assigned and transferred to the Issuer without prejudice to the effects of any possible sale of the Receivables previously made by the Issuer in good faith (*buona fede*) to third parties purchasers in good faith (*buona fede*). Tha party who become aware of any of the above circumstances shall give written communication to the other one ("**Erroneous Exclusion Communication**"); and

(b) if, after the Transfer Date, it results that any of the Receivable meeting the relevant Criteria has not been included (i) with reference to the Initial Portfolio, in the Prospectus of the Receivables pursuant to Schedule 6 of the Master Transfer Agreement; or (ii) with reference to any Further Portfolios, in the Prospectus of the Receivables pursuant to the Schedule B of the relevant Offer, then such Receivables will be deemed to have been assigned and transferred to the Issuer pursuant to, as the case may be, the Master Transfer Agreement or, with respect to any Further Portfolio, the relevant Transfer Agreement without prejudice to the effects of any possible sale of the Receivables previously made by the Originator in good faith (*buona fede*) to third parties purchasers in good faith (*buona fede*). The party who become aware of any of the above circumstances shall give written communication to the other one ("**Erroneous Inclusion Communication**").

The Purchase Price shall be then adjusted in accordance with the provisions of the Master Transfer Agreement, provided that any amounts due and payable by the Issuer to the Originator as adjustment of the Purchase Price will be paid out of the Issuer Available Funds, in accordance with the applicable Priority of Payments.

Transfer of Further Portfolios

During the Ramp-Up Period, the Originator may assign and transfer to the Issuer Further Portfolios. The Issuer shall accept the relevant Offer provided that (i) on the relevant Offer Date - with reference to the preceding Valuation Date - all the Further Portfolios Purchase Conditions are met with respect to, both, the relevant Further Portfolio and the Aggregate Portfolio, comprising the Further Portfolio for which the relevant Offer has been made; and (ii) no Purchase Termination Event has occurred.

Further Portfolios Purchase Conditions

The following conditions shall be satisfied in relation to the relevant Further Portfolio:

(1) the Further Portfolio shall not include loans which are benefiting from a payment holyday granted after the end of the Covid-19 Contingency Period;

(2) the Further Portfolio shall not include loans owed by Debtors indicated in section B - "*Estrazione di Minerali da Cave o Miniere*" (Mining & quarrying) of the ATECO categories;

(3) the Outstanding Balance of the Receivables in the Further Portfolio for which one instalment is due and unpaid should amount for no more than 1% of the Further Portfolio;

(4) the Further Portfolio shall not include loans due by Debtors whose rating falls on classes 8, 9 and 10 of the rating scale of the Originator (or such other equivalent classes in term of probability of default from time to time in use by the Originator).

The following conditions shall be satisfied in relation to the Aggregate Portfolio including the Further Portfolio for which has been proposed the transfer:

(5) the Weighted Average Rate of the Aggregate Portfolio shall be equal to or higher than 1.8%;

(6) at least 70% of the Receivables pay a floating rate coupon;

(7) at least 90% of the Receivables in respect of which is provided a floating rate interest are indexed to the three or six months Euribor;

(8) the Outstanding Balance of the Mortgage Portfolio shall not be (a) lower than 50% nor (b) higher than 70% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(9) the Outstanding Balance of the Receivables paying a monthly, two-monthly or quarterly instalment shall not be lower than 65% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(10) the Outstanding Balance of Receivables owed by the same Debtor or Group of Debtors shall not be higher than 2% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(11) the Outstanding Balance of Receivables owed by the Top 20 Debtors or Group of Debtors shall not be higher than 17% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(12) the number of Debtors or Group of Debtors in respect of Receivables included in the Aggregate Portfolio shall not be lower than 2200;

(13) the Outstanding Balance of Receivables owed by Debtors indicated in section I - "*Attività dei servizi di alloggio e ristorazione*" (Accommodation and food service activities) of the ATECO categories shall not be higher than 33% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(14) the Outstanding Balance of Receivables owed by Debtors indicated in section A - "*Agricoltura, Silvicolutra e Pesca*" (Agriculture, forestry and fishing) of the ATECO categories shall not be higher than 20% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(15) the Outstanding Balance of Receivables owed by Debtors indicated in section C - "*Attività Manifatturiere*" (Manufacturing Activities) of the ATECO categories shall not be higher than 12% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(16) the Outstanding Balance of Receivables owed by Debtors indicated in section G - "*Commercio all'Ingrosso e al Dettaglio, Riparazione di Autoveicoli e Motocicli*" (Wholesale and Retail Trade, Repair of Motor vehicles and Motorcycles) of the ATECO categories shall not be higher than 12% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(17) the Outstanding Balance of Receivables owed by Debtors indicated in section F - "Costruzioni" (Constructions) of the ATECO categories shall not be higher than 7% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(18) the Outstanding Balance of Receivables owed by Debtors belonging to ATECO categories which are different from the ones mentioned above under (11) to (15), excluding the category L and B, shall not be higher than 5% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period;

(19) the Outstanding Balance of the Receivables belonging to areas of economic activity defined by the first two figures of the 2007 ATECO code, as a percentage of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period, shall not be higher, respectively, than: a) 35% for the first area; b) 50% for the first two areas; c) 60% for the first three areas; d) 70% for the first five areas; e) 90% for the first ten areas;

(20) the Outstanding Balance of the Mortgage Portfolio backed by at least one residential property shall not be lower than 20% of the Outstanding Balance of the Aggregate Mortgage Portfolio as at the end of the relevant Collection Period;

(21) the Weighted Average Residual Life of the Aggregate Mortgage Portfolio shall not be higher than 11 years;

(22) the Weighted Average Residual Life of the Aggregate Non-Mortgage Portfolio shall not be higher than 6 years;

(23) the Weighted Average Current Loan to Value of the Aggregate Mortgage Portfolio shall not be higher than 50%; and

(24) the Set Off Risk Exposure for all the Receivables included in the Aggregate Portfolio shall be lower than 8% of the Outstanding Balance of the Aggregate Portfolio as at the end of the relevant Collection Period.

(25) the Weighted Average Cap of the Aggregate Portfolio shall not be lower than 4.5% and the Outstanding Balance of the loans benefiting from a cap on the interest rate payable should not exceed 10% of the Outstanding Balance of the Aggregate Portfolio.

It is understood that, should the limits provided above be breached as a consequence of the amortisation of the Aggregate Portfolio, the transfer of any Further Portfolio shall be allowed only in the case, following such transfer, the breaches result to be at least mitigated.

The following condition shall be satisfied in relation to the Aggregate Portfolio not including the Further Portfolio for which has been proposed the transfer:

(26) the Delinquency Ratio of the Aggregate Portfolio as at the end of the immediately preceding Collection Period shall be lower than 5%.

Purchase Termination Events

Pursuant to the Master Transfer Agreement, the occurrence of any of the following events during the Ramp-Up Period and up to the Payment Date (included) immediately following the end of the Ramp-Up Period shall constitute a purchase termination event (the "**Purchase Termination Events**"):

Breach of obligations by the Originator:

the Originator defaults in the performance or observance of any of its payment obligations under or in respect of any of the Transaction Documents to which it is a party and (except where, in the reasonable opinion of the Representative of the Noteholders, such default is not capable of remedy) such default remains unremedied for 5 days after the Representative of the Noteholders has given written notice thereof to the

Issuer and the Originator, declaring that such default is, in its opinion, materially prejudicial to the interest of the Senior Noteholders; or

the Originator defaults in the performance or observance of any of its obligations under or in respect of any of the Transaction Documents to which it is a party - other than the payment obligations under (a) above - and (except where, in the reasonable opinion of the Representative of the Noteholders, such default is not capable of remedy) such default remains unremedied for 30 days after the Representative of the Noteholders has given written notice thereof to the Issuer and the Originator declaring that such default is, in its opinion, materially prejudicial to the interest of the Senior Noteholders; or

Breach of representations and warranties by the Originator:

any of the representations and warranties given by the Originator under any of the Transaction Documents to which it is party is or proves to have been incorrect in any material respect which is materially prejudicial to the interest of the Senior Noteholders in the opinion of the Representative of the Noteholders when made or repeated and such breach is not remedied; or

Insolvency of the Originator:

30 days have elapsed since an application is made for the commencement of a *liquidazione coatta amministrativa* or any other applicable bankruptcy proceedings or preparatory or early intervention measures pursuant to the Directive 2014/59/EU (as implemented from time to time) against the Originator in any jurisdiction and such application has not been rejected by the relevant court nor has it been withdrawn by the relevant applicant (unless the Originator has provided the Representative of the Noteholders with a legal opinion or other adequate comfort confirming that such application is manifestly without grounds), provided that in the 30 days period following the date of the relevant application, the Originator shall not be entitled to deliver any Offer to the Issuer for the transfer of a Further Portfolio pursuant to the Transfer Agreement; or

the Originator becomes subject to any *liquidazione coatta amministrativa* or any other applicable bankruptcy proceedings pursuant to the Directive 2014/59/EU (as implemented from time to time) against the Originator in any jurisdiction or the whole or any substantial part of the assets of the Originator are subject to a *pignoramento* or similar procedure having a similar effect; or

the Originator takes any action for a restructuring or deferment of fulfilment of any of its obligations relating to financial indebtedness or makes any out of court settlements with its creditors (to the extent such out of court settlements may be materially prejudicial to the interests of the Senior Noteholders) for the extension of fulfilment of its obligations relating to financial indebtedness or the enforcement of any guarantee given to guarantee such fulfilment; or

Winding up of the Originator:

an order is made or an effective resolution is passed for the winding up, liquidation or dissolution in any form of the Originator; or

Breach of ratios:

the Cumulative Gross Default Ratio of the Aggregate Portfolio, as determined by the Servicer is equal to 10%, as of the end of the immediately preceding Collection Period; or

the Delinquency Ratio of the Aggregate Portfolio, as determined by the Servicer is equal or higher than 8%, with reference to the Collection Period immediately preceding the relevant Offer, as of the end of three consecutive Collection Period; or

the Collateralisation Condition is not satisfied; or

the Cash Reserve Amount is less than the Required Cash Reserve Amount as of the immediately preceding Payment Date;

Termination of CR Bolzano appointment as Servicer:

the Issuer has terminated the appointment of CR Bolzano as Servicer following the occurrence of a Servicer Termination Event set forth in Article 9 of the Servicing Agreement.

Occurrence of a Trigger Event:

a Trigger Event has occurred.

Upon the occurrence of any Purchase Termination Event during the Ramp-Up Period, the Representative of the Noteholders, having previously verified that any provided remediation period has expired, shall serve a Purchase Termination Notice on the Issuer, the Originator and the Rating Agencies stating that a Purchase Termination Event has occurred.

After the service of a Purchase Termination Event Notice, the Ramp-Up Period will be terminated, and the Issuer shall refrain from purchasing any Further Portfolio.

Undertakings of the Originator

The Master Transfer Agreement contains certain undertakings by the Originator in respect of the Receivables. The Originator has undertaken, *inter alia*, to refrain from carrying out any activities with respect to the Receivables which may have an adverse effect on the Receivables and, in particular, not to assign or transfer (in whole or in part) the Receivables to any third party or to create any security interest, charge, lien or encumbrance or other right in favour of any third party. The Originator has also undertaken *inter alia* to refrain from any action which could cause the invalidity or a reduction in the amount of any of the Receivables, not to assign or transfer any of the Loan Agreements and to promptly notify the Issuer, during the Ramp-Up Period, of any modification of the template agreements used for the execution of the Loan Agreements, that could be prejudicial for the Issuer,.

Under the Master Transfer Agreement the Originator has also undertaken to indemnify the Issuer in respect of the amounts to be paid by the Issuer for any claw-back actions (*azioni revocatorie*) of payments received by the Originator in respect of the Receivables prior to the publication of the notice of transfer in the Official Gazette and the registration of the transfer in the competent companies' register.

Subrogation

Under the Master Transfer Agreement the parties thereto have undertaken and agreed that, should a Debtor request the amendment of the terms and/or conditions of the relevant Loan, the Originator may accept such request by granting to the relevant Debtor a loan for the purpose of repayment in full of the original Loan. After the repayment in full of such Loan, the Originator will have the right to subrogate (i.e. replace) the Issuer in its rights in accordance with article 1202 of the Italian Civil Code and article 120-*quarter* of the Consolidated Banking Act, as amended from time to time. The Originator may exercise such right provided that:

(a) it has not favoured, promoted or pressed for in any way the request to amend the terms and/or conditions of the relevant Loan raised by the relevant Debtor;

(b) the Debtor's request to amend the terms and/or conditions of the relevant Loan has been formalised in writing, or the Debtor has submitted to the Originator a written statement issued by a bank different from the Originator showing the latter's intention to subrogate the Issuer in its rights in accordance with article 1202 of the Italian Civil Code and article 120-*quarter* of the Consolidated Banking Act, as amended from time to time;

(c) the Receivable arising from the Loan in relation to which a Debtor has requested such amendment is not a Non Performing Receivables (*credito in sofferenza*) or a delinquent loan (*credito incagliato*) pursuant to the Servicing Agreement and the Credit and Collection Policies;

(d) the Debtor's request does not refer to a Loan under which there is an Instalment past due and not paid for more than 30 (thirty) days;

(e) the loan granted by the Originator for the purpose of repaying the original Loan is granted at current market conditions; and

(f) the Issuer will receive from the relevant Debtor, for the purpose of repaying the original Loan, an amount equal to the Outstanding Balance of such Loan.

Should the Originator intend to consent to any of such requests, and upon all the above conditions being satisfied, the Originator will promptly communicate in writing to the Issuer and the Servicer, if different from the Originator, the Receivable in relation to which the relevant Debtor has requested such amendment.

In the event that the requests for the amendment of the terms and/or conditions are connected to certain legislative interventions caused by the the Covid-19 Emergency, the conditions (a), (b), (c) and (d) above, should be derogated.

Governing Law and Jurisdiction

The Master Transfer Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Master Transfer Agreement (including a dispute relating to the existence, validity or termination of the Master Transfer Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE WARRANTY AND INDEMNITY AGREEMENT

The description of the Warranty and Indemnity Agreement set out below is a summary of certain features of this agreement and is qualified by reference to the detailed provisions of the Warranty and Indemnity Agreement. Prospective Noteholders may inspect a copy of the Warranty and Indemnity Agreement upon request at the registered office of the Representative of the Noteholders.

General

Pursuant to the Warranty and Indemnity Agreement, the Issuer has given certain representations and warranties in favour of the Originator in relation to itself, and CR Bolzano (a) has given certain representations and warranties in favour of the Issuer in relation to the Aggregate Portfolio and (b) has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer incurred in connection with the purchase and ownership of the Aggregate Portfolio. The Warranty and Indemnity Agreement contains representations and warranties by CR Bolzano in respect of the following categories:

(1) status and power to execute the relevant Transaction Documents;

(2) legal ownership of the Receivables;

(3) transfer of the Receivables and Transaction Documents;

(4) Loan Agreements, Collateral Securities;

(5) Loans;

(6) compliance with Privacy Rules;

(7) Collateral Securities and Insurance Policies; and

(8) Real Estate Assets.

Representations and Warranties of the Originator

Under the Warranty and Indemnity Agreement, CR Bolzano has represented and warranted, *inter alia*, as follows:

Legal Ownership of the Receivables:

- as of the relevant Valuation Date and the relevant Transfer Date each Receivable was fully and unconditionally owned by and available to CR Bolzano and was not subject to any lien (*pignoramento*), seizure (*sequestro*) or other charges in favour of any third party and was freely transferable to the Issuer; the Originator, as at the relevant Valuation Date and as at the relevant Transfer Date, was the beneficiary of every Collateral Security.

- CR Bolzano has not assigned (whether absolutely or by way of security), participated, charged, transferred or otherwise disposed of any of the Loan Agreements, the Security Interests and/or the Insurance Policies, or terminated, waived or amended any of the Loan Agreements (other than the mandatory amendments provided by the applicable law from time to time), the Security Interests and/or the Insurance Policies or otherwise created or allowed creation or constitution of any further lien, pledge, encumbrance, security interest, arrangement or other right, claim or beneficial interest of any third party on any of the Loan Agreements, the Security Interests and/or the Insurance Policies other than those provided in the Transaction Documents to which it is a party;

Transfer of the Receivables and Transaction Documents:

- each transfer of the Receivables to the Issuer pursuant to the Master Transfer Agreement or to the relevant Transfer Agreement is in accordance with the Law 130. The Receivables comprised in each Portfolio have specific objective common elements such as to constitute a portfolio of homogenous monetary rights within the meaning and for the purposes of Law 130, Bank of Italy Supervisory Regulations and the applicable law.

- The Receivables have been selected (i) with reference to the Initial Portfolio by applying the Common Criteria and the Specific Criteria of the Initial Portfolio and (ii) with reference to the any Further Portfolios, by applying the Common Criteria, the Additional Criteria and the Specific Criteria of Further Portfolios;

- there are no clauses or provisions in the Loan Agreements, in the Insurance Policies, in the Collateral Securities and/or in any other connected agreement, deed or document or applicable regulation, pursuant to which CR Bolzano is prevented from transferring, assigning or otherwise disposing of the Receivables or of any of them;

- the transfer of the Receivables to the Issuer pursuant to the Master Transfer Agreement shall not impair or affect in any manner whatsoever the obligation of the relevant Debtors to pay the amounts outstanding in respect of any Receivables and the enforceability of the Mortgages and the Collateral Security;

- all the information supplied by CR Bolzano to the Arranger and Issuer and/or their respective affiliates, representative agents and consultants for the purpose or in connection with the Transaction Documents or the Securitisation, including, without limitation, with respect to the Loans, the Loan Agreements, the Receivables, the Real Estate Assets, the Collateral Security, as well as the application of the Criteria, is true, accurate completed and updated to the relevant reference date and complete in every material respect and no material information available to CR Bolzano which may adversely impact on the Issuer has been omitted;

- the Receivables have not been selected with the intention of make the loss higher than loss on comparable assets held in the balance sheet of the Originator pursuant to the Article 6(2) of the Securitisation Regulation.

- Loan Agreements, Collateral Securities:

- each Loan Agreement and each Collateral Securities and each other agreement, deed or document relating thereto is valid and effective and constitutes valid, legal and binding obligations of each party thereto (including the relevant Mortgagor(s) and any other Debtor(s)) enforceable in accordance with its terms;

- each of the Receivables and the Mortgages relating to the Mortgage Loans arises from agreements executed as public deeds (*atti pubblici*) drawn up by a Notary Public or as private deeds subsequently notarised (*scritture private autenticate*);

- each Loan Agreement was entered into substantially in the same form as the standard form agreements used by the relevant Lending Bank from time to time and in compliance with the lending and financial practices adopted by the relevant Lending Bank from time to time. After the execution of each Loan Agreement, the general conditions of such agreement were not substantially modified in respect of the standard form agreements used by the relevant Lending Bank;

- no Debtor or Guarantor has the right to obtain a discharge of their debts. In relation to Loans for which the Originator has entered into an agreement for the assumption the debt in full discharge, the relevant assuming debtor has been subject to a creditworthiness assessment adopted from time to time by the Originator.

- Prior to the Transfer Date, the Originator has not granted, except in accordance with the applicable Credit and Collection Policies, assumption agreement to any Debtor and/or Guarantor in relation to the relevant Loans.

- there are no Debtors who benefit of a suspension of payments of Instalments different from those related to the Covid-19 Emergency;

- each Loan Agreement covered by the guarantee pursuant to the Law 662 has been granted in compliance with the law applicable for accessing to such guarantee and in particular such Loan has been disbursed and drawn-down in compliance with the procedure applied by the Originator for the issuance of the unsecured loans;

- each Loan Agreement, Collateral Security and other agreement, deed or document relating thereto has been executed concluded and managed and each Loan has been advanced in compliance with all applicable laws, rules and regulations, including, without limitation, all laws, rules and regulations relating to usury and personal data protection. In particular, the Originator has executed all the forms of publicity, where applicable, provided by article 116 of the Consolidated Banking Act and by the resolution issued on 4 March 2003 by the *Comitato Interministeriale per il Credito ed il Risparmio* on the I.S.C. (*indicatore sintetico di costo*) and T.A.N. (*tasso annuo nominale*) and the relevant rate of interest and costs of the financing are clearly indicated in each Loan;

- each Loan Agreement, Collateral Security, the Insurance Policies and any other related agreement, deed or document was entered into and executed without any mistake, violence, fraud (*frode*) or wilful misrepresentation (*dolo*) or undue influence by or on behalf of the relevant Lending Banks or any of its directors (*amministratori*), managers (*dirigenti*), officers (*funzionari*) and/or employees (*impiegati*), which would entitle the relevant Debtor(s), Mortgagor(s) or other Guarantor(s) or Insurance Companies to claim against CR Bolzano for fraud or wilful misrepresentation or to repudiate any of the obligations under or in respect of the relevant Loan Agreement, Mortgage, Collateral Security Insurance Policy or other agreement, deed or document relating thereto;

- to the Receivables to be securitised have been applied the same sound and welldefined criteria for credit-granting to non-securitised exposures as set out in Article 9 of the Securitisation Regulation.

Loans:

- each of the Loan Agreement has been executed by the relevant Lending Bank and the relevant Debtors;

- each Loan has been fully advanced, disbursed and drawn-down to or to the account of the relevant Debtor and there is no obligation on the part of the Originator to advance or disburse further amounts in connection therewith;

- as at the relevant Valuation Date no Receivable was repaid in full;

- each of the Mortgage Loan have been granted on the basis of an appraisal of the relevant Real Estate Assets, made and signed prior to the approval and the signing of the relevant MortgageLoan Agreement, by (a) an external appraiser duly qualified and appointed by the Debtor or by the relevant Lending Bank, having no direct or indirect interest in the relevant Real Estate Asset or Loan Agreement or (b) by the company Sparim S.p.A., having no direct or indirect interest in the relevant Real Estate Asset or Mortgage Loan Agreement or (c) the manager of the relevant branch of the Originator on the basis of the tables for real estate appraisal prepared by Sparim S.p.A., having no direct or indirect interest in the relevant Real Estate Asset or Loan Agreement. In all the above cases the compensation of the relevant appraiser/evaluator was not related or subject to the approval of such Mortgage Loan Agreement by the relevant Lending Bank;

- all the Loans are performing (*in bonis*) according to the supervisory regulations of the Bank of Italy. To CR Bolzano's knowledge and belief, none of the Debtors is in financial difficulties which could result in the non-payment or late payment in respect of any Receivable, other than the Receivables listed under item *"Sospensione"* at the Schedule 6 of the Master Transfer Agreement or at the Schedule B of the relevant Offer, which are already suspended in order to manage the Covid-19 Emergency;

- as at the date of signing of the relevant Loan Agreement, none of the Debtors was negatively notified (as "unlikely to pay", "defaulted" or "restructured" position or "non performing") by CR Bolzano to the *Centrale dei Rischi*;

- the books, records, data and the documents relating to the Mortgage Loan Agreements, the Receivables, all instalments and any other amounts paid or repaid thereunder have been maintained in all material respects complete, proper and up to date, and all such books, records, data and documents are kept by or are available to CR Bolzano;

- all the Debtors are (i) classified as micro, small and medium enterprises, pursuant to the article 2, paragraph 1, of the European Union Recommendation 2003/361/CE of 6 May 2003 and that employ less than 250 employees, and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million; (ii) are enterprises in the form of sole proprietorships (*ditte individuali*), partnerships in general name (*società in nome collettivo*), limited partnership (*società in accomandita semplice*), limited liability company (*società a responsabilità limitata*), joint-stock company (*società per azioni*) or cooperative limited liability company (*società cooperative a responsabilità limitata*); and (iii) have executed the Loans Agreements in the course of their business activities;

- all the Debtors are incorporated under the Italian law, having their registered office in Italy and, at the time the Loans were disbursed, had their registered office in Italy and all the Guarantors have their registered office or their residence within the European Economic Area and, at the time the Loans were disbursed, had their registered office or their residence. As the case may be, within the European Economic Area;

- No Loan is capable to be qualified as a structured loan, syndicated loan or leveraged loan under the European Central Bank Guidelines of 9 July 2014 regarding additional temporary measures on Eurosystem refinancing operations and eligibility of collateral, as amended from time to time;

- to the best of the knowledge of CR Bolzano, having carried out the appropriate verifications, for at least the 95% of the Outstanding Principal, the capacity of the Debtor to repay the Mortgage does not depend on the prospective cash flows generated by the Real Estate Asset securing such Mortgage.

Collateral Securities and Insurance Policies:

- each Mortgage has been duly granted, created, registered, renewed (when necessary) and preserved, is valid and enforceable and has been duly and properly perfected, meets all requirements under all applicable laws or regulations and is not affected by any material defect whatsoever;

- for at least the 99% of the Mortgages regarding each Portfolio, the "hardening" period (*periodo di consolidamento*) has expired and the relevant security interest created thereby is not capable of being challenged under any applicable laws and regulations whether by way of claw-back action or otherwise including, without limitation, pursuant to article 67 of the Italian Bankruptcy Law or article 39 of the Consolidated Banking Act, to the best of the Originator's knowledge;

- CR Bolzano has not (whether in whole or in part) cancelled, released or reduced or consented to cancel, release or reduce any of the Mortgages except (i) to the extent such cancellation, release or reduction is in accordance with prudent and sound banking practice in Italy, and (ii) when requested

by the relevant Debtor or Mortgagor in circumstances where such cancellation, release or reduction is required by any applicable laws or contractual provisions of the relevant Loan Agreement. No Loan Agreement contains provisions entitling the relevant Debtor(s) or Mortgagor(s) to any cancellation, release or reduction of the relevant Mortgage other than when and to the extent it is required under any applicable law and/or regulation;

- at least the 70% of the Mortgages is of "economic" first ranking priority, which means (i) a first ranking mortgage; or (ii) a mortgage which ranks lower than a first ranking mortgage and in respect of which the obligations guaranteed by the mortgage/s ranking in priority thereto have been fully satisfied;

- CR Bolzano has not relieved or discharged any Debtor, Mortgagor or other Guarantor, or subordinated its rights to claims of those of other creditors thereof, or waived any rights, except in relation to payments made in a corresponding amount in satisfaction of the relevant Receivables;

- each surety, pledge, collateral and other security interest constituting Collateral Security has been duly granted, created, perfected and maintained and is still valid and enforceable in accordance with the terms upon which it was granted and relied upon by CR Bolzano, meets all requirements under all applicable laws and regulations and is not affected by any material defect whatsoever;

- the Insurance Policies regarding each Portfolio are fully in force and effective and, to the best of the knowledge of the Originator, having conducted the necessary verifications, all the relevant premiums have been paid in full; in relation to the Insurance Policies regarding each Portfolio pursuant to which the Originator is the beneficiary or the holder of any other credit right, its position can be assigned to the Issuer.

Real Estate Assets:

- all of the Real Estate Assets were fully owned by the relevant Mortgagors, at the time the relevant Mortgages were registered;

- to the CR Bolzano's knowledge no claim has been made for adverse possession (including *usucapione*) in respect of any of the Real Estate Assets;

- to the best of CR Bolzano's knowledge there are no prejudicial registration, annotation (*iscrizioni o trascrizioni pregiudizievoli*) or third party claim in relation to any of the Real Estate Assets which may impair, affect or jeopardise in any manner whatsoever the relevant Mortgages, their enforceability and/or their ranking and/or any of the Issuer's related rights;

- to the CR Bolzano's knowledge there are no Real Estate Assets preliminary purchase agreements, or similar or analogous agreements, executed between Mortgagors and third parties which have been registered with the competent land offices and registration offices;

- as of the date of granting of each Mortgage Loan, each relevant Real Estate Asset complied with all applicable laws and regulations concerning safety and environmental protection (*legislazione in materia di igiene, sicurezza e tutela ambientale*);

- as of the date of granting of each Mortgage Loan, the Real Estate Assets are not damaged and do not present any material defect, are in good condition and there are no pending or threatened proceedings;

- to the best of CR Bolzano's knowledge, all the Real Estate Assets have been completed or are not under construction, and the Debtors are not entitled to break down the relevant loan into instalments and fractionate the securing mortgage pursuant to article 39 of the Consolidated Banking Act;

- risks of fire and explosion of the Real Estate Assets are covered by insurance policies for an amount at least equal to the value of reconstruction of the Real Estate Assets. To the best of CR Bolzano's knowledge, the premia have been fully and timely paid;

- as of the date of granting of each Loan, each Real Estate Asset complied with all applicable planning and building laws and regulations (*legislazione edilizia, urbanistica e vincolistica*) or, otherwise, a petition of amnesty with reference to any existing irregularity had been duly filed with the competent authorities;

- all the Real Estate Assets are registered with the competent land offices and registration offices in compliance with all laws and regulations applicable to the relevant Real Estate Asset;

- all the Real Estate Assets comply with all applicable laws and regulations in matters of use (*destinazione d'uso*);

- each Real Estate Asset is located in Italy;

- as of the date of granting of each Loan, each Real Estate Asset was provided with a certificate of occupancy (*certificato di abitabilità e/o agibilità*).

Each of the representations and warranties of the Originator under the Warranty and Indemnity Agreement have been made as of the Transfer Date. However, such representations and warranties shall be deemed to be repeated and confirmed by the Originator on the Issue Date, each relevant Valuation Date and each relevant Transfer Date with reference to the facts and circumstances then subsisting.

Limited Recourse Loan and Indemnities in favour of the Issuer

Pursuant to the Warranty and Indemnity Agreement, in the event of any misrepresentation or breach by CR Bolzano of any of its representations and warranties made under such agreement in relation to any Receivables included in the relevant Portfolio (and to the extent such breach is not cured by CR Bolzano, within a period of 10 days from receipt of a written notice from the Issuer to that effect), CR Bolzano has undertaken to grant the Issuer, upon its first demand and within 10 Business Days from such demand, a Limited Recourse Loan in an amount equal to the sum of:

(a) the Outstanding Balance of the relevant Loan as of the date on which the Limited Recourse Loan is granted; plus

(b) the costs and the expenses (including, but not limited to, legal fees and disbursements plus VAT, if applicable) incurred by the Issuer in respect of the relevant Receivable up to the date on which the Limited Recourse Loan is granted; plus

(c) the damages and the losses incurred by the Issuer as a consequence of any claim raised by any third party in respect of such Receivable until the date on which the Limited Recourse Loan is granted; plus

(d) an amount equal to the interest which would have accrued on the Outstanding Principal of the relevant Receivable (at a rate equal to the latest Euribor determined by the Paying Agent in accordance with the Conditions plus a margin of 1 (one) per cent. per annum, calculated on a 360 days basis) between the date on which the Limited Recourse Loan is granted and the maturity date of the relevant Loan Agreement (hereinafter, the "**Loan Value**").

The Limited Recourse Loan will constitute a non-interest bearing limited recourse advance made by CR Bolzano to the Issuer which shall be repayable by the Issuer to CR Bolzano only if and to the extent that the Receivable in respect of which the relevant Limited Recourse Loan is granted is collected or recovered by the Issuer.

Pursuant to the Warranty and Indemnity Agreement, the Originator has agreed to indemnify and hold harmless the Issuer, its directors or any of its permitted assigns from and against any and all damages, losses, claims, costs and expenses awarded against, or incurred by such parties which arise out of or result from, *inter alia*:

(a) any representations and/or warranties made by the Originator thereunder, being false, incomplete or incorrect;

(b) the failure by CR Bolzano to comply with any of its obligations under the Transaction Documents;

(c) any amount of any Receivable not being collected as a result of the legal exercise of any right of set-off against the Originator or right of termination by a Debtor and/or a Mortgagor and/or a Guarantor or the insolvency receiver of any Debtor or Mortgagor or Guarantor;

(d) the failure of the terms and conditions of any Mortgage Loan to comply with the provision of article 1283, 1345 and/or article 1346 of the Italian Civil Code; or

(e) the failure to comply with the provisions of the Usury Law in respect of any interest accrued under the Loans.

In the event of any Counterclaim being raised by a Debtor and/or a Mortgagor and/or a Guarantor or the insolvency receiver of any Debtor or Mortgagor or Guarantor in respect of any Receivable in the circumstances referred to in the Warranty and Indemnity Agreement including those referred to in the preceding paragraph under (c), (d) and (d) above, CR Bolzano shall give a notice thereof to the Issuer, specifying the amount of the Counterclaim and whether it is in CR Bolzano's view legally founded (hereinafter, the "**Counterclaim Accepted Amount**") or legally unfounded (hereinafter, the "**Counterclaim Disputed Amount**"). Following service of the notice, the Originator shall pay to the Issuer by transfer into the Payments Account an amount equal to the amount of the Counterclaim, together with interest accrued thereon from and including the date on which such amount should have been paid by the relevant Debtor (and/or Mortgagor and/or any Guarantor) to but excluding the date on which such amount is actually paid to the Issuer at an annual rate equal to the Euribor applicable during such period plus a margin of 1 per cent. Any such payment made (i) to the extent it consists of a Counterclaim Accepted Amount, shall be deemed to constitute a payment on account of the indemnity obligation of the Originator and (ii) to the extent it consists of a Counterclaim Disputed Amount, shall be deemed to constitute a limited recourse advance made by the Originator to the Issuer which shall not accrue interest and which shall be repayable by the Issuer to the Originator if and to the extent that the amounts which are the subject of the relevant Counterclaim are actually paid to the Issuer by the relevant Debtor (and/or Mortgagor and/or any Guarantor).

Representations and Warranties of the Issuer

Under the Warranty and Indemnity Agreement the Issuer has given certain representations and warranties to the Originator in relation to its due incorporation, solvency and due authorisation, execution and delivery of the Warranty and Indemnity Agreement and the other Transaction Documents.

Limited Recourse

The Warranty and Indemnity Agreement provides that the obligations of the Issuer to make any payments thereunder, including the indemnity obligations of the Issuer shall be limited to the lower of the nominal amount thereof and the Issuer Available Funds which may be applied by the Issuer in making such payment in accordance with the applicable Priority of Payments. The Originator acknowledges that the obligations of the Issuer contained in the Warranty and Indemnity Agreement will be limited to such sums as aforesaid and that it will have no further recourse to the Issuer in respect of such obligations.

Governing Law and Jurisdiction

The Warranty and Indemnity Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Warranty and Indemnity Agreement (including a dispute relating to the existence, validity or termination of the Warranty and Indemnity Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE SERVICING AGREEMENT

The description of the Servicing Agreement set out below is a summary of certain features of that agreement and is qualified by reference to the detailed provisions of the Servicing Agreement. Prospective Noteholders may inspect a copy of the Servicing Agreement at the registered office of the Representative of the Noteholders.

General

Pursuant to the Servicing Agreement, the Issuer has appointed CR Bolzano as Servicer of the Receivables and the Servicer has agreed to administer and service the Receivables comprised in the Initial Portfolio and in the Further Portfolios from time to time purchased by the Issuer.

Under the Servicing Agreement, the Servicer shall credit on a daily basis all Collections received and recovered in relation to the Receivables into the Collection Account. The receipt of cash collections in respect of the Loans is the responsibility of the Servicer. CR Bolzano will also act as the *soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento* pursuant to article 2, paragraph 3(c) of the Law 130. In such capacity, CR Bolzano shall also be responsible for ensuring that such operations comply with all applicable laws and the Prospectus pursuant to article 2, paragraph 6 and 6-*bis* of the Law 130.

The Servicer will also be responsible for carrying out, on behalf of the Issuer, in accordance with the Servicing Agreement and the Credit and Collections Policies, any activities related to the Management of the Defaulted Receivables, including activities in connection with the enforcement and recovery of the Defaulted Receivables.

Obligations of the Servicer

Under the Servicing Agreement the Servicer has undertaken, *inter alia*:

(a) to carry out the management, administration and collection of the Receivables and to manage the recovery of the Defaulted Receivables and to bring or participate in the relevant enforcement procedures in relation thereto in accordance with best professional skills;

(b) to comply with laws and regulations applicable in Italy to the activities contemplated for under the Servicing Agreement and, in particular, to perform any activities provided by the relevant laws and regulations applicable in Italy in relation to the administration and collection of the Receivables, including, but not limited to, the Bank of Italy Supervisory Regulations;

(c) to maintain effective accounting and auditing procedures in order to comply with the Servicing Agreement;

(d) not to authorise, other than in certain limited circumstances specified in the Servicing Agreement, any waiver in respect of any Receivables or other security interest, lien or privilege pursuant to or in connection with the Loan Agreements and not to authorise any modification thereof which may be prejudicial to the Issuer's interests to the extent such waiver or modification is not imposed by law, by judicial or other authority unless such waiver or modification is authorised by the Issuer; and

(e) to ensure that the Usury Law will not be breached in carrying out its functions under the Servicing Agreement.

The activities to be carried out by the Servicer include also the processing of administrative and accounting data in relation to the Receivables and the management of such data. The Servicer has represented to the Issuer that it has all skills, software, hardware, information technology and human resources necessary to comply with the efficiency standards required by the Servicing Agreement.

The Servicer has undertaken to use all due diligence to maintain all accounting records in respect of the Receivables and on the Defaulted Receivables and shall supply all relevant information to the Issuer to enable it to prepare its financial statements.

In the event of any material failure on the part of the Servicer to observe or perform any of its obligations under the Servicing Agreement, the Issuer and the Representative of the Noteholders shall be authorised to carry out all necessary activities to perform the relevant obligation in accordance with the terms thereunder. The Servicing Agreement provides that the Servicer will indemnify the Issuer and the Representative of the Noteholders from and against any cost and expenses incurred by them in connection with performance of the relevant obligation.

Pursuant to the terms of the Servicing Agreement, the Issuer has authorised the Servicer to execute settlement agreements or renegotiate the terms of the Loan Agreements, to grant delay and assumptions (*accolli*) in relation to the payment obligations of the Debtors under the Loan Agreements, only in certain limited circumstances specified in the Servicing Agreement. In particular, the Issuer has authorised the Servicer: (a) to enter into agreements in order to renegotiate, inter alia, (i) the interest rate provided by the Loan Agreements and (ii) the amortisation schedule; and (b) to agree with the Debtors the suspension of the payments of the Instalments due under the relevant Loan Agreement for a maximum period of 12 months, with the exception of the suspension granted during the Covid-19 Contingency Period and originated by the Covid-19 Emergency, that may exceed such limit.

The Issuer and the Representative of the Noteholders have the right to inspect and take copies of the documentation and records relating to the Receivables in order to verify the performance by the Servicer of its obligations pursuant to the Servicing Agreement to the extent the Servicer has been informed reasonably in advance of such inspection.

Pursuant to the Servicing Agreement, the Servicer shall perform the duties provided for by the Servicing Agreement and take any steps and decision in relation to the management, servicing, recovery and collection of the Receivables in compliance with:

(a) the Credit and Collection Policies;

(b) the sound and prudent banking management *(sana e prudente gestione bancaria)* adopted by the Servicer in the management of its receivables;

(c) any laws and regulation applicable to the Receivables and/or the Servicer, including the Consolidated Banking Act, the Bank of Italy Supervisory Regulations and the Usury Law;

(d) the provisions of the Loans Agreements; and

(e) the instructions which may be given by the Issuer and, following a Trigger Notice, by the Representative of the Noteholders.

The Servicer has acknowledged and accepted that, pursuant to the terms of the Servicing Agreement (other than the Servicing Fee) it will have no further recourse against the Issuer for any damages, losses, liabilities, costs or expenses incurred by the Servicer as a result of the performance of its obligations under the Servicing Agreement, except and to the extent that such damages are caused by the wilful misconduct (*dolo*) or gross negligence (*colpa grave*) of the Issuer.

Reports of the Servicer

The Servicer has undertaken to prepare and deliver:

(a) to the Issuer, the Computation Agent and the Corporate Servicer, on or prior to each Monthly Servicer's Report Date, the Monthly Servicer's Report (substantially in the form of Annex 1 to the Servicing Agreement); and

(b) to the Issuer, the Computation Agent, the Representative of the Noteholders, the Rating Agencies, the Account Bank, the Paying Agent and the Corporate Servicer, on or prior to each Quarterly Servicer's Report Date, the Quarterly Servicer's Report (substantially in the form of Annex 2 to the Servicing Agreement);

(c) to the Reporting Entity, on or prior to each Quarterly Servicer's Report Date, the Transparency Loan Report containing information referred to in Article 7, paragraph 1, letter (a) of the Securitisation Regulation and in the applicable Regulatory Technical Standards.

The above reports shall set out detailed information in relation to, *inter alia*, the Collections in relation to the Receivables comprised in the Aggregate Portfolio.

Servicing Fee

In return for the services provided by the Servicer, the Issuer will pay CR Bolzano the following Servicing Fee, in accordance with the applicable Priority of Payments:

(a) for the management and collection of the Receivables (excluding the activities of recovery and compliance under (b) and (c) below, respectively), on each Payment Date a fee equal to 0.45 per cent. per annum (plus VAT, if applicable) of the Collections in respect of performing Receivables (excluding Defaulted Receivables and Collected Insurance Premia) collected by the Servicer during the Collection Period immediately preceding the relevant Payment Date;

(b) for the supervision, administration, management and collection and recoveries of the Defaulted Receivables (excluding the activity of compliance under (c) below), on each Payment Date in respect of the immediately preceding Collection Period, a fee equal to 0.05 per cent. *per annum* (including VAT, if applicable) of the Collections made by the Servicer in respect of the Defaulted Receivables during the Collection Period immediately preceding the relevant Payment Date, net of any expenses in relation to such Collections; and

(c) for the activity of compliance (i.e. compliance with duties imposed by the applicable regulation and/or reporting and communication duties), on each Payment Date a fee equal to Euro 500 (plus VAT, if applicable).

The fees specified under paragraph (b) above are inclusive of any expenses (including, without limitation, the fees of external legal advisers) incurred by the Servicer in connection with the recovery of the Defaulted Receivables.

Termination of the Appointment of the Servicer

The Servicer may not terminate its appointment before the Cancellation Date.

The Issuer may, at its sole discretion, terminate the Servicer's appointment and appoint a successor Servicer if a Servicer Termination Event occurs.

Upon the occurrence of a Servicer Termination Event, the Issuer (with the cooperation of the Back-Up Servicer Facilitator) shall appoint an eligible entity which meets the requirements for a substitute servicer provided for by the Servicing Agreement no later than 45 days from the occurrence of such Servicer Termination Event.

The Servicer Termination Events include, *inter alia*, the following events:

(i) an Insolvency Event occurs in respect of the Servicer;

(ii) a failure on the part of CR Bolzano to observe or perform any of its undertakings under any Transaction Documents to which it is party and such failure is not remedied within 10 (ten) days

after the receipt by the Servicer and the Representative of the Noteholders of a notice by the Issuer requiring the same to be remedied;

(iii) any of the representations and warranties given by CR Bolzano under the Servicing Agreement and/or any other Transaction Document to which it is party proves to be false or misleading in any respect and this could be prejudicial (at the sole discretion of the Representative of the Noteholders) to the interests of the Issuer or the Noteholders;

(iv) the Servicer fails to deposit or pay any amount due under the Servicing Agreement within 5 (five) Business Days from the day on which such amount is due (unless such failure is due to strikes, technical delays or other justified reason);

(v) it becomes illegal for the Servicer to perform any of its obligations under any of the Transaction Documents to which it is a party;

(vi) the economic, financial and managing conditions of the Servicer deteriorate up to the point that, if the Servicer is not replaced, there could be a downgrading of the Senior Notes; and

(vii) the Servicer fails to maintain the legal requirements which are mandatory for its role under the Servicing Agreement in a securitisation transaction or other requirements which could be requested, in the future, by the Bank of Italy or any other relevant governmental or administrative authorities.

Governing Law and Jurisdiction

The Servicing Agreement is governed by and shall be construed in accordance with Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Servicing Agreement.

DESCRIPTION OF THE CASH ALLOCATION, MANAGEMENT AND PAYMENT AGREEMENT

The description of the Cash Allocation, Management and Payment Agreement set out below is a summary of certain features of that agreement and is qualified by reference to the detailed provisions of the Cash Allocation, Management and Payment Agreement. Prospective Noteholders may inspect a copy of the Cash Allocation, Management and Payment Agreement upon request at the registered office of the Representative of the Noteholders.

General

Pursuant to the Cash Allocation, Management and Payment Agreement, the Computation Agent, the Account Bank, the Servicer, the Paying Agent and the Cash Manager have agreed to provide the Issuer with certain calculation, notification, reporting and agency services together with account handling, investment and cash management services in relation to monies and securities from time to time standing to the credit of the Accounts.

Account Bank

The Account Bank has agreed to:

(a) open in the name of the Issuer and manage in accordance with the Cash Allocation, Management and Payment Agreement the Collection Account, the Payments Account, the Cash Reserve Account and the Securities Account, and

(b) provide the Issuer with:

  (i) certain reporting services together with certain handling services in relation to monies from time to time standing to the credit of the Eligible Accounts held with it; and

  (ii) certain investment and reporting services together with certain handling services in relation to the securities from time to time deposited in the Securities Account.

In particular, the Account Bank, on each Account Bank Report Date shall deliver to:

(a) the Issuer, the Representative of the Noteholders, the Cash Manager, the Corporate Servicer and the Computation Agent a copy of the Account Bank Report setting out information concerning, *inter alia*, the transfers and the balances relating to the Collection Account, the Cash Reserve Account and the Payments Account during the relevant Collection Period, and

The Account Bank will be required at all times to be an Eligible Institution.

Cash Manager

The Cash Manager has agreed to provide the Issuer with certain cash management services in relation to the funds standing to the credit of the Eligible Accounts. Upon notification by the Account Bank that the cleared credit balance of any of the Eligible Accounts exceeds Euro 100,000, the Cash Manager shall, in the name and on behalf of the Issuer, select the Eligible Investments in which such credit balance (or most of it) will be invested and shall instruct the Account Bank accordingly (provided that any such Eligible Investment has a maturity date falling not beyond the Eligible Investment Maturity Date and no deduction or withholding for or on account of any taxation in respect of such Eligible Investments is directly imposed and due by the Issuer). Eligible Investments shall not be made in the period starting on the fourth Business Day preceding a Payment Date and ending on such Payment Date (both included).

Under the Cash Allocation, Management and Payment Agreement, the Cash Manager has undertaken to prepare, on or prior to each Cash Manager Report Date, the Cash Manager Report setting out information

relating to the Eligible Investments made during the immediately preceding Quarterly Collection Period pursuant to the Cash Allocation, Management and Payment Agreement.

Computation Agent

The Computation Agent has agreed to provide the Issuer with certain other calculation, monitoring and reporting services. The Computation Agent shall prepare on or prior to the Investors Report Date, the Investors Report setting out certain information with respect to the Notes. The Computation Agent shall also prepare a report setting out certain information with respect to the Notes, in compliance with Article 7(1)(e), 7(1)(f) and 7(1)(g) of the Securitisation Regulation and the applicable Regulatory Technical Standards (the "**Transparency Investors' Report**"). Following the service of a Trigger Notice by the Representative of the Noteholders, the Computation Agent shall, on behalf of the Issuer, calculate and prepare the Payments Report containing the amount of the Issuer Available Funds and the amounts of each of the payments and allocations to be made by the Issuer pursuant to the Intercreditor Agreement. In addition, the Computation Agent shall prepare on each Calculation Date and deliver the Payments Report with respect to the relevant Collection Period. The Servicer shall monitor and supervise the Payments Report prepared by the Computation Agent.

During the Ramp-Up Period, the Computation Agent may request the Noteholders, with copy to the Representative of the Noteholders, by requesting an irrevocable order of payment (the "**Further Instalment Request**"), to make an additional payment of the Issue Price of the relevant Class of Notes and therefore increase the Principal Amount Outstanding of the relevant Class of Notes.

In the event of non-payment by any Noteholder, on each relevant Settlement Date, of any Notes Further Instalment Payment - in whole or in part - in respect of any Note held by it, the increase of the Principal Amount Outstanding of the Notes to be made on such Settlement Date shall be cancelled and the Issuer shall promptly return any Notes Further Instalment Payment actually paid on such Settlement Date (without the Issuer being under any obligation to pay any interest thereon) to the relevant Noteholders.

Paying Agent

The Paying Agent has agreed to provide the Issuer with certain calculation, payment and agency services in relation to the Notes, including without limitation, calculating the Rate of Interest, making payment to the Noteholders, giving notices and issuing certificates and instructions in connection with any meeting of the Noteholders.

The Paying Agent will be required at all times to be an Eligible Institution.

Back-Up Servicer Facilitator

In the event that, following the occurrence of a Servicer Termination Event, the appointment of the Servicer is terminated in accordance with the Servicing Agreement, the Back-Up Servicer Facilitator has agreed to assist and cooperate with the Issuer in order to facilitate the selection of an eligible entity to be appointed as substitute Servicer.

Payments to Noteholders and Other Issuer Creditors

Under the Cash Allocation, Management and Payment Agreement, the Issuer will instruct the Account Bank to arrange for the transfer, 2 (two) Business Days prior to each Payment Date, of sufficient funds, from the Eligible Accounts (other than the Payments Account) into the Payments Account as indicated by the Computation Agent and/or in the relevant Payments Report and, upon written instructions by the Issuer, the Account Bank shall make the payments in favour of the Paying Agent or the other Issuer's creditor and/or shall retain into the Payments Account the amounts indicated by the Computation Agent and/or specified in the relevant Payments Report. In particular:

(i) payments in favour of the Noteholders shall be made by transferring the full amount thereof to the Paying Agent to provide for such payments on such Payment Date; and

(ii) payments to the Other Issuer Creditors and any other third party creditors shall be made by the Account Bank on such Payment Date,

in each case to the extent that Issuer Available Funds are available for such purposes and in accordance with the applicable Priority of Payments. No payments may be made out of the Accounts which would thereby cause or result in such accounts becoming overdrawn.

Termination or resignation of the appointment of the Agents

The appointment of any of the Computation Agent, the Paying Agent, the Cash Manager, the Back-Up Servicer Facilitator and the Account Bank may be terminated by the Issuer, subject to the prior written approval of the Representative of the Noteholders, upon 3 (three) months written notice provided that the Issuer at all times maintains an agent carrying out the duties provided under the Cash Allocation, Management and Payment Agreement.

Each of the Computation Agent, the Paying Agent, the Cash Manager, the Back-Up Servicer Facilitator and the Account Bank may resign from its appointment under the Cash Allocation, Management and Payment Agreement, upon giving not less than 3 (three) months (or such shorter period as the Representative of the Noteholders may agree) prior written notice of termination to the Representative of the Noteholders, the Issuer and the other relevant parties thereto subject to and conditional upon, *inter alia*, a substitute Computation Agent, Paying Agent, Cash Manager and Account Bank, as the case may be, being appointed by the Issuer, with the prior written approval of the Representative of the Noteholders, on substantially the same terms set out in the Cash Allocation, Management and Payment Agreement.

Governing Law and Jurisdiction

The Cash Allocation, Management and Payment Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Cash Allocation, Management and Payment Agreement (including a dispute relating to the existence, validity or termination of the Cash Allocation, Management and Payment Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE INTERCREDITOR AGREEMENT

The description of the Intercreditor Agreement set out below is a summary of certain features of that agreement and is qualified by reference to the detailed provisions of the Intercreditor Agreement. Prospective Noteholders may inspect a copy of the Intercreditor Agreement at the registered office of the Representative of the Noteholders.

General

Pursuant to the Intercreditor Agreement, provision is made, *inter alia*, as to the order of application of the Issuer Available Funds and the circumstances under which the Representative of the Noteholders will be entitled to exercise certain of the Issuer's rights in relation to the Aggregate Portfolio and the Transaction Documents.

Priority of Payments

The Intercreditor Agreement also sets out, *inter alia*, the Priority of Payments to be applied by the Issuer in connection with the Securitisation.

Mandate given to the Representative of the Noteholders

Each of the Other Issuer Creditors, pursuant to articles 1723, paragraph 2, and 1726 of the Italian Civil Code, has irrevocably appointed in the interest and for the benefit of the Other Issuer Creditors, as from the date hereof and with effect from the date when a Trigger Notice is served on the Issuer, the Representative of the Noteholders (which has accepted such appointment) as its sole agent (*mandatario esclusivo*) to receive on behalf of the Other Issuer Creditors from the Issuer any and all monies payable by the Issuer to the Other Issuer Creditors pursuant to the Transaction Documents from and including the date when a Trigger Notice is served on the Issuer.

Limited Recourse Obligations

The obligations owed by the Issuer to each of the Other Issuer Creditors, including without limitation, the obligations under any Transaction Document to which any of such Other Issuer Creditors is a party, will be limited recourse obligations of the Issuer. Each of the Other Issuer Creditors will have a claim against the Issuer only to the extent of the Issuer Available Funds, in each case subject to and as provided in the Intercreditor Agreement and the other Transaction Documents.

Directions of the Representative of the Noteholders following the service of a Trigger Notice

Under the terms of the Intercreditor Agreement, the Issuer has undertaken, upon the service of a Trigger Notice, to comply with all directions of the Representative of the Noteholders, acting pursuant to the Conditions, in relation to the management and administration of the Portfolio.

Directions of the Representative of the Noteholders following the occurrence of a Purchase Termination Event

Following the occurrence of a Purchase Termination Event then the Representative of the Noteholders, having previously verified that any relevant grace period has expired, shall serve a Purchase Termination Notice on the Issuer, the Originator and the Rating Agencies stating that a Purchase Termination Event has occurred.

After the service of a Purchase Termination Event Notice, the Ramp-Up Period will be terminated, the Issuer shall refrain from purchasing any Further Portfolio and, unless the delivery of a Trigger Notice occurs, the Pre-Enforcement Priority of Payments shall continue to be applied.

Disposal of the Aggregate Portfolio following the occurrence of a Trigger Event

Following the delivery of a Trigger Notice and in accordance with the Conditions, the Issuer may (with the prior consent of the Representative of the Noteholders), or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders) direct the Issuer to, dispose of the Aggregate Portfolio, provided that:

(i) a sufficient amount would be realised from such disposal to allow discharge in full of all amounts owing to the Senior Noteholders and amounts ranking in priority thereto or *pari passu* therewith or, if such amount would not be realised, a certificate issued by a reputable bank or financial institution or auditor stating that the purchase price for the Aggregate Portfolio is adequate (based upon such bank's or financial institution's or auditor's evaluation of the Aggregate Portfolio) has been obtained by the Issuer (with the prior written consent of the Representative of the Noteholders) or by the Representative of the Noteholders;

(ii) the relevant purchaser has obtained all the necessary approvals and authorisations;

(iii) the relevant purchaser has produced:

(A) a certificate signed by its legal representative stating that such purchaser is solvent;

(B) a solvency certificate (*certificato di iscrizione nella sezione ordinaria*) issued by the competent Companies Register office and dated not more than 10 (ten) days before the date on which the Aggregate Portfolio will be disposed (or any other equivalent certificate under the relevant jurisdiction in which the purchaser is incorporated); and

(C) evidence of its solvency satisfactory to the Representative of the Noteholders.

In addition, the Representative of the Noteholders may, at its discretion, carry out any further research or investigation for obtaining satisfactory evidence of the solvency of the relevant purchaser; and

(iv) the Rating Agencies have been notified in advance of such disposal.

The sale price of the Aggregate Portfolio shall be unconditionally paid on the relevant date of disposal by credit transfer in Euro and in same day, freely transferable, cleared funds into the Payments Account. The disposal of the Aggregate Portfolio will be effective subject to the actual payment in full of the sale price.

The disposal of the Aggregate Portfolio shall be made without recourse (*pro soluto*).

The Issuer shall enter into such agreements, deeds and documents and perfect such formalities as may be necessary and/or expedient in order to render the disposal of the Aggregate Portfolio valid, effective and enforceable *vis-à-vis* third parties.

Any costs, expenses, charges and taxes incurred in connection with the disposal of the Aggregate Portfolio shall be borne by the Issuer or the purchaser, as agreed in the relevant sale and purchase agreement.

Disposal of the Portfolio following the occurrence of a Tax Event

Following the occurrence of a Tax Event and in accordance with the Conditions, the Issuer may, or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders) direct the Issuer to, dispose of the Aggregate Portfolio or any part thereof to finance the early redemption of the relevant Notes under Condition 8.4 (*Redemption for Taxation*), provided that:

(i) a sufficient amount would be realised from such disposal to allow discharge in full of all amounts owing to the holders of Notes of the Affected Class (in whole but not in part, or if the Notes of the

Affected Class are the Junior Notes, in whole or in part), as the case may be, and amounts ranking in priority thereto or *pari passu* therewith;

(ii) the relevant purchaser has obtained all the necessary approvals and authorisations;

(iii) the relevant purchaser has produced:

(A) a certificate signed by its legal representative stating that such purchaser is solvent;

(B) a solvency certificate (*certificato di iscrizione nella sezione ordinaria*) issued by the competent Companies Register office and dated not more than 10 (ten) days before the date on which the Aggregate Portfolio will be disposed (or any other equivalent certificate under the relevant jurisdiction in which the purchaser is incorporated); and

(C) evidence of its solvency satisfactory to the Representative of the Noteholders.

In addition, the Representative of the Noteholders may, at its discretion, carry out any further research or investigation for obtaining satisfactory evidence of the solvency of the relevant purchaser; and

(iv) the Rating Agencies have been notified in advance of such disposal.

The sale price of the Aggregate Portfolio shall be unconditionally paid on the relevant date of disposal by credit transfer in Euro and in same day, freely transferable, cleared funds into the Payments Account. The disposal of the Aggregate Portfolio will be effective subject to the actual payment in full of the sale price.

The disposal of the Aggregate Portfolio shall be made without recourse (*pro soluto*).

The Issuer shall enter into such agreements, deeds and documents and perfect such formalities as may be necessary and/or expedient in order to render the disposal of the Aggregate Portfolio valid, effective and enforceable vis-à-vis third parties.

Any costs, expenses, charges and taxes incurred in connection with the disposal of the Aggregate Portfolio shall be borne by the Issuer or the purchaser, as agreed in the relevant sale and purchase agreement.

Clean Up Option to repurchase the Aggregate Portfolio

Under the Intercreditor Agreement, the Issuer has irrevocably granted to the Originator an option (the "**Clean Up Option**"), pursuant to article 1331 of the Italian Civil Code, to repurchase (in whole but not in part) the Aggregate Portfolio then outstanding on any Payment Date falling after the Clean Up Option Date, in order to finance the early redemption of the Notes.

In order to exercise the Clean Up Option the Originator shall:

(i) send a written notice to the Issuer at least 40 (forty) Business Days before the Payment Date upon which the Clean Up Option will be exercised;

(ii) deliver to the Issuer the following documents:

(A) a certificate signed by its legal representative stating that such purchaser is solvent;

(B) a solvency certificate (*certificato di iscrizione nella sezione ordinaria*) issued by the competent Companies Register office and dated not more than 10 (ten) days before the date on which the Clean Up Option will be exercised; and

In addition, the Representative of the Noteholders may, at its discretion, carry out any further research or investigation for obtaining satisfactory evidence of the solvency of the Originator.

The purchase price of the Receivables shall be equal to (A) with reference to the Receivables different from the Defaulted Receivables, to the sum of: (i) the Outstanding Principal of such Receivables as at the date of repurchase; (ii) interests due but unpaid on the Receivables as at the date of repurchase; and (iii) expenses incurred by the Issuer in relation to the Receivables as at the date of repurchase; (B) with reference to the Receivables that, after the relevant Valuation Date, are classified as Defaulted Receivables, the purchase price shall not be higher than their fair market value as at the date of repurchase, as determined by the Servicer (and communicated to the Representative of the Noteholders) which, in any case, may not exceed the nominal amount of such Defaulted Receivables as at the date of repurchase.

The Originator will be entitled to exercise the Clean Up Option provided that the purchase price of the Receivables, determined in accordance the above provisions, is at least equal to the amount (as determined pursuant to the Payments Report) needed by the Issuer to discharge all of its outstanding liabilities in respect of the Senior Notes and any other payment in priority to or *pari passu* with the Senior Notes in accordance with the applicable Priority of Payments and all (unless the Class J Noteholders have consented to a partial redemption of the Junior Notes) the Junior Notes and any other payment ranking higher or *pari passu* therewith in accordance with the applicable Priority of Payments.

The repurchase price of the Receivables shall be unconditionally paid by the Originator to the Issuer by credit transfer in Euro and in same day, freely transferable, cleared funds into on the Payments Account one Business Day before the Payment Date on which the Receivables shall be transferred to the Originator. The repurchase of the Receivables will be effective subject to the actual payment in full of the repurchase price.

The purchase under the Clean Up Option shall be exercised in accordance with the provisions of article 58 of the Consolidated Banking Act.

The repurchase of the Receivables shall be made without recourse (*pro soluto*).

The Issuer and the Originator shall enter into such agreements, deeds and documents and perfect such formalities as may be necessary and/or expedient in order to render the repurchase of the Receivables valid, effective and enforceable vis-à-vis third parties.

Any costs, fees or expenses incurred in relation to the exercise of the Option will be borne by the Originator including, without limitation, any costs associated with the publication of the repurchase of the Aggregate Portfolio in the Official Gazette or necessary to comply with any requirements of the Bank of Italy.

Disposal of Individual Receivables

Under the Intercreditor Agreement, the Originator shall have the right to make an offer to repurchase individual Receivables comprised in the Aggregate Portfolio for an aggregate amount which does not exceed (together with the aggregate amount of any Receivables which have already been repurchased pursuant to this Clause) 15 per cent. of the sum of the Outstanding Principal of the Initial Portfolio as at the relevant Valuation Date and the Outstanding Principal of the Further Portfolios as at the relevant Valuation Date and to the extent that the purchase price is at least equal to:

(a) with reference to the Receivables different from the Defaulted Receivables, to the sum of: (i) the Outstanding Principal of such Receivable as at the date of repurchase; (ii) interests due but unpaid on the Receivable as at the date of repurchase; and (iii) expenses incurred by the Issuer in relation to the Receivable as at the date of repurchase; or

(b) with reference to the Receivables that, after the relevant Valuation Date, are classified as Defaulted Receivables, the purchase price shall not be higher than their fair market value as at the date of repurchase as determined by the Servicer (and communicated to the Representative of the Noteholders) which, in any case, may not exceed the nominal amount of such Defaulted Receivables as at the date of repurchase.

Individual Receivables shall be repurchased by the Originator only in extraordinary circumstances and in order to ensure equal treatment by the Originator of its clients who are also Debtors when compared to its other clients.

In order to repurchase any Receivable, the Originator shall:

(i) send a written notice to the Issuer at least 5 (five) Business Days before the date on which the Receivable will be repurchased;

(ii) deliver to the Issuer the following documents:

(A) a certificate signed by its legal representative stating that the Originator is solvent;

(B) a solvency certificate (*certificato di iscrizione nella sezione ordinaria*) issued by the competent Companies Register office and dated not more than 10 (ten) days before the date on which the offer will be made; and

In addition, the Representative of the Noteholders may, at its discretion, carry out any further research or investigation for obtaining satisfactory evidence of the solvency of the Originator.

The repurchase price of the relevant Receivable shall be unconditionally paid on the relevant date of repurchase by credit transfer in Euro and in same day, freely transferable, cleared funds into the Collection Account. The repurchase of the relevant Receivable will be effective subject to the actual payment in full of the repurchase price.

The repurchase of the relevant Receivable shall be made without recourse (*pro soluto*).

The Issuer and the Originator shall enter into such agreements, deeds and documents and perfect such formalities as may be necessary and/or expedient in order to render the repurchase of the relevant Receivable valid, effective and enforceable vis-à-vis third parties.

Any costs, fees or expenses incurred in relation to the repurchase of the Portfolio will be borne by the Originator, and the Originator shall indemnify the Issuer on demand against any liabilities, costs, claims and expenses resulting from such repurchase.

Governing Law and Jurisdiction

The Intercreditor Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Intercreditor Agreement (including a dispute relating to the existence, validity or termination of the Intercreditor Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE MANDATE AGREEMENT

The description of the Mandate Agreement set out below is a summary of certain features of that agreement and is qualified by reference to the detailed provisions of the Mandate Agreement. Prospective Noteholders may inspect a copy of the Mandate Agreement at the registered office of the Representative of the Noteholders.

General

Pursuant to the Mandate Agreement, subject to a Trigger Notice being served or upon failure by the Issuer to exercise its rights under the Transaction Documents, the Representative of the Noteholders, acting in such capacity, shall be authorised to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of the Transaction Documents to which the Issuer is a party.

Governing Law and Jurisdiction

The Mandate Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Mandate Agreement (including a dispute relating to the existence, validity or termination of the Mandate Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE CORPORATE SERVICES AGREEMENT

The description of the Corporate Services Agreement set out below is a summary of certain features of that agreement and is qualified by reference to the detailed provisions of the Corporate Services Agreement. Prospective Noteholders may inspect a copy of the Corporate Services Agreement at the registered office of the Representative of the Noteholders.

General

Pursuant to the Corporate Services Agreement, the Corporate Servicer has agreed to provide the Issuer with certain corporate administration and management services. These services include, *inter alia*, the safekeeping of documentation pertaining to meetings of the Issuer's quotaholders and directors, maintaining the quotaholders' register, preparing VAT and other tax and accounting records, preparing the Issuer's annual balance sheet, administering all matters relating to the taxation of the Issuer and liaising with the Representative of the Noteholders.

Governing Law and Jurisdiction

The Corporate Services Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Corporate Services Agreement (including a dispute relating to the existence, validity or termination of the Corporate Services Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE QUOTAHOLDER AGREEMENT

The description of the Quotaholder Agreement set out below is a summary of certain features of that agreement and is qualified by reference to the detailed provisions of the Quotaholder Agreement. Prospective Noteholders may inspect a copy of the Quotaholder Agreement at the registered office of the Representative of the Noteholders.

General

Pursuant to the Quotaholder Agreement, the Sole Quotaholder has given certain undertakings to the Representative of the Noteholders in relation to the management of the Issuer and the exercise of its rights as Sole Quotaholder of the Issuer.

The Sole Quotaholder has agreed not to dispose of, or pledge, the quotas of the Issuer without the prior written consent of the Representative of the Noteholders.

Governing Law and Jurisdiction

The Quotaholder Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Quotaholder Agreement (including a dispute relating to the existence, validity or termination of the Quotaholder Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE LETTER OF UNDERTAKINGS

The description of the Letter of Undertakings set out below is a summary of certain features of that agreement and is qualified by reference to the detailed provisions of the Letter of Undertakings. Prospective Noteholders may inspect a copy of the Letter of Undertakings at the registered office of the Representative of the Noteholders.

General

Pursuant to the Letter of Undertakings, the Originator has undertaken to indemnify the Issuer in respect of certain tax charges which may be incurred by the Issuer at any time.

Governing Law and Jurisdiction

The Letter of Undertakings and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Letter of Undertakings (including a dispute relating to the existence, validity or termination of the Letter of Undertakings or any non-contractual obligation arising out of or in connection with it).

THE ACCOUNTS

The Issuer shall at all times maintain the following accounts:

(a) a Euro denominated account with IBAN IT54Z0347901600000802368702 (the "**Collection Account**"), into which the Servicer shall transfer on a daily basis all the amounts received or recovered from the Debtors;

(b) a Euro denominated account with IBAN IT03X0347901600000802368700 (the "**Payments Account**"), into which all amounts due to the Issuer under any of the Transaction Documents (other than the Collections) will be paid;

(c) a Euro denominated account with IBAN IT77Y0347901600000802368701 (the "**Cash Reserve Account**") for the deposit on the Issue Date of the Cash Reserve Initial Amount; and, thereafter, (i) on each Payment Date, until (but excluding) the earlier of (1) the Payment Date on which the Senior Notes have been redeemed in full or cancelled, and (2) the Payment Date following the service of a Trigger Notice, of the Required Cash Reserve Amount in accordance with the applicable Priority of Payments;

(d) a securities account with n. 2368700 (the "**Securities Account**") for the deposit of all securities constituting Eligible Investments (if any) purchased with the monies from time to time standing to the credit of the Collection Account, the Payments Account;

(e) a Euro denominated account with IBAN IT77 C060 4561 6200 0000 5001 569 (hereinafter, the "**Expense Account**") into which, on the Issue Date, the Retention Amount will be credited and from which any Expenses will be paid during each Collection Period; and

(f) a Euro denominated account with IBAN IT38 Y 03266 61620 000014058580 (hereinafter, the "**Quota Capital Account**"), for the deposit of the Issuer's quota capital.

The Collection Account, the Payments Account, the Cash Reserve Account and the Securities Account are, collectively, referred to as the "**Eligible Accounts**". The Eligible Accounts, the Expense Account and the Quota Capital Account are, collectively, referred to as the "**Accounts**".

The Account Bank will be required at all times to be Eligible Institution pursuant to the Cash Allocation, Management and Payment Agreement.

In case the Account Bank will no longer be Eligible Institutions, (i) the Issuer shall procure, within 40 (forty) calendar days, with the reasonable cooperation of the Account Bank which has lost the status of Eligible Institution, that another bank which is as an Eligible Institution assumes the role of Account Bank according to the Cash Allocation, Management and Payments Agreement and (ii) the Eligible Accounts held with such Account Bank will be transferred to an Eligible Institution within 40 (forty) calendar days from the date on which the relevant Account Bank has ceased to be Eligible Institution, it being understood that, in the event that the Issuer receives a written confirmation from the Representative of the Noteholders, acting upon consultation with the Rating Agencies, that the then current rating of the Senior Notes should not be negatively affected, the Issuer shall not make such transfer.

TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions of the Notes (the "**Conditions**"). In these Conditions, references to the "holder" of a Note or to the "Noteholders" are to the ultimate owners of the Notes, issued in bearer form and dematerialised and evidenced as book entries with Monte Titoli S.p.A. ("**Monte Titoli**") in accordance with the provisions of (i) article 83-*bis *of the Financial Laws Consolidated Act*; *and (ii) Regulation jointly issued on 13 August 2018 by the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") and the Bank of Italy as subsequently amended and supplemented.*

The Euro 2,000,000,000 Series 2020-1-A Asset Backed Partly Paid Floating Rate Notes due June 2060 (the "**Class A Notes**" or the "**Senior Notes**"), and the Euro 1,000,000,000 Series 2020-1-J Asset Backed Partly Paid Fixed Rate and Variable Return Notes due June 2060 (the "**Class J Notes**" or the "**Junior Notes**" and, together with the Senior Notes, the "**Notes**") will be issued by Fanes S.r.l. (the "**Issuer**" or "**Fanes**") on 12 June 2020 (the "**Issue Date**") to finance, *inter alia*, the purchase of by the Issuer from Cassa di Risparmio di Bolzano S.p.A. (the "**Originator**" or "**CR Bolzano**") of several Portfolios of Receivables in accordance with the Master Transfer Agreement and the relevant Transfer Agreements.

Partly Paid Notes

The Notes will be issued on a partly paid basis by the Issuer. On the Issue Date, the Notes will be issued for the full Nominal Amount of the Notes and the following Notes Initial Instalments will be paid by the Subscriber in partial payment of the Issue Price of each Series of Notes, in accordance with the relevant Subscription Agreement:

(i) Class A Notes: Euro 479,300,000;

(ii) Class J Notes: Euro 269,583,000.

During the Ramp-Up Period, the Subscriber may be requested, in accordance with the Transaction Documents, to make Notes Further Instalments payments in respect of the relevant Series of Notes held by it in order to fund the Purchase Price of the Further Portfolios and the relevant Cash Reserve Increase Amount. Upon payment of a Notes Further Instalment, the then current Paid-Up Amount of the Notes shall be increased accordingly.

Underlying Assets

The principal source of payment of interest and of repayment of principal on the Notes, as well as payment of the Junior Notes Premium (if any) on the Class J Notes, will be the Collections made in respect of the Receivables arising out of certain loan agreements entered into by, *inter alios*, the Originator or the relevant Lending Bank and the Debtors thereunder. The Issuer has purchased the Initial Portfolio from the Originator on 15 May 2020 and, subject to certain conditions set forth under the Master Transfer Agreement, shall purchase, from the Originator, additional Further Portfolios during the Ramp-Up Period.

Any reference in these Conditions to a "**Class**" of Notes or a "**Class**" of holders of Notes shall be a reference to the Senior Notes or the Junior Notes, as the case may be, or to the respective holders thereof and any reference to any agreement or document shall be a reference to such agreement or document as the same may have been, or may from time to time be, amended, varied, novated or supplemented.

1. INTRODUCTION

1.1 Definitions

Capitalised words and expressions in these Conditions shall, unless otherwise specified or unless the context otherwise requires, have the meanings set out in Condition 2 (*Interpretation and Definitions*).

1.2 Noteholders deemed to have notice of the Transaction Documents

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.

1.3 **Provisions of the Conditions subject to the Transaction Documents**

Certain provisions of these Conditions include summaries of, and are subject to, the detailed provisions of the Transaction Documents.

1.4 **Transaction Documents**

1.4.1 ***Master Transfer Agreement***

On 15 May 2020, the Originator and the Issuer entered into the Master Transfer Agreement, pursuant to which the Originator:

(a) assigned and transferred to the Issuer the Initial Portfolio; and

(b) during the Ramp-Up Period, may assign and transfer to the Issuer, Further Portfolios.

The Initial Portfolio has been, and any Further Portfolio will be, assigned and transferred to the Issuer without recourse (*pro soluto*), in accordance with the Law 130 and subject to the terms and conditions of the Master Transfer Agreement.

The Receivables comprised in the Initial Portfolio have been, and the Receivables comprised in the Further Portfolios will be transferred as a block (*in blocco*), selected on the basis of the relevant Criteria.

1.4.2 ***Warranty and Indemnity Agreement***

By the Warranty and Indemnity Agreement, the Originator has given certain representations and warranties in favour of the Issuer in relation to, *inter alia*, the Receivables, the Loan Agreements, the Real Estate Assets and the Collateral Securities and has agreed to grant a Limited Recourse Loan or indemnify the Issuer in respect of certain liabilities incurred by the Issuer in connection with the purchase and ownership of the Receivables.

1.4.3 ***Servicing Agreement***

By the Servicing Agreement, the Servicer has agreed to administer, service, collect and recover amounts in respect of the Aggregate Portfolio on behalf of the Issuer. The Servicer will act as the "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento*" pursuant to the Law 130 and, in such capacity, shall be responsible for verifying that the operations comply with the law and the Prospectus pursuant to article 2, paragraph 3(c) and article 2, paragraph 6-*bis* of the Law 130.

1.4.4 ***Senior Notes Subscription Agreement***

By the Senior Notes Subscription Agreement, the Issuer has agreed to issue the Senior Notes and the Senior Notes Subscriber has agreed to subscribe for the Senior Notes respectively, subject to the terms and conditions set out thereunder, and has also appointed Securitisation Services, which has accepted, as Representative of the Noteholders.

1.4.5 ***Junior Notes Subscription Agreement***

By the Junior Notes Subscription Agreement, the Issuer has agreed to issue the Junior Notes and the Junior Notes Subscriber has agreed to subscribe for such Junior Notes, subject to

the terms and conditions set out thereunder, and has also appointed Securitisation Services, which has accepted, as Representative of the Noteholders.

1.4.6 ***Intercreditor Agreement***

By the Intercreditor Agreement, provision has been made as to, *inter alia*, (a) the application of the Issuer Available Funds in accordance with the Priority of Payments, (b) the limited recourse nature of the obligations of the Issuer, and (c) the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to the Aggregate Portfolio.

1.4.7 ***Cash Allocation, Management and Payment Agreement***

By the Cash Allocation, Management and Payment Agreement, the Agents have agreed to provide the Issuer with certain calculation, notification, reporting and agency services together with account handling, investment and cash management services in relation to monies and securities from time to time standing to the credit of the Accounts. The Cash Allocation, Management and Payment Agreement contains also provisions for the payment of principal and interest in respect of the Notes, as well as payment of the Junior Notes Premium (if any) on the Class J Notes.

1.4.8 ***Mandate Agreement***

By the Mandate Agreement, the Representative of the Noteholders shall be authorised, subject to a Trigger Notice being served or upon failure by the Issuer to exercise its rights under the Transaction Documents, to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of the Transaction Documents to which the Issuer is a party.

1.4.9 ***Quotaholder Agreement***

By the Quotaholder Agreement, the Sole Quotaholder has given certain undertakings to the other parties thereto in relation to the management of the Issuer and the exercise of its rights as Sole Quotaholder of the Issuer.

1.4.10 ***Letter of Undertakings***

By the Letter of Undertakings, the Originator has undertaken to indemnify the Issuer in respect of certain tax charges which may at any time be incurred by the Issuer.

1.4.11 ***Corporate Services Agreement***

By the Corporate Services Agreement, the Corporate Servicer has agreed to provide the Issuer with certain corporate administrative services, in compliance with any reporting requirements relating to the Receivables and with other requirements imposed on the Issuer.

1.4.12 ***Monte Titoli Mandate Agreement***

By the Monte Titoli Mandate Agreement, Monte Titoli has agreed to provide the Issuer with certain depository and administration services in relation to the Notes.

1.4.13 ***Master Definitions Agreement***

By the Master Definitions Agreement, the definitions of certain terms used in the Transaction Documents have been set forth.

1.5 **Documents available for inspection**

Copies of the Issuer's annual audited financial statements and the Transaction Documents are available *in physical and/or electronic form for inspection during normal business hours at the office of the Representative of the Noteholders, being, as at the Issue Date, Via Vittorio Alfieri No. 1, 31015 Conegliano (TV), Italy.*

1.6 **Rules of the Organisation of the Noteholders**

The Noteholders are deemed to have notice of, are bound by, and shall have the benefit of, *inter alia*, the terms of the Rules of the Organisation of the Noteholders which are attached to these Conditions as Exhibit 1 and which are deemed to form part of these Conditions. The rights and powers of the Noteholders may only be exercised in accordance with the Rules of the Organisation of the Noteholders.

1.7 **Representative of the Noteholders**

Each Noteholder recognises that the Representative of the Noteholders is the legal representative of the Organisation of the Noteholders and accepts to be bound by the terms of the Transaction Documents which have been signed by the Representative of the Noteholders as if it had signed such documents itself.

2. **INTERPRETATION AND DEFINITIONS**

2.1 **Interpretation**

In these Conditions, unless otherwise specified or unless the context otherwise requires:

(a) the exhibit hereto constitutes an integral and essential part of these Conditions and shall have the force of and shall take effect as covenants; and

(b) headings and subheadings are for ease of reference only and shall not affect the construction of these Conditions.

2.2 **Definitions**

In these Conditions, the following expressions shall, except where the context otherwise requires and save where otherwise defined, have the following meanings:

"**2009 Previous Notes**" means the asset backed notes issued by the Issuer on 28 July 2009 in connection with the 2009 Previous Securitisation.

"**2009 Previous Securitisation**" means the securitisation transaction carried out by the Issuer in July 2009, pursuant to which it has issued on 28 July 2009 two classes of asset-backed notes with final maturity in July 2057. All of the 2009 Previous Notes have been redeemed.

"**2011 Previous Notes**" means the asset backed notes issued by the Issuer on 2 December 2011 in connection with the 2011 Previous Securitisation.

"**2011 Previous Securitisation**" means the securitisation transaction carried out by the Issuer in December 2011, pursuant to which it has issued on 2 December 2011 two classes of asset-backed notes with final maturity in July 2058. All of the 2011 Previous Notes have been redeemed.

"**2014 Previous Notes**" means the asset backed notes issued by the Issuer on 31 July 2014 in connection with the 2014 Previous Securitisation.

"**2014 Previous Securitisation** means the securitisation transaction carried out by the Issuer in July 2014, pursuant to which it has issued on 31 July 2014 two classes of asset-backed notes with final maturity in October 2060.

"**2018 Previous Notes**" means the asset backed notes issued by the Issuer on 18 June 2018 in connection with the 2018 Previous Securitisation.

"**2018 Previous Securitisation**" means the securitisation transaction carried out by the Issuer in June 2018, pursuant to which it has issued on 18 June 2018 two classes of asset-backed notes with final maturity in December 2061.

"**Acceleration Event**" means the event triggered by one or more of the following:

(a) the Collateralisation Condition is not satisfied on the immediately preceding Payment Date or;

(b) a Purchase Termination Event Notice has been served by the Representative of the Noteholders or;

(c) the Issuer has terminated the appointment of Cassa di Risparmio di Bolzano as Servicer following the occurrence of a Servicer Termination Event set forth in Clause 9.1 of the Servicing Agreement or;

(d) the Cumulative Gross Default Ratio exceeds 10% as of the end of the immediately preceding Collection Period.

"**Account**" means each of the Eligible Accounts, the Expense Account and the Quota Capital Account, and "**Accounts**" means all of them.

"**Account Bank**" means BNP Paribas Securities Services, Milan Branch, or any other person acting as account bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Account Bank Report**" means the report to be prepared by the Account Bank on each Account Bank Report Date pursuant to the Cash Allocation, Management and Payment Agreement, setting out information concerning, *inter alia*, the transfers and the balances relating to the Collection Account, the Cash Reserve Account and the Payments Account.

"**Account Bank Report Date**" means the tenth day of each month or, if such day is not a Business Day, the immediately following Business Day.

"**Accrued Interest**" means, as of any relevant date and in relation to any Receivable, the portion of the Interest Instalment falling due on the next Scheduled Instalment Date which has accrued as at that date.

"**Additional Criteria**" means the additional selection criteria of each Further Portfolio as set out in Schedule 4 of the Master Transfer Agreement.

"**Additional Screen Rate**" shall have the meaning ascribed to it in Condition 7 (*Interest*).

"**Affected Class**" shall have the meaning ascribed to it in Condition 8 (*Redemption, Purchase and Cancellation*).

"**Agents**" means the Cash Manager, the Paying Agent, the Account Bank, the Computation Agent and the Back-Up Servicer Facilitator collectively, and "**Agent**" means each of them.

"**Aggregate Mortgage Portfolio**" means, only with reference to Mortgage Loans, the aggregate of the Initial Portfolio and any Further Portfolios purchased by the Issuer pursuant to the Master Transfer Agreement and the relevant Transfer Agreements.

"**Aggregate Non-Mortgage Portfolio**" means, only with reference to Non-Mortgage Loans, the aggregate of the Initial Portfolio and any Further Portfolios purchased by the Issuer pursuant to the Master Transfer Agreement and the relevant Transfer Agreements.

"**Aggregate Portfolio**" means the aggregate of the Initial Portfolio and any Further Portfolios purchased by the Issuer pursuant to the Master Transfer Agreement.

"**AIFM Regulation**" means Regulation (EU) No. 231/2013, as amended and supplemented from time to time.

"**Arranger**" means FISG.

"**Article 65**" means article 65 of the Italian Bankruptcy Law.

"**Back-Up Servicer Facilitator**" means Securitisation Services or any other person acting as back-up servicer facilitator pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Banca Finint**" means Banca Finint S.p.A. a bank incorporated under the laws of the Republic of Italy, having its office in Via Vittorio Alfieri 1, 31015 - Conegliano (TV), Italy, fiscal code and VAT number 04040580963, registered under No. 5580 with the roll of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

"**Banca Sella**" means Banca Sella S.p.A., a bank incorporated under the laws of the Republic of Italy, having its office in Piazza Gaudenzio Sella, 1, 13900 Biella, Italy, fiscal code and VAT number 00319010229, registered under No. 5626 with the roll of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

"**Bank of Italy Supervisory Regulations**" means supervisory regulations for banks issued by the Bank of Italy by Circular No. 229 of 21 April 1999 or Circular No. 285 of 17 December 2013, as the case may be, as amended and supplemented from time to time.

"**Base Rate**" means the interest rate that shall accrue on the Eligible Accounts as per Article 3.1 of the Cash Allocation, Management and Payment Agreement.

"**BNP Paribas Securities Services, Milan Branch**" means the Milan branch of BNP Paribas Securities Services, with offices at Piazza Lina Bo Bardi No. 3, 20124 Milan Italy.

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

"**Business Day**" means any day on which the Trans-European Automated Real Time Gross Express Transfer payment system (TARGET2), or any successor thereto, is operative.

"**Calculation Date**" means the 4th (fourth) Business Day before the relevant Payment Date.

"**Cancellation Date**" means the date of cancellation of the Notes, being:

(i) the Final Maturity Date, or (ii) the earlier date on which the Notes are redeemed pursuant to Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) or 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*) or following the delivery of a Trigger Notice pursuant to Condition 14 (*Trigger Events*); or

(ii) if the Notes cannot be redeemed in full on the Final Maturity Date as a result of the Issuer having insufficient Issuer Available Funds for application in or towards such redemption, on the later of (i) the Payment Date immediately following the end of the Quarterly Collection Period during which all the Receivables will have been paid in full; and (ii) the Payment Date immediately following the end of the Quarterly Collection Period during which all the Receivables then outstanding will have been entirely written off by the Issuer as a consequence of the Servicer having certified to the Representative of the Noteholders, and the Representative of the Noteholders having notified the Noteholders in accordance with Condition 17 (*Notices*), that there is no reasonable likelihood of there being any further realisations in respect of the Aggregate Portfolio and the Issuer's Rights (whether arising from judicial enforcement proceedings or otherwise) which would be available to pay unpaid amounts outstanding under the Notes,

"**Cash Allocation, Management and Payment Agreement**" means the cash allocation, management and payment agreement executed on or about the Issue Date between the Issuer, the Computation Agent, the Account Bank, the Cash Manager, the Originator, the Servicer, the Back-Up Servicer Facilitator, the Reporting Entity, the Paying Agent, the Corporate Servicer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement, deed or other document expressed to be supplemental thereto.

"**Cash Manager**" means CR Bolzano or any other person acting as cash manager pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Cash Manager Report**" means the report to be prepared by the Cash Manager on each Cash Manager Report Date, setting out information relating to the Eligible Investments made during the immediately preceding Quarterly Collection Period.

"**Cash Manager Report Date**" means the sixth Business Day before the relevant Payment Date

"**Cash Reserve Account**" means the Euro denominated account with IBAN IT77Y0347901600000802368701 opened in the name of the Issuer with the Account Bank or any substitute account opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Cash Reserve Amount**" means, on each Payment Date, the amount credited to the Cash Reserve Account.

"**Cash Reserve Initial Amount**" means an amount equal to Euro 9,558,000.

"**Cash Reserve Increase Amount**" means in relation to each Settlement Date an amount equal to: 1,29% of the Outstanding Principal of the Collateral Portfolio (considering also the Further Portfolio to be transferred on or upon the relevant Payment Date) reduced by the amount credited on the Cash Reserve Account as of the preceding Payment Date, being understood that should such amount be negative it shall be deemed to be equal to 0 (zero).

"**Cash Reserve Integration**" means, on any Payment Date, an amount, calculated by the Computation Agent, equal to the positive difference between the Required Cash Reserve Amount and the Issuer Available Funds (net of any Cash Reserve Integration) that would remain after having paid items from (i) to (iv) of the Pre Enforcement Priority of Payments.

"**Cash Reserve Integration Ledger**" means, on any Payment Date, an amount equal the difference between (i) the sum of any Cash Reserve Integration provided by the Originator; and (ii) the amounts paid to the Originator under item (vi) of the Pre Enforcement Priority of Payments on the preceding Payment Dates.

"**Circular 272**" means circular (*circolare*) No. 272 of 30 July 2008 *(Matrice dei Conti)* issued by the Bank of Italy, as amended and supplemented from time to time.

"**Class**" shall be a reference to a class of Notes, being the Class A Notes or the Class J Notes and "**Classes**" shall be construed accordingly.

"**Class A Noteholders**" means the Holders of the Class A Notes from time to time.

"**Class A Notes**" means the Euro 2,000,000,000 Series 2020-1-A Asset Backed Partly Paid Floating Rate Notes due June 2060.

"**Class J Noteholders**" means the Holders of the Class J Notes from time to time.

"**Class J Notes**" means the Euro 1,000,000,000 Series 2020-1-J Asset Backed Partly Paid Fixed Rate and Variable Return Notes due June 2060.

"**Clean Up Option**" means an option granted by the Issuer to the Originator, pursuant to article 1331 of the Italian civil code, under the Intercreditor Agreement.

"**Clean Up Option Date**" means any date on which the aggregate Outstanding Principal of the Aggregate Portfolio is equal to or lower than 10 per cent. of the sum of the Outstanding Principal of the Initial Portfolio as at the relevant Valuation Date and the Outstanding Principal of the Further Portfolios as at the relevant Valuation Date.

"**Clearstream**" means Clearstream Banking, *société anonyme*.

"**Collateral Portfolio**" means, on any given date, the aggregate of all outstanding Receivables comprised in the Aggregate Portfolio which are not Defaulted Receivables as of that date and for which the Originator has not advanced a Limited Recourse Loan pursuant to clause 4.1 of the Warranty and Indemnity Agreement.

"**Collateral Securities**" means the Guarantees and the Mortgages, and "**Collateral Security**" means each of them.

"**Collateralisation Condition**" means the condition that will be deemed to be satisfied on any Payment Date if the sum of:

(a) the Outstanding Principal of the Collateral Portfolio as of the end of the immediately preceding Collection Period, including any Further Portfolio transferred to the Issuer on or about such Payment Date;

(b) the Cash Reserve Amount credited to the Cash Reserve Account;

is equal or higher than 95% of the Principal Amount Outstanding of the Notes on the relevant Payment Date (taking into account any repayment of principal made to the Noteholders on such Payment Date).

"**Collected Insurance Premia**" means the Insurance Premia accrued and paid by each relevant Debtor during the relevant Collection Period.

"**Collection Account**" means the Euro denominated account with IBAN IT54Z0347901600000802368702 opened in the name of the Issuer with the Account Bank or any substitute account opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Collection Period**" means a Monthly Collection Period or a Quarterly Collection Period, as the case may be.

"**Collections**" means all amounts received by the Servicer in respect of the Instalments due under the Receivables and any other amounts whatsoever received by the Servicer or any other person in respect of the Receivables.

"**Common Criteria**" means the common criteria for the selection of each Portfolio specified in Schedule 2 of the Master Transfer Agreement.

"**Computation Agent**" means Securitisation Services or any other person acting as computation agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Conditions**" means the terms and conditions of the Notes, as from time to time modified in accordance with the provisions herein contained and including any agreement, deed or other document expressed to be supplemental thereto and "**Condition**" means any of them.

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

"**Consolidated Banking Act**" means Legislative Decree No. 385 of 1 September 1993, as amended and implemented from time to time.

"**Corporate Servicer**" means Securitisation Services or any other person acting as corporate servicer pursuant to the Corporate Services Agreement from time to time.

"**Corporate Services Agreement**" means the corporate services agreement entered into on or about the Issue Date between, *inter alios*, the Issuer and the Corporate Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement, deed or other document expressed to be supplemental thereto.

"**Covid-19 Contingency Period**" means the period which starts on the Transfer Date of the Initial Portfolio and ends on 31 December 2020 (or such other date provided under laws and/or regulation pursuant to which a bank, a financial intermediary and/or any other entity which is authorised to grant loans in Italy, is allowed to grant certain payment holidays to the relevant debtors due to the Covid-19 Emergency).

"**Covid-19 Emergency**" means the epidemiological emergency caused by the spread of the virus named Covid-19.

"**CR Bolzano**" means Cassa di Risparmio di Bolzano S.p.A., a bank incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, whose registered office is at Via Cassa di Risparmio 12, 39100 Bolzano Italy, Fiscal Code, VAT number and enrolment with the Bolzano Companies Register number 00152980215, registered under No. 6045.9 with the roll of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

"**CRA Regulation**" means Regulation (UE) No. 1060/2009, as amended and supplemented from time to time.

"**Credit and Collections Policies**" means the procedures for the management, collection and recovery of Receivables attached as Schedule 4 to the Servicing Agreement.

"**CRD IV**" means the Directive 2013/36/UE adopted on 27 June 2013 by the European Parliament and the European Council, as amended and supplemented from time to time.

"**CRD V**" means the Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending CRD IV, as amended and supplemented from time to time.

"**Criteria**" means collectively (i) with reference to the Initial Portfolio, the Common Criteria and the Specific Criteria of the Initial Portfolio; and (ii) with reference to each Further Portfolio, the Common Criteria, the Additional Criteria and the relevant Specific Criteria of the Further Portfolios.

"**CRR**" means the Regulation (UE) No. 575/2013, as amended and supplemented from time to time.

"**Cumulative Gross Default Ratio**" means at each Determination Date, the ratio between:

(a) the sum of the Outstanding Principal, as at the Default Date, of the Defaulted Receivables which have been classified as such from the relevant Valuation Date up to such Determination Date; and

(b) the sum of the Outstanding Principal of the Initial Portfolio as at the relevant Valuation Date and the Outstanding Principal of the Further Portfolios as at the relevant Valuation Date.

"**Cura Italia Decree**" means the Law Decrees n. 8 of 17 March 2020, converted with modification into Law n. 27 of 24 Apil 2020.

"**DBRS**" means (i) for the purpose of identifying the entity which has assigned the credit rating to the Notes, DBRS Ratings GmbH, and (ii) in any other case, any entity that is part of DBRS and any successor to the relevant rating activity which is either registered or not under the CRA Regulation, as it appears from the last available list published by European Security and Markets Authority (ESMA) on the ESMA Website.

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

(c) DBRS

	Moody's	**S&P**	**Fitch**
AAA	Aaa	AAA	AAA
AA(high)	Aa1	AA+	AA+
AA	Aa2	AA	AA
AA(low)	Aa3	AA-	AA-
A(high)	A1	A+	A+
A	A2	A	A
A(low)	A3	A-	A-
BBB(high)	Baa1	BBB+	BBB+
BBB	Baa2	BBB	BBB
BBB(low)	Baa3	BBB-	BBB-
BB(high)	Ba1	BB+	BB+
BB	Ba2	BB	BB
BB(low)	Ba3	BB-	BB-
B(high)	B1	B+	B+
B	B2	B	B

B(low)	B3	B-	B-
CCC(high)	Caa1	CCC+	CCC+
CCC	Caa2	CCC	CCC
CCC(low)	Caa3	CCC-	CCC-
CC	Ca	CC	CC
C	C	D	D

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

"**Debt Securities**" means, in relation to each Debtor:

(a) in the case of the assignment of a Further Portfolio comprising Receivables related to such Debtor has been proposed, the sum of the nominal value (as resulting on the Valuation Date of such Further Portfolio) of any debt securities issued by CR Bolzano and owned by such Debtor; or, in other cases,

(b) the lowest of the sum of the nominal value (as resulting on each Valuation Date) of any debt securities issued by CR Bolzano and held by such Debtor.

"**Debtor**" means any borrower and any other person who entered into a Loan Agreement as principal debtor or guarantor or who is liable for the payment or repayment of amounts due under a Loan Agreement, as a consequence of having granted any Guarantee to the Originator or the relevant Lending Bank or having assumed the borrower's obligation under an assumption (*accollo*), or otherwise.

"**Decree 239 Deduction**" means any withholding or deduction for or on account of "*imposta sostitutiva*" under Decree No. 239.

"**Decree No. 7/2007**" means Law Decree No. 7 of 31 January 2007 converted into law by Law No. 40 of 2 April 2007 as amended and supplemented from time to time.

"**Decree No. 66**" means Law Decree of 24 April 2014 No. 66, converted into law by Law No. 89 of 23 June 2014.

"**Decree No. 145**" means Law Decree of 23 December 2013 No. 145 converted into law by Law No. 9 of 21 February 2014.

"**Decree No. 201**" means Decree of 6 December 2011 No. 201 converted into law by Law No. 214 of 22 December 2011.

"**Decree No. 239**" means Italian Legislative Decree No. 239 of 1 April 1996, as amended and supplemented from time to time and any related regulations.

"**Default Date**" means the date on which the conditions for the classification of a Receivables as Defaulted Receivable has occurred.

"**Defaulted Receivables**" means:

(a) the Receivables which have at least one due and unpaid instalment for more than 180 days, or

(b) the Receivables classified as being "*in sofferenza*" pursuant to Circular 272.

"**Delinquency Ratio**" means, with reference to each Quarterly Servicer's Report Date, the ratio calculated by dividing: (a) the aggregate amount of the Outstanding Principal in relation to all the Receivables that are Delinquent Receivables as at the last day of the immediately preceding Quarterly Collection Period by (b) the aggregate amount of the Collateral Portfolio Outstanding Principal as at the last day of the immediately preceding Quarterly Collection Period.

"**Delinquent Instalment**" means an Instalment which remains unpaid by the Debtor in respect thereof for 30 days or more after the Scheduled Instalment Date.

"**Delinquent Receivables**" means any Receivable which is not a Defaulted Receivable and with respect to which there is at least one Delinquent Instalment.

"**Determination Date**" means in respect of any Payment Date, the last day of the immediately preceding Quarterly Collection Period.

"**Deposit**" means, in relation to each Debtor the higher amount between:

(a) in case of the assignment of a Further Portfolio comprising Receivables related to such Debtor has been proposed, the balance (as resulting on the Valuation Date of such Further Portfolio) of any current accounts and deposit certificates opened at CR Bolzano by such Debtor; and

(b) all the amounts calculated as per point (a) above as at the preceeding Valuation Date.

"**Drawdown Amount**" means on any Calculation Date prior to a Settlement Date an amount equal to the sum of the Principal Amount Outstanding of the Notes and the Notes Further Instalment Amount.

"**ECB Guidelines**" means the guidelines issued by the European Central Bank (ECB/2014/31), as amended and supplemented from time to time.

"**Eligible Account**" means each of the Cash Reserve Account, the Collection Account, the Payments Account and the Securities Account and "**Eligible Accounts**" means all of them.

"**Eligible Institution**" means a depository institution organised under the laws of any state which is a member of the European Union or of the United States:

(a) whose unsecured and unsubordinated debt obligations, with respect to DBRS, are at least BBB with respect to:

- the greater of (x) if the Long-Term Critical obligations Rating ("**COR**") exists, the rating one notch below the institution's COR and (y) the institution issuer rating or long term unsecured debt or deposit rating; or

- if there is no such public rating, a private rating supplied by DBRS; or

- if there is no such public or private rating, the DBRS Minimum Rating;

(b) whose issuer credit rating (ICR), with respect to S&P, is at least "BBB";

(c) whose obligations under the Transaction Documents to which it is a party are guaranteed by a first demand, irrevocable and unconditional guarantee (followed by, if requested, a legal opinion rendered by a reputable firm in the relevant jurisdictions) issued by a depository institution organised under the laws of any state which is a member of the European Union or of the United States of America and have at least the ratings set out in paragraphs (a)(i) and (a)(ii) above, provided that such guarantee and the relating opinion have been notified to the Rating Agencies and comply with the Rating Agencies' criteria.

"**Eligible Investments**" means any Euro denominated senior (unsubordinated) dematerialised debt security, bank account deposit (including, for the avoidance of doubt, time deposit) or other debt instrument with the following characteristics:

(a) with respect to DBRS:

i. the securities or other debt instruments shall be issued or guaranteed (on the basis of an unconditional, irrevocable, independent first demand guarantee) by an institution rated at least as follows by DBRS: (1) "BBB" in respect of Senior Long-Term Debt and Deposit rating or "R-2 (high)" in respect of Short-Term Debt and Deposit rating, with regard to investments having a maturity of less than or equal to 30 (thirty) days, or (2) "A (low)" in respect of Senior Long-Term Debt and Deposit rating or "R-1 (low)" in respect of Short-Term Debt and Deposit, with regard to investments having a maturity between 31 (thirty-one) and 90 (ninety) days; or

ii. the bank account deposits shall be held with an Eligible Institution; or

iii. instruments having such other lower rating being compliant with the DBRS's published criteria applicable from time to time; and

(b) with respect to S&P:

(i) the securities or other debt instruments shall be issued or guaranteed (on the basis of an unconditional, irrevocable, independent first demand guarantee being compliant with the S&P's published criteria applicable from time to time) by an institution rated at least as follows by S&P: (i) "A" in respect of long-term debt or "A-1" by S&P in respect of short-term debt, with regard to investments having a maturity of less than or equal to 365 days, or (ii) "A-2" by S&P in respect of short-term debt, with regard to investments having a maturity equal to 60 days or less; or

(ii) the bank account deposits shall be held with an Eligible Institution; or

(iii) instruments having such other lower rating being compliant with the S&P's published criteria applicable from time to time;

It remains understood that in the case of clauses (a) and (b) above, such Euro denominated senior (unsubordinated) debt security, bank account deposit (including, for the avoidance of doubt, time deposit) or other debt instrument or repurchase transactions on such debt instruments:

(1) shall be immediately repayable on demand, disposable without penalty, cost or loss or have a maturity not later than its Eligible Investments Maturity Date;

- shall provide a fixed principal amount at maturity (provided that such amount could be lower than the amount invested only in the case on which the rate of return of the relevant investment is equal or higher than the Base Rate);

provided that,

a. in no case such investment above shall 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;

b. in case of downgrade below the rating allowed with respect to DBRS or S&P, as the case may be, the Issuer shall:

c. in case of Eligible Investments being securities or time deposits, sell the securities or terminate in advance the time deposit, if it could be achieved without a loss, otherwise the relevant security or time deposit shall be allowed to mature; or

d. in case of Eligible Investments being bank deposits, transfer within 30 calendar days the deposits to another account opened in the name of the Issuer with an Eligible Institution;

in any case, if such investments above consisting of repurchase transactions, shall be made only on Euro denominated debt securities or other debt instruments, provided that (i) title to the securities underlying such repurchase transactions (in the period between the execution of the relevant repurchase transactions and their respective maturity) effectively passes to the Issuer and the obligations of the relevant counterparty are not related to the performance of the underlying securities, (ii) such repurchase transactions have a maturity date falling not later than the next following Eligible Investments Maturity Date and in any case shorter than 60 days, (iii) within 30 calendar days from the date on which the institution ceases to be an Eligible Institution, such investment has to be transferred to another Eligible Institution at no costs for the Issuer, and (iv) such repurchase transactions provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount).

"**Eligible Investments Maturity Date**" means each day falling the fifth Business Day immediately preceding each Payment Date.

"**EMU**" means the European Economic and Monetary Union pursuant to the Treaty establishing the European Communities, as amended by the Treaty on European Union.

"**ESMA**" means the European Securities and Market Authority.

"**Euribor**" means:

(i) the Euro-Zone Inter-Bank offered rate for three month Euro deposits which appears on Bloomberg Page EUR003M index (except in respect of the Initial Interest Period, where an interpolated interest rate based on three and six month deposits in Euro will be substituted for three month Euribor); or

(ii) such other page as may replace the relevant Bloomberg Page on that service for the purpose of displaying such information; or

(iii) if that service ceases to display such information, such page as displays such information on such equivalent service (or, if more than one, that one which is approved by the Representative of the Noteholders) as may replace the relevant Bloomberg Page, at or about 11.00 a.m. (Brussels time) on the Interest Determination Date (the "**Screen Rate**" or, in the case of the Initial Interest Period, the "**Additional Screen Rate**"); or

(iv) if the Screen Rate (or, in the case of the Initial Interest Period, the Additional Screen Rate) is unavailable at such time for Euro deposits for the relevant period, then the rate for any

relevant period shall be the arithmetic mean (rounded to four decimal places with the mid-point rounded up) of the rates notified to the Paying Agent at its request by each of the Reference Banks as the rate at which deposits in Euro for the relevant period in a representative amount are offered by that Reference Bank to leading banks in the Euro-Zone Inter-Bank market at or about 11.00 a.m. (Brussels time) on that date; or

(v) if, on any Interest Determination Date, the Screen Rate (or, in the case of the Initial Interest Period, the Additional Screen Rate) is unavailable and if only two of the Reference Banks provide such offered quotations to the Paying Agent, the relevant rate shall be determined, as aforesaid, on the basis of the offered quotations of those Reference Banks providing such quotations; or

(vi) if, on any Interest Determination Date, the Screen Rate (or, in the case of the Initial Interest Period, the Additional Screen Rate) is unavailable and if only one of the Reference Banks provides the Paying Agent with such an offered quotation, the Rate of Interest for the relevant Interest Period shall be the Rate of Interest in effect for the immediately preceding Interest Period which one of sub-paragraph (a) or (b) above shall have been applied to.

"**Euro**", "**€**" and "**cents**" refer to the single currency introduced in the Member States of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957, as amended by, *inter alia*, the Single European Act 1986, the Treaty of the European Union of 7 February 1992 establishing the European Union and the European Council of Madrid of 16 December 1995.

"**Euroclear**" means Euroclear Bank S.A./N.V., as operator of the Euroclear System.

"**EU Insolvency Regulation**" means Regulation (EU) No. 848 of 20 May 2015 on insolvency proceedings, as amended and supplemented from time to time.

"**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, *inter alia,* the Treaty on European Union (signed in Maastricht on 7 February 1992).

"**Expense Account**" means the account with IBAN IT77 C060 4561 6200 0000 5001 569 opened in the name of the Issuer with Cassa di Risparmio di Bolzano S.p.A. or any substitute account opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Expenses**" means any documented fees, costs, expenses and taxes required to be paid to any third party creditors (other than the Noteholders and the Other Issuer Creditors) arising in connection with the Securitisation, and any other documented costs and expenses required to be paid in order to preserve the existence of the Issuer or to maintain it in good standing, or to comply with applicable legislation.

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

"**Extraordinary Resolution**" means a resolution passed at a Meeting of the relevant Noteholders, duly convened and held in accordance with the provisions contained in the Rules of the Organisation of the Noteholders, by a majority of not less than three quarters of the votes cast.

"**Fanes**" means Fanes S.r.l., a limited liability company, with a sole quotaholder, incorporated under the laws of the Republic of Italy, whose registered office is at Via V. Alfieri No. 1, 31015 Conegliano (TV), Italy (hereinafter, the Issuer), quota capital €10,000 fully paid up, fiscal code, VAT code and enrolment with the Treviso-Belluno Companies Register No. 04213700265, enrolled with the register of securitisation vehicles ("*elenco delle società veicolo*") held by the Bank of Italy pursuant

to the regulation issued by the Bank of Italy on 7 June 2017 ("*Disposizioni in materia di obblighi informativi e statistici delle società veicolo coinvolte in operazioni di cartolarizzazione*") with No. 33527.3, having as sole corporate object the realisation of securitisation transactions pursuant to article 3 of the Law 130.

"**Final Maturity Date**" means the Payment Date falling in June 2060.

"**Financial Laws Consolidated Act**" means the Italian Legislative Decree No. 58 of 24 February 1998, as amended and supplemented from time to time.

"**First Payment Date**" means the Payment Date falling in September 2020.

"**FISG**" means FISG S.r.l., a company with sole shareholder incorporated under the laws of the Republic of Italy as a *società per azioni con socio unico*, having its registered office at Via V. Alfieri, No. 1, 31015 Conegliano (TV), Italy, fiscal code and enrolment in the Companies' Register of Treviso-Belluno number 04796740266, belonging to the banking group known as "*Gruppo Banca Finanziaria Internazionale*", subject to the activity of direction and coordination (*soggetta all'attività di direzione e coordinamento*) pursuant to article 2497 of the Italian civil code of Banca Finanziaria Internazionale S.p.A..

"**FSMA**" means the Financial Services and Markets Act 2000.

"**Further Portfolio**" means each further portfolio of Receivables that may be purchased during the Ramp-Up Period by the Issuer from the Originator pursuant to and in accordance with the terms and conditions of the Master Transfer Agreement and the relevant Transfer Agreement.

"**Further Portfolios Purchase Conditions**" means the conditions to be satisfied by the Issuer to be obliged to purchase each Further Portfolio, pursuant to article 7 of the Master Transfer Agreement.

"**Further Securitisation**" means any further securitisation transaction which may be carried out by the Issuer pursuant to the Law 130 and in accordance with Condition 5.2 (*Further Securitisations*) and the other Transaction Documents.

"**Further Valuation Date**" means, in relation to each Further Portfolio, the 23:59 of the last day comprised in the immediately preceding Quarterly Collection Period, as identified from time to time in each relevant Offer.

"**Group of Debtors**" means Debtors belonging to the same economic group of companies.

"**Guarantee**" means any guarantee (other than a Mortgage) issued in favour of the Originator and guaranteeing the repayment of the Receivables.

"**Guarantor**" means any person (other than a Mortgagor) who has granted a Guarantee.

"**Holder**" of a Note means the beneficial owner of a Note.

"**Individual Purchase Price**" means the price of each Receivables relating to each Loan, as indicated (i) in Schedule 6 of the Master Transfer Agreement, with respect to each Receivable comprised in the Initial Portfolio; and (ii) in Schedule B of each Offer with respect to each Receivable of each Further Portfolio.

"**Initial Interest Period**" means the period comprised between the Issue Date (included) and the First Payment Date (excluded).

"**Initial Portfolio**" means the Initial Portfolio of Receivables transferred by the Originator to the Issuer on 15 May 2020 pursuant to the terms and conditions of the Master Transfer Agreement.

"**Initial Valuation Date**" means, with reference to the Initial Portfolio, hours 23.59 of 30 April 2020.

"**Insolvency Event**" means in respect of any company or corporation that:

(i) such company has become subject to any applicable insolvency proceeding or compulsory administrative liquidation, or has been declare bankrupt, or has reached an agreement for composition or reorganisation (including, without limitation, "*concordato preventivo*", "*accordo di ristrutturazione dei debiti*", "*piano attestato di risanamento*", "*procedura di composizione della crisi da sovraindebitamento*", each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, and including also any equivalent or analogous proceedings under the law of any jurisdiction in which such company or corporation is deemed to carry on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration) or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a *pignoramento* or similar procedure having a similar effect (other than in the case of the Issuer, any portfolio of assets purchased by the Issuer), unless in the opinion of the Representative of the Noteholders, such proceedings are being disputed in good faith with a reasonable prospect of success ; or

(ii) an application for the commencement of any of the proceedings under paragraph (a) below is made in respect of or by such company or corporation or such proceedings are otherwise initiated against such company or corporation and, in the opinion of the Representative of the Noteholders, the commencement of such proceedings are not being disputed in good faith with a reasonable prospect of success; or

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

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

"**Instalment**" means, with respect to each Loan Agreement, each instalment due from the relevant Debtor thereunder and which consists of an Interest Instalment and a Principal Instalment.

"**Insurance Policy**" means an insurance policy executed by the relevant Debtor in relation to each Real Estate Asset.

"**Insurance Premia**" means any amount to be paid as insurance premia under an Insurance Policy.

"**Intercreditor Agreement**" means the intercreditor agreement entered into on or about the Issue Date between the Issuer, the Representative of the Noteholders, the Originator, the Servicer, the Account Bank, the Cash Manager, the Corporate Servicer, the Paying Agent, the Reporting Entity, the Computation Agent as from time to time modified in accordance with the provisions therein contained and including any agreement, deed or other document expressed to be supplemental thereto.

"**Interest Determination Date**" means, with respect to the Initial Interest Period, the date falling 2 (two) Business Days prior to the Issue Date and, with respect to each subsequent Interest Period, the date falling 2 (two) Business Days prior to the Payment Date at the beginning of such Interest Period.

"**Interest Instalment**" means the interest component of each Instalment.

"**Interest Payment Amount**" has the meaning given to it in Condition 7.4 (*Interest - Determination of Rates of Interest and Calculation of Interest Payments*) of the Conditions.

"**Interest Period**" means each period from (and including) a Payment Date to (but excluding) the next following Payment Date.

"**Investors Report**" means the investors report to be prepared and delivered by the Computation Agent pursuant to the Cash Allocation, Management and Payment Agreement.

"**Investors Report Date**" means the 3rd (third) Business Day after each Payment Date.

"**IRAP**" means the regional tax on productive activities (*imposta regionale sulle attività produttive*).

"**IRES** means *imposta sul reddito delle società* applied on the corporate taxable income.

"**Issue Date**" means 12 June 2020 or such other date on which the Notes are issued.

"**Issue Price**" means the percentage of the principal amount of the Notes at which the Notes will be issued, being, in respect of the Notes of each Class, 100 per cent. of their principal amount upon issue.

"**Issuer**" means Fanes.

"**Issuer Available Funds**" means, in respect of any Payment Date, the aggregate amounts (without double counting) of:

(a) all Collections received or recovered in respect of the Receivables during the immediately pre-ceding Quarterly Collection Period (but excluding any Collection to be applied towards re-payment of any Limited Recourse Loan advanced by the Originator pursuant to the Warranty and Indemnity Agreement);

(b) any other amount received by the Issuer from any party to the Transaction Documents during the immediately preceding Quarterly Collection Period (including, for the avoidance of doubt, any adjustment of the Purchase Price paid to the Issuer pursuant to the Master Transfer Agreement, any proceeds deriving from the repurchase of individual Receivables pursuant to the Intercreditor Agreement, any amount paid by the Originator in case of renegotiation of the rate of interest applicable to the Loans pursuant to the Servicing Agreement and the proceeds of any Limited Recourse Loan advanced or indemnity paid by the Originator pursuant to the Warranty and Indemnity Agreement);

(c) all amounts standing to the credit of the Collection Account (without double counting with the amounts referred under item (a) above), the Payments Account and the Cash Reserve Ac-count, following the relevant payments required to be made from such accounts, pursuant to the relevant Priority of Payments, on the immediately preceding Payment Date;

(d) any interest paid on the amounts standing to the credit of the Collection Account, the Payments Account and the Cash Reserve Account during the immediately preceding Quarterly Collection Period (net of any applicable withholding or expenses);

(e) all amounts on account of principal, interest, premium or other profit received, up to the im-mediately preceding Eligible Investments Maturity Date, from any Eligible Investments made in accordance with the Cash Allocation Management and Payments Agreement using funds standing to the credit of the Collection Account, the Payments Account and the Cash Reserve Account during the immediately preceding Quarterly Collection Period;

(f) all amounts received from any sale of the Aggregate Portfolio (in whole or in part) pursuant to the Intercreditor Agreement;

(g) the Notes Further Instalments to be paid by the Subscriber on such Payment Date, in accordance with the relevant Subscription Agreement;

(h) the Issuer Available Funds relating to the immediately preceding Payment Date, to the extent not applied in full on that Payment Date due to the failure of the Servicer to deliver the Quarter-ly Servicer's Report to the Computation Agent in a timely manner in accordance with the pro-visions of the Cash Allocation, Management and Payment Agreement;

(h) any other amount received by the Issuer from any other party to the Transaction Documents during the immediately preceding Quarterly Collection Period and not already included in any of the other items of this definition of Issuer Available Funds, and

(i) the Cash Reserve Integration to be paid by the Originator on such Payment Date

provided that, prior to the delivery of a Trigger Notice or the redemption of the Notes in Condition 8.1 (*Redemption, Purchase and Cancellation - Final Redemption*), 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) or 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*), if the Servicer fails to deliver the Quarterly Servicer's Report to the Computation Agent in a timely manner in accordance with the provisions of the Cash Allocation, Management and Payment Agreement, only a portion of the Issuer Available Funds corresponding to the amounts necessary to make payments under items from (i) (First) to (iii) (Third) (inclusive) of the Pre-Enforcement Priority of Payments will be applied in accordance with the Pre-Enforcement Priority of Payments.

"**Issuer's Rights**" means the Issuer's rights under the Transaction Documents.

"**Italian Bankruptcy Law**" means Royal Decree No. 267 of 16 March 1942, as amended and supplemented from time to time.

"**Junior Noteholders**" means the Class J Noteholders.

"**Junior Notes**" means the Class J Notes.

"**Junior Notes Further Instalment**" means on any Calculation Date prior to a Settlement Date an amount equal to the Drawdown Amount multiplied by the Junior Notes Ratio and then reduced by the Principal Amount Outstanding of the Junior Notes. Should such amount be negative, it shall be deemed to be equal to 0 (zero).

"**Junior Notes Nominal Amount**" means Euro 1,000,000,000.

"**Junior Notes Premium**" means the amount that may or may not be payable on the Junior Notes in Euro on each Payment Date in accordance with the relevant Priority of Payments, which will be equal to any Issuer Available Funds available after making all payments ranking in priority to the Junior Notes Premium and may be equal to 0 (zero).

"**Junior Notes Ratio**" means 36%.

"**Junior Notes Repayment Amount**" means, as of the relevant Payment Date:

(a) in the event that no Acceleration Event has occurred, an amount equal to the lower of:

  (i) the Principal Amount Outstanding of the Junior Notes on the day following the immediately preceding Payment Date; and

  (ii) the lower between (x) and (y) where (x) is any amount equal to the Principal Allocation Amount less: (i) the Outstanding Balance of the Further Portfolio; and (ii) the Senior Notes Repayment Amount and (y) is zero; or

(b) in the event that an Acceleration Event has occurred, the Principal Amount Outstanding in respect of the Junior Notes.

"**Junior Notes Subscriber**" means the entity acting as initial subscriber of the Junior Notes under the Junior Notes Subscription Agreement.

"**Junior Notes Subscription Agreement**" means the subscription agreement relating the Junior Notes entered into on or about the Issue Date between the Originator, the Junior Notes Subscriber, the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement, deed or other document expressed to be supplemental thereto.

"**Kärntner Sparkasse**" means Kärntner Sparkasse AG, Aktiengesellschaft, a company constituted pursuant to the Austrian law, with offices in Neuer Platz n. 14, Klagenfurt, Austria.

"**Law 130**" means Italian Law No. 130 of 30 April 1999, as amended and supplemented from time to time.

"**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.

"**Law 662**" means the Law No. 662 of 23 December 1996, as amended and supplemented from time to time.

"**Lending Banks**" means, collectively, CR Bolzano, Kärntner Sparkasse and Banca Sella, and "**Lending Bank**" means each of them.

"**Letter of Undertakings**" means the letter of undertakings entered into on or about the Issue Date between the Issuer, the Representative of the Noteholders and the Originator, as from time to time modified in accordance with the provisions therein contained and including any agreement, deed or other document expressed to be supplemental thereof.

"**Limited Recourse Loan**" means any limited recourse loan advanced by the Originator to the Issuer pursuant to the article 4.1 of the Warranty and Indemnity Agreement in the event of any misrepresentation or breach of any warranties or representations given by Originator pursuant to the Warranty and Indemnity Agreement which is not cured within a period of 10 (ten) days, in an amount equal to the Loan Value.

"**Liquidity Decree**" means the Law Decree No. 27 of 24 April 2020.

"**Loan**" means any performing Non-Mortgage Loan and Mortgage Loan granted by the Originator or by other Lending Banks to a Debtor, whose Receivables have been transferred by the Originator to the Issuer pursuant to the Master Transfer Agreement or to the relevant Transfer Agreement, and "**Loans**" means each of them**.**

"**Loan Agreements**" means the unsecured loan agreements or mortgage loan agreements from which each Receivable arises and "**Loan Agreement**" means each of them.

"**Loan Value**" means, in respect of any Loan, (a) the Outstanding Balance of the relevant Loan as of the date on which the Limited Recourse Loan is granted, plus (b) the costs and the expenses (including, but not limited to, legal fees and disbursements plus VAT, if applicable) incurred by the Issuer in respect of the relevant Receivable up to the date on which the Limited Recourse Loan is granted, plus (c) the damages and the losses incurred by the Issuer as a consequence of any claim raised by any third party in respect of such Receivable until the date on which the Limited Recourse Loan is granted, plus (d) an amount equal to the interest which would have accrued on the Outstanding Principal of the relevant Receivable (at a rate equal to the latest Euribor plus a margin

of 1 per cent per annum, calculated on a 360 days basis) between the date on which the Limited Recourse Loan is granted and the maturity date of the relevant Loan Agreement.

"**Management of the Defaulted Receivables**" means any activities related to the management of the Defaulted Receivables.

"**Mandate Agreement**" means the mandate agreement entered into on or about the Issue Date between the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement, deed or other document expressed to be supplemental thereto.

"**Master Definitions Agreement**" means the master definitions agreement entered into on or about the Issue Date between all the parties to each of the Transaction Documents, as from time to time modified in accordance with the provisions therein contained and including any agreement, deed or other document expressed to be supplemental thereto.

"**Master Transfer Agreement**" means the transfer agreement entered into on 15 May 2020 between the Issuer and the Originator, as from time to time modified in accordance with the provisions therein contained and including any agreement, deed or other document expressed to be supplemental thereto.

"**Meeting**" means a meeting of Noteholders duly convened (whether originally convened or resumed following an adjournment) and held in accordance with the provisions contained in the Rules of the Organisation of the Noteholders.

"**Milleproroghe Decree**" means Law Decree No. 162 of 30 December 2019, converted into law by Law No. 8 of 28 February 2020.

"**Monte Titoli**" means Monte Titoli S.p.A., with registered office at Piazza Affari No. 6, 20123 Milan, Italy.

"**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli including any depository banks appointed by Euroclear and Clearstream.

"**Monte Titoli Mandate Agreement**" means the agreement entered into on or about the Issue Date between the Issuer and Monte Titoli, as from time to time modified in accordance with the provisions therein contained and including any agreement, deed or other document expressed to be supplemental thereto.

"**Monthly Collection Period**" means each period of one month, commencing on (and including) the first calendar day of each month and ending respectively on (and including) the last calendar day of each month, provided that the first Monthly Collection Period will commence on the Valuation Date (excluded) and will end on 31 May 2020 (included).

"**Monthly Servicer's Report**" means the report to be prepared by the Servicer on each Monthly Servicer's Report Date pursuant to the Servicing Agreement, setting out information on the performance of the Receivables during the relevant preceding Monthly Collection Period and sent to the Issuer, the Computation Agent, the Corporate Servicer and the Cash Manager.

"**Monthly Servicer's Report Date**" means the 15th (fifteenth) day of each month or, if such day is not a Business Day, the immediately following Business Day, provided that the first Monthly Servicer's Report Date will be the 15 June 2020.

"**Mortgages**" means the mortgage securities (*ipoteche*) created on the Real Estate Assets pursuant to Italian law in order to secure claims in respect of certain Receivables.

"**Mortgage Loans**" means the Loans which are secured by a Mortgage and "**Mortgage Loan**" means each of them.

"**Mortgage Portfolio**" means all the Receivables comprised in the Portfolio deriving from Mortgage Loans.

"**Mortgagor**" means any person, either a borrower or a third party, who has granted a Mortgage in favour of the Originator to secure the payment or repayment of any amounts payable in respect of a Mortgage Loan, and/or his/her successor in interest.

"**Most Senior Class of Noteholders**" means the holders of the Most Senior Class of Notes.

"**Most Senior Class of Notes**" means, both prior to and following the delivery of a Trigger Notice, (i) until redemption in full of the Class A Notes, the Class A Notes; or (ii) following redemption in full of the Class A, the Class J Notes.

"**Nominal Amount**" means (i) Euro 2,000,000,000 in respect of the Class A Notes; and (ii) Euro 1,000,000,000 in respect of the Class J Notes.

"**Non-Mortgage Loans**" means the Loans which are not secured by a Mortgage, and "**Non-Mortgage Loan**" means each of them.

"**Non Performing Receivables**" means the Receivables whose Debtor has been classified "*in sofferenza*" according to the criteria set out by the Circular 272.

"**Noteholders**" means the Holders of the Senior Notes and the Junior Notes, collectively.

"**Notes**" means the Senior Notes and the Junior Notes, collectively.

"**Notes Further Instalment Amount**" means an amount equal to the sum of the Portfolio Further Instalment Amount and the Cash Reserve Increase Amount.

"**Notes Further Instalment**" means any further payment of the Notes during the Ramp-Up Period, pursuant to the Conditions and the Subscription Agreements.

"**Notes Initial Instalments**" means the initial instalments of the subscription price for the Notes made by the Subscriber on the Issue Date, pursuant to the relevant Subscription Agreement and "**Notes Initial Instalment**" means each of them.

"**Notes Residual Further Instalment**" means for each Class of Notes the amount, calculated by the Computation Agent, equal to the difference between the Nominal Amount of such Class of Notes ant the Paid Up Amount.

"**Notes Subscribers**" means, collectively, the Senior Notes Subscriber and the Junior Notes Subscriber.

"**Notes Subscription Agreements**" means the Senior Notes Subscription Agreement and the Junior Notes Subscription Agreement, collectively.

"**Offer**" means each "*Offerta di Cessione*" made by the Originator to the Issuer for the sale of a Further Portfolio, in accordance with the Master Transfer Agreement and compliant with the Schedule 8 of the Master Transfer Agreement.

"**Offer Date**" means each date on which the Originator sends the relevant Offer to the Issuer, in accordance with the Master Transfer Agreement and which falls on the Quarterly Servicer Report Date.

"**Official Gazette**" means the *Gazzetta Ufficiale della Repubblica Italiana*.

"**Organisation of the Noteholders**" means the association of the Noteholders, organised pursuant to the Rules of the Organisation of the Noteholders.

"**Original Loan Amount**" means the amount advanced by the Originator to the Debtor in relation to each Loan agreement at the date of inception of such Loan Agreement.

"**Originator**" means CR Bolzano.

"**Other Issuer Creditors**" means the Originator, the Servicer, the Representative of the Noteholders, the Computation Agent, the Corporate Servicer, the Paying Agent, the Cash Manager, the Senior Notes Subscriber, the Junior Notes Subscriber, the Back-Up Servicer Facilitator, the Account Bank and any other Issuer creditor which, from time to time, will accede to the Intercreditor Agreement.

"**Outstanding Balance**" means, on any given date and in relation to any Receivable, the sum of the Outstanding Principal and the Interest Instalments due but unpaid as at that day and any outstanding penalties for accrued and unpaid Instalments with respect thereto.

"**Outstanding Principal**" means, on any given date and in relation to any Receivable, the sum of (i) all Principal Instalments due on any subsequent Scheduled Instalment Date; (ii) any Principal Instalments due but unpaid as at that date plus (iii) the Accrued Interest as at that date.

"**Paid-Up Amount**" means, on any date, with reference to a Note, the aggregate of the Notes Initial Instalments and any Notes Further Instalments paid-up on such Note up to such date.

"**Paying Agent**" means BNP Paribas Securities Services, Milan Branch or any other person acting as paying agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Paying Agent Report**" means the report to be prepared by the Paying Agent no later than the first day of each Interest Period pursuant to the Cash Allocation, Management and Payment Agreement, setting out information in respect of certain calculations to be made on the Notes.

"**Payment Date**" means (i) prior to the delivery of a Trigger Notice, 27 March, 27 June, 27 September and 27 December, in each year (or, if such day is not a Business Day, the immediately following Business Day), provided that the First Payment Date will fall on 28 September 2020; or (ii) following the delivery of a Trigger Notice, any such Business Day as determined by the Representative of the Noteholders on which payments are to be made under the Securitisation.

"**Payments Account**" means the Euro denominated account with IBAN IT03X0347901600000802368700 opened in the name of the Issuer with the Account Bank or any substitute account opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Payments Report**" means the report to be prepared by the Computation Agent on or prior to each Calculation Date before or following the delivery of a Trigger Notice, setting out, *inter alia*, the Issuer Available Funds and each of the payments and allocations to be made by the Issuer on the next Payment Date, in accordance with the Pre-Enforcement Priority of Payments.

"**Portfolio**" means each portfolio of Receivables purchased by the Issuer pursuant to the Master Transfer Agreement or the relevant Transfer Agreement.

"**Portfolio Further Instalment Amount**" means an amount equal to the difference, if positive, between:

a) the Purchase Price of the Further Portfolio to be paid in accordance with the relevant Offer; and

b) the Principal Allocation Amount.

"**Post-Enforcement Priority of Payments**" means the order of priority in which the Issuer Available Funds shall be applied following the delivery of a Trigger Notice in accordance with Condition 6.2 (*Priority of Payments - Post-Enforcement Priority of Payments*).

"**Pre-Enforcement Priority of Payments**" means the order of priority in which the Issuer Available Funds shall be applied prior to the delivery of a Trigger Notice in accordance with Condition 6.1 (*Priority of Payments - Pre-Enforcement Priority of Payments*).

"**Previous Notes**" means, collectively the 2014 Previous Notes and the 2018 Previous Notes, in the context of the Previous Securitisations.

"**Previous Portfolios**" means the portfolios of loan receivables purchased by the Issuer from the Originator in the context of the Previous Securitisations.

"**Previous Securitisations**" means collectively the 2014 Previous Securitisation and the 2018 Previous Securitisation.

"**Principal Allocation Amount**" means the amount, as calculated by the Computation Agent on each Calculation Date immediately preceding a Payment Date, equal to the difference, if positive, between (i) the Principal Amount Outstanding of the Notes (without taking into account the Notes Further Instalments to be made on such Payment Date) and (ii) the sum of the Outstanding Principal of the Collateral Portfolio on the last day of the immediately preceding Quarterly Collection Period and the Required Cash Reserve Amount on such Payment Date.

"**Principal Amount Outstanding**" means, with respect to any Note on any date, the principal amount thereof upon issue less the aggregate amount of all principal payments that have been made in respect of that Note prior to such date.

"**Principal Instalment**" means the principal component of each Instalment.

"**Priority of Payments**" means the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as the case may be.

"**Privacy Rules**" means, collectively, the regulation issued by the Italian Privacy Authority (*Autorità Garante per la Protezione dei Dati Personali*) on 18 January 2007, the Regolamento (EU) No. 679 of 27 April 2016 and the subsequent implementing national measures.
"**Proceeding**" means any Judicial Proceeding and Insolvency Proceeding as well as any other procedure or proceedings relating to the recovery of the Receivables.

"**Prospectus**" means the prospectus prepared in connection with the issue of the Notes.

"**Prospectus Regulation**" means Regulation (EU) 2017/1129 dated 14 June 2017 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC.

"**Prospectus of the Receivables**" means (i) with reference to the Initial Portfolio, the prospectus of the Receivables pursuant to the Schedule 6 of the Master Transfer Agreement; and/or with reference to each Further Portfolio, the prospectus of the Receivables pursuant to the Schedule B of the relevant Transfer Agreement.

"**Purchase Price**" means, as the case may be, the Purchase Price of the Initial Portfolio and each Purchase Price of the Further Portfolios.

"**Purchase Price of the Further Portfolio**" means the Purchase Price of each Further Portfolios, owed by the Issuer to the Originator, equal to the algebraic sum of the Individual Purchase Price of each Receivable included in the relevant Further Portfolio.

"**Purchase Price of the Initial Portfolio**" means the Purchase Price of the Initial Portfolio, owed by the Issuer to the Originator, equal to the algebraic sum of the Individual Purchase Price of each Receivable included in the Initial Portfolio.

"**Purchase Termination Event**" means any event preventing the Issuer from purchasing Further Portfolios provided for under article 8 of the Master Transfer Agreement.

"**Purchase Termination Event Notice**" means the written notice of a Purchase Termination Event pursuant to Clause 8.2 of the Master Transfer Agreement following the occurrence of a Purchase Termination Event.

"**Quarterly Collection Period**" means each period of three months commencing on (and including) the first calendar day (included) of March, June, September and December of each year and ending, respectively, on the last calendar day (and including) of May, August, November and February of each year, provided that the first Quarterly Collection Period will commence on the first Valuation Date (included) and will end on 31 August (included).

"**Quarterly Servicer's Report**" means the report to be prepared by the Servicer on each Quarterly Servicer's Report Date pursuant to the Servicing Agreement, setting out information on the performance of the Receivables during the relevant Quarterly Collection Period.

"**Quarterly Servicer's Report Date**" means the sixth Business Day preceding each Payment Date, provided that the first Quarterly Servicer's Report Date will be the 18 September 2020.

"**Quota Capital Account**" means the account with IBAN IT38 Y 03266 61620 000014058580 opened by the Issuer with Banca Finint.

"**Quotaholder Agreement**" means the agreement entered into on or about on the Issue Date between the Issuer, the Sole Quotaholder, the Originator and the Representative of the Noteholders, as from time to time modified according with the provisions therein contained and including any agreement, deed or other document expressed to be supplemented thereto.

"**Ramp-Up Period**" means the period starting from the Issue Date and until the earlier of:

(a) the Payment Date falling on June 2022 (included);

(b) the date on which the Representative of the Noteholders has notified to the Issuer a Purchase Termination Event;

(c) the Payment Date (included) on which the Paid-up Amount on the Notes on that date (included) is equal to the Nominal Amount of the Notes; and

(d) the date on which the Subscriber has notified the Issuer the intention of selling (other than (i) any transaction relating to the Senior Notes as eligible collateral executed pursuant to the ECB Guidelines and (i) any repurchase agreement transactions (repo) relating to the Junior Notes) in whole or in part the Notes.

"**Rate of Interest**" shall have the meaning ascribed to it in Condition 7.2 (*Interest - Rate of Interest*).

"**Rating Agency**" means each of DBRS and S&P that has given a rating to the Senior Notes and "**Rating Agencies**" means all of them.

"**Real Estate Assets**" means the real estate properties which have been mortgaged in order to secure payment of certain Receivables pursuant to the Loan Agreements and "**Real Estate Asset**" means each of them.

"**Receivables**" means each and every claim arising under and/or related to the Loan Agreements including but not limited to:

(a) the claim relating to:

I. principal amounts not yet due as at the Valuation Date;
II. Accrued Interest as at the Valuation Date;
III. principal amounts and interest amounts (including default interest) due but unpaid as at the Valuation Date;
IV. the amounts due as at the Valuation Date or that will accrue starting from (but excluding) the Valuation Date as reimbursement of costs (including legal and judicial amounts), liabilities, costs and indemnities in relation to the Mortgages, including penalties (if any);
V. any other amount due to the Originator as at the Valuation Date or that will accrue starting from (but excluding) the Valuation Date in relation to the Loans, the Loan Agreements and Collateral Securities;
VI. monetary claims deriving from the enforcement of the Collateral Securities; and
VII. monetary claims and all the amounts recovered from any judicial proceeding;

(b) any other claim related to or connected with the Mortgages and the Loan Agreements, including the claims vis-à-vis the Debtors by way of compensation or indemnity;

(c) the claims of the Originator pursuant to or in connection with the Insurance Policies;

(d) all the rights and actions to which the Originator is entitled to pursuant to law or contract in relation to the Receivables, the Loans, the Collateral Securities, the Insurance Policies and/or any other deed related to or connected with the same, to the extent such rights and actions are transferrable pursuant to the Law 130; and

(e) the claims of the Originator *vis-à-vis* third parties by way of compensation and deriving from third parties activities in relation to the Receivables, the Loans, the Collateral Securities, the Insurance Policies or the related object.

"**Reference Banks**" means 3 (three) major banks in the Euro-Zone Inter-Bank market selected by the Paying Agent after consultation with the Issuer and with the prior approval of the Representative of the Noteholders.

"**Regulation 22 February 2008**" means the regulation, regarding post-trading systems, issued by the Bank of Italy and the CONSOB on 22 February 2008, as amended and supplemented from time to time.

"**Regulatory Technical Standards**" means:

(i) the regulatory technical standards adopted by European Securities and Markets Authority, by the European Banking Authority and/or by European Insurance and Occupational Pensions Authority, pursuant to the Securitisation Regulation; or

(ii) the transitional regulatory technical standards applicable pursuant to article 43 of the Securitisation Regulation prior to the entry into force of the regulatory technical standards referred to in paragraph (i) above.

"**Reporting Entity**" means CR Bolzano.

"**Representative of the Noteholders**" means Securitisation Services or any other person acting as representative of the Noteholders pursuant to the Subscription Agreements, the Conditions and Rules of the Organisation of the Noteholders from time to time.

"**Required Cash Reserve Amount**" means in relation to each relevant Payment Date, an amount equal to the greater of:

a) 2% of the Principal Amount Outstanding of the Senior Notes as of the preceding Payment Date (for the avoidance of doubt after the application of the relevant Priority of Payments); and

b) 1.29% of the Outstanding Principal of the Collateral Portfolio (not considering the Further Portfolio transferred on or upon the relevant Payment Date);

provided that:

c) in any case, the Required Cash Reserve Amount shall not be lower than 2,396,500; and

d) on the earlier of (1) the Payment Date on which the Senior Notes have been redeemed in full or cancelled (also by applying the amounts standing to the credit of the Cash Reserve Account), and (2) the Payment Date following the service of a Trigger Notice, the Required Cash Reserve Amount will be equal to 0 (zero).

"**Residual Life**" means, in relation to a Loan, the difference, in years, between the last Scheduled Instalment Date of the Loan itself and the end of the immediately preceding Collection Period.

"**Retention Amount**" means an amount equal to Euro 30,000.

"**Rilancio Decree**" means the Law Decree No. 34 of 19 May 2020.

"**Rules of the Organisation of the Noteholders**" means the rules of the Organisation of Noteholders attached as Exhibit 1 to the Conditions, as from time to time modified in accordance with the provisions therein contained and including any agreement, deed or other document expressed to be supplemental thereof.

"**S&P**" means S&P Global Ratings Europe Limited and any successor or successors thereto.

"**Sanctions**" means economic and trade sanctions based on foreign policy and national security goals (including, for the avoidance of doubt, any sanctions or measures relating to any particular embargo) imposed under any law applicable to the Seller and/or the Servicer or any of its subsidiaries by any governmental authority to which the Seller and/or the Servicer or any of its subsidiaries is subject.

"**Scheduled Instalment Date**" means any date on which payment is due pursuant to each Loan Agreement.

"**Screen Rate**" shall have the meaning ascribed to it in Condition 7 (*Interest*).

"**Securities Account**" means the Euro denominated account opened in the name of the Issuer with the Account Bank with No. 2368700 or any substitute account opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**Securitisation**" means the securitisation of the Receivables made by the Issuer through the issuance of the Notes pursuant to the articles 1 and 5 of the Law 130.

"**Securitisation Regulation**" means Regulation (EU) 2017/2402 of 12 December 2017 together with any relevant Regulatory Technical Standards and/or any relevant implementing measures or official guidance in relation thereto, in each case, as amended varied of substituted from time to time

"**Securitisation Services**" means Securitisation Services S.p.A., a joint stock company with a sole shareholder (*società per azioni con socio unico*) incorporated under the laws of the Republic of Italy,

having its registered office at Via V. Alfieri no. 1, 31015 Conegliano (TV), Italy, fiscal code, VAT code and enrolment with the companies' register of Treviso-Belluno under number 03546510268, with a share capital of Euro 2,000,000.00 (fully paid-up), company registered under number 50 in the register of the Financial Intermediaries held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act, belonging to the banking group known as "*Gruppo Banca Finanziaria Internazionale*", registered with the register of the banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act, subject to the activity of direction and coordination (*soggetta all'attività di direzione e coordinamento*) of Banca Finanziaria Internazionale S.p.A. pursuant to articles 2497 and following of the Italian civil code.

"**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.

"**Senior Noteholders**" means the Class A Noteholders.

"**Senior Notes**" means the Class A Notes.

"**Senior Notes Further Instalment**" means on any Calculation Date prior to a Settlement Date an amount equal to the difference between the Notes Further Instalment Amount and the Junior Notes Further Instalment Amount.

"**Senior Notes Nominal Amount**" means Euro 2,000,000,000.

"**Senior Notes Repayment Amount**" means, as of the relevant Payment Date:

(a) in the event that no Acceleration Event has occurred, an amount equal to the lower of:

  (i) the Principal Amount Outstanding of the Senior Notes on the day following the immediately preceding Payment Date; and

  (ii) the lower between (x) the difference between the Principal Allocation Amount and the Outstanding Balance of the Further Portfolio and (y) zero; and or

(b) in the event that an Acceleration Event has occurred, the Principal Amount Outstanding in respect of the Senior Notes.

"**Senior Notes Subscriber**" means the entity acting as initial subscriber of the Senior Notes under the Senior Notes Subscription Agreement.

"**Senior Notes Subscription Agreement**" means the subscription agreement relating to the Senior Notes entered into on or about the Issue Date between, *inter alios*, the Issuer, the Representative of the Noteholders, the Originator, the Senior Notes Subscriber, as from time to time modified in accordance with the provisions therein contained and including any agreement, deed or other document expressed to be supplemental thereto.

"**Servicer**" means CR Bolzano or any other person acting as Servicer pursuant to the Servicing Agreement from time to time.

"**Servicer Termination Event**" means any event referred to in clause 9.1 of the Servicing Agreement.

"**Servicer's Report**" means, collectively, the Monthly Servicer's Report, the Quarterly Servicer's Report and the Transparency Loan Report as the case may be, and, "**Servicer's Report**" means each of them.

"**Servicing Agreement**" means the agreement entered into on 15 May 2020 between the Issuer and the Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement, deed or other document expressed to be supplemental thereto.

"**Servicing Fee**" means:

(i) for the management and collection of the Receivables (excluding the activities of recovery and compliance under paragraphs (ii) and (iii) below respectively), on each Payment Date a fee equal to 0.45 per cent. *per annum* (plus VAT, if applicable) of the Collections in respect of performing Receivables (excluding Defaulted Receivables and Collected Insurance Premia) collected by the Servicer during the Quarterly Collection Period immediately preceding the relevant Payment Date;

(ii) for the supervision, administration, management and collection and recoveries of the Defaulted Receivables (excluding the activity of compliance under paragraph (iii) below), on each Payment Date in respect of the immediately preceding Quarterly Collection Period, a fee equal to 0.05 per cent. per annum (including VAT, if applicable) of the Collections made by the Servicer in respect of the Defaulted Receivables during the Quarterly Collection Period immediately preceding the relevant Payment Date, net of any expenses in relation to such Collections; and

(iii) for the activity of compliance (i.e. compliance with duties imposed by the applicable regulation and/or reporting and communication duties), on each Payment Date a fee equal to Euro 500 (plus VAT, if applicable).

"**Set-off Amount**" means, in respect of each Debtor and each relevant Transfer Date of the Receivables owed by such Debtor, the lower of:

(a) the Outstanding Balance of the Receivables owed by such Debtor; and

(b) the difference, if positive, between the Deposits of such Debtor and Euro 100,000, plus the principal outstanding amount of the Debt Securities owned by such Debtor

"**Set-off Risk Exposure**" means, at any given date, the aggregate of the Set-off Amount in respect of all Debtors of the Receivables included in the Aggregate Portfolio.

"**Settlement Date**" means each Payment Date during the Ramp-Up Period and on which a Notes Further Instalment Payment is paid on the Notes in accordance with the Transaction Documents.

"**Sole Quotaholder**" means SVM.

"**Solvency II Regulation** means Regulation (EU) No. 35/2015, as amended and supplemented from time to time.

"**Specific Criteria**" means collectively (i) with respect to the Initial Portfolio, the Specific Criteria of the Initial Portfolio and (ii) with reference to each Further Portfolio, the Specific Criteria of Further Portfolios.

"**Specific Criteria of Further Portfolios**" means the specific criteria for the selection of each Further Portfolio as set out in Schedule A of the relevant Offer.

"**Specific Criteria of the Initial Portfolio**" means the specific criteria for the selection of the Initial Portfolio as set out in in Schedule 3 of the Master Transfer Agreement.

"**Stock Exchange**" means Borsa Italiana.

"**Subscription Agreements**" means the Senior Notes Subscription Agreement and the Junior Notes Subscription Agreement, collectively.

"**Surveillance Report**" means the report prepared by the Rating Agencies in relation to the Senior Notes as required by the European Central Bank and/or the documentation of the European Central Bank on monetary policy instruments and procedures of the Eurosystem.

"**SVM**" means SVM Securitisation Vehicles Management S.r.l., a limited liability company, with a sole quotaholder, incorporated under the laws of the Republic of Italy, fiscal code, VAT code and enrolment with the Treviso-Belluno Companies Register No. 03546650262, quota capital Euro 30,000 fully paid up, having its registered office at Via V. Alfieri No. 1, 31015 Conegliano (TV), Italy.

"**Tax Event**" shall have the meaning ascribed to it in Condition 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*).

"**Temporary Website**" means the website complying with the requirements set out under article 7(2) of the Securitisation Regulation on which the information set out under article 7(1) of the Securitisation Regulation are uploaded with reference to the Securitisation (being as at the date of the Prospectus, https://editor.eurodw.eu) (for the avoidance of doubt, such website does not constitute part of this Prospectus).

"**Top 20 Debtors**" means the 20 Debtors with the largest Outstanding Principal of the Receivables.

"**Transaction Documents**" means the Master Transfer Agreement; the Transfer Agreements, the Servicing Agreement; the Warranty and Indemnity Agreement; the Cash Allocation, Management and Payment Agreement; the Senior Notes Subscription Agreement; the Junior Notes Subscription Agreement; the Intercreditor Agreement; the Corporate Services Agreement; the Monte Titoli Mandate Agreement; the Letter of Undertakings; the Quotaholder Agreement; the Mandate Agreement; the Conditions; the Prospectus, the Master Definitions Agreement and any other agreement, act or document concluded as part of the Transaction.

"**Transfer Agreement**" means each transfer agreement of Further Portfolio entered into between the Issuer and the Originator in accordance with the Master Transfer Agreement, as amended from time to time, and including any agreement, deed or other document expressed to be supplemental thereto.

"**Transfer Date**" means, (A) in relation to the Initial Portfolio, the 15 May 2020 and, (B) in relation to each Further Portfolio, the subsequent from (i) the date of the relevant Offer and (ii) the date on which the Originator has received the acceptance of the relevant Offer from the Issuer.

"**Transparency Loan Report**" means the report prepared by the Servicer pursuant to Article 5.1(c) of the Servicing Agreement, containing the information referred to in Article 7, paragraph 1, letter (a) of the Securitisation Regulation and in the applicable Regulatory Technical Standards.

"**Transparency Investors' Reports**" means the report prepared by the Computation Agent pursuant to the Article 6.2 of the Cash Allocation, Management and Payment Agreement and sent by the Computation Agent to the Reporting Entity, containing the information set out by the Article 7(1)(e), 7(1)(f) and 7(1)(g) of the Securitisation Regulation and of the applicable Regulatory Technical Standards.

"**Transparency Report Date**" means the day falling the 15th calendar day of January, April, July and October or, if such day is not a Business Day, the immediately following Business Day.

"**Trigger Event**" means any of the events described in Condition 14 (*Trigger Events*).

"**Trigger Notice**" means the notice described in Condition 14 (*Trigger Events*).

"**Usury Law**" means, collectively, Italian Law No. 108 of 7 March 1996, as amended and supplemented from time to time, and Italian Law No. 24 of 28 February 2001, which converted into law the Law Decree No. 394 of 29 December 2000 (including the provisions of article 1, paragraphs 2 and 3 of such decree).

"**Valuation Date**" means, as the case may be, with respect to the Initial Portfolio, the Initial Valuation Date and with respect to each Further Portfolio, the Further Valuation Date.

"**VAT**" means the value added tax (*imposta sul valore aggiunto*) as defined in the Italian Presidential Decree No. 633 of 26 October 1972, as amended and implemented from time to time and any other tax of a similar fiscal nature whether imposed in Italy (in place of or in addition to IVA) or elsewhere.

"**Warranty and Indemnity Agreement**" means the warranty and indemnity agreement entered into on 15 May 2020 between the Issuer and the Originator, as from time to time modified in accordance with the provisions herein contained and including any agreement, deed or other document expressed to be supplemental thereof.

"**Weighted Average Cap**" means, in respect of the Aggregate Portfolio, the average of the maximum interest rates payable on each Loan which provides for it and comprised in the Aggregate Portfolio (weighted by the Outstanding Principal of each Loan).

"**Weighted Average Rate**" means, in respect of the Aggregate Portfolio, the average of the interest rates payable on each Loan comprised in the Aggregate Portfolio (weighted by the Outstanding Principal of each Loan).

"**Weighted Average Residual Life**" means, in relation to an Aggregate Portfolio, the average Residual Life of any Loan comprised in the Aggregate Portfolio (Weighted by the Outstanding Principal of any Loan)

3. FORM, DENOMINATION AND TITLE

3.1 Form

The Notes will be issued in bearer form (*al portatore*) and held in dematerialised form (*in forma dematerializzata*) on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holders.

3.2 Title

The Notes will be accepted for clearance by Monte Titoli with effect from the Issue Date. The Notes will at all times be in book entry form and title to the Notes will be evidenced by book entry in accordance with the provisions of (i) article 83-*bis* of the Financial Laws Consolidated Act; and (ii) Regulation jointly issued by Commissione Nazionale per le Società e la Borsa and the Bank of Italy on 13 August 2018, as amended from time to time . No physical document of title will be issued in respect of the Notes.

3.3 Denomination

The Senior Notes will be issued in the denomination of Euro 100,000 and integral multiples of Euro 1,000 in excess thereof.

The denomination of the Junior Notes will be Euro 1,000 and integral multiples in excess thereof.

3.4 Crystallisation of the Notes

If the Nominal Amount of the Notes is not entirely subscribed as of the final date of the Ramp-Up Period, the lower amount paid up by the Subscriber in respect of the Notes until such date shall crystallise and, as a consequence, the amount of the Notes which is not paid-up by the Subscriber up to such date shall be cancelled, and no further amounts shall be due by the Noteholders in respect of the Notes.

3.5 **Partly Paid Notes**

3.5.1 The Notes will be issued on a partly-paid basis by the Issuer. On the Issue Date, the Notes will be issued for the full Nominal Amount of the Notes and the following Notes Initial Instalments will be paid by the Subscriber in respect of each Class of Notes, in accordance with the Subscription Agreements:

(a) Class A Notes € 479,300,000 and

(b) Class J Notes € 269,583,000.

3.5.2 During the Ramp-Up Period, the Subscriber may be requested, in accordance with the Transaction Documents, to make the Notes Further Instalments payments in respect of the relevant Class of Notes held by it to fund the payment of the Purchase Price of the Further Portfolios and the relevant Cash Reserve Increase Amount and, in particular:

(a) with regard to the Senior Notes, up to the Senior Notes Nominal Amount; and

(b) with regard to the Junior Notes, up to the Junior Notes Nominal Amount.

Upon payment of a Notes Further Instalment, the then current Paid-Up Amount of the Notes shall be increased accordingly.

The proceeds of the Notes Further Instalments paid by the Noteholders will form part of the Issuer Available Funds.

3.6 **Notes Initial Instalments**

On the Issue Date, (i) the Senior Notes Initial Instalment will be paid by the initial holder of the Class A Notes; and (ii) the Junior Notes Initial Instalment will be paid by the initial holder of the Junior Notes.

On the Issue Date the Notes Initial Instalments will be used by the Issuer, in order to:

3.6.1 finance the payment by the Issuer of the Purchase Price of the Initial Portfolio pursuant to the provisions of the Master Transfer Agreement;

3.6.2 fund the Cash Reserve Initial Amount; and

3.6.3 fund the Retention Amount.

3.7 **Notes Further Instalment**

3.7.1 *General Provisions*

During the Ramp-Up Period, the Issuer, through the Computation Agent, may request the Noteholders by making a request of irrevocable order of payment (the "**Further Instalment Request**"), to effect an additional payment of the Issue Price of the relevant Class of Notes and therefore increase the Principal Amount Outstanding of the relevant Class of Notes, in order to:

(a) finance the payment by the Issuer of the Purchase Price of a Further Portfolio due pursuant to the provisions of the Master Transfer Agreement and the relevant Transfer Agreement where not already paid in full using the Collections; and

(b) fund on each Settlement Date the relevant Cash Reserve Increase Amount.

Each Further Instalment Request shall be sent by the Computation Agent on the Calculation Date immediately preceding the relevant Settlement Date on behalf of the Issuer to the Noteholders and the Representative of the Noteholders by e-mail to the relevant contact details provided by the Representative of the Noteholders and also included in a specific section of the Payments Report and shall include the following information:

(a) the amounts due by the Issuer in relation to the payment of the relevant Further Portfolio due pursuant to the provisions of the Master Transfer Agreement and the relevant Transfer Agreement;

(b) the applicable Cash Reserve Increase Amount;

(c) the amounts of Notes Further Instalments to be paid by each Noteholder in respect to the relevant Class of Notes;

(d) the date for the payment of the relevant Notes Further Instalments; and

(e) confirmation that no Purchase Termination Event has occurred or arisen and is continuing;

The Noteholders, upon purchase of the Notes, shall pay not later than 11:00 a.m (CET) on the Business Day preceding the relevant Settlement Date the relevant Further Instalment specified in the relevant Further Instalment Request by crediting the relevant amount in Euro in immediately available funds on the Payments Account, provided that on such date the conditions precedent set forth below are satisfied:

(i) *Effective transfer of the Further Portfolio(s)*

on or prior to the relevant Settlement Date for the payment of each Senior Notes Further Instalment, all the steps required under the Master Transfer Agreement for the purposes of the purchase of the relevant Further Portfolio and related rights purchased by the Issuer from the Originator and to make such purchase legal, valid, binding and enforceable against all parties having been taken (including notice of the sale having been published in the Official Gazette and registered in the Issuer's Companies Register);

(ii) *Material Adverse Change*

there not having been on the relevant Settlement Date any change or any development or event reasonably likely to involve a prospective change which would, in the judgement of the Senior Notes Subscriber:

i. be materially adverse to the financial, trading condition or general affairs of the Issuer in the context of the issue of the Notes; or

ii. render untrue and incorrect any of the representations and warranties set out under schedule 4 (*Representations and warranties of the Issuer*) of the relevant Subscription Agreement as though the said representations and warranties had been given on any date on which a Notes Further Instalment will be paid on the Notes with reference to the facts and circumstances prevailing at that date;

(iii) *Offering and distribution*

in the opinion of the Senior Notes Subscriber there not having occurred on the relevant Settlement Date any change (whether or not predicted or predictable) in domestic or international financial, political or economic conditions or currency exchange rates or exchange controls or, generally, any other events falling within the scope of the notion of "force majeure" as is understood in the practice of the international financial markets, as would, in the judgement of the Senior Notes Subscriber, be likely to:

i. make it impractical to proceed with the offering, sale or delivery of the Senior Notes in the manner contemplated by this Agreement; or

ii. make the subscription of the Senior Notes unsatisfactory or unprofitable for the Senior Notes Subscriber, taking into account market standard terms for similar transactions;

(iv) *Formalities for the transfer of the benefit of the Insurance Policies*

on or prior to the relevant Settlement Date, all the steps and formalities requested by the Issuer in accordance with the Master Transfer Agreement (if any), for the purposes of the transfer to the Issuer of the benefit of the Insurance Policies assisting the Loans included in the relevant Further Portfolio, having been taken;

(v) *Solvency certificate*

the Issuer having provided or caused to be provided to the Senior Notes Subscriber on or prior to the relevant Settlement Date a solvency certificate, dated on or about the relevant Settlement Date, of a duly authorised officer of the Issuer in the agreed form;

(vi) *Issuer's Closing Certificate*

on or prior to the relevant Settlement Date, there having been delivered to the Senior Notes Subscriber a closing certificate from the Issuer confirming that:

i. the representations and warranties of the Issuer herein are true, accurate and correct at, and as if made on, the relevant Settlement Date and the Issuer has performed all of its obligations hereunder to be performed on or before the relevant Settlement Date;

ii. on or prior to the relevant Settlement Date, there has been no breach by the Issuer of any of its undertakings provided for by the Transaction Documents to which it is a party;

iii. there has been no material change to the information contained in the Prospectus (both as of its date and on the relevant Settlement Date) with regard to the Transaction Documents, for which the Issuer takes responsibility, as set out in the Prospectus, the Issuer and the Issuer's business which is or may be material in the context of the issue and subscription of the Notes (including all information required by applicable laws of the Republic of Italy);

iv. there has been no material adverse change, or any development involving a prospective material adverse change, in or affecting the operations, properties, financial condition or prospects of the Issuer which is material in the context of the issue and subscription of the Notes; and

v. no Purchase Termination Event has occurred;

(vii) *Purchase Termination Event*

on or prior to the relevant Settlement Date, no Purchase Termination Event having occurred;

(viii) *Issuer's Good Standing Certificate*

the Issuer having provided or caused to be provided to the Senior Notes Subscriber on or prior to the relevant Settlement Date a certificate of good standing (*certificato dell'Ufficio del Registro delle Imprese*) in respect of itself dated on or about the relevant Settlement Date;

(ix) *Issue of the Notes and payment of the Notes Initial Instalments*

the Notes having been issued on the Issue Date and the Notes Initial Instalment Payment having been paid;

CR Bolzano shall pay the relevant Notes Further Instalments due, by way of set-off (for a corresponding amount) against its right to receive the payment of the Purchase Price of the Further Portfolio transferred to the Issuer on the Transfer Date immediately preceding the relevant Settlement Date pursuant to the provisions of the Master Transfer Agreement and the relevant Transfer Agreement.

Against payment by the Noteholders of the relevant Notes Further Instalments, the Issuer shall procure that the relevant quota of Notes Further Instalments is duly registered by the Paying Agent with the Monte Titoli Account Holders for the account of the relevant Noteholder.

No Notes Further Instalment payment may be requested by the Issuer following the expiry of the Ramp-Up Period.

Each Noteholder agrees, and any transferee or assignee of the same shall agree, to promptly provide the Issuer, the Computation Agent, the Paying Agent and the Representative of the Noteholders with its details allowing the Issuer and the Computation Agent to deliver the relevant Further Instalment Request.

3.7.2 *Non-payment of Further Instalments Payments*

In the event of non-payment by any Noteholder, on each relevant Settlement Date, of any Notes Further Instalments - in whole or in part - in respect of any Note held by it, the increase of the Principal Amount Outstanding of the Notes to be made on such Settlement Date shall be cancelled and the Issuer shall promptly return any Notes Further Instalment actually paid on such Settlement Date (without the Issuer being under any obligation to pay any interest thereon) to the relevant Noteholders.

3.7.3 *Determination of the Senior Notes Further Instalments*

By way of delivery of the Further Instalment Request, the Issuer shall request the Senior Noteholders to pay the following amount as the quota of the relevant Notes Further Instalment applied to the Class A Notes equal to the difference between:

(a) the Notes Further Instalment Amount; and

(b) the Junior Notes Further Instalment Amount;

(the "**Senior Notes Further Instalment**");

provided that the Issuer may request the Senior Noteholders to pay the relevant Class A Notes Further Instalment for an amount not higher than the difference between (i) the Senior

Notes Nominal Amount; and (ii) the aggregate of (A) the Senior Notes Initial Instalment; and (ii) any Senior Notes Further Instalment previously paid to the Issuer.

3.7.4 *Determination of the Junior Notes Further Instalment*

By way of delivery of the Further Instalment Request, the Issuer shall request the Junior Noteholders to pay, as the quota of the relevant Notes Further Instalment applied to the Junior Notes, an amount equal to the product between the Drawdown Amount and the Junior Notes Ratio, then reduced by the Principal Amount Outstanding of the Junior Notes. Should such amount be negative, it shall be deemed to be equal to 0 (zero) (the "**Junior Notes Further Instalment**"); provided that the Issuer may request the Junior Noteholders to pay the relevant Junior Notes Further Instalment for an amount not higher than the difference between (i) the Junior Nominal Amount; and (ii) the aggregate of (A) the Junior Notes Initial Instalment; and (B) any Junior Notes Further Instalment previously made to the Issuer.

4. STATUS, PRIORITY AND SEGREGATION

4.1 Status

The Notes constitute limited recourse obligations of the Issuer and, accordingly, the obligation of the Issuer to make payments under the Notes is limited to the Issuer Available Funds available to make such payments in accordance with Condition 9 (*Non Petition and Limited Recourse*). The Notes are obligations solely of the Issuer and are not obligations of, or guaranteed by, any other entity or person. By holding Notes, 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 of article 1469 of the Italian Civil Code.

4.2 Segregation

By virtue of the operation of article 3 of the Law 130 and the Transaction Documents, the Issuer's rights, title and interest in and to the Aggregate Portfolio and under the Transaction Documents will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Law 130 in the context of the Previous Securitisations and any Further Securitisation) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the Securitisation. The Aggregate Portfolio may not be seized or attached in any form by creditors of the Issuer other than the Noteholders and the Other Issuer Creditors, until full discharge by the Issuer of its payment obligations under the Notes or cancellation of the Notes. Pursuant to the terms of the Intercreditor Agreement and the Mandate Agreement, the Issuer has empowered the Representative of the Noteholders, following the service of a Trigger Notice or upon failure by the Issuer to promptly exercise its rights under the Transaction Documents, to exercise all the Issuer's Rights, powers and discretions under the Transaction Documents taking such action in the name and on behalf of the Issuer as the Representative of the Noteholders may deem necessary to protect the interests of the Issuer, the Noteholders and the Other Issuer Creditors in respect of the Aggregate Portfolio and the Issuer's Rights. Italian law governs the delegation of such power.

4.3 Ranking and Subordination

Both prior to and following the service of a Trigger Notice, in respect of the obligations of the Issuer to pay interest on the Notes:

(a) the Class A Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of principal on the Class A Notes, the payment of interest

on the Class J Notes, the repayment of principal on the Class J Notes and the payment of the Junior Notes Premium (if any) on the Class J Notes; and

(b) the Class J Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of the principal on the Class J Notes and the payment of the Junior Notes Premium (if any) on the Class J Notes, but subordinated to the payment of interest on the Class A Notes and the repayment of principal on the Class A Notes.

Both prior to and following the service of a Trigger Notice, in respect of the obligations of the Issuer to repay principal on the Notes:

(c) the Class A 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 Junior Notes Premium (if any) on the Class J Notes, but subordinated to the payment of interest on the Class A Notes;

(d) the Class J Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the payment of the Junior Notes Premium (if any) on the Class J Notes, but subordinated to the payment of interest on the Class A Notes, the repayment of principal on the Class A Notes, and the payment of interest on the Class J Notes.

The rights of the Noteholders in respect of the priority of payment of interest and repayment of principal on the Notes, as well as payment of the Junior Notes Premium (if any) on the Class J Notes, are set out in Condition 6.1 (*Pre-Enforcement Priority of Payments*) or Condition 6.2 (*Post-Enforcement Priority of Payments*), as the case may be, and are subject to the provisions of the Intercreditor Agreement and subordinated to certain prior ranking amounts due by the Issuer as set out therein.

4.4 Conflict of interests

The Intercreditor Agreement and the Rules of the Organisation of the Noteholders contain provisions regarding the protection of the respective interests of all Noteholders in connection with the exercise of the powers, authorities, rights, duties and discretions of the Representative of the Noteholders under or in relation to the Notes or any of the Transaction Documents. If, however, in the opinion of the Representative of the Noteholders, there is a conflict between interests of:

(a) different Classes of Noteholders, then the Representative of the Noteholders is required to have regard to the interests of the Most Senior Class of Noteholders only;

(b) the Noteholders and of the Other Issuer Creditors, the Representative of the Noteholders will have regard solely to the interests of the Noteholders.

4.5 Amendments to the Transaction Documents

Any Transaction Document may only be modified with the consent of each party to such document and in accordance with the Intercreditor Agreement and any relevant provisions of the Rules of the Organisation of the Noteholders.

The Conditions may only be modified with the consent of the Issuer and the Representative of the Noteholders and in accordance with any relevant provisions of the Rules of the Organisation of the Noteholders.

5. COVENANTS

5.1 Covenants by the Issuer

For so long as any amount remains outstanding in respect of the Notes of any Class, the Issuer shall not, save with the prior written consent of the Representative of the Noteholders, or as provided in or contemplated by any of the Transaction Documents:

5.1.1 *Negative pledge*

create or permit to subsist any Security Interest whatsoever over the Aggregate Portfolio or any part thereof or over any of its other assets (save for any Security Interest created in connection with the Previous Securitisations and any Further Securitisation and to the extent that such Security Interest is created over assets which form part of the segregated assets of such Previous Securitisations or Further Securitisation, as the case may be), or sell, lend, part with or otherwise dispose of, all or any part of the Aggregate Portfolio or any of its other assets; or

5.1.2 *Restrictions on activities*

(a) engage in any activity whatsoever which is not incidental to or necessary in connection with the Previous Securitisations or any Further Securitisation or with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage; or

(b) have any *società controllata* (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 any act or thing whatsoever which may be materially prejudicial to the interests of the Noteholders under the Transaction Documents, or do, or permit to be done, any act or thing in relation thereto which may be materially prejudicial to the interests of the Noteholders under the Transaction Documents; or

(d) become the owner of any real estate asset, including in the context of a foreclosure proceeding over a Real Estate Asset; or

5.1.3 *Dividends or distributions*

pay any dividend or make any other distribution or return or repay any equity capital to its quotaholders, or increase its capital, save as required by the applicable law; or

5.1.4 *De-registrations*

ask for de-registration from the Register of the *Società Veicolo* held by Bank of Italy, to the extent any applicable law or regulation requires an issuer of notes issued under the Law 130 or companies incorporated pursuant to the Law 130 to be registered therein; or

5.1.5 *Borrowings*

incur any indebtedness in respect of borrowed money whatsoever (save for any indebtedness already incurred in relation with the Previous Securitisations or to be incurred in relation to any Further Securitisation) or give any guarantee in respect of indebtedness or of any obligation of any person; or

5.1.6 *Merger*

consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person; or

5.1.7 *No variation or waiver*

(a) permit any of the Transaction Documents to which it is party to be amended, terminated or discharged if such amendment, termination or discharge may materially prejudice the interest of the Noteholders; or

(b) exercise any power of consent or waiver pursuant to the terms of any of the Transaction Documents to which it is party which may materially prejudice the interest of the Noteholders; or

(c) permit any party to any of the Transaction Documents to which it is party to be released from such obligations, if such release may materially prejudice the interest of the Noteholders; or

5.1.8 *Bank accounts*

have an interest in any bank account other than the Accounts and any bank account opened or to be opened in the context of the Previous Securitisations and any Further Securitisation; or

5.1.9 *Statutory documents*

amend, supplement or otherwise modify its *statuto* in any manner which is prejudicial to the interest of the Noteholders, except where such amendment, supplement or modification is required by compulsory provisions of Italian law or by the competent regulatory authorities; or

5.1.10 *Centre of interest*

move its "centre of main interest" (as that term is used in the EU Insolvency Regulation) outside the Republic of Italy; or

5.1.11 *Branch outside Italy*

establish any branch or "establishment" (as that term is used in the EU Insolvency Regulation) outside the Republic of Italy; or

5.1.12 *Corporate formalities*

cease to comply with all corporate formalities necessary to ensure its corporate existence and good standing.

5.2 **Further Securitisations**

5.2.1 *Further Securitisation*

Nothing in these Conditions or the Transaction Documents shall prevent or restrict the Issuer from carrying out any one or more other securitisation transactions pursuant to the Law 130 (each a "**Further Securitisation**") or, without limiting the generality of the foregoing, implementing, entering into, making or executing any document, deed or agreement in connection with any Further Securitisation, provided that the Issuer confirms in writing to the Representative of the Noteholders - or the Representative of the Noteholders (which, for such purpose, may rely on the advice of any certificate or opinion of or any information obtained from any lawyer, accountant, banker, broker or other expert) is otherwise satisfied - that*:*

(a) the transaction documents entered into in the context of the Further Securitisation constitute valid, legally binding and enforceable obligations of the parties thereto under the relevant governing law;

(b) in the context of the Further Securitisation the Sole Quotaholder gives undertakings in relation to the management of the Issuer, the exercise of its rights as quotaholder or the disposal of the quotas of the Issuer which are the same as or, in the sole discretion of the Representative of the Noteholders, equivalent to the undertakings provided for in the Quotaholder Agreement;

(c) all the participants to the Further Securitisation and the holders of the notes issued in the context of such Further Securitisation will accept non-petition provisions and limited recourse provisions in every material respect equivalent to those provided in Condition 9 (*Non Petition and Limited Recourse*) below;

(d) the security deeds or agreements entered into in connection with such Further Securitisation do not comprise (or extend over) any of the Receivables or any of the Issuer's Rights;

(e) the notes to be issued in the context of such Further Securitisation:

(i) are not cross-collateralised or cross-defaulted with the Notes or any note issued by the Issuer in the context of the Previous Securitisations and any other Further Securitisation; and

(ii) include provisions which are the same as, or (in the sole discretion of the Representative of the Noteholders) equivalent to, this Condition 5;

(f) the Rating Agencies have been notified in advance of such Further Securitisation.

5.2.2 *Confirmation to the Representative of the Noteholders*

In giving any confirmation on 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 or appropriate (in its reasonable discretion) in the interests of the Noteholders and may rely on any written confirmation from the Issuer or as to the matters contained therein. For the avoidance of doubt, the provisions contained in Article 28 of the Rules of the Organisation of the Noteholders (*Exoneration of the Representative of the Noteholders*) will also apply (where appropriate) to the Representative of the Noteholders when acting under this Condition 5 (*Covenants*).

6. PRIORITY OF PAYMENTS

6.1 Pre-Enforcement Priority of Payments

Prior to the service of a Trigger Notice, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full):

(i) *First*,

(a) to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Expenses (to the extent that amounts standing to the credit of the Expense Account

have been insufficient to pay such Expenses during the immediately preceding Interest Period); and

(b) to credit to the Expense Account an amount necessary to bring the balance of the Expense Account up to (but not exceeding) the Retention Amount;

(ii) *Second*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders, the Account Bank, the Computation Agent, the Paying Agent, the Cash Manager, the Corporate Servicer, the Back-Up Servicer Facilitator and the Servicer;

(iii) *Third*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, interest due and payable on the Class A Notes;

(iv) *Fourth*, to credit to the Cash Reserve Account an amount necessary to bring the balance of the Cash Reserve Account up to (but not exceeding) the Required Cash Reserve Amount;

(v) *Fifth*, during the Ramp-up Period, if applicable, to pay the Cash Reserve Increase Amount (if any) into the Cash Reserve Account;

(vi) *Sixth*, to pay to the Originator an amount equal to the Cash Reserve Integration Ledger;

(vii) *Seventh*, during the Ramp-Up Period, if applicable, to pay any amount due and payable to the Originator as Purchase Price relating to the Further Portfolio purchased on the immediately preceding Transfer Date;

(viii) *Eighth*, to pay *pari passu* and *pro rata* all amounts due and payable as Senior Notes Repayment Amount in respect of the Class A Notes;

(ix) *Ninth*, to pay any amount due and payable to the Originator as adjustment of the Purchase Price or any other amount due to the Originator pursuant to the Master Transfer Agreement and the relevant Transfer Agreement;

(x) *Tenth*, to pay, *pari passu* and *pro rata*, any other amount due and payable by the Issuer under any Transaction Document which are not due and payable under the other items of this Pre-Enforcement Priority of Payments;

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

(xii) *Twelfth*, subject to the Class A Notes having been redeemed in full, to pay the Junior Notes Repayment Amount (on all Payment Dates other than the Cancellation Date, up to an amount that makes the aggregate Principal Amount Outstanding of all the Class J Notes not lower than Euro 1,000); and;

(xiii) *Thirteenth*, to pay, *pari passu* and *pro rata*, the Junior Notes Premium.

6.2 **Post-Enforcement Priority of Payments**

Following the service of a Trigger Notice, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

(i) *First*,

(a) to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Expenses (to the extent that amounts standing to the credit of the Expense Account have been insufficient to pay such Expenses during the immediately preceding Interest Period); and

(b) to credit to the Expense Account an amount necessary to bring the balance of the Expense Account up to (but not exceeding) the Retention Amount;

(ii) *Second*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders, the Account Bank, the Computation Agent, the Paying Agent, the Cash Manager, the Corporate Servicer, the Back-Up Servicer Facilitator and the Servicer;

(iii) *Third*, to pay, pari passu and pro rata according to the respective amounts thereof, interest due and payable on the Class A Notes;

(iv) *Fourth*, to pay *pari passu* and *pro rata* all amounts due and payable as Principal Amount Outstanding of the Class A Notes;

(v) *Fifth*, to pay any amount due and payable to the Originator as adjustment of the Purchase Price pursuant to the Master Transfer Agreement and the relevant Transfer Agreement;

(vi) *Sixth*, to pay, *pari passu* and *pro rata*, any other amount due and payable by the Issuer under any Transaction Document which are not due and payable under the other items of this Post-Enforcement Priority of Payments;

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

(viii) *Eighth*, subject to the Class A Notes having been redeemed in full, to pay the Principal Amount Outstanding of the Class J Notes (on all Payment Dates other than the Cancellation Date, up to an amount that makes the aggregate Principal Amount Outstanding of all the Class J Notes not lower than Euro 1,000);

(ix) *Ninth*, subject to the Class A Notes having been redeemed in full and the payment in full of any other amount due under the items above, to pay, *pari passu* and *pro rata*, the Junior Notes Premium (if any).

7. INTEREST

7.1 Payment Dates and Interest Periods

Interest in respect of the Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on each Payment Date in accordance with the applicable Priority of Payments.

The Notes will bear interest on their Principal Amount Outstanding:

(a) from (and including) the Issue Date, in respect of the Notes Initial Instalments; and;

(b) from the relevant Settlement Date (included), in respect of any Notes Further Instalment;

until final redemption or cancellation as provided for in Condition 8 (*Redemption, Purchase and Cancellation*).

The first payment of interest on the Notes will be due on the Payment Date falling in September

2020 in respect of the period from (and including) the Issue Date up to (but excluding) such date.

Payment of interest on the Class J Notes will be subject to deferral to the extent that there are insufficient Issuer Available Funds on any Payment Date prior to the Final Maturity Date in accordance with the applicable Priority of Payments to pay in full the relevant interest amount which would otherwise be due on such Class of Notes. The amount by which the aggregate amount of interest paid on the Class J Notes on any Payment Date prior to the Final Maturity Date falls short of the aggregate amount of interest which otherwise would be due on such Class of Notes on that Payment Date shall be aggregated with the amount of, and treated as if it were, interest amount due on such Class of Notes on the immediately following Payment Date and will be payable on such Payment Date in accordance with the applicable Priority of Payments. No interest will accrue on any amount so deferred. Any interest amount due but not payable on the Senior Notes on any Payment Date prior to the Final Maturity Date will not be deferred and any failure to pay such interest amount will constitute a Trigger Event pursuant to Condition 14 (*Trigger Events*).

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.

7.2 **Rate of Interest**

7.2.1 *Rate of Interest on the Senior Notes*

The rate of interest payable from time to time on the Senior Notes will be the higher of:

(a) zero; and

(b) the aggregate of Euribor plus a margin of 0.80 per cent. *per annum*;

provided that Euribor shall be capped to, and shall not in any case be higher than, 3.00 per cent. *per annum*.

Provided that, during the Initial Interest Period, the rate of interest applicable to the Senior Notes will be the higher of:

(a) zero; and

(b) the aggregate of (i) margin of 0.80 per cent. per annum, and (ii) the linear interpolation of Euribor for 3 and 6 month deposits in Euro;

provided that Euribor shall be capped to, and shall not in any case be higher than, 3.00 per cent. *per annum*.

7.2.2 *Fallback provisions*

a) Notwithstanding anything to the contrary, including Condition 7.2.1 (*Rate of Interest*) and provisions set out under the definition of Euribor, the following provisions will apply if the Issuer (acting on the advice of the Servicer) 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 (acting on the advice of the Servicer) 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 (acting on the advice of the Servicer) will inform the Originator and 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 7.2.2 (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 Senior Notes are listed or any relevant committee or other body established, sponsored or approved by any of the foregoing);

(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 doubt (I) in each case, the change to the Alternative Base Rate will not, in the Servicer's opinion, be materially prejudicial to the interest of the Noteholders; and (II) for the avoidance of doubt, the Servicer may propose an Alternative Base Rate on more than one occasion provided that the conditions set out in this paragraph (c) are satisfied.

d) It is a condition to any such Base Rate Modification that:

(i) the Originator pays (or arranges for the payment of) all fees, costs and expenses (including legal fees) properly incurred by the Issuer and the Servicer and each other applicable party including, without limitation, any of the agents to the Issuer, in connection with such modifications. 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 Agencies, the Servicer has notified such Rating Agencies of the proposed modification and, in the Servicer's reasonable opinion, formed on the basis of such notification, the relevant modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to the Senior Notes by such Rating Agencies; or (y) such Rating Agencies placing the Senior Notes on rating watch negative (or equivalent); and

(iii) the Issuer (or the Servicer on its behalf) provides at least 30 (thirty) days' prior written notice to the Senior 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 Senior Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Senior 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 Senior Notes may be held within the notification period referred to above that they object to the proposed Base Rate Modification, then such modification will not be made unless a resolution of the holders of the Senior Notes is passed in favour of such modification in accordance with these Conditions by the holders of the Senior Notes representing at least the majority of the then Principal Amount Outstanding of the Senior Notes.

e) When implementing any modification pursuant to this Condition 7.2.2, the Rate Determination Agent, the Issuer and the Servicer, 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 Senior Noteholders or any other party.

f) 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 (acting on the advice of the Servicer) considers that a Base Rate Modification Event is continuing, the Servicer may or, upon request of the Originator, must, initiate the procedure for a Base Rate Modification as set out in this Condition 7.2.2 (including, for the avoidance of doubt, the re-application of paragraph (c) above).

g) Any modification pursuant to this Condition 7.2.2 must comply with the rules of any stock exchange on which the Senior Notes are from time to time listed or admitted to trading and may be made on more than one occasion.

h) As long as a Base Rate Modification is not deemed final and binding in accordance with this Condition 7.2.2, 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 7.2.2 shall be without prejudice to the application of any higher interest under applicable mandatory law.

7.2.3 *Rate of Interest on the Junior Notes*

The rate of interest payable from time to time on the Junior Notes will be a fixed rate equal to 1 per cent. per annum.

7.3 **Junior Notes Premium**

In addition, the Junior Notes Premium may or may not be payable on the Junior Notes in Euro on each Payment Date, in accordance with the relevant Priority of Payments. The Junior Notes Premium on the Junior Notes will be equal to any Issuer Available Funds available after making all payments ranking in priority to the Junior Notes Premium and may be equal to 0 (zero).

The Issuer shall, on each Calculation Date, determine (or cause the Computation Agent to determine) the Junior Notes Premium and specify it in the relevant Payments Report.

7.4 **Determination of Rates of Interest and Calculation of Interest Payments**

The Issuer shall on each Interest Determination Date, determine (or cause the Paying Agent to determine) and notify (or cause the Paying Agent to notify) to the Representative of the Noteholders:

7.4.1 the Euribor and the Rate of Interest applicable to the Interest Period beginning after such Interest Determination Date (or, in the case of the Initial Interest Period, beginning on and including the Issue Date) in respect of the Senior Notes;

7.4.2 the Euro amount (the "**Interest Payment Amount**") due as interest on the Notes in respect of such Interest Period. The Interest Payment Amount due in respect of any Interest Period in respect of the Notes shall be calculated by applying the relevant Rate of Interest to the Principal Amount Outstanding of the relevant Notes on the Payment Date (or, in the case of the Initial Interest Period, the Issue Date), at the commencement of such Interest Period (after deducting therefrom any payment of principal due and paid on that Payment Date), multiplying the product of such calculation by the actual number of days in the Interest Period and dividing by 360, and rounding the resultant figure to the nearest cent (half a cent being rounded up); and

7.4.3 the Payment Date in respect of the Interest Payment Amount on the Notes.

7.5 **Publication of the Rate of Interest and the Interest Payment Amount**

The Issuer shall notify (or cause the Paying Agent to notify):

(a) the Euribor and the Rate of Interest applicable to the Interest Period beginning after the relevant Interest Determination Date (or, in the case of the Initial Interest Period, beginning on and including the Issue Date) in respect of the Senior Notes;

(b) the Interest Payment Amount payable on the Notes in respect of such Interest Period; and

(c) the Payment Date in respect of each such Interest Payment Amount;

promptly after determination (and in any event not later than the first day of each relevant Interest Period) to the Issuer, the Servicer, the Representative of the Noteholders, the Account Bank, the Computation Agent, the Corporate Servicer, Monte Titoli and the Stock Exchange and will cause the same to be published in accordance with Condition 17 (*Notices*) on or as soon as possible after the relevant Interest Determination Date.

7.6 **Determination or calculation by the Representative of the Noteholders**

If the Issuer does not at any time for any reason determine (or cause the Paying Agent to determine) the Euribor and the Rate of Interest applicable to the Interest Period beginning after the relevant

Interest Determination Date (or, in the case of the Initial Interest Period, beginning on and including the Issue Date) in respect of the Senior Notes, the Interest Payment Amount payable on the Notes in respect of such Interest Period and the Payment Date in respect of the Interest Payment Amount in accordance with the foregoing provisions of this Condition 7, the Representative of the Noteholders as legal representative of the Organisation of the Noteholders shall:

(i) determine the Euribor and the Rate of Interest in respect of the Senior Notes at such rate as (having regard to the procedure described above) it shall consider fair and reasonable in all the circumstances; and/or

(ii) calculate the Interest Payment Amount for the Notes in the manner specified in Condition 7.4 (*Determination of Rates of Interest and Calculation of Interest Payments*) above;

and any such determination and/or calculation shall be deemed to have been made by the Paying Agent.

7.7 **Notifications to be final**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7, whether by the Reference Banks (or any of them), the Paying Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful misconduct, bad faith or manifest error) be binding on the Reference Banks, the Paying Agent, the Computation Agent, the Issuer, the Account Bank, the Representative of the Noteholders and all Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Reference Banks, the Paying Agent, the Computation Agent, the Issuer or the Representative of the Noteholders in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretion hereunder.

7.8 **Reference Banks and Paying Agent**

The Issuer shall ensure that, so long as any of the Notes remain outstanding, there shall at all times be three Reference Banks and a Paying Agent. In the event of any such bank being unable or unwilling to continue to act as a 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 in its place. The Paying Agent may not resign until a successor approved in writing by the Representative of the Noteholders has been appointed. If a new Paying Agent is appointed a notice will be published in accordance with Condition 17 (*Notices*).

7.9 **Unpaid Interest with respect to the Notes**

Unpaid interest on the Notes shall accrue no interest.

8. **REDEMPTION, PURCHASE AND CANCELLATION**

8.1 **Final Redemption**

8.1.1 *The Notes are due to be repaid in full at their Principal Amount Outstanding (together with interest accrued thereon) on the Final Maturity Date.*

8.1.2 *The Issuer may not redeem the Notes in whole or in part prior to that date except as provided below in Condition 8.2 (Redemption, Purchase and Cancellation - Mandatory Redemption), 8.3 (Redemption, Purchase and Cancellation - Optional Redemption) and 8.4 (Redemption, Purchase and Cancellation - Redemption for Taxation), but without prejudice to Condition 14 (Trigger Events).*

8.2 **Mandatory Redemption**

The Notes of each Class will be subject to mandatory redemption *pro rata* on each Payment Date prior to the Final Maturity Date, in accordance with the provisions of this Conditions, in each case if and to the extent that, on such dates, there are sufficient Issuer Available Funds which may be applied towards redemption of the Notes, in accordance with the Pre-Enforcement Priority of Payments, provided that the redemption of the Notes in respect of any Notes Further Instalment will be made starting from the Payment Date following the relevant Settlement Date on which such Notes Further Instalment has been paid by the Noteholder.

It is understood that, prior to the delivery of a Trigger Notice or the redemption of the Notes in Condition 8.1 (*Redemption, Purchase and Cancellation - Final Redemption*), 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) or 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*), if the Servicer fails to deliver the Quarterly Servicer's Report to the Computation Agent in a timely manner in accordance with the provisions of the Cash Allocation, Management and Payment Agreement, no amount of principal will be due and payable in respect of the Notes.

8.3 Optional Redemption

8.3.1 Provided that no Trigger Notice has been served, on any Payment Date falling on or after the Clean Up Option Date, the Issuer may at its option redeem the Senior Notes (in whole but not in part) and the Junior Notes (in whole but not in part, unless the Class J Noteholders have consented to a partial redemption of the Junior Notes) at their Principal Amount Outstanding, together with interest accrued but unpaid thereon up to (and including) the date fixed for redemption, in accordance with this Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) subject to the Issuer:

i. giving not less than 30 (thirty) days' prior written notice to the Representative of the Noteholders (with copy to the Servicer, the Computation Agent and the Rating Agencies) and the Noteholders in accordance with Condition 17 (*Notices*) (which notice shall be irrevocable) of its intention to redeem the Notes; and

ii. delivering, on or prior to the delivery of the notice of redemption referred to in paragraph (i) above, to the Representative of the Noteholders evidence satisfactory to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any other person) on such Payment Date to discharge all of its outstanding liabilities in respect of the Senior Notes and any other payment in priority to or pari passu with the Senior Notes in accordance with the applicable Priority of Payments and all (unless the Class J Noteholders have consented to a partial redemption of the Class J Notes) the Junior Notes and any other payment ranking higher or pari passu therewith in accordance with the applicable Priority of Payments.

8.3.2 The Issuer has irrevocably granted to the Originator an option, pursuant to article 1331 of the Italian civil code (the "**Clean Up Option**"), subject to certain terms and conditions provided thereunder, to repurchase (in whole but not in part) the Aggregate Portfolio then outstanding on any date falling on or after the Clean Up Option Date, in order to finance the early redemption of the Notes, in accordance with this Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*). The relevant sale proceeds shall form part of the Issuer Available Funds.

8.4 Redemption for Taxation

8.4.1 Provided that no Trigger Notice has been served, if the Issuer at any time provides evidence satisfactory to the Representative of the Noteholders, immediately prior to giving the notice referred to below, that on the next Payment Date:

(a) the Issuer or any other person would be required to deduct or withhold (other than in respect of a Decree 239 Deduction) from any payment of principal or interest on any Class of Notes (the "**Affected Class**"), 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 Italy or any political or administrative sub-division thereof or any authority thereof or therein (or that amounts payable to the Issuer in respect of the Aggregate Portfolio would be subject to withholding or deduction) (hereinafter, the "**Tax Event**"); and

(b) the Issuer will have the necessary funds (not subject to the interests of any other person) to discharge at least all of its outstanding liabilities in respect of the Notes of the Affected Class and any amount required to be paid, according to the applicable Priority of Payments, in priority to or *pari passu* with the Notes of the Affected Class,

then the Issuer may at its option, on any such Payment Date having given not less than 30 (thirty) days' prior written notice to the Representative of the Noteholders (with copy to the Servicer, the Computation Agent and the Rating Agencies) and to the Noteholders in accordance with Condition 17 (*Notices*) (which notice shall be irrevocable), redeem the Notes of the Affected Class (if the Affected Class is the Senior Notes, in whole but not in part or, if the Affected Class is the Junior Notes, in whole or in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon up to (and including) the relevant Payment Date, in accordance with this Condition 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*).

8.4.2 Following the occurrence of a Tax Event, the Issuer may, or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders) direct the Issuer to dispose of the Aggregate Portfolio, or any part thereof, to finance the early redemption of the Notes in accordance with this Condition 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*), subject to the terms and conditions of the Intercreditor Agreement.

8.5 **Calculations under the Conditions**

On each Calculation Date, the Issuer shall determine (or cause the Computation Agent to determine):

8.5.1 the amount of the Issuer Available Funds;

8.5.2 the Notes Repayment Amount (if any) due on each Class of Notes on the following Payment Date;

8.5.3 the Junior Notes Premium (if any);

8.5.4 the Principal Amount Outstanding of each Class of Notes on the following Payment Date (after deducting any principal payment due to be made on such Payment Date in relation to such Class of Note);

8.5.5 the amount (if any) necessary to bring the balance of the Cash Reserve Account up to (but not exceeding) the Required Cash Reserve Amount;

8.5.6 the Cash Reserve Increase Amount (if any);

8.5.7 the Cash Reserve Integration (if any);

8.5.8 the Cash Reserve Integration Ledger (if any);

8.5.9 the date for the payment of the relevant Notes Further Instalments;

8.5.10 the amounts of Notes Further Instalments to be paid by each Noteholder in respect to the relevant Class of Notes;

and will determine how the Issuer's Available Funds shall be applied, on the immediately following Payment Date, pursuant to the applicable Priority of Payments and will deliver the Payments Report, in accordance with the Cash Allocation Management and Payments Agreement.

In addition, subject to receipt of the necessary information and the reports to be delivered by the Servicer and the other relevant Transaction Parties under the Cash Allocation Management and Payments Agreement will notify the Issuer, the Representative of the Noteholders and the Paying Agent of, as the case may be, the occurrence of or the respect of each of the following events and/or conditions:

8.5.1 Purchase Termination Event;

8.5.2 Acceleration Event;

8.5.3 Purchase Conditions.

8.6 **Calculations final and binding**

Each determination by (or on behalf of) the Issuer under Condition 8.5 (*Calculations under the Conditions*) shall in each case (in the absence of wilful misconduct, gross negligence, bad faith or manifest error) be final and binding on all persons.

8.7 **Calculation and notice of Notes Repayment Amount and Principal Amount Outstanding**

8.7.1 The Issuer will, on each Calculation Date, notify (or cause the Computation Agent to notify) the determination of the Notes Repayment Amount on each Class of Notes (if any) and the Principal Amount Outstanding of each Class of Notes (through the Payments Report) to the Representative of the Noteholders, the Rating Agencies, the Paying Agent and the Stock Exchange. The Issuer will notify (or cause the Paying Agent to notify) each determination of the Notes Repayment Amount on each Class of Notes and of the Principal Amount Outstanding of each Class of Notes to Monte Titoli and in accordance with Condition 17 (*Notices*).

8.7.2 The Notes Repayment Amount redeemable in respect of each Class of Note shall be:

(a) with reference to the Senior Notes:

(i) in the event that no Acceleration Event has occurred, an amount equal to the lower of:

(1) the Principal Amount Outstanding of the Senior Notes on the day following the immediately preceding Payment Date; and

(2) the positive difference between the Principal Allocation Amount and the Outstanding Balance of the Further Portfolio; or

(ii) in the event that an Acceleration Event has occurred, the Principal Amount Outstanding in respect of the Senior Notes;

(b) with reference to the Junior Notes:

(i) in the event that no Acceleration Event has occurred, an amount equal to the lower of:

(1) the Principal Amount Outstanding of the Junior Notes on the day following the immediately preceding Payment Date; and

(2) any positive amount equal to the Principal Allocation Amount less: (i) the Outstanding Balance of the Further Portfolio; and (ii) the Senior Notes Repayment Amount; or

(ii) in the event that an Acceleration Event has occurred, the Principal Amount Outstanding in respect of the Junior Notes.

8.7.3 If no Notes Repayment Amount on the Notes or the Principal Amount Outstanding of the Notes is determined by or on behalf of the Issuer in accordance with the preceding provisions of this Condition 8.7, such Notes Repayment Amount on the Notes and Principal Amount Outstanding of the Notes shall be determined by the Representative of the Noteholders in accordance with this Condition 8.7 and each such determination or calculation shall be deemed to have been made by the Computation Agent.

8.8 **Notice of redemption**

Any notice of redemption, including those as set out in Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) and 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*), must be given to the Rating Agencies and to the Noteholders in accordance with Condition 17 (*Notices*) and shall be irrevocable and, upon the expiration of such notice, the Issuer shall be bound to redeem the relevant Notes in accordance with this Condition 8.

8.9 **No purchase by Issuer**

The Issuer is not permitted to purchase any of the Notes.

8.10 **Cancellation**

8.10.1 *The Notes will be finally and definitively cancelled on the Cancellation Date, being:*

(a) the earlier of (i) the Final Maturity Date, and (ii) the date on which the Notes are redeemed pursuant to Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) or 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*) or following the delivery of a Trigger Notice pursuant to Condition 14 (*Trigger Events*); or

(b) if the Notes cannot be redeemed in full on the Final Maturity Date as a result of the Issuer having insufficient Issuer Available Funds for application in or towards such redemption, the later of (i) the Payment Date immediately following the end of the Quarterly Collection Period during which all the Receivables will have been paid in full; and (ii) the Payment Date immediately following the end of the Quarterly Collection Period during which all the Receivables then outstanding will have been entirely written off by the Issuer as a consequence of the Servicer having certified to the Representative of the Noteholders, and the Representative of the Noteholders having notified the Noteholders in accordance with Condition 17 (*Notices*), that there is no reasonable likelihood of there being any further realisations in respect of the Aggregate Portfolio and the Issuer's Rights (whether arising from judicial enforcement proceedings or otherwise) which would be available to pay unpaid amounts outstanding under the Notes.

8.10.2 *Upon cancellation the Notes may not be resold or re-issued.*

9. NON PETITION AND LIMITED RECOURSE

9.1 Non Petition

Only the Representative of the Noteholders may pursue the remedies available under general law or under the Transaction Documents to obtain payment of the obligations of the Issuer deriving from any of the Transaction Documents and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment of such obligations, save as provided by the Rules of the Organisation of the Noteholders. In particular:

(a) no Noteholder (nor any person on its behalf, other than the Representative of the Noteholders) shall, save as expressly permitted by the Transaction Documents, have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to it;

(b) until the date falling 2 (two) years and one day after the date on which all the Previous Notes, the Notes and any other notes issued in the context of any securitisation transaction carried out by the Issuer have been redeemed in full or cancelled in accordance with their terms and conditions, no Noteholder (nor any person on its behalf, other than the Representative of the Noteholders when so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes following the occurrence of a Trigger Event and only if the representatives of the noteholders of all Further Securitisation carried out by the Issuer, if any, have been so directed by an extraordinary resolution of their respective holders of the most senior class of notes following the occurrence of a trigger event under the relevant securitisation transaction) shall be entitled to cause, initiate or join any person in initiating an Insolvency Event in relation to the Issuer; and

(c) no Noteholder (nor any person on its behalf) shall be entitled to take or join in the taking of any corporate action, legal proceeding or other procedure or step which would result in the Priority of Payments not being complied with.

9.2 Limited recourse obligations of Issuer

Notwithstanding any other provision of the Transaction Documents, all obligations of the Issuer to the Noteholders are limited in recourse as set out below:

(a) each Noteholder will have a claim only in respect of the Issuer Available Funds and at all times only in accordance with the applicable Priority of Payments and will not have, by operation of law or otherwise, any claim against, or recourse to, the Issuer's other assets or its contributed capital;

(b) sums payable to each Noteholder in respect of the Issuer's obligations to such Noteholder shall be limited to the lower of (i) the aggregate amount of all sums due and payable to such Noteholder; and (ii) the Issuer Available Funds, net of any sums which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to or *pari passu* with such sums payable to such Noteholder; and

(c) on the Cancellation Date, the Noteholders shall have no further claim against the Issuer in respect of any such unpaid amounts and such unpaid amounts shall be cancelled and discharged in full.

10. PAYMENTS

10.1 Payments through Monte Titoli, Euroclear and Clearstream

Payment of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent on behalf of the Issuer to the accounts of those banks and authorised brokers whose Monte Titoli accounts are credited with such Notes and thereafter credited by such banks and authorised brokers from such aforementioned accounts to the accounts of the beneficial owners of such Notes or through Euroclear and Clearstream to the accounts with Euroclear and Clearstream of the beneficial owners of such Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream, as the case may be. As payment is made through Euroclear and Clearstream the financial services are carried out also in Luxembourg.

10.2 **Payments subject to tax laws**

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.

10.3 **Variation of Paying Agent**

The Issuer reserves the right, subject to the prior written approval of the Representative of the Noteholders, at any time to vary or terminate the appointment of the Paying Agent and to appoint another paying agent. The Issuer will cause at least 30 (thirty) days' prior notice of any replacement of the Paying Agent to be given to the Noteholders in accordance with Condition 17 (*Notices*) and to the Rating Agencies.

11. **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 Decree 239 Deduction or any other withholding or deduction which may be required to be made by applicable law. Neither the Issuer nor any other person shall be obliged to pay any additional amount to any holder of Notes on account of such withholding or deduction.

12. **PRESCRIPTION**

Claims against the Issuer for payments in respect of the Notes shall be prescribed and shall become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the date on which a payment in respect thereof first becomes due and payable.

13. **PURCHASE TERMINATION EVENTS**

13.1 **Purchase Termination Event**

The occurrence of any of the following events during the Ramp-Up Period shall constitute a Purchase Termination Event:

Pursuant to the Master Transfer Agreement and the Intercreditor Agreement, the occurrence of any of the following events during the Ramp-Up Period and up to the Payment Date (included) immediately following the end of the Ramp-Up Period shall constitute a purchase termination event (the "**Purchase Termination Events**"):

(a) *Breach of obligations by the Originator*:

(i) the Originator defaults in the performance or observance of any of its payment obligations under or in respect of any of the Transaction Documents to which it is a party and (except where, in the reasonable opinion of the Representative of the Noteholders, such default is not capable of remedy) such default remains unremedied for 5 days after the Representative of the Noteholders has given written notice thereof to the Issuer and the Originator,

declaring that such default is, in its opinion, materially prejudicial to the interest of the Senior Noteholders; or

(ii) the Originator defaults in the performance or observance of any of its obligations under or in respect of any of the Transaction Documents to which it is a party - other than the payment obligations under (a) above - and (except where, in the reasonable opinion of the Representative of the Noteholders, such default is not capable of remedy) such default remains unremedied for 30 days after the Representative of the Noteholders has given written notice thereof to the Issuer and the Originator declaring that such default is, in its opinion, materially prejudicial to the interest of the Senior Noteholders; or

(b) *Breach of representations and warranties by the Originator*:

(i) any of the representations and warranties given by the Originator under any of the Transaction Documents to which it is party is or proves to have been incorrect in any material respect which is materially prejudicial to the interest of the Senior Noteholders in the opinion of the Representative of the Noteholders when made or repeated and such breach is not remedied; or

(c) *Insolvency of the Originator*:

(i) 30 days have elapsed since an application is made for the commencement of a *liquidazione coatta amministrativa* or any other applicable bankruptcy proceedings or preparatory or early intervention measures pursuant to the Directive 2014/59/EU (as implemented from time to time) against the Originator in any jurisdiction and such application has not been rejected by the relevant court nor has it been withdrawn by the relevant applicant (unless the Originator has provided the Representative of the Noteholders with a legal opinion or other adequate comfort confirming that such application is manifestly without grounds), provided that in the 30 days period following the date of the relevant application, the Originator shall not be entitled to deliver any Offer to the Issuer for the transfer of a Further Portfolio pursuant to the Transfer Agreement; or

(ii) the Originator becomes subject to any *liquidazione coatta amministrativa* or any other applicable bankruptcy proceedings pursuant to the Directive 2014/59/EU (as implemented from time to time) against the Originator in any jurisdiction or the whole or any substantial part of the assets of the Originator are subject to a *pignoramento* or similar procedure having a similar effect; or

(iii) the Originator takes any action for a restructuring or deferment of fulfilment of any of its obligations relating to financial indebtedness or makes any out of court settlements with its creditors (to the extent such out of court settlements may be materially prejudicial to the interests of the Senior Noteholders) for the extension of fulfilment of its obligations relating to financial indebtedness or the enforcement of any guarantee given to guarantee such fulfilment; or

(d) *Winding up of the Originator*:

(i) an order is made or an effective resolution is passed for the winding up, liquidation or dissolution in any form of the Originator; or

(e) *Breach of ratios:*

(i) the Cumulative Gross Default Ratio of the Aggregate Portfolio, as determined by the Servicer is equal to 10%, as of the end of the immediately preceding Collection Period; or

(ii) the Delinquency Ratio of the Aggregate Portfolio, as determined by the Servicer is equal or higher than 8%, with reference to the Collection Period immediately preceding the relevant Offer, as of the end of three consecutive Collection Period; or

(iii) the Collateralisation Condition is not satisfied; or

(iv) the Cash Reserve Amount is less than the Required Cash Reserve Amount as of the immediately preceding Payment Date; or

(f) *Termination of CR Bolzano appointment as Servicer:*

(i) the Issuer has terminated the appointment of CR Bolzano as Servicer following the occurrence of a Servicer Termination Event set forth in Article 9 of the Servicing Agreement; or

(g) *Occurrence of a Trigger Event:*

(i) a Trigger Event has occurred.

13.2 Purchase Termination Event Notice

Upon the occurrence of any Purchase Termination Event, the Representative of the Noteholders shall serve a Purchase Termination Notice on the Issuer, the Originator and the Rating Agencies stating that a Purchase Termination Event has occurred.

After the service of a Purchase Termination Event Notice, the Ramp-Up Period will be terminated, the Issuer shall refrain from purchasing any Further Portfolio and, unless the delivery of a Trigger Notice occurs, the Pre-Enforcement Priority of Payments shall continue to be applied.

14. TRIGGER EVENTS

14.1 Trigger Events

The occurrence of any of the following events will constitute a Trigger Event:

(a) *Non-payment:* the Issuer defaults in the payment of:

(i) any amount of interest due on the Senior Notes, provided that such default remains unremedied for 5 (five) Business Days; or

(ii) any amount of principal due on the Senior Notes on the Final Maturity Date or any other date of early redemption in full of the Senior Notes, provided that such default remains unremedied for 5 (five) Business Days; or

(iii) any amount of principal due and payable on the Senior Notes on any Payment Date prior to the Final Maturity Date or any other date of early redemption in full of the Senior Notes (to the extent the Issuer has sufficient Issuer Available Funds to make such repayment of principal in accordance with the applicable Priority of Payments), provided that such default remains unremedied for 5 (five) Business Days (it being understood that, prior to the delivery of a Trigger Notice or the redemption of the Notes in Condition 8.1 (*Redemption, Purchase and Cancellation - Final Redemption*), 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) or 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*), if the Servicer fails to deliver the Quarterly Servicer's Report to the Computation Agent

in a timely manner in accordance with the provisions of the Cash Allocation, Management and Payment Agreement, no amount of principal will be due and payable in respect of the Notes); 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 or any of the Transaction Documents to which it is a party (other than any obligation specified in paragraph (a) above) which is, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Noteholders and such default remains unremedied for 30 (thirty) days after the Representative of the Noteholders having given written notice thereof to the Issuer requiring the same to be remedied (except where, in the opinion of the Representative of the Noteholders, such default is not capable of remedy in which case no term of 30 (thirty) days will be given); or

(c) *Breach of representations and warranties by the Issuer*: any of the representations and warranties given by the Issuer under any of the Transaction Documents to which it is party is, or proves to have been, incorrect or erroneous (in any respect deemed to be material by the Representative of the Noteholders) when made or repeated, unless it has been remedied within 15 (fifteen)) days after the Representative of the Noteholders having given written notice thereof to the Issuer requiring the same to be remedied (except where, in the sole opinion of the Representative of the Noteholders, such breach is not capable of remedy in which case no term of 15 (fifteen) days will be given); or

(d) *Insolvency of the Issuer*: an Insolvency Event occurs in respect of the Issuer; or

(e) *Unlawfulness*: it is or will become unlawful (in any respect deemed to be material by the Representative of the Noteholders) 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.

Upon the occurrence of a Trigger Event, the Representative of the Noteholders:

(1) in the case of a Trigger Event under paragraph (a) or (e) above, shall; and/or

(2) in the case of a Trigger Event under paragraph (b) or (c) above, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, shall; and/or

(3) in the case of a Trigger Event under paragraph (d) above, may at its sole discretion or, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, shall,

serve a Trigger Notice to the Issuer (with copy to the Servicer, the Computation Agent and the Rating Agencies). Upon the service of a Trigger Notice, the Notes shall (subject to Condition 9 (*Non Petition and Limited Recourse*)) become immediately due and repayable at their Principal Amount Outstanding, together with any accrued but unpaid interest thereon, without any further action, notice or formality, and the Issuer Available Funds shall be applied in accordance with the Post-Enforcement Priority of Payments.

Following the service of a Trigger Notice, the Issuer may (subject to the prior written consent of the Representative of the Noteholders) or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders) direct the Issuer to dispose of the Aggregate Portfolio (in full or in part), subject to the terms and conditions of the Intercreditor Agreement.

14.2 **Trigger Notice**

Upon the occurrence of a Trigger Event, the Representative of the Noteholders:

(a) in the case of a Trigger Event under Condition 14.1(a) or (e) above, shall; and/or

(b) in the case of a Trigger Event under Condition 14.1(b) or (c) above, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, shall; and/or

(c) in the case of a Trigger Event under Condition 14.1(d) above, may at its sole discretion or, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, shall,

serve a Trigger Notice to the Issuer (with copy to the Servicer, the Computation Agent and the Rating Agencies). Upon the service of a Trigger Notice, the Notes shall (subject to Condition 9 (*Non Petition and Limited Recourse*)) become immediately due and repayable at their Principal Amount Outstanding, together with any accrued but unpaid interest thereon, without any further action, notice or formality, and the Issuer Available Funds shall be applied in accordance with Condition 6.2 (*Priority of Payments – Post-Enforcement Priority of Payments*).

Following the service of a Trigger Notice, the Issuer may (subject to the prior written consent of the Representative of the Noteholders) or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders) direct the Issuer to dispose of the Aggregate Portfolio (in full or in part), subject to the terms and conditions of the Intercreditor Agreement.

15. ACTIONS FOLLOWING THE SERVICE OF A TRIGGER NOTICE

15.1 Actions of the Representative of the Noteholders

At any time after a Trigger Notice has been served, the Representative of the Noteholders may or shall, if so requested or authorised by an Extraordinary Resolution of the Most Senior Class of Noteholders, take such steps and/or institute such proceedings against the Issuer as it may think fit to ensure repayment of the Senior Notes and payment of accrued interest thereon in accordance with the Priority of Payments set out in Condition 6.2 (*Priority of Payments - Post-Enforcement Priority of Payments*).

15.2 Notifications, determinations and liability of the Representative of the Noteholders

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Condition 14 (*Trigger Events*) or this Condition 15 by the Representative of the Noteholders shall (in the absence of wilful misconduct, bad faith or manifest error) be binding on the Issuer and all Noteholders and (in such absence as aforesaid) no liability to the Noteholders or the Issuer shall attach to the Representative of the Noteholders in connection with the exercise or non-exercise by it of its powers, duties and discretion hereunder.

15.3 Actions against the Issuer

No Noteholder shall be entitled to proceed directly against the Issuer save as provided in these Conditions and the Rules of the Organisation of the Noteholders.

15.4 Limited claims against the Issuer

If the Representative of the Noteholders takes action to ensure the Noteholders' rights in respect of the Aggregate Portfolio and the Issuer's Rights and after payment of all other claims ranking in priority to the Senior Notes under this Conditions and the Intercreditor Agreement, if the remaining proceeds of such action (the Representative of the Noteholders having taken action to ensure the Noteholders' rights in respect of the entire Aggregate Portfolio and all the Issuer's Rights) are insufficient to pay in full all principal and interest and other amounts whatsoever due in respect of the Senior Notes and all other claims ranking *pari passu* therewith, then the Noteholders' claims against the Issuer will be limited to their *pro rata* share of such remaining proceeds (if any) and the

obligations of the Issuer to the Noteholders will be discharged in full and any amount in respect of principal, interest or other amounts due under the Notes will be finally and definitively cancelled.

15.5 Disposal of the Aggregate Portfolio

Following the service of a Trigger Notice, the Issuer may (subject to the prior written consent of the Representative of the Noteholders) or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders) direct the Issuer to dispose of the Aggregate Portfolio (in full or in part), subject to the terms and conditions of the Intercreditor Agreement.

16. THE REPRESENTATIVE OF THE NOTEHOLDERS

16.1 The Organisation of the Noteholders

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.

16.2 Appointment of the Representative of the Noteholders

Pursuant to the Rules of the Organisation of the Noteholders, for so long as any Note is outstanding, there shall at all times be a Representative of the Noteholders. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of the Noteholders, is made by the Noteholders subject to and in accordance with the Rules of the Organisation of the Noteholders, except for the initial Representative of the Noteholders who has been appointed by the initial holder of the Notes at the time of the issue of the Notes, subject to and in accordance with the provisions of the Subscription Agreements. Each Senior Noteholder is deemed to accept such appointment.

17. NOTICES

17.1 Notices

Any notice regarding the Notes, as long as the Notes are held through Monte Titoli, shall be deemed to have been duly given if given through the systems of Monte Titoli and, in relation to the Senior Notes and as long as the Senior Notes are admitted to trading on the on the Stock Exchange, in accordance with the rules of such multilateral trading facility. 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 one of the manners referred to above.

17.2 Alternative methods of notice

The Representative of the Noteholders shall be at liberty to sanction some other method of giving notice to the Noteholders if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Senior Notes are then listed and provided that notice of such other method is given to the Noteholders in such manner as the Representative of the Noteholders shall require and in accordance with the rules of the stock exchange on which the Senior Notes are then listed.

18. GOVERNING LAW AND JURISDICTION

18.1 Governing law of the Notes

The Notes and all non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with Italian Law.

18.2 Governing law of the Transaction Documents

All the Transaction Documents and all non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with Italian Law.

18.3 **Jurisdiction**

Any dispute arising from the interpretation and execution of these Conditions or from the legal relationships established by these Notes and these Conditions will be submitted to the exclusive jurisdiction of the Courts of Milan.

TO THE TERMS AND CONDITIONS

RULES OF THE ORGANISATION OF THE NOTEHOLDERS

GENERAL PROVISIONS

1. General

1.1 *Establishment*

The Organisation of the Noteholders is created concurrently with the issue by Fanes S.r.l. of and subscription for Euro 2,000,000,000 Series 2020-1-A Asset Backed Partly Paid Floating Rate Notes due June 2060 (the "**Class A Notes**" or the "**Senior Notes**"), and the Euro 1,000,000,000 Series 2020-1-J Asset Backed Partly Paid Fixed Rate and Variable Return Notes due June 2060 (the "**Class J Notes**" or the "**Junior Notes**" and, together with the Senior Notes, the "**Notes**") and is governed by these Rules of the Organisation of the Noteholders (the "**Rules**").

1.2 *Validity*

These Rules shall remain in force and effect until full repayment or cancellation of all the Notes.

1.3 *Integral part of the Notes*

These Rules are deemed to be an integral part of each Note issued by the Issuer.

2. Definitions and interpretations

2.1 *Interpretation*

2.1.1 Unless otherwise provided in these Rules, any capitalised term shall have the meaning attributed to it in the Conditions.

2.1.2 Any reference herein to an "Article" shall be a reference to an article of these Rules.

2.1.3 Headings and subheadings used herein are for ease of reference only and shall not affect the construction of these Rules.

2.2 *Definitions*

In these Rules, the terms set out below shall have the following meanings:

"**Affiliates**" means, in respect of CR Bolzano, (i) a company controlled directly or indirectly by CR Bolzano, (ii) a company or natural person controlling directly or indirectly CR Bolzano, (iii) a company controlled directly or indirectly by a company or a natural person controlling directly or indirectly CR Bolzano, or (iv) a company in respect of which CR Bolzano can exercise (directly or indirectly, including through any of the entities under paragraphs (i), (ii) and (iii)) a material influence by virtue of contractual arrangements. For the purposes of this definition the concept of control must be construed in accordance with article 2359 of the Italian civil code.

"**Basic Terms Modification**" means any proposal to:

(a) change the date of maturity of the Notes of any Class;

(b) change any date fixed for the payment of principal or interest in respect of the Notes of any Class;

(c) reduce or cancel the amount of principal or interest payable on any date in respect of the

Notes of any Class (other than any reduction or cancellation permitted under the Conditions) or alter the method of calculating the amount of any payment in respect of the Notes of any Class on redemption or maturity;

(d) change the quorum required at any Meeting or the majority required to pass any Resolution;

(e) change the currency in which payments are due in respect of any Class of Notes;

(f) alter the priority of payments affecting the payment of interest and/or the repayment of principal in respect of the Senior Notes;

(g) effect the exchange, conversion or substitution of the Notes of any Class for, or the 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;

(h) a change to this definition.

"**Blocked Notes**" means Notes which have been blocked by an authorised intermediary in an account with a clearing system.

"**Block Voting Instruction**" means, in relation to a Meeting, the document issued by the Paying Agent stating inter alia:

(a) that the Blocked Notes specified therein will not be released until a specified date which falls after the conclusion of the Meeting;

(b) that the Paying Agent has been instructed by the holder of the relevant Notes to cast the votes attributable to such Blocked Notes in a particular way on each resolution to be put to the relevant Meeting and that during the period of 48 hours before the time fixed for the Meeting such instructions may not be amended or revoked; and

(c) authorising a Proxy to vote in accordance with such instructions.

"**Chairman**" means, in relation to any Meeting, the individual who takes the chair in accordance with Title II, Article 7 of these Rules.

"**Conditions**" means the terms and conditions of the Notes as from time to time modified in accordance with the provisions herein contained and including any agreement or other document expressed to be supplemental thereto, and any reference to a numbered "**Condition**" is to the corresponding numbered provision thereof.

"**Extraordinary Resolution**" means a resolution passed at a Meeting, duly convened and held in accordance with the provisions contained in these Rules to resolve on the object set out in Article 18.

"**Meeting**" means a meeting of Noteholders of any Class or Classes (whether originally convened or resumed following an adjournment).

"**Monte Titoli Account Holder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli including any depository banks appointed by Euroclear and Clearstream.

"**Ordinary Resolution**" means a resolution passed at a Meeting, duly convened and held in accordance with the provisions contained in these Rules to resolve on the object set out in Article 18.

"**Proxy**" means any person to which the powers to vote at a Meeting have been duly granted under a Voting Certificate or a Block Voting Instruction.

"**Resolution**" means an Ordinary Resolution and/or an Extraordinary Resolution, as the case may be.

"**Voter**" means, in relation to any Meeting, the holder of a Voting Certificate or a Proxy;

"**Voting Certificate**" means, in relation to any Meeting, a certificate issued by the Monte Titoli Account Holder in accordance 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 , as subsequently amended and supplemented, stating *inter alia*:

(a) that the Blocked Notes specified therein will not be released until a specified date which falls after the conclusion of the Meeting; and

(b) that the bearer of such certificate is entitled to attend and vote at such Meeting in respect of such Blocked Notes.

"**24 hours**" means a period of 24 hours including all or part of a day on which banks are open for business both in the place where any relevant Meeting is to be held and in the place where the Paying Agent has its specified office.

"**48 hours**" means 2 consecutive periods of 24 hours.

3. Purpose of the Organisation

3.1 *Membership*

Each Noteholder is a member of the Organisation of the Noteholders.

3.2 *Purpose*

The purpose of the Organisation of the Noteholders is to co-ordinate the exercise of the rights of the Noteholders and, more generally, to take any action necessary or desirable to protect the interest of the Noteholders.

MEETINGS OF NOTEHOLDERS

4. Voting Certificates and Validity of the Proxies and Voting Certificates

4.1 *Participation in Meetings*

Noteholders may participate in any Meeting by obtaining a Voting Certificate or by depositing a Block Voting Instruction at the specified office of the Representative of the Noteholders not later than 24 hours before the relevant Meeting.

4.2 *Validity*

A Block Voting Instruction or a Voting Certificate shall be valid only if deposited at the specified office of the Representative of the Noteholders, or at any other place approved by the Representative of the Noteholders, at least 24 hours before the time of the relevant Meeting. If a Block Voting Instruction or a Voting Certificate is not deposited before such deadline, it shall not be valid unless the Chairman decides otherwise before the Meeting proceeds to discuss the items on the agenda. If the Representative of the Noteholders so requires, notarised copy of each Voting Certificate or Block Voting Instruction and satisfactory evidence of the identity of each Proxy named therein shall be produced at the Meeting but the Representative of the Noteholders shall not be obliged to investigate

the validity of a Voting Certificate, a Block Voting Instruction or the identity of any Proxy.

4.3 ***Mutually exclusive***

A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

4.4 ***Blocking and release of Notes***

References to the blocking or release of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of any relevant clearing system.

5. Convening the Meeting

5.1 ***Meetings convened by the Representative of the Noteholders***

The Representative of the Noteholders may convene a Meeting at any time.

The Representative of the Noteholders shall convene a Meeting at any time it is requested to do so in writing by (a) the Issuer, or (b) Noteholders representing at least one-tenth of the aggregate Principal Amount Outstanding of all the Notes outstanding for the Class in respect of which the Meeting is to be convened.

5.2 ***Request from the Issuer***

Whenever the Issuer requests the Representative of the Noteholders to convene a Meeting, it shall immediately send a communication in writing to that effect to the Representative of the Noteholders specifying the proposed day, time and place of the Meeting and the items to be included in the agenda.

5.3 ***Time and place of the Meeting***

Every Meeting will be held on a date and at a time and place selected or approved by the Representative of the Noteholders.

Every Meeting may be held where there are Voters located at different places connected via audio-conference or video-conference, provided that:

(a) 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;

(b) the person drawing up the minutes may hear well the meeting events being the subject matter of the minutes;

(c) 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;

(d) the notice of the Meeting expressly states, where applicable, how Voters may obtain the information necessary to attend the relevant Meeting via audio-conference and/or video-conference equipment; and

for the avoidance of doubt, the Meeting is deemed to take place where the Chairman and the person drawing up the minutes will be.

6. Notice of Meeting and Documents Available for Inspections

6.1 ***Notice of meeting***

At least 21 days' notice (exclusive of the day on which notice is delivered and of the day on which the relevant Meeting is to be held), specifying the day, time and place of the Meeting, must be given by the Paying Agent (upon instruction from the Representative of the Noteholders) to the relevant Noteholders, with copy to the Issuer and the Representative of the Noteholders.

6.2 ***Content of the notice***

The notice of any resolution to be proposed at the Meeting shall specify at least the following information:

(a) day, time and place of the Meeting, on first and second call;

(b) agenda of the Meeting; and

(c) nature of the Resolution.

6.3 ***Validity notwithstanding lack of notice***

Notwithstanding the formalities required by this Article 6, a Meeting is validly held if the entire Principal Amount Outstanding of the relevant Class or Classes of Notes is represented thereat and the Issuer and the Representative of the Noteholders are present.

6.4 ***Documentation Available for Inspection***

All the documentation (including, if possible, the full text of the resolution to be proposed at the Meeting) which is necessary, useful or appropriate for the Noteholders consciously to (i) determine whether or not to take part in the relevant Meeting and (ii) exercise their right to vote on the items on the agenda, shall be deposited at the specified office of the Representative of the Noteholders at least 7 days before the date set for the relevant Meeting.

7. Chairman of the Meeting

7.1 ***Appointment of the Chairman***

The Meeting is chaired by an individual (who may, but need not be, a Noteholder) appointed by the Representative of the Noteholders. If the Representative of the Noteholders fails to make such appointment or the individual so appointed declines or is not present within 15 minutes after the time fixed for the Meeting, the Meeting shall be chaired by the person elected by the majority of the Voters present, failing which the Issuer shall appoint a Chairman.

7.2 ***Duties of the Chairman***

The Chairman ascertains that the Meeting has been duly convened and validly constituted, manages the business of the Meeting, monitors the fairness of proceedings, leads and moderates the debate and defines the terms for voting.

7.3 ***Assistance***

The Chairman may be assisted by outside experts or technical consultants, specifically invited to assist in any given matter, and may appoint one or more vote-counters, who are not required to be Noteholders.

8. Quorum

8.1 ***Quorum and Passing of Resolution***

The quorum (*quorum costitutivo*) at any Meeting shall be:

(a) in respect of a Meeting convened to vote on an Ordinary Resolution:

(i) on first call, one or more Voters holding or representing at least one half of the Principal Amount Outstanding of the outstanding Notes for the Class in respect of which the Meeting is convened; or

(ii) on second call, following any adjournment pursuant to Article 9, such fraction of the Principal Amount Outstanding of the outstanding Notes as is represented or held by Voters present at the Meeting;

(b) in respect of a Meeting convened to vote on an Extraordinary Resolution, other than in respect of a Basic Terms Modification:

(i) on first call, one or more Voters holding or representing at least two thirds of the Principal Amount Outstanding of the Notes outstanding for the Class in respect of which the Meeting is convened; or

(ii) on second call, following any adjournment pursuant to Article 9, such fraction of the Principal Amount Outstanding of the outstanding Notes as is represented or held by Voters present at the Meeting;

(c) in respect of a Meeting convened to vote on an Extraordinary Resolution in respect of a Basic Terms Modification:

(i) on first call, one or more Voters holding or representing at least three quarters of the Principal Amount Outstanding of the outstanding Notes for the Class in respect of which the Meeting is convened; or

(ii) on second call, following any adjournment pursuant to Article 9, one or more Voters holding or representing at least one half of the Principal Amount Outstanding of the outstanding Notes for the Class in respect of which the Meeting is convened.

8.2 ***Passing of a Resolution***

A Resolution shall be deemed validly passed if voted by the following majorities:

(a) in respect of an Ordinary Resolution, a majority of the votes cast; and

(b) in respect of an Extraordinary Resolution, a majority of not less than three quarters of the votes cast.

9. Adjournment for lack of quorum

If a quorum is not reached within 30 minutes after the time fixed for any Meeting:

(a) if such Meeting was requested by Noteholders, the Meeting shall be dissolved; or

(b) in any other case, the Meeting (unless the Issuer and the Representative of the Noteholders otherwise agree) shall be adjourned to a new date no earlier than 14 days and no later than 42 days after the original date of such Meeting, and to such place and time as the Chairman determines with the approval of the Representative of the Noteholders, provided however that no meeting may be adjourned more than once for want of quorum.

10. Adjourned Meeting

Except as provided in Article 9, the Chairman may, with the prior consent of any Meeting, and shall if so directed by any Meeting, adjourn such Meeting to another time and place. No business shall be

transacted at any adjourned meeting except business which might have been transacted at the Meeting from which the adjournment took place.

11. Notice following adjournment

11.1 ***Notice required***

If a Meeting is adjourned in accordance with the provisions of Article 9, Articles 5 and 6 above shall apply to the resumed meeting except that:

(a) 10-days' notice (exclusive of the day on which the notice is delivered and of the day on which the Meeting is to be resumed) shall be sufficient; and

(b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

11.2 ***Notice not required***

It shall not be necessary to give notice to resume any Meeting adjourned for reasons other than those described in Article 9.

12. Participation

The following categories of persons may attend and speak at a Meeting:

(a) Voters;

(b) the director(s) and the auditors of the Issuer;

(c) the Representative of the Noteholders;

(d) financial and/or legal advisers to the Issuer and the Representative of the Noteholders; and

(e) any other person authorised by the Issuer, the Representative of the Noteholders or by virtue of a resolution of the relevant Meeting.

13. Voting by show of hands

13.1 ***First instance vote***

Every question submitted to a Meeting shall be decided in the first instance by a vote by show of hands.

13.2 ***Demand of poll***

If, before the vote by show of hands, the Issuer, the Representative of the Noteholders, the Chairman or one or more Voters who represent or hold at least one-tenth of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Notes request to vote by poll, the question shall be voted on in compliance with the provisions of Article 14. No request to vote by poll shall hinder the continuation of the Meeting in relation to the other items on the agenda.

13.3 ***Approval of a resolution***

A resolution is only passed on a vote by show of hands if the Meeting has been validly constituted and the relevant resolution is unanimously approved by all the Voters at the Meeting. The Chairman's declaration that on a show of hands a resolution has been passed or rejected shall be conclusive. Whenever it is not possible to approve a resolution by show of hands, voting shall be

carried out by poll.

14. Voting by poll

14.1 ***Demand for a 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 one-tenth of the Principal Amount Outstanding of the outstanding Notes entitled to vote at the Meeting. A poll may be taken immediately or after any adjournment as decided by the Chairman, but any poll demanded on the election of a Chairman or on any question of adjournment shall be taken immediately. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business.

14.2 ***Conditions of a poll***

The Chairman sets the conditions for voting by poll, including for counting and calculating the votes, and may set a time limit by which all votes must be cast. Any vote which is not cast in compliance with the conditions set by the Chairman shall be null. After voting ends, the votes shall be counted and after the counting the Chairman shall announce to the Meeting the outcome of the vote.

15. Votes

15.1 ***Votes***

Each Voter shall have:

(a) one vote, when voting by a show of hands; and

(b) one vote for each Euro 1,000 of Principal Amount Outstanding of each Note represented or held by the Voter, when voting by poll.

15.2 ***Exercise of multiple votes***

Unless the terms of any Block Voting Instruction or Voting Certificate borne by a Proxy state otherwise, a Voter shall not be obliged to exercise all the votes to which such Voter is entitled or to cast all the votes which he exercises in the same manner.

15.3 ***Voting tie***

In case of a voting tie, the Chairman shall have the casting vote.

16. Voting by Proxy

16.1 ***Validity***

Any vote by a Proxy appointed in accordance with the relevant Block Voting Instruction or Voting Certificate shall be valid even if such Block Voting Instruction or Voting Certificate or any other instruction pursuant to which it has been given had been amended or revoked provided that none of the Paying Agent, the Issuer, the Representative of the Noteholders or the Chairman has been notified in writing of such revocation at least 24 hours prior to the time set for the relevant Meeting.

16.2 ***Adjournment of Meeting***

Unless revoked, the appointment of a Proxy in relation to a Meeting shall remain valid also in relation to a resumption of such Meeting following an adjournment, unless such Meeting was adjourned for lack of quorum pursuant to Article 9. If a Meeting is adjourned pursuant to Article 9, any person appointed to vote in such Meeting must be re-appointed by virtue of a Block Voting

Instruction or Voting Certificate in order to vote at the resumed Meeting.

17. Ordinary Resolutions

Save as provided by Article 18 and subject to the provisions of Article 19, a Meeting shall have the power exercisable by Ordinary Resolution to:

(a) waive (including to waive a prior breach) any breach by the Issuer of its obligations arising under the Transaction Documents or the Notes, or waive a Trigger Event, if such waivers are not previously authorised by the Representative of the Noteholders in accordance with the Transaction Documents;

(b) determine any other matters submitted to the Meeting, other than matters required to be subject of an Extraordinary Resolution, in accordance with the provisions of these Rules and the Transaction Documents; and

(c) authorise the Representative of the Noteholders or any other person to execute all documents and do all things necessary to give effect to any Ordinary Resolution.

18. Extraordinary Resolutions

The Meeting, subject to Article 19, shall have power exercisable by Extraordinary Resolution to:

(a) approve any Basic Terms Modification;

(b) approve any proposal by the Issuer or the Representative of the Noteholders for any alteration or waiver of the rights of the Noteholders against the Issuer;

(c) approve any scheme or proposal related to the mandatory exchange or substitution of any Class of Notes;

(d) save as provided by Article 29, approve any amendments of the provisions of (i) these Rules, (ii) the Conditions, (iii) the Intercreditor Agreement, (iv) the Cash Allocation, Management and Payment Agreement, or (v) any other Transaction Document in respect of the obligations of the Issuer under or in respect of the Notes which is not a Basic Terms Modification be proposed by the Issuer, the Representative of the Noteholders and/or any other party thereto;

(e) discharge or exonerate (including prior or retrospective discharge or exoneration) the Representative of the Noteholders from any liability in relation to any act or omission for which the Representative of the Noteholders has or may become liable pursuant or in relation to these Rules, the Conditions or any other Transaction Document;

(f) grant any authority, order or sanction which, under the provisions of these Rules or of the Conditions, must be granted by Extraordinary Resolution (including the issue of a Trigger Notice as a result of a Trigger Event pursuant to Condition 14 (*Trigger Events*));

(g) authorise and ratify the actions of the Representative of the Noteholders in compliance with these Rules, the Intercreditor Agreement and any other Transaction Document;

(h) authorise the Representative of the Noteholders or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;

(i) appoint and remove the Representative of the Noteholders; and

(j) authorise or object to individual actions or remedies of Noteholders under Article 23.

19. Relationship between Classes and conflict of interests

19.1 ***Basic Terms Modification***

No Extraordinary Resolution involving a Basic Terms Modification that is passed by the Holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the Holders of each of the other Classes of Notes (to the extent that there are Notes outstanding in any of such other Class).

19.2 ***Extraordinary Resolution other than in respect of a Basic Terms Modification or Ordinary Resolution***

No Extraordinary Resolution of any Class of Notes to approve any matter other than a Basic Terms Modification or a matter to be approved by an Ordinary Resolution shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes ranking at that time senior to such Class with respect to the repayment of the principal pursuant to Condition 4.3 (*Ranking and Subordination*) and in accordance with the applicable Priority of Payments (to the extent that there are Notes outstanding ranking senior to such Class).

19.3 ***Binding nature of the Resolutions***

Any Resolution passed at a Meeting of the Noteholders of one or more Classes of Notes duly convened and held in accordance with these Rules shall be binding upon all Noteholders of such Class or Classes, whether or not present at such Meeting and whether or not dissenting and whether or not voting and, except in the case of Meeting relating to a Basic Terms Modification, any Resolution passed at a meeting of the then Most Senior Class of Noteholders duly convened and held as aforesaid shall also be binding upon all the other Class of Noteholders. In each such case, all of the relevant Classes of Noteholders shall be bound to give effect to any such resolutions accordingly.

19.4 ***Conflict between Classes***

If, however, in the opinion of the Representative of the Noteholders, there is a conflict between the interest of:

(a) different Classes of Noteholders, then the Representative of the Noteholders is required to have regard to the interests of the Most Senior Class of Noteholders only;

(b) the Noteholders and of the Other Issuer Creditors, the Representative of the Noteholders will have regard solely to the interests of the Noteholders.

19.5 ***Resolution of the Junior Noteholders***

For the avoidance of doubt, amendments or modifications which do not affect the payment of interest and/or the repayment of principal in respect of any of the Senior Notes and/or any other interest or rights of the Senior Noteholders may be passed at a Meeting of the Junior Noteholders without any sanction being required by the holders of the Senior Notes.

19.6 ***Joint Meetings***

Subject to the provisions of these Rules and the Conditions, if the Representative of the Noteholders considers it is not detrimental to the holders of any relevant Class of Notes, joint meetings of the Senior Noteholders and of the Junior Noteholders may be held to consider the same Resolution and the provisions of these Rules shall apply *mutatis mutandis* thereto.

19.7 ***Separate and combined Meetings of the Noteholders***

Subject to the aforesaid provisions of this Article 19, the following provisions shall apply where outstanding Notes belong to more than one Class:

(a) business which, in the sole opinion of the Representative of the Noteholders, affects only one Class of Notes shall be transacted at a separate Meeting of the Noteholders of such Class;

(b) business which, in the opinion of the Representative of the Noteholders, affects more than one Class of Notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one such Class of Notes and the Noteholders of the other Class of Notes shall be transacted either at separate Meetings of the Noteholders of each such Class of Notes or at a single Meeting of the Noteholders of all such Classes of Notes, as the Representative of the Noteholders shall determine in its absolute discretion; and

(c) business which, in the opinion of the Representative of the Noteholders, affects the Noteholders of more than one Class of Notes and gives rise to an actual or potential conflict of interest between the Noteholders of one such Class of Notes and the Noteholders of the other Class of Notes shall be transacted at separate Meetings of the Noteholders of each such Class.

In this paragraph **business** includes (without limitation) the passing or rejection of any Resolution.

19.8 ***Notice of Resolution***

Within 14 days after the conclusion of each Meeting, the Issuer shall give notice, in accordance with Condition 17 (*Notices*), of the result of the votes on each resolution put to the Meeting. Such notice shall also be sent by the Issuer (or its agents) to the Paying Agent and the Representative of the Noteholders.

20. Challenge of Resolution

Any absent or dissenting Noteholder has the right to challenge Resolutions which are not passed in compliance with the provisions of these Rules.

21. Minutes

Minutes shall be made of all resolutions and proceedings of each Meeting. The Minutes shall be signed by the Chairman and shall be *prima facie* evidence of the proceedings therein recorded. Unless and until the contrary is proved, every Meeting in respect of which minutes have been signed by the Chairman shall be regarded as having been duly convened and held and all resolutions passed or proceedings transacted shall be regarded as having been duly passed and transacted.

22. Written Resolution

Notwithstanding the formalities required by Article 6, a Meeting is validly held if a resolution in writing is signed by or on behalf of all Noteholders of the relevant Class or Classes who at any relevant time are entitled to participate in a Meeting in accordance with the provisions of these Rules, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more of such Noteholders (the **Written Resolution**).

A Written Resolution shall take effect as if it were an Extraordinary Resolution or an Ordinary Resolution, in respect of matters to be determined by Ordinary Resolution.

23. Individual Actions and Remedies

23.1 ***Individual actions of the Noteholders***

Each Noteholder is deemed to have accepted and is bound by the limited recourse and non petition provisions of Condition 9. Accordingly, the right of each Noteholder to bring individual actions or use other individual remedies to enforce his/her rights under the Notes or the Transaction Documents will be subject to a Meeting passing an Extraordinary Resolution authorising such individual action or other remedy. In this respect, the following provisions shall apply:

(a) the Noteholder intending to enforce his/her rights under the Notes or the Transaction Documents will notify the Representative of the Noteholders of his/her intention;

(b) the Representative of the Noteholders will, without delay, call a Meeting in accordance with these Rules at the expense of such Noteholder;

(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 (without prejudice to the fact that after a reasonable period of time, the same matter may be resubmitted for review of another Meeting); and

(d) if the Meeting of Noteholders authorises such individual action or remedy, the Noteholder will not be prohibited from taking such individual action or remedy.

23.2 ***Individual actions subject to Resolution***

No Noteholder will be permitted to take any individual action or remedy to enforce his/her rights under the Notes or the Transaction Documents unless a Meeting has been held to resolve on such action or remedy in accordance with the provisions of this Article 23.

23.3 ***Breach of Condition 9***

No Noteholder shall be permitted to take any individual action or remedy to enforce his/her rights under the Notes or the Transaction Documents in the event that such action or remedy would cause or result in a breach of Condition 9.

23.4 ***Exclusive power of the Representative of the Noteholders***

Save as provided in this Article 23, only the Representative of the Noteholders may pursue the remedies available under the general law or the Transaction Documents to obtain payment of obligations and no Noteholder shall be entitled to proceed directly against the Issuer to obtain or enforce such remedies.

24. Further Regulations

Subject to all other provisions contained in these Rules, the Representative of the Noteholders may, without the consent of the Issuer, prescribe such further regulations regarding the holding of Meetings and attendance and voting at them and/or the provisions of a Written Resolution as the Representative of the Noteholders in its sole discretion may decide.

THE REPRESENTATIVE OF THE NOTEHOLDERS

25. Appointment, Removal and Remuneration

25.1 ***Appointment***

The appointment of the Representative of the Noteholders takes place by Extraordinary Resolution of the Most Senior Class of Noteholders in accordance with the provisions of this Article 25.1, except for the appointment of the first Representative of the Noteholders which will be Securitisation Services S.p.A.

25.2 ***Requirements for the Representative of the Noteholders***

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

(b) a company or financial institution enrolled with the register held by the Bank of Italy pursuant to Article 106 of the Consolidated Banking Act; or

(c) any other entity which is not prohibited from acting in the capacity of Representative of the Noteholders pursuant to the law.

25.3 ***Directors and auditors of the Issuer***

The director/s and auditors of the Issuer cannot be appointed as Representative of the Noteholders, and if appointed as such they shall be automatically removed.

25.4 ***Duration of appointment***

Unless the Representative of the Noteholders is removed by Extraordinary Resolution pursuant to Title II above or it resigns in accordance with Article 27, it shall remain in office until full repayment or cancellation of all the Notes.

25.5 ***Removal***

The Representative of the Noteholders may be removed by Extraordinary Resolution of the Most Senior Class of Noteholders at any time.

25.6 ***Office after termination***

In the event of a termination of the appointment of the Representative of the Noteholders for any reason whatsoever, such Representative of the Noteholders shall remain in office until a substitute Representative of the Noteholders, which shall be a subject among those listed in Article 25.2, paragraphs (a), (b) and (c) above, accepts its appointment, and the powers and authority of the Representative of the Noteholders whose appointment has been terminated shall, pending the acceptance of its appointment by the substitute, be limited to those necessary to perform the essential functions required in connection with the Notes.

25.7 ***Remuneration***

The Issuer shall pay to the Representative of the Noteholders for its services as Representative of the Noteholders, an annual fee for its services as Representative of the Noteholders from the Issue Date, as agreed either in the initial agreement(s) for the issue of and subscription for the Notes or in separate fee letter. Such fees shall accrue from day to day and shall be payable in accordance with the applicable Priority of Payments.

26. Duties and Powers of the Representative of the Noteholders

26.1 ***Legal representative of the Organisation of the Noteholders***

The Representative of the Noteholders is the legal representative of the Organisation of the Noteholders and has the power to exercise the rights conferred on it pursuant to the Transaction Documents in order to protect the interests of the Noteholders.

26.2 ***Meetings and implementation of Resolutions***

Subject to Article 28.9, the Representative of the Noteholders is responsible for implementing all resolutions of the Noteholders and has the right to convene Meetings to propose any course of action which it considers from time to time necessary or desirable.

26.3 ***Delegation***

26.3.1 The Representative of the Noteholders may also, whenever it considers it expedient and in the interest of the Noteholders, whether by power of attorney or otherwise, delegate to any person(s) specific activities vested in it as aforesaid.

26.3.2 The terms and conditions (including power to sub-delegate) of such appointment shall be established by the Representative of the Noteholders depending on what it deems suitable in the interest of the Noteholders.

26.3.3 The Representative of the Noteholders shall not, other than in the normal course of its business, be bound to supervise the acts or proceedings of such delegate or sub-delegate and shall not in any way or to any extent be responsible for any loss incurred by any misconduct, omission or default on the part of such delegate or sub-delegate, provided that the Representative of the Noteholders shall use all reasonable care in the appointment of any such delegate and shall be responsible for the instructions given by it to such delegate (*culpa in eligendo*).

26.3.4 As soon as reasonably practicable, the Representative of the Noteholders shall give notice to the Issuer of the appointment of any delegate and any renewal, extension and termination of such appointment, and shall procure that any delegate shall give notice to the Issuer of the appointment of any sub-delegate as soon as reasonably practicable.

26.4 ***Judicial proceedings***

The Representative of the Noteholders is authorised to represent the Organisation of the Noteholders, *inter alia*, in any judicial proceedings.

27. Resignation of the Representative of the Noteholders

27.1 ***Resignation***

The Representative of the Noteholders may resign at any time by giving at least three calendar months' written notice to the Issuer, with no need to provide any specific reason for the resignation and without being responsible for any costs incurred as a result of such resignation.

27.2 ***Effectiveness***

The resignation of the Representative of the Noteholders shall not become effective until a new Representative of the Noteholders has been appointed by an Extraordinary Resolution of the Most Senior Class of Noteholders and such new Representative of the Noteholders has accepted its appointment provided that if the Noteholders fail to select a new Representative of the Noteholders within three months of written notice of resignation delivered by the Representative of the Noteholders, the Representative of the Noteholders may appoint a successor which is a qualifying entity pursuant to Article 25.

28. Exoneration of the Representative of the Noteholders

28.1 ***Limited obligations***

The Representative of the Noteholders shall not assume any obligations or responsibilities in addition to those expressly provided herein and in the Transaction Documents.

28.2 ***Other limitations***

Without limiting the generality of Article 28.1, the Representative of the Noteholders:

(i) shall not be 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 other Transaction Document has occurred, and until the Representative of the Noteholders has actual knowledge or express notice to the contrary, it shall be entitled to assume that no Trigger Event has occurred;

(ii) shall not be under any obligation to monitor or supervise the observance and performance by the Issuer or any other parties of their obligations contained in the Conditions and hereunder or, as the case may be, in any Transaction Document to which each such party is a party, and until it shall have actual knowledge or express notice to the contrary, the Representative of the Noteholders shall be entitled to assume that the Issuer and each other party to the Transaction Documents are carefully observing and performing all their respective obligations;

(iii) except as otherwise required under these Rules or the Transaction Documents, shall not be under any obligation to give notice to any person of its activities in performance of the provisions of these Rules or any other Transaction Document;

(iv) shall not be responsible for (or for investigating) the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules or of any Transaction Document, or of any other document or any obligation or rights created or purported to be created hereby or thereby or pursuant hereto or thereto, and (without prejudice to the generality of the foregoing) it shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:

(1) the nature, status, creditworthiness or solvency of the Issuer;

(2) the existence, accuracy or sufficiency of any legal or other opinion, search, report, certificate, valuation or investigation delivered or obtained or required to be delivered or obtained at any time in connection herewith;

(3) the suitability, adequacy or sufficiency of any collection procedure operated by the Servicer or compliance therewith;

(4) the failure by the Issuer to obtain or comply with any licence, consent or other authority in connection with the purchase or administration of the Aggregate Portfolio; and

(5) any accounts, books, records or files maintained by the Issuer, the Servicer, and the Paying Agent or any other person in respect of the Aggregate Portfolio or the Notes;

(v) shall not be 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;

(vi) shall have no responsibility to procure that the Rating Agencies or any other credit or rating assessment institution or any other subject maintain the rating of the Senior Notes;

(vii) shall not be responsible for (or for investigating) any matter which is the subject of any recital, statement, warranty or representation by any party other than the Representative of the Noteholders contained herein or in any Transaction Document or any certificate, document or agreement relating to thereto or for the execution, legality, validity,

effectiveness, enforceability or admissibility in evidence thereof;

(viii) shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer in relation to the Aggregate 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 being remedied or not;

(ix) shall not be liable for any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting these Rules or any Transaction Document;

(x) shall not be under any obligation to guarantee or procure the repayment of the Aggregate Portfolio or any part thereof;

(xi) shall not be obliged to evaluate the consequences that any modification of these Rules or any of the Transaction Documents or exercise of its rights, powers and authorities may have for any individual Noteholder;

(xii) shall not (unless and to the extent ordered to do so by a court of competent jurisdiction) be under any obligation to disclose to any Noteholder, any Other Issuer Creditor 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 and no Noteholder, Other Issuer Creditor or any other party shall be entitled to take any action to obtain from the Representative of the Noteholders any such information;

(xiii) shall not be responsible for reviewing or investigating any report relating to the Aggregate Portfolio provided by any person;

(xiv) shall not be responsible for or have any liability with respect to any loss or damage arising from the realisation of the Aggregate Portfolio or any part thereof;

(xv) shall not be responsible for (except as otherwise provided in the Conditions or in the Transaction Documents) making or verifying any determination or calculation in respect of the Aggregate Portfolio and the Notes; and

(xvi) shall not be deemed responsible for having acted pursuant to instructions received from the Meeting, even if it is later discovered that the Meeting had not been validly convened or constituted, and that such resolution had not been duly approved or was not otherwise valid or binding for the Noteholders.

28.3 ***Discretion***

28.3.1 The Representative of the Noteholders:

(i) save as expressly otherwise provided herein and in the Intercreditor Agreement, shall 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, and the Representative of the Noteholders shall not be responsible for any loss, cost, damage, expense or inconvenience resulting from the exercise, non-exercise or refraining from exercise thereof except insofar as the same are incurred as a result of its wilful misconduct (*dolo*) or gross negligence (*colpa grave*);

(ii) in connection with matters in respect of which the Representative of the Noteholders is entitled to exercise its discretion hereunder, the Representative of the Noteholders

has the right - but not the obligation - to convene a Meeting or Meetings in order to obtain the Noteholders' instructions as to how it should act. Prior to undertaking any action, the Representative of the Noteholders shall be entitled to request that the Noteholders indemnify it and/or provide it with security to its satisfaction against all actions, proceedings, claims and demands which may be brought against it and against all costs, charges, damages, expenses and liabilities which it may incur by taking such action;

(iii) may certify whether or not a Trigger Event is in its opinion prejudicial to the interest of the Noteholders and any such certification shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other subject party to the Transaction Documents;

(iv) may determine whether or not a default in the performance by the Issuer of any obligation under the provisions of these Rules, the Notes or any other Transaction Documents may be remedied, and if the Representative of the Noteholders certifies that any such default is, in its opinion, not capable of being remedied, such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other party to the Transaction Documents;

28.3.2 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.

28.4 ***Certificates***

The Representative of the Noteholders:

(i) may act on the advice of or a certificate or opinion of or any information obtained from any lawyer, accountant, banker, broker or other expert whether obtained by the Issuer, the Representative of the Noteholders or otherwise, and shall not be responsible for any loss incurred by so acting in the absence of gross negligence (colpa grave) or wilful misconduct (dolo) on the part of the Representative of the Noteholders;

(ii) may call for, and shall be at liberty to accept as sufficient evidence of any fact or matter, a certificate duly signed by 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 incurred as a result of acting on such certificate unless it has information which casts a doubt on the truthfulness of the certificates signed by the Issuer;

(iii) shall have the right to call for (or have the Issuer call for) and to rely on written attestations issued by any one of the parties to the Intercreditor Agreement or by any Other Issuer Creditor. The Representative of the Noteholders shall not be required to seek additional evidence and shall not be held responsible for any loss, liability, cost, damage, expense, or charge incurred as a result of having failed to do so.

28.5 ***Ownership of the Notes***

28.5.1 In order to ascertain ownership of the Notes, the Representative of the Noteholders may fully rely on the certificates issued by any authorised institution in accordance with article 83-*bis* of the Financial Laws Consolidated Act and 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 , which certificates are conclusive proof of the statements attested to therein.

28.5.2 The Representative of the Noteholders may assume without enquiry that no Notes are, at

any given time, held by or for the benefit of the Issuer.

28.6 ***Certificates of Monte Titoli Account Holders***

The Representative of the Noteholders, in order to ascertain ownership of the Notes, may fully rely on the certificates issued by any Monte Titoli Account Holder in accordance 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, which certificates are to be conclusive proof of the matters certified therein.

28.7 ***Certificates of Clearing Systems***

The Representative of the Noteholders shall be at liberty to call for and to rely on as sufficient evidence of the facts stated therein, a certificate, letter or confirmation certified as true and accurate and signed on behalf of such clearing system as the Representative of the Noteholders considers appropriate, or any form of record made by any clearing system, to the effect that at any particular time or throughout any particular period any particular person is, or was, or will be, shown its records as entitled to a particular number of Notes.

28.8 ***Rating Agencies***

The Representative of the Noteholders shall be entitled to assume, for the purposes of exercising any power, authority, duty or discretion under or in relation to these Rules, that such exercise will not be materially prejudicial to the interest of the Noteholders if, along with other factors, the Rating Agencies have confirmed that the then current rating of the Senior Notes would not be adversely affected by such exercise, or have otherwise given their consent. If the Representative of the Noteholders, in order properly to exercise its rights or fulfil its obligations, deems it necessary to obtain the valuation of the Rating Agencies regarding how a specific act would affect the rating of the Senior Notes, the Representative of the Noteholders shall so inform the Issuer, which will have to obtain the valuation at its expense on behalf of the Representative of the Noteholders, unless the Representative of the Noteholders wishes to seek and obtain the valuation itself.

28.9 ***Illegality***

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 regulations or to expend or otherwise 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 powers or discretion, and the Representative of the Noteholders may refrain from taking any action which would or might, in its opinion, be contrary to any law of any jurisdiction or any regulation or directive of any agency of any state, or if it has reasonable grounds to believe that it will not be reimbursed for any funds it expends, or that it will not be indemnified against any loss or liability which it may incur as a consequence of such action. The Representative of the Noteholders may do anything which, in its opinion, is necessary to comply with any such law, regulation or directive as aforesaid.

29. Amendments to the Transaction Documents

29.1 ***Consent of the Representative of the Noteholders***

The Representative of the Noteholders may agree to any amendment or modification to these Rules or to any of the Transaction Documents, without the prior consent or sanction of the Noteholders if in its opinion:

(i) it is expedient to make such amendment or modification in order to correct a manifest error or an error of a formal, minor or technical nature; or

(ii) save as provided under paragraph (i) above, such amendment or modification (which shall be other than in respect of a Basic Terms Modification or any provision in these Rules which makes a reference to the definition of "Basic Terms Modification") is not materially prejudicial to the interest of the Most Senior Class of Noteholders.

29.2 ***Binding nature of amendments***

Any such amendment or modification shall be binding on the Noteholders and the Other Issuer Creditors and, unless the Representative of the Noteholders otherwise agrees, the Issuer shall procure that such amendment or modification be notified to the Noteholders and the Other Issuer Creditors as soon as practicable thereafter.

30. Indemnity

30.1 ***Indemnification***

Pursuant to the Subscription Agreements, the Issuer has covenanted and undertaken to reimburse, pay or discharge (on a full indemnity basis) upon demand, to the extent not already reimbursed, paid or discharged by the Noteholders, all costs, liabilities, losses, charges, expenses, damages, actions, proceedings, receivables and demand (including, without limitation, legal fees and any applicable tax, value added tax or similar tax) properly incurred by or made against the Representative of the Noteholders or any subject to which the Representative of the Noteholders has delegated any power, authority or discretion in relation to the exercise or purported exercise of its powers, authority and discretion and the performance of its duties under and otherwise in relation to these Rules and the Transaction Documents, including but not limited to legal and travelling expenses, and any 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 to the Transaction Documents against the Issuer, or any other person to enforce any obligation under these Rules, the Notes or the Transaction Documents, except insofar as the same are incurred because of the fraud, gross negligence or wilful misconduct of the Representative of the Noteholders or the abovementioned appointed persons. It remains understood and agreed that such costs, expenses and liabilities shall be reasonably incurred.

30.2 ***Liability***

Notwithstanding any other provision of these Rules, the Representative of the Noteholders shall not be liable for any act, matter or thing done or omitted in any way in connection with the Transaction Documents, the Notes or these Rules except in relation to gross negligence (*colpa grave*) or wilful misconduct (*dolo*) of the Representative of the Noteholders.

THE ORGANISATION OF THE NOTEHOLDERS AFTER SERVICE OF A TRIGGER NOTICE

31. Powers

It is hereby acknowledged that, upon the occurrence of a Trigger Event, pursuant to the Mandate Agreement, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, shall be entitled - also in the interest of the Other Issuer Creditors, pursuant to Articles 1411 and 1723 of the Italian Civil Code - to exercise certain rights in relation to the Aggregate Portfolio. Therefore, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, will be authorised, pursuant to the terms of the Mandate Agreement, to exercise, in the name and on behalf of the Issuer and as *mandatario in rem propriam* of the Issuer, any and all of the Issuer's rights under certain Transaction Documents, including the right to give directions and instructions to the relevant parties to the relevant Transaction Documents.

GOVERNING LAW AND JURISDICTION

32. Governing law and Jurisdiction

32.1 *Governing law*

These Rules and all non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with the laws of the Republic of Italy.

32.2 *Jurisdiction*

Any dispute arising from the interpretation and execution of these Rules or from the legal relationships established by these Rules will be submitted to the exclusive jurisdiction of the Courts of Milan.

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 Senior 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 ("**Decree 239 Deduction**") and Law Decree No. 66 of 24 April 2014 converted into Law No. 89 of 23 June 2014 ("**Decree No. 66**"), payments of interest and other proceeds in respect of the Senior 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 Senior 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 Senior Notes or in the transfer of the Senior 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 Senior 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 Senior 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 Senior 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 the Senior 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 Senior 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 Senior 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 Senior 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 Senior 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 Senior Notes). The Asset Management Tax is applied on behalf of the taxpayer by the managing authorised intermediary.

Interest and other proceeds accrued on the Senior Notes held by Italian resident corporations, commercial partnerships, individual entrepreneurs as well as Italian resident public and private entities, other than companies, holding Senior Notes in connection with entrepreneurial activities or permanent establishments in Italy of non-resident corporations to which the Senior 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 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 Senior Notes are held by an authorised intermediary, interest accrued during the holding period on the Senior Notes will not be subject to *imposta sostitutiva* but must be included in the management results of the Fund. The Fund will not be subject to taxation on such results, but a withholding tax of 26 per cent. will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders (the "**Collective Investment Fund Tax**").

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 Senior 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 realised upon the sale for consideration or redemption of the Senior 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 Senior Notes (and, in certain cases, depending on the status of the holders of the Senior 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 Senior Notes who are:

(a) Italian resident corporations;

(b) Italian resident commercial partnerships;

(c) permanent establishments in Italy of foreign corporations to which the Senior Notes are effectively connected; or

(d) Italian resident individuals carrying out a commercial activity, as to any capital gains realised within the scope of their commercial activity.

Pursuant to Legislative Decree No. 461 of 21 November 1997, any capital gain realised by Italian resident individuals holding the Senior Notes not in connection with an entrepreneurial activity and by certain other persons upon the sale for consideration or redemption of the Senior 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 realised 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, realised by Italian resident individual noteholders holding the Senior Notes not in connection with an entrepreneurial activity pursuant to all disposals on the Senior Notes carried out during any given fiscal year. These individuals must report the overall capital gains realised 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 realised in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Italian resident individual noteholders holding the Senior Notes not in connection with an entrepreneurial activity may elect to pay *imposta sostitutiva* separately on

the capital gains realised upon each sale or redemption of the Senior Notes (the "***Risparmio Amministrato***" regime). Such separate taxation of capital gains is permitted subject to: (i) the Senior 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 realised on each sale or redemption of Senior 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 Senior Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised 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 realised by Italian resident individuals holding the Senior 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 realised, 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 realised in its annual tax declaration.

Any capital gains realised by a holder of the Senior 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. The Fund will not be subject to taxation on such result, but the Collective Investment Fund Tax, up to 26 per cent., will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.

Any capital gains realised by the holders of the Senior 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 realised upon sale for consideration or redemption of the Senior Notes by non-Italian resident persons or entities without a permanent establishment in Italy to which the Senior Notes are effectively connected, if the Senior Notes are held in Italy.

However, pursuant to Article 23 of Presidential Decree of 22 December 1986, No. 917, any capital gains realised, by non-Italian residents without a permanent establishment in Italy to which the Senior Notes are effectively connected, through the sale for consideration or redemption of the Senior Notes are exempt from taxation in Italy to the extent that the Senior Notes are listed on a regulated market in Italy or abroad and in certain cases subject to filing of required documentation, even if the Senior Notes are held in Italy. The exemption applies provided that the non-Italian investor promptly file with the authorized financial intermediary an appropriate affidavit (*autodichiarazione*) stating that the investor is not resident in Italy for tax purposes.

In case the Senior Notes are not listed on a regulated market in Italy or abroad:

(1) non Italian resident beneficial owners of the Senior Notes with no permanent establishment in Italy to which the Senior Notes are effectively connected are exempt from *imposta sostitutiva* in the Republic of Italy on any capital gains realised upon sale for consideration or redemption of the Senior 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 Senior 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 Senior Notes are effectively connected that may benefit from a double taxation treaty with the Republic of Italy, providing that capital gains realised upon the sale or redemption of the Senior 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 realised upon sale for consideration or redemption of the Senior Notes; in this case, if non Italian residents without a permanent establishment in Italy to which the Senior 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 is deemed to be sent to the clients once a year, irrespective of any legal or contractual obligation to do so. The Statement Duty is levied at the rate of 0.2 per cent. (but in any case not exceeding €14,000.00. This cap is not applied to 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 stamp duty must be levied on:

(i) whoever executes or takes advantage (in Italian known as the "*caso d'uso*") of the document included in the Tariff, as the main obligors (*obbligati in via principale*);

(ii) whoever signs, receives, accepts or negotiates the document included in the Tariff, if the stamp duty has not already been properly paid, as the joint obligors (*obbligati in via solidale*).

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.

FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting or related requirements. A number of jurisdictions including the Republic of Italy have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to 1 January 2019 and Notes issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

1. THE SENIOR NOTES SUBSCRIPTION AGREEMENT

Pursuant to the Senior Notes Subscription Agreement entered into on or about the Issue Date, the Senior Notes Subscriber has agreed to subscribe for the Senior Notes, subject to the terms and conditions set out thereunder.

The Senior Notes Subscription Agreement is subject to a number of conditions and may be terminated by the Senior Notes Subscriber in certain circumstances prior to payment for the Senior Notes to the Issuer. The Issuer has agreed to indemnify the Senior Notes Subscriber against certain liabilities in connection with the issue of the Senior Notes.

No commission, fee or concession shall be due by the Issuer to the Senior Notes Subscriber in respect of its subscription of the Senior Notes.

The Senior Notes Subscription Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Senior Notes Subscription Agreement (including a dispute relating to the existence, validity or termination of the Senior Notes Subscription Agreement or any non-contractual obligation arising out of or in connection with it).

2. THE JUNIOR NOTES SUBSCRIPTION AGREEMENT AND THE JUNIOR NOTES CONDITIONS

Pursuant to the Junior Notes Subscription Agreement CR Bolzano has agreed to subscribe and pay the Issuer for the Junior Notes, subject to the terms and conditions set out thereunder

In respect of the obligation of the Issuer to make payment on the Notes, under the Conditions the payment obligations of the Issuer in respect of the Junior Notes are subordinated to its payment obligations in respect of the Senior Notes, the Other Issuer Creditors and any other creditors of the Issuer, as provided by the Priority of Payments. Therefore, in the event that the Issuer sustains losses and is unable to meet in full its obligations in respect of each of its creditors, the first creditors to bear any shortfall shall be the Junior Noteholders.

The Issuer will not pay any commission or concession to CR Bolzano in respect of its subscription of the Junior Notes.

The Junior Notes Subscription Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Junior Notes Subscription Agreement (including a dispute relating to the existence, validity or termination of the Junior Notes Subscription Agreement or any non-contractual obligation arising out of or in connection with it).

3. SELLING RESTRICTIONS

3.1 ***General***

Under the Notes Subscription Agreements each of the Originator and the Notes Subscribers:

3.1.1 *No action to permit public offering*

has acknowledged that no action has been or will be taken in any jurisdiction by the Issuer that would permit a public offering of the Notes, or possession or distribution of any offering

material in relation to the Notes, in any country or jurisdiction where action for that purpose is required;

3.1.2 *Compliance with laws*

has represented and warranted to the Issuer that it has complied with and will undertake that it will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers the Notes or has in its possession, distributes or publishes such offering material, in all cases at its own expense; and

3.1.3 *Publicity*

has represented and warranted to the Issuer that it has not made or provided and undertakes that it will not make or provide any representation or information regarding the Issuer or the Senior Notes save as contained in the Prospectus or as approved for such purpose by the Issuer or which is a matter of public knowledge.

3.2 **United States**

3.2.1 *No registration under the Securities Act*

Under the Subscription Agreements, each of the Issuer and the Notes Subscribers has understood and agreed that 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 a U.S. person even though Regulation S under the Securities Act would permit such offers or sales pursuant to an available exemption from the registration requirements of the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code of 1986 and the regulations thereunder.

3.2.2 *Compliance by the Issuer with United States securities laws*

The Issuer has, pursuant to the Subscription Agreements, represented, warranted and undertaken to the Notes Subscribers that neither it nor any of its affiliates (including any person acting on behalf of the Issuer or any of its affiliates) has offered or sold, or will offer or sell, to any person any Notes in any circumstances which would require the registration of any of the Notes under the Securities Act or the qualification of any document related to the Notes as an indenture under the United States Trust Indenture Act of 1939 and, in particular, that:

No directed selling efforts: neither it nor any its affiliates nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to the Notes;

Offering restrictions: it and its affiliates have complied with and will comply with the offering restrictions requirement of Regulation S under the Securities Act.

3.2.3 *Compliance by the Notes Subscribers with United States securities laws*

Each of the Notes Subscribers has, pursuant to the relevant Notes Subscription Agreement, represented and agreed 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 and the Notes Subscribers, nor their respective Affiliates nor any persons acting on the Issuer and the Notes Subscribers, or its respective Affiliates', behalf, have engaged or will engage in any directed selling efforts with respect to the Notes, and it and they have complied and will comply with the offering restrictions requirements of Regulation S under the Securities Act. At or prior to confirmation of sale of the Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect.

The Notes covered hereby have not been registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903(b)(2)(iii), (x) as part of their distribution at any time or (y) otherwise until 40 calendar days after the completion of the distribution of Securities as determined and certified by the Notes Subscriber, except in either case in accordance with Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of the Notes, any 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.

3.2.4 *Subscriber's compliance with United States Treasury regulations*

Each of the Notes Subscribers has, pursuant to the relevant Notes Subscription Agreement, represented, warranted and undertaken to the Issuer:

(i) Restrictions on offers, etc.: except to the extent permitted under United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**D Rules**"):

a. No offers, etc. to United States or United States persons: it has not offered or sold, and during the restricted period will not offer or sell, any Notes to a person who is within the United States or its possessions or to a United States person; and

b. No delivery of definitive Notes in United States: it has not delivered and will not deliver in definitive form within the United States or its possessions any Notes sold during the restricted period;

(ii) Internal procedures: it has, and throughout the restricted period will have, in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that the Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;

(iii) Additional provision if United States person: if it is a United States person, it is acquiring the Notes for the purposes of resale in connection with their original issuance and, if it retains Notes for its own account, it will only do so in accordance with the requirements of United States Treasury Regulation §1.163-5(c)(2)(i)(D)(6),

and, with respect to each affiliate of any of the Notes Subscribers that acquires Notes from the Notes Subscribers for the purpose of offering or selling such Notes during the restricted period, each of the Notes Subscribers, under the relevant Notes Subscription Agreement, has undertaken to the Issuer that it will obtain from such affiliate for the benefit of the Issuer

the representations, warranties and undertakings contained in paragraphs (i), (ii) and (iii) above.

3.2.5 *Interpretation*

Terms used in paragraphs 3.2.2 and 3.2.3 above have the meanings given to them by Regulation S under the Securities Act. Terms used in paragraph 3.2.4 above have the meanings given to them by the United States Internal Revenue Code of 1986, as amended, and regulations thereunder, including the D Rules.

3.3 **United Kingdom**

Under the Notes Subscription Agreement, the Notes Subscribers have represented, warranted and undertaken to the Issuer that:

3.3.1 *Financial promotion*

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 the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

3.3.2 *General compliance*

it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

3.4 **Italy**

3.4.1 *No offer to public*

Each of the Notes Subscribers has, pursuant to the relevant Notes Subscription Agreement, represented, warranted and undertaken to the Issuer that it has not offered, sold or delivered, and will not offer, sell or deliver, and have not distributed and will not distribute and has not made and will not make available in the Republic of Italy copy of this Prospectus nor any other offering material relating to the Notes other than to "qualified investors" ("*investitori qualificati*") as defined in article 2, letter (e) of the Prospectus Regulation and in accordance with any applicable Italian laws and regulations.

3.4.2 *Offer to "qualified investors"*

Any offer of the Notes by the Notes Subscribers to qualified investors in the Republic of Italy shall be made only by banks, investment firms or financial intermediaries permitted to conduct such business in accordance with the Banking Law, to the extent that they are duly authorised to engage in the placement and/or underwriting of financial instruments in the Republic of Italy in accordance with the relevant provisions of the Consolidated Financial Act, CONSOB Regulation number 20307 of 15 February 2018, the Banking Law and any other applicable laws and regulations.

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 Prospectus Regulation and the Consolidated Financial Act.

3.4.3 *General compliance*

Each of the Notes Subscribers has, pursuant to the relevant Notes Subscription Agreement, acknowledged that:

(a) no action has or will be taken by it which would allow an offering (nor a "*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;

(b) the Notes may not be offered, sold or delivered by it and neither this Prospectus nor any other offering material relating to the Notes will be distributed or made available by it to the public in the Republic of Italy. Individual sales of the Notes to any persons in the Republic of Italy will only be made by it in accordance with Italian securities, tax and other applicable laws and regulations; and

(c) no application has been made by it to obtain an authorisation from CONSOB for the public offering of the Notes in the Republic of Italy.

3.5 **France**

Each of the Issuer and the Notes Subscribers 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 the Notes Subscribers has also represented and agreed in connection with the initial distribution of the Notes by it that:

(a) there has not been and there will be no offer or sale, directly or indirectly, of the Notes by it to the public in the Republic of France (an *appel public à l'èparagne* 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 *Code monétaire et financier* (together the "**Investors**");

(c) offers and sales of the Notes in the Republic of France will be made by it on the condition that:

(i) 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*).

4. EEA Standard Selling Restriction

In relation to each Member State of the European Economic Area (each, a "**Relevant Member State**"), under the Subscription Agreements, each of the Issuer and the Notes Subscribers has represented, warranted and undertaken that with effect from and including the date on which the Prospectus Regulation has entered into force (the "**Prospectus Regulation Date**") it has not made and will not make an offer of the Notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Regulation, except that it may, with effect from and including the Prospectus Regulation Date, make an offer of the Notes to the public in that Relevant Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(b) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Regulation); or

(c) at any time in any other circumstances falling within article 1(4) of the Prospectus Regulation.

For the purposes of this provision, the expression an "*offer of Notes to the public*" in relation to the Notes in any Relevant Member State means 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. Any purchase, sale, offer and delivery of all or part of the Notes shall be made in compliance with article 6 of the Securitisation Regulation.

5. **Prohibition of Sales to EEA Retail Investors**

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For the purposes of this provision:

the expression "*retail investor*" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive 2016/97/EC (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Prospectus Regulation; and

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

6. General restrictions

The Issuer, 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

As of the date of this Prospectus, the Notes are not listed on any regulated market or multilateral trading facility or equivalent in any jurisdiction. The Issuer has filed with Borsa Italiana S.p.A. a request for the Senior Notes to be admitted to trading on the professional segment ("**ExtraMOT PRO**") of the multilateral trading facility "ExtraMOT". The Issuer does not have any intention to file any request for the listing or admission to trading of the Notes or any other market or multilateral trading facility, other than the ExtraMOT.

No application has been made to list the Junior Notes on any stock exchange.

Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Italy in connection with the issue and performance of the Notes. The Issuer is managed by a Sole Director. Therefore, in accordance with Italian law, the issue of the Notes has been authorised by such Sole Director without the need of any formal meeting or resolution. However, the issue of the Notes was authorised also by the resolution of the quotaholder passed on 5 May 2020.

Clearing of the Notes

The Notes have been accepted for clearance through Monte Titoli, Euroclear and Clearstream as follows:

Series	***ISIN***
Class A Notes	IT0005412363
Class J Notes	IT0005412371

No material litigation

There have been no governmental, litigation or arbitration proceedings against or affecting the Issuer or any of its assets or revenues in the last twelve months, nor is the Issuer aware of any pending or threatened proceedings of such kind, which are or might be material.

No material adverse change

There has been no material adverse change in the financial position or prospects of the Issuer since the date of its last published audited financial statements.

Documents available for inspection

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 (as set forth in Condition 17 (*Notices*)), at any time after the Issue Date:

a) the by-laws ("*statuto*") and the deed of incorporation ("*atto costitutivo*") of the Issuer;

b) the annual audited (to the extent required by applicable law or regulation) financial statement of the Issuer. The next annual financial reports will be those related to the financial year ending on 31 December 2020. No interim financial statements will be produced by the Issuer;

c) the Investor Report, which has a quarterly frequency, prepared by the Computation Agent;

d) the Transparency Investor Report prepared by the Computation Agent and containing the information set out by the Article 7(1)(e), 7(1)(f) and 7(1)(g) of the Securitisation Regulation and of the applicable Regulatory Technical Standards

e) the Transparency Loan Report prepared by the Servicer and containing the information referred to in Article 7, paragraph 1, letter (a) of the Securitisation Regulation and in the applicable Regulatory Technical Standards.

f) copies of the following documents:

   (i) Master Transfer Agreement;

   (ii) Warranty and Indemnity Agreement;

   (iii) Servicing Agreement;

   (iv) Intercreditor Agreement;

   (v) Cash Allocation, Management and Payment Agreement;

   (vi) Mandate Agreement;

   (vii) Quotaholder Agreement;

   (viii) Letter of Undertakings;

   (ix) Corporate Services Agreement;

   (x) Monte Titoli Mandate Agreement;

   (xi) Master Definitions Agreement;

   (xii) Senior Notes Subscription Agreement;

   (xiii) Junior Notes Subscription Agreement;

   (xiv) Rules of the Organisation of Noteholders;

Fees and expenses

The estimated annual fees and expenses payable by the Issuer in connection with the transaction described herein amount to approximately € 150,000 (excluding servicing fees and any VAT, if applicable) and the

estimated total expenses related to the admission to trading of the Senior Notes amount approximately to € 2,000 (excluding VAT, if applicable).

DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated by reference in, and form part of, this Prospectus, and may be inspected during normal business hours at the registered office of the Issuer and of the Representative of the Noteholders:

Documents	**Information contained**
Financial statement of the Issuer as of 31 December 2019	- Report of the Sole Director - Balance sheet as at 31 December 2019 - Income statement (Profit and Loss Account) - Notes to financial statements
Financial statement of the Issuer as of 31 December 2018	- Report of the Sole Director - Balance sheet as at 31 December 2018 - Income statement (Profit and Loss Account) - Notes to financial statements
Auditors' reports	- Auditors' report on financial statement as of 31 December 2018 - Auditors' report on financial statement as of 31 December 2019

The Prospectus and the documents incorporated by reference will be available on 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 prospective investors or covered elsewhere in this Prospectus.

ISSUER

Fanes S.r.l.
Via Alfieri, No. 1
31015 Conegliano (TV)
Italy

ORIGINATOR, SERVICER, CASH MANAGER AND NOTES SUBSCRIBER

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