IMPORTANT NOTICE

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

THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF APORTI S.R.L. (THE "**ISSUER**"). IN PARTICULAR, NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES OF THE ISSUER FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

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

THE TRANSACTION IS NOT INTENDED TO INVOLVE THE RETENTION BY A SPONSOR FOR PURPOSES OF COMPLIANCE WITH THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), BUT RATHER IT IS INTENDED TO RELY ON AN EXEMPTION PROVIDED FOR IN RULE 20 OF THE U.S. RISK RETENTION RULES REGARDING NON U.S. TRANSACTIONS. IN FURTHERANCE THEREOF, THE NOTES MAY NOT BE PURCHASED BY, OR ASSIGNED OR TRANSFERRED TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY RISK RETENTION U.S. PERSON.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA (THE "**EEA**"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU, AS AMENDED (THE "**MiFID II**"); OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2016/97, AS AMENDED (THE "**IDD**"), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MiFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (AS AMENDED, THE "**PROSPECTUS REGULATION**"). CONSEQUENTLY NO

KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE "**PRIIPS REGULATION**") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

PROHIBITION OF SALES TO UK RETAIL INVESTORS - THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE UK. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565 AS IT FORMS PART OF DOMESTIC LAW OF THE UNITED KINGDOM BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018, AS AMENDED (THE "**EUWA**"); OR (II) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("**FSMA**") AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT THE INSURANCE DISTRIBUTION DIRECTIVE, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF DOMESTIC LAW OF THE UK BY VIRTUE OF THE EUWA; OR (III) NOT A "QUALIFIED INVESTOR" AS DEFINED IN ARTICLE 2 OF REGULATION (EU) 2017/1129 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA. CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY THE PRIIPS REGULATION AS IT FORMS PART OF DOMESTIC LAW OF THE UNITED KINGDOM BY VIRTUE OF THE EUWA (THE "**UK PRIIPS REGULATION**") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.

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

MiFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET - SOLELY FOR THE PURPOSES OF EACH MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT: (I) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN THE MiFID II; AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "**DISTRIBUTOR**") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MiFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES

(BY EITHER ADOPTING OR REFINING THE MANUFACTURERS' TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET - SOLELY FOR THE PURPOSE 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 ONLY ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("**COBS**"), AND PROFESSIONAL CLIENTS, AS DEFINED IN REGULATION (EU) NO 600/2014 AS IT FORMS PART OF DOMESTIC LAW OF THE UNITED KINGDOM ("**UK**") BY VIRTUE OF THE EUWA ("**UK MIFIR**"); AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "**DISTRIBUTOR**") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK (THE "**UK MIFIR PRODUCT GOVERNANCE RULES**") IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

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

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

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

This Prospectus may be communicated only to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 of the United Kingdom (the "**FSMA**") does not apply or to persons to whom this document may otherwise lawfully be communicated. As such, this communication is made only to persons in the United Kingdom who (i) have professional experience in matters relating to investments within Article 19 of the FSMA (Financial Promotion) Order 2005 (the "**FPO**") or (ii) are high net worth entities falling within Article 49(2)(a) to (d) of the FPO.

This Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Issuer, the Retention Holder nor the other parties to the Transaction Documents

nor any person who controls any of such person nor any director, officer, employee nor agent of it or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Issuer.

PROSPECTUS

APORTI S.R.L.

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

Euro 64,700,000 Class A Asset Backed Floating Rate Notes due January 2043
Euro 9,500,000 Class B Asset Backed Floating Rate Notes due January 2043
Euro 4,000,000 Class J Asset Backed Fixed Rate and Variable Return Notes due January 2043

*This prospectus (the "**Prospectus**") contains information relating to the issue by Aporti S.r.l., a limited liability company organised under the laws of the Republic of Italy (the "**Issuer**") of the Euro 64,700,000 Class A Asset Backed Floating Rate Notes due January 2043 (the "**Class A Notes**" or the "**Senior Notes**" or the "**Rated Notes**") and the Euro 9,500,000 Class B Asset Backed Floating Rate Notes due January 2043 (the "**Class B Notes**" or the "**Mezzanine Notes**"). In connection with the issuance of the Senior Notes and the Mezzanine Notes, the Issuer will issue the Euro 4,000,000 Class J Asset Backed Fixed Rate and Variable Return Notes due January 2043 (the "**Class J Notes**" or the "**Junior Notes**" and together with the Senior Notes and the Mezzanine Notes, the "**Notes**"). This Prospectus is issued in connection with the issuance of the Notes, pursuant to article 2, paragraph 3, of Italian Law No. 130 of 30 April 1999 (the "**Law 130**" or also the "**Securitisation Law**"), article 7, paragraph 1, letter (c), of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 (the "**EU Securitisation Regulation**") and article 7(1)(c) of the EU Securitisation Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019 (and as may be further amended, supplemented or replaced, from time to time) (the "**UK Securitisation Regulation**", and together with the EU Securitisation Regulation, the "**Securitisation Regulations**"). This Prospectus does not comprise a prospectus with regard to the Issuer and the Notes for the purposes of Article 3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended, the "**Prospectus Regulation**") or under the Prospectus Regulation as it forms part of UK domestic law by virtue of the EUWA in respect of the UK (the "**UK Prospectus Regulation**").*

*This Prospectus constitutes a "prospetto informativo" for the purposes of article 2, paragraph 3, of Italian Law no. 130 of 30 April 1999 (the "**Securitisation Law**"). This Prospectus constitutes also the admission document of the Senior Notes for the admission to trading on the professional segment ("**ExtraMOT PRO**") of the multilateral trading facility "ExtraMOT" ("**ExtraMOT Market**"), which is a multilateral system for the purposes of the Market in Financial Instruments Directive 2014/65/EC, managed by Borsa Italiana S.p.A. ("**Borsa Italiana**"). After the Issue Date, upon instruction of the Senior Noteholders, application may be made to list and admit to trading the Senior Notes on the ExtraMOT PRO of the ExtraMOT Market. The Mezzanine Notes and the Junior Notes will are not being offered pursuant to this Prospectus and no application has been made to list or admit to trading the Mezzanine Notes and the Junior Notes on any stock exchange.* ***Neither the Commissione Nazionale per le Società e la Borsa (CONSOB) or Borsa Italiana have examined or approved the content of this Prospectus.***

*The principal source of payment of interest and repayment of principal on the Notes will be collections and recoveries made in respect of the Portfolio (as defined below). On 22 June 2021 (the "**Reallocation Date**"), the Issuer has implemented a reallocation transaction pursuant to a master allocation agreement (the "**Master Allocation Agreement**"), in the context of which, inter alia, certain monetary receivables classified as non-performing ("*in sofferenza*") – previously purchased by the Issuer, together with other non-performing receivables, from, inter alia, certain Italian banking institutions (collectively, the "**Original Sellers**") in the context of the Aporti 1 Securitisation, the Aporti 3 Securitisation and the Aporti 4 Securitisation (each term as defined below) – have been reallocated in a new segregated compartment (*patrimonio separato*) of the Issuer and will constitute the portfolio of receivables (the "**Receivables**" and the "**Portfolio**") backing the Notes. The Transaction (as defined below) (including for avoidance of doubt the issuance of the Notes) is carried out and takes place without any involvement whatsoever of the Original Sellers. The Receivables comprised in the Portfolio, arising from secured and unsecured loans whose debtors (the "**Assigned Debtors**") have been classified as non-performing (*debitori classificati a sofferenza*), have been originally purchased by the Issuer under the terms of five transfer agreements: (i) a transfer agreement executed on 15 November 2018, (ii) a transfer agreement executed on 19 September 2019, (iii) a transfer agreement executed on 23 December 2019 and (iv) two transfer agreements executed on 20 October 2020 (collectively, the "**Transfer Agreements**" and, each of them, a "**Transfer Agreement**").*

If the Notes cannot be redeemed in full on the Final Maturity Date following the application of all funds available, as a result of the Issuer having insufficient funds available to it in accordance with the Conditions for application in or towards such redemption, the Issuer will have no other funds available to it to be paid to the Noteholders, because the Issuer has no assets other than those described in this Prospectus.

If any amounts remain outstanding in respect of the Notes upon expiry of the Final Maturity Date, such amounts (and the obligations to make payments in their respect) will be deemed to be released by the Noteholders and the Notes will be cancelled. The amount and timing of repayment of principal under the Receivables will affect also the yield to maturity of the Notes which cannot be predicted.

*The Notes will be subject to mandatory redemption in whole or in part on each Payment Date. Unless previously redeemed in accordance with their applicable terms and conditions (the "**Conditions**"), the Notes will be redeemed on the Payment Date falling in January 2043 (the "**Final Maturity Date**"). The Notes of each Class will be redeemed in the manner specified in Condition 6 (Redemption, Purchase and Cancellation). Before the Final Maturity Date, the Notes may be redeemed at the option of the Issuer at their Principal Amount Outstanding together with accrued interest to the date fixed for redemption under Condition 6.2 (Redemption for Taxation) and Condition 6.4 (Optional Redemption).*

*Interest on the Notes started accruing from 28 June 2021 (the "**Issue Date**") and will be payable on the Payment Date falling in January 2022 (the "**First Payment Date**") and thereafter semi-annually in arrears on January and July in each year, or, if such day is not a Business Day (as defined in the Conditions), the immediately preceding Business Day (each a "**Payment Date**"). The Notes will bear interest from (and including) a Payment Date to (but excluding) the next following Payment Date (each an "**Interest Period**") provided that the first Interest Period (the "**Initial Interest Period**") begins on (and includes) the Issue Date and ends on (but excludes) the First Payment Date.*

*The Class A Notes shall bear interest at an annual rate equal to the Euro-Zone Inter-bank offered rate for six months deposits in Euro (the "**Six Month EURIBOR**") (or in the case of the Initial Interest Period, the linear interpolation between the Euro-Zone Inter-bank offered rate ("**Euribor**") for 6 (six) and 12 (twelve) months deposits in Euro) plus a margin of 2.80% per annum for the Class A Notes (the "**Class A Notes Interest Rate**") provided that, for the above purpose, should the Six Month EURIBOR be lower than zero, it shall be deemed to be zero.*

*The rate of interest applicable from time to time in respect of the Class B Notes (the "**Class B Notes Interest Rate**") for each Interest Period (other than the Initial Interest Period in respect of which the Class B Notes Interest Rate shall be the aggregate of the Class B Notes Capped Interest Rate and the linear interpolation between 6 (six) and 12 (twelve) months deposits in Euro) shall be equal to the aggregate of:*

*(a) 7.5 per cent. per annum (the "**Class B Notes Capped Interest Rate**"); and*

*(b) the higher of (i) zero and (ii) the Six Month EURIBOR (the "**Class B Notes Deferred Interest Rate**").*

*The fixed rate of interest applicable to the Class J Notes for each Interest Period, including the Initial Interest Period, shall be 10% per annum (the "**Class J Notes Interest Rate**"). The Class J Notes bear, in addition to interest, the Class J Notes Variable Return.*

All payments of principal, interest and Variable Return on the Notes will be made free and clear of any withholding or deduction for Italian withholding taxes, subject to the requirements of Legislative Decree No. 239 of 1 April 1996 as amended by Italian law No. 409 of 23 November 2001 and as subsequently amended and supplemented or for or on account of FATCA legislation (and namely (i) sections 1471 to 1474 of the Code of Laws of the US Internal Revenue of 1986, any related regulation and any official interpretation; (ii) any treaty, law or regulation of any other jurisdiction or relating to an intergovernmental agreement between the US and any other jurisdiction in relation to the provisions referred to in limb (i) above, and (iii) any agreement with any US governmental and/or taxation authority relating to the implementation of any law, treaty and/or regulation referred to in limbs (i) and (ii) above), unless the Issuer is required by any applicable law to make such a withholding or deduction. If any withholding tax is applicable to the Notes, payments of interest on, and principal of the Notes will be made subject to such withholding tax, without the Issuer or any other Person being obliged to pay any additional amounts to any holder of Notes of any Class as a consequence. For further details see the section entitled "Taxation in the Republic of Italy".

*The Notes will be held in dematerialised form on behalf of the Noteholders as of the Issue Date until redemption or cancellation thereof by Monte Titoli S.p.A. ("**Monte Titoli**") for the account of the relevant Monte Titoli Account Holders (as defined below). The expression "**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli and includes any depository banks appointed by Clearstream Banking S.A. ("**Clearstream**") and Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**"). Monte Titoli shall act as depository for Clearstream and Euroclear. The Notes will at all times be evidenced by book-entries in accordance with the provisions of Article 83-bis of the Legislative Decree No. 58 of 24 February 1998 and with Regulation jointly issued by Commissione Nazionale per le Società e la Borsa ("**CONSOB**") and the Bank of Italy on 13 August 2018, as amended from time to time.*

*On issue, the Class A Notes have been rated Baa2(sf) by Moody's Italia S.r.l. ("**Moody's**") and BBB(sf) by Scope Ratings GmbH ("**Scope**"). As of the date of this Prospectus, Moody's is established in the European Union and was registered on 31 October 2011 and Scope is established in the European Union and was registered on 24 May 2011, in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No. 513/2011 and Regulation (EU) No. 462/2013 of the European Parliament and of the Council of 11 May 2011 (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 (currently located at the following website address http://www.esma.europa.eu/page/List-registered-and-certified-CRAs, for the avoidance of doubt, such website does not constitute part of this Prospectus (the "**ESMA Website**"). No rating will be assigned to the Class B Notes and the Class J Notes.* ***A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal by the assigning rating organisation.***

*The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any other jurisdiction. Accordingly, the Notes are being offered and/or sold only outside the United States in accordance with Regulation S under the Securities Act and may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. In any event, no Notes may be purchased by, or sold or transferred to, or for the account of a Risk Retention U.S. Person. See the section headed "Subscription, Sale and Selling Restriction".*

*The Issuer is relying on the exemption from the definition of "investment company" under Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "**Investment Company Act**"). Accordingly, no Notes may be sold, assigned or transferred to a U.S. person except to a "qualified purchaser" (as defined in the Investment Company Act). The Issuer intends to take the position that it is not a "covered fund" for purposes of the Volcker Rule under the Dodd-Frank Act (both as defined herein) in reliance on the "loan securitization exemption" thereunder. No assurance can be given as to the availability of the "loan securitization exemption" under the Volcker Rule and investors should consult their own legal and regulatory advisors with respect to such matters and assess for themselves the availability of this or other exemptions or exclusions and the legality of their investment in the Notes.*

*The Notes have, upon issue, been subscribed by illimity Bank S.p.A. ("**illimity**"). illimity (as Initial Notes Subscriber) may use the Notes, in full or in part, as collateral in repurchase transactions and/or as collateral in connection with liquidity and/or open market operations with qualified investors. Interests of any repo counterparty and/or securities lending counterparty (and expression of voting rights) may not be aligned to the interest of the other Noteholders.*

Illimity, acting as "originator" (within the meaning ascribed to such term in Article 2, paragraph 3, letter (b) of the Securitisation Regulations) according to the Securitisation Regulations, has undertaken, under the Intercreditor Agreement and the Notes Subscription Agreement, to retain at the Issue Date and maintain on an ongoing basis throughout the entire life of the Transaction a material net economic interest of at least 5% in the Transaction in accordance with option (3)(a) of article 6 of the Securitisation Regulations

***U.S. RISK RETENTION** The transaction is not intended to involve the retention by a sponsor for purposes of compliance with the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the "**U.S. Risk Retention Rules**"), but rather it is intended to rely on an exemption provided for in Rule 20 of the U.S. Risk Retention Rules regarding non U.S. transactions. Accordingly, the Notes may not be purchased by, or assigned or transferred to, or for the account or benefit of, any Risk Retention U.S. Person.*

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

***UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** - Solely for the purpose 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 only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom ("**UK**") by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**EUWA**") ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.*

***BENCHMARKS REGULATION** Amounts payable under the Class A Notes are calculated by reference to the EURIBOR which are respectively provided by the European Money Markets Institute with its office in Brussels, Belgium (the "**Administrator**"). As at the date of this Prospectus, the Administrator of Euribor is included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) (the "**Benchmarks Regulation**").*

***PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97, as amended, (the "**IDD**"),*

*where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.*

***PROHIBITION OF SALES TO UK RETAIL INVESTORS** - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the United Kingdom by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA; or (iii) not a "qualified investor" as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.*

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

Dated 28 June 2021

Responsibility Statement

None of the Issuer, the Representative of the Noteholders or any other party to any of the Transaction Documents (as defined below), other than the Retention Holder, has undertaken or will undertake any investigations, searches or other actions to verify details of the Receivables included in the Portfolio, nor on the real estate assets, mortgages or other guarantees securing the Receivables nor have the Issuer, the Representative of the Noteholders or any other party to any of the Transaction Documents, other than the Retention Holder, undertaken, nor will they undertake, any investigations, searches or other actions to establish the existence of any of the monetary receivables in the Portfolio nor the real estate assets, mortgages or other guarantees securing the Receivables or the creditworthiness of any debtor in respect of the Receivables.

The Issuer

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

The Calculation Agent, the Back-up Master Servicer and the Representative of the Noteholders

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

The Corporate Services Provider

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

The Monitoring Agent

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

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

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

The Cap Counterparty

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

The Servicer

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

The Selected Delegate

Prelios Credit Solutions S.p.A. has provided the information included in this Prospectus in the section headed "The Selected Delegate" and accepts responsibility for the information contained in that section. To the best of the knowledge and belief of Prelios Credit Solutions S.p.A. (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. Save as aforesaid, Prelios Credit Solutions S.p.A. has not, however, been involved in the preparation of, and does not accept responsibility for, this Prospectus or any part hereof.

The Retention Holder, the Initial Notes Subscriber and the Limited Recourse Loan Provider

illimity Bank S.p.A. has provided the information included in this Prospectus in the relevant parts of the sections headed "The Retention Holder, the Initial Notes Subscriber and the Limited Recourse Loan Provider" and "The Portfolio" and accepts responsibility for the information contained in that section. To the best of the knowledge and belief of illimity Bank S.p.A. (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. Save as aforesaid, illimity Bank S.p.A. has not, however, been involved in the preparation of, and does not accept responsibility for, this Prospectus or any part hereof.

General Responsibility Statement

The Original Sellers have not been involved in the preparation of this Prospectus and the Transaction Documents and are not party to the Transaction Documents and do not assume any liability in relation to this Prospectus or any section hereof or any Transaction Documents. This Prospectus and all the sections

hereof have been prepared by the relevant parties of the Transaction based on information acquired and processed by the relevant party autonomously.

No Person has been authorised to give any information or to make any representation not contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer or any other party to the Transaction Documents. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall, under any circumstances, constitute a representation or create any implication that there has been no change, or any event reasonably likely to involve any change, in the condition (financial or otherwise) of the Issuer, the information contained herein since the date of this Prospectus or that the information contained herein is correct as at any time subsequent to the date of this Prospectus.

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

The Notes will not be obligations or responsibilities of, or guaranteed by, the Retention Holder, the Quotaholders and any other party to the Transaction Documents other than the Issuer. Furthermore, no Person and none of such parties (other than the Issuer) accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes.

*Both before and after a winding-up of the Issuer, the Issuer's rights, title and interest in and to the Portfolio and the other Issuer's Rights (as defined in the Conditions) and to all amounts deriving therefrom will be available exclusively for the purposes of satisfying the Issuer's obligations to the Noteholders, the Other Issuer Creditors and any other third party creditors in respect of any taxes, costs, fees or expenses incurred by the Issuer in relation to the securitisation of the Portfolio (the "**Transaction**") and to the corporate existence and good standing of the Issuer. The "**Other Issuer Creditors**" are the Servicer, the Selected Delegate, the Back-up Master Servicer, the Monitoring Agent, the Representative of the Noteholders, the Agent Bank, the Cap Counterparty, the Retention Holder, the Account Bank, the Paying Agent, the Corporate Services Provider, the Cash Manager, the, the Limited Recourse Loan Provider and the Calculation Agent. The Noteholders will agree that the Issuer Available Funds (as defined below in the Conditions) will be applied by the Issuer in accordance with the orders of priority of application of the Issuer Available Funds set forth in the Intercreditor Agreement (the "**Priority of Payments**").*

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

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

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

*The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any other jurisdiction. Accordingly, the Notes are being offered and sold only outside the United States in accordance with Regulation S under the Securities Act and may not be offered or sold or delivered directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. In any event, no Notes may be purchased by or sold or transferred to or for the account of a Risk Retention U.S. Person. See the section entitled "Subscription, Sale and Selling Restrictions" (below).*

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

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

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

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

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

*In this Prospectus references to "**Euro**", "**EUR**", "**€**" and "**cents**" are to the single currency introduced in the member states of the European Union which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957, as amended by, inter alia, the Single European Act 1986, the Treaty of European Union of 7 February 1992 establishing the European Union and the European Council of*

Madrid of 16 December 1995 and the Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community of 1 December 2009.

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RISK FACTORS

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

The Issuer believes that the factors described herein represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest and principal on the Notes may, exclusively or concurrently, occur for other unknown reasons. While the various structural elements described in this Prospectus are intended to lessen some of these risks for holders of the Notes, there can be no assurance that these measures will be sufficient or effective to ensure payment to the holders of the Notes of interest and repayment of principal on the Notes on a timely basis or at all.

Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations. Words and expressions defined in the Conditions or elsewhere in this Prospectus have the same meanings in this section.

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

1. RISK FACTORS RELATED TO THE ISSUER

Issuer's ability to meet its obligations under the Notes

The Notes constitute direct, secured limited recourse obligations solely of the Issuer. In particular, the Notes will not be obligations or responsibilities of or guaranteed by the Original Sellers, the Servicer, the Selected Delegate, the Back-up Master Servicer, the Representative of the Noteholders, the Calculation Agent, the Account Bank, the Paying Agent, the Cap Counterparty, the Cash Manager, the Agent Bank, the Corporate Services Provider, the Quotaholders, the Monitoring Agent, the Limited Recourse Loan Provider, the Retention Holder, the initial Noteholders or any other party to the Transaction Documents other than the Issuer. Furthermore, none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes.

The Issuer does not, as of the Issue Date and as of the date of this Prospectus, have any significant assets other than the Portfolio and the other Issuer's Rights in order to meet its obligation under the Notes.

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

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

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent upon the Issuer's

actual receipt of collections made on its behalf by the Servicer with respect to the Portfolio, any payments made by the Cap Counterparty under the Cap Agreement and any other amounts received by the Issuer pursuant to the provisions of the other Transaction Documents to which it is a party.

In this regard it shall be considered that each of the Noteholders, the Representative of the Noteholders and the Other Issuer Creditors under the Intercreditor Agreement undertakes not to (directly or by means of any other person acting on behalf of them) institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, winding up, re-organisation, arrangement, insolvency or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations relating to the Notes or the other documents relating to the issue of the Notes for one year (or two years in case of early redemption of the Notes) and one day after the latest date on which the Notes are due to mature.

Liquidity and credit risk

The Issuer is subject to a liquidity risk in case of delay between the expected timing of receipt of recoveries and collections and the actual receipt of payments from the Assigned Debtors and/or the relevant guarantors (if any). This risk is addressed in respect of the Notes through the support provided to the Issuer: (i) in respect of interest payments on the Class A Notes, by the amount standing to the credit of the Cash Reserve Account; and (ii) in respect of interest payments on the Class A Notes, to the extent that such liquidity risks may relate to variations in interest rates, the Cap Counterparty under the Cap Agreement.

However, it should be noted that amounts available to the Issuer under the cash reserves are limited to a maximum aggregate amount equal to, in relation to the Cash Reserve Amount (i) on the Issue Date, the Initial Cash Reserve; and (ii) and on each Payment Date thereafter, the Target Cash Reserve Amount.

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

The ability of the Issuer to make payments in respect of the Notes will depend to a significant extent upon the due performance by the other parties to the Transaction Documents of their respective various obligations under the Transaction Documents to which they are parties. The performance of such parties of their respective obligations under the relevant Transaction Documents is dependent, *inter alia*, on the solvency of each relevant party.

In particular, the Issuer's ability to make payments in respect of the Notes will be dependent on the ability of the Servicer to service the Portfolio, which will be given the necessary authority to manage legal enforcement proceedings and to collect and realise the Receivables in accordance with the provisions of the Servicing Agreement and there can accordingly be no assurance that the level of recoveries received from the Portfolio together with any other available funds of the Issuer will be adequate to ensure timely and full receipt of amounts due under the Notes.

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

In addition, among other things, the timely payment of amounts due on the Notes will depend upon the continued availability of hedging under the Cap Agreement. Prospective Noteholders should note that the Cap Counterparty might terminate the Cap Agreement if a Trigger Event occurs and has not been remedied within the relevant grace periods (see also "*Risk Factors - Interest rate risk"* and *"Description of the Transaction Documents - The Cap Agreement*").

In addition, the Issuer's ability to make payments in respect of the Notes may depend to an extent upon the Original Seller's performance of its indemnification obligations assumed under the Transfer Agreements (if any) and from the indemnification obligations assumed under the Master Allocation Agreement by illimity or Neprix (as special servicer of the Existing Securitisations from which the

Receivables have been reallocated). In particular, in the event that an Original Seller, illimity and/or Neprix becomes subject to insolvency or similar proceedings, it would no longer be in a position to meet its indemnification obligations to the Issuer under the Transfer Agreements and/or the Master Allocation Agreement. In such case, any payments made by the Original Seller, illimity or Neprix as indemnity under the Transfer Agreements and/or the Master Allocation Agreement (as the case may be) may be subject to ordinary claw back regime under Italian law.

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

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

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

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

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

Certain material interests

Certain parties to the transaction may perform multiple roles. In particular, *inter alia*: (i) illimity Bank S.p.A. is, in addition to being the Retention Holder of the Transaction, also and *inter alia* the Limited Recourse Loan Provider and the Initial Notes Subscriber; (ii) Banca Finanziaria Internazionale S.p.A. is, in addition to being the Representative of the Noteholders, also the Back-up Master Servicer and the Calculation Agent; (iii) BNP Paribas Securities Services, Milan Branch is, in addition to being the Account Bank, also the Cash Manager, the Paying Agent and the Agent Bank.

Accordingly, conflicts of interest may exist or may arise as a result of parties to the Transaction:

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

(B) having multiple roles in the Transaction;

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

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

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

(D) carrying out other transactions for third parties.

The interests or obligations of the aforementioned parties, in their respective capacities with respect to such other roles may in certain aspects conflict with the interests of the Noteholders. The aforementioned parties may engage in commercial relationships and provide general banking, investment and other financial services to the Assigned Debtors and other parties. In such relationships the aforementioned parties are not obliged to take into account the interests of the Noteholders.

However, it is to be considered that illimity Bank S.p.A. as well as any illimity Bank S.p.A. holding company, any illimity Bank S.p.A. subsidiary and/or any other company of the banking group to which illimity Bank S.p.A. belongs are a Disenfranchised Noteholder in accordance with the Rules of the Organisation of the Noteholders and consequently the Notes which are from time to time held each of them shall (unless and until ceasing to be so held) be deemed not to remain "outstanding" for the purposes of the right to vote at any Meeting of Noteholders duly convened by the Representative of the Noteholders in accordance with the Conditions and the Rules of the Organisation of the Noteholders other than, as long as illimity holds not less than 100% of the Senior Notes, any Meeting convened to resolve on any of the following matters: (i) for voting on a Basic Term Modification, and (ii) items (i) and (j) of Article 20 of the Rules of the Organisation of the Noteholders and (iii) to direct the Issuer to submit an application for the Senior Notes to be admitted to trading on the ExtraMOT PRO segment of Borsa Italiana. In addition, the Servicer intends to continue to service and actively manage assets and loans for third parties other than the Issuer, including existing and future portfolios of assets similar to the Portfolio, in the ordinary course of its business. During the course of its business activities, the Servicer may service mortgage loans and properties which are in the same markets or have the same debtors and/or guarantors and/or social security administration as the Receivables. Certain personnel of the Servicer may perform services with respect to the Portfolio at the same time as they are performing services with respect to assets in the same markets as the Receivables.

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

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

However, it is to be considered that illimity Bank S.p.A. as well as any illimity Bank S.p.A. holding company, any illimity Bank S.p.A. subsidiary and/or any other company of the banking group to which illimity Bank S.p.A. belongs are a Disenfranchised Noteholder in accordance with the Rules of the

Organisation of the Noteholders and consequently shall not be entitled to appoint any member of the Investors Committee notwithstanding the holding of any Notes.

In addition, illimity Bank S.p.A. (as Initial Notes Subscriber) and/or any assignee of the Notes, may use the Notes, in full or in part, as collateral in repurchase transactions and/or as collateral in connection with liquidity and/or open market operations with qualified investors. Prospective Noteholders should be aware that interests of any repo counterparty and/or securities lending counterparty (and expression of voting rights) may not be aligned to the interest of the other Noteholders.

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

Issuer reliance on third parties

The Issuer is party to contracts with a number of third parties in addition to the Servicer, who have agreed to perform services in relation to the Transaction. In particular, but without limitation, the Account Bank has agreed to hold and manage the Issuer's Accounts pursuant to the Cash Administration and Agency Agreement; the Corporate Services Provider has agreed to provide certain corporate and administrative services to the Issuer pursuant to the Corporate Services Agreement; the Paying Agent has agreed to provide services with respect to the Notes pursuant to the Cash Administration and Agency Agreement and the Cap Counterparty has agreed to provide hedging to the Issuer pursuant to the Cap Agreement.

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

Claims of unsecured creditors of the Issuer

By operation of the Securitisation Law, the right, title and interest of the Issuer in and to the Portfolio and the other Issuer's Rights shall be segregated from all other assets of the Issuer (including, for the avoidance of doubt, from assets relating to other securitisations carried out by the Issuer pursuant to the Securitisation Law, including the Existing Securitisations) and amounts deriving therefrom (for so long as such amounts are credited to one of the Issuer's accounts under the Transaction and not commingled with other sums) shall be available on a winding up of the Issuer only to satisfy the Issuer's obligations to the Noteholders and to pay other costs of the Securitisation. Amounts derived from the Portfolio and the other Issuer's Rights (for as long as such amounts are credited to one of the Issuer's accounts under the Transaction and not commingled with other sums) will not be available to any other creditors of the Issuer. However, under Italian law, any other creditor of the Issuer would be able to commence insolvency or winding up proceedings against the Issuer in respect of any unpaid debt.

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

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

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

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

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

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

However, the corporate purpose of the Issuer as contained in its by-laws is limited and the Issuer has also agreed to certain covenants in the Intercreditor Agreement and the Conditions restricting the activities that may be carried out by the Issuer and has furthermore covenanted not to enter into any transaction that is not contemplated in the Transaction Documents (without prejudice to the Existing Securitisations). To the extent that the Issuer has creditors of the Transaction not being party to the Transaction Documents (including the Original Sellers), the Issuer has established the Expenses Account and the Recovery Expenses Reserve Account and the funds therein may be used (i) in relation to the Expenses Account, for the purposes of paying the ongoing fees, costs, expenses and taxes of the Issuer to third parties, excluding the Other Issuer Creditors, in respect of the Securitisation, to the extent that payment of such fees, costs, expenses and taxes is not deferrable to the immediately succeeding Payment Date; and (ii) in relation to the Recovery Expenses Reserve Account, the purposes of paying the Recovery Expenses.

In addition, prospective Noteholders should be aware that, as at the date of this Prospectus, the Issuer is a multi-compartment vehicle and it has already engaged four securitisation transactions carried out in accordance with the Securitisation Law. Although the parties to the intercreditor agreement executed in connection with the Existing Securitisations and the holders of the notes issued in the context of such Existing Securitisations have accepted non-petition provisions and limited recourse provisions in every material respect equivalent to those provided in the Transaction Documents, no guarantee can be given that such parties to the relevant Existing Securitisation will comply with the contractual provisions set out in the relevant transaction documents in this respect. Furthermore, under Italian law, also any other creditor of the Issuer in respect of any Existing Securitisations would be able to commence insolvency or

winding up proceedings against the Issuer in respect of any unpaid debt.

Sharing with other creditors

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

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

Eligible Investments

Upon approval of the Investments Guidelines by the Investors Committee, funds on deposit in certain Issuer's Accounts may be invested through the Investment Account in Eligible Investments by the Issuer through the Cash Manager (if and when so directed by the Monitoring Agent, who will act on the basis of a resolution of the Investors Committee) pursuant to the Cash Administration and Agency Agreement. The investments must have appropriate ratings depending on the term of the investment and the term of the investment instrument, as provided by the Eligible Investment definition. However, it may be that, irrespective of any such rating, such investments will be irrecoverable due to the insolvency of the debtor under the investment.

None of the Cash Manager nor any other party will be responsible for any loss or shortfall deriving therefrom.

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

Existing Securitisations and further securitisations

The Issuer is a multi-compartment vehicle under the Securitisation Law and it has already engaged four securitisation transactions carried out in accordance with the Securitisation Law.

In particular, the Receivables had been previously purchased by the Issuer, together with other non-performing receivables, from the Original Sellers in the context of the Aporti 1 Securitisation, the Aporti 3 Securitisation and the Aporti 4 Securitisation (such terms as defined under the Conditions), carried out pursuant to the Securitisation Law prior to the date hereof and which will continue to survive following the implementation of the Securitisation with respect to a number of non-performing exposures, other than the Receivables, purchased by the Issuer thereunder. In addition, the Issuer has also carried out the Aporti 2 Securitisation (such term as defined under the Conditions), whose claims have not been reallocated to the compartment dedicated to the Securitisation.

For further details please see the section headed "*Claims of unsecured creditors of the Issuer*".

In addition, the Issuer may purchase and securitise further portfolios of monetary receivables in addition to the Portfolio subject to the provisions of Condition 3.11 (*Covenants – Further Securitisation*). Pursuant to such Condition, it is a condition precedent, *inter alia*, to any such further securitisation that (i) the Rating Agencies have been notified in writing of the Issuer's intention to carry out a Further Securitisation; and (ii) provided that any such Further Securitisation would not adversely affect the then current rating of any of the Rated Notes. See Condition 3.11 (*Covenants - Further Securitisations*).

Under the terms of article 3 of the Securitisation Law, the assets relating to each individual securitisation transaction (including the Existing Securitisations) will, by operation of law, be segregated for all purposes from all other assets of the company that purchases the receivables. On a winding up of such a company, the assets of any compartment will only be available to holders of the notes issued to finance

the acquisition of the relevant receivables and to certain creditors claiming payment of debts incurred by such company in connection with the securitisation of the relevant assets. 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 issuing company.

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

2. RISKS RELATED TO THE NATURE OF THE NOTES

Limited Recourse nature of the Notes

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

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

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

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

Subordination

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

Interest rate risk

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

determined on each Interest Determination Date, subject to and in accordance with the Conditions. As a result, there could be a rate mismatch between interest accruing on the Class A Notes and the Class B Notes and on the Portfolio.

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

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

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

Termination of the Cap Agreement

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

The Cap Agreement contains certain limited termination events and events of default which will entitle either party to terminate the Cap Transaction (see for further details "*Description of the Transaction Documents*"). In case of an early termination of the Cap Agreement, unless one or more comparable interest rate caps are entered into, the Issuer may have insufficient funds to make payment under the Notes and this may result in a downgrading of the rating of the Rated Notes.

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

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

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

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

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

Limited Enforcement Rights

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

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

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

The Conditions and the Intercreditor Agreement contain provisions regarding the fact that the Representative of the Noteholders shall, as regards the exercise and performance of all its powers, authorities, duties and discretion have regard to the interests of all Class of Noteholders and the Other Issuer Creditors provided that if, in the opinion of the Representative of the Noteholders (i) there is a conflict between their interests, the Representative of the Noteholders will have regard solely to the interests of the Noteholders; or (ii) there is a conflict between the interests of the holders of different Classes (without prejudice to the matters which are to be resolved upon by one or more specific Class(es) of Noteholders pursuant to the Rules of the Organisation of the Noteholders), the Representative of the Noteholders will consider only the interests of the holders of the Most Senior Class of Notes then outstanding; or (iii) there is a conflict between the interests of the Other Issuer Creditors, then the Representative of the Noteholders shall have regard to the interests of whichever of the Other Issuer Creditors ranks higher in the Priority of Payments for the payment of the amounts therein specified or, in respect of any matter which relates to the Cap Counterparty, of the Cap Counterparty, in all cases acting in compliance with the Transaction Documents.

Noteholders' directions and resolutions following delivery of a Trigger Notice

At any time after a Trigger Notice has been delivered and to the extent that an Extraordinary Resolution of the holders of the Most Senior Class of Notes resolves to request the Issuer to sell all (but not only a part) of the Portfolio, the Representative of the Noteholders in the name and on behalf of the Issuer shall be entitled to sell the whole Portfolio by organising through external advisers a competitive bid process to such purpose (the "**Bid Process**"). The Bid Process procedure shall be carried out in compliance with the best practices of the industry and in line with transparency standards, in order to maximize the purchase price of the Portfolio and the Representative of the Noteholders will be able to sell the Portfolio to the selected party only if the proceeds deriving from the sale of the Portfolio will be applied in accordance with the applicable Priority of Payments.

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

Limited nature of credit ratings assigned to the Rated Notes

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

reliability of the payments on the Portfolio and the availability of credit enhancement.

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

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

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

The Issuer has not requested a rating of the Rated Notes by any rating agency other than the Rating Agencies. However, credit rating agencies other than the Rating Agencies could seek to rate the Notes and, if such unsolicited ratings are lower than the comparable ratings assigned to the Rated Notes by the Rating Agencies, those shadow ratings could have an adverse effect on the value of the Notes. For the avoidance of doubt and unless the context otherwise requires, any references to "ratings" or "rating" in this Prospectus are to ratings assigned by the specified Rating Agencies only.

Limited secondary market and liquidity risk

There is not at present an active and liquid secondary market for the Notes.

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

Although after the Issue Date an application may be made for the Senior Notes to be admitted to trading on the professional segment ("**ExtraMOT PRO**") of the multilateral trading facility "ExtraMOT" managed by Borsa Italiana S.p.A., there can be no assurance that a secondary market for the Senior Notes will develop or, if a secondary market does develop in respect of any of the Senior Notes, that it will provide the holders of the Senior Notes with the liquidity of investments or that it will continue until the final redemption or cancellation of such Senior Notes. Consequently, any purchaser of any of the Senior Notes must be prepared to hold such Notes to maturity.

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

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

Moreover, the current liquidity crisis has stalled the primary market for a number of financial products, including instruments similar to the Notes. While it is possible that the current liquidity crisis may soon alleviate for certain sectors of the global credit markets, there can be no assurance that the market for securities similar to the Notes will recover at the same time or to the same degree as such other recovering global credit market sectors. Consequently, an investor in the Notes may not be able to sell or acquire

credit protection on its Notes readily and market values of the Notes are likely to fluctuate. Any of these fluctuations may be significant and could result in significant losses to Noteholders.

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

Suitability

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

Investment in the Notes is only suitable for investors who:

1. have the requisite knowledge and experience in financial and business matters to evaluate such merits and risks of an investment in the Notes;
2. have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation;
3. are capable of bearing the economic risk of an investment in the Notes; and
4. recognise that it may not be possible to dispose of the Notes for a substantial period of time, if at all.

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

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

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

3. RISKS RELATED TO THE PORTFOLIO

Nature of the Receivables

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

The recovery of overdue amounts in respect of the Receivables (and/or other claims comprised in the Portfolio) will be affected by the length of enforcement proceedings in respect of the Receivables (and/or other claims comprised in the Portfolio), which in the Republic of Italy can take a considerable amount of time depending on the type of action required and where such action is taken. Factors which can have a significant effect on the length of the proceedings include the following: (i) certain courts may take longer than the national average to enforce the Receivables (ii) more time will be required for the proceedings if

it is necessary to first obtain a payment injunction (*decreto ingiuntivo*) or if the Assigned Debtor and/or guarantor raises a defense or a counterclaim to the proceedings; (iii) opposition by the relevant Assigned Debtors; (iv) Assigned Debtors becoming subject to bankruptcy proceedings.

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

Risks related to Covid-19

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

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

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

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

Italian Government measures

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

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

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

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

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

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

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

No independent investigation in relation to the Portfolio

Neither the Issuer nor any other party to the Transaction Documents has undertaken or will undertake any investigation, searches or other actions to verify the details of the Receivables reallocated in the new segregated compartment (*patrimonio separato*) of the Issuer related to the Transaction nor of the real estate assets, mortgages or other guarantees securing the Receivables, nor of the Loan Agreements nor of any other document, agreement and/or deed related to the Loan Agreement and/or the Receivables, nor has any of such persons undertaken, nor will any of them undertake, any investigations, searches or other actions in order to, *inter alia* and without limitation, establish the existence and the total claim amount of any of the monetary receivables in the Portfolio nor of the real estate assets, mortgages or other guarantees securing the Receivables or any rights thereunder or establish the creditworthiness of any Assigned Debtors.

Neither the Issuer nor any other party to the Transaction Documents has carried out any due diligence in respect of the Loan Agreements, the real estate assets, mortgages or other guarantees securing the Receivables, nor any other document, agreement and/or deed related to the Loan Agreement and/or the Receivables in order to, *inter alia* and without limitation, (i) establish the existence and the total claim amount of any of the monetary receivables in the Portfolio nor of the real estate assets, mortgages or other guarantees securing the Receivables nor any rights thereunder; and (ii) ascertain whether or not the Loan Agreements or any other document, agreement and/or deed related to the Loan Agreement and/or the Receivables contain provisions limiting the transferability of the Receivables.

The Issuer has entered into the relevant Transfer Agreements with the Original Sellers in the context of the Existing Securitisations on the basis of, and upon reliance on, the representations and warranties given by the Original Sellers in the Transfer Agreements and has entered into the Master Allocation Agreement in the context of the Securitisation also on the basis of, and upon reliance on, the representations and warranties given by illimity and/or Neprix (as special servicer of the Existing Securitisations), as the case may be, in such 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 entity which made the relevant representation or warranty indemnifies the Issuer for the damages deriving therefrom. However, it has to be noted that the above mentioned guarantee is enforceable by the Issuer only for certain damages and subject to certain conditions being met and it is limited by certain carve-outs, limitations, exclusions and/or exceptions of responsibility of the relevant entity as detailed in the

Transfer Agreements or the Master Allocation Agreement, as the case may be, and, in any case, it is (or was, as the case may be) enforceable for a limited period of time after the signing of the Transfer Agreements occurred in the context of the Existing Securitisations (with reference to the Original Sellers) and/or after the signing of the Master Allocation Agreement (with reference to illimity and/or Neprix) and therefore if the Issuer becomes aware of a breach of such representations following the period of validity thereof or in case such carve-outs, limitations, exclusions and/or exceptions of responsibility of the relevant entity are applicable, then the Issuer will not be entitled to claim payments by the entity which made the relevant representation or warranty under the relevant indemnity obligations. In addition, it should also be noted that the above mentioned indemnity obligations are subject to liability thresholds and caps and therefore if the relevant entity's liability does not reach the relevant threshold, no indemnity will be due by such entity to the Issuer and if the relevant entity's liability exceeds the relevant cap, no indemnity will be due by the relevant entity to the Issuer in respect of the portion of the relevant entity's liability exceeding the relevant cap.

The indemnification obligations undertaken by the Original Sellers under the Transfer Agreements and/or by illimity and Neprix under the Master Allocation Agreement, to the extent not expired as detailed above, are unsecured claims of the relevant entity and no assurance can be given that the relevant entity can or will pay the relevant amounts if and when due.

Any prospective investor in the Mezzanine Notes and Junior Notes shall, prior to making its investment decision, carefully read, review, consider and evaluate, *inter alia* and without prejudice to any other risks factors included in this Prospectus, any documentation contained in the Virtual Data Room (as defined under the section "*The Portfolio*").

Servicing of the Portfolio

Servicing Agreement

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

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

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

The Portfolio is made of non-performing Receivables and thus the recoveries depend largely on the ability of the Servicer to manage the Portfolio in accordance with the Initial Portfolio Base Case Scenario which is prepared also taking into account, *inter alia,* the Receivables amount, the value of the underlying real estate assets, the status of the relevant judicial proceedings and all the costs that may be incurred in the recovery process. In particular, the Initial Portfolio Base Case Scenario is deposited at the office of the Representative of the Noteholders. See for further details "*Initial Portfolio Base Case Scenario*".

However, it should be noted that the Covid-19 outbreak and its effects may negatively impact the recoveries on the Receivables and the value of the underlying real estate assets (for more details please refer to the risk factor "*Risks related to Covid-19*").

Pursuant to the Servicing Agreement, the external legal counsels appointed in relation to the recovery of the Portfolio will be paid directly by the Issuer (or, in case the Servicer will perform the Master Legal Services ("*Servizio di Master Legal*"), by the Servicer – or its sub-delegated – which, after such payment, will issue the relevant invoice to the Issuer) mainly applying the funds standing to the credit of the Recovery Expenses Reserve Account.

Replacement of the Servicer

Following the occurrence of a termination of the Servicer under the Servicing Agreement only for the performance of the Master Servicer Activities and the relevant obligations thereunder, the Master Servicer Activities will be accomplished by the Back-up Master Servicer in accordance with the terms of the Back-up Master Servicing Agreement or by a different substitute in accordance with the terms of the Servicing Agreement.

If, in addition to the termination of the Servicer for the performance of the Master Servicer Activities, the appointment of Prelios Credit Servicing S.p.A. is terminated also with reference to the Special Servicer Activities, the Back-up Master Servicer shall appoint a special servicer for the performance of the Special Servicer Activities.

There can be no assurance that the Back-up Master Servicer will find a replacement special servicer being able to provide the servicing of the Portfolio in the same manner or the same standard as the Servicer.

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

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

The Back-up Master Servicer

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

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

Data provided for in the Portfolio section

The information relating to the Receivables, contained in the section headed "*The Portfolio*", is based on the data and information on the Portfolio provided as of the Economic Effective Date and it does not reflect collections and recoveries on the Receivables thereafter. Due to the dynamic nature of the recovery process, the status of the Portfolio is subject to on-going changes. The actual status of the Portfolio may be different from the one represented in the section headed "*The Portfolio*" below and such difference may be material. The Portfolio is made of non-performing loans and thus the recoveries depend largely on the ability of the Servicer to manage the Portfolio itself.

The information relating to the Receivables, contained in the section headed "*The Portfolio*", have been prepared based on information acquired and processed autonomously from the Original Sellers.

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

The Initial Portfolio Base Case Scenario has been prepared by the Servicer taking into account, *inter alia*, the Receivables amount, the value of the underlying Real Estate Assets, the status of the relevant Proceedings and the legal costs that may be incurred in the recovery process and certain other specific costs related to the Portfolio which are expressly indicated therein.

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

The Initial Portfolio Base Case Scenario is based on certain judgments, assumptions and estimates about, *inter alia*, future economic events, prospects for the property market, the amounts recoverable on the Receivables, the time it takes to recover a Receivable, the assumed continued operations of the Servicer and the disposal strategies projected by the Servicer and has been prepared exclusively in order to constitute a base for the analysis of the performance of the Servicer, the calculation of the Servicer's fees, the determination of the occurrence of the Subordination Event and any other calculation in relation to the Collection Periods as set forth in the Transaction Documents. Such assumptions relate to a complex series of independent events and are to a significant degree subjective or deriving from historical and statistical data which may not fit the actual characteristics of the Portfolio. Actual results will be affected by many factors outside the control of the Servicer or the Issuer so that neither the Issuer, the Servicer, nor any other party to the Transaction Documents has made or will make any representation or warranties on the collectability of the Receivables.

As a result, no assurance can be given that such judgements, assumptions and estimates will in any way prove to be realistic or accurate. Each investor contemplating purchasing any of the Notes must make its own independent evaluation of the Initial Portfolio Base Case Scenario on the basis of its own assumptions and under its responsibility. In addition, the Initial Portfolio Base Case Scenario takes into account exclusively specific costs related to the Portfolio which are expressly indicated therein. Any other

costs which may be incurred in respect of the Portfolio and which are not expressly indicated in the Initial Portfolio Base Case Scenario have not been taken into account for the purpose of preparing the Initial Portfolio Base Case Scenario. Moreover, each investor contemplating purchasing any of the Notes should note that the Initial Portfolio Base Case Scenario is not a forecast of future cashflows expected to be generated on the Portfolio but is only a base case scenario prepared on the basis of certain assumptions for calculations to be made under the Transaction. As such, the Initial Portfolio Base Case Scenario should not be construed as either projections or predictions on the Portfolio's performance or as legal, tax, financial, investment or accounting advice as well as profitability/risk assessment. The performance of the Portfolio cannot be predicted, because a large number of factors cannot be determined. Therefore information included in the Initial Portfolio Base Case Scenario must be viewed with considerable caution.

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

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

All the above shall apply also to the data set forth in any updated portfolio base case scenario produced from time to time by the Servicer under the Transaction on the basis of the data relating to the income on the claims in a given reference period.

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

Projections, Forecasts and Estimates

Forward-looking statements, including estimates, any other projections, forecasts and estimates in this Prospectus are, necessarily, speculative and subjective in nature and some or all of the assumptions underlying the projections may not materialise or may vary significantly from actual results. Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements. Prospective investors should not rely on these forward-looking statements, which speak only as of the date of this Prospectus and are based on assumptions that may prove to be inaccurate.

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

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

Neither the Issuer nor any other party to the Transaction Documents has or will have any obligation to update or revise any forward-looking statements contained herein to reflect events or circumstances occurring after the date of this Prospectus.

Timing of Foreclosure actions in the Italian Courts

In addition, recovery of the Receivables is primarily a function of the timing of foreclosure actions in Italian courts, the ability of the Servicer to effect out of court settlements and/or assignments of the Receivables, the conditions in the Italian real estate market and in the Italian economy generally. There will also be differences in the timing and amount of the Issuer's operating and administrative expenses. Differences in the amount and timing of such net sources of cash flow may materially affect the expected average lives and yield to maturity of the Notes, as well as the ability of the Issuer to make payments in respect of the Notes in full at or before their maturity.

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

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

Risk related to syndicated Loans

Certain Receivables may have arisen from syndicated Loans. In this respect, whereas no investigation has been made by any of the Issuer, the Servicer, nor any other party to the Transaction Documents in this respect to determine if and how many such Receivables are, such Receivables might imply certain limitations in the exercise by the Servicer of the Issuer's rights on such Receivables such as restrictions in accepting/proposing out of court settlements and may be able to determine a slower collection and recovery procedure.

Risk related with the nature of the Issuer and Portfolio

In the context of certain bankruptcy proceedings the Assigned Debtor may propose to the creditors to assign to them its assets as a payment of their receivables or to assign to them equity participations in the Assigned Debtor, thereby executing a payment in kind. Due to the nature of the Issuer, which pursuant to

Law 130 can only be the assignee of receivables, whereas it cannot be the assignee of other assets such as real estate and equity shareholdings, the approval of such agreements by the creditors may prevent the Issuer from accepting such assets as a payment in kind therefore creating an issue which could negatively impact the Servicer's ability to recover on such assets.

Real estate investments

Certain Receivables are secured by real estate assets and subject to the risks inherent in investments in or secured by real property. Such risks include adverse changes in national, regional or local economic and demographic conditions in Italy and in real estate values generally as well as in interest rates, real estate tax rates, other operating expenses, inflation and the strength or weakness of Italian national, regional and local economies, the supply of and demand for properties of the type involved, zoning laws or other governmental rules and policies (including environmental restrictions and changes in land use) and competitive conditions (including construction of new competing properties) all of which may affect the value of the real estate assets and the collections and recoveries generated by them.

The performance of investments in real estate has historically been cyclical. There is a possibility of losses with respect to the real estate assets for which insurance proceeds may not be adequate or which may result from risks that are not covered by insurance. As with all properties, if reconstruction (for example, following destruction or damage by fire or flooding) or any major repair or improvement is required to be made to a real estate asset, changes in laws and governmental regulations may be applicable and may materially affect the cost to, or ability of, the owner to effect such reconstruction, major repair or improvement. Any of these events would affect the amount realised with respect to the Receivables, and consequently, the amount available to make payments on the Notes.

More in particular, the Italian real estate market has been negatively impacted by the crisis and, starting from 2008, relevant prices have been declining and real estate transactions have reduced. In addition, when real estate assets, such as the case at hand, constitute collateral of loan agreements, in case of default by the relevant Assigned Debtor, the foreclosure procedures before Italian courts are typically quite long and complex. This renders the relevant real estate assets even more illiquid. As a consequence, the purchase price of a real estate assets in the context of a foreclosure procedure is typically significantly lower than the relevant market value.

Reliance on liquidation and sale proceeds for payments on the Notes

As described herein, certain Receivables are secured by mortgages over real estate assets. In this respect, it is expected that, with respect to many of the Receivables which are secured by mortgages over real estate assets which are currently under foreclosure, the related real estate assets will be sold in the context of the foreclosure procedures as market conditions permit. In addition, it is expected that, with respect to a portion of the remaining Receivables which are secured by mortgages over real estate assets that are defaulted, the Servicer will, absent determining that a modification is in the best interest of the Noteholders and the Issuer, foreclose upon such real estate assets.

As a result, payments on the Notes are partly expected to come from liquidation and sale proceeds of real estate assets. The cash flow realized on the sale of the real estate assets depends on the Servicer's skill and diligence in servicing the Receivables secured by Real Estate Assets and managing the foreclosure and disposition process, the local real estate market for each such Real Estate Asset, the value of the related Real Estate Assets and several other factors. In addition, as discussed in this Prospectus, current market and political conditions and other factors (such as the length of the relevant foreclosure procedure) may cause substantial delays in the ability of the Servicer to foreclose upon the Real Estate Assets and may adversely affect the amount of proceeds received in respect of a real estate asset.

There can be no assurance as to the amount of time it will take for the Servicer to complete the foreclosure process with respect to a Real Estate Asset or as to the timing of collections in respect of the Receivables backed by a Real Estate Asset. The ability of the Servicer to complete the foreclosure process

with respect to a Real Estate Asset backing a Receivable will depend on several factors, including whether the related mortgagor contests the foreclosure proceeding and whether the Servicer is in possession of all legal documents necessary to foreclose. The ability of the Servicer to foreclose on a real estate asset backing a Receivable at any particular time will depend upon prevalent market conditions in the area in which the property is located and the actual presence of purchasers willing to purchase the Real Estate Asset. Bankruptcy proceedings involving the related Assigned Debtor may also make it harder for the Servicer to foreclose on a Real Estate Asset.

Settlements related to the Loans may cause cash shortfalls

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

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

Real estate assets may experience delays in liquidation

While the Servicer expects to foreclose the Real Estate Assets backing the Receivables serviced by it, delays could result in connection with the foreclosure process. The rate of foreclosure of Real Estate Assets will depend primarily on the prevailing economic conditions in the geographic area in which the assets are located, the relevant real estate market in such geographic area and the ability of prospective purchasers to obtain financing. These delays could increase to the extent that real estate prices and economic conditions decline or as the Servicer confronts a rising number of requests for modifications and determines the mortgagor's eligibility for modification. Delays in foreclosure could result in corresponding delays in the receipt of the related proceeds from the relevant sale.

Proceeds from foreclosure of real estate backing the Receivables are expected to be less than the principal amount outstanding

Since it is expected that proceeds from foreclosure of the real estate assets securing certain Receivables will be in most, if not all, cases less than the unpaid principal balance of the Loans, under certain loss scenarios, net liquidation proceeds on the Real Estate Assets and principal and interest received on the Loans, if any, may be insufficient to pay all principal and interest to which the Notes are entitled.

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

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

Such expenses such as judicial and legal fees, real estate taxes, real estate broker fees and maintenance

and preservation expenses will reduce the portion of liquidation proceeds available for payment on the Notes.

4. LEGAL AND REGULATORY RISKS

Securitisation Law

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

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

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

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

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

In this respect, it must be noted that article 4, paragraph 2 of the Securitisation Law (as amended by Law No. 9 of 21 February 2014) provides that debtors of securitised receivables are not entitled to exercise any right of set-off against the securitisation company for any claims they have towards the relevant originator which have arisen after the date of completion of the enforceability formalities of the transfer of such receivables to the securitisation company as provided for under the Securitisation Law. However, it is unclear whether the amendments made to article 4, paragraph 2 of the Securitisation Law by Law No. 9 of 21 February 2014 in relation to set-off rights of the assigned debtors also prevail on Article 125-*septies* of the Consolidated Banking Act, considering the special nature of the latter (i.e. provisions aimed at protecting the category of consumers). In any case, it is to be considered that the assignment of the Receivables by the Original Sellers to the Issuer has been already made enforceable *vis-à-vis* the Assigned Debtors in the context of the Existing Securitisations (for further details please see section below "*Risk Factors - Perfection of the sale of the Portfolio*").

Article 120-*ter* of the Consolidated Banking Act

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

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

The Prepayment Penalty Agreement introduces a further protection for borrowers under a "safeguard" equitable clause (the "**Clausola di Salvaguardia**") in relation to those loan agreements which already provide for a prepayment penalty in an amount which is compliant with the thresholds described above. In respect of such loans, the Clausola di Salvaguardia provides that: (1) if the relevant loan is either: (x) a variable rate loan agreement; or (y) a fixed rate loan agreement entered into before 1 January 2001 the amount of the relevant prepayment penalty shall be reduced by 0.20%; (2) if the relevant loan is a fixed rate loan agreement entered into after 31 December 2000, the amount of the relevant prepayment penalty shall be reduced by (x) 0.25% if the agreed amount of the prepayment penalty was equal or higher than 1.25%; or (y) 0.15%, if the agreed amount of the prepayment penalty was lower than 1.25%.

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

Article 120-*quater* of the Consolidated Banking Act

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

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

As a result of the Subrogation, the rate of prepayment of the Loans might materially increase; such event

might have an impact on the yield to maturity of the Notes.

Consumer protection legislation

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

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

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

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

(ii) pursuant to sub-section 1 of article 125-*sexies* of the Consolidated Banking Act, debtors under consumer loan contracts have the right to prepay any consumer loan without penalty and with the additional right to a *pro rata* reduction in the aggregate costs and interests of the loan. It should, however, be noted that, in the event of prepayment by the debtors, the lender, under certain circumstances, is entitled to a compensation equal to 1 per cent. of the prepaid amount of the consumer loan if the residual duration of the consumer loan is longer than one year, and equal to 0.5 per cent. of the same amount, if shorter (in any case, the amount of the compensation shall not exceed the amount of interests the consumer would have paid for the residual duration of the contract); however, no compensation will be due:

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

   (b) in the case of overdraft facilities; or

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

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

(iii) pursuant to sub-section 1 of article 125-*septies* of the Consolidated Banking Act, debtors are entitled to exercise, against the assignee of a lender under a consumer loan contract, any defence (including set-off) which they had against the original lender, in derogation to the provisions of

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

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

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

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

Italian Usury Law

Italian Law No. 108 of 7 March 1996 ("*Disposizioni in materia di usura*"), as amended and supplemented from time to time (the "**Usury Law**") introduced legislation preventing lenders from applying interest rates equal to or higher than rates (the "**Usury Rates**") set every 3 months on the basis of a decree issued by the Italian Treasury (the last such decree having been issued on 24 December 2020 and published in the Official Gazette No. 322 of 30 December 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: (i) they are disproportionate to the amount lent (taking into account the specific circumstances of the transaction and the average rate usually applied for similar transactions); and (ii) the person who paid or agreed to pay was in financial and economic difficulties. The provision of usurious interest, advantages or remuneration has the same consequences as non-compliance with the Usury Rates. Any provision in loan agreements imposing interest exceeding the Usury Rates is null and void and no interest will be due in respect of the loan pursuant to article 1815(2) of the Italian civil code.

In some judgements issued during 2000, the Italian Supreme Court (*Corte di Cassazione*) ruled that the Usury Law applied both to loans advanced prior to and after the entry into force of the Usury Law.

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

On 29 December 2000, the Italian Government issued law decree No. 394 ("*Interpretazione autentica della legge 7 marzo 1996, n. 108*") (the "**Decree 394/2000**"), turned into Law No. 24 of 28 February 2001 ("*Conversione in legge, con modificazioni, del decreto-legge 29 dicembre 2000, n. 394, concernente interpretazione autentica della legge 7 marzo* 1996, *n. 108, recante disposizioni in materia di usura*"), which clarified the uncertainty over the interpretation of the Usury Law and provided, *inter alia,* that interest will be deemed to be usurious only if the interest rate agreed by the parties exceeded the Usury Rates applicable at the time the relevant loan agreement or such other credit facility was entered into or the interest rate was agreed. Decree 394/2000, as interpreted by the Italian Constitutional Court by decision No. 29 of 14 February 2002, also provided that as an extraordinary measure due to the exceptional fall in interest rates in 1998 and 1999, interest rates due on instalments payable after 2 January 2001 on fixed rate loans (other than subsidised loans) already entered into on the date such decree came into force (such date being 31 December 2000) are to be substituted, except where the parties have agreed to more favourable terms, with a lower interest rate set in accordance with parameters fixed by such decree by reference to the average gross yield of multiannual treasury bonds (*Buoni del Tesoro Poliennali*) in the period from January 1986 to October 2000. The Italian Constitutional Court (*Corte Costituzionale*) has rejected, with decision no. 29/2002 (deposited on 25th February 2002), a constitutional exception raised by the Court of Benevento concerning article 1, paragraph 1, of the Usury Law. In so doing, the Constitutional Court has confirmed the constitutional validity of the provisions of the Usury Law which holds that the interest rates may be deemed to be void due to usury only if they infringe the Usury Law at the time they are agreed upon between the borrower and the lender and not as at the time such rates are actually paid by the borrower.

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

To solve such a contrast between different Italian Supreme Court (*Corte di Cassazione*) decisions, a recent decision by the Italian Supreme Court (*Corte di Cassazione*) joint sections (*Sezioni Unite*) (n. 24675 dated 18 July 2017) finally stated that interest rates which were compliant with the Usury Rates as

at the time of the execution of the financing agreements but exceeded such threshold thereafter, are lawful also from a civil law perspective falling outside of the scope of the Usury Law. In this respect, due to the recent date of this last decision, it remains unclear how such decision will be applied by the merit courts.

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

Representations and warranties of the Original Sellers - limited enforceability against the Original Sellers

Under the Transfer Agreements, the relevant Original Seller has made certain representations and warranties in favour of the Issuer in relation to, *inter alia*, itself and the Receivables assigned by it. In addition, under the Maser Reallocation Agreement, subject to the provisions of the Transfer Agreements, the Issuer, in case of a breach of a representation and warranty, may have the right to require to be indemnified from the Original Seller for the damages deriving therefrom.

However, it has to be noted that the above mentioned indemnity is enforceable by the Issuer only for certain damages and subject to certain conditions being met and it is limited by certain carve-outs, limitations, exclusions and/or exceptions of responsibility of the relevant entity as detailed in the Transfer Agreements or the Master Allocation Agreement, as the case may be, and, in any case, it is (or was, as the case may be) enforceable for a limited period of time after the signing of the Transfer Agreements occurred in the context of the Existing Securitisations (with reference to the Original Sellers) and/or after the signing of the Master Allocation Agreement (with reference to illimity and/or Neprix) and therefore if the Issuer becomes aware of a breach of such representations following the period of validity thereof or in case such carve-outs, limitations, exclusions and/or exceptions of responsibility of the relevant entity are applicable, then the Issuer will not be entitled to claim payments by the entity which released the relevant representation under the relevant indemnity obligations.

Perfection of the sale of the Receivables

The sale of the Receivables by the relevant Original Sellers to the Issuer has been made in accordance with the Securitisation Law. Pursuant to articles 4 and 7.1 of the Securitisation Law, the publication in the Official Gazette of a notice of the sale of the Receivables by the relevant Original Seller to the Issuer (the notice was published on the Official Gazette before the relevant issue date of the notes issued in the context of the relevant Existing Securitisation) and the registration of such sale with the relevant Register of Enterprises (such registration was made before the issue date of the notes issued in the context of the relevant Existing Securitisation) has rendered the assignment of the respective Receivables and the proceeds deriving therefrom immune from any attachment or other action under Italian law, except to the extent that any such attachment or action is intended to protect the rights of the relevant noteholders and the other issuer creditors of the Existing Securitisations. In addition, pursuant to the combined operation of articles 4 and 7.1 of the Securitisation Law, the publication of the relevant notice means that the sale of the Receivables to which such notice is referred cannot be challenged or disregarded by: (i) any third party to whom the Original Sellers may previously have assigned the Portfolio or any part thereof but who has not perfected the assignment prior to the date of publication; (ii) a creditor of the Original Seller who has a right to enforce its claim on the relevant Seller's assets; or (iii) a receiver or administrative receiver or a liquidator of any Assigned Debtor in the case of the Assigned Debtor's bankruptcy.

With reference to the Transaction, in order to ensure that the reallocation transaction of the Receivables (and in particular the set-up of the new segregated compartment (*patrimonio separato*) of the Issuer into which the Receivables have been reallocated) is enforceable *vis-à-vis* third party creditors of the Issuer (including any creditors under the Existing Securitisations), under the Master Allocation Agreement the Issuer has undertaken to ask the publication in the Official Gazette of a notice of reallocation of the Portfolio in a new segregated compartment (*patrimonio separato*) of the Issuer (the "**Reallocation**

Notice") and the registration thereof with the relevant Register of Enterprises. Prospective Noteholders should be aware that such Reallocation Notice and, more in general, the reallocation itself, although in line with the perfection formalities provided for under Article 4, paragraph 2, of the Securitisation Law and/or other provisions of the Securitisation Law itself, are not expressly contemplated under the Securitisation Law nor have ever been tested in court.

Claw-back risks of the sale of the Portfolio

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

However, prospective Noteholders should consider that more than six months have been already elapsed from the sale of Receivables by the Original Sellers to the Issuer occurred in the context of the Existing Securitisations.

Compounding of interest

According to Article 1283 of the Italian Civil Code, in respect of a monetary claim, interests accrued for at least six months can be capitalised and provided that the capitalisation has been agreed after the date when they have become due or from the date when the relevant legal proceedings are commenced in respect of that monetary claim. Article 1283 of the Italian Civil Code allows derogation from this provision in the event that there are recognised customary practices (*usi*) to the contrary. Banks and other financial institutions in Italy have traditionally capitalised accrued interests on a quarterly basis on the grounds that such practice could be characterised as a customary practices. Certain judgments from Italian courts (including Judgments No. 2374/99 and No. 2593/03 of the Italian Supreme Court (*Corte di Cassazione*)) have held that such practices do not meet the legal definition of customary practice. In this respect, it should be noted that article 25, paragraph 2, of the Decree No. 342 of 4 August 1999 (the "**Decree 342**") delegated to the Interministerial Committee of Credit and Saving (the "**CICR**") powers to fix the conditions for the capitalisation of accrued interests. As a matter of fact, the CICR, pursuant to article 3 of a resolution dated 9 February 2000 (the "**2000 Resolution**"), has provided, in relation to loans involving a deferred repayment that, in case of breach by the debtor, the amount due on the maturity of each instalment, shall produce interests from such date up to the date of the actual payment, if so provided by the relevant contract. Moreover, article 25, paragraph 3, of the Decree 342 provides that the provisions relating to the capitalisation of accrued interest set forth in contracts entered into before the date of the 2000 Resolution are valid and effective up to the date thereof and after such date shall be consistent to the provisions of the 2000 Resolution. Such Decree 342 has been challenged, however, before the Italian Constitutional Court on the grounds that it falls outside the scope of the powers delegated under article 1, paragraph 5 of the enabling law (*Legge Delega*) No. 128 of 24 April 1998,and article 25 paragraph 3 of the Decree 342 has been declared unconstitutional by decision No. 425 of 9/17 October 2000 issued by the Italian Constitutional Court. On the basis of the foregoing, it cannot be excluded that borrowers may, where appropriate, challenge the practice of capitalising interest by banks on the grounds set forth by the Italian Supreme Court in the above mentioned decision and, therefore, that a negative effect on the returns generated from the loan could derive.

With respect to this matter, a ruling dated 29 October 2008 by the Court of Bari (honorary judge of the detached office of Rutigliano) declared some mortgage loan agreements (executed in 1988 and 1989) that were based upon the amortisation method known as "French amortisation" (i.e. mortgage loans with fixed instalments, made up of an amount of principal (that progressively increases) and an amount of interest (that decreases as repayments are made) calculated with a compound interest formula, as partially void. In the case at hand, the technical consultancy requested by the judge showed that the instalments were

calculated with a compound interest formula not expressly stated in the agreement, and that from the application of such formula the effective interest was higher than the nominal interest. The borrowers were not able to realise, therefore, at the time of execution of the relevant loans, the effective high interest to be paid, as the nominal annual interest was that resulting from the agreement while the effective interest could only be inferred from time to time on the basis of the amortisation plan. Considering that the calculation of compound interest is permitted only within the limits of article 1283 of the Italian Civil Code, as described above (i.e. the compounding has to follow the maturation of interest and never to precede it, as occurs in such French amortisation), the judge declared that the relevant loans were partially void and recalculated the amortisation plans with reference to the applicable legal rate, so determining an interest rate lower than to that paid by the borrowers.

It should be noted that paragraph 2 of article 120 of the Consolidated Banking Act, concerning compounding of interest accrued in the context of banking transactions, has been recently amended by article 17-*bis* of Law Decree number 18 of 14 February 2016 (as converted into law by Law number 49 of 8 April 2016), providing that interests (other than defaulted interests) shall not accrue on capitalised interests. Paragraph 2 of article 120 of the Consolidated Banking Act also delegated to the CICR to establish the methods and criteria for the compounding of interest. In this respect, the CICR, pursuant to a resolution dated 3 August 2016, which substitutes the 2000 Resolution, (the "**2016 Resolution**") has provided, *inter alia*, that: (i) interest is to be accounted separately from principal; (ii) as already provided under new article 120 of the Consolidated Banking Act, interest becomes due from the 1st of March after the year in which it accrued. Provided that, in any case, such interest becomes payable, after a 30-day period (which begins from the day on which the relevant Assigned Debtor becomes aware of the amount to be paid) during which the Assigned Debtor could pay such interest without being in default; and (iii) the Assigned Debtor and the bank can agree in advance - in order to avoid payment of the arrears or the beginning of legal proceedings – to charge the interest directly to the relevant Assigned Debtor's account using an overdraft facility (with the consequent accrual of interest on the amounts used to extinguish such debt). Intermediaries shall apply 2016 Resolution, at the latest, from 1st October 2016.

Fair Compensation ("*Equo compenso*")

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

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

Notes.

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

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

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

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

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

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

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

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

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

In particular, under such procedure the competent judge, upon request of the relevant debtor, is entitled to issue a decree by means of which it appoints a liquidator, and orders the relevant debtor to transfer its assets to such liquidator. The appointed liquidator will then pay creditors proportionally to their receivables (save for receivables with pre-emption causes ("*diritti di prelazione*")). Upon such decree being issued by the competent Court, all the foreclosure procedures and seizures ("*sequestri conservativi*") on the debtor's assets will be suspended. Should the debtor acquire further assets within four years from the date on which the filing has been made by the relevant debtor, such new assets will become part of the assets to be liquidated and will be applied by the liquidator to pay the creditors of the relevant debtor.

Should any Assigned Debtor enter into a proceeding set out by Law 3/2012, the Issuer could be subject to the risk of having the payments due by the relevant Assigned Debtor suspended for up to one year (in case of the entering into of Restructuring Agreement) or part of its debts released. However, the impact thereof on the cashflows deriving from the Portfolio and, as a consequence, on the amortisation of the Notes may not be predicted as at the date of this Prospectus.

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

Reform of corporate reorganization and Insolvency Law

On 11 October 2017 the Italian Parliament approved the text of law which confers powers on the Italian government for an overall reform of insolvency law and corporate reorganization proceedings in the context of over-indebted corporate entities. On 12 January 2019 the government approved the Legislative Decree No. 14 including the new code of crisis and insolvency (*codice della crisi e dell'insolvenza*) (the "**New Insolvency Code**"). On 14 February 2019, the New Insolvency Code, has been published in the Official Gazette of the Republic of Italy and the entering into force was scheduled for 15 August 2020 except for certain minor amendments entered into force as of 16 March 2019. However, pursuant to the *Liquidità* Decree (as defined below), the entering into force of the New Insolvency Code has been postponed to 1 September 2021.

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

The New Insolvency Code is the result of a review of the Italian royal decree no. 267 of 16 March 1942 (hereinafter the "**Bankruptcy Law**") aimed at reforming Italian insolvency legislation in a way better suited to the current economic situation and consistent with the indications received from the European legislator.

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

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

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

Stakeholders have long faced a difficulty in coordinating the restructuring proceedings of companies belonging to the same group. The legislation currently in force does not provide for the opening of a single restructuring proceedings with regard to multiple affiliated companies, this resulting in an inefficient process also compounded by the fact that different territorial courts have competence for each different single proceeding. Therefore, in order to tackle such issues, the New Insolvency Code provides

for the introduction of a new joined proceedings for group insolvencies. More specifically, the New Insolvency Code introduces:

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

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

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

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

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

Preemptive Proceedings

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

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

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

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

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

b) qualified public creditors (including the Tax Agency and Social Security Agency) must (i) inform the relevant debtor that its debt exposure has exceeded a significant amount and (ii) inform the

supervisory entities and the Committee, in case the debtor has not addressed the problem within a 3 months period (also by starting the Preemptive Proceedings, or by carrying out a scheme of arrangement or a debt restructuring);

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

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

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

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

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

Incentives:

1. for debtors who have taken action to overcome the crisis within 6 months from the first sign of its occurrence (using the assistance of the Committee or the proceedings for the approval of a debt restructuring agreement under Article 182*bis* of the Bankruptcy Law, or a scheme of arrangement with creditors): (a) certain criminal offences linked to insolvency are not punishable if they have caused minor damage; (b) a certain mitigating circumstances in respect to other criminal offences ; (c) a reduction of interest and penalties on tax debt;

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

Penalties:

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

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

The New Insolvency Code aims to encourage the use of debt restructuring agreements currently governed by article 182*bis* of the Bankruptcy Law (the "**182*bis* Agreements**").

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

Starting from the 182*bis* Agreements, the New Insolvency Code provides as follows:

a) extended application of the cram down: possibility to apply the "cram down" model envisaged in the case of arrangements with banks and financial intermediaries under the current article 182*septies* of the Bankruptcy Law to all debt restructuring agreements and moratorium agreement which do not provide for liquidation: this means that, once the creditors have been assigned to homogeneous classes based on their economic and legal position, a company may impose to the "minority" creditors belonging to a certain class the restructuring of their claims as agreed by at least 75% of creditors belonging to the relevant class, provided that such "minority" creditors have been informed of the opening of negotiations and have been enabled to participate to them;

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

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

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

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

Schemes of Arrangement

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

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

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

c) qualified majorities: a majority is required not only based on the amount of debt owed but also based on the number of voting creditors if a single creditor holds unsecured debt for an amount equal to or higher than the majority of those eligible to vote (50%+1); furthermore, the New Insolvency Code calls for a specific regulation on conflict of interest situations. Such choice will make it difficult to carry out typical investment operations involving the purchase of receivables from distressed/insolvent companies in order to then direct the approval of the relevant scheme of arrangement proposal;

d) the definition of a scheme of arrangement on going concern basis and deferment of privileged claims: it is clarified that a scheme of arrangement on going concern basis refers to both mixed

schemes of arrangements (going concern basis plus disposal of non-instrumental assets); furthermore, payment of privileged creditors may be deferred up to two years, provided that they are granted voting rights;

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

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

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

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

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

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

Judicial liquidation

Under the New Insolvency Code bankruptcy is defined as "*judicial liquidation*", and aims at standardizing and simplifying the relevant proceedings which however becomes now residual if a restructuring proceedings on a going concern basis is possible (and reasonably achievable). Among the most important changes with respect to the current bankruptcy proceedings are the following:

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

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

c) *efficiency of the proceedings*: a number of further novelties have been envisaged to reduce the duration and cost of the procedure and make more effective and transparent the receiver's activity as well as the process of determining the bankruptcy estate's liabilities.

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

Change of Law

The structure of the transaction and, *inter alia*, the issue of the Notes and the rating assigned to the Rated Notes are based on Italian law (or on English law, in the case of the Notes Subscription Agreement, Cap Agreement and the Deed of Charge), tax and administrative practice in effect at the date hereof, and having due regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given that Italian law (or English law) or tax or administrative practice will not change after the date of this Prospectus or that such change will not adversely impact the structure of the transaction and the treatment of the Notes.

Benchmarks Regulation

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

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

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

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

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

European Market Infrastructure Regulation

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

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

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

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

Regulatory Capital Framework

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

The Basel Committee has approved significant changes to the Basel II Framework (such changes being commonly referred to as "**Basel III**"), including new capital and liquidity requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards. In particular, the changes refer to, amongst other things, new requirements for the capital base, measures to strengthen the capital requirements for counterparty credit exposures arising from certain transactions and the introduction of a leverage ratio as well as short-term and longer-term standards for funding liquidity (referred to as the "**Liquidity Coverage Ratio**" and the "**Net Stable Funding Ratio**"). Basel III set an implementation deadline on member countries to implement the new capital standards from January 2014, the new Liquidity Coverage Ratio from January 2015 and the Net Stable Funding Ratio from January 2018. The European authorities have indicated that they support the work of the Basel Committee on the approved changes in general and, in particular, the European Commission has implemented the changes through Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms ("**CRD IV**") and Regulation No. 575/2013 ("**CRR**"). On 7 June 2019 the following, *inter alia*, were published on the Official Journal of the EU: (i) Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending CRD IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures ("**CRD V**"), (ii) Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending CRR as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements ("**CRR II**"), and (iii) Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC ("**BRRD II**"), and entered into force on 27 June 2019. Certain portions of the new rules apply as from 27 June 2019 while others shall apply as from 28 June 2021. The new rules implement the Basel Committee's finalised Basel III reforms dated December 2017. The changes may have an impact on incentives to hold the Notes for investors that are subject to requirements that follow the revised framework and, as a result, they may affect the liquidity and/or value of the Notes.

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

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

The implementation of Basel III, the CRD IV, the CRD V, the CRR II, the BRRD II and any of their expected amendments have and will continue to bring about a number of substantial changes to the current capital requirements, prudential oversight and risk-management systems, including those of the Issuer. The direction and the magnitude of the impact of Basel III will depend on the particular asset structure of each credit institution and its precise impact on the Issuer cannot be quantified with certainty

at this time. The Issuer may operate its business in ways that are less profitable than its present operation in complying with the guidelines resulting from the transposition of the above mentioned provisions.

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

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

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

EU Securitisation Regulation

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

Article 5 of the EU Securitisation Regulation places certain conditions on investments in a "securitisation" (as defined in the EU Securitisation Regulation) (the "**EU Due Diligence Requirements**") by "institutional investors", defined to include (a) a credit institution or an investment firm as defined in and for purposes of Regulation (EU) No 575/2013, as amended, known as the Capital Requirements Regulation (the "**CRR**"), (b) an insurance undertaking or a reinsurance undertaking as defined in Directive 2009/138/EC, as amended, known as Solvency II, (c) an alternative investment fund manager as defined in Directive 2011/61/EU that manages and/or markets alternative investment funds in the EU, (d) an undertaking for collective investment in transferable securities ("**UCITS**") management

company, as defined in Directive 2009/65/EC, as amended, known as the UCITS Directive, or an internally managed UCITS, which is an investment company that is authorised in accordance with that Directive and has not designated such a management company for its management, and (e) with certain exceptions, an institution for occupational retirement provision falling within the scope of Directive (EU) 2016/2341, or an investment manager or an authorised entity appointed by such an institution for occupational retirement provision as provided in that Directive. Pursuant to Article 14 of the CRR, the EU Due Diligence Requirements also apply to investments by certain consolidated affiliates, wherever established or located, of institutions regulated under the CRR (such affiliates, together with all such institutional investors, the "**EU Affected Investors**").

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

While holding a securitisation position, an EU Affected Investor must also (a) establish appropriate written procedures in order to monitor, on an ongoing basis, its compliance with the foregoing requirements and the performance of the securitisation position and of the underlying exposures, (b) regularly perform stress tests on the cash flows and collateral values supporting the underlying exposures, (c) ensure internal reporting to its management body to enable adequate management of material risks and (d) be able to demonstrate to its regulatory authorities that it has a comprehensive and thorough understanding of the securitisation position and its underlying exposures and has implemented written policies and procedures for managing risks of the securitisation position and maintaining records of the foregoing verifications and due diligence and other relevant information.

The EU Securitisation Regulation imposes a direct obligation on the originator, sponsor or original lender of a securitisation to retain a material net economic interest in the securitisation of not less than 5% (the "**EU Risk Retention Requirements**"). Certain aspects of the EU Risk Retention Requirements are to be further specified in regulatory technical standards to be adopted by the European Commission as a delegated regulation. The EBA) published a final draft of those regulatory technical standards on 31 July 2018 (the "**Final Draft RTS**"), but they have not yet been adopted by the European Commission or published in final form. Pursuant to Article 43(7) of the EU Securitisation Regulation, until these regulatory technical standards apply, certain provisions of Delegated Regulation (EU) No. 625/2014 shall continue to apply.

The Retention Holder has undertaken, under the Intercreditor Agreement and the Notes Subscription Agreement, to retain at the Issue Date and maintain on an ongoing basis a material net economic interest of at least 5% of the nominal value of each of the Class A Notes, the Class B Notes and the Class J Notes in accordance with paragraph (a) of Article 6(3) of the EU Securitisation Regulation (the "**EU Retained Interest**"), as further described in "Securitisation Regulations Requirements" below. The EU Retained

Interest must not be subject to any credit risk mitigation or hedging, except to the extent permitted under the applicable provisions of the EU Securitisation Regulation.

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

UK Securitisation Regulation

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

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

Prior to investing in (or otherwise holding an exposure to) a "securitisation position" (as defined in the UK Securitisation Regulation), a UK Affected Investor, other than the originator, sponsor or original lender (each as defined in the UK Securitisation Regulation) must, among other things: (a) verify that,

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

While holding a securitisation position, a UK Affected Investor must also (a) establish appropriate written procedures in order to monitor, on an ongoing basis, its compliance with the foregoing requirements and the performance of the securitisation position and of the underlying exposures, (b) regularly perform stress tests on the cash flows and collateral values supporting the underlying exposures, (c) ensure internal reporting to its management body to enable adequate management of material risks and (d) be able to demonstrate to its regulatory authorities that it has a comprehensive and thorough understanding of the securitisation position and its underlying exposures and has implemented written policies and procedures for managing risks of the securitisation position and maintaining records of the foregoing verifications and due diligence and other relevant information.
The UK Securitisation Regulation imposes a direct obligation on the originator, sponsor or original lender of a securitisation to retain a material net economic interest in the securitisation of not less than 5% (the "**UK Risk Retention Requirements**" and together with the EU Risk Retention Requirements, the "**Risk Retention Requirements**"). Certain aspects of the UK Risk Retention Requirements are to be further specified in regulatory technical standards to be adopted by the UK as a delegated regulation. Until these regulatory technical standards apply, certain provisions of Delegated Regulation (EU) No. 625/2014 as it forms part of UK domestic law by virtue of the EUWA shall apply.

The UK Securitisation Regulation is silent as to the jurisdictional scope of the UK Risk Retention Requirements. Notwithstanding the above, the Retention Holder has undertaken, under the Intercreditor Agreement and the Notes Subscription Agreement, to retain at the Issue Date and maintain on an ongoing basis a material net economic interest of at least 5% of the nominal value of each of the Class A Notes, the Class B Notes and the Class J Notes in accordance with paragraph (a) of Article 6(3) of the UK Securitisation Regulation (the "**UK Retained Interest**" and together with the EU Retained Interest, the "**Retained Interest**"), as further described in "Securitisation Regulations Requirements" below. The Retained Interest must not be subject to any credit risk mitigation or hedging, except to the extent permitted under the applicable provisions of the UK Securitisation Regulation.

The secondary legislation relating to the EU Securitisation Regulation which was in force as at the end of the Transition Period has also been enacted with certain amendments in the UK. However, this was not the case in respect of interpretive guidance issued by the EU regulatory authorities or any secondary legislation (such as the Final Draft RTS) which was not in force at the end of the Transition Period. There remains uncertainty as to whether key interpretive guidance issued by EU Regulatory authorities in

connection with the EU Securitisation Regulation will also be replicated by UK regulators in respect of the UK Securitisation Regulation. . However, the Bank of England (the "**BOE**") and the PRA Statement of Policy of December 2020 stated that the BOE and PRA expect UK regulated firms and institutions operating, or intending to operate, in the UK to make every effort to comply with existing EU guidelines and recommendations that are applicable as at the end of the Transition Period, giving certain indication as to their general approach.

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

Securitisation Regulations - General

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

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

It remains unclear what will be required for Affected Investors to demonstrate compliance with the Due Diligence Requirements. Each prospective investor in the Notes that is an Affected Investor is required to independently assess and determine whether the undertaking by the Retention Holder to retain the Retained Interest as described above and in this Prospectus generally, the other information in this Prospectus and the information to be provided in any reports provided to investors in relation to the Transaction and otherwise is sufficient to comply with the Due Diligence Requirements or any corresponding national measures which may be relevant. Neither the Issuer nor any other party makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose or that the structure of the Notes, the Retention Holder (including its holding of the Retained Interest) and the transactions described herein are compliant with the Securitisation Regulations Rules or any other applicable legal or regulatory or other requirements and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transaction or structure contemplated hereby to comply with or otherwise satisfy such requirements, any subsequent change in law, rule or regulation or any other applicable legal, regulatory or other requirements or any failure by any investor that is an Affected Investor to satisfy the Due Diligence Requirements.

Failure by an Affected Investor to comply with the applicable Due Diligence Requirements with respect to an investment in the Notes may result in the imposition of a penalty regulatory capital charge on that investment or of other regulatory sanctions by the competent authority of such Affected Investor. The Securitisation Regulations and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of Affected Investors and have an

adverse impact on the value and liquidity of the Notes in the secondary market. Prospective investors should analyse their own regulatory position and should consult with their own investment and legal advisors regarding application of, and compliance with, the applicable Due Diligence Requirements or other applicable regulations and the suitability of the Notes for investment.

U.S. risk retention requirements

The Credit Risk Retention regulations implemented by U.S. Federal regulatory agencies including the SEC pursuant to Section 15G of the Exchange Act (the "**U.S. Risk Retention Rules**") came into effect with respect to residential mortgage backed securities on 24 December 2015 and other classes of asset backed securities on 24 December 2016 and generally require the "sponsor" of a "securitization transaction" to retain at least 5 (five) per cent. of the "credit risk" of "securitized assets", as such terms are defined for purposes of that statute, and generally prohibit a sponsor from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the sponsor is required to retain. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligations that they generally impose.

The Transaction is not intended to involve the retention by a sponsor of at least 5 (five) per cent. of the credit risk of the Issuer for the purposes of compliance with the U.S. Risk Retention Rules, but rather will be made in reliance on an exemption for non-US transactions provided for in Rule 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 ABS interests (as defined in Rule 2 of the U.S. Risk Retention Rules) are issued) of all classes of ABS interests (as defined in Rule 2 of the U.S. Risk Retention Rules) issued in the securitisation transaction are sold or transferred to U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this Prospectus as "Risk Retention U.S. Persons"); (3) neither the sponsor nor the issuer of the securitisation transaction 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 (twenty-five) 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.

In furtherance thereof, no Notes may be purchased by, or sold or transferred to, or for the account or benefit of, any Risk Retention U.S. Person. Prospective investors should note that the definition of U.S. person in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of U.S. person under Regulation S. Each person acquiring a Note will be deemed to represent it is not a Risk Retention U.S. Person or acquiring such Note for the benefit or on behalf of a Risk Retention U.S. Person.

There can be no assurance that the exemption provided for in Rule 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. No assurance can be given as to whether failure of the transaction to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action which may adversely affect the Notes or their market value. Furthermore, the impact of the U.S. Risk Retention Rules on the securitisation market generally is uncertain, and a failure by the sponsor to comply with the U.S. Risk Retention Rules could therefore negatively affect the market value and secondary market liquidity of the Notes.

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

Bank Recovery and Resolution Directive

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

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

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

Measures for the territory affected by the earthquakes of August 2016, October 2016 and January 2017 or which may be affected by natural disasters

On 24 August 2016 the central Italy area was affected by an earthquake, as a consequence of which certain areas in the central Italy (i.e., certain municipalities located in the regions of Abruzzo, Lazio, Marche and Umbria) were largely damaged. With the view of providing urgent measures in favour of the areas by the earthquake, several measures have been adopted.

Based on the state of emergency declared by the Italian Council of Ministers on 25 August 2016, the Italian Prime Minister Office - Department of Civil Protection adopted the order (*ordinanza*) No. 388 of 26 August 2016 headed "*Primi interventi urgenti di protezione civile conseguenti all'eccezionale evento sismico che ha colpito il territorio delle Regioni Lazio, Marche, Umbria e Abruzzo il 24 agosto 2016*" published in the Official Gazette No. 201 of 29 August 2016 (the "**Order No. 388**").

Order No. 388 provided that people and entities having their place of residence or their registered/operating office in the affected areas which are borrowers under loan agreements relating to real estate assets destroyed or unfit for use (*inagibili*), in whole or in part, by the earthquake and which are borrowers under loan agreements relating to the management of business activity carried out in such real estate assets have the right to ask to banks and financial intermediaries which are lenders under such loan agreements for the suspension (in whole or in part) of such loans.

Moreover, the Italian Government has also enacted Law Decree No. 189 of 17 October 2016 headed "*Interventi urgenti in favore delle popolazioni colpite dal sisma del 24 agosto 2016*", published in the Official Gazette No. 244 of 18 October 2016, as subsequently converted with modifications into Law No. 229 of 15 December 2016 (the "**Decree No. 189**"). Article 48, paragraph 1, letter (g) of the Decree No. 189 has provided for the suspension, until 31 December 2016, of payment of instalments arising under loan agreements of whatever nature (not only residential mortgage agreement) granted in favour of (i) individuals having their place of residence and (ii) enterprises having their registered office or carrying out their activities in the areas affected by the earthquake, being those 62 municipalities listed in the schedule 1, and 69 municipalities listed in the schedule 2 (included by Law No. 229 of 15 December 2016 after the below mentioned earthquakes occurred on 26 October 2016 and 30 October 2016) both attached to the Decree No. 189. Article 48, paragraph 1, letter (g) of the Decree No. 189 has been amended by Article 14, paragraph 6, of Law Decree No. 244 of 30 December 2016, as subsequently converted with modifications into Law No. 19 of 27 February 2017 (the "**Decree No. 244**"), which has extended the suspension originally provided under the Decree No. 189 (i.e., 31 December 2016) until 31 December 2017 only in respect of, *inter alia*, mortgage loans entered into for main residences (*abitazioni principali*) and business activities. Subsequently, the Italian Government has enacted Law Decree No. 148 of 16 October 2017 headed "*Disposizioni urgenti in materia finanziaria e per esigenze indifferibili*", published in the Official Gazette No. 242 of 16 October 2017, as subsequently converted with modifications into Law No. 172 of 4 December 2017 (the "**Decree No. 148**"). Article 2-bis, paragraph 21 of the Decree No. 148 has modified Article 14, paragraph 6, of Decree No. 244 providing for: (i) the extension until 31 December 2018 of the suspension period originally provided under the Decree No. 189 (i.e., 31 December 2016), already extended until 31 December 2017 by Decree No. 244, without prejudice to the limits provided for by the Decree No. 244 (i.e., only in respect of, *inter alia*, mortgage loans entered into for main residences (*abitazioni principali*) and business activities) (the "**Suspension Period**"); and (ii) the extension until 31 December 2020 of the Suspension Period only in respect of mortgage loans entered into for the purchase of the primary residential property (*acquisto prima casa*) and business activities, destroyed or declared unsafe, which are located in an area (*zona rossa*) set up by a municipality's major specific order during the period from 24 August 2016 and the date on which the Decree 148 has entered into force (being 16 October 2016).

Following two other earthquakes occurred on 26 October 2016 and 30 October 2016 in the central Italy area (i.e., certain municipalities located in the regions of Abruzzo, Lazio, Marche and Umbria), the Italian Government has enacted the Law Decree No. 205 of 11 November 2016 headed "*Nuovi interventi urgenti in favore delle popolazioni e dei territori interessati dagli eventi sismici del 2016*", published in the Official Gazette of 11 November 2016 (the "**Decree No. 205**"), providing the extension of the measures

under the Decree No. 189 to individuals having their place of residence and enterprises having their registered office or carrying out their activities in the area affected by such second earthquake. The Decree No. 205 has been repealed by Law No. 229 of 15 December 2016 but without prejudice for the effects and legal relationships deriving from the Decree No. 205. Law No. 229 of 15 December 2016 has added the schedule 2 to Decree 189 including the list of 69 municipalities affected by the earthquakes and to which Article 48, paragraph 1, letter (g) of the Decree No. 189 applies.

Moreover, in the central Italy area, (i) another earthquake occurred on 18 January 2017 and (ii) exceptional weather events occurred during the second half of January 2017, so that the Italian Council of Ministers, by means of resolution dated 20 January 2017 headed "*Estensione degli effetti della dichiarazione dello stato di emergenza adottato con la delibera del 25 agosto 2016 in conseguenza degli ulteriori eventi sismici che il giorno 18 gennaio 2017 hanno colpito nuovamente il territorio delle Regioni Abruzzo, Lazio, Marche e Umbria, nonché degli eccezionali fenomeni meteorologici che hanno interessato i territori delle medesime Regioni a partire dalla seconda decade dello stesso mese*" published in the Official Gazette of 30 January 2017, has extended the provisions of Order No. 388 to people and entities affected by such third earthquake, which have their place of residence or their registered/operating office in the area hit by the earthquake.

With Law n. 178 of 30 December 2020, the Suspension Period has been extended until 31 December 2021.

As of the date of this Prospectus it cannot be excluded that additional measures may be adopted by the Italian Government or any other competent authority in the future to provide support in respect of, and deal with, the earthquakes occurred in August 2016, October 2016 and January 2017 and the exceptional weather events occurred during the second half of January 2017.

In addition to be the above, it should be noted that certain regions may experience natural disasters, including earthquakes, fires, floods, hurricanes, mudslides, oil spills, tornadoes, wildfires, or the effects of global climate change (which may include flooding, drought or severe weather), which may adversely affect property values of the Real Estate Assets.

Risks related to legal proceedings

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

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

Risks connected with regulatory inspections

Each of the Original Sellers may be subject to inspections by the Bank of Italy, CONSOB or other competent supervisory authorities (the "**Supervisory Authority**"). In general terms, inspections may concern the respect to the application of rules concerning the primary and secondary level of regulation, as well as the supervisory instruction issued by the Supervisory Authority in the relative competent matters. Such matters could refer, for example, to transparency and other investor protection rules or the correctness of the evaluation of banking and financial risk associated with the operational and current activities which each bank is currently involved. Important sectors in this respect could refer the assessment of the credit risk policies, corporate governance, internal audit controls and compliance matters. Other investigation may relate to compliance with regulations on investment services,

particularly with reference to any financial instruments issued by the bank. In particular, an inspection can be commenced pursuant to Legislative Decree 385/1993 in order to assess the adequacy of the impairments on the values of the non-performing, doubtful and restructured loans, and the related policies and practices. Such kind of inspections forms part of a programme of review of impaired loans conducted by the Supervisory Authority on many banking groups in Italy.

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

Risk associated with potential capital impact of planned NPL disposals

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

Economic conditions in the Eurozone

Concerns relating to credit risk (including that of sovereigns and of those entities which have exposure to sovereigns) have intensified, also in connection with the Covid-19 outbreak. In particular, concerns have been raised with respect to current economic, monetary and political conditions in the Eurozone, including, in particular, in relation to Greece. If such concerns persist and/or such conditions further deteriorate (including as may be demonstrated by any relevant credit rating agency action, any default or restructuring of indebtedness by one or more Member States or institutions and/or any changes to, including any break up of, the Eurozone), then these matters may cause further severe stress in the financial system generally and/or may adversely affect the Issuer, one or more of the other parties to the Transaction Documents (including the Servicer, the Cap Counterparty and/or any Assigned Debtor and/or Social Security Administration in respect of the Receivables). Given the current uncertainty and the range of possible outcomes, no assurance can be given as to the impact of any of the matters described above and, in particular, no assurance can be given that such matters would not adversely affect the rights of the Noteholders, the market value of the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes.

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

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

Volcker Rule

Pursuant to the regulations adopted to implement Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (such statutory provision together with such implementing regulations, as amended, the "**Volcker Rule**"), unless an exemption or exclusion is available, "banking entities" (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking

entities, together with their respective subsidiaries and other affiliates) are prohibited from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring a "covered fund" and (iii) entering into certain relationships with such funds. Under the Volcker Rule, an issuer (such as the Issuer) that relies on the exclusions contained in Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act is generally treated as a "covered fund", unless an exemption or exclusion is available. The Issuer has taken the position that it is not, and after giving effect to the offer and sale of the Notes and the application of the proceeds thereof as described herein, a "covered fund" in reliance on the loan securitization exemption provided under the Volcker Rule. Any prospective investor, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisors regarding such matters and other effects of the Volcker Rule.

No assurance can be given as to the availability of the "loan securitization exemption" under the Volcker Rule and investors should consult their own legal and regulatory advisors with respect to such matters and assess for themselves the availability of this or other exemptions or exclusions and the legality of their investment in the Notes.

Swap Regulations under Dodd-Frank

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

Risks arising from the sovereign debt crisis

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

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

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

"Brexit" risk

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

The Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community dated 24 January 2020 provided the UK with a transitional period until 31 December 2020, during which the UK was bound by EU rules despite not being its member state and remained in the single market area, while the future terms of the UK's relationship with the EU were being negotiated.

On 24 December 2020, the EU and the UK reached an agreement on the Trade and Cooperation Agreement (the "**Trade and Cooperation Agreement**"), which sets out the principles of the relationship between the EU and the UK following the end of the transitional period. The Trade and Cooperation Agreement was provisionally applicable from 1 January 2021 until 30 April 2021 and formally entered into force on 1 May 2021.

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

Substitute tax under the Notes

Payments of interest and other proceeds under the Notes may in certain circumstances, described in the section headed *"Taxation in the Republic of Italy*" of this Prospectus, be subject to a Law 239 Deduction. In such circumstance, any beneficial owner of an interest payment relating to the Notes of any Class will receive amounts of interest payable on the Notes net of a Law 239 Deduction. Law 239 Deduction, if applicable, is levied at the rate of 26 per cent., or such lower rate as may be applicable under the relevant double taxation treaty.

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

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

Tax treatment of the Issuer

Taxable income of the Issuer is determined in accordance with Italian Presidential Decree No. 917 of 22 December 1986. In light of the principles arising, *inter alia*, 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*) and on 29 March, 2000 (*Schemi di bilancio delle società per la cartolarizzazione dei crediti*), as amended and supplemented, the assets, liabilities, costs and revenues of the Issuer in relation to the securitisation of the Portfolio 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 Portfolio. This opinion has been expressed by scholars and tax specialists and has been confirmed by the tax authority (Circular No. 8/E issued by *Agenzia delle Entrate* on 6 February 2003) on the grounds that the net proceeds generated by the securitised assets may not be considered as legally available to an issuer insofar as any and all amounts deriving from the underlying assets are specifically destined to satisfy the obligations of such issuer to the noteholders, the originator and any other creditors of the issuer in respect of the securitisation of the underlying assets in compliance with applicable laws.

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

It is, however, possible that the Ministry of Economy and Finance or another competent authority may issue further regulations, letters or rulings relating to the 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. Moreover, Ministerial Resolution No. 71/E of 24 May, 2000 has clarified that an assignment of receivables qualifies as a financial transaction, provided that it has a financing purpose. 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" executed for consideration because (a) the originator transfers the claims to the issuer in order to enable the latter to raise funds (through the issuance of notes collateralised by the claims) to be advanced to the originator as transfer price of the claims; (b) the issuer will effectively be entitled to retain for itself all collection and recoveries proceeds of the claims to the extent necessary to repay the principal amount of the notes and to pay interest thereon and all costs borne by the issuer in the context of the transaction. In this respect, the transfer of claims in the context of a securitisation transaction should not be deemed as credit recovery (*attività di recupero crediti*) subject to a VAT rate of 22 per cent., based on the clarification given by the Italian Tax Authority in Resolution No. 32/E of 11 March 2011. As far as the transfer of claims for a consideration is concerned, it must be pointed out that this matter has been analysed by the EU Court of Justice and by *Agenzia delle Entrate* in cases dealing with the VAT analysis of the transfer of claims within the context of a factoring transaction and without specifically considering a securitisation transaction (among others EU Court of Justice judgment of 26 June, 2003 on case C-305/01, Ministerial Resolution No. 139/E of 17 November, 2004, EU Court of Justice judgment of 28 October, 2010 on case C-175/09 and Resolution No. 32/E of 11 March 2011 issued by Agenzia delle Entrate). However, it is also to be mentioned that since both factoring and securitisation transaction share similar "financial purposes", the general consensus in the tax doctrine is that the transfer of claims must be treated similarly within the context of both transactions. According to the above mentioned judgments and resolutions, the remuneration of the "financial transaction" executed through the assignment of claims would be represented by any existing positive difference between the face value of the claims and the purchase price paid by the purchaser for the purchase of the same claims (i.e. the so-called "***Discount***") as well as by any commission paid by the transferor with the purpose to remunerate the transferee for the payment in advance made before the

expiration of the claim, which in substance constitutes a financing. In such a case, the transfer of the claims is subject to VAT at the zero per cent. rate (VAT exempt transaction). In the absence of a remuneration for the financing granted through the transfer of claims, such transfer cannot result in the supply of a "financial transaction" for VAT purposes. Moreover, a recent judgment of the Italian Supreme Court (decision No. 27648, 3 December, 2020), which reflects a judgment of the ECJ (Case C-93/10, 27 November, 2011) has taken the view that the assignment of receivables should be considered outside the scope of VAT (*fuori campo IVA*). According to this decision, the purchase of receivables at its own risk does not qualify as a supply of services for consideration, if the sale price reflects the actual economic value of the receivables at the time of their transfer. On the basis of a cross interpretation of principles embodied in Resolution No. 32/E of 2011, in decision No. 27648/ 2020 of the Italian Supreme Court 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 whether not executed by way of exchange of correspondence proportional registration tax will be applicable. Should for any reason the Transfer Agreement be subject, either voluntarily or in case of use or enunciation, to registration, 0.5% registration tax will be payable by the relevant parties thereto on the nominal value of the transferred claims.

Risk deriving from the Issuer's participation in the VAT group with illimity Bank S.p.A.

Italian Law no. 232 of 11 December 2016 (the "**2017 Budget Law**") has introduced new rules relating to VAT groups (articles from 70-*bis* to 70-*duodecies* of Italian Presidential Decree no. 633 of 26 October 1972 (the "**VAT Decree**")) which, if so elected by an entity, apply from 1 January 2019. Pursuant to such rules, all entities included in the relevant VAT group are jointly and severally liable to the Italian Tax Authority for any VAT payments due by all members of the VAT group.

The Issuer is in the process to become part of the consolidated group of illimity Bank S.p.A. for VAT purposes (the "**VAT Group**"), pursuant to the provisions of articles 70-*bis et seq.* of the VAT Decree.

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

In a more recent published ruling (Ruling No. 487 of 15 November 2019) the same principle was expressed with specific reference to securitisation vehicles incorporated under the Securitisation Law. According to such tax ruling, the securitisation vehicles incorporated under the Securitisation Law are jointly and severally liable with the VAT representative only within the amounts of taxes, interest and penalties attributable to each segregated pool of assets (*ascrivibili alla gestione dei patrimoni stessi*).

However, prospective Noteholders should be aware that such clarification is included in a practice document issued by the Italian tax authorities, which is not a legislative measure and may be challenged before Italian courts.

In order to mitigate such risk, under the Intercreditor Agreement illimity Bank S.p.A. has undertaken to hold harmless and indemnify on demand the Issuer for any costs, expenses, liabilities and other charges which the Issuer may incur as a result of its participation in the VAT group, as better detailed in the Intercreditor Agreement.

Please note that in any case the services carried out by the Servicer under the Servicing Agreement would fall outside the scope of the VAT Group given that the Servicer is not a party of the VAT Group.

In addition, according to the provisions of the Transaction Documents, in order to meet, *inter alia*, any such payment obligation and to the extent that payment is not deferrable until the immediately subsequent Payment Date, the Issuer has established the Expenses Account and the Recovery Expenses Reserve Account, out of which payments may be made by also at dates other than Payment Dates in order to meet any taxes due and payable by the Issuer and, more generally, any costs and expenses required to be paid in order to preserve the corporate existence of the Issuer, to maintain it in good standing or comply with applicable legislation and regulations. If the amounts then standing to the credit of the Expenses Account and the Recovery Expenses Reserve Account are insufficient to meet (in whole or in part) any such payment obligation by the Issuer or if such payment may be deferred until the immediately subsequent Payment Date, on such subsequent Payment Date such payments will be made by the Issuer under item first of the applicable Priority of Payments.

However, notwithstanding the above mentioned provisions of the Transaction Documents and also considering that it is unpredictable if, when and for which amount any such joint and several liability of the Issuer will arise, there is no assurance that, upon such liability arising, the Issuer will have the financial resources to meet any such payment obligation. In particular, the indemnification obligations undertaken by illimity are unsecured claims of the relevant entity and no assurance can be given that the relevant entity can or will pay the relevant amounts if and when due.

Under Italian law, any creditor (including the tax authorities) of the Issuer would be able to commence insolvency or winding up proceedings against the Issuer in respect of any unpaid debt.

Finally, since in order to meet the subjective requirements necessary to belong to the VAT Group, the majority of the quota capital of the Issuer will be held by illimity Bank S.p.A., should the latter be subject to an insolvency proceeding, the bankruptcy receiver of illimity Bank S.p.A. may, in pursuing the liquidation of the bankruptcy estate in favour of illimity Bank S.p.A.'s creditors, transfer the quota capital of the Issuer then held by illimity Bank S.p.A. to a third party entity. The impact on any such transfer on the Securitisation cannot be assessed at this time.

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

U.S. Foreign Account Tax Compliance Act Withholding

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended ("**FATCA**") generally impose a new reporting regime and potentially a 30.00 per cent U.S. withholding tax with respect to certain payments to certain non-U.S. financial institutions (including entities such as the Issuer) that do not (i) enter into and comply with an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide certain information about the holders of its debt or equity or (ii) comply with legislation implementing an intergovernmental agreement, if any, between the United States and the applicable residence jurisdiction (an "**IGA**"). The FATCA rules may also affect other non-U.S. entities that are not considered financial institutions for these purposes, but in this case different rules apply. Certain aspects of the application of these rules to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. Furthermore, even if withholding would be

required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, proposed U.S. Treasury regulations have been issued that provided that such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until the issuance of final regulations. No such final regulations have been published yet. Moreover, on or prior to the date that is six months after the date on which final U.S. Treasury 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.

In particular, a FATCA withholding tax may be triggered if (i) the issuer is a foreign financial institution ("**FFI**") (as defined by FATCA), which enters into and complies with an agreement with the IRS to provide certain information on its account holders (a term which includes the holders of its debt or equity interests that are not regularly traded on an established securities market) (making the issuer a "**participating FFI**"), (ii) any payment by the issuer is considered to be attributable to any U.S. source "withholdable payment" to the issuer, and (iii) (a) an investor does not provide information sufficient for the participating FFI to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States account" of such issuer, or (b) any FFI through which payment on the notes or other payments are made is not a participating FFI.

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

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

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

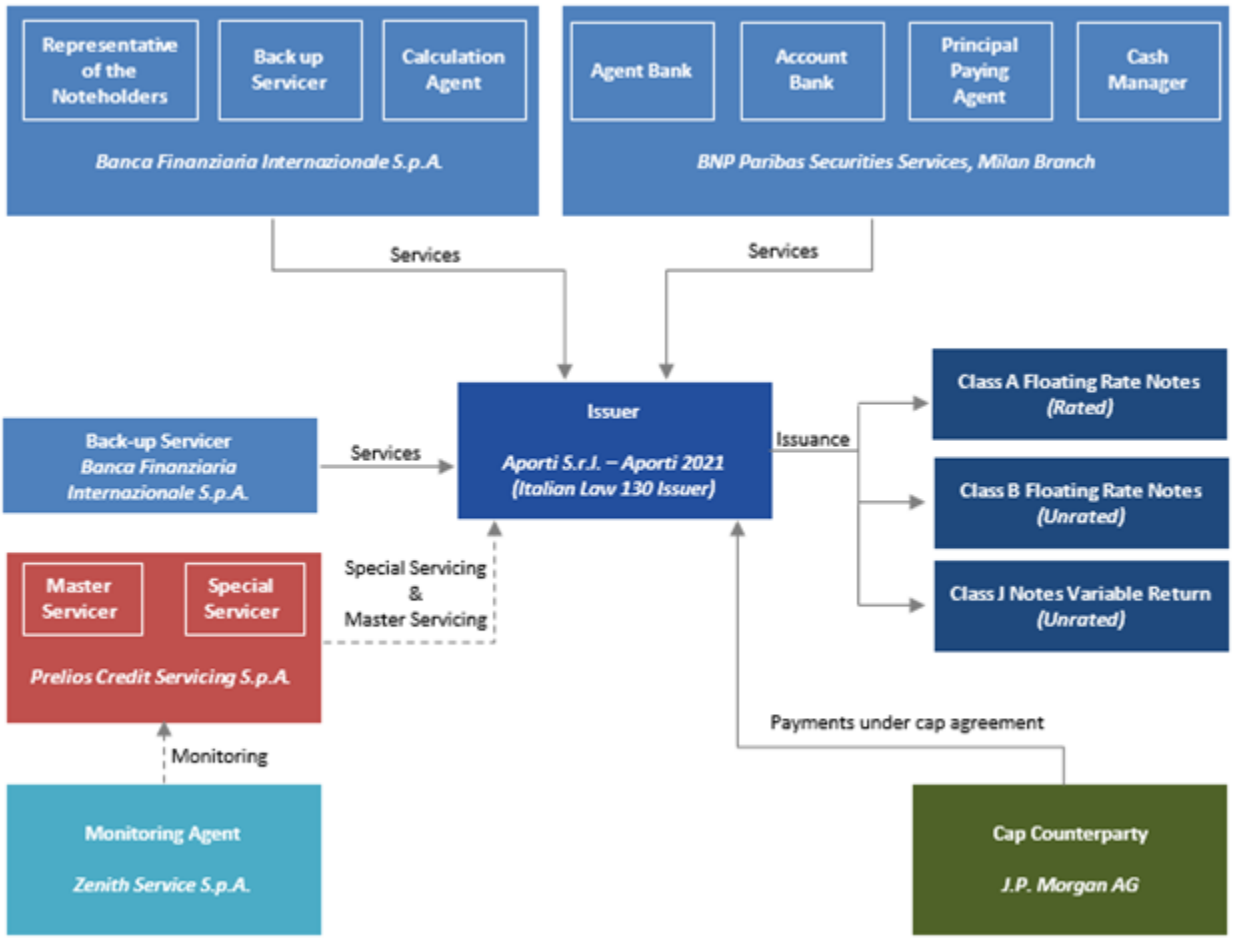
Combination or "layering" of multiple risk factors may significantly increase risk of loss

Although the various risks discussed in this Prospectus are generally described separately, prospective investors in the Class A Notes should consider the potential effects of the interplay of multiple risk

factors. Where more than one significant risk factor is present, the risk of loss to an investor may be significantly increased. For example, the Receivables comprise also defaulted claims, and investors will be relying on the ability of the Servicer to convert such Receivables to cash. Part of the Receivables are secured by real estate assets in areas which have experienced and are still experiencing home price depreciation. There are many other circumstances in which layering of multiple risks with respect to the asset pool and the Class A Notes may magnify the effect of those risks.

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

TRANSACTION DIAGRAM



OVERVIEW OF THE TRANSACTION

The following information is an overview of certain aspects of the transactions relating to the Notes and should be read in conjunction with, and is qualified in its entirety by reference to, the detailed information presented elsewhere in this Prospectus and in the Transaction Documents.

THE PRINCIPAL PARTIES

ISSUER	**APORTI S.R.L.**, a limited liability company incorporated under Article 3 of the law 130/1999, as amended from time to time (the "**Securitisation Law**"), enrolled in the register of the special purpose vehicles held by Bank of Italy pursuant to the Bank of Italy's regulation dated 7 June 2017 (the "**Issuer**").
ORIGINAL SELLERS	Certain Italian credit institutions.
AGENT BANK	**BNP PARIBAS SECURITIES SERVICES, MILAN BRANCH,** a company incorporated under the laws of the Republic of France as a *société en commandite par actions*, having its registered office at 3 Rue d'Antin, 75002 Paris (France), acting through its Milan branch, with offices in Piazza Lina Bo Bardi, 3, 20124 Milan, Italy, enrolment with the companies' register of Milan No. 13449250151, enrolled with the banks register held by the Bank of Italy under No. 5483, acting as agent bank, or any other person from time to time acting as agent bank (the "**Agent Bank**").
ACCOUNT BANK	**BNP PARIBAS SECURITIES SERVICES, MILAN BRANCH,** acting as account bank, or any other person from time to time acting as account bank (the "**Account Bank**").
PAYING AGENT	**BNP PARIBAS SECURITIES SERVICES, MILAN BRANCH ,** acting as account bank, or any other person from time to time acting as paying agent (the "**Paying Agent**").
REPRESENTATIVE OF THE NOTEHOLDERS	**BANCA FINANZIARIA INTERNAZIONALE S.P.A.**, a company incorporated as a "*società per azioni*", having its registered office at Conegliano (TV), via V. Alfieri n. 1, fiscal code and enrolment in the companies' register of Treviso-Belluno with No. 04040580963, VAT code 04977190265, currently enrolled under number 5580 in the register of Banks held by the Bank of Italy pursuant to Article 13 of the Consolidated Banking Act, acting as representative of the Noteholders or any other person from time to time acting as representative of the Noteholders (the "**Representative of the Noteholders**").
SERVICER	**PRELIOS CREDIT SERVICING S.P.A.**, a joint stock company (*società per azioni*) incorporated under the laws of the Republic of Italy, with registered office in Via Valtellina 15/17, Milan, fiscal code and enrolment with the companies register of Milan number

	08360630159, acting as servicer of the Transaction, or any other person from time to time acting as servicer of the Transaction (the "**Servicer**").
SELECTED DELEGATE	**PRELIOS CREDIT SOLUTIONS S.P.A.**, a joint stock company (*società per azioni*) incorporated under the laws of the Republic of Italy, having its registered office at Via Valtellina 15/17, Milan, registered in the Companies Register of Milan under no. 13048380151, acting as the entity delegated by the Servicer to perform the special servicing activities in respect of the Portfolio (the "**Selected Delegate**").
CORPORATE SERVICES PROVIDER	**CENTOTRENTA SERVICING S.P.A.**, a joint stock company (*società per azioni*) incorporated under the laws of Republic of Italy, with registered office in Via San Prospero 4, Milan, fiscal code and enrolment with the companies register of Milan number 07524870966, acting as corporate services provider, or any other person from time to time acting as corporate services provider (the "**Corporate Services Provider**").
QUOTAHOLDERS	**FENICE TRUST COMPANY S.R.L.**, a limited liability company (*società a responsabilità limitata*) incorporated under the laws of the Republic of Italy and having its registered office at Milan, Via Dante, n. 4, and enrolled at the Chamber of Commerce of Milano Monza Brianza Lodi at the no. 08431730962, in its capacity as trustee of Rubino Finance Trust ("**FTC**"), holding 32.33% of the quota capital of the Issuer. **ILLIMITY BANK S.P.A.**, a bank organised and incorporated under the laws of Italy, whose registered office is at Via Soperga 9, 20214 Milan, share capital of Euro 50,366,953.62 (of which Euro 48,870,282.28 fully paid up), enrolment in the Companies' Register of Milan, Monza Brianza, Lodi, fiscal code and VAT No. 03192350365 and registered under No. 5710 in the register of banks held by the Bank of Italy pursuant to Article 13 of the Consolidated Banking Act ("**illimity**" and, together with FTC, the "**Quotaholders**" and each of them a "**Quotaholder**"), holding 66.67% of the quota capital of the Issuer.
CASH MANAGER	**BNP PARIBAS SECURITIES SERVICES, MILAN BRANCH,** acting as cash manager, or any other person from time to time acting as cash manager (the "**Cash Manager**").
CALCULATION AGENT	**BANCA FINANZIARIA INTERNAZIONALE S.P.A.**, acting as calculation agent, or any other person from time to time acting as calculation agent (the "**Calculation Agent**").
MONITORING AGENT	**ZENITH SERVICE S.P.A.**, a company incorporated under the laws

of the Republic of Italy as a "*società per azioni*", with registered office in Rome and its administrative office at via Vittorio Betteloni 2, 20131 Milan, Fiscal Code and VAT number 02200990980, registered in the Register of Enterprises of Rome under number 02200990980, registered in the register of the Financial Intermediaries held by the Bank of Italy under Article 106 of the Legislative Decree. No. 385/1993 at No. 30, ABI CODE 32590.2, acting as monitoring agent, or any other person from time to time acting as as monitoring agent (the "**Monitoring Agent**").

BACK-UP MASTER SERVICER — **BANCA FINANZIARIA INTERNAZIONALE S.P.A.**, acting as back-up master servicer or any other person from time to time acting as back-up master servicer in case of termination of the appointment of Prelios Credit Servicing S.p.A. as Servicer in carrying out the Master Servicer Activities according to the Back-up Master Servicing Agreement (the "**Back-up Master Servicer**").

CAP COUNTERPARTY — **J.P. MORGAN AG**, stock company (*Aktiengesellschaft*) incorporated under the laws of the Federal Republic of Germany, having its registered office at Taunustor 1 (TaunusTurm) 60310 Frankfurt am Main Federal Republic of Germany, registered with the Commercial Register of the District Court in Frankfurt am Main under number HRB 16861, acting in its capacity as cap counterparty pursuant to the relevant Cap Agreement (the "**Cap Counterparty**").

RETENTION HOLDER — **ILLIMITY BANK S.P.A.**, acting as "originator" (within the meaning ascribed to such term in Article 2, paragraph 3, letter (b) of the Securitisation Regulations) according to the Securitisation Regulations and pursuant to the Intercreditor Agreement and the Notes Subscription Agreement (the "**Retention Holder**").

LIMITED RECOURSE LOAN PROVIDER — **ILLIMITY BANK S.P.A.**, acting as limited recourse loan provider (the "**Limited Recourse Loan Provider**").

PRINCIPAL FEATURES OF THE NOTES

TITLE — The Notes will be issued by the Issuer on 28 June 2021 (the "**Issue Date**") in the following classes:

Euro 64,700,000 Class A Asset Backed Floating Rate Notes due January 2043 (the "**Class A Notes**" or the "**Senior Notes**" or the "**Rated Notes**");

Euro 9,500,000 Class B Asset Backed Floating Rate Notes due January 2043 (the "**Class B Notes**" or the "**Mezzanine Notes**"); and

Euro 4,000,000 Class J Asset Backed Fixed Rate and Variable Return Notes due January 2043 (the "**Class J Notes**" or the "**Junior Notes**" and together with

the Class A Notes and the Mezzanine Notes, the "**Notes**" and each Note of a single class, a "**Class of Notes**").

"**Most Senior Class of Notes**" means the Class A Notes or, upon redemption in full of the Class A Notes, the Class B Notes, or, upon redemption in full of the Class A Notes and the Class B Notes, the Class J Notes.

INTEREST

The rate of interest applicable from time to time in respect of the Class A Notes will be EURIBOR for 6 (six) months deposits in Euro (the "**Six Month EURIBOR**") (or in the case of the Initial Interest Period, the linear interpolation between 6 (six) and 12 (twelve) months deposits in Euro) *plus*, a margin of 2.80% (the "**Class A Notes Interest Rate**"), provided that should the Six Month EURIBOR be lower than zero, it shall be deemed to be zero.

The rate of interest applicable from time to time in respect of the Class B Notes (the "**Class B Notes Interest Rate**") will be equal to the aggregate of:

(a) 7.5% *per annum* (the "**Class B Notes Capped Interest Rate**" and the portion of interest amount of the Class B Notes resulting therefrom, the "**Class B Notes Capped Interest Amount**"); and

(b) the higher of (i) zero and (ii) the Six Month EURIBOR (or in the case of the Initial Interest Period, the linear interpolation between 6 (six) and 12 (twelve) months deposits in Euro) (the "**Class B Notes Deferred Interest Rate**" and the portion of interest amount of the Class B Notes, the "**Class B Notes Deferred Interest Amount**").

The fixed rate of interest applicable to the Class J Notes for each Interest Period, including the Initial Interest Period, shall be 10% *per annum*. The Class J Notes bear, in addition to interest, the Class J Notes Variable Return.

PAYMENT DATE

Interest on the Notes will accrue on a daily basis and will be payable semi-annually in arrears in Euro on January and July in each year or, if such day is not a Business Day, the immediately preceding Business Day (each such date a "**Payment Date**"). The first Payment Date will fall in January 2022 (the "**First Payment Date**").

ADMISSION TO TRADING OF THE CLASS A NOTES

Application may be made for the Class A Notes to be listed and admitted to trading on the ExtraMOT PRO of the ExtraMOT Market, which is a multilateral trading system for the purposes of the Market in Financial Instruments Directive 2014/65/EC managed by Borsa Italiana.

No application will be made to list and admit to trading the Mezzanine Notes and the Junior Notes on any stock exchange.

CLASS J NOTES VARIABLE RETURN

"**Class J Notes Variable Return**" means, (i) on each Payment Date on which the Pre-Enforcement Priority of Payments applies, an amount payable on the Class J Notes equal to the Issuer Available Funds available on such Payment Date after payment of items from (*First*) to (*Fourteenth*) (inclusive) of the Pre-Enforcement Priority of Payment; or (ii) on each Payment Date on which the Post Enforcement Priority of Payments applies, an amount equal to the Issuer Available Funds available on such Payment Date after payment of items from (*First*) to (*Twelfth*)

(inclusive) of the Post Enforcement Priority of Payments.

UNPAID INTEREST

In the event that the Issuer Available Funds available to the Issuer on any Payment Date (in accordance with the Pre-Enforcement Priority of Payments or the Post Enforcement Priority of Payments, as applicable), for the payment of interest on the Notes on such Payment Date are not sufficient to pay in full the relevant Interest Amount, the amount by which the aggregate amount of interest paid on such Payment Date falls short of the Interest Amount which would otherwise be due, shall be aggregated with the amount of, and treated for the purposes of the Conditions as if it were, Interest Amount accrued on the Notes on the immediately following Payment Date. Any such unpaid amount on the Notes shall not accrue additional interest.

Without prejudice for the foregoing, pursuant to the Pre-Enforcement Priority of Payments, any Class B Notes Capped Interest Amount not paid on a Payment Date as a consequence of the occurrence of a Subordination Event in respect of such Payment Date will be paid, in priority to the repayment of the Principal Amount Outstanding of the Class A Notes, on the first following Payment Date in respect of which the Cumulative Collection Ratio is higher than 100%.

FORM AND DENOMINATION OF THE NOTES

The Notes will be held in dematerialised form on behalf of the Noteholders as of the Issue Date, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holder. Monte Titoli shall act as depository for Clearstream and Euroclear. Title to the Notes will be evidenced by book entries in accordance with the provisions of (i) Article 83-*bis* of the Legislative Decree No. 58 of 24 February 1998 and (ii) the regulation of 13 August 2018 jointly issued by the Bank of Italy and CONSOB (*Disciplina delle controparti centrali, dei depositary centrali e dell'attività di gestione accentrata centrali e dell'attività di gestione accentrata*), as subsequently amended and supplemented. No physical document of title will be issued in respect of the Notes.

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

ISSUER AVAILABLE FUNDS

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

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

(ii) all amounts due and payable to the Issuer in respect of such Payment Date under the terms of the Cap Agreement (if and to the extent paid) other than (a) any Collateral Amount, any termination payment required to be made under the Cap Agreement, any collateral payable or transferable (as the case may be) under the Cap Agreement and any Replacement Cap Premium paid to the Issuer (which will not be available to the Issuer to make payments to its creditors generally, but may only be applied in accordance with the Collateral Account Priority of Payments) and (b) any Cap Tax Credit Amounts (which amounts shall be paid when due in

accordance with the Cap Agreement, without regard to the Collateral Account Priority of Payments or the applicable Priority of Payments);

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

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

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

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

(vii) (a) with reference to the First Payment Date only, the Cash Reserve Amount in an amount equal to the Initial Cash Reserve, and (b) on each Payment Date falling thereafter, the amounts standing to the credit of the Cash Reserve Account on the preceding Payment Date (following payments under the applicable Priority of Payments having been made);

(viii) (a) the proceeds deriving from the disposal in whole or in part (if any) of the Portfolio pursuant to the Intercreditor Agreement, and (b) the Servicing Disposal Available Proceeds;

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

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

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

but excluding (i) any amount paid out of the Collection Account during the immediately preceding Interest Period in accordance with the provisions of the Transaction Documents; (ii) the proceeds deriving from the disposal in whole or in part (if any) of the Portfolio pursuant to the Servicing Agreement, which have not become Servicing Disposal Available Proceeds.

PRIORITIES OF PAYMENTS

PRE-ENFORCEMENT PRIORITY OF PAYMENTS

Prior to (i) the service of a Trigger Notice, (ii) a Redemption for Taxation or (iii) an Optional Redemption, the Issuer Available Funds shall be applied on each Payment Date in making or providing for the following payments, in the following priority of payments (the "**Pre-Enforcement Priority of Payments**") (in each case, only if and to the extent that payments of a higher priority have been made in full):

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

(a) the Special Servicer Senior Fees and the Master Servicing Fees;

(b) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation and regulations or to fulfill due and payable payment obligations of the Issuer towards third parties (not expressly included in any following item of this Priority of Payments) incurred in relation to the Transaction, to the extent that such costs, taxes, expenses and payments are not met by utilising the amount standing to the credit of the Expenses Account, and the Recovery Expenses, to the extent not payable through the amounts standing to the credit of the Recovery Expenses Reserve Account;

(c) all costs and taxes required to be paid to maintain the ratings of the Rated Notes and in connection with the registration and deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents;

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

(e) into the Expenses Account the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

(ii) *Second*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) fees, expenses and all other amounts due and payable to the Cash Manager, the Calculation Agent, the Account Bank, the Agent Bank, the Paying Agent, the Monitoring Agent, the Corporate Services Provider and the Back-up Master Servicer;

(iii) *Third*, to pay interest due and payable on the Limited Recourse Loan pursuant to the terms of the Limited Recourse Loan Agreement;

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

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

(vi) *Sixth*, to credit the Cash Reserve Account up to an amount equal to the

Target Cash Reserve Amount;

(vii) *Seventh*, to pay the Principal Due and Payable on the Limited Recourse Loan pursuant to the terms of the Limited Recourse Loan Agreement;

(viii) *Eighth*, to pay (*pari passu* and *pro rata rata* to the extent of the respective amounts thereof) if no Subordination Event has occurred in respect of such Payment Date, (A) the Class B Notes Capped Interest Amount due on such Payment Date (other than the amount set out under item (B) below), and (B) if on the immediately preceding Calculation Date, the Cumulative Collection Ratio was higher than 100%, any Class B Notes Capped Interest Amount not paid on the preceding Payment Dates as a consequence of the occurrence of a Subordination Event;

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

(x) *Tenth*, to pay, *pari passu* and *pro rata*, (i) the Class B Notes Deferred Interest Amount due on such Payment Date together with any Class B Notes Deferred Interest Amount accrued but not paid on any preceeding Payment Dates, and (ii) upon occurrence of a Subordination Event in respect to such Payment Date, (A) the Class B Notes Capped Interest Amount due on such Payment Date (other than the amount set out under item (B) below), and (B) any Class B Notes Capped Interest Amount not paid on the preceding Payment Dates as a consequence of the occurrence of a Subordination Event;

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

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

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

(xiv) *Fourteenth*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) (i) the Principal Amount Outstanding of the Class J Notes until the Principal Amount Outstanding of the Class J Notes is equal to Euro 10,000 and on the Final Redemption Date the Principal Amount Outstanding of the Class J Notes until redemption in full of the Class J Notes and (ii) the Special Servicer Junior Fees;

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

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

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

(a) the amounts standing to the credit of the Cash Reserve Account on the immediately preceding Payment Date (after application of the Pre-Enforcement Priority of Payments on such Payment Date), plus

(b) the aggregate amount transferred from the Collection Account to the Investment Account in the immediately preceding Collection Period (as promptly indicated by the Account Bank upon request of the Calculation Agent),

towards payment only of items from (*First*) to (*Seventh*) (but excluding the Special Servicer Senior Fees and the Master Servicing Fees) under item (*First*)) of the Pre-Enforcement Priority of Payments, it being understood that any amount in excess shall be credited on the Payments Account, and

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

SUBORDINATION EVENT

If on any Calculation Date any of the following events occurs (each an "**Subordination Event**"):

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

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

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

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

POST ENFORCEMENT PRIORITY OF PAYMENTS

(a) Following the delivery of a Trigger Notice, or (b) in the event that the Issuer opts for the Redemption for Taxation, or for the Optional Redemption, or (c) on the Final Maturity Date, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following priority of payments (the "**Post Enforcement Priority of Payments**") (in each case, only if and to the extent that payments of a higher priority have been made in full):

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

(a) the Special Servicer Senior Fees and the Master Servicing Fees;

(b) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation and regulations or to fulfill due and payable payment obligations of the Issuer towards third parties (not expressly included in any following item of this Priority of Payments) incurred in relation to the Transaction, to the extent that such costs, taxes, expenses and payments are not met by utilising the amount standing to the credit of the Expenses Account, and the Recovery Expenses, to the extent not payable through the amounts standing to the credit of the Recovery Expenses Reserve Account;

(c) all costs and taxes required to be paid to maintain the ratings of the Rated Notes and/or in connection with the registration and deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents;

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

(e) into the Expenses Account the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

(ii) *Second*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) fees, expenses and all other amounts due and payable to the Cash Manager, the Calculation Agent, the Account Bank, the Agent Bank, the Paying Agent, the Monitoring Agent, the Corporate Services Provider and the Back-up Master Servicer;

(iii) *Third*, to pay interest due and payable on the Limited Recourse Loan pursuant to the terms of the Limited Recourse Loan Agreement;

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

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

(vi) *Sixth*, to pay the Principal Due and Payable on the Limited Recourse Loan pursuant to the terms of the Limited Recourse Loan Agreement;

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

(viii) *Eighth*, to pay, (*pari passu* and *pro rata* to the extent of the respective

amounts thereof) interest due and payable on the Class B Notes;

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

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

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

(xii) *Twelfth*, to pay, *pari passu* and *pro rata*, all amounts due and payable in respect of (i) the Principal Amount Outstanding of the Class J Note on such Payment Date and (ii) the Special Servicer Junior Fees; and

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

COLLATERAL ACCOUNT PRIORITY OF PAYMENTS

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

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

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

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

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

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

(ii) upon or immediately following the occurrence or designation of an Early Termination Date (as defined in the Cap Agreement) in respect of the Cap Agreement where (A) such Early Termination Date (as defined in the Cap Agreement) has been designated following an Event of Default (as defined in the Cap Agreement) in respect of which the Cap Counterparty is the Defaulting Party (as defined in the Cap Agreement) or an Additional Termination Event (as defined in the Cap Agreement) resulting from the Cap Counterparty Rating Event and in respect of which the Cap Counterparty is the Affected Party (as defined in the Cap Agreement) and (B) the Issuer enters into a replacement cap agreement in respect of the Cap Agreement on or around the Early Termination Date of the Cap Agreement, on the later of the day on which such replacement cap agreement is

entered into and the day on which the Replacement Cap Premium (if any) payable to the Issuer has been received (in each case, whether or not such day is a Payment Date), in the following order of priority:

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

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

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

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

(iv) following the occurrence or designation of an Early Termination Date in respect of the Cap Agreement where such Early Termination Date has been designated otherwise than as a result of one of the events specified at items (ii) and (iii) above, on any day (whether or not such day is a Payment Date) in or towards payment of any amount due in full and final settlement, any other payments then outstanding and any other contingent payments which are not yet due to the outgoing Cap Counterparty pursuant to the Cap Agreement; and

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

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

B. *second*, the surplus (if any) (a "**Cap Collateral Account Surplus**") remaining after payment of such Replacement Cap Premium to be transferred to the Payments Account and deemed to form Issuer Available Funds,

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

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

(y) the day on which a Trigger Notice is given pursuant to Condition 9 (*Trigger Event*),

then the Collateral Amount on such day shall be transferred to the Payments Account as soon as reasonably practicable thereafter and deemed to constitute a Cap Collateral Account Surplus and to form Issuer Available Funds.

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

(a) *Non-payment:*

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

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

(b) *Breach of other obligations:*

the Issuer defaults in the performance or observance of any of its obligations under or in respect of the Notes (other than the obligations under (a) above) or any of the Transaction Documents to which it is a party and (except where, in the sole and absolute opinion of the Representative of the Noteholders, such default is incapable of remedy, in which case no notice requiring remedy will be required) such default remains unremedied for 30 days after the Representative of the Noteholders has given written notice thereof to the Issuer, certifying that such default is, in the sole opinion of the Representative of the Noteholders, materially detrimental to the interests of the Most Senior Class of Noteholders and requiring the same to be remedied (provided however that, for the avoidance of doubt, non payment of principal on the Notes, due to the Servicer not having provided the relevant Semi-Annual Servicing Report (as described under the "Pre-Enforcement Priority

of Payments" section hereunder) shall not constitute a Trigger Event); or

(c) Insolvency:

The Issuer becomes subject to any Insolvency Proceedings; or

(d) 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, in the reasonable opinion of the Representative of the Noteholders, incorrect or erroneous in any material respect when made, or deemed to be made, or at any time thereafter, unless it has been remedied within 30 (thirty) days after the Representative of the Noteholders has served a notice to the Issuer requiring remedy; or

(e) Unlawfulness:

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

then, the Representative of the Noteholders:

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

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

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

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

SALE OF THE PORTFOLIO

In the following circumstances:

(i) in the case of Redemption for Taxation; or

(ii) if, after a Trigger Notice has been served on the Issuer (with a copy to the Rating Agencies, the Cap Counterparty and the Servicer), an Extraordinary Resolution of the holders of the Most Senior Class of Notes resolves to request the Issuer to sell all (but not only a part) of the Portfolio to one or

more third parties,

the Issuer (in the case of Redemption for Taxation) or the Representative of the Noteholders in the name and on behalf of the Issuer (after a Trigger Notice has been served on the Issuer) shall be entitled to sell the whole Portfolio and shall organise through external advisers a competitive bid process to such purpose (the "**Bid Process**"). The Bid Process procedure shall be carried out in compliance with the best practices of the industry and in line with transparency standards, in order to maximize the purchase price of the Portfolio and the Issuer or the Representative of the Noteholders, as the case may be, will be able to sell the Portfolio to the selected party only if the proceedings deriving from the sale of the Portfolio will be applied in accordance with the applicable Priority of Payments and, with respect to the Redemption for Taxation, subject in any case to the requirements provided under Condition 6.2 (*Redemption for Taxation*).

In the case of Optional Redemption, the Issuer, upon direction of the Monitoring Agent (if so directed by the Investors Committee), will organise a Bid Process in order to sell the Portfolio. The Bid Process procedure shall be carried out in compliance with the best practices of the industry and in line with transparency standards, in order to maximize the purchase price of the Portfolio and the Issuer, upon direction of the Monitoring Agent (if so directed by the Investors Committee), will be able to sell the Portfolio to the selected party only if the proceedings deriving from the sale of the Portfolio shall be sufficient to allow the Issuer, on the following Payment Date, to redeem:

(a) the Senior Notes, the Mezzanine Notes and the Junior Notes in whole (but not in part) at their Principal Amount Outstanding (together with any interest accrued and unpaid thereon until the date on which such redemption occurs); or

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

(c) in any case to allow the Issuer to pay any amounts required under the Conditions to be paid in priority to or *pari passu* with such Class of Notes to be redeemed and any amounts required under the Conditions to be paid in priority to or *pari passu* thereto.

Within the date of payment of the purchase price related to the sale of the Receivables above described, the relevant purchaser shall deliver to the Issuer (or to the Representative of the Noteholders, in case of sale of the Portfolio after the service of a Trigger Notice): (i) a certificate of good standing of the Chamber of Commerce (*certificato di vigenza della Camera di Commercio*) dated not later than 10 (ten) Business Days before the date of the sale of the Portfolio; (ii) a solvency certificate signed by a legal representative duly authorized by the purchaser, dated the date of the sale of the Portfolio; and (iii) except where the issuance of the certificate is not permitted by the internal rules applied by the relevant court, also a certificate from the appropriate bankruptcy court ("*tribunale civile – sezione fallimentare*") confirming that no insolvency petitions have been filed against such potential

purchaser, dated not later than 10 (ten) Business Days before the date of the sale of the Portfolio.

The transfer of the Portfolio pursuant to this section shall be construed as a "*contratto aleatorio*" pursuant to Article 1469 of the Italian Civil Code and as a "*vendita a rischio e pericolo del compratore*" pursuant to Article 1488, second paragraph, of the Italian Civil Code with express derogation by the relevant parties of Article 1266 of the Italian Civil Code with reference to the warranty, provided by the transferor, of the existence of the claims and Article 1448 of the Italian Civil Code shall not apply. The transfer of the Portfolio shall be subject to the condition of payment in full to the Issuer of the relevant purchase price.

REPRESENTATIVE OF THE NOTEHOLDERS

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

LIMITED RECOURSE LOAN

Under a limited recourse loan agreement to be entered into on or prior to the Issue Date, the Limited Recourse Loan Provider will grant to the Issuer a limited recourse loan in the aggregate amount of Euro 3,061,500.00 (the "**Limited Recourse Loan**") which shall bear interest on its principal amount outstanding at a fixed rate equal to 0.2% *per annum*. The Limited Recourse Loan will be disbursed to the Issuer on or about the Issue Date, in order to fund the Initial Cash Reserve, the Recovery Expenses Reserve Amount and the Retention Amount on the Issue Date.

PRINCIPAL DUE AND PAYABLE ON THE LIMITED RECOURSE LOAN

"**Principal Due and Payable on the Limited Recourse Loan**" means, on each Payment Date, the difference between (i) the initial principal amount of the Limited Recourse Loan minus all principal amounts due and paid on the Limited Recourse Loan on all the previous Payment Dates and (ii) the Target Cash Reserve Amount on such Payment Date.

CASH RESERVE AMOUNT

As of the Issue Date the Issuer will establish a reserve fund in the Cash Reserve Account, to be funded through the Limited Recourse Loan, for an amount equal to Euro 2,911,500.00 (the "**Initial Cash Reserve**").

"**Cash Reserve Amount**" means the monies standing from time to time to the credit of the Cash Reserve Account at any given time up to an amount equal to (i) on the Issue Date the Initial Cash Reserve and (ii) thereafter, the Target Cash Reserve Amount. On each Payment Date prior to the delivery of a Trigger Notice, the Issuer will, in accordance with the Pre-Enforcement Priority of Payments, pay into the Cash Reserve Account an amount up to the Target Cash Reserve Amount.

"**Target Cash Reserve Amount**" means, on each Payment Date, an amount equal to 4.5% of the Principal Amount Outstanding of Class A Notes as of the Business Day following the immediately preceding Payment Date (or, in respect of the First Payment Date, on the Issue Date), provided that the Target Cash Reserve Amount will be equal to 0 (zero) on the earlier of (i) the Payment Date on which the Class A Notes can be redeemed in full, (ii) the Final Maturity Date, and (iii) the Final Redemption Date (and on each Payment Date thereafter).

As at the Issue Date the amounts credited to the Cash Reserve Account will be equal the Initial Cash Reserve.

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

RECOVERY EXPENSES CASH RESERVE

On the Issue Date, the Issuer will establish a cash reserve in the Recovery Expenses Reserve Account, to be funded through the Limited Recourse Loan, for an amount equal to Euro 100,000 (respectively, the "**Recovery Expenses Cash Reserve**" and the "**Recovery Expenses Reserve Amount**").

The Recovery Expenses Cash Reserve will be mainly applied for payments related to the Recovery Expenses. The Recovery Expenses Cash Reserve will be replenished on any date on which the balance of such account is lower than Euro 20,000 with a sum sufficient to bring the Recovery Expenses Cash Reserve to an amount equal to (but not exceeding) the Recovery Expenses Reserve Amount (the "**Replenishment**"). Such Replenishment shall be made by the Account Bank (i) by using the amount standing to the credit of the Collection Account or the Investment Account (as the case may be) in accordance with the provisions of the Cash Administration and Agency Agreement or (ii) in the event the Replenishment is to be carried out in the period between 2 (two) Business Days prior to a Calculation Date (included) and the immediately following Payment Date (included), on the relevant Payment Date pursuant to the applicable Priority of Payments, in accordance with the provisions of the Cash Administration and Agency Agreement.

EXPENSES ACCOUNT

On the Issue Date, the Issuer will establish a cash reserve in the Expenses Account, to be funded through the Limited Recourse Loan, for an amount equal to Euro 50,000 (the "**Retention Amount**").

The amounts standing to the credit of the Expenses Account will be applied for payment of costs, expenses and taxes due by the Issuer to third parties (other than the Noteholders and the Other Issuer Creditors) other than the Recovery Expenses.

SECURITISATION COSTS

The upfront costs and expenses (including due diligence costs) incurred in connection with the set-up, structuring and implementation of the Securitisation (the "**Securitisation Costs**") shall be funded through the application of the proceeds of the issuance of the Notes.

FINAL REDEMPTION

To the extent not otherwise redeemed, the Notes will be redeemed at their Principal Amount Outstanding on the Payment Date falling on January 2043 (the "**Final Maturity Date**").

MANDATORY REDEMPTION

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

(A) on each Payment Date in a maximum amount equal to the relevant Principal Amount Outstanding with respect to such Payment Date in accordance with the relevant Pre-Enforcement Priority of Payments;

(B) on the Payment Date following the delivery of a Trigger Notice and on the relevant Payment Date in case of Redemption for Taxation or in case of Optional Redemption at their Principal Amount Outstanding and in accordance with the Post Enforcement Priority of Payments,

if it is determined that there will be sufficient Issuer Available Funds which may be applied for this purpose in accordance with the relevant Pre-Enforcement Priority of Payments or the Post Enforcement Priority of Payments, as applicable.

OPTIONAL REDEMPTION

The Issuer may redeem the Senior Notes (in whole but not in part) and the Mezzanine Notes and the Junior Notes in whole but not in part (or only the Mezzanine Notes in whole, if all the Junior Noteholders consent) at their respective Principal Amount Outstanding, together with interest accrued and unpaid up to the date of their redemption, on any Payment Date falling on or after the Payment Date on which the Principal Amount Outstanding of the Senior Notes is equal to or lower than 10% (the "**Initial Clean Up Option Date**"), if so instructed by the Junior Noteholders.

Such optional redemption shall be effected by the Issuer giving not more than 45 (forty-five) nor fewer than 15 (fifteen) days prior written notice that shall be deemed irrevocable to the Representative of the Noteholders, the holders of the Rated Notes, the Cap Counterparty and the Rating Agencies and provided that the Issuer, prior to giving such notice, has produced evidence acceptable to the Representative of the Noteholders that it will have the necessary funds, not subject to interests of any other person, to discharge all its outstanding liabilities in respect of the relevant Notes (to be redeemed) and any amounts required under the Post Enforcement Priority of Payments to be paid in priority to or pari passu with such Notes. In order to finance the redemption of the relevant Notes in the circumstances described above, the Issuer (or the Representative of the Noteholders, acting in the name and on behalf of the Issuer), is entitled to dispose of the Portfolio, subject to the provisions of the Intercreditor Agreement and the Conditions.

REDEMPTION FOR TAXATION

If the Issuer:

1. has provided the Representative of the Noteholders with: (i) a legal opinion in form and substance satisfactory to the Representative of the Noteholders from a firm of lawyers (approved in writing by the Representative of the Noteholders); and (ii) a certificate from the legal representative of the Issuer; and

2. has given not more than 45 (forty-five) nor less than 15 (fifteen) calendar days

prior written notice to the Representative of the Noteholders, the Cap Counterparty and the Noteholders,

to the effect that, following the occurrence of certain legislative or regulatory changes, or official interpretations thereof by competent authorities, the Issuer (or any of the Issuer's agents):

(a) would be required on the next Payment Date to deduct or withhold (other than in respect of a Law 239 Deduction) or for or on account of FATCA legislation (and namely (i) sections 1471 to 1474 of the Code of Laws of the US Internal Revenue of 1986, any related regulation and any official interpretation; (ii) any treaty, law or regulation of any other jurisdiction or relating to an intergovernmental agreement between the US and any other jurisdiction in relation to the provisions referred to in limb (i) above, and (iii) any agreement with any US governmental and/or taxation authority relating to the implementation of any law, treaty and/or regulation referred to in limbs (i) and (ii) above) (each, a "**FATCA Deduction**")) from any payment of principal or interest on the Rated Notes, any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or any political or administrative sub-division thereof or any authority thereof or therein or by any applicable authority having jurisdiction; or

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

3. in each case the Issuer shall have produced evidence reasonably acceptable to the Representative of the Noteholders that it has the necessary funds (not subject to the interests of any other Person) to discharge all of its outstanding liabilities with respect to the Rated Notes and any amounts required under the Intercreditor Agreement to be paid in priority to, or pari passu with the Rated Notes,

the Issuer may (or shall if so directed by the Representative of the Noteholders acting upon instructions of the holders of the Most Senior Class of Notes) (i) on the first Payment Date on which such necessary funds become available to it, redeem the Rated Notes in whole (but not in part) at their Principal Amount Outstanding (together with any interest accrued and unpaid thereon until the date on which such redemption occurs) and pay any amounts required under the Conditions to be paid in priority to or *pari passu* with the Rated Notes and amounts ranking prior thereto or *pari passu* therewith pursuant to the Pre-Enforcement Priority of Payments; and (ii) on the first Payment Date on which sufficient funds become available to it, redeem the Class B Notes and the Class J Notes in whole or in part (together with any interest accrued and unpaid thereon until the date on which such redemption occurs) and pay any amounts required under the Conditions to be paid in priority to or *pari passu* with the Class B Notes and the Class J Notes (as applicable).

Alternatively, the funds necessary (i.e., to discharge all the outstanding liabilities of

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

HEDGING

On or about the Issue Date, the Issuer will enter into a cap transaction (the "Cap Transaction") with the Cap Counterparty.

The Cap Transaction shall be governed by the 1992 International Swaps and Derivatives Association, Inc. ("**ISDA**") Master Agreement (Multicurrency – Cross Border) (the "**Master Agreement**"), the Schedule thereto (the "**Schedule**") and the 1995 ISDA Credit Support Annex thereto (the "**Credit Support Annex**") and a cap confirmation (the "Cap Confirmation" and together with the Master Agreement, the Schedule and the Credit Support Annex, the "**Cap Agreement**").

The Issuer will enter into the Cap Transaction in order to hedge its floating interest rate exposure in relation to the Rated Notes. The Cap Transaction will have a strike payable by the Cap Counterparty as set forth under the Cap Confirmation for the relevant Interest Period. In return, the Issuer will pay a premium to the Cap Counterparty on the Issue Date.

The notional of the Cap Transaction will be the scheduled notional amount contained therein for the relevant Interest Period.

SEGREGATION

The Notes will have the benefit of the provisions of Article 3 of the Securitisation Law, pursuant to which the Issuer's Rights are segregated by operation of law from the Issuer's other assets. Both before and after a winding-up of the Issuer, amounts deriving from the Issuer's Rights will be available exclusively for the purpose of satisfying the Issuer's obligations to the Noteholders, the Other Issuer Creditors and any other third party creditors in respect of any taxes, costs, fees or expenses incurred by the Issuer in relation to the securitisation of the Portfolio and to the corporate existence and good standing of the Issuer. The Issuer's Rights may not be seized or attached in any form by creditors of the Issuer other than the Noteholders, the Other Issuer Creditors and any other third party creditors in respect of any taxes, costs, fees or expenses incurred by the Issuer in relation to the Transaction and to the corporate existence and good standing of the Issuer, until full redemption or cancellation of the Notes and full discharge by the Issuer of its obligations vis-à-vis the Other Issuer Creditors and any such third party. The Issuer's Rights are any monetary right arising out in favour of the Issuer against the Assigned Debtors and any other monetary right arising out in favour of the Issuer in the context of the Transaction, including the Collections and the Eligible Investments acquired with the Collections.

LIMITED RECOURSE

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

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

TAXATION Payments under the Notes may be subject to withholding for or on account of tax including, without limitation, a Law 239 Deduction and/or a FATCA Deduction. In such circumstances, a Noteholder of any Class will receive interest payments amounts (if any) payable on the Notes of such Class, net of such withholding tax.
Upon the occurrence of any withholding for or on account of tax from any payments under the Notes, neither the Issuer nor any other Person shall have any obligation to pay any additional amount(s) to any Noteholder of any Class.

RATINGS The Rated Notes are expected to be assigned, on issue, the following ratings:
Baa2(sf) by Moody's and BBB(sf) by Scope Ratings.
As of the date of this Prospectus, Moody's is established in the European Union and was registered on 31 October 2011 and Scope Ratings is established in the European Union and was registered on 24 May 2011 in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No. 513/2011 of the CRA Regulation and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the ESMA Website (for the avoidance of doubt, such website does not constitute part of this Prospectus).
No rating will be assigned to the Class B Notes and the Class J Notes.
A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal by the assigning rating organisation.

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

ACCOUNTS AND DESCRIPTION OF CASH FLOWS

QUOTA CAPITAL ACCOUNT

Pursuant to separate agreements entered into before the Issue Date, the Issuer has established with Banca del Fucino S.p.A., the following account as separate account in the name of the Issuer: a Euro denominated account with IBAN IT06G0312403201000000010079 (the "**Quota Capital Account**"), *into which* all sums contributed by the Quotaholders as quota capital of the Issuer and any interest thereon shall be credited.

ACCOUNTS HELD WITH BNP PARIBAS SECURITIES SERVICES, MILAN BRANCH

Pursuant to the Cash Administration and Agency Agreement, the Issuer has directed BNP Paribas Securities Services, Milan Branch (in its capacity as Account Bank) to establish, maintain and operate the following accounts as separate accounts in the name of the Issuer.

EXPENSES ACCOUNT

A Euro denominated account with IBAN IT 59 D 03479 01600 000802500500 (the "**Expenses Account**"),

into which: **(i)** on the Issue Date, an amount equal to the Retention Amount shall be transferred from the Payments Account; **(ii)** on each Payment Date (and to the extent there are Issuer Available Funds for such purpose in accordance with the applicable Priority of Payments) an amount shall be paid from the Payments Account in accordance with the applicable Priority of Payments so that the balance standing to the credit of the Expenses Account on such Payment Date is equal to the Retention Amount; and **(iii)** any interest accrued and paid on the amounts standing to the credit of the Expenses Account pursuant to the Cash Administration and Agency Agreement will be credited; and

out of which: **(i)** any taxes due and payable on behalf of the Issuer and any fees, costs and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing and comply with applicable legislation and regulations or to fulfill payment obligations of the Issuer to third parties (other than the Noteholders and the Other Issuer Creditors) (the "**Expenses**") incurred in relation to the Transaction will be paid on any Business Day; and **(ii)** on the Business Day immediately preceding the earlier of (a) the Payment Date on which the Notes will be redeemed in full and (b) the Cancellation Date, any amount standing to the credit of the Expenses Account in excess of any known Expenses not yet paid and any Expenses forecasted by the Corporates Services Provider to fall due after such date shall be transferred to the Payments Account.

COLLECTION ACCOUNT

A Euro denominated account with IBAN IT 13 F 03479 01600 000802500502 (the "**Collection Account**"):

into which: **(i)** all amounts received or recovered by the Issuer (either through the Servicer or directly, also by means of checks and promissory notes, if applicable) in respect of the Receivables will be credited (including

the interim collections to be paid into the Collection Account pursuant to the Master Allocation Agreement); **(ii)** all amounts received by the Issuer under the Transaction Documents, if not credited to other Accounts pursuant to the Transaction Documents (including any indemnity payment) will be credited; **(iii)** any proceeds received from the sale of all or part of the Receivables pursuant to the Transaction Documents will be credited; **(iv)** any amount arising from the disposal or liquidation of Eligible Investments (if any) pursuant to Clause 7.2, in order to meet (x) the payment obligation of the Issuer for the refund of amounts erroneously paid to the Issuer in relation to the Receivables (A) as ordered by the competent judicial authority (to the extent such payment is not deferrable to the following Payment Date); or (B) where such Receivables: (1) are subject to an enforcement proceeding; (2) have been assigned by the Issuer to third parties; (3) the assignee of the Receivables has not intervened in the relevant proceedings; and (4) payments made in the context of such proceedings is provided in favour of the Issuer instead of the assignee (to the extent such payment is not deferrable to the following Payment Date), (y) the payment obligation of the Issuer pursuant to clause 8 of the Master Allocation Agreement, to the extent allocated to the Transaction in accordance with the provisions thereof) and (z) the payment obligation of the Issuer to indemnify a third party in case a claim has been brought in respect of any amount deriving from the disposal of any Receivables according to clause 3.17 (*Vendita dei Crediti*) and schedule F (*Procedure di Vendita dei Crediti*) of the Servicing Agreement, will be credited; and **(v)** any interest accrued and paid on the amounts standing to the credit of the Collection Account will be credited; and

out of which: **(i)** without prejudice to items (ii) and (iii) below, any amount standing to the credit of the Collection Account will be transferred by close of business on the day of the relevant receipt into the Investment Account except for those amounts to be used by the Issuer, as specifically instructed in writing by the Servicer (with copy to the Issuer, the Calculation Agent and the Corporate Services Provider), on any Business Day, in order to meet (x) the obligation of the Issuer to indemnify a third party in case a claim has been brought in respect of any amount deriving from the disposal of any Receivables according to clause 3.17 (*Vendita dei Crediti*) and schedule F (*Procedure di Vendita dei Crediti*) of the Servicing Agreement; (y) the payment obligation of the Issuer for the refund of amounts erroneously paid to the Issuer in relation to the Receivables (A) as ordered by the competent judicial authority (to the extent such payment is not deferrable to the following Payment Date); or (B) where such Receivables: (1) are subject to an enforcement proceedings; (2) have been assigned by the Issuer to third parties; (3) the assignee of the Receivables has not intervened in the relevant proceedings; and (4) payments made in the context of such proceedings is provided in favour of the Issuer instead of the assignee (to the extent such payment is not deferrable to the following Payment Date); and (z) the payment obligation of the Issuer pursuant to clause 8 of the Master Allocation Agreement, to the extent allocated to the Transaction in accordance with the provisions thereof); **(ii)** any amount to be transferred to the Recovery Expense Reserve Account in order to make the Replenishment on any Business Day (other than the Business Days falling between 2 (two) Business

Days prior to a Calculation Date (included) and the immediately following Payment Date (included)) pursuant to the Cash Administration and Agency Agreement; **(iii)** any amount to be paid (also in a date which is not a Payment Date) in accordance with the provisions of the Transaction Documents will be paid.

RECOVERY EXPENSES RESERVE ACCOUNT

A Euro denominated account with IBAN IT 87 G 03479 01600 000802500503 (the "**Recovery Expenses Reserve Account**"),

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

out of which: **(i)** all payments related to the Recovery Expenses will be made on any Business Day upon instruction of the Servicer; and **(ii)** on the Business Day immediately preceding the earlier of (a) the Payment Date on which the Notes will be redeemed in full and (b) the Cancellation Date, the residual amount standing to the credit of the Recovery Expenses Reserve Account in excess of any known Recovery Expenses not yet paid and any Recovery Expenses forecasted by the Servicer to fall due after such date shall be transferred to the Payments Account.

PAYMENTS ACCOUNT

A Euro denominated account with IBAN IT 64 H 03479 01600 000802500504 (the "**Payments Account**"),

into which: **(i)** on or prior to the Issue Date, an amount equal to the Limited Recourse Loan shall be credited pursuant to the Limited Recourse Loan Agreement; **(ii)** any amounts standing to the credit of the Investment Account as of 2 (two) Business Days before each Payment Date shall be credited thereon except for any amount arising from the disposal or liquidation of Eligible Investments (if any), pursuant to the Cash Administration and Agency Agreement, in order to meet (x) the payment obligation of the Issuer for the refund of amounts erroneously paid to the Issuer in relation to the Receivables (A) as ordered by the competent judicial authority (to the extent such payment is not deferrable to the following Payment Date); or (B) where such Receivables: (1) are subject to an enforcement proceedings; (2) have been assigned by the Issuer to third parties; (3) the assignee of the Receivables has not intervened in the relevant proceedings; and (4) payments made in the context of such proceedings is provided in favour of the Issuer instead of the assignee (to the extent such payment is not deferrable to the

following Payment Date), (y) the payment obligation of the Issuer pursuant to clause 8 of the Master Allocation Agreement, to the extent allocated to the Transaction in accordance with the provisions thereof) and (z) the payment obligation of the Issuer to indemnify a third party in case a claim has been brought in respect of any amount deriving from the disposal of any Receivables according to clause 3.17 (*Vendita dei Crediti*) and schedule F (*Procedure di Vendita dei Crediti*) of the Servicing Agreement that shall be credited into the Collection Account; **(iii)** on the Business Day immediately preceding the earlier of (a) the Payment Date on which the Notes will be redeemed in full and (b) the Cancellation Date, the residual amount standing to the credit of the Recovery Expenses Reserve Account in excess of any known Recovery Expenses not yet paid and any Recovery Expenses forecasted by the Servicer to fall due after such date shall be transferred; **(iv)** on the Business Day immediately preceding the earlier of (a) the Payment Date on which the Notes will be redeemed in full and (b) the Cancellation Date, the residual amount standing to the credit of the Expenses Account in excess of any known Expenses not yet paid and any Expenses forecasted by the Corporates Services Provider to fall due after such date shall be transferred; **(v)** on the Issue Date, the subscription price of the Notes shall be credited after the applicable set-off pursuant to the Notes Subscription Agreement in an amount at least equal to (a) any amount due to be paid on such date to the Cap Counterparty pursuant to the Cap Agreement; (b) certain upfront costs and expenses of the Transaction; and (c) the Reallocation Amount net of any set-off agreed under the Notes Subscription Agreement; **(vi)** 2 (two) Business Days before each Payment Date, any amount payable by the Cap Counterparty (or its credit support provider) under the Cap Agreement (other than any amount required to be credited to the relevant Collateral Account) shall be credited; and **(vii)** any interest accrued and paid on the amounts standing to the credit of the Payments Account will be credited; and

out of which: **(i)** on each Payment Date all payments of interest and principal on the Notes and any payments to transfer to the Other Issuer Creditors and any third party creditors of the Transaction and any other payment or transfer set forth under the relevant Priority of Payments shall be made out of the Issuer Available Funds in accordance with the Intercreditor Agreement, the applicable Priority of Payments and the relevant Payments Report; **(ii)** any amount standing to the credit thereof will be transferred to the Investment Account 1 (one) Business Day after each Payment Date (other than the Payment Date on which the Notes will redeemed in full and the Final Maturity Date); **(iii)** on the Issue Date: (a) any amount due to be paid on such date to the Cap Counterparty pursuant to the Cap Agreement will be paid; (b) an amount equal to the Initial Cash Reserve will be transferred to the Cash Reserve Account; (c) an amount equal to the Retention Amount shall be transferred to the Expenses Account; (d) an amount equal to the Recovery Expenses Reserve Amount shall be credited to the Recovery Expenses Reserve Account; (e) the Reallocation Amount net of any set-off agreed under the Notes Subscription Agreement shall be paid pursuant to the Master Allocation Agreement; **(iv)** on or about the Issue Date, certain upfront costs and expenses of the Transaction will be paid in accordance with the Notes

Subscription Agreement; and **(v)** on each Payment Date an amount shall be paid to Expenses Account so that the balance standing to the credit of the Expenses Account on such Payment Date is equal to the Retention Amount.

CASH RESERVE ACCOUNT

a Euro denominated account with IBAN IT 41 I 03479 01600 000802500505 (the "**Cash Reserve Account**"),

into which: **(i)** on the Issue Date, an amount equal to the Initial Cash Reserve shall be transferred from the Payments Account; **(ii)** on each Payment Date up to (but excluding) the earlier of (A) the Payment Date following the delivery of a Trigger Notice, (B) the Payment Date on which the Class A Notes will be redeemed in full, (C) the Final Maturity Date and (D) the Final Redemption Date, all sums payable under item (*Sixth*) of the Pre-Enforcement Priority of Payments shall be credited from the Payments Account; and **(iii)** any interest accrued and paid on the amounts standing to the credit of the Cash Reserve Account will be credited; and

out of which: **(i)** on the Issue Date, an amount equal to the Initial Cash Reserve will be transferred into the Investment Account; and **(ii)** on the Business Day following each Payment Date, the amount standing to the credit of the Cash Reserve Account will be transferred into the Investment Account.

INVESTMENT ACCOUNT

A Euro denominated account with IBAN IT 18 J 03479 01600 000802500506 (the "**Investment Account**"),

into which: **(i)** without prejudice to item (ii) of the "*out of which*" payments of Collection Account, any amounts standing to the credit of Collection Account will be transferred by close of business on the Business Day of the relevant receipt, except for those amounts to be used by the Issuer, as specifically instructed in writing by the Servicer (with copy to the Issuer, the Calculation Agent and the Corporate Services Provider), on any Business Day, in order to meet (x) the obligation of the Issuer to indemnify a third party in case a claim has been brought in respect of any amount deriving from the disposal of any Receivables according to clause 3.17 (*Vendita dei Crediti*) and schedule F (*Procedure di Vendita dei Crediti*) of the Servicing Agreement; (y) the payment obligation of the Issuer for the refund of amounts erroneously paid to the Issuer in relation to the Receivables (A) as ordered by the competent judicial authority (to the extent such payment is not deferrable to the following Payment Date); or (B) where such Receivables: (1) are subject to an enforcement proceedings; (2) have been assigned by the Issuer to third parties; (3) the assignee of the Receivables has not intervened in the relevant proceedings; and (4) payments made in the context of such proceedings is provided in favour of the Issuer instead of the assignee (to the extent such payment is not deferrable to the following Payment Date); **(ii)** any amount credited into the Cash Reserve Account on each Payment Date in accordance with the Pre-Enforcement Priority of Payments will be transferred on the Business Day following such date; **(iii)** any amounts standing to the credit of the Payments Account on the Business Day immediately following each Payment Date (other than the Payment Date on which the Notes are redeemed in full and the Final Maturity Date)

shall be credited on such Business Day; **(iv)** on the Issue Date, an amount equal to the Initial Cash Reserve shall be transferred from the Cash Reserve Account; **(v)** any proceeds upon maturity or any sums deriving from the disposal of the Eligible Investments (if any) purchased through the funds standing to the credit of such account in accordance with the provisions of the Cash Administration and Agency Agreement and any profit generated thereby or interest accrued thereon, shall be credited (except for any amount arising from the disposal or liquidation of Eligible Investments (if any), pursuant to Clause 7.2, in order to meet (x) the payment obligation of the Issuer for the refund of amounts erroneously paid to the Issuer in relation to the Receivables (A) as ordered by the competent judicial authority (to the extent such payment is not deferrable to the following Payment Date); or (B) where such Receivables: (1) are subject to an enforcement proceedings; (2) have been assigned by the Issuer to third parties; (3) the assignee of the Receivables has not intervened in the relevant proceedings; and (4) payments made in the context of such proceedings is provided in favour of the Issuer instead of the assignee (to the extent such payment is not deferrable to the following Payment Date) and (y) the payment obligation of the Issuer pursuant to clause 8 of the Master Allocation Agreement, to the extent allocated to the Transaction in accordance with the provisions thereof) and (z) the payment obligation of the Issuer to indemnify a third party in case a claim has been brought in respect of any amount deriving from the disposal of any Receivables according to clause 3.17 (*Vendita dei Crediti*) and schedule F (*Procedure di Vendita dei Crediti*) of the Servicing Agreement, which shall be credited into the Collection Account); **(vi)** any interest accrued and paid on the amounts standing to the credit of the Investment Account will be credited; and

out of which: **(i)** 2 (two) Business Days before each Payment Date, any amounts standing to the credit thereof shall be credited on such date to the Payments Account, except for any amount arising from the disposal or liquidation of Eligible Investments (if any), pursuant to Clause 3.17, in order to meet (x) the payment obligation of the Issuer for the refund of amounts erroneously paid to the Issuer in relation to the Receivables (A) as ordered by the competent judicial authority (to the extent such payment is not deferrable to the following Payment Date); or (B) where such Receivables: (1) are subject to an enforcement proceedings; (2) have been assigned by the Issuer to third parties; (3) the assignee of the Receivables has not intervened in the relevant proceedings; and (4) payments made in the context of such proceedings is provided in favour of the Issuer instead of the assignee (to the extent such payment is not deferrable to the following Payment Date), (y) the payment obligation of the Issuer pursuant to clause 8 of the Master Allocation Agreement, to the extent allocated to the Transaction in accordance with the provisions thereof) and (z) the payment obligation of the Issuer to indemnify a third party in case a claim has been brought in respect of any amount deriving from the disposal of any Receivables according to clause 3.17 (*Vendita dei Crediti*) and schedule F (*Procedure di Vendita dei Crediti*) of the Servicing Agreement that shall be credited into the Collection Account; **(ii)** amounts exceeding the Buffer and standing to the credit thereof will be applied by the Cash Manager, upon instruction of the Issuer (if and when so

directed by the Monitoring Agent, who will act on the basis of a resolution of the Investors Committee), for the settlement of Eligible Investments in accordance with the provisions of the Cash Administration and Agency Agreement, provided that in no case shall Eligible Investments be purchased in the 4 (four) preceding Business Days prior to each Payment Date; and **(iii)** any amount to be transferred to the Recovery Expense Reserve Account in order to make the Replenishment on any Business Day (other than the Business Days falling between 2 (two) Business Days prior to a Calculation Date (included) and the immediately following Payment Date (included)) pursuant to the Cash Administration and Agency Agreement.

SECURITIES ACCOUNT

A securities custody account (the "**Securities Account**") with No. 2500500 for the deposit of the Issuer's entitlement to Eligible Investments made upon instruction of the Issuer (if and when so directed by the Monitoring Agent, who will act on the basis of a resolution of the Investors Committee), not being cash invested on time deposit, which may be purchased with the monies standing to the credit of the Investment Account.

COLLATERAL ACCOUNT

As to the Cap Transaction, a cash account with IBAN IT 36 E 03479 01600 000802500501 for transfer in Euro (the "**Collateral Account**"),

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

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

SECURITISATION REGULATIONS REQUIREMENTS

Under the Intercreditor Agreement and the Notes Subscription Agreement, illimity has represented to, *inter alios*, the Issuer and the Representative of the Noteholders (also on behalf of the Noteholders) that it is qualified to act as "originator" (within the meaning ascribed to such term in letter (b) of the definition of "*originator*" provided under the Securitisation Regulations) in accordance with, and for the purposes of, the Securitisation Regulations and in such capacity it has undertaken to:

(a) for so long as any of the Notes remains outstanding, (i) retain at the origination and maintain (on an ongoing basis) throughout the entire life of the Transaction, a material net economic interest in the Transaction in accordance with article 6(3)(a) of the Securitisation Regulations (or any alternative method thereafter that is permitted under the Securitisation Regulations) (the "**Retention Requirement**") and, as at the Issue Date, such interest will be comprised of an interest in the Senior Notes, the Mezzanine Notes and the Junior Notes which is not less than 5 per cent. of the nominal value of each Class of Notes;

(b) not change the manner in which the net economic interest set out above is held for so long as any of the Notes remains outstanding, save as in exceptional circumstances in accordance with the Securitisation Regulations and the relevant regulatory technical standards applicable from time to time, in which case it shall notify, *inter alios*, the Issuer, the Noteholders and the Representative of the Noteholders of any such change, and provided that such change is not used as a means to reduce the amount of retained interest in the Transaction;

(c) the Retention Requirement is not and will not be subject to any credit risk mitigation, short position or any other hedge, except to the extent permitted under the applicable provisions of the Securitisation Regulations;

(d) not sell, transfer or otherwise surrender all or part of the rights, benefits or obligations arising from the Retention Requirement, except to the extent permitted under the applicable provisions of the Securitisation Regulations;

(e) disclose that it continues to fulfil the obligation to maintain the material net economic interest in the Transaction in accordance with option article 6(3)(a) of the Securitisation Regulations; and

(f) comply with any other obligation applicable to it, in its capacity as "originator", under article 6 of the Securitisation Regulations.

Under the Intercreditor Agreement:

(i) the Retention Holder (as "originator" of the Transaction under the Securitisation Regulations) and the Issuer designated among themselves the Issuer as the reporting entity pursuant to article 7.2, first paragraph, of the Securitisation Regulations as the entity which will fulfil the information requirements referred to therein (the "**Reporting Entity**") and the Reporting Entity agreed to pay all fees, costs and expenses in connection with the transparency requirements under the Securitisation Regulations;

(ii) the parties thereby acknowledged that the Issuer, in its capacity as Reporting Entity and through the Servicer and the Calculation Agent (as further detailed under paragraph (vi) below), shall be responsible for compliance with article 7 of the Securitisation Regulations pursuant to the Transaction Documents, in any case subject to the provisions below;

(iii) the Reporting Entity accepted and undertook towards the parties thereto that it will procure that the SR Reports are prepared in compliance with the relevant provisions of the Securitisation Regulations (as implemented by Commission Delegated Regulation (EU) 2020/1224 (as amended, varied and supplemented from time to time), Commission Delegated Regulation (EU) 2020/1225 (as amended, varied and supplemented from time to time) and/or any regulatory technical standard

applicable from time to time) and to fulfil the information requirements pursuant to items (a), (b), (c), (e) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulations by making available to the Noteholders, potential investors and competent authorities referred to in article 29 of the Securitisation Regulations, within each SR Final Report Date, through publication on a password protected website (currently located at https://centotrenta.com/) to be notified to, *inter alios*, the Representative of the Noteholders, the Corporate Services Provider, the Calculation Agent, the Monitoring Agent, the Cap Counterparty and the Rating Agencies (the "**Permitted Website**");

(iv) as to pre-pricing information requested pursuant to items (b) and (c) of article 7 paragraph 1 of the Securitisation Regulations, the Issuer, in its capacity as Reporting Entity, represented to the Representative of the Noteholders that, before pricing, this Prospectus (including a transaction summary complying with the requirements under item (c) of article 7 paragraph 1 of the Securitisation Regulations) and copies of the Transaction Documents have been made available to the potential Noteholders and to the competent authorities referred to under article 29 of the Securitisation Regulations;

(v) the Reporting Entity has undertaken to:

(a) disclose to the Noteholders, the competent supervisory authorities pursuant to article 29 of the Securitisation Regulations and, upon request, prospective investors the post-closing information requested pursuant to points (a), (e) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulations;

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

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

(vi) the parties thereto acknowledged that the Servicer and the Calculation Agent will cooperate and assist the Issuer, as Reporting Entity, to fulfil the undertakings it gave under the Intercreditor Agreement in relation to the disclosure of the post-closing information requested pursuant to points (a), (e) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulations and the relevant regulatory technical standards, as follows:

(a) pursuant to the Servicing Agreement, the Servicer has undertaken to prepare the Sec Reg Report in compliance with the relevant provisions of the Securitisation Regulations (as implemented by Commission Delegated Regulation (EU) 2020/1224 (as amended, varied and supplemented from time to time), Commission Delegated Regulation (EU) 2020/1225 (as amended, varied and supplemented from time to time) and/or any regulatory technical standard applicable from time to time) and deliver such report to the Issuer, as Reporting Entity, and the Calculation Agent within each SR Report Date;

(b) pursuant to the Servicing Agreement, the Servicer has undertaken to make available the significant event information in compliance with the relevant provisions of the Securitisation Regulations and deliver such information to the Issuer, without undue delay from the occurrence of any such significant event; and

(c) pursuant to the Cash Administration and Agency Agreement, the Calculation Agent has

undertaken to prepare the SR Investor Report in compliance with the relevant provisions of the Securitisation Regulations (as implemented by Commission Delegated Regulation (EU) 2020/1224 (as amended, varied and supplemented from time to time), Commission Delegated Regulation (EU) 2020/1225 (as amended, varied and supplemented from time to time) and/or any regulatory technical standard applicable from time to time) and deliver such report to the Issuer within each SR Report Date.

(vii) the relevant parties have acknowledged and agreed that no additional fees will be due by the Issuer to the Servicer and the Calculation Agent for the performance of the activities set out under paragraph (vi) above and detailed in the Servicing Agreement and the Cash Administration and Agency Agreement;

(viii) in order to ensure that the disclosure requirements set out under article 7 of the Securitisation Regulations are fulfilled by the Issuer, in its capacity as Reporting Entity, each other parties thereto undertook to promptly provide the Reporting Entity, the Servicer and the Calculation Agent with all the information in its possession needed for the Reporting Entity to comply with its disclosure obligations under the Transaction Documents which is not otherwise available to the Servicer and/or the Calculation Agent or was not already provided during the migration performed according to the Transaction Documents, within 5 Business Days prior to each SR Report Date;

(ix) the Reporting Entity has also undertaken that, within 15 days from the Issue Date, it will make available on the Permitted Website pdf copies of the executed Transaction Documents and the Prospectus (including a transaction summary for the purposes of article 7(1)(c) of the Securitisation Regulations);

(x) the information to be provided pursuant this section "*Securitisation Regulations Requirements*" shall be provided in accordance with article 7, paragraph 2, of the Securitisation Regulations;

(xi) each of the parties thereto undertook to notify the Reporting Entity without undue delay of the occurrence of any event set out under point (g) of the first subparagraph of article 7(1) of the Securitisation Regulations in order to allow the Reporting Entity to comply with the requirements set out under point (g) of the first subparagraph of article 7(1) of the Securitisation Regulations;

(xii) each of the parties thereto (in relation to the respective role and activities performed under the Transaction) undertook to provide all reasonable cooperation to the Reporting Entity in order to ensure that the Transaction complies with the Securitisation Regulations and to the Noteholders in order to ensure that they are able to make the calculations to comply with the regulatory requirements set forth in Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 (amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms);

(xiii) the Servicer and the Calculation Agent covenanted to act in good faith in providing the Issuer with the required services in order to comply with its obligations set out in article 7 of the Securitisation Regulations in accordance with the provisions set out in the Servicing Agreement, with respect to the Servicer, and the Cash Administration and Agency Agreement, with respect to the Calculation Agent;

(xiv) each of the parties thereto covenanted to take any action, negotiate in good faith and timely cooperate to amend the Intercreditor Agreement and any other Transaction Document, as applicable, to ensure compliance with the requirements set out in article 7 of the Securitisation Regulations, and subject to any such relevant Transaction Documents being amended in such a way as to enable the Reporting Entity the Servicer and the Calculation Agent to meet their respective obligations under the Intercreditor Agreement, as it may be amended in accordance with the above;

(xv) the Parties thereto has acknowledged and agreed that, pursuant to the Limited Recourse Loan

Agreement, the Limited Recourse Loan will not be transferred to investors pursuant to and for the purpose of the Securitisation Regulations.

THE PORTFOLIO

The Portfolio comprises debt obligations arising out of non-performing loans. The Transaction Documents do not provide for the possibility to assign further portfolios to the Issuer.

The Receivables have been reallocated by the Issuer (acting with the prior consent of illimity, (i) in its capacity as sole noteholder of the Aporti 1 Securitisation, the Aporti 2 Securitisation and the Aporti 3 Securitisation and (ii) in the name and on behalf of UBS EUROPE SE, having its registered office at Bockenheimer Landstrasse 2-4, 60306, Frankfurt, Germany ("**UBS**"), as sole noteholder of the Aporti 4 Securitisation) in the context of a reallocation transaction implemented by it on the Reallocation Date, pursuant to the Master Allocation Agreement, within which certain monetary receivables – previously purchased by the Issuer, together with other non-performing receivables, from the Original Sellers in the context of the Aporti 1 Securitisation, the Aporti 3 Securitisation and the Aporti 4 Securitisation, pursuant to the Securitisation Law – have been reallocated, with economic effect as of 23.59 of 31 December 2020 (the "**Economic Effective Date**") and legal effect as of the Reallocation Date, in a new segregated compartment (*patrimonio separato*) of the Issuer and will constitute the Portfolio backing the Notes.

The parties to the Master Allocation Agreement agreed that the Receivables included in the Portfolio are those included in the Aporti 1 Securitisation, the Aporti 3 Securitisation and the Aporti 4 Securitisation which have been listed and identified in the Master Allocation Agreement.

illimity, in its capacity as "originator" (within the meaning ascribed to such term in Article 2, paragraph 3, letter (b) of the Securitisation Regulations) confirms that the Receivables have not been selected with the aim of rendering losses on such assets transferred to the new segregated compartment (*patrimonio separato*) of the Issuer backing the Notes, measured over the life of the Transaction, or over a maximum of 4 years where the life of the Transaction is longer than four years, higher than the losses over the same period on comparable receivables held on the balance sheet of illimity as noteholder of the Existing Securitisations.

A notice of reallocation of the Receivables has been published in the Official Gazette, Part II, No. 75 of 26 June 2021 and on the register of companies of Milan, Monza Brianza, Lodi.

STRATIFICATION TABLES

The following tables describe the characteristics of the Portfolio provided by the Issuer. The information in the following tables reflects the position as at the Economic Effective Date.

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

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

Portfolio Summary	Value
Gross Book Value as of Cut Off Date (€)	355,946,539
Borrowers (#)	424
Loans (#)	2,043
Real Estate Value (first lien) (€)[1]	347,266,682
Assets (first lien) (#)	1,527
Units (first lien) (#)	2,845
Average GBV per Borrower (€)	839,497
Average GBV per Loan (€)	174,227
WA Default Seasoning (yrs)[2]	5.7
Top 1 Borrower (% of GBV)	7.2%

Top 10 Borrowers (% of GBV)	35.9%
Top 20 Borrowers (% of GBV)	47.0%

[1]The Real Estate Value has been computed as the sale price for sold assets, otherwise it has been computed as the most recent valuation available

[2]Seasoning computed assuming (i) the cut-off date as reference date, and (ii) 360 days in a year

GBV Bucket per Borrower (€)[3]	Gross Book Value (€)	Gross Book Value (%)	Borrowers (#)	Borrowers (%)
0k - 100k	5,920,034	1.7%	117	27.6%
100k - 250k	13,732,223	3.9%	86	20.3%
250k - 500k	26,045,092	7.3%	70	16.5%
500k - 1mln	55,780,779	15.7%	77	18.2%
1mln - 2mln	56,565,305	15.9%	41	9.7%
2mln - 3mln	33,417,864	9.4%	14	3.3%
3mln - 5mln	25,699,656	7.2%	7	1.7%
5mln - 7.5mln	30,275,772	8.5%	5	1.2%
7.5mln - 10mln	9,860,827	2.8%	1	0.2%
> 10mln	98,648,987	27.7%	6	1.4%
Total	**355,946,539**	**100.0%**	**424**	**100.0%**

[3]Upper boundary is intended as excluded, lower boundary is intended as included

Security Type by Borrower[4]	Gross Book Value (€)	Gross Book Value (%)	Borrowers (#)	Borrowers (%)
Secured Senior	346,130,846	97.2%	394	92.9%
Secured Junior	3,777,172	1.1%	2	0.5%
Unsecured	6,038,521	1.7%	28	6.6%
Total	**355,946,539**	**100.0%**	**424**	**100.0%**

[4]If a borrower has at least a first lien mortgage, he has been classified as Secured Senior. If a borrower has at least a second or higher liens mortgage, but not first lien mortgage, he has been classified as Secured Junior. Otherwise he has been classified as Unsecured

Security Type by Loan[5]	Gross Book Value (€)	Gross Book Value (%)	Loans (#)	Loans (%)
Secured Senior	243,708,347	68.5%	993	48.6%
Secured Junior	15,861,105	4.5%	25	1.2%
Unsecured	96,377,087	27.1%	1,025	50.2%
Total	**355,946,539**	**100.0%**	**2,043**	**100.0%**

[5]If a loan has at least a first lien mortgage, it has been classified as Secured Senior. If a loan has at least a second or higher liens mortgage, but not first lien mortgage, it has been classified as Secured Junior. Otherwise it has been classified as Unsecured

Borrower Type	Gross Book Value (€)	Gross Book Value (%)	Borrowers (#)	Borrowers (%)
Corporate	336,133,821	94.4%	311	73.3%
Individual	19,812,718	5.6%	113	26.7%
Total	**355,946,539**	**100.0%**	**424**	**100.0%**

Geographic Area of the Borrower	Gross Book Value (€)	Gross Book Value (%)	Borrowers (#)	Borrowers (%)
North	155,866,940	43.8%	167	39.4%
Centre	106,234,087	29.8%	88	20.8%
South & Islands	93,845,511	26.4%	169	39.9%
Total	**355,946,539**	**100.0%**	**424**	**100.0%**

Borrower Year of Default	Gross Book Value (€)	Gross Book Value (%)	Borrowers (#)	Borrowers (%)
2020	907,488	0.3%	2	0.5%
2019	54,081,359	15.2%	100	23.6%
2018	39,784,681	11.2%	54	12.7%
2017	16,935,635	4.8%	26	6.1%
2016	28,134,659	7.9%	41	9.7%
2015	46,712,223	13.1%	46	10.8%
2014	60,250,169	16.9%	47	11.1%
2013	42,459,656	11.9%	24	5.7%
2012	11,463,620	3.2%	31	7.3%
2011	33,126,785	9.3%	18	4.2%
2010	8,417,289	2.4%	14	3.3%
pre 2010	13,672,976	3.8%	21	5.0%
Total	**355,946,539**	**100.0%**	**424**	**100.0%**

Legal Proceeding Type by Borrower[6]	Gross Book Value (€)	Gross Book Value (%)	Borrowers (#)	Borrowers (%)
Foreclosure	180,499,415	50.7%	302	71.2%
Bankruptcy	165,666,240	46.5%	84	19.8%
Out of Court Settlement	3,742,363	1.1%	10	2.4%
No proceeding	6,038,521	1.7%	28	6.6%
Total	**355,946,539**	**100.0%**	**424**	**100.0%**

[6]If a borrower has at least a Bankruptcy Proceeding he has been classified as Bankruptcy. If a borrower has at least a Foreclosure Proceeding but no Bankruptcy Proceeding he has been classified as Foreclosure. If a borrower has at least an Out of Court Settlement but no Bankruptcy or Foreclosure Proceeding he has been classified as Out of Court Settlement. Otherwise he has been classified as No Proceeding

Legal Proceeding Status by Borrower[7]	Gross Book Value (€)	Gross Book Value (%)	Borrowers (#)	Borrowers (%)
Initial Stage	199,995,717	56.2%	267	63.0%
Auction	66,730,626	18.7%	67	15.8%
Court distribution	66,001,152	18.5%	35	8.3%
CTU	13,438,160	3.8%	17	4.0%
Not Available	3,742,363	1.1%	10	2.4%
No proceeding	6,038,521	1.7%	28	6.6%
Total	**355,946,539**	**100.0%**	**424**	**100.0%**

[7]Depending on the borrower's Legal Proceeding, if he has at least a proceeding at the Distribution stage, he has been classified as Distribution. Otherwise if he has at least a proceeding at the Auction stage, he has been classified as Auction. Otherwise if he has at least a proceeding at the CTU stage, he has been classified as CTU. Otherwise if he has at least a proceeding at the Initial Stage, he has been classified as Initial Stage. Otherwise if he has at least a proceeding but no details on the stage, he has been classified as Not Available

Property Category (for First Lien Properties)[1,8]	RE Value (€)	RE Value (%)	Units (#)	Units (%)
Commercial	107,494,054	31.0%	461	16.2%
Residential	106,076,638	30.5%	946	33.3%
Industrial	59,086,636	17.0%	165	5.8%
Land	28,485,495	8.2%	908	31.9%
Hotel	19,870,801	5.7%	13	0.5%
Other	12,858,273	3.7%	67	2.4%
Office	10,003,740	2.9%	50	1.8%
Agricultural	3,386,545	1.0%	234	8.2%
Ancillary Units	4,500	0.0%	1	0.0%
Total	**347,266,682**	**100.0%**	**2,845**	**100.0%**

[1]The Real Estate Value has been computed as the sale price for sold assets, otherwise it has been computed as the most recent valuation available

[8]Computed considering the property category at asset level

Property Location (for First Lien Properties)[1]	RE Value (€)	RE Value (%)	Units (#)	Units (%)
North	171,354,264	49.3%	1,326	46.6%
Center	70,821,807	20.4%	569	20.0%
South & Islands	105,016,450	30.2%	949	33.4%
Other	74,160	0.0%	1	0.0%
Total	**347,266,682**	**100.0%**	**2,845**	**100.0%**

[1]The Real Estate Value has been computed as the sale price for sold assets, otherwise it has been computed as the most recent valuation available

Property Valuation Year (for First Lien Properties)[1]	RE Value (€)	RE Value (%)	Units (#)	Units (%)
2021	177,772,506	51.2%	1,127	39.6%
2020	80,497,306	23.2%	1,167	41.0%
2019	53,338,969	15.4%	245	8.6%
Pre 2019	35,657,902	10.3%	306	10.8%
Total	**347,266,682**	**100.0%**	**2,845**	**100.0%**

[1]The Real Estate Value has been computed as the sale price for sold assets, otherwise it has been computed as the most recent valuation available

Property Valuation Type (for First Lien Properties)[1]	RE Value (€)	RE Value (%)	Units (#)	Units (%)
Desktop	83,119,823	23.9%	839	29.5%
Court Valuation	77,003,296	22.2%	478	16.8%
AVM (ie Statistical)	76,826,431	22.1%	963	33.8%
Desktop Light	72,540,169	20.9%	346	12.2%
Sale Amount	29,765,569	8.6%	138	4.9%
Bank Appraisal	6,259,010	1.8%	29	1.0%
Drive By	1,752,383	0.5%	52	1.8%
Total	**347,266,682**	**100.0%**	**2,845**	**100.0%**

[1]The Real Estate Value has been computed as the sale price for sold assets, otherwise it has been computed as the most recent valuation available

DOCUMENTAL INFORMATION RELATED TO THE CLAIMS

Documental information related to the Receivables included in the Portfolio has been made available for consultation by the Issuer on a virtual data room (the "**Virtual Data Room**") before the Issue Date.

Potential investors of the Mezzanine Notes and the Junior Notes willing to have access to the Virtual Data Room shall send a request to the Issuer at the following email aporti@legalmail.it (which will send a copy to zenith_service@legalmail.it of such request) and will have access to the Virtual Data Room upon delivery of a duly executed VDR access form and subject to the terms and conditions therein indicated.

Subject to what indicated in the Virtual Data Room rules and the Virtual Data Room disclaimer, neither the Issuer nor any other entity will have any obligation to update such documental information contained in the Virtual Data Room.

THE INITIAL PORTFOLIO BASE CASE SCENARIO

In connection with the Transaction, Prelios Credit Servicing S.p.A., the Servicer, has developed a statistical initial portfolio base case scenario (the "**Initial Portfolio Base Case Scenario**") to estimate the expected cash flows of the Portfolio. For the portion of the Portfolio secured by real estate assets with a first raking mortgage the expected cash flows are estimated assuming judicial recoveries. In the Initial Portfolio Base Case Scenario, legal and proceeding expenses as well as servicing fees are deducted from expected gross cash flows to project the net cash flows available which will be part of the Issuer Available Funds.

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

Initial Portfolio Base Case Scenario cash flows	**Euro**
Gross Expected Collections	121,145,281
Expected Recovery Expenses*	7,003,793
Net Collections pursuant to the Initial Portfolio Base Case Scenario	114,141,487
Expected Servicing Fees*	7,954,592
Net Cash Flows	**106,186,895**

**Inclusive of VAT*

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

INITIAL PORTFOLIO BASE CASE SCENARIO METHODOLOGY

The statistical Initial Portfolio Base Case Scenario is based on two different approaches which are applied depending on the underlying exposure: (i) receivables secured by real estate assets linked to a mortgage ("**Secured Receivables**") and (ii) unsecured receivables ("**Unsecured Receivables**"). According to the Initial Portfolio Base Case Scenario methodology, a borrower is considered to be secured if it is linked to at least one mortgage loan.

Recoveries from Secured Receivables are computed according to a model that simulates the collaterals' sale in a judicial process by applying haircuts to Real Estate Assets valuations depending on the asset category, in order to take into account the lower market liquidity in judicial proceedings compared to open-market transactions. Recoveries timing is estimated based on the type and stage of the judicial process and on the court location. Finally, an additional timing stress is applied to take into account of the Covid-19 Pandemic impact concerning the judicial proceeding pace.

Recoveries from Unsecured Receivables are computed through the Servicer's Historical Recovery Curves, which are clusterised based on borrower legal status and GBV size and re-balanced according to the borrower default vintage.

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

The full version of the Initial Portfolio Base Case Scenario is available at the following URL: https://centotrenta.com/.

INITIAL PORTFOLIO BASE CASE SCENARIO METHODOLOGICAL NOTE

Secured Receivables

The forecasted collections arising from secured exposures were calculated assuming a judicial scenario, except for the loans subject to out of court settlements approved by the Bank and already in place.

The forecasted collections were calculated, according to Phoenix algorithm, through the following steps:

- For the property already sold in the public auction distribution is defined according to GBV amount and mortgage ranking
- For the property not already sold, the expected sale price is estimated as follows:
    1. Auction starting point is the most recent proceeding value, on Lot level for the Sample and on Property level for the Not Sample, otherwise, in case no proceeding value was available (i.e. procedure in "Initial Stage"), the starting point of the auction process is equal to Updated Market Value ("UMV")
    2. For each desert auction the base price of the next auction is set with 25% discount on the base price of the previous auction
    3. Forecasted auction sale price, on Lot level for the Sample and on property level for the Not Sample, is set where the base price of the public auction, plus 5% (assumptions for minimum bid increase), is lower or equal than the DMV (with a tolerance of 5%)
    4. Only for the bankruptcy proceeding the forecasted sale price is reduced of 12% in order to factorize the privileged bankruptcy proceeding expenses
- Once calculated the forecasted auction sale price, net of any bankruptcy proceeding expenses, the forecasted collections have been distributed to each loan according to mortgage lien ranking, considering reduction due to prior lien (or syndicated loans) creditors and cap according to i) mortgage amount, ii) GBV and iii) ownership percentage
- The "Distressed Market Value" or "DMV" is the driver to calculate the forecasted sale price of each collateral. The calculation of the DMV is made applying the following haircut selected according to asset type to the Updated Market Value (*DMV = UMV * 1+ Haircut*)

Asset Type	Haircut (%)
Land	-50%
Residential	-35%
Office	-40%
Industrial	-45%
Other	-45%
Commercial	-40%
Hotel	-50%
Ancillary Units	-40%
Agricultural	-50%

The timing of the distribution is based on the relevant court timing applied for each legal phase according the proceeding type, as per Company historical data.

In case of a "Fondiario" loan and foreclosure proceeding, the judicial recovery is collected in two tranches, 80% of the amount is recovered after 120 days from the date of the forecasted successful auction

- and the remaining 20% at final distribution (specific timing for each court, on average 12 months after the date of the successful auction).

In case of a Bankruptcy proceeding, all the collections have been allocated at the final distribution (specific timing for each court, on average 12 months after the date of the successful auction)

Below the timing (in months) for the main Italian Courts of the Portfolio depending on the legal proceeding:

- Bankruptcy

		Phase				
		Initial Stage	**CTU**	**Auction**	**Further Auctions**	**Court Distribution**
Court	**AREZZO**	0	34	53	61	78
	BARI	0	57	77	93	110
	BRESCIA	0	23	37	45	62
	CATANIA	0	39	63	75	92
	CHIETI	0	24	42	54	71
	LATINA	0	44	58	66	83
	MODENA	0	29	41	51	68
	PADOVA	0	30	41	49	66
	PARMA	0	21	28	34	51
	PERUGIA	0	27	47	59	76
	PISA	0	41	59	65	82
	ROMA	0	36	50	58	75
	ROVERETO	0	10	17	21	38
	TORINO	0	27	41	47	64
	VICENZA	0	29	48	56	73

- Foreclosure

		Phase				
		Initial Stage	**CTU**	**Auction**	**Further Auctions**	**Court Distribution**
Court	**CATANIA**	0	23	31	37	47
	COSENZA	0	29	39	45	55
	FORLI'	0	27	40	48	64
	LATINA	0	23	28	32	42
	MESSINA	0	19	25	31	41
	NAPOLI	0	23	34	40	54
	PERUGIA	0	34	54	60	70
	RAGUSA	0	21	30	42	64
	RAVENNA	0	28	38	46	58
	REGGIO EMILIA	0	25	35	43	57
	ROMA	0	31	36	42	52
	TORINO	0	18	23	27	37
	VENEZIA	0	20	26	32	43
	VERONA	0	21	36	42	58
	VICENZA	0	20	27	33	45

For prudency reasons, the recovery curve is revised to reflect a more even collections profile. The following assumptions are additionally applied:

- 6 months boarding contingency period
- Conservative additional timing due to the Covid-19 impact concerning the judicial proceeding pace.

Unsecured Receivables

The forecasted collection of pure unsecured borrowers have been determined:

- Through analytical estimation for the borrowers of the Sample (in case the data set was sufficient to provide an analytical estimate)
- Through the Servicer's Historical Recovery Curves, according to both borrower legal status and borrower GBV size, applying some haircuts according to the loan vintage as reported in the following matrix, no haircut applied for borrowers with default year since 2016 (included) to date

Unsecured Curves

GBV Size / Borrower Legal Status	Recovery over Life (%)
Corporate	
0 - 100k	17,2%
100k - 300k	11,8%
300k - 500k	8,4%
500k - 1MM	12,0%
1MM - 5MM	10,5%
Over 5MM	7,4%
Individual	
0 - 100k	15,8%
100k - 300k	11,8%
300k - 500k	10,8%
500k - 1MM	8,2%
1MM - 5MM	10,4%
Over 5MM	7,3%

Haircut according to loan default vintage

Year	Corporate	Individual
ante 2000	100.0%	79.0%
2000	100.0%	79.0%
2001	100.0%	79.0%
2002	100.0%	79.0%
2003	100.0%	79.0%
2004	100.0%	71.0%
2005	100.0%	67.0%
2006	100.0%	63.0%
2007	100.0%	59.0%
2008	99.0%	55.0%
2009	92.0%	51.0%
2010	90.0%	42.0%
2011	74.0%	36.0%
2012	54.0%	40.0%
2013	35.0%	16.0%
2014	25.0%	5.0%
2015	11.0%	6.0%
2016	0.0%	0.0%
2017	0.0%	0.0%
2018	0.0%	0.0%
2019	0.0%	0.0%
2020	0.0%	0.0%

Recovery Expenses

- Sample portion: based on the master agreement between the Servicer and its legal network
- Not Sample portion: determined with the statistical approach based on the Servicer's historical data as percentage of gross collections according to the following matrix:

Proceeding Type	Legal Expenses	Proceeding Expenses
Foreclosure	3.5%	3.5%
Bankruptcy	3.0%	0.0%
Out of Court Settlement	0.0%	0.0%
Unsecured	7.0%	7.0%

Privileged Bankruptcy Proceeding Costs, estimated equal to 12% of forecasted auction sale price, are pre-deducted before collections and so that those amounts have not been included in the cash flows.

Other recovery expenses have been included in the cash flows:

- The annual costs related to insurance for the secured exposures calculated on the GBV related to secured borrower.
- The costs related to renewal of the mortgages and the costs for GBV update also according to art. 2855 of Italian civil code.
- The costs of boarding related only to the borrower not sample.

Servicing Fees

Please refer to the "Servicing Agreement" paragraph in Section "DESCRIPTION OF THE TRANSACTION DOCUMENTS".

UPDATED PORTFOLIO BASE CASE SCENARIO

The Servicer has undertaken to send, with the prior approval of the Monitoring Agent who will act upon indication of the Investors Committee to, *inter alios*, the Issuer, the Representative of the Noteholders, the Cap Counterparty, the Corporate Services Provider and the Rating Agencies an updated portfolio base case scenario (the "**Updated Portfolio Base Case Scenario**") annually within the twentieth (20°) Business Day following 31 May of each year, starting from 29 June 2022, on the basis of the data as at the preceding 31 March.

In addition, the Servicer has undertaken to send the Updated Portfolio Base Case Scenario upon request, paying to the Servicer an amount equal to Euro 15,000 for each update request.

With reference to the Recovery Expenses provided for in the Initial Portfolio Base Case Scenario and in the Updated Portfolio Base Case Scenario

- The Servicer shall inform the Monitoring Agent in case the Recovery Expenses reach an annual threshold equal to 95% of the Expected Annual Maximum Amount;
- in such case, the Servicer has undertaken to (i) communicate such event to the Rating Agencies, (ii) instruct the legal advisor in charge with the activity of recovery of the Receivables not to proceed with any activity above the mentioned amount without the prior consent of the Servicer, (iii) interrupt and not authorise any activity of judicial recovery of Receivables under the control of the Servicer itself which exceeds the Expected Annual Maximum Amount, with the sole exception of any obligations considered essential and unavoidable in order to preserve the collectability of the Receivables and the validity of the related accessories, (iv) not to compromise the further recoverability of the Debt Relationships and/or to avoid the undesired extinction of the related proceedings and (v) to contact the Monitoring Agent in order to convene the Investors Committee to obtain the authorisation to proceed beyond the Expected Annual Maximum Amount, providing in such case the Monitoring Agent with a report drafted in English (in a form which may be agreed by the parties) including all the information useful to the Investors Committee to resolve in this respect;
- the Monitoring Agent, within 8 (eight) Business Days from the request of the Servicer, shall provide, upon convening of the Investors Committee, its consent to the exceeding of the Expected

Annual Maximum Amount or express its dissent; in case of urgency indicated by the Servicer, the Monitoring Agent shall convene as a matter of urgency the Investors Committee in order to provide the instructions requested by the Special Servicer within 5 (five) Business Days. Should the Monitoring Agent require additional information, the deadlines for responding to the Servicer's request shall begin from the date on which such information is provided;

- without prejudice to the above, the parties to the Servicing Agreement agreed that the Servicer (i) may authorise the Legal Recovery Expesens which in its opinion cannot be postponed for the purpose of the recovery of the Receivables in case such expenses are not higher than 10% of the Maximum Amount of the Legal Recovery Expenses (such term having the meaning attributed to the term "*Importo Massimo delle Spese Legali*" in the Servicing Agreement) and (ii) upon reaching the Maximum Amount of the Legal Recovery Expenses, shall obtain written consent from the Monitoring Agent (which will act upon indication of the Investors Committee) for such threshold to be exceeded.

Excessing of the limit to the Further Expenses

Under the Servicing Agreement, if the maximum amount under the definition of Further Expenses (such term having the meaning attributed to the term "*Spese Ulteriori Aggregate*" in the Servicing Agreement) is reached, in order to pay the amounts in excess the Special Servicer shall obtain the written consent from the Monitoring Agent (which will act upon indication of the Investors Committee).

Finally, in relation to the Initial Portfolio Base Case Scenario, please see also the risk factor entitled "*Uncertainty of net cash flows – The Initial Portfolio Base Case Scenario*" under the section "*Risk Factors*".

ESTIMATED MATURITY AND WEIGHTED AVERAGE LIFE OF THE RATED NOTES

The weighted average life ("**WAL**") of the Senior Notes cannot be predicted, as the actual amount and timing of the Collections is unpredictable due to the non performing nature of the Receivables and a number of other relevant factors are unknown at the date hereof. The WAL of the Senior Notes will be influenced by several factor, among others, the timing of foreclosure proceeding in courts, ability to renegotiate and enter in discounted pay-offs and asset sale.

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

(i) the issue date of the Notes is 28 June 2021;

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

(iii) the reference rate (EURIBOR) applicable to the Payment Date falling in January 2022 is equal to -0.508% (from the Bloomberg Page EUR006M as of 24 June 2021);

(iv) the six months forward EURIBOR curve was used as a reference rate (the curve was downloaded from the Bloomberg page ICVS, Curve Number 45, as of 24 June 2021);

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

(vi) expected general Issuer costs/fees have been assumed to be equivalent to a maximum amount of Euro 183,000 per annum (including VAT);

(vii) the Initial Portfolio Base Case Scenario is met at any payment date, in other words no subordination event, nor special servicing fee subordination event will occur;

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

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

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

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

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

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

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

Based on the above assumptions, the Estimated Weighted Average Life (years) is: 6.3 years.

THE ISSUER

Introduction

The Issuer was incorporated in the Republic of Italy as a special purpose vehicle pursuant to Article 3 of Law 130, as a *società a responsabilità limitata* (limited liability company) on 31 July 2018 under the name of Aporti S.r.l.. The Issuer was enrolled in the Register of Companies of Milan, Monza Briana, Lodi on 2 August 2018 under No. 10444350960 and in the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy regulation dated 7 June 2017 under No. 35495.1.

The legal entity identifier (LEI) of the Issuer is 81560066AD7F020AC335.

Since the date of its incorporation, the Issuer has carried out 4 securitisation transactions: the Existing Secutisations.

As at the date of this Prospectus: (i) the Issuer has no employees; (ii) the authorized and issued capital of the Issuer is Euro 10,000.00 fully paid up (the "**Quota Capital**") and (iii) the quotaholders of the Issuer are (i) Fenice Trust Comapany S.r.l. (trustee of the trust Rubino Finance Trust) ("**FTC**"), which holds 32.33% of the Quota Capital and (ii) illimity Bank S.p.A. ("**illimity**"), which holds 66.67% of the Quota Capital.

illimity and the Issuer intend to carry out the activities and formalities provided for under the applicable laws and regulations for the purpose of including, with effect from 1 January 2022, the Issuer in the so-called VAT group of illimity, to be established by it pursuant to and in accordance with the provisions of Article 70-*bis* ff. of the Presidential Decree 26 October 1972, No. 633 (the "**illimity VAT Group**").

The duration of the Issuer is until 31 December 2060.

To the best of its knowledge, the Issuer is not aware of directly or indirectly ownership or control apart from its Quotaholders. Under the Quotaholders' Agreement, the Quotaholders has undertaken to exercise its voting rights in such a way as not prejudice the interest of the Noteholders, the ratings of the Rated Notes and the Transaction.

Principal Activities

The scope of the Issuer, as set out in its by-laws (*Statuto*), is exclusively to purchase monetary receivables in the context of securitisation transactions, and to fund such purchase by issuing asset backed securities or by other forms of limited recourse financing, all pursuant to Article 3 of Law 130. Without prejudice to the Existing Securitisations, so long as any of the Notes remains outstanding, the Issuer shall not, without the consent of the Representative of the Noteholders and as provided for in the relevant Conditions, incur any other indebtedness for borrowed moneys or engage in any business (other than holding the Portfolio, issuing the Notes and entering into the Transaction Documents to which it is a party), pay any dividends, repay or otherwise return any equity capital, have any subsidiaries, employees or premises, consolidate or merge with any person or convey or transfer its property or assets to any person (otherwise than as contemplated in the Conditions) or increase its capital. The Issuer will covenant to observe, *inter alia,* those restrictions which are detailed in the Conditions.

Directors and registered office

The current sole director of the Issuer is: Fenice Trust Company S.r.l., fiscal code 08431730962, with registered office in Milan, Via Dante 4, appointed by FTC on 20 October 2020 until the date of resignation or revocation, which has designated Antonio Caricato, as designated person (*persona fisica designata ad esercitare le funzioni di amministrazione*). The domicile of Antonio Caricato, in his capacity as designated person (*persona fisica designata ad esercitare le funzioni di amministrazione*) of the Issuer by Fenice Trust Company S.r.l., is at Via San Prospero 4, Milan, Italy.

Under the Quotaholders' Agreement, the Issuer will be managed by a sole director (either a natural person or a limited liability company) or by a board of directors, consisting of natural persons or both natural persons and limited liability company jointly. In any case, the sole director or each component of the board of directors, as applicable, shall be (i) in possess of the "*requisiti di onorabilità e professionalità*" (if any) from time to time applicable to the Issuer, (ii) resident or domiciled in Italy and (iii) an Indipendent Director (as defined in the Quotaholders' Agreement).

The Issuer's registered office is located at Via San Prospero 4, Milan, Italy (telephone number: +39 02 4547 2239; fax number: +39 02 7202 2410).

Capitalisation and indebtedness statement

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

Capital

Issued and fully paid up	Euro 10,000.00

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

Off-balance sheet assets and liabilities

Up to Euro 600,000,000 Partly Paid Asset-backed Fixed Rate and Variable Return Notes due 2035

Up to Euro 150,000,000 Series 2 Partly Paid Asset Backed Fixed Rate and Variable Return Notes due 2035

Up to Euro 450,000,000 Series 3 Partly Paid Asset Backed Fixed Rate and Variable Return Notes due 2035

Euro 153,800,000 Series 4 Asset Backed Fixed Rate and Variable Return Notes due 2035

Class A Asset Backed Floating Rate Notes due January 2043, Euro 64,700,000;

Class B Asset Backed Floating Rate Notes due January 2043, Euro 9,500,000;

Class J Asset Backed Fixed Rate and Variable Return Notes due January 2043, Euro 4,000,000;

Limited Recourse Loan, Euro 3,061,500

TOTAL INDEBTEDNESS	**Euro 1,435,061,500**

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

Existing Securitisations

The Receivables had been purchased by the Issuer, together with other non-performing receivables, from, *inter alia*, certain Italian credit institutions (collectively, the "**Original Sellers**") in the context of the following securitisation transactions carried out pursuant to the Securitisation Law prior to the date hereof and which will continue to survive following the implementation of the Securitisation with respect to a number of non-performing exposures, other than the Receivables, purchased by the Issuer thereunder:

(i) the securitisation transaction carried out on 29 October 2018 (the "**Aporti 1 Securitisation**") whereby the Issuer initially issued the Up to Euro 300,000,000 Partly-Paid Asset-Backed Fixed Rate and Variable Return Notes due 2035 which, following the increase of their nominal value

occurred on 31 January 2020, are now identified as the Up to Euro 600,000,000 Partly-Paid Asset-Backed Fixed Rate and Variable Return Notes due 2035, to finance the acquisition of one or more portfolios of monetary receivables classified as "distressed receivables" (*crediti deteriorati*) pursuant to the Bank of Italy Circular No. 272 of 30 July 2008 (*Matrice dei Conti*);

(ii) the securitisation transaction carried out on 30 August 2019 (the "**Aporti 3 Securitisation**") whereby the Issuer initially issued the Up to Euro 450,000,000 Series 3 Partly-Paid Asset-Backed Fixed Rate and Variable Return Notes due 2035 to finance the acquisition of one or more portfolios of monetary receivables classified as "distressed receivables" (*crediti deteriorati*) pursuant to the Bank of Italy Circular No. 272 of 30 July 2008 (*Matrice dei Conti*); and

(iii) the securitisation transaction carried out on 26 September 2019 (the "**Aporti 4 Securitisation**") whereby the Issuer initially issued the Euro 153,800,000 Series 4 Asset Backed Fixed Rate and Variable Return Notes due 2035 to finance the acquisition of one or more portfolios of monetary receivables classified as "distressed receivables" (*crediti deteriorati*) pursuant to the Bank of Italy Circular No. 272 of 30 July 2008 (*Matrice dei Conti*).

In addition to the Aporti 1 Securitisation, the Aporti 3 Securitisation and the Aporti 4 Securitisation, as at the date hereof the Issuer has also carried out on 16 November 2018 a further securitisation transaction pursuant to the Securitisation Law (the "**Aporti 2 Securitisation**" and, together with the Aporti 1 Securitisation, the Aporti 3 Securitisation and the Aporti 4 Securitisation, the "**Existing Securitisations**") whereby the Issuer issued the Up to Euro 150,000,000 Series 2 Partly Paid Asset Backed Fixed Rate and Variable Return Notes due 2035 to finance the acquisition of one or more portfolios of monetary receivables classified as "distressed receivables" (*crediti deteriorati*) pursuant to the Bank of Italy Circular No. 272 of 30 July 2008 (*Matrice dei Conti*), none of which have been reallocated to the compartment of the Securitisation.

Financial Statements and Report of the Auditors

The Issuer's accounting reference date is 31 December in each year. The Issuer has been incorporated on 31 July 2018 and the last financial statements, relating to the year ended on 31 December 2020, has been filed in the Companies' Register of Milan, Monza Brianza, Lodi on 20 May 2021.

At the date of this Prospectus, the two latest financial statements of the Issuer as of 31 December 2019 and 31 December 2020 have been published on the website of the Corporate Services Provider (being, as at the date of this Prospectus, https://centotrenta.com/it/listed-transaction/aporti2021-1/).

Each financial statement is and will be audited by independent auditors. In relation to the last two Issuer's financial statements, relating to the years ended, respectively, on 31 December 2019 and 31 December 2020, KPMG S.p.A. was been appointed by the Issuer for voluntary audit of such financial statements.

Following the issue of the Notes, the Issuer will appoint an auditing company in accordance with the provisions of Italian Legislative Decree 27 January 2010 no. 39.

Copy of the financial statements of the Issuer for each financial year since the Issuer's incorporation may be inspected and obtained free of charge during usual business hours at the specified offices of the Issuer and the Representative of the Noteholders and will be published on the website of the Corporate Services Provider (being, as at the date of this Prospectus, https://centotrenta.com/it/listed-transaction/aporti2021-1/).

THE SERVICER

PRELIOS CREDIT SERVICING S.P.A., a joint stock company company (*società per azioni*) incorporated under the laws of the Republic of Italy, having its registered office at Via Valtellina 15/17, Milan, fiscal code, VAT number and enrolment in the Companies' Register of Milan, Monza Brianza, Lodi No. 08360630159, share capital of Euro 4,510,568.00 fully paid up, enrolled with No. 32993 in the financial intermediaries' register held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act, acting as Servicer of the Transaction and any successor thereof appointed in accordance with the Servicing Agreement.

The information contained herein relates to Prelios Credit Servicing S.p.A. and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Prelios Credit Servicing S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE COLLECTION AND RECOVERY POLICIES OF THE SERVICER

General criteria

The Servicer starts judicial or out of court initiatives being attemptable and/or appropriate in order to manage the Receivables and the enforcement of the relevant Mortgages and Collateral Securities in accordance with the terms and conditions of the Servicing Agreement, to maximize the net present value of the Receivables on behalf of the Issuer.

The Servicer takes into account all the available and reasonably relevant documentation related to the Receivables obtained by the Issuer or otherwise available.

The Activity

The Servicer performs the management and administration of the judicial proceedings, including by way of example:

(a) the establishment, prosecution, resumption of the enforcement proceedings (*procedure esecutive*); the acquisition of the enforcement order (*titolo esecutivo*), if not already available; the service on the debtor of executive court order (*precetto*) and therefore the attachment of the assets of the Assigned Debtor and/or its guarantor;

(b) pursuing of any appropriate judicial activity, such as the filing for bankruptcy proceeding, or participation to meetings of the creditors in order to approve the bankruptcy proceeding as well as the election of representatives in the committees of creditors of the bankruptcy proceedings, with full autonomy and discretion;

(c) the commencement and/or the continuation of any judicial activity aimed at protecting the Receivables, including the inception of any appropriate judicial proceeding and/or the defending in proceedings set up by the Assigned Debtor and/or third parties;

(d) entering into, where appropriate, judicial and extra-judicial settlements and the execution of the relevant agreements as well as the sale of the Receivables to third parties in accordance with the Delegated Powers (as defined below);

(e) carrying out, where appropriate, acts of write-off, remission, debt cancellation or quittance (in full or in part) if it is connected with the exercise of the powers delegated to the Servicer;

(f) the consent to the cancellation of Mortgages and/or other Collateral Securities and any other detrimental registration or transcription being detrimental if it is connected with the exercise of the Delegated Powers or if it is in accordance with the Servicing Agreement;

(g) the promotion of the sales, with or without auction, of the real estate assets on which a mortgage granting the Receivables repayment has been registered;

(h) the completion of the activities for the conservation and enforcement of the Mortgages and the Collateral Securities.

Even if judicial proceedings are pending, the out of court activities - aimed at maximising the recovery on the Receivables and limiting the costs and expenses - are continued.

The Servicer uses external lawyers who have entered into agreements with the Servicer. In accordance with the Servicing Agreement, the Servicer may use other lawyers provided that the relevant fees are not higher than the ones set out in the agreements with existing lawyers, subject to the provisions of the Servicing Agreement.

Under the Servicing Agreement, the Servicer has undertaken that the lawyers will invoice for their fees and expenses directly to the Issuer on the date on which they are appointed and at in any case within 60 (sixty) days following the end of their activities.

The judicial or out of court activity ends with the collection of the amounts recovered, or, in case of failure, by terminating the relevant activity. The Servicer, in order to cancel the Debt Relationships, shall communicate to the Issuer, the Representative of the Noteholders and the Monitoring Agent the impossibility or inconvenience for further judicial or out of court activities loan by loan.

Settlement of the Debt Relationship

The settlement on Debt Relationship provides for the entering into agreements aimed to recover the balance of the Receivables relating to the Debt Relationship either through payment of the balance (*pagamento a saldo*) or with full and final settlement (*pagamento a saldo e stralcio*) even by way of deferred payment by the Assigned Debtor, its successors, the guarantors or any third parties, including using proceeds of the sale of real estate properties or the Receivable to third parties (the "**Settlement of the Debt Relationship**"). Any sale of Receivables shall be carried out in accordance with the Servicing Agreement.

The proposal of the Settlement of the Debt Relationship by the Servicer will be treated in accordance with the Delegated Powers referred to in paragraph below.

Delegate Powers to the Servicer

The proposal for the Settlement of the Debt Relationship will be subject to a resolution of the competent body of the Servicer. If the competent body approves such proposal, the Settlement of the Debt Relationship shall be agreed with the Assigned Debtor or other third parties obliged on behalf of the Assigned Debtor.

The Servicer has undertaken under the Servicing Agreement, in compliance with Article 1381 of the Italian Civil Code, not to (directly or indirectly) buy the Receivables on their own, and to ensure that none of its parent, subsidiary and / or affiliated companies may do the same, without the express written consent of the Issuer.

The information contained herein relates to Prelios Credit Servicing S.p.A. and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Prelios Credit Servicing S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE SELECTED DELEGATE

PRELIOS CREDIT SOLUTIONS S.P.A., a joint-stock company (*società per azioni*) with sole shareholder, with registered office in Milan (MI), Via Valtellina 15/17, enrolment in the Companies' Register of Milan, Monza Brianza, Lodi, fiscal code and VAT number No. 13048380151, share capital of Euro 100,000, fully paid up, holder of license no. 7/2019 of credit recovery agency for third parties issued by the Police Headquarters of Milan (*Questura di Milano*) pursuant to art. 115 of Royal Decree No. 773 of 18 June 1931, and subject to the management and coordination activities by Prelios S.p.A., acting as Selected Delegate in accordance with the Servicing Agreement.

The information contained herein relates to Prelios Credit Solutions S.p.A. and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Prelios Credit Solutions S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE RETENTION HOLDER, THE INITIAL NOTES SUBSCRIBER AND THE LIMITED RECOURSE LOAN PROVIDER

ILLIMITY BANK S.P.A., a bank organised and incorporated under the laws of Italy, whose registered office is at Via Soperga 9, 20214 Milan, share capital of Euro 50,366,953.62 (of which Euro 48,870,282.28 fully paid up), enrolment in the Companies' Register of Milan, Monza Brianza, Lodi, fiscal code and VAT No. 03192350365 and registered under No. 5710 in the register of banks held by the Bank of Italy pursuant to Article 13 of the Consolidated Banking Act.

illimity acts as "originator" (within the meaning ascribed to such term in Article 2, paragraph 3, letter (b) of the Securitisation Regulations) in the context of the Transaction pursuant to and for the purposes of the Securitisation Regulations, since:

(i) it has purchased through Aporti S.r.l. (the "**Issuer**") the Receivables from the Original Sellers in the context of the Existing Securitisations subscribing in full the untranched notes backed by the relevant compartments (*patrimoni separati*); and

(ii) it has securitised the same Receivables through the reallocation of the same into a new separate compartment (*patrimonio separato*) of the Issuer which backs the Notes.

Under the Notes Subscription Agreement, illimity has represented that:

(i) it meets the requirements and has the capacity and power to act as "originator" (within the meaning ascribed to such term in Article 2, paragraph 3, letter (b) of the Securitisation Regulations) of the Securitisation pursuant to the Securitisation Regulations;

(ii) it complies with the Retention Holder's obligations provided under articles 6(2) and 9 of the Securitisation Regulations and the Transaction complies with the criteria and processes for credit-granting under articles 6(2) and 9 of the Securitisation Regulations to the extent applicable.

The information contained herein relates to illimity Bank S.p.A. and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of illimity Bank S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE MONITORING AGENT

ZENITH SERVICE S.P.A., a company incorporated under the laws of the Republic of Italy as a "*società per azioni*", with registered office in Rome and its administrative office at via Vittorio Betteloni 2, 20131 Milan, Fiscal Code and VAT number 02200990980, registered in the Companies' Register of Rome under number 02200990980, registered in the register of the financial intermediaries held by the Bank of Italy under Article 106 of the Consolidated Banking Act at No. 30, ABI CODE 32590.2, acting in its capacity as Monitoring Agent.

The information contained herein relates to Zenith Service S.p.A. and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Zenith Service S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE CORPORATE SERVICES PROVIDER

CENTOTRENTA SERVICING S.P.A., a company incorporated under the laws of the Republic of Italy as a "*società per azioni*", share capital of Euro 3,000,000 fully paid up, having its registered office at Via San Prospero 4, 20121 Milan, Italy, fiscal code and enrolment in the Companies' Register of Milan, Monza Brianza, Lodi No. 07524870966, currently enrolled under number 13 in the financial intermediaries' register held by the Bank of Italy pursuant to Article 106 of the Consolidated Banking Act, acting as Corporate Services Provider.

Centotrenta Servicing S.p.A. specialises in managing and monitoring securitisations and structured finance transactions; acting as master servicer, corporate services provider, calculation agent, representative of the noteholders and back-up servicer on several structured finance deals across different assets and loan types, and across a variety of clients. It currently holds Italian Residential, Commercial and ABS Master Servicer Ratings 'RMS2', 'CMS2' and 'ABMS2' from Fitch Ratings and is subject to the auditing activity of EY S.p.A.

The information contained herein relates to Centotrenta Servicing S.p.A. and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Centotrenta Servicing S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE AGENT BANK, THE ACCOUNT BANK, THE PAYING AGENT AND THE CASH MANAGER

BNP PARIBAS SECURITIES SERVICES, MILAN BRANCH, a company incorporated under the laws of the Republic of France as a *société en commandite par actions*, having its registered office at 3 Rue d'Antin, 75002 Paris (France), acting through its Milan branch, with offices in Piazza Lina Bo Bardi, 3, 20124 Milan, Italy, enrolment with the companies' register of Milan No. 13449250151, enrolled with the banks register held by the Bank of Italy under No. 5483, acting in its capacity as Account Bank, Agent Bank, Cash Manager and Paying Agent.

The information contained herein relates to BNP Paribas Securities Services, Milan Branch and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of the BNP Paribas Securities Services, Milan Branch since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE CALCULATION AGENT, THE BACK-UP MASTER SERVICER AND THE REPRESENTATIVE OF THE NOTEHOLDER

BANCA FINANZIARIA INTERNAZIONALE S.P.A., a bank incorporated under the laws of the Republic of Italy as a joint stock company with a sole shareholder (*società per azioni unipersonale*), share capital of Euro 71,817,500.00 fully paid up, having its registered office at Via Vittorio Alfieri 1, 31015 Conegliano (TV), fiscal code and enrolment in the companies' register of Treviso-Belluno No. 04040580963, VAT Group "Gruppo IVA FININT S.P.A." - VAT number 04977190265, registered with the Bank of Italy pursuant to article 13 of the Consolidated Banking Act under number 5580, acting as Calculation Agent, Back-up Master Servicer and Representative of the Noteholders.

The information contained herein relates to Banca Finanziaria Internazionale S.p.A. and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Banca Finanziaria Internazionale S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE CAP COUNTERPARTY

J.P. Morgan AG is a stock corporation (*Aktiengesellschaft*) established and existing in accordance with the laws of the Federal Republic of German with registered address Taunusturm, Taunustor 1, 60310 Frankfurt am Main, Germany and registered with the Commercial Register B (*Handelsregister B*) of the local court (*Amtsgericht*) of Frankfurt am Main under registration number HRB 16861.

Management Board: Stefan Behr (Chairman), Nicholas Conron, Burkhard Kübel-Sorger and Gunnar Regier. Chairman of the Supervisory Board: Mark S. Garvin. J.P. Morgan AG is authorized by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht - "BaFin"), Marie-Curie-Straße 24-28, 60439 Frankfurt am Main, and supervised by BaFin, the German Central Bank ("Deutsche Bundesbank"), Taunusanlage 5, 60329 Frankfurt am Main and the European Central Bank, Sonnemannstraße 20, 60314 Frankfurt am Main.

The purpose of J.P. Morgan AG's business is banking transactions of all kinds with the exception of investment and Pfandbrief business. J.P. Morgan AG is an indirect wholly owned subsidiary of JPMorgan Chase & Co., has a full banking licence pursuant to Section 1 (1) of the German Banking Act (*Kreditwesengesetz*) (including, but not limited to, Nos. 1 to 5 (excluding Pfandbrief business) and 7 to 9) and conducts banking business with institutional clients, banks, corporate clients and clients from the public sector. J.P. Morgan AG does not have securities admitted to trading on a regulated market or an equivalent market.

JPM will act in its capacity as the Cap Counterparty pursuant to the Cap Agreement.

The information contained in this paragraph relates to J.P. Morgan AG and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of J.P. Morgan AG since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

USE OF PROCEEDS

The net proceeds from the issue of the Notes shall be applied by the Issuer to fund:

(i) the Reallocation Amount of the Portfolio (also by way of set-off);

(ii) the Cap Premium; and

(iii) certain upfront costs and expenses related the Transaction.

DESCRIPTION OF THE TRANSACTION DOCUMENTS

THE MASTER ALLOCATION AGREEMENT

The description of the Master Allocation Agreement set out below is a summary of certain features of the Master Allocation Agreement and is qualified in its entirety by reference to the detailed provisions of the Master Allocation Agreement. Prospective Noteholders may inspect a copy of the Master Allocation Agreement (i) upon request, at the registered offices of the Representative of the Noteholders; and (ii) on the Permitted Website. Capitalised terms used in the description below, to the extent not defined in this Prospectus, shall have the meanings ascribed to them in the Master Allocation Agreement.

Under a master allocation agreement entered into on the Reallocation Date between, inter alios, the Issuer and illimity Bank S.p.A. ("**illimity**") (the "**Master Allocation Agreement**"), the Issuer – with the consent of illimity (i) as sole noteholder of the Aporti 1 Securitisation, the Aporti 2 Securitisation and the Aporti 3 Securitisation and (ii) in the name and on behalf of UBS, as sole noteholder of the Aporti 4 Securitisation – has implemented a reallocation transaction in the context of which certain receivables previously purchased by the Issuer, together with other receivables, from the original Sellers in the context of the Aporti 1 Securitisation, the Aporti 3 Securitisation and the Aporti 4 Securitisation, as specified in Schedule 1 (*Selected Receivables*) of the Master Allocation Agreement, have been reallocated – with economic effect as of the Economic Effective Date and legal effects as of the Reallocation Date, into a new separate compartment (*patrimonio separato*) of the Issuer for the purpose of carrying out the Securitisation and will constitute the Portfolio backing the Notes.

In accordance with the mechanism set out under the Master Allocation Agreement, as a consideration for the reallocation of the Receivables to the Securitisation, a reallocation amount (the "**Reallocation Amount**") – as determined by the relevant parties, following the execution of the Master Allocation Agremeent, in a separate letter entered into on or prior to the Issue Date – shall be allocated on the Issue Date in favor of the respective securitisation to which the relevant Receivables were included prior to the reallocation.

Under the Master Allocation Agreement:

2. illimity has made the following representations and warranties to the Issuer with reference to the Reallocation Date (it being understood that any indemnity shall be for the benefit of the separate compartment (*patrimonio separato*) of the Securitisation in accordance with the provisions of the Master Allocation Agreement):

    (a) no actions or consents are requested (other than those provided or given under the Master Allocation Agreement), nor any prohibition is provided, under the transaction documents of the Existing Aporti Securitisations (including the Transfer Agreements) to implement and complete the Securitisation;

    (b) the Receivables are fully and solely owned by the Issuer and free of any encumbrance and no attachments (*pignoramento*) or seizures (*sequestro*) have been notified in respect of any of the Receivables;

    (c) when the Issuer acquired the Receivable, it perfected all the formalities required to render such transfer enforceable against the Assigned Debtors and third parties in accordance with applicable laws;

    (d) the reallocation of the Receivables does not negatively affect the right of the Issuer to receive any payments under the Receivables for the benefit of the separate compartment (*patrimonio separato*) of the Securitisation;

(e) it has been granted with all powers and has obtained all consents in order to, and all the necessary activities have been carried out for illimity to, enter into the Master Allocation Agreement also in the name and on behalf of UBS;

(f) the assets relating to any Existing Securitisation are segregated in accordance with the Securitisation Law from the assets of the Securitisation;

(g) all parties to the intercreditor agreement executed in connection with the Existing Securitisations and the holders of the notes issued in the context of such Existing Securitisations have accepted non-petition provisions and limited recourse provisions in line with the market standards for this kind of transactions; and

(h) the transaction documents executed in connection with the Existing Securitisations (a) provides that any costs and expenses due to third parties (other than those which executed the intercreditor agreement) shall be paid senior in the relevant order of priority and/or according to provisions in every material respect equivalent to those provided in the Transaction Documents; and (b) do not contain provisions that may negatively affect the Securitisation.

2. Neprix S.r.l., a limited liability company (*società a responsabilità limitata*) incorporated and validly existing under the laws of italy, share capital of euro 15,000 (fully paid up), whose registered office is at via soperga 9, 20127 milan, enrolment in the companies' register of Milan, Monza Brianza, Lodi, fiscal code and vat number 10130330961 ("**Neprix**"), in its capacity as special servicer of the Existing Securitisations, has made the following representations and warranties to the issuer with reference to the Reallocation Date (it being understood that any indemnity shall be for the benefit of the separate compartment (*patrimonio separato*) of the securitisation in accordance with the provisions of the Master Allocation Agreement):

(a) starting from the date on which the Issuer acquired the Receivables, it managed, administrated, collected and recovered the Receivables without fraud and willful misconduct and in compliance with applicable law;

(b) the activities related to the management, recovery (including judicial and insolvency proceedings) and collection of the Receivables have been performed by Neprix in compliance with the legal and regulatory provisions and, to the best knowledge of the Neprix, without incurring in any prescription (*prescrizione*) or judicial forfeiture (*decadenza processuale*);

(c) save for any changes occurred between the Economic Effective Date and the Reallocation Date with regard to the collections received by the Issuer in relation to the Receivables, all the information included in the schedule 1 of the Master Allocation Agreement, the Database (as defined in the Master Allocation Agreement) and any other information made available in writing to Prelios Credit Servicing S.p.A. with regard to the Receivables, is true, accurate and up to date at the Reallocation Date, it being understood that, with regard to any information given in respect of the GBV of the Receivables no representation or warranty is given by Neprix as to: (i) the validity and/or correctness of the calculations on the basis of which interest (including default interest), contractual penalties and/or indemnity obligations (however named) were determined, including as a result of the interpretation and/or application of statutory provisions relating to compounding of interests (*anatocismo*) or usury (*usura*), and (ii) the reduction of the GBV deriving from the possible non-application of compound interest;

(d) the documentation relating to the Receivables as received from the Original Sellers has been duly kept by Neprix; if the Transfer Agreements provided an obligation of the Issuer to collect the documentation relating to the Receivables or alternatively to replace the Original

Sellers in any relevant custody agreement within a certain date, such obligation has been duly performed on behalf of the Issuer by the relevant due date;

(e) it has duly reported in writing prior to the Reallocation Date to the Issuer and Prelios Credit Servicing S.p.A. the amount and status of any indemnity request submitted or to be submitted under the Transfer Agreements (if any) and any information available to it which may give rise to an indemnity request under the Transfer Agreements;

(f) it has diligently exercised the rights available to the Issuer under each Transfer Agreement without incurring in any forfeiture (*decadenza*) of such rights due to the lack of action in exercising them at the terms provided for under each of such agreements;

(g) without prejudice to paragraph (c) above, starting from the Economic Effective Date, it has not renounced, in the name and on behalf of the Issuer or on behalf of the Issuer, to any Receivables or released any of the Assigned Debtors or waived any right in respect thereof or subordinated its claims to claims held by third parties in respect of the Assigned Debtors;

(h) starting from the date on which the Issuer acquired the Receivables, it has maintained appropriate records of all payments received by the Issuer in respect of the Receivables; and

(i) starting from the date on which the Issuer acquired the Receivables, any duty or tax due by the Issuer in relation to the recovery of the Receivables has been fully paid.

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

In the event of any disputes arising out of or in connection with the Master Allocation Agreement including all non contractual obligations thereof, the parties to the Master Allocation Agreement submit to the exclusive jurisdiction of the Courts of Milan, Italy.

THE SERVICING AGREEMENT

The description of the Servicing Agreement set out below is a summary of certain features of the Servicing Agreement and is qualified in its entirety by reference to the detailed provisions of the Servicing Agreement. Prospective Noteholders may inspect a copy of Servicing Agreement (i) upon request, at the registered offices of the Representative of the Noteholders and (ii) on the Permitted Website. Capitalised terms used in the description below, to the extent not defined in this Prospectus, shall have the meanings ascribed to them in the Servicing Agreement.

On 23 June 2021, the Issuer, Prelios Credit Servicing S.p.A. in its capacity as servicer (the "**Servicer**"), Prelios Credit Solutions S.p.A. in its capacity as selected delegate (the "**Selected Delegate**") and Zenith Service S.p.A. in its capacity as monitoring agent (the "**Monitoring Agent**") entered into a servicing agreement (the "**Servicing Agreement**"), pursuant to which, *inter alia*, (a) the Servicer has undertaken to manage, administer, collect and recover, in the name and on behalf of the Issuer, the Receivables in the context of the Transaction; (b) the Servicer has undertaken to perform, *inter alia*, the Special Servicer Activities ("*Attività dello Special Servicer*", as defined under the Servicing Agreement) and the Master Servicer Activities ("*Attività del Master Servicer*", as defined under the Servicing Agreement); and (c) the Issuer and the Servicer have jointly appointed the Selected Delegate, which has accepted, to carry out, in the interest of the Issuer, the Special Servicer Activities and all other related and connected activities within the limits of the provisions of Bank of Italy's circular No. 288.

Appointment of the Servicer

The Issuer appointed the Servicer as "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento*" and "*responsabile della verifica della conformità delle operazioni alla legge ed al prospetto informativo*" pursuant to article 2, paragraph 3, letter c) and paragraph 6-*bis* of the

Securitisation Law and the Servicer has undertaken to carry out the activities set forth in the Servicing Agreement.

Settlements and deferral of payments

If deemed necessary for a quicker recovery of the Debt Relationships, the Servicer is entitled to enter into settlements and deferral of payments with the Assigned Debtors to the extent permitted by the Servicing Agreement and the Collection Policy, provided that, if during the execution of the activities specified above, a conflict of interests between the Servicer (or any of its affiliate companies) and the Issuer may occur, the Servicer shall act in order to protect the interests of the Issuer in accordance with the procedures provided by the Issuer (through the Monitoring Agent).

The Servicer may approve settlement and deferral of payments (the "**Delegated Powers**") pursuant to the following parameters:

(i) the Present Value (calculated by applying the same calculation method applied for the Target Price) of the amount offered for the Settlement of the Debt Relationship ("*Definizione della Posizione Debitoria*", as defined under the Servicing Agreement) (net of any current or future costs to be paid in the context of the relevant settlement or extension) and taking into account the Recovery Expenses related to the Debt Relationship as well as the Gross Collections related to the Debt Relationship subject to definition, accounted for up to the date on which the calculation is made, is not less than 95% (ninety-five percent) of the Target Price relating to such Debt Relationship;

(ii) the payment of the agreed amount pursuant to point (i) above takes place: (a) in a single payment at the same time as the conclusion of the agreement; or (b) with a maximum extension of 24 (twenty four) months, it being understood that in this case the Mortgages and Collateral Securities cannot be released until the payment of the last instalment (except in the cases expressly provided for by law);

(iii) there is no conflict of interest between the interests of the Issuer and the interests of the Servicer (or of its affiliate companies or on whose behalf the Servicer carries out activities) in the performance of such activity.

Any settlement and deferral which is not in line with the above (including the case in which the transaction and/or extension relates to a single Credit Line being part of the Debt Relationship) but is deemed to be acceptable by the Servicer:

(i) if the Present Value (calculated by applying the same calculation method used for the calculation with which the Target Price was realized) of the amount offered for the Settlement of the Debt Relationship (net of any current or future expenses to be paid as part of the related transaction or deferment) and taking into account the Recovery Expenses related to the Debt Relationship as well as the Gross Collections related to the Debt Relationship subject to definition, accounted for up to the date on which the calculation is made is lower than 95% (ninety-five percent) of the Target Price for such Debt Relationship and:

(A) the conditions set out in paragraph (B) below have not been met, shall be submitted to the Monitoring Agent for the relative submission to the Investors Committee; or

(B) the Cumulative Collection Ratio or the PV Cumulative Profitability Ratio on the immediately preceding Payment Date is lower than 90% and/or the settlement and/or deferral relates to a Debt Relationship the Target Price of which, added to the Target Price of the Receivables in respect of Debt Relationships subject to Sales Lower than the Target Price (as defined below) and/or of settlement and/or deferral occurred in the same Collection Period, exceeds Euro 2,000,000 (two million) and:

a) pursuant to the Conditions, the member of the Investors Committee representing the Senior Noteholders has not yet been appointed because the Senior Notes are still wholly owned by the Disenfranchised Noteholder (as defined in the Rules of the Organisation of the Noteholders), the Servicer shall not be entitled to agree and/or execute any settlement and/or deferment in respect of a Debt Relationship;

b) the member of the Committee representing the Senior Noteholders has not yet been appointed for reasons other than those set out in paragraph (a) above, it shall be submitted to the Monitoring Agent for the submission to the Investors Committee by application of the Senior Member Vacancy Procedure (as defined under the Conditions); or

c) the Investors Committee is also composed of the member representing the Senior Noteholders, it shall be submitted to the Monitoring Agent for the submission to the Investors Committee which shall vote in accordance with the provisions for the Reserved Matters under the Conditions),

together with a report (drafted in English) provided by the Servicer containing its reasoned opinion; and

(ii) upon approval in accordance with the provisions of paragraph (i) above, notified by the Servicer to the Rating Agencies by evidence included in the immediately succeeding Servicer's Report.

In addition, the Parties agreed that the Delegated Powers may be amended in accordance with the Servicing Agreement.

Enforcement Proceedings and Insolvency Proceedings

The Servicer has undertaken to continue, in the name and on behalf of the Issuer, the outstanding Enforcement Proceedings ("*Procedure Esecutive*", as defined under the Servicing Agreement) and Insolvency Proceedings and, in the name and on behalf of the Issuer, to activate new proceedings, whether necessary or opportune, pursuant to the Collection Policy. In particular, the Servicer has undertaken to carry out any act, transaction or formality related to the management or administration of the Enforcement Proceedings and Insolvency Proceedings, in accordance with the provisions of the Servicing Agreement and the Collection Policy.

Servicer's Reports

(a) Pursuant to the Servicing Agreement, the Servicer has undertaken to prepare in electronic format and to notify to, *inter alios*, the Issuer, the Representative of the Noteholders, the Monitoring Agent, the Corporate Services Provider, the Calculation Agent, the Back-up Master Servicer, the Cap Counterparty and the Rating Agencies (i) by each Monthly Servicing Report Date, the Monthly Servicing Report; (ii) by each Quarterly Servicing Report Date, the Quarterly Servicing Report; (iii) by each Semi-Annual Servicing Report Date, the Semi-Annual Servicing Report; and (iv) by each Quarterly Servicing Report Date and on each Semi-Annual Servicing Report Date, the Loan by Loan Information (as defined under the Servicing Agreement).

(b) In addition, pursuant to the Servicing Agreement, the Servicer has undertaken to make available to the Issuer, as Reporting Entity, and the Calculation Agent, by each SR Reporting Date, the Sec Reg Report.

(c) The Issuer appointed the Monitoring Agent in order to provide, until the Termination Date ("*Data di Cessazione*", as defined under the Servicing Agreement) and within 60 (sixty) days following each Semi-Annual Servicing Report Date of each year (starting from 2021) (or from the date on which the Servicer sends the information requested by the Monitoring Agent, provided that the request to the Servicer is made within 10 Business Days from the Semi-Annual Servicing Report Date), a report about the information and the data contained in each of the Semi-Annual Servicing Report provided by the Servicer within such Semi-Annual Servicing Report Date, also indicating

the methodology and the verification processes adopted in compliance with the methodologies and verification processes separately agreed between the Issuer, the Monitoring Agent and the Servicer (the "**Report**"). Such procedures shall provide for random checks on a number of Debt Relationships selected by the Monitoring Agent between a minimum of 50 (fifty) Debt Relationships and a maximum 80 (eighty) Debt Relationships, in order to verify the timely and correct financial reporting in the Semi-Annual Servicing Reports of the data related to such Receivables, as well as provided for in Article 22.1, paragraphs (ii), (iii), (iv) and (v) of the Servicing Agreement. The Monitoring Agent shall autonomously choose which Receivables are to be examined. The Servicer will provide to the Monitoring Agent all the relevant information related to the Receivables, the Mortgages, the Collateral Securities and the Real Estate Assets that may be reasonably requested by the Monitoring Agent and not already in its possession, within 20 (twenty) days from the relevant request and, in general, will cooperate with the Monitoring Agent to allow the latter to fullfil its mandate in accordance with the terms provided therein. The Report prepared by the Monitoring Agent shall be previously sent to the Servicer for its review and comments (which shall be (i) carried out within 7 (seven) Business Days following such sending; and (ii) be provided for and set out in detailed manner in the Report but in no case they shall be binding for the Monitoring Agent), provided that if the Monitoring Agent and the Servicer, in good faith, consider necessary to carry out checks and/or comparisons with respect to the Report, the term for the delivery of the Report may be extended no later than the 90th (ninetieth) day following each Quarterly Servicing Report Date). Once the Servicer has indicated that it has no further observations, the Report shall be sent by the Monitoring Agent to, *inter alios*, the Servicer, the Issuer, the Representative of the Noteholders, the Calculation Agent, the Cap Counterparty and the Rating Agencies.

(d) The Monitoring Agent, together with the assessments to be carried out pursuant to paragraph (c) above, shall also verify, with reference to the Receivables: (i) that the Periodic Servicer Fees ("*Commissioni del Servicer di Periodo*", as defined under the Servicing Agreement) are in line with the Servicer Fees, and (ii) the Servicer has not failed to report any Related Residual Debt Relationship, distinguishing between those which relates to paragraph (i), (ii) or (iii) of the relevant definition, nor any Relevant Residual Debt Relationship ("*Posizione Debitoria Residua Relativa*", as defined under the Servicing Agreement). This assessment will be carried out on the basis of the data communicated to the Monitoring Agent together with the Semi-Annual Servicing Report, the Loan by Loan Information and the Updated Portfolio Base Case Scenario.

(e) The Monitoring Agent, simultaneously with the assessments carried out under paragraphs (c) and (d) above, shall, upon request and at the expense of (A) the Retention Holder and/or (B) the Investors Committee, with reference to the related Receivables or other Receivables that these latter will select, (i) the same assessments as those referred to in paragraphs (c) and (d) above; or (ii) the additional assessments and verification referred to in the Schedule G of the Servicing Agreement which will be requested by the Retention Holder and/or the Investors Committee. This verification will be carried out on the basis of the data communicated to the Monitoring Agent together with the Semi-Annual Servicing Report. It being understood that (i) the verification provided for in this paragraph shall be requested to the Monitoring Agent only once a calendar year; and (ii) in any case the costs and/or expenses for the activities to be carried out by the Monitoring Agent in accordance with this paragraph and the following paragraph (f) shall not be charged to the Issuer.

(f) Following the completion of the verifications referred to in paragraph (e) above, the Monitoring Agent have undertaken to prepare, in accordance with the timing agreed with the relevant requesting entity, an additional report (the "**Additional Report**"), also indicating the methodology and verification procedures adopted which will be substantially compliant the verification procedures and methodologies agreed pursuant to paragraph (c) above and related to the Report.

The Servicer shall provide the Monitoring Agent with all information regarding the Receivables, the Mortgages, Collateral Securities and the Real Estate Assets that the Monitoring Agent may reasonably request, and not otherwise provided, within 15 (fifteen) days following the request and, in general, shall provide the Monitoring Agent with all cooperation for the purposes that the latter may carry out its mandate within the aforementioned terms. The Additional Report shall be sent by the Monitoring Agent to, *inter alios*, the entity which, from time to time, has requested to the Monitoring Agent the relevant verification pursuant to paragraph (e) above, the Servicer, the Issuer, the Representative of the Noteholders, the Calculation Agent, the Cap Counterparty and the Rating Agencies.

Sale of the Receivables

In the interest of the Noteholders, in accordance with article 2, paragraph 3, lett. d) of the Securitisation Law and with the prior consent of the Investors Committee which will be communicated by the Monitoring Agent, the Servicer may transfer, in the name and on behalf of the Issuer, to third parties the Receivables, or also single Credit Lines, in compliance with the provisions of the Collection Policy and subject to the followings conditions:

(a) according to the prudent assessment by the Servicer, carried out with the professional diligence, the transfer of the Receivables is (compared with the other options of recovery of the same Receivables) the most cost-effective option in the context of the Securitisation and the transfer of the Receivables does not result in any breach of the Issuer's obligations under the relevant Transfer Agreement;

(b) any case of conflict between the interests of the Issuer and the interests of the Servicer (or its affiliates) in the performance of such activities is excluded, except with the consent of the Investors Committee;

(c) a declaration of the transferee stating that it is a third party and not connected to the Noteholders has been obtained;

(d) the transferee provides (a) a solvency certificate signed by a duly authorised representative which date falls not earlier than the 5th (fifth) Business Day before the date of the purchase of the relevant Receivables, and (b) a certificate of good standing issued by the competent Chamber of Commerce which date falls not earlier than the 10th (tenth) Business Day before the date of the purchase of the Receivables;

(e) the transfer of the relevant Receivables is without recourse (*pro soluto*) and does not involve any guarantee by the Issuer of the performance and/or of the solvency of the relevant Assigned Debtors, save for the Admitted Representations and Warranties ("*Dichiarazioni e Garanzie Ammesse*", as defined under the Servicing Agreement);

(f) the agreement concerning such transfer is an "aleatory agreement" (*contratto aleatorio*) for the purposes of and in accordance with article 1469 of the Italian Civil Code and is a "sale at the risk of the purchaser" for the purposes of and in accordance with article 1488, paragraph 2, of the Italian Civil Code, and the purchaser accepts the limited-recourse nature of the obligations undertaken by the Issuer;

(g) the transfer of ownership of the relevant Receivables is conditioned to the payment of the purchase price, which shall be made in cash and upon the signing of the relevant transfer agreement, with the exclusion of any payment by way of set-off;

(h) the consideration for the transfer of the Receivables relating to the same Debt Relationship is not lower than the Target Price, provided that the Receivables may be sold for a consideration lower than the Target Price (the "**Sale Lower than the Target Price**"), provided that the conditions

under items (a) to (g) and (i) are met and it being understood that if the Sale Lower than the Target Price:

(i) concerns an aggregate amount of Receivables related to the Debt Relationships whose aggregate Target Price, added to the Target Price of the Receivables relating to Debt Relationships subject to previous Sales Lower than the Target Price, which does not exceed the higher of 15% (fifteen percent) (x) of the aggregate Target Price, or (y) of the aggregate Updated Target Price of the Debt Relationships relating to the entire portfolio of Receivables and the conditions under items (ii) below are not met), the prior consent of the Monitoring Agent has been obtained (who shall act on the basis of the instructions of the Investors Committee pursuant to the Rules of the Organisation of the Investors Committee);

(ii) (1) concerns an aggregate amount of Receivables related to the Debt Relationships whose aggregate Target Price, added to the Target Price of the Receivables relating to Debt Relationships subject to previous Sales Lower than the Target Price, which exceeds the higher of 15% (fifteen percent) (x) of the aggregate Target Price, or (y) of the aggregate Updated Target Price of the Debt Relationships relating to the entire portfolio of Receivables, (2) occurs on a date when the Cumulative Collection Ratio or the PV Cumulative Profitability Ratio, as calculated on the immediately preceding Payment Date, is lower than 90% and/or (3) added to the Target Price of the Receivables in respect of Debt Relationships subject to Sales Lower than the Target Price (as defined below) and/or of settlement and/or deferral occurred in the same Collection Period, exceeds Euro 2,000,000 (two million) and:

a) pursuant to the Conditions, the member of the Investors Committee representing the Senior Noteholders has not yet been appointed because the Senior Notes are still wholly owned by the Disenfranchised Noteholder (as defined in the Rules of the Organisation of the Noteholders), the Servicer shall not be entitled to agree and/or execute any settlement and/or deferment in respect of a Debt Relationship;

b) the member of the Committee representing the Senior Noteholders has not yet been appointed for reasons other than those set out in paragraph (a) above, it shall be submitted to the Monitoring Agent for the submission to the Investors Committee by application of the Senior Member Vacancy Procedure (as defined under the Conditions); or

c) the Investors Committee is also composed of the member representing the Senior Noteholders, it shall be submitted to the Monitoring Agent for the submission to the Investors Committee which shall vote in accordance with the provisions for the Reserved Matters under the Conditions); and

(i) the agreement relating to such sale provides that any indemnity due by the Issuer to the third party purchaser shall not exceed the purchase price of the relevant Receivable paid by the third party purchaser, net of any collection on such Receivable received by the latter.

For the purposes of this paragraph:

(i) "**Updated Target Price**" means, in relation to each Debt Relationship, the PV of the Net Collections of the Debt Relationship calculated at a rate equal to the Discount Factor and expected on the basis of the Updated Portfolio Base Case Scenario; each Updated Target Price shall be indicated in the relevant Updated Portfolio Base Case Scenario;

(ii) "**Admitted Representations and Warranties**" means the following representations and warranties that the Issuer may release in case of transfer of the Receivables in accordance with article 3.17 of the Servicing Agreement:

i. the Receivable exist pursuant to article 1266 of the Italian Civil Code;

ii. the Issuer is the owner of the Receivable;

provided that (a) the representation provided for under paragraph i. above shall only be given for a period of 6 (six) months from the relevant transfer date, and (b) any indemnity due by the Issuer shall not exceed the transfer price of the relevant Receivable net of any collection on such Receivable received by the third party purchaser.

Monitoring Agent supervision on the Initial Portfolio Base Case Scenario

Pursuant to the Servicing Agreement, the Monitoring Agent has undertaken to perform, *inter alia*, in the name and on behalf of the Issuer, the following activities:

(i) on each Semi-Annual Servicing Report Date, verifying if the Cumulative Collection Ratio calculated by the Servicer in respect of the Collection Period immediately preceding and indicated in the relevant Semi-Annual Servicing Report is equal or lower than 90%; and

(ii) on each Semi-Annual Servicing Report Date, verifying if the PV Cumulative Profitability Ratio calculated by the Servicer in respect of the Collection Period immediately preceding such date and indicated in the Semi-Annual Servicing Report is equal or lower than 88%;

upon occurrence of any of the above, the Monitoring Agent shall send at least within 2 Business Days prior to the following Calculation Date, a notice to, *inter alios*, the Issuer, the Servicer, the Rating Agencies the Calculation Agent and the Representative of the Noteholders (the "**First Underperformance Event Notice**") showing that the criteria under item (i) and/or (ii) above have not been met with reference to the immediately following Payment Date (such event, the "**First Underperformance Event**").

In addition to the provisions set out under paragraph above, the Monitoring Agent has undertaken to carry out, in name and on behalf of the Issuer, the following activities:

(i) on each Semi-Annual Servicing Report Date, verifying if the Cumulative Collection Ratio calculated by the Servicer in respect of the Collection Period immediately preceding and indicated in the relevant Semi-Annual Servicing Report is equal or lower than 80%; and

(ii) on each Semi-Annual Servicing Report Date, verifying if the Present Value Cumulative Profitability Ratio calculated by the Servicer in respect of the Collection Period immediately preceding such date and indicated in the Semi-Annual Servicing Report is equal or lower than 80%;

upon occurrence of any of the above, the Monitoring Agent shall send at least within 2 Business Days prior to the following Calculation Date, a notice to, *inter alios*, the Issuer, the Servicer, the Rating Agencies the Calculation Agent and the Representative of the Noteholders (the "**Second Underperformance Event Notice**") showing that the criteria under item (i) and/or (ii) above have not been met with reference to the immediately following Payment Date (such event, the "**Second Underperformance Event**").

Servicer's fees

The Servicing Agreement provides that the Issuer shall correspond to the Servicer the following fees for the performance of the activities regulated therein, *provided that*, the Master Servicing Fees and the Special Servicer Senior Fees will be paid in priority to any Other Issuer Creditor in the context of the Transaction:

1. *Master Servicing Fees*

   Such fees will be calculated on an annual basis and will be payable semi-annually in arrears pro rata on each Payment Date in accordance with the applicable Priority of Payments;

2. *Special Servicing Fees*

Such fees will be paid by the Issuer to the Servicer, according to the applicable Priority of Payments (i) with respect to the Base Fee, on the Payment Date following the end of the Collection Period to which they refer; or (ii) with respect to the Performance Fee of the Non-Closed Position, on the Payment Date immediately following the end of the Collection Period in which the Gross Collections that determined them have been credited to the Collection Account; or (iii) with respect to the Performance Fee Difference, on the Payment Date immediately following the end of the Collection Period in which a Debt Relationship has been classified as Closed Position.

Such fees is composed of the following two fees:

1. the Base Fee:

   the Base Fee is calculated for each semi-annual period as a percentage of the GBV existing at the end of the preceding Collection Period, on the basis of the percentages (on an annual basis) provided for under Schedule C of the Servicing Agreement (on the basis of the classification of the Assigned Debtors as (i) "Secured" (i.e. the Assigned Debtors which have at least one Credit Line secured by a first ranking voluntary or judicial mortgage, on real estate assets and classified in the Initial Portfolio Base Case Scenario, "Borrower" Type column, as "Secured Senior") or (ii) "Unsecured" (i.e. the Assigned Debtors other than the "Secured" Assigned Debtors)).

2. The Performance Fee:

   - the Performance Fee of the Non-Closed Position is calculated for each Debt Relationship at the end of each Collection Period on the basis of the Applicable Percentage to be applied on the Net Periodic Collections of the Debt Relationship; and
   - the Performance Fee Difference is calculated for each Debt Relationship at the end of the Collection Period on which the Administrative Closure of the Debt Relationship occurs.

3. Calculation of Special Servicing Fees: Exclusions and Limitations

   Pursuant to Article 8.1 of the Servicing Agreement, the Performance Fee of the Non-Closed Position and the Performance Fee Difference are not due in respect of the Collections received between the Economic Effective Date (included) and the Reallocation Date (included).

   The Parties have also agreed that:

   (i) in relation to Collections received following the Reallocation Date and arising from the Credit Lines that are the subject of the Transactions of the Issuer, as identified in the appropriate section of the Initial Portfolio Base Case Scenario called "Out of Court Settlement", the Performance Fee of the Non-Closed Position and the Performance Fee Difference are reduced by 50%. This reduction will remain in force for these Credit Lines for the entire duration of the Transaction regardless of the compliance by the relevant Assigned Debtors with the terms agreed with the Original Sellers;

   (ii) in relation to the Collections arising from the payment to the Issuer of indemnities under the Transfer Agreements, the Performance Fee of the Non-Closed Position and the Performance Fee Difference are reduced by 50%; and

   (iii) if, after payment of the Performance Fee, the Servicer determines that a Net Collection that is classified as a judicial recovery should properly be classified as an out-of-court recovery or that a Net Collection that is classified as an out-of-court recovery should properly be classified as judicial recovery, on the immediately following Payment Date, the Performance Fee due to the Servicer, as applicable, shall be increased or decreased to reflect such adjustment.

4. Payment of the Special Servicing Fees:

The payment of such fees is determined on the basis of the result of the PV Cumulative Profitability Ratio as at the Calculation Date on which the Special Servicing Fees will be calculated. On the basis of the PV Cumulative Profitability Ratio, the Performance Fee will be classified as:

- "Special Servicer Senior Fees", to be paid *pari passu* and *pro quota* with the Master Servicing Fee in the applicable Priority of Payments;
- "Special Servicer Mezzanine Fees", to be paid *pari passu* and *pro quota* with the repayment of principal of the Mezzanine Notes in the applicable Priority of Payments;
- "Special Servicer Junior Fees" to be paid *pari passu* and *pro quota* with the repayment of principal of the Junior Notes payable in the applicable Priority of Payments.

No Performance Fee will be due to the Servicer in case of sale of the Portfolio due to the exercise of a "clean-up option" or in case of anticipation of the termination of the Transaction after the full redemption of the Senior Notes. In such cases, the Performance Fee will still be due on the "cash in court" and in relation to the collection component due to the Issuer as will be agreed in good faith among the Parties.

Term

The Servicing Agreement shall remain in force and effect until the relevant termination date with the only exception of article 9 of the Servicing Agreement which shall remain in force until one year (or two years in case of early redemption of the Notes) and one day after the redemption in full or cancellation of the Notes.

Termination of the appointment of the Servicer

(a) The Servicer may, or shall in the case referred to under paragraph (xi) below or if requested by the Monitoring Agent, which will act upon indication of the Investors Committee, be terminated by the Issuer in the following events:

(i) the Servicer has been declared insolvent, or the competent authorities have issued any measure in order to obtain the winding-up of the Servicer or the appointment of a liquidator or administrator or receiver, or the Servicer has passed a resolution in order to obtain such measures, or the Servicer has been admitted in a Bankruptcy Proceeding, or the Servicer has passed a resolution in order to obtain the admission to one of the Bankruptcy Proceedings or a voluntary liquidation of the Servicer itself;

(ii) the failure to transfer, deposit or make any payment (except in cases where this is due to technical issue) by the Servicer of any amount due and payable pursuant to the Servicing Agreement within 2 (two) Business Days from the reconciliation of the relevant collection in accordance with the Bank of Italy regulation, except for cases where the missed payment is due to technical causes;

(iii) failure on the part of the Servicer to fulfil or to comply with the Servicing Agreement, that is not remedied within 15 (fifteen) Business Days following to the receipt of a written demand from the Issuer (or, in relation to the obligation to deliver the Semi-Annual Servicing Report, not remedied within 5 (five) Business Days of the relevant Semi-Annual Servicing Report Date), of any obligation of the Servicer (other than the obligation provided for in paragraph (ii) above) pursuant to the Servicing Agreement or any other Transaction Document to which the Servicer is a party;

(iv) the representations and warranties given by the Servicer under the Servicing Agreement turn out to be false, incomplete, misleading or deceptive and this has a negative effect on the Issuer and/or the Transaction and the Servicer does not remedy such breach within 15

Business Days starting from the date on which the Servicer received the relevant breach notification;

(v) the Servicer changes its legal form, or transfers all or a relevant part of its company or of its business group, or eliminates the structure responsible of the activity of administration and recovery of the Receivables, if such events, severally or jointly, can reasonably be deemed to prejudice the regular fulfillment by the Servicer of the obligations undertaken under the Servicing Agreement;

(vi) the Monitoring Agent does not release the Report to the Issuer and the Representative of the Noteholders due to willful or gross negligence acts of the Servicer;

(vii) the loss, by the Servicer, of the requirements requested by law or by the Bank of Italy for the entities performing the activities under the Servicing Agreement in the context of a securitisation transaction of claims, or the lack of other requirements that may be requested in the future by the Bank of Italy or by other competent governmental or administrative authorities;

(viii) after the expiry of 3 (three) Collection Periods from the date of execution of the Servicing Agreement, the Issuer has received, after the expiration of such term, from the Monitoring Agent 2 (two) consecutive First Underperformance Event Notices (in which case the Monitoring Agent shall act upon instructions from the Investors Committee) or 2 (two) consecutive Second Underperformance Event Notices (in which case the Noteholders, in a joint meeting, shall take a decision in accordance with the Rules of the Organisation of the Noteholders);

(ix) in the case provided for in paragraph (d) below, the failure by the Servicer within 90 (ninety) calendar days to appoint a person (different from Prelios Credit Servicing S.p.A.) to carry out the Special Servicing Activities;

(x) in case of serious and repeated violations of the provisions of the Applicable Privacy Legislation;

(xi) if the Servicer carries out the Master Legal Service and any invoice issued pursuant to clause 8.2(b) of the Servicing Agreement or the information related to the activities carried out by the delegated lawyers and included in the Semi-Annual Servicing Report are false or the Monitoring Agent detects material and evident inconsistencies in the carrying out the checks provided for in article 22.1(ii) of the Servicing Agreement.

The termination of the appointment of the Servicer shall be notified in writing by the Issuer to the Servicer, the Back-up Master Servicer, the Rating Agencies, the Monitoring Agent and the Representative of the Noteholders, and shall be effective after 45 (forty-five) calendar days from the date of the receipt by the Servicer of the termination notice or the different subsequent date herein indicated or, in any case, on the date, if subsequent, on which the Back-up Master Servicer has become operative (or a Substitute Servicer has been appointed and it has become operative) and a new Special Servicer shall be appointed and become operative.

(b) Prelios Credit Servicing S.p.A. has undertaken to not request any measure in order to obtain the suspension of the termination of the Servicer.

(c) By way of derogation of the provisions of paragraph (a) and (b) above, if any of the events listed under paragraph (a) items (v), (vii) and (viii) above, occurs with respect to the Special Servicing Activities, the Issuer may terminate Prelios Credit Servicing S.p.A. only with reference to the Special Servicing Activities; in such case, the Issuer shall indicate any entity, previously determined by the Monitoring Agent which shall act in accordance with the Investors Committee's instructions and with the approval by the Servicer, to whom Prelios Credit Servicing S.p.A. shall delegate or sub-

delegate, as the case may be, the performance of the Special Servicing Activities. Following the delegation, the Servicer Fees to be paid by the Issuer to Prelios Credit Servicing S.p.A. shall be deducted of the Special Servicing Fees.

(d) Without prejudice to the provisions of paragraph (a) and (b) above, if the event listed under paragraph (a) item (vii) above, occurs, the Issuer has undertaken, with the cooperation of the Monitoring Agent and the Back-up Master Servicer, to appoint Prelios Credit Servicing S.p.A. as special servicer in order to carry out the Special Servicing Activities by entering into a special servicing agreement. In such case the Servicer Fees to be paid by the Issuer to Prelios Credit Servicing S.p.A. shall be deducted of the Master Servicing Fees.

(e) In case the Issuer and the Servicer do not reach an agreement on the delegation under paragraph (d) above, the Issuer may in any case proceed to terminate the Servicer from all the activities set forth under the Servicing Agreement.

Withdrawal of the Servicer

(a) The Servicer may, after 36 (thirty-six) months from the Issue Date withdraw from the Servicing Agreement giving prior written notice of at least 12 months to the Issuer, the Back-up Master Servicer, the Monitoring Agent and the Representative of the Noteholders and prior notice to the Rating Agencies.

(b) The withdrawal of the Servicer shall be effective after 12 months from the date of receipt by the Issuer of the abovementioned notice or on the subsequent other date herein indicated, or, in any case, on the date, if subsequent, on which the Back-up Master Servicer shall become operative or on which the appointment of the Substitute of the Servicer has occurred. It being understood that during the aforesaid period, subject to the consent of the Monitoring Agent who will act in accordance with the Investors Committee's instructions, the Servicer may be replaced at any time with a 30 (thirty) days' notice and in compliance with the conditions set forth in article 12 of the Servicing Agreement.

(c) In the event that the withdrawal does not occur for a just cause (*giusta causa*) the Servicer will not have the right to receive the Special Servicer Mezzanine Fee and the Special Servicer Junior Fee. In the event that the withdrawal occurs for a just cause (*giusta causa*) the Servicer will have the right to receive the also such Special Servicer Mezzanine Fee and Special Servicer Junior Fee in accordance with the applicable Priority of Payments.

Portfolio Base Case Scenario

Please see the section headed "*Initial Portfolio Base Case Scenario*".

Applicable Law and Jurisdiction

The Servicing Agreement is in Italian.

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

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

THE CORPORATE SERVICES AGREEMENT

Under a corporate services agreement entered into on 21 September 2018 between the Issuer and the Corporate Services Provider (the "**Corporate Services Agreement**") in the context of the Aporti 1 Securitisation, the Corporate Services Provider has undertaken to provide the Issuer with certain corporate administration and management services in relation to the Aporti 1 Securitisation and the further securitisations which will be subsequently carried out by the Issuer (including the Transaction). These

services shall include the book-keeping of the documentation in relation to the meetings of the Issuer's quotaholders, directors and auditors, maintaining the quotaholders' register, preparing tax and accounting records, preparing documents necessary for the Issuer's annual financial statements and liaising with the Representative of the Noteholders.

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

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

THE INTERCREDITOR AGREEMENT

Pursuant to an intercreditor agreement entered into on or prior to the Issue Date, (the "**Intercreditor Agreement**"), between the Issuer, the Representative of the Noteholders (on its own behalf and as agent for the Noteholders), the Cap Counterparty and the Other Issuer Creditors, provisions are made as to the application of the Collections in respect of the Portfolio and as to how the Priority of Payments are to be applied. Subject to a Trigger Notice being served upon the Issuer following the occurrence of a Trigger Event, all the Issuer Available Funds will be applied in or towards satisfaction of the Issuer's payment obligations towards the Noteholders as well as the Other Issuer Creditors, in accordance with the Post Enforcement Priority of Payments provided in the Intercreditor Agreement.

In addition to the above, under the Intercreditor Agreement the relevant parties have acknowledged and agreed that, effective from 1 January 2022, the Issuer will be part of the consolidated group of illimity for VAT purposes (the "**illimity VAT Group**") under Articles 70–*bis* ff. of Italian Presidential Decree 633 of 26 October 1972 (the "**VAT Decree**").

As a consequence, illimity Bank S.p.A., in its capacity as majority quotaholder of the Issuer, has assumed certain indemnity obligations and undertakings *vis-à-vis* the Issuer in relation to the participation of the Issuer into the illimity VAT Group. In particular, illimity:

(i) has undertaken, effective from the date on which the Issuer will be part of the illimity VAT Group, to promptly indemnify upon first demand the Issuer for any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal costs, any expenses and any applicable value added tax), tax, levy, impost, duty, charge, withholding, indebtedness, fine, penalty, expense or interest that the Issuer incurs or suffers or it may incur or suffer as a consequence of the Issuer being part of the illimity VAT Group, as opposed to the liability of the Issuer had it not become part of the illimity VAT Group, including as a consequence of (i) transactions effected by other members of the illimity VAT Group; (ii) the implementation of any instruction received by the Issuer from illimity as majority quotaholder, (iii) any action to be taken by the Issuer to recover any amount from the Tax Authority, (iv) the Italian tax authority not recognizing the Issuer - for any reason whatsoever - as part of the VAT Group, (v) the assumptions on the basis of which the VAT Group having been established turn out to be incorrect and/or insufficient to recognize and implement the relevant tax regime, (vi) the Issuer having received a tax assessment notice (*avviso di accertamento*) or any similar act (the "**Adverse Consequences**");

(ii) has agreed with the Issuer, in relation to any assessment by the Tax authorities issued against the Issuer, that to the extent the Issuer shall have to pay any amount as a consequence of an Adverse Consequences (including those that are immediately enforceable on a provisional basis pursuant to the Italian tax law), illimity shall, within 5 (five) Business Days prior to the date on which the relevant payment shall have to be made, make available to the Issuer the amount to be paid by the latter;

(iii) has undertaken to expressly waive any rights to set-off (including by way of *eccezione*) it may have toward the Issuer with respect to any amount due or payable to the Issuer pursuant to these provisions also for the purpose of Article 1246, paragraph 1, number 4 of the Italian Civil Code.

The parties of the Intercreditor Agreement have also agreed and acknowledged that any tax liability related to other compartment of the Issuer, shall remain a tax liability of that compartment.

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

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

THE CASH ADMINISTRATION AND AGENCY AGREEMENT

Under an agreement entered into on or prior to the Issue Date between, *inter alios*, the Issuer, the Servicer, the Account Bank, the Calculation Agent, the Paying Agent, the Back-up Master Servicer, the Cash Manager, the Representative of the Noteholders, the Cap Counterparty and the Agent Bank (the "**Cash Administration and Agency Agreement**"):

(a) the Paying Agent has agreed to carry out certain services in relation to the Notes, including arranging for the payment of principal and interest to the Notes;

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

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

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

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

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

THE BACK-UP MASTER SERVICING AGREEMENT

Under a back-up master servicing agreement entered into on or prior to the Issue Date (the "**Back-up Master Servicing Agreement**"), among the Issuer, the Servicer and the Back-up Master Servicer, the Back-up Master Servicer has undertaken to act as substitute servicer of Prelios Credit Servicing S.p.A. in relation to the Master Servicer Activities to be carried out by Prelios Credit Servicing S.p.A. according to the Back-up Master Servicing Agreement.

The Back-up Master Servicing Agreement is in Italian.

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

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

THE NOTES SUBSCRIPTION AGREEMENT

Under a notes subscription agreement entered into on or prior to the Issue Date among, *inter alios,* the Issuer, illimity Bank S.p.A. and the Representative of the Noteholders (the "**Notes Subscription Agreement**"), illimity Bank S.p.A. has agreed to subscribe and pay for the Notes upon the terms and subject to the conditions thereof and has appointed the Representative of the Noteholders to act as the representative of the holders of the Notes.

The Notes Subscription Agreement and any non-contractual obligations arising out of or connected with it will be governed by and construed in accordance with English law.

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

THE LIMITED RECOURSE LOAN AGREEMENT

Pursuant to a limited recourse loan agreement to be entered into on or prior to the Issue Date between illimity Bank S.p.A. (the "**Limited Recourse Loan Provider**") and the Issuer (the "**Limited Recourse Loan Agreement**"), the Limited Recourse Loan Provider will grant to the Issuer a limited recourse loan in the aggregate amount of Euro 3,061,500.00 (the "**Limited Recourse Loan**"). The Limited Recourse Loan will be drawn down by the Issuer on or about the Issue Date in order to fund the Initial Cash Reserve, the Recovery Expenses Reserve Amount and the Retention Amount on the Issue Date. The Limited Recourse Loan shall bear interest at a yearly fixed rate of 0.2%.

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

In the event of any disputes arising out or in connection with the Limited Recourse Loan Agreement, the parties to the Limited Recourse Loan Agreement have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

DEED OF CHARGE

Pursuant to the deed of charge (the "**Deed of Charge**") entered into on or about the Issue Date, the Issuer (1) assigned absolutely with full title guarantee all of its present and future rights, title, interest and benefit in, to and under the Cap Agreement (subject to the netting and set-off provisions thereof, if any) and all payments due thereunder; and (2) charged by way of first floating charge all or substantially all of the assets and undertaking of the Issuer which are located in England and Wales not subject to effective security created pursuant to the Deed of Charge or otherwise in connection with the Securitisation, in each case, in favour of the Representative of the Noteholders to hold on trust on behalf of the Noteholders and the Other Issuer Creditors.

The Deed of Charge and any non-contractual obligations arising out of or connected with it are governed by and construed in accordance with, English law. The Courts of England have exclusive jurisdiction to hear any disputes that arise in connection therewith.

QUOTAHOLDERS' AGREEMENT

Under the terms of an agreement entered into on or prior to the Issue Date between Fenice Trust Company S.r.l. ("**FTC**"), illimity Bank S.p.A. ("**illimity**" and, together with FTC, the "**Quotaholders**"), the Representative of the Noteholders and the Issuer (the "**Quotaholders' Agreement**") certain rules have been set out in relation to the corporate governance of the Issuer and the discipline of the specific

obligations and undertakings necessary as a result of the inclusion of the Issuer within the illimity VAT Group.

illimity and the Issuer intend to carry out the activities and formalities provided for under the applicable laws and regulations for the purpose of including, with effect from 1 January 2022, the Issuer in the illimity VAT Group, to be established by it pursuant to and in accordance with the provisions of Article 70-bis ff. of the VAT Decree.

As a consequence, illimity and the Issuer have acknowledged and agreed that under clause 14 (*illimity Vat Group*) of the Intercreditor Agreement, illimity, in its capacity as majority quotaholder of the Issuer, has assumed certain indemnity obligations and undertakings *vis-à-vis* the Issuer in relation to the participation of the Issuer into the consolidated group of illimity for VAT purposes.

In particular, the Quotaholders has agreed, *inter alia*, not to pledge, charge or dispose of its holding in the quota capital of the Issuer, or the voting rights pertaining to such quotaholding, without the prior written consent of the Representative of the Noteholders.

The Issuer believes that the provisions of the Quotaholders' Agreement and of the other Transaction Documents are adequate to ensure that the participation by the Quotaholders in the quota capital of the Issuer is not abused.

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

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

THE CAP AGREEMENT

On or about the Issue Date, the Issuer entered into a cap transaction with J.P. Morgan AG as Cap Counterparty ("**Cap Transaction**"). The Cap Transaction is governed by a 1992 ISDA Master Agreement (Multicurrency-Cross Border) (the "**ISDA Master Agreement**"), together with a Schedule thereto (the "**Schedule**"), a 1995 ISDA credit support annex (the "**Credit Support Annex**") and a cap confirmation (the "**Cap Confirmation**" and together with the ISDA Master Agreement, the Schedule and the Credit Support Annex, the "**Cap Agreement**"). The Cap Transaction is entered into in order to hedge against the potential interest rate exposure of the Issuer in relation to its floating rate interest obligations under the Rated Notes. The obligations of the Issuer under the Cap Agreement shall be limited recourse to the Issuer Available Funds.

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

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

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

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

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

The occurrence of certain termination events and events of default contained in the Cap Agreement may cause the termination of the Cap Agreement prior to its stated termination date. Such events include (1) redemption of the Rated Notes pursuant to Condition 6.3 (*Mandatory redemption*); (2) redemption of the Rated Notes pursuant to Condition 6.4 (*Optional redemption*) or 6.2 (*Redemption for Taxation*); (3) amendment of any Transaction Document without the prior written consent of the Cap Counterparty (which may not be unreasonably withheld) if such amendment affects the amount, timing or priority of any payments due from the Cap Counterparty to the Issuer or from the Issuer to the Cap Counterparty or remuneration of the Collateral Account, (4) failure by the Cap Counterparty to take certain remedial measures required under the Cap Agreement following a Cap Counterparty Rating Event; and (5) the service of a Trigger Notice.

Pursuant to the Cap Confirmation, on the Issue Date the Issuer paid to the Cap Counterparty a premium and the Cap Counterparty makes a payment to the Issuer on each Payment Date only if the floating rate payable on the Rated Notes exceeds the strike price indicated in the Cap Confirmation. The notional amount for calculating any such payment will be the scheduled notional amount contained therein for the relevant Interest Period.

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

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

TERMS AND CONDITIONS OF THE NOTES

*The following is the entire text of the terms and conditions of the Notes (the "**Conditions**"). In these Conditions, references to the "**holder**" or to the "**Noteholder**" of a Class A Note, a Class B Note or a Class J Notes or to a Class A Noteholder, a Class B Noteholder or a Class J Noteholder are to the ultimate owners of the Class A Notes, the Class B Notes or the Class J Notes, as the case may be, issued in dematerialised form and evidenced as book entries with Monte Titoli S.p.A. ("**Monte Titoli**") in accordance with the provisions of (i) Article 83-bis of the Legislative Decree No. 58 of 24 February 1998 and (ii) the Regulation jointly issued by the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") and the Bank of Italy 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 published in the Official Gazette number 201 of 30 August 2018, as subsequently amended and supplemented. The Noteholders are deemed to have notice of and are bound by, and shall have the benefit of, inter alia, the terms of the Rules of the Organisation of Noteholders (as defined below).*

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

The Euro 64,700,000 Class A Asset Backed Floating Rate Notes due January 2043 (the "**Class A Notes**" or the "**Senior Notes**" or the "**Rated Notes**"), the Euro 9,500,000 Class B Asset Backed Floating Rate Notes due January 2043 (the "**Class B Notes**" or the "**Mezzanine Notes**") and the Euro 4,000,000 Class J Asset Backed Fixed Rate and Variable Return Notes due January 2043 (the "**Class J Notes**" or the "**Junior Notes**" and together with the Senior Notes and the Mezzanine Notes, the "**Notes**") are issued by Aporti S.r.l. (the "**Issuer**") on 28 June 2021 (the "**Issue Date**") in the context of a securitisation transaction (the "**Transaction**") pursuant to the Italian Law No. 130 of 30 April 1999 ("*Disposizioni sulla cartolarizzazione dei crediti*") ("**Law 130**" or the "**Securitisation Law**").

The Transaction is carried out as part of a reallocation transaction implemented by the Issuer on 22 June 2021 (the "**Reallocation Date**"), pursuant to a master allocation agreement dated 22 June 2021 (the "**Master Allocation Agreement**"), in the context of which, *inter alia,* certain monetary receivables classified as non-performing ("*in sofferenza*") have been reallocated in a new segregated compartment (*patrimonio separato*) of the Issuer and will constitute the portfolio of receivables (the "**Receivables**" and the "**Portfolio**") backing the Notes under the Transaction. The Transaction (including for avoidance of doubt the issuance of the Notes) is carried out and takes place without any involvement whatsoever of the Original Sellers (as defined below).

The Receivables had been previously purchased by the Issuer, together with other non-performing receivables, from, *inter alia*, certain Italian credit institutions (collectively, the "**Original Sellers**") in the context of the following securitisation transactions carried out pursuant to the Securitisation Law prior to the date hereof and which will continue to survive following the implementation of the Securitisation with respect to a number of non-performing exposures, other than the Receivables, purchased by the Issuer thereunder:

(i) the securitisation transaction carried out on 29 October 2018 (the "**Aporti 1 Securitisation**") whereby the Issuer initially issued the Up to Euro 300,000,000 Partly-Paid Asset-Backed Fixed Rate and Variable Return Notes due 2035 which, following the increase of their nominal value occurred on 31 January 2020, are now identified as the Up to Euro 600,000,000 Partly-Paid Asset-Backed Fixed Rate and Variable Return Notes due 2035, to finance the acquisition of one or more portfolios of monetary receivables classified as "distressed receivables" (*crediti deteriorati*) pursuant to the Bank of Italy Circular No. 272 of 30 July 2008 (*Matrice dei Conti*);

(ii) the securitisation transaction carried out on 30 August 2019 (the "**Aporti 3 Securitisation**") whereby the Issuer initially issued the Up to Euro 450,000,000 Series 3 Partly-Paid Asset-Backed Fixed Rate and Variable Return Notes due 2035 to finance the acquisition of one or more portfolios of monetary receivables classified as "distressed receivables" (*crediti deteriorati*) pursuant to the Bank of Italy Circular No. 272 of 30 July 2008 (*Matrice dei Conti*); and

(iii) the securitisation transaction carried out on 26 September 2019 (the "**Aporti 4 Securitisation**") whereby the Issuer initially issued the Euro 153,800,000 Series 4 Asset Backed Fixed Rate and Variable Return Notes due 2035 to finance the acquisition of one or more portfolios of monetary receivables classified as "distressed receivables" (*crediti deteriorati*) pursuant to the Bank of Italy Circular No. 272 of 30 July 2008 (*Matrice dei Conti*).

In addition to the Aporti 1 Securitisation, the Aporti 3 Securitisation and the Aporti 4 Securitisation, as at the date hereof the Issuer has also carried out on 16 November 2018 a further securitisation transaction pursuant to the Securitisation Law (the "**Aporti 2 Securitisation**" and, together with the Aporti 1 Securitisation, the Aporti 3 Securitisation and the Aporti 4 Securitisation, the "**Existing Securitisations**") whereby the Issuer issued the Up to Euro 150,000,000 Series 2 Partly Paid Asset Backed Fixed Rate and Variable Return Notes due 2035 to finance the acquisition of one or more portfolios of monetary receivables classified as "distressed receivables" (*crediti deteriorati*) pursuant to the Bank of Italy Circular No. 272 of 30 July 2008 (*Matrice dei Conti*), none of which have been reallocated to the compartment of the Securitisation.

The Receivables have been originally purchased by the Issuer pursuant to five transfer agreements: (i) a transfer agreement executed on 15 November 2018, (ii) a transfer agreement executed on 19 September 2019, (iii) a transfer agreement executed on 23 December 2019 and (iv) two transfer agreements executed on 20 October 2020 (collectively, the "**Transfer Agreements**" and, each of them, a "**Transfer Agreement**").

In these Conditions, any references to (i) the "**holders of the Rated Notes**" are to the beneficial owners of the Rated Notes; (ii) references to the "**Class A Noteholders**" are to the beneficial owners of the Class A Notes; references to the "**Class B Noteholders**" are to the beneficial owners of the Class B Notes; and references to the "**Class J Noteholders**" are to the beneficial owners of the Class J Notes and references to the "**Noteholders**" are to the beneficial owners of the Notes. Any reference to a "**Class**" of Notes shall be construed as a reference to the Class A Notes, the Class B Notes or the Class J Notes, as the case may be.

The principal source of payment of amounts due under the Notes will be collections and recoveries made in respect of the Portfolio (the "**Collections**"). By operation of Italian law, the Issuer's right, title and interest in and to the Portfolio and the other Issuer's Rights (as defined below) are segregated from all other assets of the Issuer, and amounts deriving therefrom (for so long as such amounts are credited to one of the Issuer's Accounts under this Transaction and not commingled with other sums) will only be available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders and to pay any costs, fees and expenses payable, or other amounts due, to the Other Issuer Creditors (as defined below) and to any third party creditor in respect of any costs, fees or expenses payable by the Issuer to such third party creditors in relation to the securitisation of the Portfolio (the "**Securitisation**"). Amounts derived from the Portfolio will not be available to any such creditors of the Issuer in respect of any other amounts owed to them or to any other creditors of the Issuer. The Noteholders and the Other Issuer Creditors will agree that the Issuer Available Funds (as defined below) will be applied by the Issuer in accordance with the applicable Priority of Payments (as defined below).

Under a servicing agreement entered into on 23 June 2021 (the "**Servicing Agreement**") between, *inter alios,* the Issuer, and Prelios Credit Servicing S.p.A. ("**PRECS**") as Servicer (the "**Servicer**"), PRECS has agreed (i) to carry out supervising activities with respect to the transaction in order to ensure

compliance with the laws to protect the investors, pursuant to Article 2, paragraph 6-*bis*, of Securitisation Law and (ii) to provide the Issuer with administration, collection and recovery services in respect of the Receivables as better detailed under the Servicing Agreement also by appointing for such purpose Prelios Credit Solutions S.p.A. (the "**Selected Delegate**"). In addition, under the Servicing Agreement the Issuer has appointed Zenith Service S.p.A. as monitoring agent ("**Zenith Service**" or the "**Monitoring Agent**") of the Transaction in order to carry out certain services in favour of the Issuer as better detailed in the Servicing Agreement.

Under a back-up master servicing agreement entered into on or prior to the Issue Date (the "**Back-up Master Servicing Agreement**") among the Issuer, the Servicer and Banca Finanziaria Internazionale S.p.A. (the "**Back-up Master Servicer**"), this latter has undertaken, *inter alia*, to act as substitute servicer of PRECS in order to carry out the master servicer activities ("*Attività del Master Servicer*", as defined in the Servicing Agreement), according to the Back-up Master Servicing Agreement, in case of termination of the appointment of PRECS as Servicer in accordance with the Servicing Agreement.

Under a notes subscription agreement entered into on or prior to the Issue Date among, *inter alios*, the Issuer, the Initial Notes Subscriber and the Representative of the Noteholders (the "**Notes Subscription Agreement**"), the Initial Notes Subscriber has agreed to subscribe and pay for the relevant Notes upon the terms and subject to the conditions thereof and has appointed the Representative of the Noteholders to act as the representative of the holders of the Notes.

Under a cash administration and agency agreement entered into on or prior to the Issue Date (the "**Cash Administration and Agency Agreement**") among, *inter alia*, the Issuer, the Representative of the Noteholders, the Calculation Agent, the Account Bank, the Paying Agent, the Agent Bank, the Cash Manager, the Cap Counterparty, the Servicer: (i) the Paying Agent has agreed to carry out certain services in relation to the Notes, including arranging for the payment of principal and interest to the Monte Titoli Account Holders; (ii) the Agent Bank has agreed to calculate the amount of interest payable on the Notes; (iii) the Calculation Agent has agreed to provide the Issuer with other calculations in respect of the Notes and will set out, in a payments report, the payments due to be made under the Notes on each Payment Date; and (iv) the Account Bank has agreed to provide certain cash administration and investment services in respect of the amounts standing, from time to time, to the credit of the relevant Accounts.

Under a corporate services agreement entered into on 21 September 2018 (the "**Corporate Services Agreement**") between the Issuer and Centotrenta Servicing S.p.A. as corporate services provider (the "**Corporate Services Provider**"), in the context of the Aporti 1 Securitisation, the Corporate Services Provider has agreed to provide the Issuer with certain corporate administration and management services in relation to the Aporti 1 Securitisation and the further securitisations which will be subsequently carried out by the Issuer (including the Transaction).

Under a limited recourse loan agreement entered into on or prior to the Issue Date between illimity Bank S.p.A. (the "**Limited Recourse Loan Provider**") and the Issuer (the "**Limited Recourse Loan Agreement**"), the Limited Recourse Loan Provider has granted to the Issuer a limited recourse loan in the aggregate amount of Euro 3,061,500.00 (the "**Limited Recourse Loan**"). The Limited Recourse Loan has been drawn down by the Issuer on or about the Issue Date in order to fund the Initial Cash Reserve (as defined below) and the payments of the Retention Amount (as defined below) and the amount necessary to create the Recovery Expenses Cash Reserve on the Issue Date.

Under an intercreditor agreement entered into on or prior to the Issue Date (the "**Intercreditor Agreement**") between, *inter alios*, the Issuer, the Representative of the Noteholders (on its own behalf and as agent for the Noteholders), the Corporate Services Provider, the Agent Bank, the Account Bank, the Cap Counterparty, the Calculation Agent, the Monitoring Agent, the Servicer, the Paying Agent, the Cash Manager, and the Back-up Master Servicer, the application of the Issuer Available Funds (as defined below) has been set out. The Representative of the Noteholders has been appointed to exercise certain rights in relation to the Portfolio and in particular will be conferred the exclusive right (and the

necessary powers) to make demands, give notices, exercise or refrain from exercising rights and take or refrain from taking actions (also through the Servicer) in relation to the recovery of the Receivables in the name and on behalf of the Issuer.

Pursuant to a deed of charge governed by English law executed by the Issuer on or prior the Issue Date (the "**Deed of Charge**"), the Issuer has (i) assigned absolutely with full title guarantee all of its present and future rights, title, interest and benefit in, to and under the Cap Agreement (subject to the netting and set-off provisions thereof, if any) and all payments due thereunder; and (ii) charged by way of first floating charge all or substantially all of the assets and undertaking of the Issuer which are located in England and Wales not subject to effective security created pursuant to the Deed of Charge or otherwise in connection with the Securitisation, in each case, in favour of the Representative of the Noteholders to hold on trust on behalf of the Noteholders and the Other Issuer Creditors.

Pursuant to an agreement to be entered into with the Cap Counterparty on or prior to the Issue Date in the form of an International Swaps and Derivatives Association, Inc. ("**ISDA**") 1992 Master Agreement (Multicurrency-Cross Border) the "**Master Agreement**") together with a Schedule thereto (the "**Schedule**") and the 1995 ISDA Credit Support Annex thereunder (the "**Credit Support Annex**") and supplemented by a confirmation (the "**Cap Confirmation**") documenting a cap transaction (the "**Cap Transaction**") thereunder and, together with the Master Agreement, the Schedule and the Credit Support Annex, the "**Cap Agreement**"), the Issuer will hedge against the potential interest rate exposure in relation to its floating rate interest obligations under the Rated Notes.

Under an agreement entered into on or prior to the Issue Date between Fenice Trust Company S.r.l. (the "**FTC**"), illimity Bank S.p.A. ("**illimity**" and, together with FTC, the "**Quotaholders**"), the Issuer and the Representative of the Noteholders (the "**Quotaholders' Agreement**"), certain rules have been set out in relation to the corporate management of the Issuer and the discipline of the specific obligations and undertakings necessary as a result of the inclusion, effective from 1 January 2022, of the Issuer within the consolidated group of illimity for VAT purposes, to be established by it pursuant to and in accordance with the provisions of Article 70-*bis* ff. of the Presidential Decree 26 October 1972, No. 633.

These Conditions include summaries of, and are subject to, the detailed provisions of the Transfer Agreements, the Servicing Agreement, the Back-up Master Servicing Agreement, the Intercreditor Agreement, the Limited Recourse Loan Agreement, the Corporate Services Agreement, the Notes Subscription Agreement, the Cash Administration and Agency Agreement, the Cap Agreement, the Quotaholders' Agreement, and the Deed of Charge (and together with these Conditions, the "**Transaction Documents**"). Copies of the Transaction Documents are available for inspection during normal business hours at the registered office of the Representative of the Noteholders.

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

The rights and powers of the Noteholders may only be exercised in accordance with the rules of the organisation of the Noteholders (respectively, the "**Rules of the Organisation of the Noteholders**" and the "**Organisation of the Noteholders**") attached hereto and which form an integral and substantive part of these Conditions. In addition, a committee composed of members representing the holders of each Class of Notes (the "**Investors Committee**") will be appointed to resolve on certain matters, as set out in the Rules of the Organization of the Noteholders. The rights and powers of the Investors Committee may only be exercised in accordance with the rules attached to the Rules of the Organisation of the Noteholders (the "**Rules of the Organisation of the Investors Committee**") and which form an integral and substantive part of the Rules of the Organisation of the Noteholders and therefore of these Conditions.

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

In these Conditions:

"**Account Bank**" means BNP Paribas Securities Services, Milan Branch or any other person for the time being acting in its capacity as account bank pursuant to the Cash Administration and Agency Agreement.

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

"**Administrative Closure of the Debt Relationship**" means the closing of the Debt Relationship in the Servicer's IT system, in accordance with the Servicing Agreement.

"**Agent Bank**" means BNP Paribas Securities Services, Milan Branch or any other person for the time being acting in its capacity as agent bank pursuant to the Cash Administration and Agency Agreement.

"**Agents**" means the Cash Manager, the Agent Bank, the Account Bank, the Paying Agent, the Calculation Agent collectively and "**Agent**" means any of them.

"**Ancillary Guarantee**" means any personal or real guarantee (*garanzia personale o reale*), other than the Mortgages, provided by a Guarantor to guarantee specific Receivables (including, for the avoidance of doubt, the so-called *fideiussioni omnibus* and consortium guarantees (*consorzi di garanzia*)).

"**Applicable Privacy Legislation**" shall indicate the Privacy Code, the GDPR, the national implementing legislation and any other legislation or order of an administrative or regulatory nature – adopted by the Italian Data Protection Authority and/or by another competent authority – in force from time to time.

"**Assigned Debtor**" means the main obligor responsible for the payment of the relevant Receivable (meaning, in the case of claims deriving from Loans, each contracting party to the relevant Loan Agreements (as obligor or co-obligor) and/or any successor or assignee of the same, under an obligation to pay the relevant Receivable.

"**Back-up Master Servicer**" means the party who will act as back-up master servicer in accordance with the provisions of the Back-up Master Servicing Agreement, or any replacement of the latter.

"**Back-up Master Servicing Agreement**" means the back-up master servicing agreement entered into among the Issuer, the Servicer and the Back-up Master Servicer on or about the Issue Date, and any further Back-up Master Servicing Agreement as effective from time to time, according to which the Back-up Master Servicer has undertaken to act as substitute master servicer in case of termination of the appointment of the Servicer in carrying out the *Master Servicer Activities* according to the Servicing Agreement.

"**Bid Process**" has the meaning as ascribed in Condition 6.5 (*Sale of the Portfolio*).

"**Buffer**" means Euro 20,000.

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

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

"**Cancellation Date**" means, upon expiry of the Final Maturity Date, the earlier of:

(a) the date on which the Notes have been redeemed in full;

(b) the later of the date on which (i) the Servicer have certified to the Issuer that all the Collections due in respect of all the Receivables have been received or recovered and that all judicial enforcement procedures in respect of the Receivables have been exhausted; and (ii) the last of those Collections are applied in accordance with the applicable Priority of Payments; and

(c) the date on which all the Receivables comprised in the Portfolio have been sold and the relevant Issuer Available Funds have been received and applied in accordance with the applicable Priority of Payments.

"**Cap Collateral Account Surplus**" has the meaning ascribed to such term in clause 9 (*Management and Application of Collateral with respect to the Cap Counterparty*) of the Intercreditor Agreement.

"**Cap Counterparty**" means J.P. Morgan AG, in its capacity as cap counterparty, or its permitted successors or assigns from time to time or any other person for the time being acting as Cap Counterparty pursuant to the Cap Agreement.

"**Cap Counterparty Rating Event**" means the failure of the Cap Counterparty or its credit support provider, as applicable, to satisfy the rating requirements specified in Part 6(1) (*Ratings Downgrade Provisions*) of the Schedule to the Cap Agreement.

"**Cap Premium Amount**" means the premium paid by the Issuer to the Cap Counterparty pursuant to the Cap Agreement on the Issue Date.

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

"**Cash Manager**" means BNP Paribas Securities Services, Milan Branch or any other person for the time being acting in its capacity as cash manager pursuant to the Cash Administration and Agency Agreement.

"**Cash Reserve Account**" means the Euro denominated account, with IBAN No. IT 41 I 03479 01600 000802500505, opened in the name of the Issuer with the Account Bank, or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**Cash Reserve Amount**" means the monies standing from time to time to the credit of the Cash Reserve Account at any given time up to an amount equal to (i) on the Issue Date the Initial Cash Reserve and (ii) thereafter, the Target Cash Reserve Amount. On each Payment Date prior to the delivery of a Trigger Notice, the Issuer will, in accordance with the Pre-Enforcement Priority of Payments, pay into the Cash Reserve Account an amount up to the Target Cash Reserve Amount.

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

"**Class A Notes Interest Rate**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*).

"**Class A Notes Margin**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*).

"**Class B Notes Capped Interest Amount**" means the Interest Amount of the Class B Notes calculated by applying the Class B Notes Capped Interest Rate to the Principal Amount Outstanding of the Class B Notes in accordance with Condition 5.4 (*Determination of Interest Rate, Calculation of Interest Amount and Class J Notes Variable Return*).

"**Class B Notes Capped Interest Rate**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*).

"**Class B Notes Deferred Interest Amount**" means the Interest Amount of the Class B Notes calculated by applying the Class B Notes Deferred Interest Rate to the Principal Amount Outstanding of the Class B Notes in accordance with Condition 5.4 (*Determination of Interest Rate, Calculation of Interest Amount and Class J Notes Variable Return*).

"**Class B Notes Deferred Interest Rate**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*).

"**Class B Notes Interest Rate**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*).

"**Class J Notes Interest Rate**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*).

"**Class J Notes Variable Return**" means, (i) on each Payment Date on which the Pre-Enforcement Priority of Payments applies, an amount payable on the Class J Notes equal to the Issuer Available Funds available on such Payment Date after payment of items from (*First*) to (*Fourteenth*) (inclusive) of the Pre-Enforcement Priority of Payments; or (ii) on each Payment Date on which the Post Enforcement Priority of Payments applies, an amount equal to the Issuer Available Funds available on such Payment Date after payment of items from (*First*) to (*Twelfth*) (inclusive) of the Post Enforcement Priority of Payment.

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

"**Collateral Account**" means the Euro denominated account, with IBAN No. IT 36 E 03479 01600 000802500501, opened in the name of the Issuer with the Account Bank, or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**Collateral Account Priority of Payments**" has the meaning ascribed to it in Condition 4.3 (*Collateral Account Priority of Payments*).

"**Collateral Amounts**" means any amounts from time to time standing to the credit of the Collateral Account.

"**Collection Account**" means the Euro denominated account, with IBAN No. IT 13 F 03479 01600 000802500502, opened in the name of the Issuer with the Account Bank or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**Collection Date**" means the last calendar day of June and December of each calendar year.

"**Collection Period**" means each semi-annual period beginning on (and excluding) a Collection Date and ending on (and including) the following Collection Date, with the exception of the first Collection Period which will begin on (and exclude) the Reallocation Date and will end on (and include) the First Collection Date.

"**Collection Policy**" means the collection policy applied by the Servicer in relation to the Portfolio.

"**Collections**" means any amount collected and/or otherwise received in relation to the Receivables, including, without limitation, the sums paid towards the repayment of principal and the payment of interest on the Receivables.

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

"**Consolidated Banking Act**" means Legislative Decree No. 385 of 1 September 1993 as subsequently amended.

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

"**Credit Line**" means, in respect of a Receivable, each different legal relationship towards the Assigned Debtor of the Receivable (e.g. secured loan/unsecured loan/credit line etc) as indicated in each Transfer Agreement.

"**Cumulative Collection Ratio**" means, in respect of a Payment Date, the percentage ratio as indicated in the immediately preceding Semi-Annual Servicing Report between: (i) the cumulative Net Collections; and (ii) the aggregate Net Collections pursuant to the Initial Portfolio Base Case Scenario.

"**DBRS**" means DBRS Ratings Limited.

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

DBRS	Moody's	S&P	Fitch
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 Relationship**" means the sum of all of the Credit Lines deriving from the loans granted to the same Assigned Debtor, as indicated in the Initial Portfolio Base Case Scenario.

"**Discount Factor**" means 5.5% per year.

"**Early Termination Date**" has the meaning ascribed to such term under the Cap Agreement.

"**Economic Effective Date**" means 23.59 of 31 December 2020.

"**Eligible Institution**" means a depository institution organised under the laws of any State which is a member of the European Union or of England or Wales or of the United States of America whose debt obligations (or whose obligations under the Transaction Documents to which it is a party are guaranteed by a first demand, irrevocable and unconditional guarantee issued by a depository institution organised under the laws of any state which is a member of the European Union or of England or Wales or of the United States of America, whose unsecured and unsubordinated debt obligations) are rated as follows:

(a) (1) the higher of (i) the rating one notch below the relevant institution's Critical Obligations Rating (COR) given by DBRS; and (ii) the long-term debt, public or private, rating by DBRS, is at least "BBB (low)"; or (2) in case the institution does not have a COR rating by DBRS, the long-term debt, public or private, rating by DBRS is at least "BBB (low)"; or (3) if there is no such public or private rating by DBRS, the DBRS Minimum Rating is at least "BBB (low)"; and

(b) should the relevant institution be rated by Moody's, at least "P-2" by Moody's as a short-term deposit rating and at least "Baa2" by Moody's as a long term deposit rating; and

(c) if rated by Scope, at least "S3" by Scope as a short term bank issuer rating and at least "BB" by Scope as long term bank issuer rating, provided that a rating by Scope is (a) the public or subscription rating assigned by Scope or, if there is no public or subscription rating, (b) the private rating assigned by Scope.

"**Eligible Investments**" means:

(i) euro-denominated senior (unsubordinated) debt securities in dematerialized form, bank account or euro-denominated senior debt deposit (excluding, for the avoidance of doubt, time deposits) or other debt instruments, provided that, in all cases (i) such Eligible Investments shall be "cash equivalents" for purposes of section 10(c)(8)(iii)(A) of the regulations adopted to implement section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act; (ii) such investments are immediately repayable on demand, disposable without penalty or have a maturity date falling on or before the Eligible Investments Maturity Date; (iii) such investments provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount) or in case of repayment or disposal, the principal amount upon repayment or disposal is at least equal to the principal amount invested; (iv) in the case of bank account or deposit, such bank account or deposit are held in the name of the Issuer with an Eligible Institution in the Republic of Italy or (subject to the Issuer having created thereon a valid, binding and enforceable security and obtained a legal opinion in this respect in accordance with applicable law and jurisdiction) with an Eligible Institution in England or Wales or any other EU member state (and in any case are not held through a sub-custodian) and (v) the debt securities or other debt instruments are issued by, or guaranteed by a first demand, irrevocable and unconditional guarantee, on an unsubordinated basis by, an institution whose unsecured and unsubordinated debt obligations have at least the following ratings:

(A) with respect to DBRS:

1. with regard to investments having a maturity of less than, or equal to, 30 (thirty) calendar days, (a) if the issuer or the guarantor (on the basis of an unconditional, irrevocable, independent first demand guarantee) of such investments are rated "BBB (low)" in respect of long-term debt or "R-2 (low)" in respect of short-term debt, or (b) if the issuer or the guarantor (on the basis of an unconditional, irrevocable, independent first demand guarantee) of such investments are not rated by DBRS, the issuer or the guarantor of such investments has the DBRS Minimum Rating of "BBB (low)" in respect of long term debt;

2. with regard to investments having a maturity between 31 (thirty-one) calendar days and 90 (ninety) calendar days, (a) if the issuer or the guarantor (on the basis of an unconditional, irrevocable, independent first demand guarantee) of such investments are rated by DBRS "BBB (low)" in respect of long-term debt or "R-2 (middle)" in respect of short-term debt, or (b) if the issuer or the guarantor (on the basis of an unconditional, irrevocable, independent first demand guarantee) of such investments are not rated by DBRS, the issuer or the guarantor of such investments has the DBRS Minimum Rating of "BBB (low)" in respect of long term debt; or

3. with regard to investments having a maturity between 91 (ninety-one) calendar days and 365 (three hundred and sixty-five) calendar days, (a) if the issuer or the guarantor (on the basis of an unconditional, irrevocable, independent first demand guarantee) of such investments are rated by DBRS "BBB" in respect of long-term debt or "R-2 (high)" in respect of short-term debt, or (b) if the issuer or the guarantor (on the basis of an unconditional, irrevocable, independent first demand guarantee) of such investments are not rated by DBRS, the issuer or the guarantor of such investments has the DBRS Minimum Rating of "BBB" in respect of long term debt; and

(B) with respect to Moody's, a long term rating of at least "Baa2";

provided that, in no case shall such investment be made, in whole or in part, actually or potentially, in (i) tranches of other asset-backed securities; or (ii) credit-linked notes, swaps or other derivatives instruments, or synthetic securities; or (iii) any other instrument not allowed by the European Central Bank monetary policy regulations applicable from time to time for the purpose of qualifying the Senior Notes as eligible collateral, further provided that in case of downgrade below the rating allowed with respect to DBRS or Moody's, as the case may be, the Issuer shall (i) in case of Eligible Investments being securities, sell the securities, if it could be achieved without a loss, otherwise the relevant security shall be allowed to mature, and (ii) in case of Eligible Investments being deposits, transfer within 30 calendar days the deposits to another account opened with an Eligible Institution in the Republic of Italy or (subject to the Issuer having created thereon a valid, binding and enforceable security and obtained a legal opinion in this respect in accordance with applicable law and jurisdiction) with an Eligible Institution in England or Wales or any other EU member state.

"**Eligible Investments Maturity Date**" means any date falling one Business Day prior to each Calculation Date.

"**ESMA**" means European Securities and Markets Authority.

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

"**EU Insolvency Regulation**" means the Council Regulation (EC) No. 848/2015 of 20 May 2015.

"**EU Securitisation Regulation**" means the Regulation (EU) 2017/2402 together with the relevant implementing regulations (and as may be further amended, supplemented or replaced, from time to time).

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

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

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

"**Euro-zone**" means the region comprised of member states of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992).

"**EUWA**" means the European Union (Withdrawal) Act 2018.

"**Exhausted Debt Relationship**" means the Debt Relationship which has been closed in the context of the Administrative Closure of the Debt Relationship.

"**Expected Recovery Expenses**" means, in relation to each Debt Relationship, the Recovery Expenses envisaged until the relevant Administrative Closure of the Debt Relationship as indicated in the Initial Portfolio Base Case Scenario.

"**Expected Servicing Fees**" means, in relation to each Debt Relationship, the Servicing Fees provided for until the relevant Administrative Closure of the Debt Relationship as indicated in the Initial Portfolio Base Case Scenario.

"**Expenses**" means any taxes due and payable on behalf of the Issuer and any fees, costs and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing and comply with applicable legislation and regulations or to fulfill payment obligations of the Issuer to third parties (other than the Noteholders and the Other Issuer Creditors) incurred in relation to the Transaction.

"**Expenses Account**" means the Euro denominated account, with IBAN No. IT 59 D 03479 01600 000802500500, opened in the name of the Issuer with the Account Bank, or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**ExtraMOT Market**" means the multilateral trading facility "ExtraMOT" managed by Borsa Italiana.

"**ExtraMOT Market Regulation**" means the regulation related to the management and functioning of the ExtraMOT Market issued by Borsa Italiana and in force since 8 June 2009 (as amended and/or supplemented from time to time).

"**ExtraMOT PRO**" means the professional segment of ExtraMOT Market managed by Borsa Italiana on which financial instruments are traded and accessable only to professional investors (as defined the ExtraMOT Market Regulation).

"**Final Maturity Date**" means, in respect of the Notes, the Payment Date falling in January 2043.

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

"**First Collection Date**" means 31 December 2021.

"**First Payment Date**" means 31 January 2022.

"**First Underperformance Event**" means the occurrence of any of the following events:

(i) the Cumulative Collection Ratio calculated by the Servicer on each Semi-Annual Servicing Report Date with reference to the Collection Period immediately prior to the above-mentioned date and set forth in the related Semi-Annual Servicing Report is equal to or lower than 90% (ninety percent); or

(ii) the PV Cumulative Profitability Ratio calculated by the Servicer on the Semi-Annual Servicing Report Date with reference to the Collection Period immediately prior to the above-mentioned date and set forth in the related Semi-Annual Servicing Report is equal to or lower than 88% (eighty-eight percent).

"**FTC**" means Fenice Trust Company S.r.l..

"**GDPR**" means the Regulation (EU) No 2016/679 of the European Parliament and of the Council of 27 April 2016 (on the protection of natural persons with regard to the processing of personal data and on the free movement of such data) and the relevant implementing legislation.

"**Gross Collections**" means, in respect of a specific Debt Relationship, the collections, recoveries, realisations or proceeds at any title on the Receivables of such Debt Relationship (also following a sale or disposal provided that they have become Servicing Disposal Available Proceeds), including (i) the collections received, with respect to such Receivables, as a result of indemnification/redemption/repurchase by the Original Sellers or the Insurance Companies and (ii) the collections received between the Economic Effective Date and the Reallocation Date (included) which are deemed to be collected on the Business Day following the Reallocation Date. The collections provided for under item (ii) shall be considered to all effects as Gross Collections of the first Collection Period and shall be considered for the calculation of the Cumulative Collection Ratio and the PV Cumulative Profitability Ratio, but they shall not be considered for the calculation of the fees of the Servicer as provided for under the Servicing Agreement.

"**Gross Expected Collections**" means, in respect of a specific Debt Relationship, the collections, recoveries, realisations or proceeds at any title on the Receivables of such Debt Relationship (also following a sale or disposal) envisaged until the relevant Administrative Closure of the Debt Relationship as indicated in the Initial Portfolio Base Case Scenario.

"**illimity**" means illimity Bank S.p.A..

"**Initial Cash Reserve**" means Euro 2,911,500.00.

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

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

"**Initial Notes Subscriber**" means illimity Bank S.p.A.

"**Initial Portfolio Base Case Scenario**" means the base case scenario on the Portfolio produced by the Servicer before the Issue Date to be utilized for the calculation of certain Servicer Fees and the occurrence of a First Underperformance Event, Second Underperformance Event or Subordination Event, as sent through certified mail by the Servicer to the Issuer and the Monitoring Agent by the Issue Date and deposited in the registered office of the Servicer, the Issuer and the Monitoring Agent.

"**Insolvency Proceedings**" means bankruptcy or similar insolvency proceeding applicable as provided for by Italian law (and in particular by Royal Decree 16 March 1942, No. 267, as amended from time to time,

by Consolidated Banking Act and by Directive (UE) 2014/59 and by the relevant implementing legislation) including, without limitation, the following procedures: "*fallimento*", "*concordato preventivo*", "*liquidazione coatta amministrativa*", "*amministrazione straordinaria*", "*accordi di ristrutturazione dei debiti*", "*piani di risanamento*", "*liquidazione giudiziale*" and any applicable proceeding provided under Legislative Decree No. 14 of 12 January 2019 (*Nuovo codice della crisi d'impresa e dell'insolvenza*) as amended from time to time.

"**Insurance Policies**" has the meaning ascribed to the term "*Polizze Assicurative*" in the Servicing Agreement.

"**Insurance Companies**" has the meaning ascribed to the term "*Compagnie di Assicurazione*" in the Servicing Agreement.

"**Interest Amount**" has the meaning ascribed to it in Condition 5.4.1.

"**Interest Determination Date**" means, with respect to the Initial Interest Period, the date falling on the second Business Day immediately preceding the Issue Date and with respect to each subsequent Interest Period, the date falling on the second Business Day immediately preceding the Payment Date at the beginning of such Interest Period.

"**Interest Period**" means each period from (and including) a Payment Date to (but excluding) the following Payment Date provided that the Initial Interest Period shall start on the Issue Date (included) an end on the First Payment Date (excluded).

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

"**Investment Account**" means the Euro denominated account, with IBAN No. IT 18 J 03479 01600 000802500506, opened in the name of the Issuer with the Account Bank, or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**Investors Report**" has the meaning ascribed to it in clause 6.8 of the Cash Administration and Agency Agreement.

"**Investors' Report Date**" means the date on which the Investor Report shall be sent by the Calculation Agent to the Representative of the Noteholders, the Paying Agent, the Rating Agencies, the Monitoring Agent, the Cap Counterparty and the Servicer in accordance with the Cash Administration and Agency Agreement.

"**Issue Date**" means 28 June 2021.

"**Issuer**" means Aporti S.r.l., a limited liability company incorporated under Article 3 of the Law 130 whose registered office is at Via San Prospero, 4, Milan, fiscal code and enrolment with the Register of Companies of Milan, Monza Brianza, Lodi No. 10444350960, quota capital equal to Euro 10,000.00 fully paid-in, enrolled with No. 35495.1 in the register of the special purpose vehicles held by Bank of Italy pursuant to the Bank of Italy's regulation dated 7 June 2017.

"**Issuer Available Funds**" means, in respect of each Payment Date, the aggregate (without duplication) of:

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

(ii) all amounts due and payable to the Issuer in respect of such Payment Date under the terms of the Cap Agreement (if and to the extent paid) other than (a) any Collateral Amount, any termination payment required to be made under the Cap Agreement, any collateral payable or transferable (as the case may be) under the Cap Agreement and any Replacement Cap Premium paid to the Issuer (which will not be available to the Issuer to make payments to its creditors generally, but may

only be applied in accordance with the Collateral Account Priority of Payments) and (b) any Cap Tax Credit Amounts (which amounts shall be paid when due in accordance with the Cap Agreement, without regard to the Collateral Account Priority of Payments or the applicable Priority of Payments);

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

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

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

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

(vii) (a) with reference to the First Payment Date only, the Cash Reserve Amount in an amount equal to the Initial Cash Reserve, and (b) on each Payment Date falling thereafter, the amounts standing to the credit of the Cash Reserve Account on the preceding Payment Date (following payments under the applicable Priority of Payments having been made);

(viii) (a) the proceeds deriving from the disposal in whole or in part (if any) of the Portfolio pursuant to the Intercreditor Agreement, and (b) the Servicing Disposal Available Proceeds;

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

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

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

but excluding (1) any amount paid out of the Collection Account during the immediately preceding Interest Period in accordance with the provisions of the Transaction Documents; (2) the proceeds deriving from the disposal in whole or in part (if any) of the Portfolio pursuant to the Servicing Agreement, which have not become Servicing Disposal Available Proceeds.

"**Issuer's Rights**" means any monetary right of the Issuer against the Assigned Debtors and any other monetary right arising in favour of the Issuer in the context of the Transaction (whether or not arising under the Transaction Documents), including the Collections and the Eligible Investments acquired with the Collections.

"**Issuer's Transaction**" has the meaning ascribed to the term "*Operazioni dell'Emittente*" under the Servicing Agreement.

"**Junior Noteholders**" means the Class J Noteholders.

"**Junior Notes**" means the Class J Notes.

"**Law 239 Deduction**" means any withholding or deduction for or on account of "*imposta sostitutiva*" under Legislative Decree No. 239 of 1 April 1996 as subsequently amended.

"**Legal Recovery Expenses**" has the meaning ascribed to the term "*Spese Legali*" in the Servicing Agreement.

"**Limited Recourse Loan Provider**" means illimity Bank S.p.A..

"**Loan Agreement**" means each contractual document containing the terms and conditions pursuant to which a Loan has been granted, as well as any act, contract, agreement or document supplementing or amending them or howsoever related thereto (including, merely way of example, any deeds of takeover (*atti di accollo*)) and "**Loan Agreements**" means all of them.

"**Loan**" means each mortgage or unsecured financing granted to an Assigned Debtor; the claims in respect of which have been transferred by the Original Sellers to the Issuer pursuant to the Transfer Agreements, and "**Loans**" means all of them.

"**Mandatory Redemption**" means the mandatory redemption of the Notes pursuant to Condition 6.3 (*Mandatory Redemption*) of the Notes.

"**Master Servicing Fees**" has the meaning ascribed to the term "*Commissioni di Master Servicer*" in the Servicing Agreement.

"**Mortgage**" means, with respect to a Receivable, a voluntary or judicial mortgage (*ipoteca volontaria o giudiziale*) which secures the payment of such Receivable.

"**Mezzanine Noteholders**" means the Class B Noteholders.

"**Mezzanine Notes**" means the Class B Notes.

"**Monte Titoli**" means Monte Titoli S.p.A, which registered office is located at Piazza degli Affari, 6, 20123 Milano (Italy).

"**Monte Titoli Account Holder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli.

"**Monthly Servicing Report**" means the monthly report to be prepared by the Servicer in accordance with the Servicing Agreement.

"**Monthly Servicing Report Date**" means the twelfth Business Day of each calendar month, it being agreed that the first Monthly Servicing Report Date will fall in August 2021 (included).

"**Moody's**" means Moody's Investors Service Inc. and/or Moody's Investors Service Ltd and/or Moody's Italia S.r.l., as the case may be. In particular:

(i) Moody's Investors Service Inc. is not established in the European Union. The use in the European Union of credit ratings issued in the United States of America has been endorsed according to a decision by ESMA pursuant to Article 4(3) of the CRA Regulation; and

(ii) Moody's Investors Service Ltd and Moody's Italia S.r.l. are established in the European Union, have been registered in compliance with the requirements of the CRA Regulation, and are included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the ESMA Website.

"**Most Senior Class of Noteholders**" means the Class A Noteholders or, upon redemption in full of the Class A Notes, the Class B Noteholders, or, upon redemption in full of the Class A Notes and the Class B Notes, the Class J Noteholders.

"**Most Senior Class of Notes**" means the Class A Notes or, upon redemption in full of the Class A Notes, the Class B Notes, or, upon redemption in full of the Class A Notes and the Class B Notes, the Class J Notes.

"**Net Collections**" means, in respect of a specific Debt Relationship, the difference between (i) the aggregate of all the Gross Collections of such Debt Relationship received starting from the Economic Effective Date, and (ii) the Recovery Expenses effectively incurred by the Issuer in respect of such Debt Relationship starting from the Reallocation Date, as set out from time to time in the Semi-Annual Servicing Report.

"**Net Collections pursuant to the Initial Portfolio Base Case Scenario**" means, in respect of a specific Debt Relationship, the relevant Gross Collections provided for under the Initial Portfolio Base Case Scenario for the period between the Reallocation Date and the Collection Period immediately preceding the relevant Semi-Annual Servicing Report Date less the relevant Recovery Expenses regarding such Debt Relationship provided for under the Initial Portfolio Base Case Scenario for the period between the Reallocation Date and the Collection Period immediately preceding the relevant Semi-Annual Servicing Report Date.

"**Net Expected Collections**" means, in respect of a specific Debt Relationship, the difference between (i) the relevant Gross Expected Collections, and (ii) the relevant Expected Recovery Expenses and the relevant Expected Servicing Fees until the Administrative Closure of the Debt Relationship as indicated under the Initial Portfolio Base Case Scenario.

"**Net Periodic Collections of the Debt Relationship**" means, in respect of a Debt Relationship, and for a given Collection Period, (i) the relevant Gross Collections realized in such Collection Period, less (ii) the relevant Recovery Expenses incurred in the same Collection Period.

"**Noteholders**" means the Class A Noteholders, the Class B Noteholders and the Class J Noteholders.

"**Notes**" means the Class A Notes, the Class B Notes and the Class J Notes.

"**Optional Redemption**" has the meaning ascribed to it in Condition 6.4 (*Optional Redemption*).

"**Other Issuer Creditors**" means the Cap Counterparty, the Servicer, the Selected Delegate, the Back-up Master Servicer, the Limited Recourse Loan Provider, the Retention Holder, the Representative of the Noteholders, the Agent Bank, the Account Bank, the Paying Agent, the Corporate Services Provider, the Cash Manager, the Monitoring Agent and the Calculation Agent.

"**Payment Date**" means the last calendar day of January and July in each year, or, if such day is not a Business Day, the immediately preceding Business Day.

"**Payments Account**" means the Euro denominated account, with IBAN No. IT 64 H 03479 01600 000802500504, opened in the name of the Issuer with the Account Bank, or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**Payments Report**" means the report to be prepared by the Calculation Agent pursuant to clause 6.4 of the Cash Administration and Agency Agreement.

"**Portfolio**" means the portfolio of the Receivables and connected rights individuated pursuant to the Master Allocation Agreement.

"**Post Enforcement Priority of Payments**" has the meaning ascribed to it in Condition 4.2 (*Post Enforcement Priority of Payments*).

"**Pre-Enforcement Priority of Payments**" has the meaning ascribed to it in Condition 4.1 (*Pre-Enforcement Priority of Payments*).

"**Present Value**" or "**PV**" means the amount calculated according to the following formula:

PV(X) = X/((1+i)^(t/360))

where:

"i" = Discount Factor

"t" = means the number of days passed between the Reallocation Date and the date on which the X amount is collected or paid, assuming that all the Collections/Expenses are, respectively, received/paid on the last day of the Collection Period in which they occur or are anticipated to occur.

"**Principal Amount Outstanding**" means, in respect of a Note, on any date, the principal amount of that Note upon issue less the aggregate amount of all principal payments in respect of that Note that have been paid prior to such date.

"**Principal Due and Payable on the Limited Recourse Loan**" means, on each Payment Date, the difference between the (i) initial principal amount of the Limited Recourse Loan minus all principal amounts due and paid on the Limited Recourse Loan on all the previous Payment Dates and (ii) the Target Cash Reserve Amount on such Payment Date.

"**Priority of Payments**" means, as the case may be, any of the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments.

"**Privacy Code**" means the "*Codice per la protezione dei dati personali*", provided under Legislative Decree No. 196 of 30 June 2003, as from time to time amended, supplemented or replaced.

"**Prospectus**" means the prospectus for the Notes issued in the context of the Securitisation.

"**PV Cumulative Profitability Ratio**" means, in respect of a Collection Period, the ratio between (i) the sum of the PV of the Net Collections of the Debt Relationship of all Debt Relationships which are Exhausted Debt Relationship, and (ii) the sum of the Target Price of such Debt Relationships which are Exhausted Debt Relationship, provided that it will be excluded from the calculation of the PV Cumulative Profitability Ratio, for the entire duration of the Transaction, (x) at the numerator, any Collection receved in respect of the Credit Lines being the subject of an Issuer's Transaction (also in the event that the terms and conditions of the Issuer's Transaction at hand are not complied with by the relevant Assigned Debtors or the Issuer's Transaction is terminated for any reason) and not already notified to the Servicer prior to the date of execution of the Servicing Agreement, it being further understood that if for the first two Collection Periods there are no Exhausted Debt Relationship, the PV Cumulative Profitability Ratio shall be deemed as equal to "1" and (y) at the denominator, the Target Prices of the Debt Relationships for which the Administrative Closure of the Debt Relationship has occurred as a result of the Collections received in relation to the Credit Lines subject to Issuer's Transactions will not be considered.

"**PV of the Net Collections of the Debt Relationship**" means, in respect of a specific Debit Relationship, and for a given Collection Period, the sum of the Present Value of the Net Periodic Collections of the Debt Relationship realized starting from the Reallocation Date and until such Collection Period (included), it being understood that it will be excluded from the calculation of the PV of the Net Collections of the Debt Relationship, for the entire duration of the Transaction, any Collection receved in respect of the Credit Lines being the subject of an Issuer's Transaction (also in the event that the terms and conditions of the Issuer's Transaction at hand are not complied with by the relevant Assigned Debtors or the Issuer's Transaction is terminated for any reason) and not already notified to the Servicer prior to the date of execution of the Servicing Agreement.

"**Quarterly Servicing Report**" means the report, containing information as to the collections and recoveries to be made in respect of the Portfolio in each Relevant Quarterly Collection Period, which the Servicer has undertaken to prepare and submit on the Quarterly Servicing Report Date.

"**Quarterly Servicing Report Date**" means the twelfth Business Day after each Relevant Quarterly Servicing Report Date, it being agreed that the first Quarterly Servicing Report Date will fall in the month of October 2021 (included).

"**Quota Capital Account**" means the Euro denominated account, with IBAN No. IT06G0312403201000000010079, opened in the name of the Issuer with Banca del Fucino S.p.A..

"**Quotaholders**" means illimity and FTC.

"**Rated Notes**" means the Class A Notes.

"**Rating Agencies**" means Moody's and Scope; each a "**Rating Agency**".

"**Reallocation Amount**" has the meaning ascribed to it in the Master Allocation Agreement.

"**Reallocation Date**" means 22 June 2021.

"**Receivables**" means the monetary claims and connected rights arising under the secured and unsecured financing reallocated by the Issuer in the context of the reallocation transaction carried out by the Issuer pursuant to the terms and conditions of the Master Allocation Agreement, as indicated in the Master Allocation Agreement.

"**Receivables Identification Document**" means each Receivables identification document attached as schedule 1 of the Master Allocation Agreement.

"**Recoveries**" means any recoveries made by the Servicer pursuant to the Servicing Agreement.

"**Recovery Expenses**" means the aggregate of all the Recovery Expenses related to the Debt Relationships included in the Portfolio.

"**Recovery Expenses Cash Reserve**" means the cash reserve which on the Issue Date is established on the Recovery Expenses Reserve Account out of the proceeds of the Notes and which will be mainly applied for payments related to the Recovery Expenses.

"**Recovery Expenses Reserve Account**" means the Euro denominated account, with IBAN No. IT 87 G 03479 01600 000802500503, opened in the name of the Issuer with the Account Bank or such other accounts as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**Recovery Expenses Reserve Amount**" means, on any Payment Date, in respect of the Recovery Expenses Cash Reserve Account, Euro 100,000.

"**Recovery Expenses related to the Debt Relationship**" means all of the costs and the expenses borne (directly or indirectly) by the Issuer in relation to in-court and out-of-court activities related to the recovery of the Receivables pertaining to the same Debt Relationship, including by way of example:

(a) the Legal Recovery Expenses;

(b) all of the costs and expenses related to real estate appraisals, estimates and financial valuations conducted on both the Receivables and the Assigned Debtors and related guarantors and linked to the recovery of the Receivables, including the services related to corporate survey and business information and expenses for database and informational searches on the Assigned Debtors or the guarantors;

(c) all costs and expenses related to environmental assessments, property valuations, feasibility studies and inspections on land or real estates used as guarantees for the Receivables;

(d) all of the costs and expenses related to the renewal and registration of the Mortgages and any other Ancillary Guarantee related to the Receivables and those related to the calculations also according to article 2855 of the Italian Civil Code;

(e) all of the costs and expenses deriving from or otherwise related to the Insurance Policies (including the costs and the payments of the insurance premiums) (in the event of activation of an umbrella policy, the premium will be allocated pro-quota to the individual Debt Relationship secured by Mortgages on the basis of the relevant GBV as indicated in the Initial Portfolio Base Case Scenario and then in the last Semi-Annual Servicing Report available from time to time);

(f) all costs related to indirect taxes (*imposte indirette*), levies and judicial expenses (including but not limited to: payment injunctions, court orders, registration of judicial acts, etc.), to the extent not already included in the items above

(g) to the extent not already included in the items above, connected to the recovery activity – including extrajudicial activity – of the Receivables reasonably incurred and duly documented, as well as the cost and expenses incurred for the activation of the indemnity rights pursuant to the Transfer Agreements;

(h) without duplicating the provisions of item (a) above, all costs and expenses relating to judicial and procedural activities connected with the recovery of the Receivables (in any type of procedure, including enforcement and insolvency proceedings) including notary fees not included under item (a) above,

without prejudice to the fact that (i) there shall not be additional costs and/or expenses not provided for the paragraphs above which can be considered as Recovery Expenses related to the Debt Relationship, save for those provided under laws and regulations which will be enacted following the date of execution of the Servicing Agreement, and (ii) costs and expenses related to the above-mentioned activities, which are expressly requested by third parties other than the Servicer and which are not required by law or by the Transaction Documents, will be borne by the relevant requesting party and therefore will not constitute Recovery Expenses related to the Debt Relationship.

"**Redemption for Taxation**" has the meaning ascribed to it in Condition 6.2 (*Redemption for Taxation*).

"**Reference Banks**" has the meaning ascribed to it in Condition 5.8 (*Reference Banks and Agent Bank*).

"**Relevant Quarterly Collection Period**" means each quarterly period beginning on (and excluding) a Collection Date and ending on (and including) the following Relevant Quarterly Servicing Report Date, with the exception of the first Relevant Quarterly Collection Period which will begin on (and exclude) the Reallocation Date and will end on (and include) the first Relevant Quarterly Servicing Report Date.

"**Relevant Quarterly Servicing Report Date**" means the last Business Day of April and October in each year.

"**Replacement Cap Premium**" means the amount payable by the Issuer to the replacement cap counterparty or by the replacement cap counterparty to the Issuer (as the case may be) in order to enter into a replacement cap agreement to replace or novate the Cap Agreement.

"**Replenishment**" means the replenishment of the Recovery Expenses Cash Reserve made on any date on which the balance of the Recovery Expenses Reserve Account is lower than Euro 20,000, with a sum sufficient to bring the Recovery Expenses Cash Reserve to an amount equal to (but not exceeding) the Recovery Expenses Reserve Amount.

"**Representative of the Noteholders**" means Banca Finanziaria Internazionale S.p.A. or any other person for the time being acting in its capacity as representative of the Noteholders pursuant to the Intercreditor Agreement.

"**Retention Amount**" means an amount equal to Euro 50,000.

"**Retention Holder**" means illimity Bank S.p.A., acting as "originator" (within the meaning ascribed to such term in Article 2, paragraph 3, letter (b) of the Securitisation Regulations) according to the

Securitisation Regulations and pursuant to the Intercreditor Agreement and the Notes Subscription Agreement.

"**Schedule**" means the Schedule supplementing and forming part of the Master Agreement.

"**Scope**" means Scope Ratings GmbH.

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

"**Second Underperformance Event**" means the occurrence of one of the following events:

a) the Cumulative Collection Ratio calculated by the Servicer on each Semi-Annual Servicing Report Date with reference to the Collection Period immediately prior to the above-mentioned date and set forth in the related Semi-Annual Servicing Report is equal to or lower than 80% (eighty percent); or

b) the PV Cumulative Profitability Ratio calculated by the Servicer on the Semi-Annual Servicing Report Date with reference to the Collection Period immediately prior to the above-mentioned date and set forth in the related Semi-Annual Servicing Report is equal to or lower than 80% (eighty percent).

"**Sec Reg Report**" has the meaning ascribed to such term under the Servicing Agreement.

"**Securities Account**" means the securities custody account, with No. 2500500, opened in the name of the Issuer with the Account Bank, or such other account as shall replace such Account pursuant to, and to be operated in accordance with, the provisions of the Cash Administration and Agency Agreement.

"**Securitisation Regulations**" means the EU Securitisation Regulation and the UK Securitisation Regulation.

"**Security Documents**" means the Deed of Charge.

"**Security Interest**" means any mortgage, charge, pledge, lien, right of set-off, special privilege (*privilegio speciale*), assignment by way of security, retention of title or any other security interest whatsoever or any other agreement or arrangement having the effect of conferring security.

"**Semi-Annual Servicing Report**" means the semi-annual report to be prepared by the Servicer in accordance with the Servicing Agreement.

"**Semi-Annual Servicing Report Date**" means the 12th Business Day after each Collection Date, it being agreed that the first Semi-Annual Servicing Report Date will fall in the month of January 2022.

"**Senior Notes**" means the Class A Notes.

"**Servicer**" means Prelios Credit Servicing S.p.A. and any successor or replacement thereof appointed in accordance with the Transaction Documents.

"**Six Month EURIBOR**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*) of the Notes.

"**Special Servicer Junior Fees**" has the meaning ascribed to such term in the Servicing Agreement.

"**Special Servicer Mezzanine Fees**" has the meaning ascribed to such term in the Servicing Agreement.

"**Special Servicer Senior Fees**" has the meaning ascribed to such term in the Servicing Agreement.

"**SR Final Report Date**" means the date falling 10 calendar days after each SR Report Date.

"**SR Investor Report**" has the meaning ascribed to such term under the Cash Administration and Agency Agreement.

"**SR Report Date**" has the meaning ascribed to the term "*Data di Rendiconto ESMA*" under the Servicing Agreement.

"**SR Reports**" means, collectively the Sec Reg Report and the SR Investor Report.

"**Subordination Event**" means on any Calculation Date any of the following events:

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

(ii) the amount which will be paid by the Issuer as interest on the Senior Notes on the Payment Date immediately following such Calculation Date is lower than the relevant Interest Amount; or

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

"**Successor**" means, in relation to any person, an assignee or successor in title of such person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of such person under the relevant Transaction Document or to which under such laws the same have been transferred.

"**Target Cash Reserve Amount**" means, on each Payment Date, an amount equal to 4.5% of the Principal Amount Outstanding of Class A Notes as of the Business Day following the immediately preceding Payment Date (or, in respect of the First Payment Date, on the Issue Date), provided that the Target Cash Reserve Amount will be equal to 0 (zero) on the earlier of (i) the Payment Date on which the Class A Notes can be redeemed in full, (ii) the Final Maturity Date, and (iii) the Final Redemption Date (and on each Payment Date thereafter).

"**Target Price**" has the meaning ascribed to such term in the Servicing Agreement.

"**Transfer Agreements**" means the transfer agreements entered into between the Issuer and the relevant Original Seller and under which each of the Original Sellers has transferred to the Issuer, among others, the Receivables.

"**Transaction**" means the securitisation transaction of the Portfolio carried out by the Issuer.

"**Transaction Documents**" means collectively the Master Allocation Agreement, the Servicing Agreement, the Back-up Master Servicing Agreement, the Intercreditor Agreement, the Corporate Services Agreement, the Notes Subscription Agreement, the Cash Administration and Agency Agreement, the Cap Agreement, the Quotaholders' Agreement, the Deed of Charge and the Conditions and any other agreement which will be entered into from time to time in connection with the Transaction.

"**Trigger Events**" has the meaning ascribed to it in Condition 9 (*Trigger Events*).

"**Trigger Notice**" has the meaning ascribed to it in Condition 9 (*Trigger Events*).

"**UK Securitisation Regulation**" means the EU Securitisation Regulation as it forms part of UK domestic law by virtue of EUWA, as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019 (and as may be further amended, supplemented or replaced, from time to time).

1. FORM, DENOMINATION, STATUS

1.1 The Notes are held in dematerialised form on behalf of the Noteholders as of the Issue Date and until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holder. Monte Titoli shall act as depository for Clearstream and Euroclear.

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

1.3 The Notes will be issued in denominations of Euro 100,000 and multiples of Euro 1,000.

1.4 The rights and powers of the Noteholders may only be exercised in accordance with the Rules of the Organisation of the Noteholders attached to these Conditions as Exhibit 1, which shall constitute an integral and essential part of these Conditions.

1.5 Each Note is issued subject to and has the benefit of the Security Documents.

2. STATUS, PRIORITY AND SEGREGATION

2.1 The Notes constitute secured limited recourse obligations of the Issuer and, accordingly, the extent of the obligation of the Issuer to make payments under the Notes is conditional upon the receipt and recovery by the Issuer of amounts due, and is limited to the extent of any amounts received or recovered by the Issuer, in each case, in respect of the Portfolio and the other Issuer's Rights. Notwithstanding any other provision of these Conditions, the obligation of the Issuer to make any payment under the Notes shall be equal to the lesser of (a) the nominal amount of such payment and (b) the Issuer Available Funds which may be applied for the relevant purpose in accordance with the applicable Priority of Payments, provided that if the applicable Issuer Available Funds are insufficient to pay any amount due and payable to the Noteholders on any Payment Date in accordance with the applicable Priority of Payments, the shortfall then occurring will not be due and payable until a subsequent Payment Date on which the applicable Issuer Available Funds may be used for such purpose in accordance with the relevant Priority of Payments and subject to the provisions of Condition 5.9 (*Unpaid Interest*), *provided however that* any claim towards the Issuer shall be deemed waived and cancelled on the Cancellation Date. Without prejudice to the foregoing, any payment obligations of the Issuer under the Notes which have remained unpaid to the extent referred to above on the Cancellation Date shall be deemed extinguished and the relevant Receivables irrevocably relinquished, waived and surrendered by the Noteholders to the Issuer and the Noteholders will have no further recourse to the Issuer in respect of such obligations. The amount and timing of repayment of principal under the Receivables will affect also the yield to maturity of the Notes which cannot be predicted. The Noteholders acknowledge that the limited recourse nature of the Notes produces the effects of a "*contratto aleatorio*" under Italian law and are deemed to accept the consequences thereof, including but not limited to the provisions under Article 1469 of the Italian Civil Code.

2.2 The Notes are secured by certain assets of the Issuer pursuant to the Deed of Charge and in addition, by operation of the Securitisation Law, the Issuer's rights, title and interest in and to the Portfolio and the other Issuer's Rights will be segregated from all other assets of the Issuer and amounts deriving therefrom will only be available, both prior to and following the winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors in accordance with the applicable Priority of Payments set forth in Condition 4 (*Priority of Payments*) and to any third party creditors in respect of costs, fees and expenses incurred by the Issuer to such third party creditors in relation to the Transaction.

2.3 In respect of the obligation of the Issuer to pay interest on the Notes before the delivery of a Trigger Notice and prior to a Redemption for Taxation or an Optional Redemption or the Final Maturity Date:

(i) 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 B Notes and the Class J Notes, the repayment of principal on the Class A Notes, the Class B Notes and the Class J Notes and the payment of the Class J Notes Variable Return;

(ii) the Class B Notes will rank:

(A) with respect to the Class B Notes Capped Interest Amount, (i) *pari passu* without preference or priority amongst themselves, and (ii) in priority to the repayment of principal on the Class A Notes, the payment of the Class B Notes Deferred Interest Amount, the repayment of principal on the Class B Notes, the payment of Class J Notes Variable Return and to the repayment of principal on the Class J Notes but (iii) subordinated to the payment of interest on the Class A Notes, provided that upon the occurrence of an Interest Subordination Event, payment of the Class B Notes Capped Interest Amount will become subordinated to the repayment of principal on the Class A Notes and will be paid *pari passu* and *pro rata* to the payment of the Class B Notes Deferred Interest Amount; and

(B) with respect to the Class B Notes Deferred Interest Amount, (i) *pari passu* without preference or priority amongst themselves, and, upon the occurrence of an Interest Subordination Event, *pari passu* and *pro rata* to the payment of the Class B Notes Capped Interest Amount, and (ii) in priority to the repayment of principal on the Class B Notes, and to the payment of Class J Notes Variable Return and to the repayment of principal on the Class J Notes but (iii) subordinated to the payment of interest and the repayment of principal on the Class A Notes and, until occurrence of an Interest Subordination Event, to the payment of the Class B Notes Capped Interest Amount; and

(iii) the Class J Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of principal on the Class J Notes and the payment of the Class J Notes Variable Return, but subordinated to the payment of interest on the Class A Notes, the payment of interest on the Class B Notes, the repayment of principal on the Class A Notes and the repayment of principal on the Class B Notes.

2.4 In respect of the obligation of the Issuer to repay principal on the Notes before the delivery of a Trigger Notice and prior to a Redemption for Taxation or an Optional Redemption or the Final Maturity Date:

(i) the Class A Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the payment of the Class B Notes Deferred Interest Amount, the repayment of principal on the Class B Notes, the repayment of principal on the Class J Notes, the payment of interest on the Class J Notes and the Class J Notes Variable Return but subordinated to the payment of interest on the Class A Notes and to the payment of the Class B Notes Capped Interest Amount, provided that upon the occurrence of an Interest Subordination Event, the payment of the Class B Notes Capped Interest Amount will become subordinated to the repayment of principal on the Class A Notes;

(ii) the Class B Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the payment of interest on the Class J Notes, the repayment of principal on the Class J Notes and the payment of the Class J Notes Variable Return, but subordinated to the payment of interest on the Class A Notes and the Class B Notes and the repayment of principal on the Class A Notes; and

(iii) the Class J Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the payment of the Class J Notes Variable Return, but subordinated to the payment of interest on the Class A Notes, the payment of interest on the Class B Notes, the repayment of principal on the Class A Notes, the repayment of principal on the Class B Notes and to the payment of interest on the Class J Notes.

2.5 In respect of the obligation of the Issuer to pay interest on the Notes following the delivery of a Trigger Notice or in event that the Issuer opts for the Redemption for Taxation or the Optional Redemption or on the Final Maturity Date:

(i) 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 and repayment of principal on the Class B Notes, the payment of interest and repayment of principal and on the Class J Notes and the payment of the Class J Notes Variable Return;

(ii) the Class B Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of principal on the Class B Notes, the payment of interest on the Class J Notes, the repayment of principal on the Class J Notes and payment of the Class J Notes Variable Return, but subordinated to the payment of interest and repayment of principal on the Class A Notes; and

(iii) the Class J Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the repayment of principal on the Class J Notes and the payment of the Class J Notes Variable Return, but subordinated to the payment of interest and repayment of principal on the Class A Notes and the payment of interest and repayment of principal on the Class B Notes.

2.6 In respect of the obligation of the Issuer to repay principal on the Notes following the delivery of a Trigger Notice or in event that the Issuer opts for the Redemption for Taxation or the Optional Redemption or on the Final Maturity Date:

(i) the Class A Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the payment of interest and the repayment of principal on the Class B Notes, the payment of interest and repayment of principal on the Class J Notes and the payment of the Class J Notes Variable Return, but subordinated to the payment of interest on the Class A Notes;

(ii) the Class B Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the payment of interest on the Class J Notes, the repayment of principal on the Class J Notes and the payment of the Class J Notes Variable Return, but subordinated to the payment of interest on the Class A Notes, the repayment of principal on the Class A Notes and the payment of interest on the Class B Notes; and

(iii) the Class J Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the payment of the Class J Notes Variable Return, but subordinated to the payment of interest and repayment of principal on the Class A Notes, the payment of interest and repayment of principal on the Class B Notes and the payment of interest on the Class J Notes.

2.7 Without prejudice to the provision of Condition 3.7 (*No variation or waiver*), the Intercreditor Agreement contains provisions regarding the fact that the Representative of the Noteholders shall, as regards the exercise and performance of all its powers, authorities, duties and discretion have regard to the interests of all Class of Noteholders and the Other Issuer Creditors provided that if, in the opinion of the Representative of the Noteholders (i) there is a conflict between their interests, the Representative of the Noteholders will have regard solely to the interests of the Noteholders; or (ii) there is a conflict between the interests of the holders of different classes of Notes (without prejudice to the matters which are to be resolved upon by a single Class of Noteholders pursuant to the Rules of the Organization of the Noteholders), the Representative of the Noteholders will consider only the interests of the holders of the Most Senior Class of Notes then outstanding; or (iii) there is a conflict between the interests of the Other Issuer Creditors, then the Representative of the Noteholders shall have regard to the interests of whichever of the Other Issuer Creditors ranks

higher in the Priority of Payments for the payment of the amounts therein specified or, in respect of any matter which relates to the Cap Counterparty, of the Cap Counterparty, in all cases acting in compliance with the Transaction Documents.

3. COVENANTS

So long as any amount in respect of the Notes remains outstanding, the Issuer shall not (save with the prior written consent of the Representative of the Noteholders acting in accordance with the Rules and without prejudice in any case to any additional requirement which may be required under each Covenant below and/or under the Transaction Documents and/or save as otherwise provided by the Transaction Documents):

3.1 **Negative pledge**

save as provided in Conditions 3.11 (*Further Securitisation*) below, create or permit to subsist any Security Interest whatsoever over the Portfolio or any part thereof or over any of its other assets or sell, lend, part with or otherwise dispose of all or any part of the Portfolio or any of its assets related to the Transaction; or

3.2 **Restrictions on activities**

(a) save as provided in Condition 3.11 (*Further securitisations*) below, engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage; or

(b) have any *società controllata* (subsidiary) or *società collegata* (affiliate company) (as defined in Article 2359 of the Italian Civil Code) or any employees or premises; or

(c) at any time approve or agree or consent to or do, or permit to be done, any act or thing whatsoever which may be materially prejudicial to the interests of the holder of the Rated Notes, or, if no Rated Notes are outstanding, to the interest of the holder of the Class J Notes; or

(d) become resident, including without limitation for tax purposes, in any country outside Italy or cease to be managed and administered in Italy or cease to have its centre of main interest in Italy.

3.3 **Dividends, Distributions and Capital Increases**

pay any dividend or make any other distribution or return or repay any equity capital to its Quotaholders (or successor quotaholders), or issue any further quota or shares; or

3.4 **De-registrations**

ask for de-registration from the "*elenco delle società veicolo*" held by Bank of Italy under Article 2 of the Bank of Italy resolution dated 7 June 2017, for as long as the Securitisation Law, the Consolidated Banking Act or any other applicable law or regulation requires issuers of notes issued under the Securitisation Law or companies incorporated pursuant to the Securitisation Law to be registered thereon; or

3.5 **Borrowings**

save as provided in Conditions 3.11 (*Further Securitisation*) below, incur any indebtedness in respect of any borrowed money whatsoever or give any guarantee in respect of indebtedness or of any obligation of any person other than for the purposes of the Transaction; or

3.6 **Merger**

consolidate or merge with any person or convey or transfer any of its properties or assets to any person; or

3.7 **No variation or waiver**

(i) permit any of the Transaction Documents to which it is party to be amended, terminated or discharged, if such amendment, termination or discharge may negatively affect the interest of the holder of the Most Senior Class of Notes; or (ii) exercise any powers of consent or waiver pursuant to the terms of any of the Transaction Documents to which it is a party in a way which may negatively affect the interest of the holder of the Most Senior Class of Notes; or (iii) permit any party to any of the Transaction Documents to which it is a party to be released from its obligations thereunder, if such release may negatively affect the interest of the holder of the Most Senior Class of Notes,

provided that if the effect of such amendment is to affect the amount, timing or priority of any payments or deliveries due from the Issuer to the Cap Counterparty or from the Cap Counterparty to the Issuer or the remuneration of the Collateral Account (whether or not the Rating Agencies have been given prior written notice of such amendment in accordance with the Master Agreement) such amendments requires, to the extent that the Rated Notes are still outstanding, the prior written consent of the Cap Counterparty in accordance with the Master Agreement; or

3.8 **Bank Accounts**

save as provided in Condition 3.11 (*Further Securitisation*) below, have an interest in any bank account other than the Accounts or the other accounts which may be opened in the name of the Issuer in the context of the Securitisation; or

3.9 **Statutory Documents**

amend, supplement or otherwise modify its by-laws (*statuto*) or deed of incorporation (*atto costitutivo*), except where such amendment, supplement or modification is required by compulsory provisions of Italian law or by the competent regulatory authorities; or

3.10 **Withdrawal of the rating of the Rated Notes**

ask for the withdrawal of any rating assigned to the Rated Notes, so long as the Rated Notes are outstanding;

3.11 **Further securitisation**

None of the covenants in Condition 3 (*Covenants*) above shall prohibit the Issuer from:

(i) carrying out the Existing Securitisations;

(ii) acquiring, or financing pursuant to Article 7 of the Securitisation Law, by way of separate transactions unrelated to this Transaction, further portfolios of monetary claims in addition to the Receivables either from the Original Sellers or from any other entity (the "**Further Portfolios**");

(iii) securitising such Further Portfolios (each, a "**Further Securitisation**") through the issue of further debt securities additional to the Notes (the "**Further Notes**");

(iv) entering into agreements and transactions, with any of the Original Seller or any other entity, that are incidental to or necessary in connection with such Further Securitisation including, *inter alia*, the ring-fencing or the granting of security over such Further Portfolios and any right, benefit, agreement, instrument, document or other asset of the Issuer relating thereto to secure such Further Notes (the "**Further Security**"), provided that:

(A) the Issuer confirms in writing to the Representative of the Noteholders that such Further Security does not comprise or extend over any of the Receivables or any of the other Issuer's Rights;

(B) the Issuer confirms in writing to the Representative of the Noteholders that the terms and conditions of the Further Notes contain provisions to the effect that the obligations of the Issuer whether in respect of interest, principal, premium or other amounts in respect of such Further Notes, are limited recourse obligations of the Issuer, limited to some or all of the assets comprised in such Further Security;

(C) the Issuer confirms in writing to the Representative of the Noteholders that each party to such Further Securitisation agrees and acknowledges that the obligations of the Issuer to such party in connection with such Further Securitisation are limited recourse obligations of the Issuer, limited to some or all of the assets comprised in such Further Security and that each creditor in respect of such Further Securitisation or the representative of the holders of such Further Notes has agreed to limitations on its ability to take action against the Issuer, including in respect of insolvency proceedings relating to the Issuer, on terms in all significant respects equivalent to those contained in the Intercreditor Agreement;

(D) the Issuer has notified in writing the Rating Agencies of its intention to carry out a Further Securitisation and provided that any such Further Securitisation would not adversely affect the then current rating of any of the Rated Notes;

(E) the Issuer confirms in writing to the Representative of the Noteholders that it has received the written consent of the Cap Counterparty in relation to its intention to carry out a Further Securitisation;

(F) the Issuer confirms in writing to the Representative of the Noteholders that the terms and conditions of such Further Notes will include: (I) covenants by the Issuer in all significant respects equivalent to those covenants provided in paragraphs (A) to (E) above; and (II) provisions which are the same as or, in the sole discretion of the Representative of the Noteholders, equivalent to this provision;

(G) the Representative of the Noteholders is satisfied that conditions (A) to (F) of this provision have been satisfied.

In giving any consent to the foregoing, the Representative of the Noteholders may require the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents (as may itself consent thereto on behalf of the Noteholders) or may impose such other conditions or requirements as the Representative of the Noteholders may deem expedient (in its absolute discretion) in the interests of the Noteholders and may rely on any written confirmation from the Issuer as to the matters contained therein.

None of the covenants in this Condition 3 (*Covenants*) shall prohibit the Issuer from carrying out any activity which is incidental to maintaining its corporate existence and complying with laws and regulations applicable to it.

4. PRIORITY OF PAYMENTS

4.1 Pre-Enforcement Priority of Payments

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

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

(a) the Special Servicer Senior Fees and the Master Servicing Fees;

(b) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation and regulations or to fulfill due and payable payment obligations of the Issuer towards third parties (not expressly included in any following item of this Priority of Payments) incurred in relation to the Transaction, to the extent that such costs, taxes, expenses and payments are not met by utilising the amount standing to the credit of the Expenses Account, and the Recovery Expenses, to the extent not payable through the amounts standing to the credit of the Recovery Expenses Reserve Account;

(c) all costs and taxes required to be paid to maintain the ratings of the Rated Notes and in connection with the registration and deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents;

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

(e) into the Expenses Account the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

(ii) *Second*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) fees, expenses and all other amounts due and payable to the Cash Manager, the Calculation Agent, the Account Bank, the Agent Bank, the Paying Agent, the Monitoring Agent, the Corporate Services Provider and the Back-up Master Servicer;

(iii) *Third*, to pay interest due and payable on the Limited Recourse Loan pursuant to the terms of the Limited Recourse Loan Agreement;

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

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

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

(vii) *Seventh*, to pay the Principal Due and Payable on the Limited Recourse Loan pursuant to the terms of the Limited Recourse Loan Agreement;

(viii) *Eighth*, to pay, *pari passu* and *pro rata* to the extent of the respective amounts thereof, if no Subordination Event has occurred in respect of such Payment Date, (A) the Class B Notes Capped Interest Amount due on such Payment Date (other than the amounts set out under item (B) below), and (B) if on the immediately preceding Calculation Date the Cumulative Collection Ratio was higher than 100%, any Class B Notes Capped Interest Amount not paid on the preceding Payment Dates as a consequence of the occurrence of a Subordination Event;

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

(x) *Tenth*, to pay, *pari passu* and *pro rata*, (i) the Class B Notes Deferred Interest Amount due on such Payment Date together with any Class B Notes Deferred Interest Amount accrued but not paid on any preceeding Payment Dates, and (ii) upon occurrence of a Subordination Event in respect to such Payment Date, (A) the Class B Notes Capped Interest Amount due

on such Payment Date (other than the amounts set out under item (B) below), and (B) any Class B Notes Capped Interest Amount not paid on the preceding Payment Dates as a consequence of the occurrence of a Subordination Event;

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

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

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

(xiv) *Fourteenth*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) (i) the Principal Amount Outstanding of the Class J Notes until the Principal Amount Outstanding of the Class J Notes is equal to Euro 10,000 and on the Final Redemption Date the Principal Amount Outstanding of the Class J Notes until redemption in full of the Class J Notes; and (ii) the Special Servicer Junior Fees;

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

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

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

(a) the amounts standing to the credit of the Cash Reserve Account on the immediately preceding Payment Date (after application of the Pre-Enforcement Priority of Payments on such Payment Date), *plus*

(b) the aggregate amount transferred from the Collection Account respectively to the Investment Account in the immediately preceding Collection Period (as promptly indicated by the Account Bank upon request of the Calculation Agent),

towards payment only of items from (*First*) to (*Seventh*) (but excluding the Special Servicer Senior Fees and the Master Servicing Fees under item (*First*)) of the Pre-Enforcement Priority of Payments, it being understood that any amount in excess shall be credited on the Payments Account, and

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

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

4.2 **Post Enforcement Priority of Payments**

(a) Following the delivery of a Trigger Notice, or (b) in the event that the Issuer opts for the Redemption for Taxation, or for the Optional Redemption, or (c) on the Final Maturity Date, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (the "**Post Enforcement Priority of Payments**") (in each case, only if and to the extent that payments of a higher priority have been made in full):

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

(a) the Special Servicer Senior Fees and the Master Servicing Fees;

(b) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation and regulations or to fulfill due and payable payment obligations of the Issuer towards third parties (not expressly included in any following item of this Priority of Payments) incurred in relation to the Transaction, to the extent that such costs, taxes, expenses and payments are not met by utilising the amount standing to the credit of the Expenses Account, and the Recovery Expenses, to the extent not payable through the amounts standing to the credit of the Recovery Expenses Reserve Account;

(c) all costs and taxes required to be paid to maintain the ratings of the Rated Notes and/or in connection with the registration and deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents;

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

(e) into the Expenses Account the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

(ii) *Second*, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) fees, expenses and all other amounts due and payable to the Cash Manager, the Calculation Agent, the Account Bank, the Agent Bank, the Paying Agent, the Monitoring Agent, the Corporate Services Provider and the Back-up Master Servicer;

(iii) *Third*, to pay interest due and payable on the Limited Recourse Loan pursuant to the terms of the Limited Recourse Loan Agreement;

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

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

(vi) *Sixth*, to pay Principal Due and Payable on the Limited Recourse Loan pursuant to the terms of the Limited Recourse Loan Agreement;

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

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

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

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

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

(xii) *Twelfth*, to pay, *pari passu* and *pro rata*, all amounts due and payable in respect of (i) the Principal Amount Outstanding of the Class J Note on such Payment Date and (ii) the Special Servicer Junior Fees; and

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

4.3 **Collateral Account Priority of Payments**

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

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

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

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

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

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

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

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

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

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

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

(iv) following the occurrence or designation of an Early Termination Date in respect of the Cap Agreement where such Early Termination Date has been designated otherwise than as a result of one of the events specified at items (ii) and (iii) above, on any day (whether or not such day is a Payment Date) in or towards payment of any amount due in full and final settlement, any other payments then outstanding and any other contingent payments which are not yet due to the outgoing Cap Counterparty pursuant to the Cap Agreement; and

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

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

(b) *second*, the surplus (if any) (a "**Cap Collateral Account Surplus**") remaining after payment of such Replacement Cap Premium to be transferred to the Payments Account and deemed to form Issuer Available Funds,

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

i. the day that is 10 (ten) Business Days prior to the date on which the Principal Amount Outstanding of the Rated Notes is reduced to zero (other than following the occurrence of a Trigger Event); or

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

then the Collateral Amount on such day shall be transferred to the Payments Account as soon as reasonably practicable thereafter and deemed to constitute a Cap Collateral Account Surplus and to form Issuer Available Funds.

5. INTEREST

5.1 Payment Dates and Interest Periods

Each of the Notes bears interest on its Principal Amount Outstanding from (and including) the Issue Date.

Save as provided for in Condition 5.9 (*Unpaid Interest*), interest in respect of the Notes is payable in Euro semi-annually in arrears on each Payment Date.

Interest in respect of any Interest Period or any other period will be calculated on the basis of the actual number of days elapsed and a 360 day year.

Interest shall cease to accrue on any part of the Principal Amount Outstanding of the Notes as from (and including) the due date for redemption of such part unless payment of principal due and payable but unpaid is improperly withheld or refused, whereupon interest shall continue to accrue on such principal (after as well as before judgment) at the Interest Rate from time to time applicable to the Notes until the monies in respect thereof have been received by the Representative of the Noteholders or the Paying Agent on behalf of the relevant Noteholders and notice to that effect is given in accordance with Condition 12 (*Notices*).

The Class J Notes bear, in addition to interest, the Class J Notes Variable Return from (and including) the Issue Date.

5.2 **Interest Rate**

The floating rate of interest applicable to the Class A Notes (the "**Class A Notes Interest Rate**") for each Interest Period (other than the Initial Interest Period in respect of which the Class A Notes Interest Rate shall be the aggregate of the Class A Notes Margin and the linear interpolation between 6 (six) and 12 (twelve) months deposits in Euro) shall be the aggregate of:

(a) 2.80 per cent. *per annum* (the "**Class A Notes Margin**"); and

(b) (A) EURIBOR for six months deposits in Euro calculated as the arithmetic mean of the offered quotations to leading banks (rounded to three decimal places with the mid-point rounded up) for six months Euro deposits in the Euro-zone inter-bank market which appears on Page Euribor01 of Reuters Screen or (i) such other page as may replace Page Euribor01 on that service for the purpose of displaying such information or, (ii) if that service ceases to display such information, such page displaying such information on such equivalent service (or, if more than one, that one for which the Agent Bank received a prior written approval by the Representative of the Noteholders to replace the Reuters Page) (the "**Screen Rate**"), at or about 10:00 a.m. (London time) on the relevant Interest Determination Date; or

(B) if the Screen Rate is unavailable at such time for six months Euro deposits, then the rate for the relevant Interest Period shall be the arithmetic mean (rounded to three decimal places with the mid-point rounded up) of the rates notified to the Agent Bank at its request by each of the Reference Banks hereof as the rate at which six months Euro deposits in a representative amount are offered by that Reference Bank to leading banks in the Euro-zone inter-bank market at or about 10:00 a.m. (London time) on the relevant Interest Determination Date. If, on any such Interest Determination Date, only two of the Reference Banks provide such quotations to the Agent Bank, the rate for the relevant Interest Period shall be determined, as aforesaid, on the basis of the offered quotations of those two Reference Banks providing such quotations. If, on any such Interest Determination Date, only one or none of the Reference Banks provides the Agent Bank with such quotation, the Agent Bank shall forthwith consult with the Representative of the Noteholders and the Issuer for the purpose of agreeing one additional bank (or, where none of the Reference Banks provides such a quotation, two additional banks) to provide such a quotation or quotations to the Agent Bank (which bank or banks is or are in the sole and absolute opinion of the Representative of the Noteholders suitable for such purpose) and the rate for the relevant Interest Period shall be determined, as aforesaid, on the basis of the offered quotations of such banks (or, as the case may be, the offered quotations of such bank and the relevant Reference Bank). If no such bank (or banks) is (or are) so agreed or such bank (or banks) as

agreed does not (or do not) provide such a quotation (or quotations), then the rate for the relevant Interest Period shall be the rate in effect for the last preceding Interest Period to which sub-paragraph (A) of this Condition 5.2 (*Interest Rate*) shall have applied (the "**Six Month EURIBOR**"),

provided that, for the above purpose, should the Six Month EURIBOR be lower than zero, it shall be deemed to be zero.

The rate of interest applicable from time to time in respect of the Class B Notes (the "**Class B Notes Interest Rate**") for each Interest Period (other than the Initial Interest Period in respect of which the Class B Notes Interest Rate shall be the aggregate of the Class B Notes Capped Interest Rate and the linear interpolation between 6 (six) and 12 (twelve) months deposits in Euro) shall be equal to the aggregate of:

(a) 7.5 per cent. *per annum* (the "**Class B Notes Capped Interest Rate**"); and

(b) the higher of (i) zero and (ii) the Six Month EURIBOR (the "**Class B Notes Deferred Interest Rate**").

The fixed rate of interest applicable to the Class J Notes for each Interest Period, including the Initial Interest Period, shall be 10 per cent. *per annum* (the "**Class J Notes Interest Rate"** and together with the Class A Notes Interest Rate and the Class B Notes Interest Rate, the "**Interest Rate**").

The Class A Notes Interest Rate and the Class B Notes Interest Rate applicable from time to time will be determined by the Agent Bank, in respect of each Interest Period, on the relevant Interest Determination Date.

5.3 **Fallback provisions**

(a) Notwithstanding anything to the contrary, including this Condition 5.2 (*Interest Rate*), the following provisions will apply if the Issuer (which may rely on the relevant written notice from the Agent Bank) determines that any of the following events (each a "**Base Rate Modification Event**") has occurred:

(i) a material disruption to EURIBOR, an adverse change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or to be published;

(ii) the insolvency or cessation of business of the EURIBOR administrator (in circumstances where no successor EURIBOR administrator has been appointed);

(iii) a public statement by the EURIBOR administrator that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR or will be changed in an adverse manner);

(iv) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;

(v) a public statement by the supervisor of the EURIBOR administrator which means that EURIBOR may no longer be used or that its use is subject to restrictions or adverse consequences;

(vi) a public announcement of the permanent or indefinite discontinuity of EURIBOR as it applies to the Senior Notes; or

(vii) the reasonable expectation of the Issuer (which may rely on any notice from the Agent Bank) that any of the events specified in sub-paragraphs (i), (ii), (iii), (iv), (v) or (vi)

will occur or exist within six months of the proposed effective date of such Base Rate Modification.

(b) Following the occurrence of a Base Rate Modification Event, the Issuer will inform the Representative of the Noteholders of the same and will appoint a rate determination agent to carry out the tasks referred to in this Condition 5.3 (the "**Rate Determination Agent**").

(c) The Rate Determination Agent shall determine an alternative base rate (the "**Alternative Base Rate**") to be substituted for EURIBOR as the Reference Rate of the Senior Notes and those amendments to these Conditions and the Transaction Documents to be made by the Issuer as are necessary or advisable to facilitate such change (the "**Base Rate Modification**"), provided that no such Base Rate Modification will be made unless the Rate Determination Agent has determined and confirmed to the Representative of the Noteholders in writing (such certificate, a "**Base Rate Modification Certificate**") that:

(i) such Base Rate Modification is being undertaken due to the occurrence of a Base Rate Modification Event and, in each case, such modification is required solely for such purpose and it has been drafted solely to such effect; and

(ii) such Alternative Base Rate is:

(A) a base rate published, endorsed, approved or recognised by the relevant regulatory authority or any stock exchange on which the Notes are listed or any relevant committee or other body established, sponsored or approved by any of the foregoing); or

(B) a base rate utilised in a material number of publicly-listed new issues of Euro denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification; or

(C) such other base rate as the Rate Determination Agent reasonably determines (and in relation to which the Rate Determination Agent has provided reasonable justification of its determination to the Issuer and the Representative of the Noteholders),

provided that, for the avoidance of doubts in each case, the change to the Alternative Base Rate will not, in the Representative of the Noteholders' opinion, be materially prejudicial to the interest of the Noteholders.

(d) It is a condition to any such Base Rate Modification that:

(i) the Issuer pays (or arranges for the payment of) all fees, costs and expenses (including legal fees) properly incurred by itself and the Agent Bank and each other applicable party including the Rate Determination Agent. For the avoidance of doubt, such costs shall not include any amount in respect of any reduction in the interest payable to a Noteholder;

(ii) with respect to each Rating Agency, the Issuer has notified such Rating Agencies of the proposed Base Rate Modification and, in the Issuer's reasonable opinion, formed on the basis of such notification, the relevant Base Rate Modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agencies or (y) such Rating Agencies placing the Rated Notes on rating watch negative (or equivalent); and

(iii) the Issuer (or the Agent Bank on its behalf) provides at least 30 (thirty) days' prior written notice to the Noteholders of the proposed Base Rate Modification. If the proposed Alternative Base Rate is determined by the Rate Determination Agent on the

basis of paragraph (c) above and if the Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes have notified the Issuer in accordance with the notice provided above and the then current practice of any applicable clearing system through which the Notes may be held within the notification period referred to above that they object to the proposed Base Rate Modification, then such Base Rate Modification will not be made unless a resolution is passed in favour of such modification in accordance with the Conditions by the holders of the Notes representing at least the majority of the then Principal Amount Outstanding of each Class of Notes.

(e) When implementing any modification pursuant to this Condition 5.3, the Rate Determination Agent, the Issuer and the Agent Bank, as applicable, shall act in good faith and (in the absence of gross negligence (*colpa grave*) or wilful misconduct (*dolo*)), shall have no responsibility whatsoever to the Issuer, the Noteholders or any other party.

(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 (which may rely on any notice from the Agent Bank) considers that a Base Rate Modification Event is continuing, the Agent Bank may provide any reasonable support to the Issuer to initiate again the procedure for a Base Rate Modification as set out in this Condition 5.3 (including, for the avoidance of doubt, the re-application of paragraph (c) above).

(g) Any modification pursuant to this Condition 5.3 must comply with the rules of any stock exchange or multilateral trading facilities on which the Senior Notes are from time to time listed or admitted to trading and may be made on more than one occasion.

(h) As long as a Base Rate Modification is not deemed final and binding in accordance with this Condition 5.3, the Reference Rate applicable to the Senior Notes will be equal to the last Reference Rate available on the relevant applicable Screen Rate pursuant to paragraph (a) above.

This Condition 5.3 shall be without prejudice to the application of any higher interest under applicable mandatory law.

5.4 **Determination of Interest Rate, Calculation of Interest Amount and Class J Notes Variable Return**

5.4.1 The Agent Bank shall, on each Interest Determination Date:

(i) determine the Class A Notes Interest Rate, the Class B Notes Interest Rate and the Class B Notes Deferred Interest Rate applicable to the Interest Period beginning after such Interest Determination Date (or in the case of the Initial Interest Period, beginning on and including the Issue Date);

(ii) calculate the Euro amount (the "**Interest Amount**") accrued on each Class of Notes in respect of each Interest Period. The Interest Amount in respect of any Interest Period shall be calculated by applying the relevant Interest Rate to the Principal Amount Outstanding of each Class of Notes on the Payment Date at the commencement of such Interest Period (after deducting therefrom any payment of principal due on that Payment Date) or, in the case of the Initial Interest Period, on the Issue Date, and by multiplying the product of such calculation by the actual number of days to elapse in the relevant Interest Period divided by 360, and rounding the resultant figure to the nearest cent (half a cent being rounded up);

(iii) calculate the Class B Notes Capped Interest Amount accrued on the Class B Notes in respect of each Interest Period. The Class B Notes Capped Interest Amount in respect

of any Interest Period shall be calculated by applying the Class B Notes Capped Interest Rate to the Principal Amount Outstanding of the Class B Notes on the Payment Date at the commencement of such Interest Period (after deducting therefrom any payment of principal due on that Payment Date) or, in the case of the Initial Interest Period, on the Issue Date, and by multiplying the product of such calculation by the actual number of days to elapse in the relevant Interest Period divided by 360, and rounding the resultant figure to the nearest cent (half a cent being rounded up); and

(iv) calculate the Class B Notes Deferred Interest Amount accrued on the Class B Notes in respect of each Interest Period. The Class B Notes Deferred Interest Amount in respect of any Interest Period shall be calculated by applying the Class B Notes Deferred Interest Rate to the Principal Amount Outstanding of the Class B Notes on the Payment Date at the commencement of such Interest Period (after deducting therefrom any payment of principal due on that Payment Date) or, in the case of the Initial Interest Period, on the Issue Date, and by multiplying the product of such calculation by the actual number of days to elapse in the relevant Interest Period divided by 360, and rounding the resultant figure to the nearest cent (half a cent being rounded up).

5.4.2 The Calculation Agent shall, on each Calculation Date, determine the Class J Notes Variable Return (if any) applicable on the Payment Date following such Calculation Date in accordance with the Priority of Payments.

5.5 **Publication of Interest Rate and Interest Amount**

The Agent Bank will cause the Class A Notes Interest Rate, the Class B Notes Interest Rate, the Class J Notes Variable Return and the Interest Amount applicable to each Interest Period and the Payment Date in respect of such Interest Amount, to be notified promptly after their determination to the Issuer, the Representative of the Noteholders, the Calculation Agent, the Servicer, the Account Bank, the Monitoring Agent, Monte Titoli (for further distribution to Euroclear and Clearstream) and the Paying Agent and will cause the same to be published through Monte Titoli (if requested by the Issuer and upon its instruction) in accordance with Condition 12 (*Notices*) hereof and, to the extent and as long as the Class A Notes are admitted to trading on the ExtraMOT PRO of the ExtraMOT Market, Borsa Italiana as soon as possible after the relevant Interest Determination Date, but in no event later than the first Business Day of the relevant Interest Period.

5.6 **Determination and Calculation by the Representative of the Noteholders**

If the Agent Bank (or the Issuer or any other agent appointed for this purpose by the Issuer) does not at any time for any reason determine the Class A Notes Interest Rate, the Class B Notes Interest Rate and/or does not calculate the Interest Amount (or the Issuer or any other agent appointed for this purpose by the Issuer), the Representative of the Noteholders shall:

(i) determine the Class A Notes Interest Rate and/or the Class B Notes Interest Rate at such rate as (having regard to the procedure described in Condition 5.2 above (*Interest Rate*) it shall consider fair and reasonable in all circumstances; and

(ii) calculate the Interest Amount in the manner specified in Condition 5.4 above (*Determination of Interest Rate, Calculation of Interest Amount and Class J Notes Variable Return*);

and any such determination and/or calculation shall be deemed to have been made by the Agent Bank on behalf of the Issuer.

5.7 **Notification to be final**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 5 (*Interest*), whether by the

Reference Banks (or any of them), the Agent Bank, the Calculation Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful default (*dolo*) or gross negligence (*colpa grave*)) be binding on the Reference Banks, the Agent Bank, the Calculation Agent, the Issuer, the Representative of the Noteholders and all the Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Reference Banks, the Agent Bank, the Calculation Agent, the Monitoring Agent, the Issuer or the Representative of the Noteholders in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions hereunder.

5.8 **Reference Banks and Agent Bank**

The Issuer shall ensure that, so long as any of the Notes remains outstanding, there shall at all times be three reference banks (the "**Reference Banks**"). The initial Reference Banks shall be Intesa Sanpaolo S.p.A., Banco Santander and Deutsche Bank. In the event that any such bank is unable or unwilling to continue to act as a Reference Bank or that any of the merge with another Reference Bank, the Issuer shall appoint such other bank as may have been previously approved in writing by the Representative of the Noteholders to act as such. The Issuer shall ensure that at all times an Agent Bank is appointed. If a new Agent Bank is appointed, a notice will be published in accordance with Condition 12 (*Notices*).

5.9 **Unpaid Interest**

In the event that the Issuer Available Funds available to the Issuer on any Payment Date (in accordance with the applicable Priority of Payments), for the payment of interest on the Notes on such Payment Date are not sufficient to pay in full the relevant Interest Amount, the amount by which the aggregate amount of interest paid on such Payment Date falls short of the Interest Amount which would otherwise be due, shall be aggregated with the amount of, and treated for the purposes of the Conditions as if it were, Interest Amount accrued on the Notes on the immediately following Payment Date. Any such unpaid amount on the Notes shall not accrue additional interest.

Without prejudice to the foregoing, pursuant to the Pre-Enforcement Priority of Payments, any Class B Notes Capped Interest Amount not paid on a Payment Date as a consequence of the occurrence of a Subordination Event in respect of such Payment Date will be paid, in priority to the repayment of the Principal Amount Outstanding of the Class A Notes, on the first following Payment Date in respect of which the Cumulative Collection Ratio is higher than 100%.

The Agent Bank, based upon the information contained in the Payments Report, shall give notice in writing to Monte Titoli and, as long as the Class A Notes are admitted to trading on the ExtraMOT PRO of the ExtraMOT Market, Borsa Italiana of any unpaid Interest Amount no later than 3 (three) Business Days prior to any Payment Date on which the Interest Amount on the Notes will not be paid in full.

6. REDEMPTION, PURCHASE AND CANCELLATION

6.1 **Final Redemption**

Unless previously redeemed in full as provided for in this Condition 6 (*Redemption, Purchase and Cancellation*), the Issuer shall redeem in whole the Notes at their Principal Amount Outstanding on the Final Maturity Date.

The Issuer may not redeem the Notes in whole or in part prior to the Final Maturity Date except as provided for in Conditions 6.2 (*Redemption for Taxation*), 6.3 (*Mandatory Redemption*) or 6.4 (*Optional Redemption*) below, and without prejudice to Condition 9 (*Trigger Events*).

If any Class cannot be redeemed in full on the Final Maturity Date, as a result of the Issuer having insufficient Issuer Available Funds for application in or towards such redemption, any amount

outstanding whether in respect of interest, principal or other amounts in relation to the Notes shall be finally and definitely cancelled and waived.

All Notes will, on the Cancellation Date, be deemed to be discharged in full and any amount in respect of principal, interest or other amounts due and payable in respect of the Notes will (unless payment of any such amount is improperly withheld or refused) be finally and definitively cancelled.

6.2 **Redemption for Taxation**

If the Issuer:

1. has provided the Representative of the Noteholders with: (i) a legal opinion in form and substance satisfactory to the Representative of the Noteholders from a firm of lawyers (approved in writing by the Representative of the Noteholders); and (ii) a certificate from the legal representative of the Issuer; and

2. has given not more than 45 (forty-five) nor less than 15 (fifteen) calendar days prior written notice to the Representative of the Noteholders, the Cap Counterparty and the Noteholders, in accordance with Condition 12 (*Notices*),

to the effect that, following the occurrence of certain legislative or regulatory changes, or official interpretations thereof by competent authorities, the Issuer (or any of the Issuer's agents):

(a) would be required on the next Payment Date to deduct or withhold (other than in respect of a Law 239 Deduction) or for or on account of FATCA legislation (and namely (i) sections 1471 to 1474 of the Code of Laws of the US Internal Revenue of 1986, any related regulation and any official interpretation; (ii) any treaty, law or regulation of any other jurisdiction or relating to an intergovernmental agreement between the US and any other jurisdiction in relation to the provisions referred to in limb (i) above, and (iii) any agreement with any US governmental and/or taxation authority relating to the implementation of any law, treaty and/or regulation referred to in limbs (i) and (ii) above) (each, a "**FATCA Deduction**")) from any payment of principal or interest on the Rated Notes, any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or any political or administrative sub-division thereof or any authority thereof or therein or by any applicable authority having jurisdiction; or

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

and

3. in each case the Issuer shall have produced evidence reasonably acceptable to the Representative of the Noteholders that it has the necessary funds (not subject to the interests of any other Person) to discharge all of its outstanding liabilities with respect to the Rated Notes and any amounts required under the Intercreditor Agreement to be paid in priority to, or pari passu with the Rated Notes,

the Issuer may (or shall if so directed by the Representative of the Noteholders acting upon instructions of the holders of the Most Senior Class of Notes) (i) on the first Payment Date on which such necessary funds become available to it, redeem the Rated Notes in whole (but not in part) at their Principal Amount Outstanding (together with any interest accrued and unpaid thereon until the date on which such redemption occurs) and pay any amounts required under the Conditions to be paid in priority to or *pari passu* with the Rated Notes and amounts ranking prior thereto or *pari passu* therewith pursuant to the Pre-Enforcement Priority of Payments; and (ii) on

the first Payment Date on which sufficient funds become available to it, redeem the Class B Notes and the Class J Notes in whole or in part (together with any interest accrued and unpaid thereon until the date on which such redemption occurs) and pay any amounts required under the Conditions to be paid in priority to or *pari passu* with the Class B Notes and the Class J Notes (as applicable).

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

6.3 **Mandatory Redemption**

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

(A) on each Payment Date in a maximum amount equal to the relevant Principal Amount Outstanding with respect to such Payment Date in accordance with the Pre-Enforcement Priority of Payments;

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

if it is determined that there will be sufficient Issuer Available Funds which may be applied for this purpose in accordance with the applicable Priority of Payments.

6.4 **Optional Redemption**

The Issuer may redeem the Senior Notes (in whole but not in part) and the Mezzanine Notes and the Junior Notes in whole but not in part (or only the Mezzanine Notes in whole, if all the Junior Noteholders consent) at their respective Principal Amount Outstanding, together with interest accrued and unpaid up to the date of their redemption, on any Payment Date falling on or after the Initial Clean Up Option Date, if so instructed by the Junior Noteholders in accordance with the Rules of the Organisation of the Noteholders.

Such optional redemption shall be effected by the Issuer giving not more than 45 (forty-five) nor fewer than 15 (fifteen) days prior written notice that shall be deemed irrevocable to the Representative of the Noteholders, the holders of the Rated Notes in accordance with Condition 12 (*Notices*), the Cap Counterparty and the Rating Agencies and provided that the Issuer, prior to giving such notice, has produced evidence acceptable to the Representative of the Noteholders that it will have the necessary funds, not subject to interests of any other person, to discharge all its outstanding liabilities in respect of the relevant Notes (to be redeemed) and any amounts required under the Post Enforcement Priority of Payments to be paid in priority to or *pari passu* with such Notes. In order to finance the redemption of the relevant Notes in the circumstances described above, the Issuer (or the Representative of the Noteholders, acting in the name and on behalf of the Issuer), is entitled to dispose of the Portfolio, subject to the provisions of the Intercreditor Agreement and Condition 6.5 (*Sale of the Portfolio*).

6.5 **Sale of the Portfolio**

In the following circumstances:

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

(ii) if, after a Trigger Notice has been served on the Issuer (with a copy to the Rating Agencies and the Servicer and the Cap Counterparty) pursuant to Condition 9 (*Trigger Events*), an Extraordinary Resolution of the holders of the Most Senior Class of Notes resolves to request the Issuer to sell all (but not only a part) of the Portfolio to one or more third parties,

the Issuer (in the case of Redemption for Taxation pursuant to Condition 6.2 (*Redemption for Taxation*) and Optional Redemption pursuant to Condition 6.4 (*Optional Redemption*)) or the Representative of the Noteholders in the name and on behalf of the Issuer (after a Trigger Notice has been served on the Issuer) shall be entitled to sell the whole Portfolio and shall organise through external advisers a competitive bid process to such purpose (the "**Bid Process**"). The Bid Process procedure shall be carried out in compliance with the best practices of the industry and in line with transparency standards, in order to maximize the purchase price of the Portfolio and the Issuer or the Representative of the Noteholders, as the case may be, will be able to sell the Portfolio to the selected party only if the proceeds deriving from the sale of the Portfolio will be applied in accordance with the applicable Priority of Payments and, with respect to the Redemption for Taxation, subject in any case to the requirements provided under Condition 6.2 (*Redemption for Taxation*).

In the case of Optional Redemption, the Issuer, upon direction of the Monitoring Agent (if so directed by the Investors Committee), will organise a Bid Process in order to sell the Portfolio. The Bid Process procedure shall be carried out in compliance with the best practices of the industry and in line with transparency standards, in order to maximize the purchase price of the Portfolio and the Issuer, upon direction of the Monitoring Agent (if so directed by the Investors Committee), will be able to sell the Portfolio to the selected party only if the proceedings deriving from the sale of the Portfolio shall be sufficient to allow the Issuer, on the following Payment Date, to redeem:

(i) the Senior Notes, the Mezzanine Notes and the Junior Notes in whole (but not in part) at their Principal Amount Outstanding (together with any interest accrued and unpaid thereon until the date on which such redemption occurs); or

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

(iii) in any case to allow the Issuer to pay any amounts required under the Conditions to be paid in priority to or pari passu with such Class of Notes to be redeemed and any amounts required under the Conditions to be paid in priority to or pari passu thereto.

Within the date of payment of the purchase price related to the sale of the Receivables above described, the relevant purchaser shall deliver to the Issuer (or to the Representative of the Noteholders, in case of sale of the Portfolio after the service of a Trigger Notice): (i) a certificate of good standing of the Chamber of Commerce (*certificato di vigenza della Camera di Commercio*) dated not later than 10 (ten) Business Days before the date of the sale of the Portfolio; (ii) a solvency certificate signed by a legal representative duly authorized by the purchaser, dated the date of the sale of the Portfolio; and (iii) except where the issuance of the certificate is not permitted by the internal rules applied by the relevant court, also a certificate from the appropriate bankruptcy court ("*tribunale civile – sezione fallimentare*") confirming that no insolvency petitions have been filed against such potential purchaser, dated not later than 10 (ten) Business Days before the date of the sale of the Portfolio.

The transfer of the Portfolio pursuant to this Condition 6.5 (*Sale of the Portfolio*) shall be construed as a "contratto aleatorio" pursuant to Article 1469 of the Italian Civil Code and as a "*vendita a rischio e pericolo del compratore*" pursuant to Article 1488, second paragraph, of the Italian Civil Code with express derogation by the relevant parties of Article 1266 of the Italian Civil Code with reference to the warranty, provided by the transferor, of the existence of the claims and Article 1448 of the Italian Civil Code shall not apply. The transfer of the Portfolio shall be subject to the condition of payment in full to the Issuer of the relevant purchase price.

6.6 **Notice of Redemption**

Any such notice as is referred to in Condition 6.2 (*Redemption for Taxation*) and 6.4 (*Optional Redemption*) above shall be irrevocable and, upon the expiration of such notice, the Issuer shall be obliged to redeem the Notes in accordance with this Condition 6 (*Redemption, Purchase and Cancellation*). The Issuer or the Representative of the Noteholder, as the case may be, will give a notice to the Rating Agencies of the redemption of the Rated Notes pursuant to Conditions 6.2 (*Redemption for Taxation*), 6.3 (*Mandatory Redemption*) or 6.4 (*Optional Redemption*).

6.7 **Principal Payments and Principal Amount Outstanding**

On each Calculation Date, the Issuer shall determine or procure that the Calculation Agent determines, *inter alia* (on the Issuer's behalf):

(a) the amount of any principal payment due to be made on each Class on the next following Payment Date; and

(b) the Principal Amount Outstanding of each Class on the next following Payment Date (after deducting any principal payment due to be made and payable on that Payment Date) and the portion of Interest Amount that will not be paid in full on the following Payment Date (if any).

The determination by or on behalf of the Issuer of the amount of any principal payment in respect of each Class and of the Principal Amount Outstanding of each Note and on each Class shall in each case (in the absence of willful default, gross negligence, bad faith or manifest error) be final and binding on all persons.

The Issuer shall, no later than 3 (three) Business Days prior to each Payment Date, cause each determination of a principal payment (if any) and Principal Amount Outstanding of the Notes to be notified forthwith by the Calculation Agent to the Representative of the Noteholders, the Servicer, the Account Bank and the Paying Agent and shall cause notice of each determination of a principal payment and Principal Amount Outstanding of each Class to be given by the Paying Agent to Monte Titoli (for further distribution to Euroclear and Clearstream), and, to the extent and as long as the Class A Notes are admitted to trading on the ExtraMOT PRO of the ExtraMOT Market, Borsa Italiana and the Noteholders in accordance with Condition 12 (*Notices*). As long as the Notes are not redeemed in full, if no principal payment is due to be made on the Notes on a Payment Date, notice to this effect shall also be given by the Issuer to the Noteholders in accordance with Condition 12 (*Notices*).

If no principal payment or Principal Amount Outstanding of the Notes is determined by or on behalf of the Issuer in accordance with the provisions of this Condition 6.7 (*Principal Payments and Principal Amount Outstanding*), such principal payment or Principal Amount Outstanding of the Notes shall be determined by the Representative of the Noteholders in accordance with this Condition 6.7 (*Principal Payments and Principal Amount Outstanding*) and each such determination shall be deemed to have been made by the Issuer.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 6.7 (*Principal Payments and*

Principal Amount Outstanding), whether by the Calculation Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful default (*dolo*) or gross negligence (*colpa grave*)) be binding on the Calculation Agent, the Representative of the Noteholders, the Servicer, the Account Bank and the Paying Agent and all the Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Calculation Agent, the Issuer or the Representative of the Noteholders in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions hereunder.

6.8 **No purchase by Issuer**

The Issuer shall not purchase any of the Notes.

6.9 **Cancellation**

All Notes redeemed in full will be cancelled upon redemption and may not be re-sold or re-issued.

All Notes shall be in any case cancelled on the Cancellation Date.

7. PAYMENTS

7.1 Payment of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent, acting as intermediary between the Issuer and the Noteholders, on behalf of the Issuer to the accounts of those banks and authorised brokers whose accounts with Monte Titoli are credited with those Notes and thereafter credited by such banks and authorised brokers from such aforementioned accounts to the accounts of the beneficial owners of those Notes, in accordance with the rules and procedures of Monte Titoli.

7.2 Payments of principal and interest in respect of the Notes are subject in all cases to any fiscal or other laws and regulations applicable thereto.

7.3 The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent, subject to the prior notice to the Rating Agencies and written approval of the Monitoring Agent (acting on the basis of a resolution of the Investors Committee). The Issuer will cause other than in case specific matter of urgency does not allow such time limits to be met (i) an at least 30 (thirty) days prior notice to be given to the Noteholders of any replacement of the Paying Agent or (ii) an at least 14 (fourteen) days prior notice to be given to the Noteholders of any change of the registered offices of the Paying Agent, both under (i) and (ii) above in accordance with Condition 12 (*Notices*). The Issuer shall ensure that at all the times a paying agent is appointed.

8. TAXATION

All payments in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes, duties or charges of whatsoever nature other than a Law 239 Deduction or any other withholding or deduction required to be made by applicable law (including, for the avoidance of doubt, any withholding or deduction required pursuant to U.S. Foreign Account Tax Compliance Act, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto). Neither the Issuer nor any other Person shall be obliged to pay any additional amount to any Noteholder as a consequence of any such withholding or deduction.

9. TRIGGER EVENTS

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

(a) *Non-payment:*

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

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

(b) *Breach of other obligations:*

the Issuer defaults in the performance or observance of any of its obligations under or in respect of the Notes (other than the obligations under (a) above) or any of the Transaction Documents to which it is a party and (except where, in the sole and absolute opinion of the Representative of the Noteholders, such default is incapable of remedy, in which case no notice requiring remedy will be required) such default remains unremedied for 30 days after the Representative of the Noteholders has given written notice thereof to the Issuer, certifying that such default is, in the sole opinion of the Representative of the Noteholders, materially detrimental to the interests of the Most Senior Class of Noteholders and requiring the same to be remedied (provided however that, for the avoidance of doubt, non payment of principal on the Notes, due to the Servicer not having provided the relevant Semi-Annual Servicing Report (as described in Condition 4.1 (*Pre-Enforcement Priority of Payments*) shall not constitute a Trigger Event); or

(c) *Insolvency:*

The Issuer becomes subject to any Insolvency Proceedings; or

(d) *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, in the reasonable opinion of the Representative of the Noteholders, incorrect or erroneous in any material respect when made, or deemed to be made, or at any time thereafter, unless it has been remedied within 30 (thirty) days after the Representative of the Noteholders has served a notice to the Issuer requiring remedy; or

(e) *Unlawfulness:*

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

then, the Representative of the Noteholders:

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

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

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

Following the delivery of a Trigger Notice (a) without any further action or formality, all payments of principal, interest and any other amounts due with respect to the Notes, the Other Issuer Creditors and any other creditor of the Issuer under the Transaction shall be made in accordance with the Post Enforcement Priority of Payments and (b) provided that any bankruptcy or similar proceeding has not been commenced towards the Issuer (including, without limitation, "fallimento", "concordato preventivo", "piani di risanamento" and "liquidazione coatta amministrativa", in accordance with the meaning ascribed to those expressions by Italian law) and in any case if not prevented by, and in compliance with, any applicable law, the Representative of

the Noteholders shall be entitled, in the name and on behalf of the Issuer, to sell the Portfolio.

10. ENFORCEMENT

10.1 At any time after a Trigger Notice has been delivered, the Representative of the Noteholders may and shall, if so requested or authorised by an Extraordinary Resolution of the holders of the Most Senior Class of Notes, take such steps and/or institute such proceedings against the Issuer as it may think fit to enforce repayment of the Notes and payment of accrued interest thereon in accordance with the Intercreditor Agreement and the Rules of the Organisation of the Noteholders. No Noteholder shall be entitled to proceed directly against the Issuer unless the Representative of the Noteholders, having become bound to do so, fails to do so within a reasonable period of time and such failure is continuing.

10.2 In addition, the Rules of the Organisation of the Noteholders and the Intercreditor Agreement contains (i) provisions limiting the powers of the Noteholders, inter alia, to bring individual actions or take other individual remedies to enforce their rights under the Notes and (ii) provisions limiting the powers of the Noteholders, inter alia, to institute against or join any person in instituting against, the Issuer, any bankruptcy, insolvency or compulsory liquidation and similar proceedings, that shall be deemed to be included in these Conditions and shall be binding on all the Noteholders.

10.3 All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Condition 9 (*Trigger Events*) above or this Condition 10 (*Enforcement*), by the Representative of the Noteholders shall (in the absence of willful default or gross negligence) be binding on the Issuer and all Noteholders and (in such absence as aforesaid) the Representative of the Noteholders will have no liability to the Noteholders or the Issuer in connection with the exercise or the non-exercise by it or any of them of their powers, duties and discretion hereunder.

11. THE REPRESENTATIVE OF THE NOTEHOLDERS

11.1 The Organisation of the Noteholders shall be established upon and by virtue of the issuance of the Notes and shall remain in force and in effect until repayment in full or cancellation of the Notes.

11.2 Pursuant to the Rules of the Organisation of the Noteholders (attached hereto as Exhibit 1), for as long as any Note is outstanding, there shall at all times be a Representative of the Noteholders.

11.3 The Representative of the Noteholders is the legal representative (rappresentante legale) of the Organisation of the Noteholders. The appointment of the Representative of the Noteholders is made by the Noteholders subject to and in accordance with the terms of the Rules of the Organisation of the Noteholders. As regards the appointment of the first representative of the Noteholders (who is appointed at the time of the issue of the Notes in accordance with the provisions of the Notes Subscription Agreement), the Class A Noteholders, the Class B Noteholders and the Class J Noteholders by subscribing respectively for the Class A Notes, the Class B Notes and the Class J Notes and paying the relevant subscription price in accordance with the provisions of the Notes Subscription Agreement recognize the appointment of Banca Finanziaria Internazionale S.p.A. as Representative of the Noteholders. Each Noteholders is deemed to accept such appointment.

11.4 Pursuant to the provisions of the Rules of the Organisation of the Noteholders, the Representative of the Noteholders can be removed by the Noteholders at any time, provided that a successor Representative of the Noteholders is appointed and can resign at any time. Such successor to the Representative of the Noteholders shall be:

(a) a bank incorporated in any jurisdiction of the European Union or a bank incorporated in any other jurisdiction acting through an Italian branch or through a branch situated in a European Union country; or

(b) a company or financial institutions registered under Article 106 of the Consolidated Banking Act; or

(c) any other entity permitted by specific provisions of Italian law applicable to the securitisation of monetary rights and/or by any regulations, instructions, guidelines and/or specific approvals issued by the competent Italian supervising authorities.

11.5 The Rules of the Organisation of the Noteholders contain provisions governing, *inter alia*, the terms of appointment, indemnification and exoneration from responsibility (and relief from responsibility) of the Representative of the Noteholders (including provisions relieving it from taking action unless indemnified and/or secured to its satisfaction and providing for the indemnification of the Representative of the Noteholders in certain other circumstances) and provisions which govern the termination of the appointment of the Representative of the Noteholders and amendments to the terms of such appointment.

12. NOTICES

So long as the Notes are held by Monte Titoli on behalf of the authorised financial intermediaries and/or their customers, notices to the Noteholders may be given through the systems of Monte Titoli. In addition, to the extent and as long as the Senior Notes are admitted to trading on the ExtraMOT PRO of the ExtraMOT Market, all notices will be given also in accordance with the rules of such multilateral trading facility and published on the website of the Corporate Services Provider (being, as at the date of this Prospectus, https://centotrenta.com/it/listed-transaction/aporti2021-1/). All notices given in accordance with the rules of ExtraMOT PRO shall also be considered given for the purposes of Directive 2004/109/CE.

The Representative of the Noteholders may sanction some other method of giving notice to the Noteholders of the relevant Class if, in its opinion, such other method is reasonable having regard to market practices then prevailing and to the rules of any stock exchange on which the Notes of the relevant Class are listed and provided that notice of such other method is given to the Noteholders of the relevant Class in such manner as the Representative of the Noteholders shall require. For this purpose, the Noteholders agree to provide the Representative of the Noteholders with all the relevant contact details and email addresses for notices.

13. STATUTE OF LIMITATION

Claims against the Issuer for payments in respect of the Notes shall be barred by the statute of limitation unless made within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from the Relevant Date in respect thereof, unless a case of interruption or suspension of the statute of limitation applies in accordance with Italian law.

"**Relevant Date**" means the date on which principal or interest on the Notes, as the case may be, become due and payable.

14. GOVERNING LAW AND JURISDICTION

The Notes and all non-contractual obligations arising out or in connection with them are governed by and shall be construed in accordance with Italian law.

The Courts of Milan shall have exclusive jurisdiction to settle any disputes (including all non-contractual obligations arising out or in connection with the Notes) that may arise out of or in connection with the Notes.

EXHIBIT 1

RULES OF THE ORGANISATION OF THE NOTEHOLDERS

TITLE I - GENERAL PROVISIONS

1. GENERAL

1.1 The Organisation of the Noteholders is created by the issue and by the subscription of the Notes, and shall remain in force and in effect until full repayment or cancellation of the Notes.

1.2 The contents of these Rules are considered included in each Note issued by the Issuer.

2. DEFINITIONS

Capitalised terms not defined herein shall have the meaning attributed to them in the Conditions. In addition, the following expressions have the following meanings:

"**Basic Terms Modification**" means:

1. a modification of the date of maturity of the relevant Class of Notes;
2. a modification which would have the effect of postponing any day for payment of interest or principal on the Notes;
3. a modification which would have the effect of reducing, increasing or cancelling the amount of principal payable in respect of a Class of Notes or the rate of interest applicable in respect of a Class of Notes;
4. a modification which would have the effect of altering the majority of votes required to pass a specific resolution or the quorum required at any meeting;
5. a modification which would have the effect of altering the currency of payment of the relevant Class of Notes or any alteration of the date of redemption or priority of a Class of Notes;
6. the appointment and removal of the Representative of the Noteholders;
7. a modification to the definition of Cancellation Date;
8. any amendment to these Rules of the Organisation of the Noteholders and to the Rules of the Organisation of the Investors Committee;
9. an alteration of any Priority of Payments;
10. any exchange, conversion or substitution of the Notes of any Class for, or any conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate, formed or to be formed; and
11. an amendment of this definition.

"**Blocked Notes**" means the Notes which have been blocked in an account with the relevant clearing system, the Monte Titoli Account Holder or the relevant custodian for the purposes of obtaining a Voting Certificate, and which will not be released until the conclusion of the Meeting.

"**Business**" means, in relation to any Meeting, the matters to be proposed to a vote of the Noteholders at the Meeting including (without limitation) the passing or rejection of any resolution.

"**Chairman**" means, in relation to any Meeting, the individual who takes the chair in accordance with Article 9 (*Chairman of the Meeting*) of these Rules.

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

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

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

"**Class of Notes**" means the Class A Notes or the Class B Notes or the Class J Notes, as the context may require and "**Classes of Notes**" means all of them.

"**Delegated Member**" has the meaning ascribed to it under Article 3 below.

"**Delegated Powers**" has the meaning ascribed to the term "*Poteri Delegati*" under the Servicing Agreement.

"**Disenfranchised Noteholder**" means illimity Bank S.p.A., any illimity Bank S.p.A. holding company, any illimity Bank S.p.A. subsidiary and/or any other company of the banking group to which illimity Bank S.p.A. belongs, as long as it holds any Note.

"**Extraordinary Resolution**" means a resolution of the Meeting of the Relevant Class Noteholders in relation to the matters specified under Article 20 (*Powers exercisable by Extraordinary Resolution*) of these Rules, duly convened and held in accordance with the provisions of these Rules.

"**Investors Committee**" has the meaning ascribed to it under article 1 of the *Rules of the Organisation of the Investors Committee* attached as Schedule 1 to these Rules.

"**Issuer**" means Aporti S.r.l.

"**Meeting**" means the meeting of the Noteholders or a Class of Noteholders (held either in first or second call, whether originally convened or resumed following an adjournment).

"**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli.

"**Notes**" means the Class A Notes, the Class B Notes and the Class J Notes.

"**Noteholders**" means:

(a) in connection with a Meeting of Class A Noteholders, the Class A Noteholders;

(b) in connection with a Meeting of Class B Noteholders, the Class B Noteholders;

(c) in connection with a Meeting of Class J Noteholders, the Class J Noteholders;

and otherwise, in the case of a joint Meeting of the Noteholders of more than one Class of Notes, any or all of the Class A Noteholders, the Class B Noteholders and the Class J Noteholders.

"**Ordinary Resolution**" means a resolution of the Meeting of the Relevant Class Noteholders in relation to the matters specified under Article 19 (*Powers exercisable by Ordinary Resolution*) of these Rules, duly convened and held in accordance with the provisions of these Rules.

"**Paying Agent**" means BNP Paribas Securities Services, Milan Branch in its capacity as paying agent pursuant to the Cash Administration and Agency Agreement and its permitted successors or assignees from time to time.

"**Person(s)**" means any natural person, partnership, corporation, company, limited liability company, public limited company, trust, estate, joint stock partnership, or company, joint venture, governmental entity, unincorporated organisation or other entity or association.

"**Proxy**" means, in relation to any Meeting, a person duly appointed to vote.

"**Relevant Class Noteholders**" means the Class A Noteholders or the Class B Noteholders or the Class J Noteholders, as the context may require.

"**Relevant Fraction**" means:

(i) for voting on any Ordinary Resolution: (a) in case of a meeting of a particular Class of Notes, one-twentieth of the Principal Amount Outstanding of the outstanding Notes in that Class of Notes; or (b) in case of a joint meeting of more than one Class of Notes, one-twentieth of the Principal Amount Outstanding of the outstanding Notes of such Classes of Notes;

(ii) for voting on any Extraordinary Resolution other than (A) one relating to a Basic Terms Modification or (B) one related to any Business indicated under Article 20, items (j), (k), (o), (p), (q), (r) and (s), two-thirds of the Principal Amount Outstanding of the outstanding Notes in each relevant Class of Notes (or in case of a joint meeting of more than one Class of Notes, pursuant to Article 4 below, more than fifty per cent (50%) of the Principal Amount Outstanding of the outstanding Notes of such Classes of Notes);

(iii) for voting on any Extraordinary Resolution relating to (A) a Basic Terms Modification or (B) a Business indicated under Article 20, items (j) and (o), three-quarters of the Principal Amount Outstanding of the outstanding Notes in each relevant Class of Notes;

(iv) for voting on any Extraordinary Resolution relating to Article 20, items (p), (q) and (r), two-third of the Principal Amount Outstanding of the Notes *provided that* for such matters, only a joint Meeting is permitted;

(v) for voting on the Extraordinary Resolution relating to Article 20, items (k) and (s), more than 50% of the relevant Notes,

provided, however, that, in the case of a Meeting held in second call for lack of a quorum, it means:

(1) for all Business other than the voting on an Extraordinary Resolution relating to a Basic Terms Modification, the fraction of the Principal Amount Outstanding of the Notes represented at such Meeting or the fraction of the Principal Amount Outstanding of the Notes (in case of a joint Meeting of a combination of Classes of Notes); and

(2) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, more than fifty per cent. (50%) of the Principal Amount Outstanding of the outstanding Notes in each relevant Class of Note.

"**Representative of the Noteholders**" means Banca Finanziaria Internazionale S.p.A. in its capacity as representative of the Noteholders, which expression shall include its successors and any further or other representative of the Noteholders appointed pursuant to the Notes Subscription Agreement and the Rules of the Organisation of the Noteholders.

"**Rules**" means these Rules of the Organisation of the Noteholders.

"**Secured Parties**" means the beneficiaries of the Security Documents.

"**Security Documents**" means the Deed of Charge.

"**Specified Office**" means the office of the Paying Agent located at Piazza Lina Bo Bardi, 3, 20124, Milan (MI), Italy.

"**Successor Servicer**" means the entity different from the Back-up Master Servicer which may be appointed as replacement servicer pursuant to the Servicing Agreement.

"**Voter**" means, in relation to any Meeting, the holder of a Blocked Note and/or, in respect of the Mezzanine Noteholders and the Junior Noteholders, any Delegated Member (if appointed).

"**Voting Certificate**" means, in relation to any Meeting, a certificate issued to a Noteholder by the relevant Monte Titoli Account Holder in accordance with the resolution of 13 August 2018 jointly issued by the Bank of Italy and CONSOB, as subsequently amended, supplemented or restated.

"**Written Resolution**" means a resolution passed in writing by a number of votes satisfying the voting majority applicable to the subject matter of the relevant resolution, whether contained in one document or several documents substantially in the same form, each signed by or on behalf of one or more Noteholders or Proxy holder on their behalf entitled to express their votes pursuant to the Conditions.

"**24 hours**" means a period of 24 hours including all or part of a day upon which banks are open for business in both the places where the Meeting is to be held and in each of the places where the Paying Agent has its Specified Office (disregarding for this purpose the day upon which such Meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid.

"**48 hours**" means 2 consecutive periods of 24 hours.

Other defined terms and expressions shall have the meaning given to them in the Conditions.

3. ORGANISATION PURPOSE

3.1 Each Class A Noteholder, Class B Noteholder and the Class J Noteholder is a member of the Organisation of Noteholders.

3.2 The purpose of the Organisation of Noteholders is to coordinate the exercise of the rights of the Noteholders and, more in general, the taking of any action for the protection of their interests.

3.3 In these Rules, any reference to Noteholders shall be considered as a reference, as the case may be, to the Class A Noteholders and/or the Class B Noteholders and/or the Class J Noteholders or, where the context requires, a reference to the Class A Noteholders, the Class B Noteholders and the Class J Noteholders collectively.

3.4 It is understood that each of the Mezzanine Noteholders and the Junior Noteholders may delegate its voting rights in the Meetings and any related ancillary activities to any member appointed by it in the Investors Committee in accordance with the Rules of the Organisation of the Investors Committee (the "**Delegated Member**").

3.5 Upon delegation, the relevant Noteholder shall promptly inform the Representative of the Noteholders and the relevant Monte Titoli Account Holder in order to permit the Delegated Member to carry out activities and participate to the Meetings in the name and on behalf of it.

3.6 The relevant Noteholder shall provide the Representative of the Noteholders and the Monte Titoli Account Holder with the relevant power of attorney to the Delegated Member for the performance of its duties in the context of the Meetings.

3.7 The Delegated Member will take part to the Meetings as if he/she were the Noteholder who has appointed him/her.

3.8 The appointment of the Delegated Member will expire on the earlier between (i) the expiry date of the engagement of the Delegated Member as member of the Investors Committee and (ii) the revocation of its engagement by the relevant Noteholder.

3.9 Should the engagement of the Delegated Member be terminated, revoked or expired, the relevant Noteholder shall promptly inform the Representative of the Noteholders and the Monte Titoli Account Holder.

3.10 It remains understood that any remuneration of the Delegated Members shall be borne by the relevant appointing Noteholder.

3.11 In the event of the appointment of the Delegated Member, the Mezzanine Noteholders and the Junior Noteholders undertake to comply with the provisions hereunder and operate in such a way to not prejudice the functioning and the operating of the Meetings.

TITLE II - THE MEETING OF NOTEHOLDERS

4. GENERAL

4.1 Any resolution passed at:

(a) a Meeting of the holder of Class(es) of Noteholders duly convened and held in accordance with these Rules shall be binding upon all the holders of such Class(es) of Notes whether present or not present at such Meeting and whether voting or not voting;

(b) a Meeting of the Class A Noteholders pursuant to Article 20, items (j) and (k), shall also be binding upon all the Class B Noteholders and the Class J Noteholders;

(c) a Meeting of the Junior Noteholders pursuant to Article 20, item (l), shall also be binding upon all the Class A Noteholders and the Class B Noteholders; and

(d) a Meeting of the Most Senior Class of Notes pursuant to Article 20, items (i) and (m) shall also be binding upon other Class of Noteholders,

and, in each case above, all the relevant Classes of Noteholders shall be bound to give effect to any such resolution accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof.

4.2 Notice of the result of every vote on a resolution duly passed by the Noteholders shall be published, at the expense of the Issuer, in accordance with the Conditions and given to the Paying Agent (with a copy to the Issuer and the Representative of the Noteholders) within 14 (fourteen) days of the conclusion of the Meeting.

4.3 Subject to the provisions of these Rules and the Conditions, joint meetings of the Class A Noteholders, the Class B Noteholders and the Class J Noteholders may be held to consider the same Ordinary Resolution and/or, as the case may be, the same Extraordinary Resolution (other than a Basic Terms Modification) and the provisions of these Rules shall apply *mutatis mutandis* thereto.

4.4 Without prejudice to the foregoing, the following provisions shall apply where outstanding Notes belong to more than one Class of Notes:

(i) Business which in the absolute opinion of the Representative of the Noteholders affects only one Class of Notes shall be transacted at a separate Meeting of the relevant Noteholders;

(ii) Without prejudice to item (iii) below, Business which in the absolute opinion of the Representative of the Noteholders affects more than one Class of Notes shall be transacted at separate Meetings of the Noteholders of each such Class of Notes;

(iii) Business regarding matters which under the Transaction Documents are to be decided by one or more specific Class of Notes shall be transacted at separate meeting of Noteholders of such relevant Classes of Notes only.

4.5 In addition to the above, those Notes which are from time to time held by the Disenfranchised Noteholder shall (unless and until ceasing to be so held) be deemed not to remain "outstanding" for the purposes of the right to vote at any Meeting of Noteholders duly convened by the Representative of the Noteholders in accordance with the Conditions and these Rules other than, as long as illimity holds not less than 100% of the Senior Notes, any Meeting convened to resolve on any of the following matters: (i) for voting on a Basic Term Modification, (ii) items (i) and (j) of Article 20 and (iii) to direct the Issuer to submit an application for the Senior Notes to be admitted to trading on the ExtraMOT PRO segment of Borsa Italiana.

5. VOTING CERTIFICATES

5.1 Noteholders may obtain a Voting Certificate from the relevant Monte Titoli Account Holder upon request in accordance with article 41 of the resolution of 13 August 2018 jointly issued by the Bank of Italy and CONSOB.

5.2 Subject to the provision of the resolution of 13 August 2018 jointly issued by the Bank of Italy and CONSOB (as subsequently amended and supplemented), a Voting Certificate shall be valid until the conclusion of the Meeting specified (if any) in the Voting Certificate, or any adjournment of such Meeting held prior to the expiration of the relevant Voting Certificate.

5.3 So long as a Voting Certificate is valid, the bearer thereof or any Proxy named therein shall be deemed to be the holder of the relevant Notes to which it relates for all purposes in connection with the Meeting.

6. VALIDITY OF VOTING CERTIFICATES

A Voting Certificate shall be valid only if it is deposited or sent (also by electronic means) at the Specified Office of the Paying Agent, or at some other place approved by the Paying Agent, not later than 24 hours before the relevant Meeting. If the Representative of the Noteholders requires satisfactory proof of the identity of each Proxy named in the relevant Voting Certificate, such proof shall be produced at the Meeting, but the Representative of the Noteholders shall not be obliged to investigate the validity of any Voting Certificate or the authority of any Proxy.

7. CONVENING OF MEETING

7.1 The Issuer or the Representative of the Noteholders may convene a Meeting at any time, and shall be obliged to do so upon the request in writing of Noteholders holding not less than one-twentieth of the Principal Amount Outstanding of the outstanding Class of Notes or Classes of Notes in respect of which the Meeting is being convened. If the Issuer or the Representative of the Noteholders fails to take the necessary action to convene a Meeting when obliged to do so, the Meeting may be convened by the Representative of the Noteholders or the Issuer (as appropriate) acting solely.

7.2 Whenever the Issuer is about to convene any such Meeting, it shall immediately give notice in writing to the Representative of the Noteholders of the day, time and place thereof and of the nature of the Business to be transacted thereat. Every such Meeting shall be held at such place as the Representative of the Noteholders may designate or approve.

7.3 Meetings may be held via audio-conference or video-conference where Voters are located at different places, *provided that*:

(i) the Chairman may ascertain and verify the identity and legitimacy of those Voters, monitor the Meeting, acknowledge and announce to those Voters the outcome of the voting process;

(ii) the person drawing up the minutes may hear well the meeting events being the subject-matter of the minutes;

(iii) each Voter attending via audio-conference or video-conference may follow and intervene in the discussions and vote the items on the agenda in real time;

(iv) the notice of the Meeting expressly states, where applicable, how Voters may obtain the information necessary to attend the relevant Meeting via audio-conference and/or video-conference equipment; and

(v) for the avoidance of doubt, the Meeting is deemed to take place where the Chairman and the person drawing up the minutes are located.

7.4 The Disenfranchised Noteholder shall not be entitled to request to convene any Meeting other than, as long as illimity holds not less than 100% of the Senior Notes, any Meeting convened to resolve on any of the following matters: (i) for voting on a Basic Term Modification, (ii) items (i) and (j) of Article 20 and (iii) to direct the Issuer to submit an application for the Senior Notes to be admitted to trading on the ExtraMOT PRO segment of Borsa Italiana.

8. NOTICE

8.1 At least 21 (twenty-one) days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the relevant Noteholders and the Paying Agent (with a copy to the Issuer and to the Representative of the Noteholders), and published in accordance with Condition 12 (*Notices*) at least 21 (twenty-one) days before the date of the Meeting. The notice shall set forth the full text of any resolutions to be proposed or the agenda of the Meeting, as the case may be, and that Voting Certificates shall be obtained to participate to the Meeting.

8.2 The 21 (twenty-one) days' notice of any Meeting shall be deemed to be waived by the Noteholders if:

(i) Noteholders representing 100% (hundred per cent.) of the Principal Amount Outstanding of the relevant Class of Notes attend the relevant Meeting; or

(ii) Noteholders representing 100% (hundred per cent.) of the Principal Amount Outstanding of the relevant Class of Notes request the relevant Meeting and propose or otherwise separately agree a date, time and place for such Meeting.

9. CHAIRMAN OF THE MEETING

9.1 An individual (who may, but need not, be a Noteholder) nominated in writing by the Representative of the Noteholders may take the chair at any Meeting but: (i) if no such nomination is made; (ii) if the individual nominated is not present within 15 (fifteen) minutes after the time fixed for the Meeting; or (iii) the Meeting resolves not to approve the appointment made by the Representative of the Noteholders, those present shall elect one of themselves to take the chair failing which the Issuer may appoint a Chairman.

9.2 The Chairman of an adjourned Meeting need not be the same person as the Chairman of the original Meeting.

9.3 The Chairman verifies that the Meeting is duly held, coordinates matters to be transacted at the Meeting and monitors the fairness of the Meeting's proceedings.

10. QUORUM

10.1 The quorum at any Meeting shall be at least one or more Voters representing or holding not less than the Relevant Fraction of the aggregate Principal Amount Outstanding of the outstanding Notes of the relevant Class of Notes or Classes of Notes.

10.2 A resolution is validly passed when the majority of the votes cast by the Voters attending the relevant Meeting has been cast in favour of it, *provided that* any resolution transacting any Business indicated under Article 20, item (l), shall be validly passed when 100% of the Junior Noteholders having voting rights have been cast in favour of it, without prejudice to what provided under Article 4.5 above.

11. SECOND CALL

11.1 If 15 (fifteen) minutes after the time fixed for any first call Meeting, Voters representing or holding not less than the applicable Relevant Fraction are not present, the Meeting shall be immediately held in second call.

11.2 Should a Meeting be adjourned for any reason other than for lack of quorum, then such Meeting shall be adjourned for such period (which shall be not less than 14 (fourteen) days and not more than 42 (forty-two) days) and at such place as the Chairman determines; *provided, however, that* no Meeting may be adjourned more than once unless by resolution of Meeting that represents not less than a Relevant Fraction applicable in the case of Meetings which have been resumed after adjournment. Notice shall be published in accordance with Condition 12 (*Notices*) of the relevant Class of Notes not more than 8 (eight) days before the date of the meeting.

12. ADJOURNED MEETING

The Chairman may, with the consent of (and shall if directed by) any Meeting, adjourn such Meeting from time to time and from place to place, *provided that* no Business shall be transacted at any adjourned Meeting except Business which might lawfully have been transacted at the Meeting from which the adjournment took place.

13. NOTICE FOLLOWING ADJOURNMENT

13.1 Article 8 *(Notice*) shall apply to any Meeting (other than the Meeting to be held in second call after the elapsing of 15 (fifteen) minutes after the time fixed for the first call) which is to be resumed after adjournment save that:

(a) 8 (eight) days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and

(b) the notice shall specifically set forth the quorum requirements which will apply when the Meeting resumes.

13.2 It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

14. PARTICIPATION

The following may attend and speak at a Meeting:

(a) Voters;

(b) the Issuer or its representatives and the Paying Agent;

(c) the statutory auditors (if any) and the financial advisers to the Issuer;

(d) the Representative of the Noteholders;

(e) the legal counsel to the Issuer, the Representative of the Noteholders or its representatives and the Paying Agent;

(f) the Monitoring Agent; and

(g) such other person as may be resolved by the Meeting.

15. SHOW OF HANDS

Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution.

16. POLL

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Representative of the Noteholders or one or more Voters representing or holding not less than 10 (ten) Notes present at the

relevant Meeting. The poll may be taken immediately or after such adjournment as the Chairman directs, but any poll demanded on the election of the Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the Meeting for any other Business as the Chairman directs.

17. VOTES

17.1 Every Voter shall have one vote in respect of each Euro 1,000 in aggregate face amount of the outstanding Note(s) represented or held by him.

17.2 In the case of a voting tie the Chairman shall have a casting vote.

17.3 Unless the terms of any Voting Certificate state otherwise, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same manner.

18. VOTE BY PROXIES

Any vote by a Proxy in accordance with the relevant Voting Certificate shall be valid even if such Voting Certificate or any instruction pursuant to which it was given has been amended or revoked, *provided that* the Issuer and the Paying Agent have not been notified in writing of such amendment or revocation not less than 24 (twenty-four) hours before the time fixed for the Meeting. Unless revoked, any appointment of a Proxy under a Voting Certificate in relation to a Meeting shall remain in force in relation to any Meeting held in second call or resumed following an adjournment for want of quorum, except for any appointment of a Proxy expiring prior to such adjournment in accordance with the relevant Voting Certificate. Any person appointed to vote at such Meeting must be re-appointed under a Proxy to vote at the Meeting when it is resumed.

19. POWERS EXERCISABLE BY ORDINARY RESOLUTION

The Meeting shall have exclusive powers:

(a) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes;

(b) grant any authority, order or sanction which, under the provisions of the Rules or the Conditions, is required to be the subject of an Ordinary Resolution or required to be the subject of a resolution or determined by a Meeting and not required to be the subject of an Extraordinary Resolution;

20. POWERS EXERCISABLE BY EXTRAORDINARY RESOLUTION

A Meeting shall, in addition to the powers herein given, have the following powers exercisable by Extraordinary Resolution:

Resolutions to be passed by either separate or joint Meetings:

(a) to sanction any proposal by the Issuer for any alteration, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer or against any of its property or against any other Person whether such rights shall arise under these Rules, the Notes or otherwise;

(b) to assent to (i) any alteration, modification, abrogation of the provisions contained in these Rules, the Notes or any Class of Notes, the Intercreditor Agreement, the Cash Administration and Agency Agreement, the Conditions (which is not a Basic Terms Modification) or any other Transaction Document (including the amendments to any definition of the Cumulative Collection Ratio, PV Cumulative Profitability Ratio and Delegated Powers (such terms as defined under the Servicing Agreement) or to the fees applicable to the Servicer) which shall be proposed by the Issuer and/or the Representative of the Noteholders or any other party thereto; and (ii) any arrangement in respect of any obligation (which are not Basic Terms Modifications) of the Issuer under the Notes;

(c) to discharge or exonerate the Representative of the Noteholders from any liability in respect of any act or omission for which the Representative of the Noteholders may be responsible under or in relation to these Rules, the Notes or any Class of Notes or any other Transaction Document;

(d) to give any authority, direction or sanction which under the provisions of these Rules, the Transaction Documents or the Notes or any Class of Notes, is required to be given by an Extraordinary Resolution;

(e) to authorise and sanction the actions, in compliance with these Rules, of the Representative of the Noteholders under the terms of the Intercreditor Agreement and any other Transaction Documents and in particular power to sanction the release of the Issuer by the Representative of the Noteholders;

(f) to give instructions to the Representative of the Noteholders in case the Representative of the Noteholders should express its discretion under Article 4 (*General*);

(g) to exercise, enforce or dispose of any right and power on payment and application of funds deriving from any claims on which a pledge or other security interest is created in favour of the Noteholders, otherwise than in accordance with the Transaction Documents;

(h) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Notes or any act or omission which might otherwise constitute a Trigger Event under the Notes (but excluding in any case any Trigger Event under Condition 9(a));

Resolutions to be passed only by one Class of Noteholders:

(i) to authorize or direct the Representative of the Noteholders to serve a Trigger Notice, as a consequence of a Trigger Event under Condition 9 (*Trigger Events*), other than the Trigger Event under Condition 9(a), and assent the relevant Bid Process *provided that* in such a case the relevant decision shall be taken by the Meeting of the Most Senior Class of Notes;

(j) to resolve on, or to approve any proposal by the Issuer for, the withdrawal of any rating assigned to the Senior Notes, provided that in such case such decision shall be taken by the Meeting of the Class A Noteholders only;

(k) to resolve on the appointment of the Senior Noteholders' member of the Investors Committee in the event that the Senior Noteholders have not appointed the relevant member of the Committee in accordance with article 2 of the Rules of the Organisation of the Investors Committee (other than because such Senior Noteholder is a Disinfranched Noteholder), *provided that* in such a case only the Meeting of the Senior Noteholders shall have the power to resolve;

(l) to provide the Issuer with the consents pursuant to Condition 6.4 (*Optional Redemption*) and assent the relevant Bid Process *provided that* in such a case only the Meeting of the Junior Noteholders shall have the power to resolve;

(m) to provide the Issuer with the consents pursuant to Condition 6.5 (*Redemption for Taxation*) and assent the relevant Bid Process *provided that* in such a case only the Meeting of the Most Senior Class of Noteholders shall have the power to resolve;

Resolutions to be passed mandatorily by separate Meetings:

(n) to sanction a Basic Terms Modification;

(o) to amend the Delegated Powers under the Servicing Agreement if such amendment determines a reduction of the powers granted to the Noteholders under the Transaction Documents and exercisable by Meetings;

Resolutions to be passed mandatorily by joint Meetings:

(p) to resolve on the decision to terminate the mandate granted to the Servicer upon the occurrence of any event other than those specified in paragraph (4) of Article 8 of the Rules of Organisation of the Investors Committee and reserved to the Investors Committee's exclusive powers *provided that*, in relation to these resolutions to be passed mandatorily by joint Meetings, if – on the proposal date of the relevant termination – the Representative of the Noteholders considers, in its reasonable opinion, that such termination would negatively affect the rating of the Rated Notes, the decision on the termination shall be taken by separate Meetings of the Senior Noteholders, the Mezzanine Noteholders and the Junior Noteholders;

(q) to resolve on the termination of the Back-up Master Servicer;

(r) to select: (1) from the list of prospective Successor Servicers approved by the Investors Committee, in accordance with the Rules of the Organisation of the Investors Committee, a Successor Servicer (other than the Back-up Master Servicer) or to which the Special Servicing Activities are to be delegated; or (2) upon termination or revocation of the Back-up Master Servicer, from the list of prospective substitutes of the Back-up Master Servicers approved by the Investors Committee, in accordance with the Rules of the Organisation of the Investors Committee, a substitute of the Back-up Master Servicer;

(s) to appoint a new representative of the Noteholders.

Save as otherwise expressly provided, in relation to each Class of Notes:

(a) no Extraordinary Resolution involving a Basic Terms Modification passed by the holders of the relevant Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other relevant Classes of Notes (to the extent that Notes of each such relevant Classes of Notes are then outstanding);

(b) no Extraordinary Resolution of the Class B Noteholders shall be effective unless (A) the Representative of the Noteholders is of the opinion that it will not be materially prejudicial to the interests of the Class A Noteholders (to the extent that there are Class A Notes then outstanding) or (B) (to the extent that the Representative of the Noteholders is not of that opinion) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders (to the extent that there are Class A Notes then outstanding);

(c) no Extraordinary Resolution of the Class J Noteholders shall be effective unless (A) the Representative of the Noteholders is of the opinion that it will not be materially prejudicial to the interests of the Class A Noteholders and/or the Class B Noteholders (to the extent that there are Class A Notes and/or Class B Notes, respectively, then outstanding) or (B) (to the extent that the Representative of the Noteholders is not of that opinion) it is sanctioned by an Extraordinary Resolution of the holder of the Class A Notes and/or the Mezzanine Notes (to the extent that there are Class A Notes and/or Mezzanine Notes, respectively, then outstanding);

(d) if a Trigger Event has occurred and is continuing, resolutions approving any of the matters referred to in Article 19 (*Powers exercisable by Ordinary Resolution*) and Article 20 (*Powers exercisable by Extraordinary Resolution*) above (other than the matters referred to in (a) above and the matters in respect of which the holders of other Class(es) of Notes have exclusive power to resolve pursuant to the Conditions or any Transaction Documents) shall be passed at a Meeting of the Most Senior Class of Noteholders without any sanction by the holders of any other Class(es) of Notes being required (without however prejudice to the rights and powers of the Class J Noteholders under Conditions 6.4 (*Optional Redemption*), if applicable).

21. CHALLENGE OF RESOLUTION

Each Noteholder who was absent or dissenting can challenge resolutions which are not passed in conformity under the provisions of these Rules.

22. MINUTES

Minutes shall be made of all resolutions and proceedings at each Meeting. The Chairman shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

23. WRITTEN RESOLUTION

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

24. INDIVIDUAL ACTIONS AND REMEDIES

24.1 The right of each Noteholder to bring individual actions or take other individual remedies, that do not amount to bankruptcy, insolvency or compulsory liquidation proceedings, or other proceedings under any bankruptcy or similar law, to enforce his/her rights under the Notes will be subject to the Meeting not passing a resolution objecting to such individual action or other remedy on the grounds that it is not convenient at the time when the Meeting is held, having regard to the interests of the Noteholders. In this respect, the following provisions shall apply:

(a) the Noteholder intending to enforce his/her rights under the Notes will notify the Representative of the Noteholders in writing of his/her intention;

(b) the Representative of the Noteholders will, without delay, call for the Meeting, in accordance with these Rules;

(c) if the Meeting passes a resolution objecting to the enforcement of the individual action or remedy, the Noteholder will be prevented from taking such action or remedy (*provided that* the same matter can be submitted again to a further Meeting of Noteholders after a reasonable period of time has elapsed); and

(d) if the Meeting passes a resolution not objecting to the enforcement of the individual action or remedy, or if no resolution is taken by the Meeting for want of quorum, the Noteholder will not be prevented from taking such action or remedy.

24.2 No individual action or remedy can be taken by a Noteholder to enforce his/her rights under the Notes before the Meeting has been held to resolve on such action or remedy in accordance with the provisions of this Article 24 (*Individual Actions and Remedies*).

24.3 The provisions of the Intercreditor Agreement govern the right of the Noteholders to institute against, or join any other Person in instituting against, the Issuer any bankruptcy, insolvency or compulsory liquidation and similar proceedings.

TITLE III - THE REPRESENTATIVE OF THE NOTEHOLDERS

25. APPOINTMENT, REMOVAL AND REMUNERATION

25.1 The appointment of the Representative of the Noteholders takes place at the Meeting in accordance with the provisions of this Article 25 (*Appointment, Removal and Remuneration*). As regards the appointment of the first representative of the noteholders, the Class A Noteholders, the Class B Noteholders and the Class J Noteholders by subscribing respectively for the Class A Notes, the Class B Notes and the Class J Notes and paying the relevant subscription price in accordance with the provisions of the Notes Subscription Agreement recognize the appointment of Banca Finanziaria Internazionale S.p.A. as Representative of the Noteholders.

25.2 Simultaneously with the issue and delivery of the Notes, the Class A Noteholders, the Class B Noteholders and the Class J Noteholders, pursuant to the terms of the Notes Subscription Agreement, will confirm the appointment of Banca Finanziaria Internazionale S.p.A. as

Representative of the Noteholders and Banca Finanziaria Internazionale S.p.A. will accept such appointment.

25.3 The Issuer acknowledges and accepts the appointment of Banca Finanziaria Internazionale S.p.A. as Representative of the Noteholders and

(i) each initial holder of the Class A Notes (and each subsequent holder of the Class A Notes) as well as

(ii) each initial holder of the Class B Notes (and each subsequent holder of the Class B Notes) as well as

(iii) each initial holder of the Class J Notes (and each subsequent holder of the Class J Notes),

by reason of purchase and holding the Class A Notes or the Class B Notes or the Class J Notes, as the case may be, will recognise the Representative of the Noteholders as its representative and is deemed to be bound by the terms and conditions of the Transaction Documents signed by the Representative of the Noteholders as if such holder of the Class A Notes or the Class B Notes or the Class J Notes was a signatory thereto.

25.4 (a) Each initial holder of the Class A Notes (and each subsequent holder of the Class A Notes) as well as

(b) each initial holder of the Class B Notes (and each subsequent holder of the Class B Notes) as well as

(c) each initial holder of the Class J Notes (and each subsequent holder of the Class J Notes),

by reason of purchase and holding the Class A Notes or the Class B Notes or the Class J Notes, as the case may be,

(i) confers to the Representative of the Noteholders all powers, rights and authority, to act as representative of the holders of the Class A Notes, the Class B Notes and the Class J Notes, as the case may be, and in such capacity to make all decisions, calculations and determinations, take all steps and actions, institute all legal proceedings, execute all agreements, instruments and documents which might be necessary or which it might deem advisable to protect the interests of the holders of the Class A Notes, the Class B Notes and the Class J Notes, as the case may be, in connection with the issue of the Class A Notes, the Class B Notes and the Class J Notes, as the case may be in accordance these Rules; and

(ii) appoints, under article 1726 and article 1723(2) of the Italian Civil Code, the Representative of the Noteholders to exercise their respective rights and to act as their agent in relation to the Intercreditor Agreement and the Security Documents.

25.5 Subject to and following the delivery of a Trigger Notice, the Representative of the Noteholders is entitled to receive as collection agent ("*mandatario all'incasso*") respectively of the Class A Noteholders, the Class B Noteholders and the Class J Noteholders, in their name and on their behalf, all payments to be made by the Issuer pursuant to the applicable Priority of Payments as set forth in the Conditions and the Intercreditor Agreement and to apply all cash deriving from time to time from the subject matter of the Security Documents, as well as all proceeds upon the enforcement thereof in accordance with the Post Enforcement Priority of Payments.

25.6 The Representative of the Noteholders shall be:

1. a bank incorporated in any jurisdiction of the European Union or a bank incorporated in any other jurisdiction acting through an Italian branch or through a branch situated in a European Union country; or

2. a company or financial institution registered under Article 106 of the Consolidated Banking Act; or

3. any other entity which may be permitted to act in such capacity by any specific provisions of Italian law applicable to the securitisation of monetary rights and/or by any regulations, instructions, guidelines and/or specific approvals issued by the competent Italian supervising authorities.

25.7 The Representative of the Noteholders shall be appointed until the Final Maturity Date and can be removed and/or revoked by the Meeting at any time.

25.8 In the event of a termination of the appointment of the Representative of the Noteholders for any reason whatsoever, the Representative of the Noteholders shall remain in office until acceptance of appointment by the substitute representative of the Noteholders designated among the entities indicated in 1), 2) and 3) above and until such substitute representative of the Noteholders has entered into the Intercreditor Agreement and the other Transaction Documents to which the Representative of the Noteholders is a party; should said acceptance of appointment by the substitute representative of the Noteholders not occur within thirty days after such termination, the terminated Representative of the Noteholders shall be entitled to appoint, in the name and on behalf of the Issuer, its own successor convening a fee not higher than the fee that such terminated Representative of the Noteholders originally agreed with the Issuer, provided that any such successor shall satisfy all the conditions set out above; and the powers and authority of Representative of the Noteholders whose appointment has been terminated shall be limited to those necessary for the performance of the essential functions which are required to be complied with in connection with the Notes. In case of termination of the Representative of the Noteholders a written notice will be given to the Rating Agencies.

25.9 The directors and auditors of the Issuer and those who fall within the conditions indicated in Article 2382 and Article 2399 of the Italian Civil Code in respect of the Issuer cannot be appointed Representative of the Noteholders, and, if appointed, shall be automatically removed from the appointment.

25.10 As consideration to the Representative of the Noteholders for the obligations undertaken by the same as from the date hereof under these Rules and the Transaction Documents, the Issuer shall pay to the Representative of the Noteholders an annual fee, such fee being agreed in a separate side letter. The above fees and remuneration shall accrue from day to day and shall be payable in accordance with the applicable Priority of Payments up to (and including) the date when the Notes have been repaid in full or cancelled in accordance with the Conditions. For the avoidance of doubt, such annual fee is inclusive of the annual remuneration for all activities performed by it pursuant to the other Transaction Documents.

25.11 In the event of the Representative of the Noteholders considering it expedient or necessary or being requested by the Issuer to undertake duties which the Representative of the Noteholders and the Issuer agree to be of an exceptional nature (in particular, following a Trigger Event) or otherwise outside the scope of the normal duties of the Representative of the Noteholders as contemplated in these Rules of the Organisation of the Noteholders, the Issuer shall pay to the Representative of the Noteholders such additional remuneration as shall be agreed between them. If the Representative of the Noteholders and the Issuer fail to agree upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Representative of the Noteholders as contemplated in these Rules of the Organisation of the Noteholders, or upon such additional remuneration, then such matter shall be determined (at the Issuer's expense) by an investment bank (acting as an expert and not as an arbitrator) selected by the Representative of the Noteholders and approved by the Issuer or, failing such approval within thirty (30) calendar days, nominated (on the application of either the Issuer or the Representative

of the Noteholders) by a third investment bank (the expenses involved in such nomination and the fees of such investment banks being payable by the Issuer) and the determination of any such investment bank shall be final and binding upon the Representative of the Noteholders and the Issuer.

26. DUTIES AND POWERS

26.1 The Representative of the Noteholders is the legal representative of the Organisation of Noteholders subject to and in accordance with the Conditions, these Rules, the Intercreditor Agreement and the other Transaction Documents to which it is a party (together, the "**Relevant Provisions**").

26.2 Subject to the Relevant Provisions, the Representative of the Noteholders is responsible for implementing the decisions of the Meeting and for protecting the Noteholders' interests *vis-a-vis* the Issuer, in accordance with and following any resolution taken by the Meeting. The Representative of the Noteholders has the right to attend the Meetings. The Representative of the Noteholders may convene a Meeting to obtain instructions from the Relevant Class Noteholders on any action to be taken.

26.3 All actions taken by the Representative of the Noteholders in the execution and exercise of all its powers and authorities and of discretion vested in it shall be taken by duly authorised officer(s) for the time being of the Representative of the Noteholders.

26.4 The Representative of the Noteholders may also, whenever it considers to be expedient and in the interests of the Noteholders, whether by power of attorney or otherwise, delegate to any Person(s) all or any of the powers, authorities and discretion vested in it as aforesaid. Any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate) as the Representative of the Noteholders may think fit, provided that: (a) the Representative of the Noteholders shall use all reasonable care and skill in the selection of the sub-agent, sub-contractor or representative which must fall within one of the categories set forth in Article 25 (*Appointment, Removal and Remuneration*) herein; and (b) the sub-agent, sub-contractor or representative shall undertake to perform the obligations of the Representative of the Noteholders in respect of which it has been appointed.

26.5 The Representative of the Noteholders shall in any case be responsible for any loss incurred by the Issuer as a consequence any misconduct or default on the part of such delegate or sub-delegate. The Representative of the Noteholders shall as soon as reasonably practicable give notice to the Issuer of the appointment of any delegate and the renewal, extension and termination of such appointment and shall procure that any delegate shall also as soon as reasonably practicable give notice to the Issuer of any sub-delegate. Notwithstanding the above, with sole reference to the Bid Process, the Representative of the Noteholders shall be responsible for any loss incurred by the Issuer as a consequence of any misconduct or default on the part of such delegate or sub-delegate only for *culpa in eligendo* and *culpa in vigilando*.

26.6 The Representative of the Noteholders shall act in accordance with the provisions of article 1176, second paragraph of the Italian Civil Code.

26.7 The Class A Noteholders, the Class B Noteholders and the Class J Noteholders recognize that the Representative of the Noteholders shall have all the necessary powers and authority to make all decisions, calculations and determinations, take all steps and actions, institute all legal proceedings, execute all agreements, instruments and documents which might be necessary or which it might deem advisable in connection with the issue of the Notes, and in particular (but not limited to) to execute and deliver the Transaction Documents to which respectively the holders of the Class A Notes, the Class B Notes and the Class J Notes are or will be a party. Each of the Class A Noteholders, the Class B Noteholders and the Class J Noteholders recognise, pursuant to

article 1395 of the Italian Civil Code ("*contratto con se stesso"*), that the Representative of the Noteholders is authorized to deliver and execute any Transaction Documents to which it is and the holders of the Class A Notes, the Class B Notes or the Class J Notes, as the case may be, are parties.

26.8 The Representative of the Noteholders shall be authorised to represent the Organisation of Noteholders in judicial proceedings, including in proceedings involving the Issuer, creditors' agreement (*"concordato preventivo"*), forced liquidation (*"fallimento" or "liquidazione giudiziale"*) or compulsory administrative liquidation (*"liquidazione coatta amministrativa"*) or restructuring agreement ("*accordi di ristrutturazione dei debiti"*).

27. RESIGNATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS

The Representative of the Noteholders may resign at any time upon giving not less than three calendar months' notice in writing to the Issuer and the Rating Agencies without giving any reason therefore and without being responsible for any costs occasioned by such resignation other than those arising from the Representative of the Noteholders' gross negligence (*colpa grave*) or willful misconduct (*dolo*). The resignation of the Representative of the Noteholders shall not become effective until the Meeting has appointed a new representative of the Noteholders and until such new representative of the Noteholders has entered into the Intercreditor Agreement and the other Transaction Documents to which the Representative of the Noteholders is a party. If a new representative of the Noteholders is not appointed by the Meeting ninety days after such notice of resignation, the resigning Representative of the Noteholders will be entitled to appoint its own successor, in the name and on behalf of the Issuer and convening a fee not higher than the fee that the resigning Representative of the Noteholders agreed with the Issuer, *provided that* any such successor shall satisfy with the conditions of Article 25 (*Appointment, Removal and Remuneration*) herein.

28. EXONERATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS

28.1 The Representative of the Noteholders shall not assume any other obligations in addition to those expressly provided herein and in the Transaction Documents.

1. Without limiting the generality of the foregoing, the Representative of the Noteholders shall not be:

   (i) under any obligation to take any steps to ascertain whether a Trigger Event or any other event, condition or act, the occurrence of which would cause a right or remedy to become exercisable by the Representative of the Noteholders hereunder or under any of the other Transaction Documents has happened and, until it shall have actual knowledge or express notice to the contrary, the Representative of the Noteholders shall be entitled to assume that no Trigger Event has occurred;

   (ii) under any obligation to monitor or supervise the observance and performance by the Issuer or any of the other parties to the Transaction Documents of their obligations under, these Rules, the Notes, the Conditions or any other Transaction Document and, until it shall have actual knowledge or express notice to the contrary, it shall be entitled to assume that the Issuer and each party to any Transaction Document is observing and performing all the obligations on its part contained herein and therein;

   (iii) under any obligation to give notice to any Person of the execution of these Rules or any of the Transaction Documents or any transaction contemplated hereby or thereby;

(iv) responsible for or for investigating the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules or of any Transaction Document, or any other document or any obligation or rights created or purported to be created thereby or pursuant thereto;

(v) responsible for or have any duty to make any investigation in respect of or in any way be liable whatsoever for: (i) the nature, status, creditworthiness or solvency of the Issuer, (ii) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection herewith; (iii) the suitability, adequacy or sufficiency of any collection procedures operated by the relevant Servicer or compliance therewith; (iv) the failure by the Issuer to obtain or comply with any license, consent or other authority in connection with the purchase or administration of the Portfolio; and (v) any accounts, books, records or files maintained by the Issuer, the Servicer, the Paying Agent, and the Corporate Services Provider or any other Person in respect of the Portfolio;

(vi) responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes or the distribution of any of such proceeds to the Persons entitled thereto;

(vii) responsible for the maintenance of any rating of the Rated Notes by the Rating Agencies or any other credit or rating agencies or any other Person;

(viii) responsible for or for investigating any matter which is the subject of, any recitals, statements, warranties or representations of any party other than the Representative of the Noteholders contained herein or any other Transaction Document;

(ix) bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer to the Portfolio or any part thereof whether such defect or failure was known to the Representative of the Noteholders or might have been discovered upon examination or enquiry or whether capable of remedy or not;

(x) liable for any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting these Rules, the Notes or any Transaction Document;

(xi) under any obligation to insure the Portfolio or any part thereof;

(xii) obliged to have regard to the consequences of any modification of these Rules or any of the Transaction Documents for the Noteholders or any relevant Persons resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to, the jurisdiction of any particular territory;

(xiii) under any obligation to disclose to any Noteholder, any Other Issuer Creditors or any other party any confidential, financial, price sensitive or other information made available to the Representative of the Noteholders by the Issuer or any other Person in connection with these Rules or the Transaction Documents and the Noteholders, the Other Issuer Creditors or any other party shall not be entitled to take any action to obtain from the Representative of the Noteholders any such information (unless and to the extent ordered so to do by a court of competent jurisdiction);

(xiv) bound to take any steps or institute any proceedings after a Trigger Notice is served upon the Issuer following the occurrence of a Trigger Event, or to take any other action (or direct any action to be taken) to enforce any security interest created by the Security Documents or any rights under the Intercreditor Agreement unless it has been indemnified and/or secured to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing;

(xv) liable for acting upon any resolution purporting to have been passed at any Meeting of the relevant Class of Notes or Classes of Notes in respect whereof minutes have been made and signed, also in the event that, subsequent to its acting it transpires that the Meeting was not duly convened or constituted, such resolution was not duly passed or that the resolution was otherwise not valid or binding upon the Noteholders, in connection with matters in respect of which the Noteholders are entitled to direct the Representative of the Noteholders, and

(xvi) liable for not having acted in any manner whatsoever for the protection of the Noteholders' interests in all circumstances where, according to these Rules and the Transaction Documents, it was not expressly required to take any such action.

2. The Representative of the Noteholders may:

(i) agree (in the name and on behalf of the Noteholders) amendments or modifications to these Rules or to any of the Transaction Documents which in the sole and absolute opinion of the Representative of the Noteholders it is expedient to make or is to correct a manifest error or is of a formal, minor or technical nature. Any such modification shall be binding on the Noteholders and, unless the Representative of the Noteholders otherwise agrees, the Issuer shall cause such modification to be notified to the Noteholders as soon as practicable thereafter;

(ii) agree (in the name and on behalf of the Noteholders) amendments or modifications to these Rules (other than in respect of a Basic Terms Modification or any provision in these Rules referred to in the definition of Basic Terms Modification) or to the other Transaction Documents which, in the sole and absolute opinion the Representative of the Noteholders, it may be proper to make, *provided that* (i) the Representative of the Noteholders is of the sole and absolute opinion that such modification will not be materially prejudicial to the interests of the holders of the Rated Notes, or, if no Rated Notes are outstanding, to the interest of the holder of the Class J Notes; and (ii) a prior written notice is given to the Rating Agencies;

(iii) act on the advice or a certificate or opinion of, or any information obtained from, any lawyer, accountant, banker, broker, credit or rating agencies or other expert whether obtained by the Issuer, or the Representative of the Noteholders or otherwise and shall not, in the absence of fraud ("*frode"*), gross negligence ("*colpa grave"*) or wilful misconduct ("*dolo"*) on the part of the Representative of the Noteholders, be responsible for any loss occasioned by so acting. Any such advice, opinion or information may be sent or obtained by letter, telex, telegram, facsimile transmission, e-mail or cable and, in the absence of fraud ("*frode"*), gross negligence ("*colpa grave"*) or wilful misconduct ("*dolo"*) on the part of the Representative of the Noteholders, the Representative of the Noteholders shall not be liable for acting on any advice, opinion or information contained in or purported to be conveyed by any such letter, telex, telegram, facsimile

transmission, e-mail or cable notwithstanding any error contained therein or the non-authenticity of the same;

(iv) call for and accept as sufficient evidence of any fact or matter, unless any of its officers in charge of the administration of these Rules shall have actual knowledge or express notice to the contrary, a certificate duly signed by or on behalf of the Issuer, and the Representative of the Noteholders shall not be bound in any such case to call for further evidence or be responsible for any loss that may be occasioned by the Representative of the Noteholders acting on such certificate;

(v) have absolute discretion as to the exercise, non exercise or refraining from exercise of any right, power and discretion vested in the Representative of the Noteholders by these Rules or by operation of law, save as expressly otherwise provided herein, and the Representative of the Noteholders shall not be responsible for any loss, costs, damages, expenses or inconveniences that may result from the exercise, non-exercise or refraining from exercise thereof except insofar as the same are incurred as a result of its fraud ("*frode"*), gross negligence ("*colpa grave"*) or willful misconduct ("*dolo"*);

(vi) hold or leave in custody these Rules, the Transaction Documents and any other documents relating hereto in any part of the world with any bank officer or financial institution or company whose business includes undertaking the safe custody of documents or lawyer or firm of lawyers considered by the Representative of the Noteholders to be of good repute, and the Representative of the Noteholders shall not be responsible for or required to insure against any loss incurred in connection with any such custody and may pay all sums required to be paid on account of or in respect of any such custody;

(vii) call for, accept and place full reliance on and as sufficient evidence of the facts stated therein, a certificate or letter of confirmation certified as true and accurate and signed on behalf of any common depository as the Representative of the Noteholders considers appropriate, or any form of record made by any such depository to the effect that at any particular time or throughout any particular period, any particular Person is, was, or will be, shown in its records as entitled to a particular number of Notes;

(viii) certify whether or not a Trigger Event is in its opinion materially prejudicial to the interests of the Noteholders and if any proceedings referred to under Condition 9(c) (*Insolvency*) are disputed in good faith, and any such certificate or opinion shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other relevant Person and if the Representative of the Noteholders so certifies and serves a Trigger Notice pursuant to Condition 9 (*Trigger Events*), it shall, in the absence of fraud (*frode*), gross negligence (*colpa grave*) or wilful misconduct (*dolo*) on its part, be fully indemnified by the Issuer against all fees, costs, expenses, liabilities, losses and charges which it may incur as a result;

(ix) determine whether or not a default in the performance by the Issuer of any obligation under the provisions of these Rules or contained in the Notes or any of the other Transaction Documents is capable of remedy and, if the Representative of the Noteholders shall certify that any such default is, in its opinion, not capable of remedy, such certificate shall be conclusive and binding upon the Issuer, the Noteholders and any relevant Person and the Representative of the Noteholders

shall not be responsible for or required to insure against any cost and loss incurred in connections with any such certificate;

(x) assume without enquiry that no Notes are for the time being held by or for the benefit of the Issuer.

3. The Representative of the Noteholders shall be entitled to:

(a) call for and to rely upon a certificate or any letter of confirmation or explanation reasonably believed by it to be genuine, of any party to the Intercreditor Agreement or any other of the Other Issuer Creditors in respect of every matter and circumstance for which a certificate is expressly provided for hereunder or any other Transaction Document and it shall not be bound in any such case to call for further evidence or be responsible for any loss, liability, costs, damages, expenses or inconvenience that may be occasioned by its failing so to do save in case of its gross negligence (*colpa grave*) or willful misconduct (*dolo*);

(b) for the purposes of exercising any right, power, trust, authority, duty or discretion under or in relation to the Transaction Documents or the Notes, in considering whether that such exercise would not be materially prejudicial to the interests of the holders of the Rated Notes, take into account, among the other things, any confirmation from the Rating Agencies that the then current ratings of the Notes would not be adversely affected by such exercise;

(c) without prejudice for what provided in this Article 28 (*Exoneration of the Representative of the Noteholders*), point 4. below, convene a Meeting of the Noteholders of the relevant Class of Notes or Classes of Notes, in connection with matters in respect of which the Representative of the Noteholders is entitled to exercise its discretion hereunder, in order to obtain from them instructions upon how the Representative of the Noteholders should exercise such discretion, *provided that* nothing herein shall be construed so as to oblige the Representative of the Noteholders to convene such a Meeting. Prior to undertaking any action, the Representative of the Noteholders shall be entitled to request at the Meeting to be indemnified for any action taken in accordance with, and/or consequence deriving from, the relevant resolution and/or provided with security to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by taking such action.

4. Should the Senior Noteholders not appoint the member of the Investors Committee pursuant to article 2 of the Rules of the Organisation of the Investors Committee within 3 (three) months from the Issue Date, the Representative of the Noteholders shall promptly convene the Meeting of the Senior Noteholders upon the expiring of such term for the relevant appointment in accordance with Article 20, item (k) above.

5. In case the Representative of the Noteholders exercises its discretion in accordance with Article 4 (*General*), the Representative of the Noteholders shall convene a Meeting of the Noteholders in order to obtain an Extraordinary Resolution providing instructions upon how the Representative of the Noteholders should exercise such discretion. Upon determination by the Meeting of the Noteholders, the Representative of the Noteholders shall comply and shall act in accordance with the instructions contained in the Extraordinary Resolution of the Noteholders.

28.2 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 and notwithstanding anything to the contrary contained herein, or in other Transaction Document, such consent or approval may be given retroactively.

28.3 Any consent, approval or waiver by the Representative of the Noteholders shall be notified to the Rating Agencies.

28.4 No provision of these Rules shall require the Representative of the Noteholders to do anything which may be illegal or contrary to applicable law or regulation or expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights or powers, if the Representative of the Noteholders shall have reasonable grounds for believing that it will not be reimbursed for any amounts, or that it will not be indemnified against any loss or liability, which it may incur as a result of such action.

29. SECURITY DOCUMENTS

29.1 The Representative of the Noteholders is entitled to exercise all rights granted by the Issuer in favour of the Noteholders and the Other Issuer Creditors under the Security Documents to which it is party.

29.2 The Representative of the Noteholders, acting on behalf of the Secured Parties, agrees that all funds credited to the Accounts from time to time shall be applied in accordance with the Cash Administration and Agency Agreement and the Intercreditor Agreement and that available funds standing to the credit of certain Accounts specified in the Cash Administration and Agency Agreement may be used for investments in Eligible Investments.

30. INDEMNITY

It is hereby acknowledged that the Issuer shall reimburse, pay or discharge (on a full indemnity basis) on demand, to the extent not already reimbursed, paid or discharged by any Noteholders, all adequately documented and reasonably incurred costs, liabilities, losses, charges, expenses, damages, actions, proceedings, claims and demands (the "**Requests**" including, without limitation, legal fees and any applicable value added tax or similar tax) properly incurred by or made against the Representative of the Noteholders, or any Person to whom any power, authority or discretion has been delegated by the Representative of the Noteholders, in relation to the preparation and execution of, the exercise, non exercise or purported exercise of its powers and performance of its duties under, and in any other manner in relation to, these Rules or the Transaction Documents, including but not limited to duly documented and reasonable legal and travelling expenses and any duly documented stamp, issue, registration, documentary and other taxes or duties paid by the Representative of the Noteholders in connection with any action and/or legal proceedings brought or contemplated by the Representative of the Noteholders pursuant the Transaction Documents, or against the Issuer or any other Person for enforcing any obligations hereunder, the Notes or the Transaction Documents, except insofar as the same are incurred as a result of gross negligence ("*colpa grave*") or wilful misconduct ("*dolo*") of the Representative of the Noteholders. It remains in any case understood that no amounts shall be paid by the Issuer for Requests that would have been avoided had the Representative of the Noteholders acted with professional care and diligence.

TITLE IV - THE ORGANISATION OF NOTEHOLDERS UPON A SERVICE OF A TRIGGER NOTICE

31. POWERS

It is hereby acknowledged that, upon service of a Trigger Notice and/or failure by the Issuer to exercise its rights under the Transaction Documents, the Representative of the Noteholders shall, pursuant to the Intercreditor Agreement, be entitled to exercise, in the name and on behalf of the

Issuer and as *mandatario in rem propriam* of the Issuer, all and any of the Issuer's Rights, including the right to give directions and instructions to the relevant parties to the Transaction Documents. In connection with any proposed sale of one or more claims comprised in the Portfolio, the Representative of the Noteholders may, but shall not be obliged to, convene a Meeting in accordance with the provisions set forth in these Rules to resolve on the proposed sale.

TITLE V - DISPUTES RESOLUTIONS

32. LAW AND JURISDICTION

32.1 These Rules and all non-contractual obligations arising out or in connection with them are governed by, and will be construed in accordance with, the laws of Italy.

32.2 Any disputes arising out of or in connection with the present Rules, including those concerning its validity, interpretation, performance and termination, as well as all non contractual obligations arising out or in connection with the present Rules, shall be submitted to the exclusive jurisdiction of the courts of Milan, Italy.

SCHEDULE 1 TO THE RULES OF THE ORGANISATION OF THE NOTEHOLDERS

RULES OF THE ORGANISATION OF THE INVESTORS COMMITTEE

Definitions

Capitalised terms not otherwise defined here below shall have the meaning ascribed to the terms and conditions of the Notes.

"**Article**" means an article of the present rules of organisation of the Investors Committee.

"**Expected Annual Maximum Amount**" has the meaning ascribed to the term "*Importo Massimo*" under the Servicing Agreement.

"**Rules**" or "**Rules of the Organisation of the Investors Committee**" means these rules of organisation of the Investors Committee.

"**Relevant Noteholders**" means the Senior Noteholders, the Mezzanine Noteholders or the Junior Noteholders, as the case may be.

"**Relevant Notes**" means the Senior Notes, the Mezzanine Notes or the Junior Notes, as the case may be.

Membership of the Investors Committee

1. Organisation

The committee (the "**Investors Committee**") shall consist of:

(a) 1 member appointed by the Senior Noteholders (the "**Senior Noteholders Member**");

(b) 1 member appointed by the Mezzanine Noteholders (the "**Mezzanine Noteholders Member**"); and

(c) 1 member appointed by the Junior Noteholders (the "**Junior Noteholders Member**" and, together with the Senior Noteholders Member, the Mezzanine Noteholders Member and the Junior Noteholders Member, the "**Members**").

The same individual may be appointed to cover several member positions and may cast the votes attributed to it in several ways.

The Investors Committee is responsible, and has exclusive powers, for resolving and approving the matters proposed by the Monitoring Agent referred to in Articles 8 and 14.

2. Appointment of the initial members

1. Each of the Members shall be appointed as follows:

   (a) without prejudice to what provided under article 20, item (k), of the Rules of the Organisation of the Noteholders, should at any time the Senior Notes be held only in part by the Disenfranchised Noteholder, the Senior Noteholder holding (jointly or separately) a share of not less than 51% of the outstanding amount of the Senior Notes (other than those Senior Notes held at that time by the Disenfranchised Noteholder, that for such purpose will not be deemed to remain outstanding) (in respect of the Senior Notes, the "**Minimum Holding**") may appoint the Senior Noteholders Member;

   (b) the Mezzanine Noteholder holding (jointly or separately) a share of not less than 51% of the outstanding amount of the Mezzanine Notes (other than those Mezzanine Notes held at that time by the Disenfranchised Noteholder, that for such purpose will not be deemed to remain outstanding) (in respect of the Mezzanine Notes, the "**Minimum Holding**") may appoint the Mezzanine Noteholders Member; and

(c) the Junior Noteholder holding (jointly or separately) a share of not less than 51% of the outstanding amount of the Junior Notes (other than those Junior Notes held at that time by the Disenfranchised Noteholder, that for such purpose will not be deemed to remain outstanding) (in respect of the Junior Notes, the "**Minimum Holding**") may appoint the Junior Noteholders Member.

It remains understood that the Disenfranchised Noteholder shall not be entitled to appoint any Member notwithstanding the holding of any Notes.

2. Without prejudice to article 20, item (k), of the Rules of the Organisation of the Noteholders and the provisions of Article 2(1), last paragraph, as regards the first appointment of the Members of the Committee within the earlier of (i) 20 Business Days after the Issue Date; and (ii) the date on which the Monitoring Agent requests in writing to the then current Noteholders to appoint the Committee Member(s) in accordance with these Rules (the "**First Appointment Deadline**"):

   (a) each Senior Noteholder or group of Senior Noteholders holding in the aggregate the Minimum Holding in the Senior Notes may appoint the Senior Noteholders Member;

   (b) each Mezzanine Noteholder or group of Mezzanine Noteholders holding in the aggregate the Minimum Holding in the Mezzanine Notes may appoint the Mezzanine Noteholders Member;

   (c) each Junior Noteholder or group of Junior Noteholders holding in the aggregate the Minimum Holding in the Junior Notes may appoint the Junior Noteholders Member.

3. The appointment of each member to be sent to the Monitoring Agent, the Issuer and the Representative of the Noteholders shall (i) be accompanied by a certificate issued to a Noteholder by the relevant Monte Titoli Account Holder in accordance with the resolution of 13 August 2018 jointly issued by the Bank of Italy and CONSOB, as subsequently amended, supplemented or restated, confirming the amount of the Senior Notes, the Mezzanine Notes or the Junior Notes (as the case may be) held by that entity, (ii) contain the details of the appointed Member(s) together with a copy of the relevant identity card or passport and any other appropriate and necessary information for the performance of its duties within the Investors Committee (including any relevant contact details) and (iii) be signed by the appointed Member authorizing the publication of the information provided in the appointment.

4. The Monitoring Agent shall:

   (a) declare the appointment, pursuant to the provisions of this Rules and without any discretion thereon, of the Members in accordance with this Article 2; and

   (b) give confirmation to the Relevant Noteholders, the Representative of the Noteholders and the Issuer of the Members of the Investors Committee appointed within 7 Business Days from the First Appointment Deadline by publishing the relevant appointments on a specific section, password protected, of the website of the Monitoring Agent.

5. Should the appointment of Zenith Service S.p.A. as Monitoring Agent be terminated, it should notify each Member of the Investors Committee, the Servicer, the Relevant Noteholders, the Representative of the Noteholders and the Issuer of such termination and arrange the migration of all information published so far pursuant to the present Rules to the password-protected website of the successor monitoring agent.

6. It is understood that, neither to the purpose of having a Minimum Holding nor to any other purpose under these Rules, any holding in a Class of Notes can be summed up to any holding in another Class of Notes.

3. Requirements and personal details of each Member

1. Each Member may be either a natural or legal person, including without limitation, and in any case without prejudice to the following paragraphs, any natural or legal person acting as legal representative and/or managing Member to any Noteholder.

2. Each Member shall be "independent" from the Servicer and the Monitoring Agent.

3. For the purpose of this Article 3, "independent" shall mean that, at any time, the relevant individual is not and has not been an employee, director, auditor, consultant, affiliate of the Servicer or any of their affiliates during the previous five-year period.

Terms of the appointment, remuneration

4. Terms of the appointment

Each of the Members shall remain in office for 1 (one) year from the relevant appointment and such appointment will be deemed automatically renewed, unless terminated in accordance with the paragraphs below.

5. Revocation, termination and other natural events

1. Any Relevant Noteholder who has become the owner of the relevant Minimum Holding may proceed to:

   (i) propose the appointment of the members of the Committee, which it has the right to appoint, in such a case the Monitoring Agent shall terminate the Member of the Committee being currently appointed by the Relevant Noteholder having the lower holding in the Relevant Notes, or

   (ii) replace the Member appointed by it pursuant to Article 2 (*Appointment of the initial members*) or this Article.

   In such cases, Article 2.2 shall apply to the extent applicable.

2. In addition, each appointed Member of the Committee shall be deemed revoked when the entity who has appointed it communicates in writing to (i) the Monitoring Agent, (ii) the Member who intends to revoke and (iii) the other Members, its intention of revoking such Member and replacing him/her with a new Member of the Committee, providing all the information indicated in Article 2.3 including the date on which such revocation and the new appointment will be in force.

3. The appointment of a new Member of the Committee shall be accompanied by evidence of the Minimum Holding (or holding pursuant to Article 2.1) at such date by the Relevant Noteholder through the certificate issued by the relevant Monte Titoli Account Holder in accordance with the resolution of 13 August 2018 jointly issued by the Bank of Italy and CONSOB, as subsequently amended, supplemented or restated, provided that the correct outstanding amount of the Relevant Notes at any date (if necessary) may be certified in writing by the Calculation Agent to the Monitoring Agent upon request of this latter.

4. The Monitoring Agent shall promptly notify the Servicer, the Representative of the Noteholders and the Issuer of the appointment of any successor Member and give publication of any termination of appointment and new appointment on a specific section, password protected, of the website of the Monitoring Agent.

6. Termination and other natural events

In case of death of one of the Members, or if the same (member) has submitted a letter of resignation from office, the person who has appointed such Member shall appoint a new entity as a Member of the Investors Committee within 10 Business Days from the occurrence of such event.

7. Remuneration of the Members of the Investors Committee

It is understood that the remuneration of each Member shall be borne by the Issuer.

Duties and functions of the Investors Committee

8. Duties of the Investors Committee

1. The Monitoring Agent, whenever it deems appropriate or whenever it would want to receive instructions from the Investors Committee on the matters on which the Monitoring Agent is requested to express an opinion or to give its consent under the Transaction Documents, may request the Investors Committee to resolve on such matters. Without prejudice to the foregoing, the Monitoring Agent shall call for a resolution of the Investors Committee (and the Investors Committee shall be under the exclusive power to resolve) on the following matters:

   (1) amendment of the Delegated Powers under the Servicing Agreement, provided that, if such amendment determines a reduction of the powers exercisable within the Meetings of the Noteholders, such matter shall be decided with separate Meetings of the Senior Noteholders, the Mezzanine Noteholders and the Junior Noteholders in accordance with the Rules of the Organisation of the Noteholders;

   (2) authorisation for the revocation of an Agent (such term as defined in the Conditions) appointed by the Issuer and its replacement with another party;

   (3) authorisation for changes to the fees of the Agents of the Issuer (whether already appointed as of the Issue Date or newly appointed after the Issue Date) provided that any increase for an amount higher than 10% shall be treated as a Reserved Matter;

   (4) termination of the Servicer upon the occurrence of 2 (two) consecutive First Underperformance Events;

   (5) to approve excess/additional costs and expenses if any of the Recovery Expenses referred to in letter (a) of the definition of "Recovery Expenses Related to the Debt Relationship" or the Recovery Expenses referred to in letters (b) to (h) of the definition of "Recovery Expenses related to the Debt Relationship", has reached, with reference to one specific calendar year period, the relevant Expected Annual Maximum Amount, provided that in the event of deviation from the relevant Expected Annual Maximum Amount higher than (i) 5% (upon occurrence of a Second Underperformance Event) and (ii) 30% (whether under a First Underperformance Event or a Second Underperformance Event has occurred or not), such matter shall be treated as a Reserved Matter;

   (6) to approve excess/additional costs and expenses over the maximum amount provided under the definition of "Further Expenses";

   (7) to approve the activities in accordance with article 3.18.2 of the Servicing Agreement and select, among those indicated by the Servicer in the related proposal the Real Estate Assets for which such services will be required to the Servicer;

   (8) approval of the Investment Guidelines and investments by the Issuer in Eligible Investments (these terms as defined in the Conditions);

   (9) to approve the Updated Portfolio Base Case Scenario proposed by the Servicer, provided that, if such Updated Portfolio Base Case Scenario provides for a reduction of the Gross Expected Collections higher than 15%, such matter shall be treated as a Reserved Matter;

(10) to request to access the documents and information relating to the Receivables (also through direct access to the electronic platform usually used by the Servicer) pursuant to clause 3.12 of the Servicing Agreement and provide indications to that effect;

(11) to give instructions to provide the Servicer with a list of parties identified by the Investors Committee, to send the Quarterly Servicing Report, the Semi-Annual Servicing Report and the Loan by Loan Information (as defined under the Servicing Agreement);

(12) upon termination of the Servicer, to select and approve a list of prospective Successor Servicers to be proposed to the Meeting of the Noteholders for the approval;

(13) upon termination or resignation of the Back-Up Master Servicer, to select and approve a list of prospective substitutes of the Back-Up Master Servicers to be proposed to the Meeting of the Noteholders for the approval;

(14) resolution on, or approval of, any proposal by the Issuer for the appointment of a substitute Agent provided that such matter shall be treated as a Reserved Matter;

(15) authorization to the carrying out by the Servicer of settlements and/or granting of extensions pursuant to clause 3.3(c)(i) of the Servicing Agreement, provided that in the circumstances under clause 3.3(c)(i)(B) of the Servicing Agreement (i) if no Senior Noteholders Member is appointed due to the fact that the Senior Notes are held only by the Disenfranchised Noteholder, the Investors Committee shall not be entitled to vote on this matter and (ii) in any other circumstance such matter shall be treated as a Reserved Matter;

(16) authorization to sell Receivables for a price lower than the Target Price as provided for under clause 3.17 and paragraph (viii) of schedule F of the Servicing Agreement, provided that in the circumstances under paragraph (viii)(b) of the Servicing Agreement (i) if no Senior Noteholders Member is appointed due to the fact that the Senior Notes are held only by the Disenfranchised Noteholder, the Investors Committee shall not be entitled to vote on this matter and (ii) in any other circumstance such matter shall be treated as a Reserved Matter;

(17) to approve the activation of the contractual remedies provided under the Transfer Agreements and the Master Allocation Agreement in accordance with clause 3.6(a) of the Servicing Agreement; and

(18) any other matter expressly attributed to the Investors Committee pursuant to the Transaction Documents,

it being agreed that the Monitoring Agent, following the call of the Investors Committee (in cases of both optional call and mandatory call), is under a duty to follow and implement all matters resolved upon by the Investors Committee;

2. It remains understood that the Monitoring Agent shall submit to the Investors Committee a proposal relating to the matters listed above always representing the best solution to be formulated in order to allow the Members to cast their vote in favour or against the relevant proposal.

3. In addition, the Monitoring Agent may request at its discretion, depending on the nature of the matter proposed, to the Investors Committee to resolve on the matters proposed in accordance with Articles 9 and 10, provided that the Monitoring Agent shall always act in order to reduce the costs connected to the resolutions passed by the Investors Committee.

9. *Written Resolutions*

1. Each Member will be able to cast its vote in relation to the matters submitted to the Investors Committee by the Monitoring Agent:

   (i) within (a) five (5) Business Days of receipt of the relevant request of written resolution by the Monitoring Agent containing all the information related to the matters for which a written resolution of the Investors Committee is required or (b) in case of urgent matters, the shorter time (in any case not lower than two (2) Business Days) indicated by the Monitoring Agent (the "**First Written Resolution Request Deadline**");

   (ii) within (a) three (3) Business Days of receipt of the New Request of Written Resolution (as defined in Article 13 below) pursuant to Article 14, as the case may be or (b) in case of urgent matters, the shorter time (in any case not lower than one (1) Business Day) indicated by the Monitoring Agent.

2. The Monitoring Agent shall provide to the Members all the information deemed important and relevant to the subject of the written resolution by sending the relevant request of written resolution or the New Request of Written Resolution, as the case may be, by e-mail or fax to the addresses indicated in writing upon appointment of the relevant Member. Such notices shall be sent by the Monitoring Agent also to the Representative of the Noteholders and the Issuer.

3. With respect to the information received by the Monitoring Agent, each Member has the right to request clarifications without impact on the elapsing of the period referred to in paragraph 1 above.

4. The Monitoring Agent shall publish on a specific section, password protected, of the website of the Monitoring Agent, the result of any written resolution undertaken pursuant to this Article 9.

10. Convening of the Investors Committee

1. Where the nature of the subject matter of the resolution of the Investors Committee is likely to be considered appropriate to be resolved or, pursuant to the Transaction Documents, shall be resolved by convening the Investors Committee, the Monitoring Agent shall send to each Member, by e-mail or by fax at the addresses indicated in the proposal of the appointment of the relevant Member, a prior written notice of at least the timing indicated under Article 9.1(i) or 9.1(ii) as the case may be, convening each Member at the place and time expressly specified in the notice itself.

2. The Investors Committee may be convened by the Monitoring Agent also in the following circumstances:

   (i) at written request of at least one Member;

   (ii) at written request of the Representative of the Noteholders and/or of the Issuer;

   (iii) should the Servicer requires so pursuant to these Rules;

   (iv) in any other situation in which the Transaction Documents provide that the Monitoring Agent has to comply with the Investors Committee's instructions.

3. The written notice shall contain all the information relevant to the subject matter of the resolution and available to the Monitoring Agent and shall be sent also to the Representative of the Noteholders and the Issuer.

11. Meetings of the Investors Committee

1. The meetings of the Investors Committee may be held by audio-conference or video-conference, provided that all participants can be identified and such identification is recorded in the relevant minutes, and the participants may follow and intervene in the discussion of the items in the

agenda in real time. In this case, the meeting is deemed to take place where the Monitoring Agent has its office.

2. Minutes shall be made of all resolutions and proceedings at each meeting of the Investors Committee. The Monitoring Agent shall write and sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted. The Monitoring Agent shall publish the minute of each meeting on a specific section, password protected, of the website of the Monitoring Agent.

12. Participation to the meetings of the Investors Committee

The Representative of the Noteholders and the Issuer have the right to attend the meetings of the Investors Committee without any decision-making power.

13. Conflicts of Interest

The Members shall report the presence of any conflicts of interest they may have also as representatives of the Relevant Noteholder.

14. Validity of meetings and resolutions

1. Without prejudice to Article 15 below, in case of resolutions after convening of a meeting of the Investors Committee convened to resolve on matters other than the Reserved Matters and either in case of written resolutions or resolutions after convening of a meeting of the Investors Committee convened to resolve on Reserved Matters:

   (a) the Investors Committee shall be duly constituted by the majority of its current Members, *provided that* for matters other than the Reserved Matters the Senior Noteholders Member shall not be counted;

   (b) each Member shall have one vote (without in any case prejudice to what provided under Article 1, second-last past paragraph);

   (c) a resolution is validly passed when the majority (*quorum deliberativo*) of the votes of the Members attending the meeting and entitled to vote at such meeting have been cast in favour of it, *provided that*

   any resolution on a Reserved Matter (as defined below) shall be equal to unanimity of the Members entitled to vote at such meeting.

   For avoidance of doubts the quorums set out above do not apply in case the Committee consists of 1 member only in accordance with Article 1, second paragraph, above.

2. As to the Reserved Matters, in case of lack or absence of the Senior Noteholders Member in circumstances different from the one indicated under last paragraph of Article 2(1), the Special Procedure shall apply to the Meeting of the Senior Noteholders pursuant to Article 17 below (the "**Senior Member Vacancy Procedure**"). Where the Senior Member Vacancy Procedure is applied, the Monitoring Agent shall consider the decision passed by the Meeting of the Senior Noteholders together with the decision passed by the Members respectively appointed by the Mezzanine Noteholders and the Junior Noteholders (who has ceased holding the relevant Minimum Holding) in order to verify whether the relevant Reserved Matter has been passed by the unanimity of the relevant voters.

3. In case of lack of quorum for the constitution of the Investors Committee pursuant to paragraph 1 (a) above, (i) the meeting shall be adjourned to a date which shall be not less than 1 Business Day

and no more than 4 Business Days (at the discretion of the Monitoring Agent depending on the urgency of the relevant matter) from the date of the first calling of the relevant meeting (provided that, for the avoidance of doubt, such adjourned meeting shall always be held on a Business Day); or (ii) in case of written resolution, the Monitoring Agent shall send a new request of written resolution (the "**New Request of Written Resolution**") to each Member, not before than 1 Business Day and no after than 4 Business Days (at the discretion of the Monitoring Agent depending on the urgency of the relevant matter) from the elapsing of the First Written Resolution Request Deadline.

4. It being understood that a meeting may be adjourned only once and any subsequent lack of quorum is counted as a negative vote to the subject proposed by the Monitoring Agent.

5. For the purpose of this Article 14, "**Reserved Matters**" means any of the following:

a) the authorization to increase the fees of any Agent (either if already appointed on the Issue Date or appointed thereafter) for an amount which is higher than 10% of the fee paid then to such Agent;

b) to approve excess/additional costs and expenses (if any) of (1) the Recovery Expenses referred to in letter (a) of the definition of "Recovery Expenses Related to the Debt Relationship" or (2) the Recovery Expenses referred to in letters (b) to (d) of the definition of "Recovery Expenses related to the Debt Relationship" in the event of deviation from the relevant Expected Annual Maximum Amount higher than (i) 5% (upon occurrence of a Second Underperformance Event) and (ii) 30% (whether under a First Underperformance Event or a Second Underperformance Event has occurred or not);

c) any amendment to the Delegated Powers, it being understood that if no Senior Noteholders Member is appointed due to the fact that the Senior Notes are held only by the Disenfranchised Noteholder, the Investors Committee shall not be entitled to vote on this matter;

d) approval of the Updated Portfolio Base Case Scenario proposed by the Servicer if the it provides for a reduction of the Gross Expected Collections higher than 15%;

e) authorization to the carrying out by the Servicer of settlements and/or granting of extensions in the circumstances set forth under clause 3.3(c)(i)(B) of the Servicing Agreement, it being understood that if no Senior Noteholders Member is appointed due to the fact that the Senior Notes are held only by the Disenfranchised Noteholder, the Investors Committee shall not be entitled to vote on this matter;

f) authorization to sell Receivables in the circumstances set forth under paragraph (viii)(b) of schedule F of the Servicing Agreement, it being understood that if no Senior Noteholders Member is appointed due to the fact that the Senior Notes are held only by the Disenfranchised Noteholder, the Investors Committee shall not be entitled to vote on this matter;

g) resolution on, or approval of, any proposal by the Issuer for the appointment of a substitute Agent; and

h) any matter different from the above in the event that it may prejudice the rating of the Senior Notes, it being understood that if no Senior Noteholders Member is appointed due to the fact that the Senior Notes are held only by the Disenfranchised Noteholder, the Investors Committee shall not be entitled to vote on this matter.

15. Effects of the resolutions adopted by the Investors Committee

The resolutions passed by the Investors Committee, whether by written resolution or resolution following the convening of a meeting, are binding on the Monitoring Agent and therefore on the Issuer, the Servicer, the Representative of the Noteholders and all the other parties involved in the Transaction.

16. Removal of the Monitoring Agent

The Monitoring Agent can be removed by the meetings of the Investors Committee at any time, provided that: (i) in such case, the relevant resolution of the Investors Committee is validly passed by a number of Members which for the time being represent at least 80% of the total voting rights of the Investors Committee (or, in case the Investors Committee is composed of one sole Member, by the sole Member of the Investors Committee); and (ii) the Monitoring Agent receives in writing the reason behind such removal.

17. Special Procedure

In the event of lack or absence of the Senior Noteholders Member in the Investors Committee called to resolve on a Reserved Matter in circumstances different from the fact that the Senior Notes are held only by the Disenfranchised Noteholder (as indicated under last paragraph of Article 2(1)), the Monitoring Agent, the Representative of the Noteholders and the Issuer shall act in accordance with the procedure set forth below (the "**Special Procedure**"):

(i) the Monitoring Agent shall send, upon consultation with the Investors Committee, a notice to the Issuer and the Representative of the Noteholders communicating its intention to determine and decide on a specific Reserved Matter;

(ii) the Representative of the Noteholders, within 1 Business Day from the receipt of such notice from the Monitoring Agent, shall inform the Senior Noteholders of the proposal that the Monitoring Agent is intended to make with respect to such specific matter giving them a 10 Business Days period (the "**Evaluation Period**"), to evaluate the possibility to convene a Meeting in order to decide on the same matter and instruct the Issuer to proceed accordingly;

(iii) the Issuer, pending the Evaluation Period, shall not implement the decision originally made by the Monitoring Agent;

(iv) upon expiry of the Evaluation Period, in case the Issuer: (a) has not received any notice by the Representative of the Noteholders, it will implement the decision originally made by the Monitoring Agent and act accordingly; or (b) has been notified by the Representative of the Noteholders of the intention of the Senior Noteholders to convene a Meeting on the relevant Reserved Matter submitted to their assessment, it will wait for the relevant resolution – to be assumed by the Meeting not later than 15 Business Days from the receipt by the Issuer of the relevant notice – and thereafter comply with such resolution and act accordingly, disregarding the original decision proposed by the Monitoring Agent.

Miscellanea

18. Confidentiality obligations

Each Relevant Noteholder is committed to make the relevant Member to undertake in writing, upon appointment, (i) confidentiality obligations in relation to all the information, documents and records received or known in connection with its appointment as a Member and (ii) to refrain from disclosing to third party any such information (unless required to do so by law or the relevant information is disclosed to any parent and/or subsidiary and/or affiliate and/or lender provided that the relevant recipient is under a confidentiality obligation substantially in line with the terms of this clause) nor using them for purposes not consistent with the activity of the Investors Committee.

19. Amendments to these Rules – technical errors

1. Any amendment to these Rules shall be agreed by, and transacted at, a separate Meetings of the Senior Noteholders, the Mezzanine Noteholders and the Junior Noteholders in accordance with the Rules of the Organisation of the Noteholders and shall be subject to the prior written notice to the Representative of the Noteholders, the Monitoring Agent and (to the extent that there are Rated Notes outstanding) the Rating Agencies.

2. The Monitoring Agent may agree (in the name and on behalf of the Noteholders) amendments or modifications to these Rules which in the sole and absolute opinion of the Monitoring Agent it is expedient to make or is to correct a manifest error or is of a formal, minor or technical nature.

3. The Monitoring Agent shall publish any such amendment on a specific section, password protected, of the website of the Monitoring Agent to be effective towards the Noteholders.

20. Notices

1. Any communications hereunder to the Monitoring Agent and any other party to the Transaction shall be in English and shall be sent to the addresses and/or facsimile numbers indicated in the Intercreditor Agreement, as amended and supplemented from time to time.

2. Any communications hereunder to a Member shall be sent to the addresses and/or facsimile numbers indicated in the relevant proposal of appointment.

21. Dispute Resolutions

Any disputes arising out of or in connection with the application and/or interpretation of these Rules shall be notified by the Monitoring Agent to the Representative of the Noteholders, who will act on the basis of the instructions received by an Extraordinary Resolution of the Senior Noteholders, the Mezzanine Noteholders and the Junior Noteholders.

SELECTED ASPECTS OF ITALIAN LAW

The following is a description of certain aspects of Italian Law that are relevant to the transactions described in this Prospectus and of which prospective Noteholders should be aware. It is not intended to be exhaustive and prospective Noteholders should also read the detailed information set out elsewhere in this Prospectus.

THE SECURITISATION LAW

The Securitisation Law was enacted on 30 April 1999 and was conceived to simplify the securitisation process and to facilitate the increased use of securitisation as a financing technique in the Republic of Italy.

It applies to securitisation transactions involving the "true" sale (by way of non-gratuitous assignment) of claims, where the sale is to a company created in accordance with Article 3 of the Securitisation Law and all amounts paid by the assigned debtors in respect of the claims are to be used by the relevant company exclusively to meet its obligations under the notes issued to fund the purchase of such claims and all costs and expenses associated with the securitisation transaction. It should be noted that 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 ("**Law 9/2014**") and Italian 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 normative europea*") converted with amendments into Law No. 116 of 11 August 2014, ("**Law 116/2014**") introduced, *inter alios*, the following amendments to the Securitisation Law for the purpose of improving the Securitisation Law by granting additional legal benefits to the entities involved in the securitisation transactions in Italy and better clarifying certain provisions of the Securitisation Law.

In particular, the following main changes have been introduced by such laws in respect of the Securitisation Law:

1. the assigned debtors in securitisation transactions shall not be entitled to exercise any set-off between the amounts due by them under the assigned claims and their claims arisen after the date of publication in the Official Gazette of the notice of transfer of the relevant portfolio or the date certain at law ("*data certa*") on which the relevant purchase price (even if partial) has been paid;

2. payments made by assigned debtors under securitised claims are not subject to the declaration of ineffectiveness pursuant to Article 65 of the Bankruptcy Law;

3. the assignment of receivables owed by public entities made under the Securitisation Law will now be subject only to the formalities contemplated by the Securitisation Law (*i.e.*, the publication of the notice of assignment in the Official Gazette and the registration of the assignment in the register of companies where the assignee is enrolled) and no other formalities shall apply;

4. where the notes issued by the special purpose vehicle are subscribed by qualified investors, the underwriter can also be a sole investor;

5. if the servicer, the sub-servicer or the depositary bank, with which the accounts for the deposit of the collections received from the assigned debtors of securitisation transactions have been opened, becomes subject to insolvency proceedings, the amounts credited on such accounts will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan;

6. securitisation companies established under the Securitisation Law are allowed to grant direct financings to entities which are not individuals or so called micro-companies, subject to certain conditions;

7. certain consequential changes are made to the Securitisation Law to reflect such new possibility under prior 6; and

8. the segregation principle set out in the second paragraph of Article 3 of the Securitisation Law is widened to include any right arising in favour of the securitisation company in the context of the relevant securitisation transaction, the relevant collections and the financial assets acquired with such collections.

In addition to the above, on 15 June 2017, the Italian Parliament approved the conversion law relating to Italian Law Decree No. 50 of 24 April 2017 (published in the Official Gazette No. 95 of 24 April 2017 and in force from that date) (*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) (the "**Decree 50/2017**") converted with amendments into Law No. 96 of 21 June 2017. Article 60-sexies of the decree 50/2017 introduced new provisions in the Securitisation Law, the purpose of which is to improve the likelihood of recoveries and collections in respect of non-performing loan receivables.

Further amendments to the Securitisation Law have been made by Law No. 145 of 30 December 2018 (the "**2019 Budget Law**"), as published in the Official Gazette No. 302 of 31 December 2018, and by Law Decree No. 34 of 30 April 2019 (*Misure urgenti di crescita economica e per la risoluzione di specifiche situazioni di crisi*), published in the Official Gazette No. 100 of 30 April 2019 (the "**Decreto Crescita**").

Finally, amendments to the Securitisation Law have been made by Law No. 30 December 2020 n. 178 (the "**2021 Budget Law**"), as published in the Official Gazette No. 322 of 30 December 2020.

THE ASSIGNMENT AND THE REALLOCATION

The assignment of the claims under the Securitisation Law is governed by Article 58, paragraphs 2, 3 and 4, of the Consolidated Banking Act. According to the prevailing interpretation of such provisions, which has been strengthened by Article 4 of the Securitisation Law, the assignment can be perfected against the seller, borrowers and third party creditors by way of publication of the relevant notice in the Official Gazette in respect of the assigned receivables and registration of the transfer in the companies' register where the Issuer is enrolled, so avoiding the need for notification to be served on each assigned debtor. Furthermore, the Bank of Italy could require further formalities.

Upon compliance with the formalities set forth by the Securitisation Law, the assignment becomes enforceable against:

(a) the borrowers and any creditors of the seller who have not, prior to the date of publication of the notice of assignment in the Official Gazette and registration of the assignment in the companies' register where the assignee is enrolled, commenced enforcement proceedings in respect of the relevant claims;

(b) the liquidator or any other bankruptcy officials of the borrowers (so that any payments made by an assigned debtor to the purchasing company may not be subject to any claw-back action according to Article 67 of the Bankruptcy Law; and (ii) the liquidator of the seller (*provided that* the seller has not been subjected to insolvency proceeding prior to the date of publication of the notice of assignment in the Official Gazette and the registration of the assignment in the register of companies where the assignee is enrolled); and

(c) other permitted assignees of the seller who have not perfected their assignment prior to the date of publication of the notice of assignment in the Official Gazette and the registration of the assignment in the companies' register where the assignee is enrolled.

The benefit of any privilege, guarantee or security interest guaranteeing or securing repayment of the assigned claims will automatically be transferred to and perfected with the same priority in favour of the company which has purchased the claims, without the need for any formality or annotation.

As from the later of (i) the date of publication of the notice of the assignment in the Official Gazette; and (ii) the date of registration of the assignment in the companies' register where the assignee is enrolled, no legal action may be brought against the claims assigned or the sums derived therefrom other than for the purposes of enforcing the rights of the holders of the notes issued for the purpose of financing the acquisition of the relevant claims and to meet the costs of the transaction.

In addition to the above, the Decree 50/2017 has introduced a specific legal publication regime for disposals made by banks and financial institutions that relate to receivables not identifiable as a pool ("*in blocco*"). Notification of such disposals shall be published by way of registration in the relevant companies register and publication in the Official Gazette of the notice of assignment which shall set out, *inter alia,* the website where the seller and the purchaser will make available - until the full repayment or extinction of the assigned receivables - of the indicative information relating to such portfolio and the confirmation of the transfer occurred. The legal effects pursuant to Article 1264 of the Italian Civil Code shall apply to the borrowers upon and from the date of publication of the notice of assignment in the Italian Official Gazette. The ancillary rights and guarantees of any kind arising in favour of the seller, together with the entries in public registers of the purchase deeds relating to the property the subject of the finance leases that have been assigned, shall remain valid and maintain their security ranking in favour of the purchaser without further formality. Any other special legal regimes which previously applied to the relevant assigned receivables, including of a procedural nature, will also continue to apply.

Notice of the assignment of the Receivables by the Original Sellers to the Issuer pursuant to the relevant transfer agreement was published by the Issuer in the Official Gazette and registered with the Register of Enterprises of Milan, Monza Brianza, Lodi before the relevant issue date of each Existing Securitisation.

With reference to the Transaction, the Issuer has undertaken to ask the publication in the Official Gazette of a notice of reallocation of the Portfolio in a new segregated compartment (*patrimonio separato*) of the Issuer (the "**Reallocation Notice**") and the registration thereof with the relevant Register of Enterprises.

Assignments executed under the Securitisation Law are subject to revocation upon bankruptcy under Article 67 of the Bankruptcy Law but only in the event that the securitisation transaction is entered into within three months of the adjudication of bankruptcy of the relevant party or, in cases where paragraph 1 of Article 67 of the Bankruptcy Law applies, within six months of the adjudication of bankruptcy.

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

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

RING-FENCING OF THE ASSETS

Pursuant to operation of Article 3 of the Securitisation Law, the assets relating to each securitisation transaction are segregated, by operation of law, for all purposes from all other assets of the company which purchases the claims (including, for the avoidance of doubt, any other portfolio purchased by the

company pursuant to the Securitisation Law). Prior to and on a winding up of such a company, such assets (for so long as such amounts are credited to one of the Issuer's accounts under the Transaction and not commingled with other sums) will only be available to holders of the notes issued to finance the acquisition of the relevant claims 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. However, under Italian law, any other creditor of the Issuer would be able to commence insolvency or winding up proceedings against the Issuer in respect of any unpaid debt.

In addition to the above, it should be noted that, pursuant to the amendments introduced to the Securitisation Law by Law 9/2014, Law 116/2014 and Decree 50/2017, it has been provided for that *inter alia*:

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

(ii) in respect of the accounts opened by the servicers and the sub-servicers with banks, and into which the amounts paid by the assigned debtors may be credited, the creditors of the relevant servicer or sub-servicer may exercise claims only in respect of the amounts credited on such accounts that exceed the amounts due to the relevant special purpose vehicle. Should any insolvency procedure apply to the relevant servicer or sub-servicer, the amounts credited on such segregated accounts and the sums deposited during the course of the relevant insolvency procedure will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan. Under Italian law, however, any creditor of the Issuer would be able to commence insolvency or winding-up proceedings against the Issuer in respect of any unpaid debt; and

(iii) with respect to the possible establishment of corporate vehicles -aimed at directly acquiring the real estate and other (registered) assets securing the relevant receivables - and any amounts deriving from instruments purchased or subscribed for such companies, amounts deriving from these assets and the proceeds of sale will be deemed to be ring-fenced assets of the Issuer which must be used exclusively to satisfy the Noteholders and to meet transaction costs.

CLAW-BACK OF THE SALE OF THE PORTFOLIO

The sale of the Portfolio by the relevant Original Seller to the Issuer may be clawed back by a receiver of the relevant Original Seller under Article 67, paragraphs 1(4) and 2 of the Bankruptcy Law but only in the event that the relevant Original Seller was insolvent when the assignment was entered into and was executed within three months of the admission of the relevant Original Seller to compulsory liquidation (*liquidazione coatta amministrativa*) pursuant to Title IV, heading I, section III of the Consolidated

Banking Act or in cases where paragraphs 1(1), 1(2) and 1(3) of Article 67 of the Bankruptcy Law apply, within six months of the admission to compulsory liquidation.

On 11 October 2017, Italian Parliament approved Law No. 155 of 19 October 2017 (*Legge Delega*) conferring to the Government the powers to reform the Bankruptcy Law. On 14 February 2019, Legislative Decree No. 14 of 12 January 2019, enacting Law No. 155 of 19 October 2017, has been published on the Official Gazette and will enter into force as of 15 August 2020 except for certain amendments entered into force as of 16 March 2019.

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

However, prospective Noteholders should consider that more than six months have been already elapsed from the sale of Receivables by the Original Sellers to the Issuer occurred in the context of the Existing Securitisations.

PAYMENTS MADE BY THE DEBTORS TO THE ISSUER

Pursuant to Article 4 of the Securitisation Law, as amended by Law 9/2014 and Law 116/2014, the payments made by an assigned debtor to the Issuer may not be subject to any claw-back action pursuant to Article 67 of the Bankruptcy Law.

All other payments made to the Issuer by any party under a Transaction Document in the six months or one year "suspect period" (i.e. the period leading up to the bankruptcy or compulsory liquidation declaration) prior to the date on which such party has been declared bankrupt or has been admitted to the compulsory liquidation ("*liquidazione coatta amministrativa*") may be subject to claw-back action according to Article 67 of the Bankruptcy Law. The relevant payment will be set aside and clawed back if the receiver gives evidence that the recipient of the payments had knowledge of the state of insolvency when the payments were made. 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 may in its discretion consider all relevant circumstances.

THE ISSUER

Under the provisions of Article 5, paragraph 2, of the Securitisation Law, the standard limits and the other provisions related to the issue of securities prescribed for Italian companies (other than banks) under the Italian Civil Code (Articles from 2410 to 2420) are inapplicable to the Issuer.

INEFFECTIVENESS OF PREPAYMENTS BY ASSIGNED DEBTORS

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

The Securitisation Law, as amended by Law 9/2014, provides that **(i)** the claw-back provisions set forth in article 67 of the Bankruptcy Law do not apply to payments made by the Assigned Debtors to the Issuer in respect of the securitised Receivables and **(ii)** the payments made by assigned debtors under securitised claims are not subject to the declaration of ineffectiveness pursuant to article 65 of the Bankruptcy Law. For further details with respect to the Law 9/2014, please see the section headed "*Selected aspects of Italian Law – The Securitisation Law*".

MUTUI FONDIARI

The Loans include *inter alia* mortgage loans qualifying as "*mutui fondiari"*. In addition to the general legislation commonly applicable to mortgage lending, mortgage loans which qualify as "*mutui fondiari"*

are regulated by specific legislation which provides for a number of rights in favour of the mortgage lender that are not provided for by general legislation.

Agreements relating to "*mutui fondiari"* executed before 1 January 1994 are regulated by the Italian legislation on "*credito fondiario"* in force prior to that date, which permitted only credit institutions having special license to grant "*mutui fondiari"*. All other credit institutions were not permitted to conduct mortgage lending business. As of 1 January 1994, under the new legislative framework under the Consolidated Banking Act, all banks having a general banking license became qualified to enter into *mutui fondiari* agreements. The new legislation applies only to *"mutui fondiari"* agreements executed, and foreclosure proceedings commenced, on or after 1 January 1994.

With respect to the legislative framework under the Consolidated Banking Act, certain provisions under the "*mutuo fondiario*'s" legislation entitle the lender to commence or continue foreclosure proceedings also after the declaration of insolvency ("*fallimento"*) of the affected debtor, to receive repayment from the price paid for a mortgaged property at auction up to the price corresponding to the "*mutui fondiari"* debt directly from the purchaser (without having to await disbursement by the court) and to an assignment of any rentals earned by the mortgaged property, net of administration expenses and taxes.

With respect to the assigned debtors, such *mutuo fondiario*'s legislation provides that: (a) the assigned debtor is entitled to a thirty calendar day grace period on payments of instalments; delays in payment of instalments of not over one hundred and eighty days may justify termination of the Loan only starting from the eighth (also non consecutive) unpaid instalment; and (b) each time the assigned debtor has repaid one fifth of its original debt, it is entitled to a corresponding reduction of the amount covered by the mortgage; to the extent that a Loan is secured by mortgages on more than one asset, the assigned debtor is entitled to the release of one or more assets from the mortgage to the extent it is able to prove that the remaining assets would be sufficient to ensure a loan to value of at least 120% (or, according to an interpretation, the original loan to value, if higher).

RECOVERY PROCEEDINGS

Ordinary enforcement proceedings

Mortgages may be "voluntary" ("*ipoteche volontarie"*) if granted by a assigned debtor or a third party guarantor by way of a deed or "judicial" ("*ipoteche giudiziarie"*) if registered in the appropriate land registry ("*Conservatoria dei Registri Immobiliari"*) following a court order or injunction to pay amounts in respect of any outstanding debt or unperformed obligation.

A mortgage lender (whose debt is secured by a mortgage, whether "voluntary" or "judicial") may commence enforcement proceedings by seeking a court order or injunction for payment in the form of an enforcement order ("*titolo esecutivo"*) from the court in whose jurisdiction the mortgaged property is located. This court order or injunction must be served on the debtor.

If the mortgage loan was executed in the form of a public deed, a mortgage lender can serve a copy of the mortgage loan agreement, stamped by a notary public with an order for the execution thereof ("*formula esecutiva"*) directly on the debtor without the need to obtain an enforcement order ("*titolo esecutivo"*) from the court. A writ of execution ("*atto di precetto"*) is notified to the debtor together with either the enforcement order ("*titolo esecutivo"*) or the loan agreement, as the case may be.

Within 10 (ten) days of filing, but not later than 90 (ninety) days from the date on which notice of the writ of execution ("*atto di precetto"*) is served, the mortgage lender may request the attachment of the mortgaged property. The property will be attached by a court order, which must then be filed with the appropriate land registry ("*Conservatoria dei Registri Immobiliari"*). The court will, at the request of the mortgage lender, appoint a custodian to manage the mortgaged property in the interest of the mortgage lender. If the mortgage lender does not make such a request, the debtor will automatically become the custodian of such property.

The mortgage lender is required to search the land registry to ascertain the identity of the current owner of the property and must then serve notice of the request for attachment on the current owner, even if no transfer of the property from the original assigned debtor or mortgagor to a third party purchaser has been previously notified to the mortgage lender. Not earlier than 10 (ten) days and not later than 90 (ninety) days after serving the attachment order, the mortgage lender may request the court to sell the mortgaged property. The court may delay its decision in respect of the mortgage lender's request in order to hear any challenge by the debtor to the attachment.

Technical delays may be caused by the need to append to the mortgage lender's request for attachment copies of the relevant mortgage and cadastral (*i.e.* land registry) certificates ("*certificati catastali"*), which usually take some time to obtain. Law No. 302 should reduce the duration of the enforcement proceedings by allowing the mortgage lender to substitute such cadastral certificates with certificates obtained from public notaries and by allowing public notaries to conduct various activities which were before exclusively within the powers of the courts.

The court appoints an expert to estimate the property's value. Such estimate is useful for the sale with auction ("*vendita con incanto"*) because, on the basis of the expert's evaluation, the court shall determine the minimum bid price for the property at the auction and for the sale without auction (*"vendita senza incanto*)*"*, because on that basis, the Judge shall determine the validity of the bids (which in fact are not valid if it is lower than one-fourth or more of the price determined in the judge's order).

The sale without auction takes place before the sale with auction.

In the sale without auction, the bidders file their bids with the clerk office of the judge, in a closed envelope and the judge decides on the bid after hearing the parties. If the bid is equal to or higher than the minimum bid price, the same bid is granted; if the bid is lower than one-fourth or more of the price determined in the judge's order, the offer is not valid. If the bid is lower than the price determined in the judge's order but does not fall below one-fourth of such price, the judge may proceed with the sale if he believes that there is no real possibility to obtain a higher price with a new sale. In case there are more bids, the judge invites the bidders to make offers on the basis of the highest bid. Should no offer be made, the judge may order the sale in favour of the best bidder or order the auction; in case motions for assignment are filed and the best bid is lower than the value of the real estate as determined in the judge's order, the judge does not proceed with the auction and he shall proceed with the assignment.

When the sale without auction is not successful, the sale by auction takes place before the judge with public hearings. When the judge orders the auction, he establishes the followings: (a) if the sale shall be accomplished by one or more lots; (b) auction base price, (c) day and hour of the auction, (d) the time limit which shall run from the accomplishment of the publicity forms and the auction; (e) the bond amount no higher than one-tenth of the auction starting price and the time limit by which it shall be deposited by the bidders; (f) the minimum amounts of the bids' increases; (g) the term, no longer than 60 days running from the award, by which the price shall be deposited and the modalities of deposit.

The bids are not valid if they do not exceed the auction base price or the previous offer made by others bidders in the minimum amount indicated by the judge. Once the auction is adjudicated, bids may still be made by the final time limit of 10 days, but they are valid only if the price offered exceeds one fifth of the price reached at the auction.

If an auction fails to result in the sale of the property, the court will arrange a new auction with a lower minimum bid price. The courts have discretion to decide whether, and to what extent, the bid price should be reduced (the maximum permitted reduction being one-fifth of the minimum bid price of the previous auction). In practice, the courts tend to apply the one-fifth reduction. In the event that no offer is made during an auction, the mortgage lender may apply to the court for a direct assignment of the mortgaged property to the mortgage lender itself. In practice, however, the courts tend to hold auctions until the mortgaged property is sold.

The sale proceeds, after deduction of the expenses of the enforcement proceedings and any expenses for the cancellation of the mortgages, will be applied in satisfaction of the claims of the mortgage lender in priority to the claims of any other creditor of the debtor (except for the claims for taxes due in relation to the mortgaged property and for which the collector of taxes participates in the enforcement proceedings).

Upon payment in full of the purchase price by the purchaser within the specified time period, title to the property will be transferred after the court issues an official decree ordering the transfer. In the event that proceedings have been commenced by creditors other than the mortgage lender, the mortgage lender will have priority over such other creditors in having recourse to the assets of the assigned debtor during such proceedings, such recourse being limited to the value of the mortgaged property.

The average length of enforcement proceedings from the court order or injunction of payment to the final sharing out is between six and seven years. In the medium-sized central and northern Italian cities, it can be significantly less whereas in major cities or in southern Italy, the duration of the procedure can significantly exceed the average. Law No. 302 has been passed with the aim of reducing the duration of enforcement proceedings.

Italian Law No. 302 of 3 August 1998, Italian Law No. 80 of 15 May 2005, Italian Law No. 263 of 28 December 2005 and the Italian Code of Civil Procedure as amended thereby have introduced certain rules according to which some of the activities to be carried on in a foreclosure procedure may be entrusted to a notary public, lawyers or chartered accountants duly registered with the relevant register as kept and updated from time to time by the chairman of the competent court (*Presidente del Tribunale*).

In particular, if requested by a creditor, the notary public may issue a notarial certificate attesting the results of the searches with the "catasto" and with the appropriate land registry (*Conservatoria dei Registri Immobiliari*). Such notarial certificate replaces several documents that are usually required to be attached to the motion for the auction and reduces the timing normally required to obtain the documentation from the relevant public offices. Moreover, if appointed by the foreclosure judge, the notary public may execute the sale by auction by: (a) determining the value of the property; (b) deciding on the offers received after the auction and concerning the payment of the relevant price; (c) initiating further auctions or transfer; (d) executing certain formal documents relating to the registration and filing with the land registry of the transfer decree prepared by the same notary public and issued by the foreclosure judge; and (e) preparing the proceeds' distribution plan and forwarding the same to the foreclosure judge.

With regard to the above, the involvement of a notary public by the foreclosure judge is permitted when: (a) the foreclosure judge has not yet decided on the motion for an auction; (b) a sale without auction has not been performed successfully and the foreclosure judge after consultation with the creditors decides to proceed with an auction; and (c) a possible receivership has ceased and the foreclosure judge decides to proceed with a sale by auction. On the other hand, the involvement of a notary public does not seem to be possible both when a decree providing for the sale without auction has already been issued and when an auction before the foreclosure judge has already been fixed. If the auction is concluded without a sale, it is possible that the foreclosure judge may delegate the power to execute further auctions to the notary public.

Mutui fondiari enforcement proceedings

The Mortgage Loans include *inter alia* mortgage loans qualifying as "*mutui fondiari"*. Enforcement proceedings in respect of "*mutui fondiari"* commenced after 1 January 1994 are currently regulated by article 38 *et seq.* of the Consolidated Banking Act in which several exceptions to the rules applying to enforcement proceedings in general are provided for. In particular, there is no requirement to serve a copy of the loan agreement directly on the assigned debtor and the mortgage lender of mutui fondiari is entitled to commence or continue enforcement proceedings after the debtor is declared insolvent or insolvency proceedings have been commenced.

Moreover, the custodian appointed to manage the mortgaged property in the interest of the "*fondiario"* lender pays directly to the lender the revenues recovered on the mortgaged property (net of administration expenses and taxes). After the sale of the mortgaged property, the court orders the purchaser (or the assignee in the case of an assignment) to pay that part of the price corresponding to the "*mutui fondiari"* lender's debt directly to the lender.

Pursuant to article 58 of the Consolidated Banking Act, the Issuer will be entitled to benefit from such procedural advantages which apply in favour of a lender of a *mutuo fondiario* loan.

Enforcement proceedings for mutui fondiari commenced on or before 31 December 1993 are regulated by the Royal Decree No. 646 of 16 July 1905, which confers on the mutuo fondiario lender rights and privileges that are not provided for by the Consolidated Banking Act with respect to enforcement proceedings on mutui fondiari commenced on or after 1 January 1994. Such additional rights and privileges include the right of the bank to commence enforcement proceedings against the assigned debtor even after the real estate has been sold to a third party who has taken the place of the assigned debtor as debtor under the mutuo fondiario provided that the name of such third party has not been notified to the lender. Further rights include the right of the bank to apply for the real estate to be valued by the court after commencement of enforcement proceedings, at the value indicated in the mutuo fondiario agreement without having to have a further expert appraisal.

Insolvency proceedings

A company or individual qualifying as commercial entrepreneur ("*imprenditore che esercita un'attività commerciale"*) qualifying 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"*), 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, upon the initiative of any of its creditors or of the Public Prosecutor) 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 assigned 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 crisis (*stato di crisi*) or insolvent may propose, pursuant to Articles 160 and following of the Bankruptcy Law, as recently amended, 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. If the proposed composition is on a liquidation basis, plan must ensure the payment of at least 20% of the unsecured receivables.

A proposal for a composition plan is approved if it receives the favourable vote of 50%+1 (in term of amount of claims) of the unsecured creditors and impaired secured creditors, whenever classes of

creditors are created, a majority of the classes is also needed. If an approved composition plan is not challenged in court, the court will validate the composition plan by decree; such decree terminates the procedure.

Article 161 of the Bankruptcy Law provides that a debtor in a state of crisis or state of insolvency may file a petition before the competent court containing a request for a composition agreement standstill request (*domanda di concordato con riserva*) together the annual financial statements for the last three financial years and the list of creditors' name with indication of the relevant credits and with the reservation to file the restructuring plan/proposal (and other relevant documents). The debtor shall subsequently file the above mentioned plan, within the date set by the competent court. Together with the motivated decree setting such date, the competent court may nominate a court-appointed commissioner pursuant to the provision of Article 161 paragraph 6, of the Bankruptcy Law.

Law Decree No. 83 of 27 June 2015, as converted into Law No. 132 of 6 August 2015 ("**Decree 83**"), has amended the discipline of the Bankruptcy Law and, inter alios, some aspects regarding:

(i) the composition agreement (*concordato preventivo*); and

(ii) the debts restructuring agreement (*accordo di ristrutturazione dei debiti*).

In relation to the composition agreement, pursuant to the new Article 163-bis, when the plan of the composition provides for an offer by a party to purchase the debtor business or line of business or valuable assets of the debtor, the court shall issue a decree in order to start a competitive procedure ("*procedimento competitivo"*) to search for new prospective buyers. Such decree shall also indicate and describe the procedure for submitting irrevocable offers and ensure the comparability between them. At the hearing set for the exam of the offers, these are published. In the presence of different offers better than the proposal of the debtor, the court provides for a competition between them. As a consequence, the debtor shall amend the proposal of composition agreement in compliance with the result of the competition.

In addition, the Decree 83 has amended Article 163 of the Bankruptcy Law in order to allow the creditors to offer alternative proposals of composition agreement from that offered by the insolvent debtor. For this purpose, the new proposal must be formulated by creditors representing at least the 10% of all the claims, provided that such request will not be taken into account when the offer of the debtor ensure the payment of at least 30% of the unsecured claims.

From the date on which the petition for a composition agreement with creditors or the petition containing a request for a composition agreement standstill (*domanda di concordato con riserva*) is filed with the competent companies' register, an "automatic stay" period is triggered, during which all creditors are prevented from recovering their debt or foreclosing on the debtor's assets. The temporary "automatic stay" is effective until the date of final confirmation (*decreto di omologazione*) of the composition agreement with creditors. Following the filing of the petition before the competent court, the relevant court evaluates whether conditions for admission to such proceeding are met. Should the court decide that the petition does not satisfy the requirements set out by law, the debtor's petition is rejected and if the debtor is in a state of insolvency it may be declared bankrupt (*fallito*). If the conditions for admission are met, the relevant court will, inter alia, appoint the court-appointed commissioner (if it was not already appointed by the competent court pursuant to Article 161, paragraph 6, of the Bankruptcy Law) who will notify each creditor of the date of the creditor's meeting to vote on the plan proposed by the debtor. The composition agreement with creditors is approved with the favorable vote of creditors representing 50%+1 of credits admitted to vote. If there are different classes of creditors, the composition agreement with creditors is approved if the majority is reached also in the majority of the classes. If creditors approve the composition agreement, the designated judge, if all procedures have taken place regularly and in the absence of oppositions (or once possible oppositions have been dealt with and resolved), will confirm that approval.

Pursuant to Article 182-bis of the Bankruptcy Law, a debtor which is experiencing a state of crisis may require the confirmation (*omologazione*) of a debt restructuring agreement (*accordo di ristrutturazione dei debiti*) entered into between it and its creditors representing at least 60 per cent. of the credits owed by it, by filing with the competent court the required corporate documentation and a certification of an expert - having certain characteristics - confirming (i) the feasibility of the debts restructuring agreement and (ii) its capability of procuring the integral payment of those creditors which are not a party to such debts restructuring agreement. The Debts Restructuring Agreement must be published in the debtor's companies' register and shall be effective as of the date of its publication. For a period of 60 days from the date of its publication, the debts restructuring agreement shall determine an "automatic stay" period pursuant to which any creditor having a title against such debtor arisen in advance to the date of publication of the debts restructuring agreement, will not be allowed to commence or continue any enforcement or precautionary action on the assets of the debtor. If the debts restructuring agreement complies with all the requirement set out by law and it is feasible to aim its purposes, the court shall issue a decree (*decreto di omologazione*) confirming such debts restructuring agreement.

In case of approval of the plan, it will become binding on all the creditors of the Other Entity.

Pursuant to the 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.

On 11 October 2017, Italian Parliament approved Law No. 155 of 19 October 2017 (*Legge Delega*) conferring to the Government the powers to reform the Bankruptcy Law. On 14 February 2019, Legislative Decree No. 14 of 12 January 2019, enacting Law No. 155 of 19 October 2017, has been published on the Official Gazette and will enter into force as of 15 August 2020 except for certain amendments entered into force as of 16 March 2019.

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

PRIORITY OF INTEREST CLAIMS

Pursuant to article 2855 of the Italian Civil Code, the claims of a mortgage lender in respect of interest may be satisfied in priority to the claims of all other unsecured creditors in an amount equal to the aggregate of (i) the interest accrued at the contractual rate in the calendar year in which the initial stage of the enforcement proceedings are taken and in the two preceding calendar years; and (ii) the interest accrued at the legal rate (currently zero point five per cent. (0.5%)) from the end of the calendar year in which the initial stage of the enforcement proceeding is commenced to the date on which the mortgaged property is sold. Any amount recovered in excess of this will be applied to satisfy the claims of any other creditor participating in the enforcement proceedings. The mortgage lender will be entitled to participate in the distribution of any such excess as an unsecured creditor. The balance, if any, will then be paid to the debtor.

BERSANI DECREE

Art. 40-bis of the Consolidated Banking Act and Law decree N. 7 of 31 January 2007 (the "**Bersani Decree**") as converted into law by Law N. 40 of 2 April 2007, moreover includes other miscellaneous provisions relating to mortgage loans which include, *inter* alia, simplified procedures meant to allow a more prompt cancellation of mortgages securing loans granted by banks or financial intermediaries in the event of a documented repayment in full by the debtors of the amounts due under the loans. While such

provisions do not impact on the monetary rights of the lenders under the loans (lenders retain the right to oppose the cancellation of a mortgage), the impact on the servicing procedures in relation to the applicable loan agreements cannot be entirely assessed at this time.

RECENT AMENDMENTS TO ENFORCEMENT AND BANKRUPTCY PROCEEDINGS

On June 30, 2016, the Italian Parliament approved Law no. 119 ("**Conversion Law**"), 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**"). The Conversion Law has been published on the Official Gazette no. 153 dated July 2, 2016 and entered into force on July 3, 2016. The Conversion Law confirmed almost in full the content of the Law Decree, with certain amendments and integrations. The Law Decree 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 and by the Conversion Law 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, especially in relation to forced expropriation issues, a transitory period is provided. More in particular, the Law Decree provides that certain provisions shall apply:

- only to enforcement proceedings commenced after the entry into force of the Conversion Law;
- also to enforcement proceedings already pending, but only to the extent that the enforcement acts subject to the provisions amended by the Law Decree 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.

The Law Decree 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.

Reform of corporate reorganization and Insolvency Law

On 11 October 2017 the Italian Parliament approved the text of law which confers powers on the Italian government for an overall reform of insolvency law and corporate reorganization proceedings in the context of over-indebted corporate entities. On 12 january 2019 the government approved the Legislative Decree No. 14 including the new code of crisis and insolvency (*codice della crisi e dell'insolvenza*) (the "**Insolvency Code**"). On 14 February 2019, the Legislative Decree No. 14 of 12 January 2019 has been published in the Official Gazette of the Republic of Italy and will enter into force as of 15 August 2020 except for certain provisions relating to corporate organization and director liabilities entered into force as of 16 March 2019.

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

The New Insolvency Code is the result of a review of the Italian royal decree no. 267 of 16 March 1942 (hereinafter the "**Bankruptcy Law**") aimed at reforming Italian insolvency legislation in a way better suited to the current economic situation and consistent with the indications received from the European legislator.

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

In accordance with the above principles, the New Insolvency Code introduces the new "preemptive and assisted reorganisation procedures" that, with respect to "minor creditors", further complement the currently existing pre-insolvency proceedings (i.e. restructuring proceedings under Article 182*bis* and certified plans under Article 67(3)(d) of the Bankruptcy law) and insolvency proceedings (scheme of arrangements with creditors and bankruptcy). The reform of the so - called *extraordinary administration* proceedings has not been included in the scope of the New Insolvency Code and will likely require an *ad hoc* intervention.

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

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

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

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

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

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

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

Preemptive Proceedings

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

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

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

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

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

(b) qualified public creditors (including the Tax Agency and Social Security Agency) must (i) inform the relevant debtor that its debt exposure has exceeded a significant amount and (ii) inform the supervisory entities and the Committee, in case the debtor has not addressed the problem within a 3 months period (also by starting the Preemptive Proceedings, or by carrying out a scheme of arrangement or a debt restructuring);

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

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

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

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

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

Incentives:

1. for debtors who have taken action to overcome the crisis within 6 months from the first sign of its occurrence (using the assistance of the Committee or the proceedings for the approval of a debt restructuring agreement under Article 182*bis* of the Bankruptcy Law, or a scheme of arrangement with creditors): (a) certain criminal offences linked to insolvency are not punishable if they have caused minor damage; (b) a certain mitigating circumstances in respect to other criminal offences; (c) a reduction of interest and penalties on tax debt;

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

Penalties:

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

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

The New Insolvency Code aim to encourage the use of debt restructuring agreements currently governed by Article 182*bis* of the Bankruptcy Law (the "**182*bis* Agreements**").

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

Starting from the 182*bis* Agreements, the New Insolvency Code provides as follows:

(a) extended application of the cram down: possibility to apply the "cram down" model envisaged in the case of arrangements with banks and financial intermediaries under the current Article 182*septies* of the Bankruptcy Law to all debt restructuring agreements and moratorium agreement which do not provide for liquidation: this means that, once the creditors have been assigned to homogeneous classes based on their economic and legal position, a company may impose to the "minority" creditors belonging to a certain class the the restrucrtuing of their claims as agreed by at least 75% of creditors belonging to the relevant class, provided that such "minority" creditors have been informed of the opening of negotiations and have been enabled to participate to them;

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

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

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

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

Schemes of Arrangement

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

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

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

(c) qualified majorities: a majority is required not only based on the amount of debt owed but also based on the number of voting creditors if a single creditor holds unsecured debt for an amount equal to or higher than the majority of those eligible to vote (50%+1); furthermore, the New Insolvency Code calls for a specific regulation on conflict of interest situations. Such choice will make it difficult to carry out typical investment operations involving the purchase of receivables from distressed/insolvent companies in order to then direct the approval of the relevant scheme of arrangement proposal;

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

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

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

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

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

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

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

Judicial liquidation

Under the New Insolvency Code bankruptcy, is defined as "*judicial liquidation*", and aims at standardizing and simplifying the relevant proceedings which however becomes now residual if a restructuring proceedings on a going concern basis is possible (and reasonably achievable). Among the most important changes with respect to the current bankruptcy proceedings are the following:

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

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

(c) *efficiency of the proceedings*: a number of further novelty have been envisages to reduce the duration and cost of the procedure and make more effective and transparent the receiver's activity as well as the process of determining the bankruptcy estate's liabilities.

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

TAXATION IN THE REPUBLIC OF ITALY

The following is a general description of current Italian law and practice relating to certain Italian tax considerations concerning the purchase, ownership and disposition of the Rated Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to your decision to purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of the Notes, some of which may be subject to special rules. The following description does not discuss the treatment of the Notes that are held in connection with a permanent establishment or fixed base through which a non Italian resident beneficial owner carries on business or performs professional services in Italy.

This overview also assumes that the Issuer is resident in the Republic of Italy for tax purposes, is structured and conducts its business in the manner outlined in this Prospectus. Changes in the Issuer's organisational structure, tax residence or the manner in which it conducts its business may invalidate this overview. This overview also assumes that each transaction with respect to the Notes is at arm's length.Where in this overview, English terms and expressions are used to refer to Italian concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Italian concepts under Italian tax law.

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. The Issuer will not update this overview to reflect changes in laws and if such a change occurs the information in this overview could become invalid.

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 and Articles 1 and 2 of Legislative Decree No. 239 of 1 April 1996, as amended and restated ("**Law 239**") and Law Decree No. 66 of 24 April 2014 converted into Law No. 89 of 23 June 2014 , payments of interest and other proceeds (including any difference between the redemption amount and the issue price) in respect of the Notes:

(i) will be subject to *imposta sostitutiva* at the rate of 26 per cent. in the Republic of Italy levied as final tax, either when the interest is paid by the Issuer, or when payment thereof is obtained by the noteholder on a sale of the relevant Notes, if made to beneficial owners who are: (i) individuals not engaged in a business activity to which the Notes are effectively connected 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) other than Italian undertakings for collective investment), a trust not carrying out mainly or exclusively commercial activities; and (iv) Italian resident entities exempt from corporate income tax.

Payments of interest and other proceeds in respect of the 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, identified by the relevant Decrees of the Ministry of Finance, as subsequently amended and integrated, that will intervene, in any way, in the collection of interest and other proceeds on the Notes or in the transfer of the Notes;

(ii) will be subject to *imposta sostitutiva* at the rate of 26 per cent. in the Republic of Italy levied as provisional tax if made to beneficial owners who are: (i) individuals resident in the Republic of Italy for tax purposes; (ii) Italian resident non-commercial partnerships; and (iii) Italian resident public and private entities, other than companies; any of them engaged in an entrepreneurial activity – to the extent permitted by law – to which the Rated Notes are connected. In such a case interest are included in the relevant income tax return and, as a consequence, the interest are subject to the ordinary income tax and the *imposta sostitutiva* may be recovered as a deduction from the income tax due;

(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 Notes are effectively connected; (ii) Italian resident collective investment funds, SICAVs, Italian resident "*società di investimento a capitale fisso*" ("**SICAFs**") (other than a Real estate SICAF), 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 and SICAFs to which the provisions of article 9 of Legislative Decree No. 44 of 4 March 2014 apply; (iii) Italian resident individuals who have entrusted the management of their financial assets, including the 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 Notes are effectively connected, provided that:

(a) they are (i) 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 by Ministerial Decree of March 23, 2017 and possibly further amended by future decree issued pursuant to Article 11(4)(c) of Law 239 (as amended by Legislative Decree No. 147 of 14 September 2015) (the "**White List Country**"), 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 Notes are deposited directly or indirectly: (i) with an Italian bank or securities dealing firm ("**SIM**") resident in Italy; (ii) with the Italian permanent establishment of a non-resident bank or brokerage company which is electronically connected with the Italian Ministry of Economy and Finance; or (iii) with a non-resident entity or company which has an account with a centralised clearance and settlement system which has a direct relationship with the Italian Ministry of Economy and Finance; and

(c) as for recipients characterizing under category (a)(i) above, the banks or brokers mentioned in (b) above receive a self-declaration from the beneficial owner of the interest which states that the beneficial owner is a resident of that country. The self-declaration must be in conformity with the model approved by the Ministry of Economy and Finance (approved

with Decree of the Ministry of Economy and Finance 12 December 2001, published on the Ordinary Supplement No. 287 to the Official Journal No. 301 of 29 December 2001) and its further amendments and is valid until revoked by the investor. A self statement does not have to be filed if an equivalent self-declaration (including Form 116/IMP) has already been submitted to the same intermediary for the same or different purposes; in the case of institutional investors not subject to tax, the institutional investor shall be regarded as the beneficial owner and the relevant self-declaration shall be produced by the management company; and

(d) the banks or brokers mentioned in (b) and (c) above receive all necessary information to identify the non-resident beneficial owner of the deposited Rated Notes and all necessary information in order to determine the amount of interest that such beneficial owner is entitled to receive.

Non-resident holders are subject to the 26 per cent. tax (*imposta sostitutiva*) on interest and other proceeds on the 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.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity, or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 ("**Decree No. 509**") and Legislative Decree No. 103 of 10 February 1996 ("**Decree No. 103**"), may be exempt from any income taxation, including the *imposta sostitutiva*, on interest, premium and other income relating to the Notes if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of Law No. 232 of 11 December 2016 (the "**Finance Act 2017**") and in Article 1 (210-215) of Law No. 145 of 30 December 2018 (the "**Finance Act 2019**"), both as subsequently amended and supplemented from time to time.

Italian resident individuals holding the 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 Notes). The Asset Management Tax is applied on behalf of the taxpayer by the managing authorised intermediary.

Interest and other proceeds accrued on the Notes held by Italian resident corporations, commercial partnerships, individual entrepreneurs as well as Italian resident public and private entities, other than companies, holding the Notes in connection with entrepreneurial activities or permanent establishments in Italy of non-resident corporations to which the 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 (other than a Real estate 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 Notes are held by an authorised intermediary, interest accrued during the holding period on the 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. Interest on the Notes

are included in the calculation of such annual net accrued result. Subject to certain conditions (including minimum holding period requirement) and limitations, interest relating to the Notes may be excluded from the taxable base of the 20 per cent substitute tax if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of Finance Act 2017 and in Article 1 (210-215) of Finance Act 2019, both as subsequently amended and supplemented from time to time; and

Interest payments in respect of the Notes to Italian resident real estate investment funds established pursuant to article 37 of Legislative Decree No. 58 of 24 February 1998 (the ''**Real Estate Investment Funds**'') and to Italian resident "*società di investimento a capitale fisso*" ("**SICAFs**") to which the provisions of article 9 of Legislative Decree No. 44 of 4 March 2014 apply, are generally subject neither to the *imposta sostitutiva* nor to any other income tax in the hands of the same Real Estate Investment Funds and SICAFs. Proceeds paid by the Real Estate Investment Funds to their unitholders are generally subject to a 26 per cent withholding tax. (the "**Real Estate Investment Funds Tax**"). A direct imputation system (tax transparency) applies to certain non-qualifying unitholders (e.g. Italian resident individuals) holding more than 5 per cent of the units of the Real Estate Investment Fund.

Any positive difference between the nominal redeemable amount of the 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 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 Notes (and, in certain cases, depending on the status of the holders of the 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 Notes who are:

(a) Italian resident corporations;

(b) Italian resident commercial partnerships;

(c) permanent establishments in Italy of foreign corporations to which the 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 Notes not in connection with an entrepreneurial activity and by certain other persons upon the sale for consideration or redemption of the Notes would be subject to an *imposta sostitutiva* at the rate of 26 per cent. In particular, with regard to the capital gain tax application, taxpayers may opt for one of the three following regimes:

Under the tax declaration regime ("***Regime della Dichiarazione***"), 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 Notes not in connection with an entrepreneurial activity pursuant to all disposals on the 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 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 Notes (the "***Risparmio Amministrato***" regime). Such separate taxation of capital gains is permitted subject to: (i) the 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 the 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. The *Risparmio Amministrato* lasts for the entire fiscal year and unless revoked prior to the end of such year will be deemed valid also for the subsequent one. Under the *Risparmio Amministrato* regime, where a sale or redemption of the 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.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity or social security entities pursuant to Decree No. 509 and Decree No. 103 may be exempt from Italian capital gain taxes, including the *imposta sostitutiva*, on capital gains realised upon sale or redemption of the Notes if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of Finance Act 2017, Article 1 (210-215) of the Finance Act 2019, both as subsequently amended and supplemented from time to time. According to article 1 (219-226) of Law No. 178 of 30 December 2020, under some conditions, capital losses realised upon sale or redemption of the Notes if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets specific requirements, give rise to a tax credit equal to the capital losses, provided that such tax credit does not exceed the 20 per cent. of the amount invested in the long-term saving accounts (*piano di risparmio a lungo termine*).

Any capital gains realised by Italian resident individuals holding the 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 an holder of the 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 Notes who are Italian resident pension funds will be included in the calculation of the taxable basis of Pension Fund Tax. Subject to certain conditions (including minimum holding period requirement) and limitations, capital gain realized on the Notes may be excluded from the taxable base of the Pension Fund Tax if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of Finance Act 2017 and in Article 1 (210-215) of Finance Act 2019, both as subsequently amended and supplemented from time to time.

Capital gains realized by the holders of the notes who are Real Estate Investment Funds and SICAFs to which the provisions of article 9 of Legislative Decree No. 44 of 4 March 2014 apply are not taxable at the level of the same Real Estate Investment Funds and SICAFs. However, the Real Estate Investment Funds Tax, at the rate of 26 per cent. will generally apply to income realised by unitholders or shareholders in the event of distributions, redemption or sale of units / shares.

The 26 per cent. *imposta sostitutiva* may in certain circumstances be payable on capital gains realised upon sale for consideration or redemption of the Notes by non Italian resident persons or entities without a permanent establishment in Italy to which the Notes are effectively connected, if the 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 Notes are effectively connected, through the sale for consideration or redemption of the Notes are exempt from taxation in Italy to the extent that the Notes are listed on a regulated market in Italy or abroad and in certain cases subject to filing of required documentation, even if the 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 and has no permanent establishment in Italy to which the Notes are effectively connected.

In case the Notes are not listed on a regulated market in Italy or abroad:

(1) non Italian resident beneficial owners of the Notes with no permanent establishment in Italy to which the 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 Notes if they are: (i) resident, for tax purposes, in a White List Country 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; in this case, if non Italian residents without a permanent establishment in Italy to which the 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 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 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 Notes; in this case, if non Italian residents without a permanent establishment in Italy to which the 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. 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.

In case the beneficiary has a serious disability recognized by law, inheritance and gift taxes apply on its portion of the net asset value exceeding Euro 1.5 million.

The *mortis causa* transfer of financial instruments included in a long-term savings account (*piano di risparmio a lungo termine*) – that meets the requirements set forth in Article 1 (100-114) of Finance Act 2017 and in Article 1(210-2015) of the Finance Act 2019, both as subsequently amended and supplemented from time to time – is exempt from inheritance tax.

The transfer of the Notes by donation is subject to gift tax at the same rates as in case of inheritance.

4. TAX MONITORING

Pursuant to Law Decree No. 167 of 28 June, 1990, converted by Law No. 227 of 4 August, 1990, as amended, individuals, non-profit entities and certain partnerships (*società semplici* or similar partnerships in accordance with Article 5 of Presidential Decree of 22 December 1986, No. 917), resident in Italy for tax purposes 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.

Furthermore, the abovementioned reporting requirement is not required to comply with respect to Notes deposited for management or administration with qualified Italian financial intermediaries, with respect to contracts entered into through their intervention, on the condition that the items of income derived from the Notes have been subject to tax by the same intermediaries.

5. REGISTRATION TAX

Contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarised deeds (*atti pubblici e scritture private autenticate*) executed in Italy should be subject to fixed registration tax (€ 200); (ii) private deeds (*scritture private non autenticate*) should be subject to fixed registration tax only in certain circumstances, including in "case of use" or voluntary registration or on the occurrence of the "*enunciazione"* (€ 200).

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 at proportional rates 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 by banks and other financial intermediaries and is applied, on a yearly basis, on the market value of the financial instruments, or lacking such value, on the nominal or reimbursement value of such instruments, at the rate of 0.2 per cent. (but in any case not exceeding € 14,000.00 per annum. This cap is not applied to individuals). At any rate, a minimum stamp tax of Euro 34.20 is due on a yearly basis.

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 Revenue Agency, through Circular No. 48/E of 21 December 2012, has taken the position that the proportional Statement Duty does not apply to communications sent to subjects not qualifying as clients, as defined by Provision of the Governor of Bank of Italy dated 20 June 2012. Communications and reports sent to this type of investors are subject to the ordinary €2.00 stamp duty for each copy. Moreover, the Statement Duty does not apply to communications sent to Pension Funds.

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.

7. WEALTH TAX ON SECURITIES DEPOSITED ABROAD

According to the provisions set forth by Article 19 paragraph 18 of Decree No. 201 of 6 December 2011, as amended and supplemented, individuals, non-commercial entities and certain partnerships (società semplici or similar partnerships in accordance with Article 5 of Presidential Decree of 22 December 1986, No. 917), resident in Italy for tax purposes, holding the Notes outside the Italian territory are required to pay an additional tax at a rate of 0.20 per cent. In this case, the abovementioned Statement Duty does not apply. Pursuant to the provision of Article 134 of Law Decree No. 34 of 19 May 2020, the wealth tax cannot exceed Euro 14,000 per year for taxpayers different from individuals.

This tax is determined in proportion to the period of ownership and is calculated on the market value of the Notes at the end of the relevant year or – if no market value figure is available – on the nominal value or on the redemption value of such financial assets held outside the Italian territory.

Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the country where the financial assets are held (up to an amount equal to the Italian wealth tax due).

8. **EUROPEAN DIRECTIVE ON ADMINISTRATIVE COOPERATION**

Legislative Decree No. 29 of 4 March 2014, as supplemented from time to time, has implemented the EU Council Directive 2011/16/EU (as amended by 2014/107/EU, 2015/2376/EU, 2016/881/EU; 2016/2258/EU and 2018/822/EU), on administrative cooperation in the field of taxation (the "**DAC**").

The main purpose of the DAC is to extend the automatic exchange of information mechanism between Member State, in order to fight against cross border tax fraud and tax evasion. The new regime under DAC is in accordance with the Global Standard released by the Organization for Economic Co-operation and Development in July 2014.

The Directive on Administrative Cooperation (2014/107/EU) of December 9, 2014 ("**DAC 2**") implemented the exchange of information based on the Common reporting Standard ("**CRS**") within the EU. Under CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence, and reporting procedures.

The EU Council Directive 2018/822/EU of 25 May 2018 ("**DAC 6**") implemented the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements. Under DAC 6 intermediaries which meet certain criteria and taxpayers are required to disclose to the relevant Tax Authorities certain cross-border arrangements, which contain one or more of a prescribed list of hallmarks, performed from 25 June 2018 onwards.

Prospective investors should consult their tax advisers on the tax consequences deriving from the application of the Directive on Administrative Cooperation.

SUBSCRIPTION, SALE AND SELLING RESTRICTIONS

Under the Notes Subscription Agreement entered into on or prior to the Issue Date among, *inter alios*, the Issuer, illimity Bank S.p.A. (in its capacity as Initial Notes Subscriber and as Retention Holder) and Banca Finanziaria Internazionale S.p.A. (in its capacity as the Representative of the Noteholders), the Initial Notes Subscriber agreed to subscribe and pay for the Notes.

The Notes Subscription Agreement is subject to a number of conditions.

The Retention Holder agreed to retain on the Issue Date and maintain on an ongoing basis a material net economic interest of at least 5% (five per cent.) of each class of Notes in accordance with option (3)(a) of article 6 of the Securitisation Regulations (or any permitted alternative method thereafter).

Any sale of the Notes shall comply in all material respects with the restrictions below and all applicable laws and regulations in each jurisdiction in or which the Notes may be offered or sold.

UNITED STATES OF AMERICA

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered, or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act.

Under the Notes Subscription Agreement, each of the Issuer and the Initial Notes Subscriber has represented and agreed that it has not offered or sold, 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, the Retention Holder, the Initial Notes Subscriber, nor their respective Affiliates nor any persons acting respectively on behalf of the Issuer, the Retention Holder, the Initial Notes Subscriber, or their respective Affiliates, have engaged or will engage in any directed selling efforts with respect to the Notes, and it and they have complied and will comply with the offering restrictions requirements of Regulation S under the Securities Act. At or prior to confirmation of sale of the Notes, they will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect.

The Notes covered hereby have not been registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903(b)(2)(iii), (x) as part of their distribution at any time or (y) otherwise until 40 calendar days after the completion of the distribution of Securities as determined and certified by the Initial Notes Subscriber (as applicable), except in either case in accordance with Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

In no event shall any Notes be sold or transferred to or for the account or benefit of a U.S. person except to a "qualified purchaser" within the meaning of Section 3(c)(7) under the Investment Company Act.

Notwithstanding anything herein to the contrary, in no event shall any Notes be sold, directly or indirectly, to or for the account of a U.S. person (as that term is defined in the U.S. Risk Retention Rules) (a "**Risk Retention U.S. Person**") nor otherwise in a manner intended to evade the requirements of the U.S. Risk Retention Rules. Each purchaser of Notes, including beneficial interests therein will, by its acquisition of a Note or beneficial interest therein, be deemed, and in certain cir-cumstances will be required, to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a

view to distribute such Note; and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules).

Terms used in this paragraph and not otherwise defined herein have the meaning given to them by Regulation S under the Securities Act.

REPUBLIC OF ITALY

Under the Notes Subscription Agreement each of the Issuer, the Retention Holder and the Initial Notes Subscriber has acknowledged that no action has been or will be taken by it, its affiliates or any other person acting on its behalf which would allow an offering (or an "*offerta al pubblico di prodotti finanziari*") of the Notes to the public in the Republic of Italy unless in compliance with the relevant Italian securities, tax and other applicable laws and regulations. Individual sales of the Notes to any Persons in the Republic of Italy may only be made in accordance with Italian securities, tax and other applicable laws and regulations.

Pursuant to the Notes Subscription Agreement, each of the Issuer and the Initial Notes Subscriber has acknowledged that no application has been made by the Issuer to obtain an authorisation from CONSOB for the public offering of the Notes in the Republic of Italy.

The Notes have not been registered pursuant to Italian securities legislation and, accordingly, each of the Issuer, the Retention Holder and the Initial Notes Subscriber has represented and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver, and has not distributed and will not distribute and has not made and will not make available in the Republic of Italy the Notes, copy of this Prospectus or any other material relating to the Notes, other than to:

(i) qualified investors ("*investitori qualificati*"), as defined on the basis of the Regulation (EU) 2017/1129 (Regulation of the European Parliament and of the Council of 14 June 2017 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) (the "**Prospectus Regulation**") and pursuant to Article 100, paragraph 1, letter (a), of Italian legislative decree no. 58 of 24 February 1998 (the "**Financial Law**"); or

(ii) in other circumstances where an express exemption from compliance with the restrictions to the offerings to the public applies, as provided under the Financial Law or CONSOB regulation no. 11971/1999, and in accordance with applicable Italian laws and regulations.

Each of the Issuer, the Retention Holder and the Initial Notes Subscriber has represented and agreed that any offer of the Notes of the relevant Class or Classes in the Republic of Italy shall be made only by banks, investment firms or financial companies permitted to conduct such activities in Italy in accordance with the Financial Law, the Banking Act, CONSOB Regulation no. 20307 of 15 February 2018 and any other applicable laws and regulations and in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy (including the post-issuance reporting requirements, as applicable, pursuant to article 129 of the Banking Act).

In connection with the subsequent distribution in a public secondary offering of the Notes in the Republic of Italy, article 100-bis of the Financial Law requires to comply also on the secondary market with the public offering rules and disclosure requirements set forth under the Financial Law and relevant CONSOB implementing regulations, unless the above subsequent distribution is exempted from those rules and requirements according to the Financial Law and relevant CONSOB implementing regulations.

In any case, each of the Issuer, the Retention Holder and the Initial Notes Subscriber has represented and agreed that the Notes may not be offered to individuals or entities not being professional investors in

accordance with the Securitisation Law. Additionally the Notes may not be offered to any investor qualifying as "*cliente al dettaglio*" pursuant to CONSOB regulation no. 20307 of 15 February 2018.

FRANCE

Under the Notes Subscription Agreement each of the Issuer, the Retention Holder and the Initial Notes Subscriber has represented and agreed that this Prospectus has not been prepared in the context of a public offering in France within the meaning of Article L. 411-1 of the *Code monétaire et financier* and Title I of Book II of the *Règlement Général de l'Autorité des marchés financiers* (the "**AMF**") and therefore has not been approved by, or registered or filed with the AMF. Consequently, neither this Prospectus nor any other offering material relating to the Notes has been and will be released, issued or distributed or caused to be released, issued or distributed by it to the public in France or used in connection with any offer for subscription or sale of notes to the public in France.

Under the Notes Subscription Agreement each of the Issuer, the Retention Holder and the Initial Notes Subscriber has also represented and agreed in connection with the initial distribution of the Notes by it that:

(a) there has been and there will be no offer or sale, directly or indirectly, of the Notes by it to the public in the Republic of France (an *offrè au public de titres financiers* as defined in Article L. 411-1 of the French *Code monétaire et financier*);

(b) offers and sales of Notes in the Republic of France will be made in compliance with applicable laws and regulations and only to (i) qualified investors (*investisseurs qualifiés*), as defined in, and in accordance with, Articles L.411-2 and D.411-1 of the French *Code monétaire et financier;* or (ii) a restricted circle of investors (*cercle restreint d'investisseurs*) as defined in Article L. 411-2 of the French *Code monétaire et financier* acting for their own account; or (iii) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) as mentioned in Article L. 411-2, L. 533-16 and L. 533-20 of the French *Code monétaire et financier* (together the "**Investors**");

(c) offers and sales of the Notes in the Republic of France will be made on the condition that:

  (i) this Prospectus shall not be circulated or reproduced (in whole or in part) by the Investors; and

  (ii) the Investors undertake not to transfer the Notes, directly or indirectly, to the public in France, other than in compliance with applicable laws and regulations pertaining to a public offering (and in particular Articles L.411-1, L.411-2, L.412-1 and L.621-8 of the *Code monétaire et financier*).

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

Each of the Issuer and the Initial Notes Subscriber has represented and agreed that the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

  (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or

  (ii) a customer within the meaning of Directive 2016/97 (as amended, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

  (iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

Each of the Initial Notes Subscriber and the Issuer has represented and agreed that the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For the purpose of this provision:

(a) the expression "retail investor" means a person who is one (or more) of:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a "qualified investor" as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and

(b) the expression "an offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

GENERAL RESTRICTIONS

Pursuant to the Notes Subscription Agreement, the Issuer, the Retention Holder and the Initial Notes Subscriber 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 Initial Notes Subscriber 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

Admission to trading

After the Issue Date application may be made for the Class A Notes to be admitted to trading on the ExtraMOT PRO of the ExtraMOT Market, which is a multilateral trading system for the purposes of the Market in Financial Instruments Directive 2014/65/EC managed by Borsa Italiana.

No application will be made to list or admit to trading the Mezzanine Notes and the Junior Notes on any stock exchange.

Authorisation

Since the date of its incorporation, the Issuer has carried out, in addition to the Transaction, the Existing Securitisations (and has entered into the relevant transaction documents). The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Funds available to the Issuer

The principal source of funds available to the Issuer for the payment of interest and the repayment of principal on the Notes will be collections made in respect of the Receivables thereunder.

Clearing systems

The Notes have been accepted for clearance through Monte Titoli by Euroclear and Clearstream, Luxembourg. Monte Titoli will act as depository for Euroclear and Clearstream, Luxembourg. The ISIN for the Notes are as follows:

Class	ISIN
Class A Notes	IT0005451254
Class B Notes	IT0005451262
Class J Notes	IT0005451270

No significant change

Save as disclosed in this Prospectus, there has been no material adverse change in the financial position, trading and prospects of the Issuer since the date of its incorporation.

Litigation

The Issuer is not involved in any legal, governmental or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) which may have or have had, since the date of its incorporation, a significant effect on the financial position of the Issuer.

Accounts

The Issuer will produce, and will make available at its registered office, proper accounts ("*ordinata contabilità interna"*) and audited (to the extent required by applicable law or regulation) financial statements in respect of each financial year (commencing on 1 January and ending on 31 December; the last such financial statement, relating to the year ended 31 December 2020, has been filed in the

Companies' Register of Milan, Monza Brianza, Lodi on 20 May 2021; the next such accounts to be prepared being those in respect of the financial year ending on 31 December 2021) but will not produce interim financial statements.

Post Issuance Reporting

Under the terms of the Cash Administration and Agency Agreement, the Calculation Agent has undertaken to (i) prepare not later than 5 (five) Business Days after each Payment Date (the "**Investors Report Date**"), and (ii) deliver, via electronic mail, to the Representative of the Noteholders, the Paying Agent, the Rating Agencies, the Servicer, the Corporate Services Provider, the Monitoring Agent, and the Cap Counterparty an investors report, substantially in the form attached to the Cash Administration and Agency Agreement (the "**Investors Report**") which shall be based on the data contained in the Semi-Annual Servicing Report and in the relevant Payments Report. The Calculation Agent is also authorized and undertakes to make available each Investors Report to the Noteholders, the Other Issuer Creditors and the Rating Agencies on a semi-annual basis via the Calculation Agent's internet website currently located at securitisation-services.com.

Each Investors Report will be made also available for collection at the registered office of the Representative of the Noteholders and at the Specified Office of the Paying Agent (as set forth in Condition 12 (*Notices*)).

Borrowings

Save as disclosed in this Prospectus, after the issue of the Notes, the Issuer will have no outstanding loan capital, borrowings, indebtedness or contingent liabilities, nor will the Issuer create any mortgages or charges or given any guarantees.

Documents

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 and at the Specified Office of the Paying Agent (as set forth in Condition 12 (*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 2021. No interim financial statements will be produced by the Issuer;

(c) the Servicer's Report, prepared by the Servicer, which will be made available in accordance with the procedures provided under the Servicing Agreement;

(d) the Investors Report, which has a semi-annual frequency, setting forth the performance of the Portfolio and amounts paid, payable and/or unpaid on the Notes in respect to each Payment Date and information on the material net economic interest (of at least 5%) in the Transaction maintained by the Retention Holder in accordance with paragraph (3)(a) of article 6 of the Securitisation Regulations, prepared by the Calculation Agent; each Investors Report will be also made available on a semi-annual basis via the Calculation Agent's internet website currently located at securitisation-services.com. The Calculation Agent's website does not form part of the information provided for the purposes of the Prospectus and disclaimers may be posted with respect to the information posted thereon;

(e) copies of the following documents:

  (i) the Intercreditor Agreement;

  (ii) the Cash Administration and Agency Agreement;

(iii) the Corporate Services Agreement;

(iv) the Quotaholders' Agreement;

(v) the Master Allocation Agreement;

(vi) the Servicing Agreement;

(vii) the Back-up Master Servicing Agreement;

(viii) the Deed of Charge;

(ix) the Cap Agreement;

(x) the Limited Recourse Loan Agreement; and

(xi) this Prospectus.

Information available in the internet

The websites referred to in this Prospectus and the information contained in such websites do not form part of this Prospectus. Neither the Issuer nor any of the parties listed under this Prospectus take responsibility for the further information available in the websites referred to in this Prospectus.

Annual fees

The Issuer estimates that its aggregate ongoing expenses in relation to the Transaction amount to approximately Euro 150,000.00 *per annum* (plus VAT), excluding Special Servicing Fees.

The total expected expenses payable in connection with the admission of the Senior Notes to trading on the ExtraMOT PRO of the ExtraMOT Market, amount approximately to Euro 2,500.00 (plus VAT, if applicable).

LEI Code

The legal entity identifier (LEI) of the Issuer is 81560066AD7F020AC335.

ISSUER

Aporti S.r.l.
Via San Prospero 4
Milan
Italy

RETENTION HOLDER, INITIAL NOTES SUBSCRIBER AND LIMITED RECOURSE LOAN PROVIDER

illimity Bank S.p.A.
Via Soperga 9
Milan
Italy

REPRESENTATIVE OF THE NOTEHOLDERS, BACK-UP MASTER SERVICER, AND CALCULATION AGENT

Banca Finanziaria Internazionale S.p.A.
Via Vittorio Alfieri, 1
Conegliano (TV)
Italy

QUOTAHOLDERS

Fenice Trust Company S.r.l.
Via Dante 4
Milan
Italy**illimity Bank S.p.A.**
Via Soperga 9
Milan
Italy

MONITORING AGENT

Zenith Service S.p.A.
Via Vittorio Betteloni 2
Milan
Italy

CORPORATE SERVICES PROVIDER

Centotrenta Servicing S.p.A.
Via San Prospero 4
Milan
Italy

ACCOUNT BANK, AGENT BANK, PAYING AGENT, CASH MANAGER

BNP Paribas Securities Services, Milan Branch
Piazza Lina Bo Bardi, 3
Milan
Italy

SERVICER

Prelios Credit Servicing S.p.A.
Via Valtellina 15/17
Milan
Italy

SELECTED DELEGATED

Prelios Credit Solutions S.p.A.
Via Valtellina 15/17
Milan
Italy

CAP COUNTERPARTY

J.P. MORGAN AG
Taunustor 1
Frankfurt
Germany

LEGAL ADVISERS TO THE RETENTION HOLDER AND THE INITIAL NOTES SUBSCRIBER

Legance Avvocati Associati
Via Broletto 20
Milan
Italy