IMPORTANT NOTICE

IMPORTANT: You must read the following before continuing. The document following this page is a draft of a prospectus (the Preliminary Prospectus) relating to an Italian securitisation transaction regulated by Italian Law no. 130 of 30 April 1999 (the Securitisation Law), involving receivables deriving from auto loans originated by Hyundai Capital Bank Europe GmbH, Italian branch.

Capitalised words and expressions in this page shall, except otherwise specified or so far as the context otherwise requires, have the meanings set out herein and in the section entitled "*Glossary*" of the Preliminary Prospectus.

You are advised to read this page carefully before reading, accessing or making any other use of the Preliminary Prospectus. In accessing the Preliminary Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from the Issuer and/or the Joint Lead Managers as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE U.S. SECURITIES ACT), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND THE NOTES MAY NOT BE OFFERED OR SOLD, 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 U.S. SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE PRELIMINARY PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED 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 U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PRELIMINARY PROSPECTUS OR THIS TRANSMISSION IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE NOTES DESCRIBED IN THE PRELIMINARY PROSPECTUS.

Confirmation of your representation: In order to be eligible to view the Preliminary Prospectus, prospective investors must be non U.S. persons (as defined in Regulation S under the U.S. Securities Act (**Regulation S**)) and located outside the United States. The Preliminary Prospectus is being sent to you at your request. By accessing the Preliminary Prospectus, you shall be deemed to have represented and undertaken to the Issuer and the Joint Lead Managers that (i) if you will purchase any of the Notes, you will do so in an offshore transaction (within the meaning of Regulation S); (ii) the electronic mail address that you gave us and to which this transmission has been delivered is not located in the United States, its territories and possessions, any State of the United States or the District of Columbia; and (iii) you consent to delivery of the Preliminary Prospectus by electronic transmission.

You are reminded that the Preliminary Prospectus has been delivered to you on the basis that you are a person into whose possession the Preliminary 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 Preliminary

Prospectus to any other person.

The Preliminary Prospectus is a draft of the final prospectus of the Securitisation. As such, the Preliminary Prospectus is incomplete and is not purported to contain a complete or exhaustive description of the Securitisation and of the Notes, as well as of the relevant risks involved. The Preliminary Prospectus will have to be read in conjunction with, the final prospectus of the Securitisation and is qualified in its entirety by references to, the detailed information contained in such final prospectus, the Transaction Documents (once available) and in the other documents which will be made available pursuant to article 7(1)(c) of the EU Securitisation Regulation.

Prospective or potential institutional investors in the Notes must read the Preliminary Prospectus as an introduction to the Securitisation only. The decision to invest or not in the Notes by any prospective or potential institutional investors must not be based on the Preliminary Prospectus, whilst any such decision must be made exclusively after having performed, and on the basis of, due diligence activities provided for by article 5 of the EU Securitisation Regulation and the analysis of the Transaction Documents and the other documents which will be made available pursuant to article 7(1)(c) of the EU Securitisation Regulation.

The Preliminary Prospectus does not constitute, and may not be used in connection with, an offer or solicitation in any place.

The Preliminary Prospectus may only be distributed to, and is directed at (i) persons who have professional experience in matters relating to investments falling within article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **Order**); or (ii) high net worth entities falling within article 49(2)(a) to (d) of the Order; and (iii) any other persons to whom it may be lawfully communicated, falling within article 49(1) of the Order (each of such person being referred to as a **Relevant Person**). Any investment or investment activity to which the Preliminary Prospectus may relate is only available to, and any invitation, offer, or agreement to engage in such investment or investment activity will be engaged in only with, a Relevant Person. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4(1) of Directive 2014/65/EU (**MiFID II**); or (ii) a customer within the meaning of Directive (UE) 2016/97 (**IDD**), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II. 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.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of article 2 of Regulation (EU) no. 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) (**EUWA**); or (ii) a customer within the meaning of the provisions of the Financial Services and Market Act 2000 (**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. Consequently, no key information document required by Regulation (EU) no. 1286/2014 as it forms part of domestic law 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.

The Preliminary Prospectus has been sent to you in electronic form. You are reminded that documents transmitted via this mean may be altered or changed during the process of electronic transmission and, consequently, none of the Issuer and the Joint Lead Managers, any person who controls them or any director, officer, employee or agent of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Preliminary Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Joint Lead Managers.

PRELIMINARY PROSPECTUS DATED 27 JUNE 2025
SUBJECT TO COMPLETION AND AMENDMENT

FULVIA SPV S.R.L.

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

Euro [●] Class A1 Asset Backed Floating Rate Notes due December 2041

Issue price: [100] per cent.

Euro [●] Class A2 Asset Backed Floating Rate Notes due December 2041

Issue price: [100] per cent.

Euro [●] Class B Asset Backed Floating Rate Notes due December 2041

Issue price: [100] per cent.

Euro [●] Class C Asset Backed Floating Rate Notes due December 2041

Issue price: [100] per cent.

Euro [●] Class D Asset Backed Floating Rate Notes due December 2041

Issue price: [100] per cent.

Euro [●] Class E Asset Backed Floating Rate Notes due December 2041

Issue price: [100] per cent.

This prospectus (the **Prospectus**) contains information relating to the issuance by Fulvia SPV S.r.l., a limited liability company (*società a responsabilità limitata*) with a sole quotaholder pursuant to article 3 of the Securitisation Law incorporated under the laws of the Republic of Italy, having its registered office at Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, fiscal code and enrolment with the companies' register of Treviso-Belluno no. 05540920260, quota capital of Euro 10,000 fully paid-up, enrolled with the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy's regulation dated 12 December 2023 (*Disposizioni in materia di obblighi informativi e statistici delle società veicolo coinvolte in operazioni di cartolarizzazione*) under no. 48684.5, having as its sole corporate object the performance of one or more securitisation transactions pursuant to the Securitisation Law (the **Issuer**), of Euro [●] Class A1 Asset Backed Floating Rate Notes due December 2041 (the **Class A1 Notes**), Euro [●] Class A2 Asset Backed Floating Rate Notes due December 2041 (the **Class A2 Notes** and, together with the Class A1 Notes, the **Class A Notes** or the **Senior Notes**), Euro [●] Class B Asset Backed Floating Rate Notes due December 2041 (the **Class B Notes**), Euro [●] Class C Asset Backed Floating Rate Notes due December 2041 (the **Class C Notes**), Euro [●] Class D Asset Backed Floating Rate Notes due December 2041 (the **Class D Notes** and, together with the Class B Notes and the Class C Notes, the **Mezzanine Notes**) and Euro [●] Class E Asset Backed Floating Rate Notes due December 2041 (the **Class E Notes** and, together with the Senior Notes and the Mezzanine Notes, the **Rated Notes**). In connection with the issuance of the Rated Notes, the Issuer will also issue Euro [●] Class Z Asset Backed Variable Return Notes due December 2041 (the **Class Z Notes** or the **Junior Notes** and, together with the Senior Notes, the Mezzanine Notes and the Class E Notes, the **Notes**).

Application has been made to the *Commission de Surveillance du Secteur Financier* (the **CSSF**), in its capacity as competent authority under the Luxembourg law dated 16 July 2019 relating to prospectuses for securities (as amended and supplemented from time to time, the **Luxembourg Law**), for the approval of this Prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as subsequently amended and supplemented from time to time, the **Prospectus Regulation**) and relevant implementing measures in Luxembourg and article 6(4) of the Luxembourg Law. **This Prospectus has been approved by the CSSF, as competent authority under the Prospectus Regulation. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuer or the quality of the Rated Notes. By approving this Prospectus, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer in accordance with the provisions of article 6(4) of the Luxembourg Law. Investors should make their own assessment as to the suitability of investing in the Rated Notes**. **The CSSF has not reviewed nor approved any information regarding the Class Z Notes**.

This document constitutes, in connection with the issuance of the Notes, (i) a "*prospectus*" for the purpose of article 6(3) of the Prospectus Regulation and (ii) a "*prospetto informativo*" for the purposes of article 2, paragraph 3, of Italian Law number 130 of 30 April 1999 (as amended and/or supplemented from time to time, the **Securitisation Law**).

The Notes will have the following key characteristics:

Class	Nominal Amount	Interest rate per annum	Issue Price (per cent.)	Ratings	Legal Maturity Date
A1	Euro [●]	EURIBOR (as determined in accordance with the Conditions) plus [●] per cent. per annum	[100]	Morningstar DBRS: "[AAA] (sf)" Fitch: "[AA] sf"	December 2041
A2	Euro [●]	EURIBOR (as determined in accordance with the Conditions) plus [●] per cent. per annum	[100]	Morningstar DBRS: "[AAA] (sf)" Fitch: "[AA] sf"	December 2041
B	Euro [●]	EURIBOR (as determined in accordance with the Conditions) plus [●] per cent. per annum	[100]	Morningstar DBRS: "[AA (high)] (sf)" Fitch: "[AA-] sf"	December 2041
C	Euro [●]	EURIBOR (as determined in accordance with the Conditions) plus [●] per cent. per annum	[100]	Morningstar DBRS: "[A (high)] (sf)" Fitch: "[A-] sf"	December 2041
D	Euro [●]	EURIBOR (as determined in accordance with the Conditions) plus [●] per cent. per annum	[100]	Morningstar DBRS: "[BBB (high)] (sf)" Fitch: "[BBB] sf"	December 2041
E	Euro [●]	EURIBOR (as determined in accordance with the Conditions) plus [●] per cent. per annum	[100]	Morningstar DBRS: "[A] sf" Fitch: "[BB+] sf"	December 2041
Z	Euro [●]	No interest, only Variable Return	100	Unrated	December 2041

Application has been made for the Rated Notes to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the "*Bourse de Luxembourg*" which is a regulated market for the purposes of Market in Financial Instruments Directive 2014/65/EU. The Class Z Notes are not being offered pursuant to this Prospectus and no application has been made to list the Class Z Notes on any stock exchange. The listing of the Rated Notes is expected to be granted on or about the Closing Date (as defined below). This Prospectus will be published by the Issuer on the website of the Luxembourg Stock Exchange (being, as at the date of this Prospectus, www.luxse.com) and will remain available for inspection on such website for at least 10 years.

Pursuant to articles 12(1) and 21(8) of the Prospectus Regulation, this Prospectus is valid for 12 months from the date on which it obtained the CSSF's approval (such date being [●] 2025) until [●] 2026. Therefore, the obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Prospectus is no longer valid.

The Notes will be issued on [●] 2025 (the **Closing Date**) at an issue price equal to the following percentages of their principal amount upon issuance: (a) Class A1 Notes: [100] per cent.; (b) Class A2 Notes: [100] per cent.; (c) Class B Notes: [100] per cent.; (d) Class C Notes: [100] per cent.; (e) Class D Notes: [100] per cent.; (f) Class E Notes: [100] per cent.; and (g) Class Z Notes: 100 per cent.. The Rated Notes (other than the Class A2 Notes) will be issued in the minimum denomination of Euro 100,000 and integral multiples of Euro 1,000 in excess thereof. The Class A2 Notes will be issued in the minimum denomination of Euro 100,000 and integral multiples of Euro 100,000 in excess thereof. The Class Z Notes will be issued in the minimum denomination of Euro 1,000. The Notes will be issued in dematerialised form (*in forma dematerializzata*) on behalf of the ultimate owners, until redemption and/or cancellation thereof, through Euronext Securities Milan for the account of the relevant Euronext Securities Milan Account Holders. The expression Euronext Securities Milan Account Holders means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Euronext Securities Milan and includes *inter alia* Clearstream Banking, Luxembourg with offices at 42 avenue JF Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (**Clearstream**) and Euroclear Bank S.A./N.V., with offices at 1 boulevard du Roi Albert II, B-1210 Brussels, as operator of the Euroclear System (**Euroclear**). Euronext Securities Milan will act as depository for Clearstream and Euroclear in accordance with article 83-*bis* of the Consolidated Financial Act, through the authorised institutions listed in article 83-*quarter* of the Consolidated Financial Act. Title to the Notes will at all times be evidenced by book-entries in accordance with the provisions of (i) article 83-*bis* of the Consolidated Financial Act, and (ii) the CONSOB and Bank of Italy Joint Resolution. No physical document of title will be issued in respect of the Notes.

The principal source of payments of interest or Variable Return (as applicable) and repayment of principal on the Notes will be the proceeds of the Aggregate Portfolio and the other Securitisation Assets. Pursuant to the terms of the Master Receivables Purchase Agreement, the Seller has assigned and transferred to the Issuer, which has purchased, without recourse (*pro soluto*), in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the relevant articles of Law 52 referred to therein, the Initial Portfolio with economic effects from (but excluding) the Initial Valuation Date and legal effects from (and including) the Initial Purchase Date. In addition, during the Replenishment Period and provided that no Early Amortisation Event has occurred, the Seller may assign and transfer to the Issuer, which shall purchase from the Seller, without recourse (*pro soluto*), in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the relevant articles of Law 52 referred to therein, Additional Portfolios, with economic effects from (but excluding) the relevant Subsequent Valuation Date and legal effects from (and including) the relevant Subsequent Purchase Date. The Purchase Price for the relevant Additional Portfolio shall not exceed the Replenishment Available Amount. The Purchase Price for the Initial Portfolio will be financed by the Issuer using the proceeds of the issuance of the Notes (other than the Class E Notes and the Class Z Notes) and will be payable to the Seller on the Closing Date. The Purchase Price for each Additional Portfolio will be paid by the Issuer on the Payment Date immediately succeeding the relevant Subsequent Purchase Date out of the Available Principal Amounts available for such purpose,

in accordance with the Pre-Enforcement Principal Priority of Payments. The Receivables comprised in each Portfolio arise from Loans disbursed by the Seller to the Borrowers (being individuals (*persone fisiche*) and individual entrepreneurs (*ditte individuali*)) for the purpose of purchasing Financed Vehicles.

Each Rated Note will bear interest on its Principal Amount Outstanding from (and including) the Closing Date until final redemption and/or cancellation as provided for in Condition 6 (*Redemption, purchase and cancellation*). The rate of interest applicable from time to time to the Rated Notes (the **Rate of Interest**) will be: (a) in respect of the Class A1 Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of [●] per cent. per annum; (b) in respect of the Class A2 Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of [●] per cent. per annum; (c) in respect of the Class B Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of [●] per cent. per annum; (d) in respect of the Class C Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of [●] per cent. per annum; (e) in respect of the Class D Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of [●] per cent. per annum; and (f) in respect of the Class E Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of [●] per cent. per annum. To the extent permitted by law, there shall be no maximum or minimum Rate of Interest in respect of the Rated Notes, provided that, should in relation to any Interest Period the algebraic sum of the EURIBOR and the relevant margin applicable to any Class of Rated Notes result in a negative rate, then the Rate of Interest applicable to such Class of Rated Notes shall be deemed to be 0 (zero).

Interest on the Rated Notes will accrue on a daily basis and will be payable in Euro in arrear by reference to successive Interest Periods on each date falling (i) prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, on the 23rd calendar day of March, June, September and December in each year (or, if such day is not a Business Day, the immediately following Business Day), or (ii) following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, on any such Business Day as determined by the Representative of the Noteholders on which payments are to be made under the Securitisation (each, a **Payment Date**), in each case in accordance with the applicable Priority of Payments. The first payment of interest on the Rated Notes will be due on the Payment Date falling on 23 September 2025 in respect of the Interest Period from (and including) the Closing Date up to (but excluding) such Payment Date. In addition, a variable return may or may not be payable on the Class Z Notes (the **Variable Return**) in Euro on each Payment Date, in accordance with the applicable Priority of Payments. On each Payment Date, the Variable Return will be equal to any Available Distribution Amounts remaining after making payments under items (i) (*first*) to (xxii) (*twenty-second*) (inclusive) of the Pre-Enforcement Interest Priority of Payments or under items (i) (*first*) to (xx) (*twentieth*) (inclusive) of the Post-Enforcement Priority of Payments, as the case may be, and may be equal to 0 (zero).The Rated Notes are expected, on issue, to be assigned the following ratings: (a) with respect to the Class A1 Notes, "[AAA] (sf)" by DBRS Ratings GmbH and "[AA] sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*); (b) with respect to the Class A2 Notes, "[AAA] (sf)" by DBRS Ratings GmbH and "[AA] sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*); (c) with respect to the Class B Notes, "[AA (high)] (sf)" by DBRS Ratings GmbH and "[AA-] sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*); (d) with respect to the Class C Notes, "[A (high)] (sf)" by DBRS Ratings GmbH and "[A-] sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*); (e) with respect to the Class D Notes, "[BBB (high)] (sf)" by DBRS Ratings GmbH and "[BBB] sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*); and (f) with respect to the Class E Notes, "[A] (sf)" by DBRS Ratings GmbH and "[BB+] sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*). The Class Z Notes are not expected to be assigned any credit rating. **A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision or withdrawal at any time by the assigning rating organisation.** In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) no. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as subsequently amended (the **EU CRA Regulation**), unless such rating is provided by a credit rating agency not established in the European Union but is endorsed by a credit rating agency established in the European Union and registered under the EU CRA Regulation or such rating is provided by a credit rating agency not established in the European Union which is certified under the EU CRA Regulation. In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under Regulation (EC) no. 1060/2009 on credit rating agencies, as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the **UK CRA Regulation**), unless such rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or such rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation. As of the date of this Prospectus, (i) each of DBRS Ratings GmbH and Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) (together, the **Rating Agencies**) is established in the European Union and is registered under the EU CRA Regulation, as evidenced in the latest update of the list published by ESMA on its website (being, as at the date of this Prospectus, www.esma.europa.eu); and (ii) DBRS Ratings GmbH has no more than 10 per cent. of the total market share pursuant to and for the purposes of article 8d (1) of the EU CRA Regulation. As at the date of this Prospectus, each of the Rating Agencies is not established in the UK but the ratings assigned by each of DBRS Ratings GmbH and Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) are endorsed by DBRS Ratings Limited and Fitch Ratings Limited respectively, each of which is registered under the UK CRA Regulation, as evidenced in the latest update of the list published by FCA on its website (being, as at the date of this Prospectus, https://register.FCA.org.uk/s/).

The Notes will constitute direct and limited recourse obligations solely of the Issuer backed by the Aggregate Portfolio and the other Securitisation Assets. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any person except the Issuer and no person other than the Issuer will be liable in respect of any failure by the Issuer to make payment of any amount due on the Notes. The Notes will benefit of the provisions of the Securitisation Law pursuant to which the Aggregate Portfolio and the other Securitisation Assets will be segregated (*costituiscono patrimonio separato*) under Italian law from all other assets of the Issuer and from the assets relating to any Further Securitisation and will only be available, both before and after a winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any Connected Third Party Creditor. The Notes will have also the benefit of the Issuer Transaction Security.

All payments of principal and interest or Variable Return (as applicable) in respect of the Notes will be made by or on behalf of the Issuer without withholding or deduction for or on account of any present or future taxes, duties or charges of whatsoever nature imposed or levied by or on behalf of the Republic of Italy, unless such withholding or deduction is required by law. In such event, neither the Issuer nor any other person will be obliged to pay any additional amounts to any Noteholder on account of such withholding or deduction. According to the provisions of Article 6 of Decree 239, any holder of a Note who (i) is not a person resident for tax purposes (or an institutional investor incorporated) in a country which allows an adequate exchange of information with the Republic of Italy, or (ii) is resident or incorporated in such a country but has not fulfilled all the requisite documentary requirements under Decree 239, will receive amounts of interest payable on the Notes or any Variable Return (if any) in respect of the Class Z Notes net of the Decree 239 Withholding.

The Issuer shall redeem the Notes at their Principal Amount Outstanding (together with any accrued but unpaid interest), in accordance with the applicable Priority of Payments, on the Payment Date falling in December 2041 (the **Legal Maturity Date**).

The Issuer may not redeem the Notes in whole or in part prior to the Legal Maturity Date except as provided for in Condition 6(c) (*Mandatory redemption*), Condition 6(d) (*Early redemption for Tax Event*), Condition 6(e) (*Early redemption for Clean-up Call Event*) or Condition 6(f) (*Early redemption for Regulatory Change Event*), but without prejudice to Condition 10 (*Issuer Event of Defaults*) and Condition 11 (*Enforcement*). The Notes will be finally and definitively cancelled on: (i) the earlier of (A) the Legal Maturity Date if the Notes are redeemed in full, and (B) the date on which the Notes are finally redeemed following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or pursuant to Condition 6(c) (*Mandatory redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*); or (ii) if the Notes cannot be redeemed in full on the Legal Maturity Date as a result of the Issuer having insufficient Available Distribution Amounts for application in or towards such redemption, on the later of (A) the Payment Date immediately following the date on which all the Receivables will have been paid in full; and (B) the Payment Date immediately following the date on which all the Receivables then outstanding will have been entirely written off by the Issuer as a consequence of the Servicer having determined that there is no reasonable likelihood of there being any further realisations in respect of the Aggregate Portfolio and the other Securitisation Assets (whether arising from judicial enforcement proceedings or otherwise) which would be available to pay unpaid amounts outstanding under the Notes (the applicable date of cancellation, the **Cancellation Date**).

The Notes will be subject to mandatory redemption (*pro rata* within each Class) in whole or in part on each Payment Date during the Amortisation Period to the extent that the Issuer has sufficient Available Distribution Amounts for such purpose in accordance with the applicable Priority of Payments. Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*): (i) each Class of Senior Notes and Mezzanine Notes will be redeemed on each Payment Date as follows: (A) during the Pro-Rata Redemption Period, at the relevant Pro-Rata Redemption Amount, *pari passu* and *pro rata* with the other Classes of Senior Notes and Mezzanine Notes; or (B) during the Sequential Redemption Period, in a sequential order, in each case out of the Available Principal Amounts in accordance with the Pre-Enforcement Principal Priority of Payments; and (ii) the Class E Notes and the Class Z Notes will be redeemed on each Payment Date during the Amortisation Period at their respective Principal Amount Outstanding, out of the Available Interest Amounts in accordance with the Pre-Enforcement Interest Priority of Payments, provided that, on the Regulatory Change Early Redemption Date, the Issuer will apply any amounts comprising the Regulatory Change Allocated Principal Amount, in a sequential order, pursuant to the Regulatory Change Order of Allocation to redeem each Class of Mezzanine Notes (in whole but not in part) at their respective Principal Amount Outstanding and, to the extent after such redemption there would sufficient funds to redeem also the Class E Notes (in whole but not in part), also the Class E Notes at their Principal Amount Outstanding, in accordance with the Pre-Enforcement Principal Priority of Payments. Following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), all Classes of Notes shall be redeemed on each Payment Date at their respective Principal Amount Outstanding, in a sequential order, out of the Available Distribution Amounts in accordance with the Post-Enforcement Priority of Payments.

Under the Intercreditor Agreement, the Seller has undertaken that, from the Closing Date, it will: (a) retain, on an on-going basis, a material net economic interest of not less than 5 (five) per cent. in the Securitisation, in accordance with option (c) of article 6(3) of the EU Securitisation Regulation and the applicable Technical Standards and SECN 5 (the **FCA Retention Rules**) and article 6 of Chapter 2 together with Chapter 4 of the PRA Securitisation Rules (the **PRA Retention Rules** and, together with the FCA Retention Rules, the **UK Retention Rules**) (as such rules are interpreted and applied on the Closing Date); (b) not change the manner in which the net economic interest is held, unless expressly permitted by article 6(3) of the EU Securitisation Regulation and the applicable Technical Standards and the UK Retention Rules (as such rules are interpreted and applied on the Closing Date); (c) procure that any change to the manner in which such retained interest is held in accordance with paragraph (b) above will be notified to the Calculation Agent to be disclosed in the SR Investors Report; and (d) comply with the disclosure obligations imposed on originators under article 7(1)(e)(iii) of the EU Securitisation Regulation, subject always to any requirement of law, by providing the Issuer and the Calculation Agent with the relevant information about the risk retained to be disclosed in the SR Investors Report, in each case provided that the Seller is only required to do so to the extent that the retention and disclosure requirements under the EU Securitisation Regulation and/or the UK Retention Rules (as such rules are interpreted and applied on the Closing Date) are applicable to the Securitisation.

Under the Intercreditor Agreement, the parties thereto have acknowledged that the Seller shall be responsible for compliance with article 7 of the EU Securitisation Regulation. Each of the Issuer and the Seller has acknowledged and agreed that the Issuer is designated as Reporting Entity, pursuant to and for the purposes of article 7(2) of the EU Securitisation Regulation, and it has fulfilled before pricing and/or shall fulfil after the Closing Date, as the case may be, the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and article 22 of the EU Securitisation Regulation. In addition, each of the Issuer and the Seller has agreed that the Issuer is designated as first contact point for investors and competent authorities referred to in article 29 of the EU Securitisation Regulation pursuant to the third sub-paragraph of article 27(1) of the EU Securitisation Regulation. Prospective investors should be aware that under the Securitisation it has not been contractually agreed to comply with the transparency requirements of the UK Securitisation Framework. For further details, see the sections headed "*Risk Factors*" and "*Risk Retention and Transparency Requirements*".

The Securitisation will not involve risk retention by the Seller for the purposes of the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the **U.S. Risk Retention Rules**) and the issuance of the Notes was not designed to comply with the U.S. Risk Retention Rules. The Seller intends to rely on an exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions that meet certain requirements. Consequently, except with the prior written consent of the Seller (a **U.S. Risk Retention Consent**) and where such sale falls within the exemption provided by Section_.20 of the U.S. Risk Retention Rules, any Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any "U.S. persons" as defined in the U.S. Risk Retention Rules (**Risk Retention U.S. Persons**). Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is different from the definition of "U.S. person" in Regulation S. Each purchaser of Notes, including beneficial interests therein will, by its acquisition of a Note or beneficial interest therein, be deemed to represent and agree 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 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section_.20 of the U.S. Risk Retention Rules).

The Securitisation is intended to qualify as a simple, transparent and standardised (**STS**) securitisation within the meaning of article 18 of Regulation (EU) no. 2402 of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation (as from time to time amended and supplemented, the **EU Securitisation Regulation**). Consequently, the Securitisation meets, as at the date of this Prospectus, the requirements of articles 19 to 22 of the EU Securitisation Regulation (the **EU STS Requirements**) and, on or about the Closing Date, will be notified by the Seller to be included in the list published by ESMA referred to in article 27(5) of the EU Securitisation Regulation (the **STS Notification**). Pursuant to article 27(2) of the EU Securitisation Regulation, the STS Notification includes an explanation by the

Seller of how each of the EU STS Requirements has been complied with in the Securitisation. The STS Notification will be available for download on the ESMA website (being, as at the date of this Prospectus, https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre) (the **ESMA STS Register**). The Notes can also qualify as STS under the UK Securitisation Framework until maturity, provided the Notes are notified as STS under the EU Securitisation Regulation to ESMA prior to 1 July 2026, remain on the ESMA STS Register and continue to meet the EU STS Requirements. The Seller has used the service of Prime Collateralised Securities (PCS) EU SAS (**PCS**), as a third party verifying STS compliance authorised under article 28 of the EU Securitisation Regulation, in connection with an assessment of the compliance of the Notes with the EU STS Requirements (the **STS Verification**) and to prepare an assessment of compliance of the Notes with the relevant provisions of article 243 of the CRR (the **CRR Assessment** and, together with the STS Verification, the **STS Assessments**). It is expected that the STS Assessments prepared by PCS will be available on the PCS website (being, as at the date of this Prospectus, https://pcsmarket.org/transactions/) together with a detailed explanation of its scope at https://pcsmarket.org/disclaimer/. For the avoidance of doubt, such PCS website and the contents thereof do not form part of this Prospectus. **No assurance can be provided that the Securitisation does or will continue to qualify as an STS-securitisation under the EU Securitisation Regulation and/or the UK Securitisation Framework as at the date of this Prospectus or at any point in time in the future**. **The STS status of a transaction is not static and investors should verify the current status of the Securitisation on the ESMA STS Register**. None of the Issuer, HCBE, Italian branch (in any capacity), the Arranger, the Joint Lead Managers, the Representative of the Noteholders or any other Transaction Party makes any representation or accepts any liability for the Securitisation to qualify as an STS-securitisation under the EU Securitisation Regulation or the UK Securitisation Framework at any point in time.

There will be restrictions on the sale of the Notes and on the distribution of information in respect thereof (for further details, see the section headed "*Subscription and Sale*").

Capitalised words and expressions used in this Prospectus shall, unless defined in any other section and except so far as the context otherwise requires, have the meanings set out in the section headed "*Glossary*".

Information available at any website referred to throughout this Prospectus does not form part of this Prospectus and has been neither scrutinized nor approved by the CSSF.

For a discussion of material risk factors and other factors that should be considered in connection with an investment in the Notes, see the section headed "*Risk Factors*" beginning on page 17.

Arranger

Banco Santander, S.A.

Joint Lead Managers

Banco Santander, S.A. | **IMI - Intesa Sanpaolo** | **UniCredit Bank GmbH**

The date of this Prospectus is [●] 2025.

Responsibility for information

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer, the information contained in this Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect the import of such information. In respect of any information contained in this Prospectus that has been sourced by the Issuer from a third party, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The information in respect of which each of HCBE, Italian branch, Santander Consumer Finance S.A., Banco Santander S.A., Banco Santander S.A., Milan branch, Banca Finanziaria Internazionale S.p.A. and The Bank of New York Mellon SA/NV, Milan branch accepts, jointly with the Issuer, responsibility in the paragraphs identified below has been obtained by the Issuer from each of them. The Issuer, having made all reasonable enquiries, confirms that this Prospectus contains or incorporates all information which is material in the context of the issuance and offering of the Rated Notes, that the information contained in this Prospectus is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Prospectus are honestly held and that there are no other facts the omission of which would make this Prospectus or any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

None of the Issuer, the Representative of the Noteholders, the Arranger, the Joint Lead Managers or any other Transaction Party other than HCBE, Italian branch has undertaken or will undertake any investigations, searches or other actions to verify the details of the Receivables transferred by the Seller to the Issuer, nor has any of the Issuer, the Representative of the Noteholders, the Arranger, the Joint Lead Managers or any other Transaction Party (other than HCBE, Italian branch) undertaken, nor will they undertake, any investigations, searches or other actions to establish the creditworthiness of any Debtor in respect of the Receivables.

HCBE, Italian branch accepts, jointly with the Issuer, responsibility for the information relating to itself, the Receivables, the Loan Contracts, the Debtors, the Loans, the Credit and Collection Policies and any other information relating to the Aggregate Portfolio contained in the sections headed "Transaction Overview - The Principal Parties", "The Aggregate Portfolio", "HCBE, Italian branch", "Credit and Collection Policies", "Risk Retention and Transparency Requirements" and "Description of the Transaction Documents - The Servicing Agreement". HCBE, Italian branch has also provided the data used as assumptions to make the calculations contained in the section headed "Estimated Weighted Average Life of the Rated Notes" on the basis of which the information and assumptions contained in the same section have been extrapolated and, together with the Issuer, accepts responsibility for such data. To the best of the knowledge of HCBE, Italian branch, such information is in accordance with the facts and contains no omission likely to affect the import of such information.

Each of Banco Santander S.A., Banco Santander S.A., Milan branch and Santander Consumer Finance S.A. accepts, jointly with the Issuer, responsibility for the information relating to itself contained in the sections headed "Transaction Overview - The Principal Parties" and "The Santander Group". To the best of the knowledge of Banco Santander S.A., Banco Santander S.A., Milan branch and Santander Consumer Finance S.A., such information is in accordance with the facts and contains no omission likely to affect the import of such information. The information relating to Banco Santander S.A., Banco Santander S.A., Milan branch and Santander Consumer Finance S.A. contained in the sections headed "Transaction Overview - The Principal Parties" and "The Santander Group" has been provided by Banco Santander S.A., Banco Santander S.A., Milan branch and Santander Consumer Finance S.A. solely for use in this Prospectus and each of Banco Santander S.A., Banco Santander S.A., Milan branch and Santander Consumer Finance S.A. is only responsible for the accuracy of the information relating to itself contained in those sections. Banca Finanziaria Internazionale S.p.A. accepts, jointly with the Issuer, responsibility for the information relating to itself contained in the sections headed "Transaction Overview - The Principal Parties" and "Banca Finint". To the best of the knowledge of Banca Finanziaria Internazionale S.p.A., such information is in accordance with the facts and contains no omission likely to affect the import of such information. The information relating to

Banca Finanziaria Internazionale S.p.A. contained in the sections headed "Transaction Overview - The Principal Parties" and "Banca Finint" has been provided by Banca Finanziaria Internazionale S.p.A. solely for use in this Prospectus and Banca Finanziaria Internazionale S.p.A. is only responsible for the accuracy of the information relating to itself contained in those sections.

The Bank of New York Mellon SA/NV, Milan branch accepts, jointly with the Issuer, responsibility for the information relating to itself contained in the sections headed "Transaction Overview - The Principal Parties" and "BNY, Milan branch". To the best of the knowledge of The Bank of New York Mellon SA/NV, Milan branch, such information is in accordance with the facts and contains no omission likely to affect the import of such information. The information relating to The Bank of New York Mellon SA/NV, Milan branch contained in the sections headed "Transaction Overview - The Principal Parties" and "BNY, Milan branch" has been provided by The Bank of New York Mellon SA/NV, Milan branch solely for use in this Prospectus and The Bank of New York Mellon SA/NV, Milan branch is only responsible for the accuracy of the information relating to itself contained in those sections.

To the fullest extent permitted by law, neither the Arranger nor any of the Joint Lead Managers accepts any responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Arranger or the Joint Lead Managers or on their behalf, in connection with the Issuer, the Seller, any other Transaction Party or the issue and offering of the Notes. Each of the Arranger and the Joint Lead Managers accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Prospectus or any such statement.

Representation about the Notes

No person has been authorised to give any information or to make any representation not contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer, the Representative of the Noteholders, the Arranger, the Joint Lead Managers or any other Transaction Party. Neither the delivery of this Prospectus nor any sale or allotment made in connection with the offering of any of the Notes shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer or any other Transaction Party or in any of the other information contained herein since the date hereof or that the information contained herein is correct as at any time subsequent to the date hereof. No person other than the Issuer (or in the case of HCBE, Italian branch, Banco Santander S.A., Banco Santander S.A., Milan branch, Santander Consumer Finance S.A., Banca Finanziaria Internazionale S.p.A. and The Bank of New York Mellon SA/NV, Milan branch, solely to the extent described above) makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus.

Save for the parties accepting responsibility for the information included in this Prospectus as stated above, no other Transaction Party accepts responsibility with respect to the accuracy or completeness of such information.

Limited recourse

*The Notes will constitute direct and limited recourse obligations solely of the Issuer backed by the Aggregate Portfolio and the other Securitisation Assets. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any person except the Issuer and no person other than the Issuer will be liable in respect of any failure by the Issuer to make payment of any amount due on the Notes. The Notes will benefit of the provisions of the Securitisation Law pursuant to which the Aggregate Portfolio and the other Securitisation Assets will be segregated (*costituiscono patrimonio separato*) under Italian law from all other assets of the Issuer and from the assets relating to any Further Securitisation and will only be available, both before and after a winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any Connected Third Party Creditor. The Notes will have also the benefit of the Issuer*

Transaction Security.

Interest material to the offer

Save as described under the sections headed "Subscription and Sale" and "Risk factors - Counterparty risks - Conflicts of interest may influence the performance by the Transaction Parties of their respective obligations under the Securitisation", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

Other business relations

In addition to the interests described in this Prospectus, prospective Noteholders should be aware that each of the Arranger, the Joint Lead Managers and their related entities, associates, officers or employees (each a ***Relevant Entity****) may be involved in a broad range of transactions including, without limitation, banking, dealing in financial products, credit, derivative and liquidity transactions, investment management, corporate and investment banking and research in various capacities in respect of the Notes, the Issuer or any Transaction Party, both on its own account and for the account of other persons. As such, each Relevant Entity may have various potential and actual conflicts of interest arising in the ordinary course of its business. For example, a Relevant Entity's dealings with respect to the Notes, the Issuer or any other Transaction Party may affect the value of the Notes as the interests of this Relevant Entity may conflict with the interests of a Noteholder, and that Noteholder may suffer loss as a result. To the maximum extent permitted by applicable law, no Relevant Entity is restricted from entering into, performing or enforcing its rights in respect of the Transaction Documents or the interests described above and may continue or take steps to further protect any of those interests and its business even where to do so may be in conflict with the interests of Noteholders. The Relevant Entities may in so doing act without notice to, and without regard to, the interests of the Noteholders or any other person.*

Selling Restrictions

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

This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer that any recipient of this Prospectus should purchase any of the Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the Aggregate Portfolio and of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

The Notes may not be offered or sold directly or indirectly, and neither this Prospectus nor any other prospectus, form of application, advertisement, other offering material or other information relating to the Issuer or the Notes may be issued, distributed or published in any country or jurisdiction, except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations. For a further description of certain restrictions on offers and sales of the Notes and the distribution of this Prospectus, see the section headed "Subscription and Sale".

The Notes have not been, and will not be, registered under the Securities Act or the "blue sky" laws of any state of the U.S. or other jurisdiction and the securities, may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act)

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 Notes are in dematerialised form and are subject to U.S. tax law requirements. The Notes are being offered for sale outside the United States in accordance with Regulation S under the Securities Act (see the section headed "Subscription and Sale"). Neither the United States Securities and Exchange Commission, nor any state securities commission or any other regulatory authority, has approved or disapproved the Notes or determined that this Prospectus is truthful or complete. Any representation to the contrary is a criminal offence.

Neither the Arranger nor any of the Joint Lead Managers nor any of their respective affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules as at the date of this Prospectus 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.

The Notes may not be purchased by, or for the account or benefit of, any person except for persons that are not Risk Retention U.S. Persons. Consequently, except with the prior written consent of the Seller (a ***U.S. Risk Retention Consent****) and where such sale falls within the exemption provided by Section __.20 of the U.S. Risk Retention Rules, any Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any "U.S. persons" as defined in the U.S. Risk Retention Rules (****Risk Retention U.S. Persons****). Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is different from the definition of "U.S. person" in Regulation S. Each purchaser of Notes, including beneficial interests therein will, by its acquisition of a Note or beneficial interest therein, be deemed to represent and agree 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 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section_.20 of the U.S. Risk Retention Rules).*

The Issuer will be relying on an exclusion or exemption from the definition of "Investment Company" under the Investment Company Act contained in Section 3(c)(1) of the Investment Company Act, although there may be additional statutory or regulatory exclusions or exemptions available to the Issuer. The Issuer is being structured so as not to constitute a "covered fund" for purposes of regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended, commonly known as the "Volcker Rule".

IMPORTANT - 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 (****MiFID II****); or (ii) a customer within the meaning of Directive (UE) 2016/97 (****IDD****), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II. 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.*

IMPORTANT - UK RETAIL INVESTORS *- The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (****UK****). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of article 2 of Regulation (EU) no. 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) (****EUWA****); or (ii) a customer within the meaning of the provisions of the Financial Services and*

*Market Act 2000 (**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. Consequently, no key information document required by Regulation (EU) no. 1286/2014 as it forms part of domestic law 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.*

***IMPORTANT – UK AFFECTED INVESTORS** - Article 5 of Chapter 2 of the PRA Securitisation Rules (the **PRA Due Diligence Rules**), SECN 4 (the **FCA Due Diligence Rules**) and regulations 32B, 32C and 32D of the 2024 UK SR SI (the **OPS Due Diligence Rules** and, together with the PRA Due Diligence Rules and the FCA Due Diligence Rules, the **UK Due Diligence Rules**) place certain conditions on investments in a "securitisation" (as defined in the UK Securitisation Framework) by an "institutional investor" (as defined in the UK Due Diligence Rules). The UK Due Diligence Rules also apply to investments by certain consolidated affiliates, wherever established or located, of such institutional investors which are CRR firms (as defined by article 4(1)(2A) of Regulation (EU) no. 575/2013, as it forms part of the domestic law of the UK by virtue of the EUWA) (such affiliates, together with all such institutional investors, **UK Affected Investors**). Also note that, in H2 2025, the UK government, the PRA and the FCA will consult on some amendments to the requirements applicable under the UK Securitisation Framework including, but not limited to, amendments to the investor due diligence, transparency and reporting requirements. Therefore, at this stage, not all details are known on the implementation of the UK Securitisation Framework. Please note that some divergence between EU and UK regimes already exists. While the UK Securitisation Framework brings some alignment with the EU regime, it also introduces new points of divergence and the risk of further divergence between EU and UK regimes cannot be ruled out in the longer term as it is not known at this stage how the ongoing reforms or any future reforms will be finalised and implemented in the UK or the EU. For further details, see the paragraph headed "Non-compliance with the EU Securitisation Regulation or the UK Securitisation Framework, as applicable, may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes" in the section headed "Risk Factors".*

Neither the Seller nor any other party to the Securitisation makes or intends to make any representation or agreement that it or any other party is undertaking or will undertake to take or refrain from taking any action to facilitate or enable the compliance by UK Affected Investors with the UK Due Diligence Rules, or to comply with the requirements of any other law or regulation now or hereafter in effect in the UK in relation to due diligence and monitoring, credit granting standards or any other conditions with respect to investments in securitisation transactions by UK Affected Investors (save that the Seller will comply with the UK Retention Rules (as such rules are interpreted and applied on the Closing Date)).

Failure by a UK Affected Investor to comply with the UK Due Diligence Rules with respect to an investment in the Notes offered by this Prospectus may result in regulatory sanctions being imposed by the competent authority of such UK Affected Investor (including the imposition of a higher regulatory capital charges on that investment).

Prospective UK Affected Investors are themselves responsible for analysing their own regulatory position, and should consult their own advisers in this respect and should consider (and where appropriate, take independent advice on) the application of the UK Securitisation Framework or other applicable regulations and the suitability of the Notes for investment.

None of the Arranger or the Joint Lead Managers is responsible for any obligation of the Seller or the Issuer for compliance with the requirements (including existing or ongoing reporting requirements) of the EU Securitisation Regulation or any corresponding national measures which may be relevant or the UK Securitisation Framework.

MiFID II product governance / 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 MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a* ***distributor****) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.*

UK MiFIR product governance / 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 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 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.*

Benchmark Regulation (Regulation (EU) 2016/1011) - *Interest amounts payable in respect of the Rated Notes will be calculated by reference to EURIBOR as specified in the Conditions. As at the date of this Prospectus, EURIBOR is provided and administered by the European Money Markets Institute (****EMMI****). As at the date of this Prospectus, EMMI is authorised as benchmark administrator and included on the register of administrators and benchmarks established and maintained by ESMA pursuant to article 36 of Regulation (EU) no. 2016/1011 (the* ***Benchmark Regulation****). The Benchmark Regulation could have a material impact on the Rated Notes, in particular, if the methodology or other terms of the "benchmarks" 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 benchmarks. 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 Rated Notes.*

Interpretation

Words and expressions in this Prospectus shall, except so far as the context otherwise requires, have the same meanings as those set out in the section headed "Glossary". 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.

All references in this Prospectus to Euro, euro, EUR or € are to the lawful currency of the Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on the European Union.

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

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

Words such as "intend(s)", "aim(s)", "expect(s)", "will", "may", "believe(s)", "should", "anticipate(s)" or similar expressions are intended to identify forward-looking statements and subjective assessments. Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements. The reader is cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Prospectus and are based on assumptions that may prove to be inaccurate. No-one undertakes any obligation to update or revise any forward-looking statements contained herein to reflect events or circumstances occurring after the date of this Prospectus.

Forward-looking statements

Forward-looking statements, including estimates, any other projections, forecasts and estimates in this Prospectus, are necessarily speculative and subjective in nature and some or all of the assumptions underlying the projections may not materialise or may vary significantly from actual results. Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements. Prospective Noteholders are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document and are based on assumptions that may prove to be inaccurate. No-one undertakes any obligation to update or revise any forward-looking statements contained herein to reflect events or circumstances occurring after the date of this Prospectus.

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RISK FACTORS

Investing in the Notes involves certain risks. Moreover, the Notes are complex instruments which involve a high degree of risk and are suitable for purchase only by sophisticated investors which are capable of understanding the risk involved. In particular the Notes should not be purchased by or sold to individuals and other non-expert investors. As such, investors should make their own assessment as to the suitability of investing in the securities.

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 or Variable Return (as applicable) and repay principal on the Notes may, exclusively or concurrently, occur for other unknown reasons. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision. While the various structural elements described in this Prospectus are intended to lessen some of these risks for holders of the Notes, there can be no assurance that these measures will be sufficient or effective to ensure payment to the holders of the Notes of interest or Variable Return (as applicable) 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.

The following is a description of certain aspects of the issue of the Notes of which prospective Noteholders should be aware. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision. Words and expressions defined in the Conditions or elsewhere in this Prospectus have the same meanings in this section.

1. RISKS RELATED TO THE ISSUER

Noteholders cannot rely on any person other than the Issuer to make payments to Noteholders on the Notes

The Notes will be limited recourse obligations solely of the Issuer backed by the Aggregate Portfolio and the other Securitisation Assets and will not be the responsibility of, or be guaranteed by, any other entity. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any of the Seller, the Servicer, the Back-up Servicer Facilitator, the Representative of the Noteholders, the Calculation Agent, the Collection and Liquidity Reserve Account Bank, the Transaction Account Bank, the Paying Agent, the Corporate Servicer, the Interest Rate Swap Counterparty, the Stichting Corporate Services Provider, the Arranger, the Joint Lead Managers, the Reporting Entity, the Quotaholder or any other person (except for the Issuer). None of any such persons, other than the Issuer, will be liable in respect of any failure by the Issuer to make any payment of any amount due on the Notes.

Notwithstanding anything to the contrary under the Notes or in any other Transaction Document to which the Issuer is expressed to be a party, all amounts payable or expressed to be payable by the Issuer hereunder shall be recoverable solely out of the Available Distribution Amounts which shall be generated by, and limited to (i) payments made to the Issuer by the Servicer under the Servicing Agreement, (ii) payments made to the Issuer under the other Transaction Documents (including the Seller Regulatory Loan, as applicable), (iii) proceeds from the realisation of the Eligible Investments, and (iv) interest earned, if any, on the balance credited to the Collection Account, the Liquidity Reserve Account and the Payments Account, in each case in accordance with and subject to the relevant Priority of Payments and which shall only be settled if and to the

extent that the Issuer has sufficient Available Distribution Amounts for such purpose. The Notes shall not give rise to any payment obligation in excess of the Available Distribution Amounts and recourse shall be limited accordingly.

The Issuer shall hold all monies paid to it in the Collection Account, except the Liquidity Reserve Amount which the Issuer shall hold in the Liquidity Reserve Account and the Required RSF Reserve Amount which the Issuer shall hold in the RSF Reserve Account.

If the Notes cannot be redeemed in full on the Legal Maturity Date as a result of the Issuer having insufficient Available Distribution Amounts for application in or towards such redemption, on the later of (i) the Payment Date immediately following the date on which all the Receivables will have been paid in full, and (ii) the Payment Date immediately following the date on which all the Receivables then outstanding will have been entirely written off by the Issuer as a consequence of the Servicer having determined that there is no reasonable likelihood of there being any further realisations in respect of the Aggregate Portfolio and the other Securitisation Assets (whether arising from judicial enforcement proceedings or otherwise) which would be available to pay unpaid amounts outstanding under the Notes, the Notes will be finally and definitively cancelled.

The Noteholders shall not (otherwise than as contemplated herein) take steps against the Issuer, its officers or directors to recover any sum so unpaid and, in particular, the Noteholders shall not petition or take any other step or action for the winding up, examinership, liquidation or dissolution of the Issuer, or its officers or directors, nor for the appointment of a liquidator, examiner, receiver or other person in respect of the Issuer or its assets.

By operation of article 3 of the Securitisation Law, the Aggregate Portfolio and the other Securitisation Assets are segregated (*costituiscono patrimonio separato*) under Italian law from all other assets of the Issuer and from the assets relating to any Further Securitisation and will only be available, both before and after a winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any Connected Third Party Creditor. The Notes will have also the benefit of the Issuer Transaction Security.

Pursuant to the Conditions and the Intercreditor Agreement, until the date falling 2 (two) years and 1 (one) day after the Cancellation Date or, if later, the date on which the notes issued by the Issuer in the context of any Further Securitisation have been redeemed in full and/or cancelled in accordance with the relevant terms and conditions, no Issuer Creditor (nor any person on its behalf, other than the Representative of the Noteholders when so directed by an Extraordinary Resolution of the Noteholders and only if the representatives of the noteholders of all Further Securitisations carried out by the Issuer (if any) have been so directed by an extraordinary resolution of the noteholders under the relevant securitisation transaction) shall initiate or join any person in initiating an Issuer Insolvency Event.

If any Issuer Insolvency Event were to be initiated against the Issuer, no creditors other than the Representative of the Noteholders on behalf of the Noteholders, the Other Issuer Creditors and any Connected Third Party Creditor would have the right to claim in respect of the Receivables. However, there can in any event be no assurance that the Issuer would be able to meet all of its obligations under the Notes.

The Issuer has a limited set of resources available to make payments on the Notes

The Issuer's principal assets are the Receivables. As at the date of this Prospectus, the Issuer has no assets other than the Aggregate Portfolio and the other Securitisation Assets as described in this Prospectus. According to the Securitisation Law the Aggregate Portfolio and the other Securitisation Assets are segregated in favour of the Noteholders. The Issuer will not have as of the Closing Date any significant assets for the purpose of meeting its obligations under the Securitisation, other than the Aggregate Portfolio and the Collections deriving therefrom and its rights under the Transaction Documents.

The Notes will be limited recourse obligations solely of the Issuer. The ability of the Issuer to meet its obligations in respect of the Notes will be dependent on, *inter alia*, (i) the receipt by the Issuer of Collections made in respect of the Aggregate Portfolio, (ii) with reference to the Senior Notes and, as long as no relevant Mezzanine Interest Subordination Event has occurred in relation to a Class of Mezzanine Notes in respect of such Payment Date, such Class of Mezzanine Notes, the amounts standing to the credit of the Liquidity Reserve Account; (iii) with reference to the Senior Notes and the Mezzanine Notes, any payments made by the Interest Rate Swap Counterparty under the Swap Agreement, and (iv) any other amounts received by the Issuer pursuant to the terms of the Transaction Documents. The performance by such parties of their respective obligations under the relevant Transaction Documents is dependent on the solvency of each relevant party. For further details, see the section headed "*Transaction Overview - Credit Structure*". There is no assurance that, over the life of the Notes or at the redemption date of the Notes (whether on maturity or upon redemption by acceleration of maturity following the service of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or otherwise), there will be sufficient funds to enable the Issuer to pay interest or Variable Return (as applicable) when due on the Notes and to repay the outstanding principal on the Notes in full. If there are not sufficient funds available to the Issuer to pay in full interest or Variable Return (as applicable) and repay principal due in respect of the Notes, then the Noteholders will have no further claims against the Issuer in respect of any such unpaid amounts.

Following the service of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Issuer (or the Representative of the Noteholders on its behalf) may (with the prior consent of an Extraordinary Resolution of the holders of the Most Senior Class of Notes) or shall (if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes) dispose of the Aggregate Portfolio then outstanding in accordance with the provisions of the Intercreditor Agreement (for further details, see the section headed "*Description of the Transaction Documents - The Intercreditor Agreement*"). However, there is no assurance that a purchaser could be found nor that the proceeds of the sale of the Aggregate Portfolio would be sufficient to pay in full all amounts due to the Noteholders.

2. RISKS RELATED TO THE NOTES

Yield to maturity, amortisation and weighted average life of the Notes are influenced by a number of factors

The yield to maturity, the amortisation and the weighted average life of the Notes will depend on, *inter alia*, the amount and timing of repayment of principal on the Loans (including prepayments and sale proceeds arising on enforcement of the Loans, if any).

In addition, the yield to maturity, the amortisation and the weighted average life of the Notes may be adversely affected by a number of factors including, without limitation, a higher or lower rate of prepayment, delinquency and default on the Loans, the exercise by the Seller of its right to repurchase individual Receivables or the outstanding Aggregate Portfolio pursuant to the Master Receivables Purchase Agreement, any settlement or disposal by the Servicer in relation to Defaulted Receivables in accordance with the provisions of the Servicing Agreement and/or the early redemption of the Notes pursuant to Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*) pursuant to Condition 6(f) (*Early redemption for Regulatory Change Event*).

In respect of the Loans governed by governed by the provisions of articles 121 and following of the Consolidated Banking Act, pursuant to article 125-*sexies* of the Consolidated Banking Act), the Debtor is allowed to prepay, in whole or in part and at any time, the Loan before its scheduled final payment date. Moreover, with respect to the subrogation, article 120-*quater* of the Consolidated Banking Act provides that, in respect of a loan, overdraft facility or any other financing granted by a bank or financial intermediary, the relevant borrower can exercise the subrogation, even if the borrower's debt towards the lender is not due and payable or a term for repayment has been agreed for the benefit of the creditor (for further details, see the section headed "*Selected Aspects of Italian Law - Subrogation*").The level of prepayments, delinquency and default on payment of the relevant Instalments or request for renegotiation under the Loans or level of early

repayment of the Loans cannot be predicted and is influenced by a wide variety of economic, market industry, social and other factors, including prevailing loan market interest rates and margin offered by the banking system, the availability of alternative financing, local and regional economic conditions as well as special legislation that may affect the refinancing terms.

Calculations as to the estimated weighted average life of the Rated Notes are based on various assumptions relating also to unforeseeable circumstances (for further details, see the section headed "*Estimated Weighted Average Life of the Rated Notes*"). No assurance can be given that such assumptions and estimates will be accurate and, therefore, calculations as to the estimated weighted average life of the Rated Notes must be viewed with considerable caution.

Payment of interest or Variable Return (as applicable) and repayment of principal under the Notes are subject to certain subordination and ranking provisions

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), in respect of the obligation of the Issuer to pay interest or Variable Return (as applicable) on the Notes and repay principal on the Class E Notes and the Class Z Notes:

(a) the Class A Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes;

(b) the Class B Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes;

(c) the Class C Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class D Notes, the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes and the Class B Notes;

(d) the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes, the Class B Notes and the Class C Notes;

(e) the Class E Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class Z Notes, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes; and

(f) the Class Z Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*) and during the Pro-Rata Redemption Period, in respect of the obligation of the Issuer to repay principal on the Notes (other than the Class E Notes and the Class Z Notes), the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves.

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early*

redemption for Tax Event) or Condition 6(e) (*Early redemption for Clean-up Call Event*) and during the Sequential Redemption Period, in respect of the obligation of the Issuer to repay principal on the Notes (other than the Class E Notes and the Class Z Notes):

(a) the Class A Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the Class B Notes, the Class C Notes and the Class D Notes;

(b) the Class B Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class C Notes and the Class D Notes, but subordinated to the Class A Notes;

(c) the Class C Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class D Notes, but subordinated to the Class A Notes and the Class B Notes; and

(d) the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes and the Class C Notes.

Following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), in respect of the obligation of the Issuer to pay interest or Variable Return (as applicable) and repay principal on the Notes:

(a) the Class A Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes;

(b) the Class B Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes;

(c) the Class C Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class D Notes, the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes and the Class B Notes;

(d) the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes, the Class B Notes and the Class C Notes;

(e) the Class E Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class Z Notes, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes; and

(f) the Class Z Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

The rights of the Noteholders in respect of the priority of payment of interest or Variable Return (as applicable) and principal on the Notes are set out in Condition 3(a) (*Priority of Payments - Pre-Enforcement Interest Priority of Payments*), Condition 3(b) (*Priority of Payments - Pre-Enforcement Principal Priority of Payments*) or Condition 3(c) (*Priority of Payments - Post-Enforcement Priority of Payments*), as the case may be, and are subject to the provisions of the Intercreditor Agreement and subordinated to certain prior ranking amounts due by the Issuer as set out therein.

To the extent that any losses are suffered by any of the Noteholders, such losses will be borne firstly by the holders of the Class of Notes which rank more junior in the applicable Priority of Payments and secondly by the holders of the other Classes of Notes in accordance with their ranking in such Priority of Payments.

Prospective Noteholders should note that the subordination described above may affect the amount and timing of payments of interest or Variable Return (as applicable) and/or principal in respect of the Notes ranking lower in the applicable Priority of Payments.

For further details, see the section headed "*Credit Structure - Mezzanine Interest Subordination Events*", "*Credit Structure - Notes redemption*" and "*Credit Structure - Sequential Payment Trigger Event*".

Payment of interest on certain Rated Notes may be deferred in certain circumstances

Payments of interest on any Class of Rated Notes (other than the Senior Notes or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes) will be subject to deferral to the extent that there are insufficient Available Interest Amounts on any Payment Date in accordance with the Pre-Enforcement Interest Priority of Payments to pay in full the relevant Aggregate Interest Amount which would otherwise be payable on such Class of Rated Notes. The amount by which the aggregate amount of interest paid on any Class of Rated Notes (other than the Senior Notes or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes) on any Payment Date in accordance with Condition 5 (*Interest and Variable Return*) falls short of the Aggregate Interest Amount which otherwise would be payable on such Class of Rated Notes on that date shall be aggregated with the amount of, and treated for the purposes of Condition 5 (*Interest and Variable Return*) as if it were interest due on, such Class of Rated Notes and, subject as provided below, payable on the next succeeding Payment Date. No interest will accrue on any amount so deferred.

If, on the Cancellation Date, there remains any such shortfall, the amount of such shortfall will become due and payable on such date, subject in each case to the amounts of Available Distribution Amounts and, to the extent unpaid, will be cancelled.

Any Aggregate Interest Amount due but not payable on the Senior Notes (or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes) on any Payment Date will not be deferred and any failure to pay such Aggregate Interest Amount will constitute an Issuer Event of Default pursuant to Condition 10 (*Issuer Event of Defaults*).

For further details, see the sections headed "*Transaction Overview - Principal features of the Notes*" and "*Terms and Conditions of the Notes*".

Liquidity and credit risk arising from any delay or default in payment by the Debtors may impact the timely and full payment of amounts due under the Notes

The Issuer is subject to the risk of delay arising between the receipt of payments due from the Debtors and the scheduled payment dates under the Loan Contracts.

The Issuer is also subject to the risk of default in payment by the Debtors and failure by the Servicer to collect or recover or transfer sufficient funds in respect of the Receivables in order to enable the Issuer to discharge all amounts payable under the Notes. Individual, personal or financial conditions of the Debtors may affect the ability of the Debtors to repay the Loans. Unemployment, loss of earnings, illness (including any illness arising in connection with an epidemic) and other similar factors may lead to an increase in delinquencies by the Debtors and could ultimately have an adverse impact on the ability of the Debtors to repay the Loans.

These risks are addressed in respect of the Notes through: (i) the support provided to each relevant Class of Notes by the subordination of the Class(es) of Notes having a lower ranking in the Priority of Payments; and

(ii) the liquidity support provided to the Issuer in respect of interest payments on the Senior Notes and, as long as no relevant Mezzanine Interest Subordination Event has occurred in relation to a Class of Mezzanine Notes in respect of the relevant Payment Date, interest on such Class of Mezzanine Notes, by the Liquidity Reserve. For further details, see the section headed "*Transaction Overview - Credit Structure*".

Although the Issuer believes that the Aggregate Portfolio has characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes, there can, however, be no assurance that the level of collections and recoveries received from the Aggregate Portfolio will be adequate to ensure timely and full receipt of amounts due under the Notes.

Principal deficiencies recorded on the Principal Deficiency Ledger and not reduced to nil may affect the Issuer's ability to redeem the Notes

The Issuer has established and will maintain with the Calculation Agent the Principal Deficiency Ledger in respect of the Senior Notes and the Mezzanine Notes. If, upon default by Debtors and the exercise by the Issuer or the Servicer of all available remedies under the Loans, the Issuer does not receive the full amount due from those Loans, the Issuer will be obliged to record any principal deficiencies in the Principal Deficiency Ledger (for further details, see the section headed "*Transaction Overview - Credit Structure*").

If there are insufficient funds available as a result of such principal deficiencies, then one or more of the following consequences may ensue:

(a) the Issuer's interest and other net income may not be sufficient, after making the payments to be made in priority thereto, to pay, in full or at all, interest due on the Rated Notes;

(b) there may be insufficient funds to redeem the Notes unless, prior to the Legal Maturity Date, the Issuer's interest and other net income is sufficient, after making other payments to be made in priority thereto, to reduce to nil the debit provision in the Principal Deficiency Ledger; and

(c) if the aggregate debit balances, notwithstanding any reduction as aforesaid, exceed the aggregate Principal Amount Outstanding of the Senior Notes and the Mezzanine Notes, such Notes may not receive by way of principal their full face value.

Commingling risk may affect availability of funds to pay the Notes

The Issuer is subject to the risk that certain Collections may be lost or temporarily unavailable in case of insolvency of the relevant Account Bank or the Servicer.

Indeed, although article 3, paragraphs 2-*bis* and 2-*ter*, of the Securitisation Law, provides that the sums credited to the accounts opened in the name of the issuer or the servicer with an account bank (whether before or during the relevant insolvency proceeding of such account bank) will not be subject to suspension of payments or will not be deemed to form part of the estate of the servicer or the relevant account bank, as the case may be, and shall be immediately and fully repaid to the issuer, without the need to file any petition (*domanda di ammissione al passivo o di rivendica*) and wait for the distributions (*riparti*) and the restitutions of sums (*restituzioni di somme*), such provisions of the Securitisation Law have not been the subject of any official interpretation and to date they have been commented by a limited number of legal commentators. Consequently, there remains a degree of uncertainty with respect to the interpretation and application thereof. In addition, pursuant to article 95-*bis* of the Consolidated Banking Act, the liquidation and reorganisation proceedings of an account bank would be governed by the laws of the member state in which the relevant account bank has been licensed; therefore in the event that an account bank is a foreign entity, there is a risk that the insolvency receiver of the same may disregard the provisions of article 3, paragraph 2-*bis*, of the Securitisation Law.

Prospective Noteholders should note that, in order to mitigate any possible risk of commingling: (a) pursuant to the Agency and Accounts Agreement, it is required that each Account Bank shall at all times be an Eligible Institution; and (b) under the Servicing Agreement, the Servicer has undertaken to transfer the Collections into the Collection Account within 2 (two) Business Days from receipt thereof.

In addition, within 10 (ten) Business Days following receipt of a Servicer Termination Notice, the Servicer (failing which the Back-up Servicer Facilitator or the Replacement Servicer, as the case may be) shall, at cost of the Servicer, instruct in writing the Debtors to make future payments relating to the Receivables directly into the Collection Account. To this end, under the Servicing Agreement the Servicer has undertaken to deliver to the Issuer, the Representative of the Noteholders and the Back-up Servicer Facilitator, promptly upon their request, an up-to-date list containing details of the Debtors (including *anagrafica*). However, no assurance can be given that all data necessary to make such notifications will be available and that the Debtors will comply with such payment instructions.

For further details, see the sections headed "*Description of the Transaction Documents - The Agency and Accounts Agreement*" *and* "*Description of the Transaction Documents - The Servicing Agreement*".

The Issuer may incur unexpected expenses which could reduce the funds available to pay the Notes

The Issuer is unlikely to have a large number of creditors unrelated to the Securitisation or any Further Securitisation because the corporate object of the Issuer, as contained in its by-laws (*statuto*), is limited to the carrying out of securitisation transactions and activities related or ancillary thereto and the Issuer has provided certain covenants in the Intercreditor Agreement and the other Transaction Documents which contain restrictions on the activities which the Issuer may carry out with the result that the Issuer may only carry out limited transactions. Nonetheless, there remains the risk that the Issuer may incur unexpected Expenses payable to Connected Third Party Creditors (which rank ahead of all other items in the applicable Priority of Payments), as a result of which the funds available to the Issuer for purposes of fulfilling its payment obligations under the Notes could be reduced.

Interest rate risk arising from the mismatch between the interest rate applicable on the Loans and the Senior Notes and the Mezzanine Notes may affect the ability of the Issuer to meet its payment obligations under the Senior Notes and the Mezzanine Notes in case of termination of the Swap Agreement

The Receivables include interest payments calculated at fixed interest rates and times which are different from the floating interest rates and times applicable to interest in respect of the Rated Notes. The Issuer expects to meet its payment obligations under the Notes primarily from the payments relating to the Collections. However, the fixed interest rate applicable in respect of the Loans has no correlation to the floating interest rate from time to time applicable in respect of the Rated Notes. As a result of such mismatch, an increase on the level of the EURIBOR could adversely impact the ability of the Issuer to make payments on the relevant Notes.

In order to reduce the risk arising from a situation where EURIBOR increases to such an extent that the Collections are no longer sufficient to cover the Issuer's obligations under the Senior Notes and the Mezzanine Notes, the Issuer has entered into the Swap Agreement with the Interest Rate Swap Counterparty in respect of the Senior Notes and the Mezzanine Notes. For further details, see the sections headed "*Transaction Overview - Credit Structure*" and "*Description of the Transaction Documents - The Swap Agreement*".

During periods in which floating rate interests payable by the Interest Rate Swap Counterparty under the Swap Agreement are greater than the fixed rate interests payable by the Issuer under the Swap Agreement, the Issuer will be more dependent on receiving net payments from the Interest Rate Swap Counterparty in order to make interest payments on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. Consequently, a default by the Interest Rate Swap Counterparty on its obligations under the Swap Agreement may lead to the Issuer not having sufficient funds to meet its obligations to pay interest on the Notes

The Interest Rate Swap Counterparty may terminate the Swap Agreement if the Issuer becomes insolvent, if the Issuer fails to make a payment under the Swap Agreement when due and such failure is not remedied within 5 (five) Local Business Days (as defined in the Swap Agreement) of notice of such failure being given, if performance of the Swap Agreement becomes illegal, if payments to the Interest Rate Swap Counterparty are reduced or payments from the Interest Rate Swap Counterparty are increased for a set period of time due to tax reasons, if an Issuer Event of Default Notice is served or if certain amendments are made to the Transaction Documents without the Interest Rate Swap Counterparty's consent. The Issuer may terminate the Swap Agreement if, among other things, a rating downgrading of the Interest Rate Swap Counterparty occurs, the Interest Rate Swap Counterparty becomes insolvent, the Interest Rate Swap Counterparty fails to make a payment under the Swap when due and such failure is not remedied within 5 (five) Business Days of notice of such failure being given, performance of the Swap Agreement becomes illegal or payments to the Issuer are reduced or payments from the Issuer are increased due to tax for a period of time.

Under the Intercreditor Agreement, the Issuer has covenanted with the Representative of the Noteholders that, in the event of early termination of the Swap Agreement, including any termination upon failure by the Interest Rate Swap Counterparty to perform its obligations, it will use its best endeavours to find, with the cooperation of the Seller, a suitably rated replacement interest rate swap counterparty who is willing to enter into a replacement swap agreement substantially on the same terms as the Swap Agreement. However, no assurance can be given that the Issuer will be able to enter into a replacement swap agreement with a suitably rated entity that will provide the Issuer with the same level of protection as the Swap Agreement. If a replacement interest rate swap counterparty cannot be contracted, the amount available to pay principal of and interest on the Notes will be reduced if the floating rate on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes exceeds the fixed rate the Issuer would have been required to pay the Interest Rate Swap Counterparty under the terminated Swap Agreement. Under these circumstances the Collections of the Receivables may be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes.

If subordination provisions were challenged in insolvency proceedings, the rights of the Noteholders could be affected

There is uncertainty as to the validity and/or enforceability of a provision which (based on contractual and/or trust principles) subordinates certain payment rights of a creditor to the payment rights of other creditors of its counterparty upon the occurrence of insolvency proceedings relating to that creditor. In particular, several cases have focused on provisions involving the subordination of a hedging counterparty's payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings or other default on the part of such counterparty (so-called "flip clauses"). Such provisions are similar in effect to the terms which will be included in the Transaction Documents relating to the subordination of Subordinated Swap Amounts.

The English Supreme Court has held that a flip clause as described above is valid under English law. Contrary to this, however, the U.S. Bankruptcy Court has held that such a subordination provision is unenforceable under U.S. bankruptcy law and that any action to enforce such provision would violate the automatic stay which applies under such law in the case of a U.S. bankruptcy of the counterparty. However, a subsequent 2016 U.S. Bankruptcy Court decision held that in certain circumstances flip clauses are protected under the U.S. Bankruptcy Code and therefore enforceable in bankruptcy. The 2016 decision was affirmed on 14 March 2018 by the U.S. District Court for the Southern District of New York, which 2018 decision was further affirmed on 11 August 2020 by the U.S. Court of Appeals for the Second Circuit. The implications of this conflict remain unresolved.

If a creditor of the Issuer (such as the Interest Rate Swap Counterparty) or a related entity becomes subject to insolvency proceedings in any jurisdiction outside England and Wales (including, but not limited to, the U.S.), and it is owed a payment by the Issuer, a question arises as to whether the insolvent creditor or any insolvency official appointed in respect of that creditor could successfully challenge the validity and/or enforceability of

subordination provisions included in the English law governed Transaction Documents (such as a provision of the Priorities of Payments which refers to the ranking of the Interest Rate Swap Counterparty's payment rights in respect of Subordinated Swap Amounts). In particular, based on the decision of the U.S. Bankruptcy Court referred to above, there is a risk that such subordination provisions would not be upheld under U.S. bankruptcy laws. Such laws may be relevant in certain circumstances with respect to any replacement Interest Rate Swap Counterparty, depending on certain matters in respect of that entity).

In general, if a subordination provision included in the Transaction Documents was successfully challenged under the insolvency laws of any relevant jurisdiction and any relevant foreign judgment or order was recognised by the Italian courts, there can be no assurance that such actions would not adversely affect the rights of the holders of the Rated Notes, the market value of the Rated Notes and/or the ability of the Issuer to satisfy its obligations under the Rated Notes.

Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents will include terms providing for the subordination of Subordinated Swap Amount, there is a risk that the final outcome of the dispute in such judgments (including any recognition action by the English courts) may result in negative rating pressure in respect of the Rated Notes. If any rating assigned to the Rated Notes is lowered, the market value of the Rated Notes may reduce.

Changes or uncertainty in respect of EURIBOR may affect the value or payment of interest under the Rated Notes

Various interest rate benchmarks (including EURIBOR) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. 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 Rated 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 to comply with extensive requirements in relation to the administration of benchmarks 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 Rated 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. Investors should be aware that the euro risk-free rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referring EURIBOR. The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates. 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 Rated Notes (which are linked to EURIBOR).

While (i) an amendment may be made under Condition 5(d) (*Interest and Variable Return - Fallback provisions*) to change the base rate on the Rated Notes from EURIBOR to an Alternative Base Rate under certain circumstances broadly related to EURIBOR dysfunction or discontinuation and subject to certain conditions being satisfied, (ii) the Issuer is under an obligation to appoint a Rate Determination Agent which must be the investment banking division of a bank of international repute and which is not an affiliate of the Seller to determine an Alternative Base Rate in accordance with Condition 5(d) (*Interest and Variable Return - Fallback provisions*), and (iii) an amendment may be made under paragraph 27(j) (*Additional modifications*) of the Rules of the Organisation of the Noteholders to change the base rate that then, subject to the consent of the Interest Rate Swap Counterparty, applies in respect of the Swap Agreement for the purpose of aligning the base rate of the Swap Agreement to the Reference Rate of the Rated Notes following a Base Rate Modification, there can be no assurance that any such amendments will be made or, if made, that they (a) will fully or effectively mitigate all relevant interest rate risks or result in an equivalent methodology for determining the interest rates on the Rated Notes and the Swap Agreement or (b) will be made prior to any date on which any of the risks described in this risk factor may become relevant.

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 Rated Notes.

Reduction or withdrawal of the ratings assigned to the Rated Notes after the Closing Date may affect the market value of the Rated Notes

The credit ratings which are expected to be assigned to the Rated Notes by the Rating Agencies on the Closing Date will reflect the Rating Agencies' assessment only of the likelihood of: (a) with respect to the Class A Notes, the timely payment of interest on each Payment Date and the ultimate repayment of principal on or before the Legal Maturity Date; (b) with respect to each Class of Mezzanine Notes, (i) as long as the relevant Class is the Most Senior Class of Notes then outstanding, the timely payment of interest on each Payment Date and the ultimate repayment of principal on or before the Legal Maturity Date, or (ii) as long as the relevant Class is not the Most Senior Class of Notes then outstanding, the ultimate payment of interest and repayment of principal on or before the Legal Maturity Date; and (c) with respect to the Class E Notes, the ultimate payment of interest and repayment of principal on or before the Legal Maturity Date.

The ratings do not address: (i) the likelihood that the principal will be redeemed on the Rated Notes on each Payment Date prior to the Legal Maturity Date; (ii) the possibility of the imposition of Italian or European withholding taxes; (iii) the marketability of the Rated Notes, or any market price for the Rated Notes; or (iv) whether an investment in the Rated Notes is a suitable investment for a Noteholder.

The ratings are based, among other things, on the Rating Agencies' determination of the value of the Aggregate Portfolio, the reliability of the payments made in respect of the Aggregate Portfolio and the availability of credit enhancement. Future events such as any deterioration of the Aggregate Portfolio, the unavailability or the delay in the delivery of information, the failure by the Transaction Parties to perform their obligations under the Transaction Documents and the revision, suspension or withdrawal of the unsecured, unsubordinated and unguaranteed debt rating of third parties involved in the Securitisation could have an adverse impact on the credit ratings of the Rated Notes, which may be subject to revision or withdrawal at any time by the assigning Rating Agency. In addition, in the event of downgrading of the unsecured, unsubordinated and unguaranteed debt rating of third parties involved in the Securitisation, there is no guarantee that the Issuer will be in a position to secure a replacement for the relevant third party or there may be a significant delay in securing such a replacement and, consequently, the rating of the Rated Notes may be affected.

A rating is not a recommendation to purchase, hold or sell the Rated Notes. In general, European regulated investors are restricted from using a rating issued by a credit rating agency established in the European Union for regulatory purposes unless such rating is issued by a credit rating agency established in the European Union and registered under Regulation (EC) no. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as subsequently amended (the **EU CRA Regulation**). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit rating is endorsed by a credit rating agency established in the European Union and registered under the EU CRA Regulation or such rating is provided by a credit rating agency not established in the European Union which is certified under the EU CRA Regulation. In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under Regulation (EC) no. 1060/2009 on credit rating agencies, as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the **UK CRA Regulation**), unless such rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or such rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.The list of registered and certified rating agencies published by ESMA on its website in accordance with the EU CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA's list.

The list of registered and certified rating agencies published by FCA on its website in accordance with the UK CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated FCA's list.

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 judgment 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 affect the market value of the Rated Notes.

Assignment of unsolicited ratings may affect the market 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 Rated Notes and, if such unsolicited ratings are lower than the comparable ratings assigned to the Rated Notes by the Rating Agencies, those shadow ratings could have an adverse effect on the market value of the Rated 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.

There is no assurance that the Class A Notes will be recognised as eligible collateral for ECB liquidity and/or open market transactions

After the Closing Date an application will be made to the Central Bank of Luxembourg to record the Class A Notes as eligible collateral, within the meaning of the Guideline (EU) 2015/510 of the European Central Bank (**ECB**) of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60) (recast), which applies since 1 May 2015, as amended from time to time. The Class A Notes have been structured in a manner so as to allow Eurosystem eligibility. However, this does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria and, in accordance with its

policies, will not be given prior to issuance of the Class A Notes. If the Class A Notes are accepted for such purposes, Eurosystem may amend or withdraw any such approval in relation to the Class A Notes at any time.

In addition, on 15 December 2010 the Governing Council of the ECB has decided on the establishment of loan-by-loan information requirements for asset-backed securities (**ABS**) in the Eurosystem collateral framework. The implementation of the loan-level reporting requirements has become effective for consumer finance ABS as of 1 January 2014. The Seller has as long as the Class A Notes are outstanding the right but not the obligation to make loan level data in such a manner available as may be required to comply with the Eurosystem eligibility criteria (as set out in Annex VIII (loan level data requirements for asset-backed securities) of the Guideline (EU) 2015/510 of the ECB of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60) (recast), which applies since 1 May 2015, as amended from time to time, subject to applicable data protection and banking requirements.

In the event that Class A Notes are not recognised (or cease to be recognised) as an eligible collateral for Eurosystem operations or the Issuer (or the Servicer on its behalf) fails to submit the required loan-level data, the holders of such Class A Notes would not be able to access the ECB funding. In such case, there is no assurance that the holders of the Class A Notes will find alternative sources of funding or, should such alternative sources be found, these will be at equivalent economic terms compared to those applied by the ECB. In the absence of suitable sources of funding, the holders of the Class A Notes may ultimately suffer a lack of liquidity.

Neither the Issuer, nor the Arranger, the Joint Lead Managers or any other Transaction Party (i) gives any representation or warranty as to whether Eurosystem will ultimately confirm that the Class A Notes are eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem for such purpose; and (ii) will have any liability or obligation in relation thereto if the Class A Notes are at any time deemed ineligible for such purposes.

Any prospective investor in the Class A Notes should make their own conclusion and seek their own advice with respect to whether or not the Class A Notes constitute Eurosystem eligible collateral at any point of time during the life of the Class A Notes.

The Seller intends to rely on an exemption from U.S. Risk Retention Requirements

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

The Seller does not intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules and the issuance of the Notes was not designed to comply with the U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the 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 is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-

owned affiliate or branch of the sponsor or issuer organised or located in the United States.

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

The Notes may not be purchased by Risk Retention U.S. Persons except with the express written consent of the Seller and where such purchase falls within the exemption provided for in Section 20 of the U.S. Risk Retention Rules. Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is different from the definition of "U.S. person" under Regulation S. The definition of U.S. person in the U.S. Risk Retention Rules is set out below. Particular attention should be paid to clauses (b) and (h), which are different than comparable provisions from Regulation S.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, "U.S. person" means any of the following:

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

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

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

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

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

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

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

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

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

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

Consequently, the Notes may not be purchased by any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained the express written consent from the Seller (a **U.S. Risk Retention Consent**) and where such purchase falls within the exemption provided for in Section 20 of the U.S. Risk Retention Rules. Each holder of a Note or a beneficial interest acquired in the initial syndication of the Notes will, by its acquisition of a Note or a beneficial interest in a Note, be deemed to represent and agree 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 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules described herein).The Seller has advised the Issuer that it will

not provide its express written consent to any investor if such investor's purchase would result in more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) (as determined by fair value under US GAAP) of all Classes of Notes to be sold or transferred to Risk Retention U.S. Persons on the Closing Date.

Failure on the part of the Seller to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action against the Seller which may adversely affect the Notes and the ability of the Seller to perform its obligations under the Transaction Documents. Furthermore, a failure by the Seller to comply with the U.S. Risk Retention Rules could negatively affect the value and secondary market liquidity of the Notes.

None of the Arranger, the Joint Lead Managers, the Seller, the Issuer or any of their affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Closing Date or at any time in the future. Investors should consult their own advisors 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.

Volcker Rule may restrict the ability of relevant individual prospective purchasers to invest in the Notes

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

The Volcker Rule generally prohibits "banking entities" (which is broadly defined to include U.S. banks and bank holding companies and foreign banking entities, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading in financial instruments, (ii) acquiring or retaining "an ownership interest" in or sponsoring, a "covered fund", and (iii) entering into certain transactions with such funds subject to certain exemptions and exclusions.

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

Not all investment vehicles or funds, however, fall within the definition of a "covered fund" for the purposes of the Volcker Rule. For example, for most non-U.S. banking entities, a non-U.S. issuer that offers its securities only to non-U.S. persons may be considered not to be a "covered fund". Additionally, the Issuer should not be a "covered fund" for the purposes of the regulations adopted to implement Section 619 of the Volcker Rule, and also should be able to rely on an exemption from the definition of investment company under Section 3(c)(5)(A) of the Investment Company Act, although there may be additional exclusions or exemptions available to the Issuer. However, if the Issuer is deemed to be a "covered fund", the provisions of the Volcker Rule and its related regulatory provisions, will severely limit the ability of "banking entities" to hold an "ownership interest" in the Issuer or enter into certain credit related financial transactions with the Issuer and this could adversely impact the ability of the banking entity to enter into new transactions with the Issuer and may require amendments to certain existing transactions and arrangements. "Ownership interest" is defined to include, among other things, interests arising through a holder's exposure to profits and losses in the covered fund or through any right of the holder to participate in the selection of an investment manager or advisor or the board of directors of such covered fund.

The Volcker Rule and any similar measures introduced in another relevant jurisdiction may restrict the ability of relevant individual prospective purchasers to invest in the Notes and, in addition, may have a negative impact on the price and liquidity of the Notes in the secondary market. There is limited interpretive guidance regarding the Volcker Rule, and implementation of the regulatory framework for the Volcker Rule is still evolving. The Volcker Rule's prohibitions and lack of interpretive guidance could negatively impact the liquidity and value of the Notes. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in "ownership interests" of the Issuer should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally. Each investor must determine for itself whether it is a "banking entity" subject to regulation under the Volcker Rule. If investment by "banking entities" in the Notes of any Class is prohibited or restricted by the Volcker Rule, this could impair the marketability and liquidity of such Notes. None of the Issuer, the Arranger, the Joint Lead Managers or the other Transaction Parties makes any representation regarding (i) the status of the Issuer under the Volcker Rule or (ii) the ability of any purchaser to acquire or hold the Notes, now or at any time in the future. Pursuant to the Subscription Agreements the Issuer has represented that it does not qualify as a "covered fund" as defined under Section __.2(c) of the final rules promulgated under Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

The above constitutes a risk given that the potential application of the Volcker Rule to the Notes may impede or, in any case, negatively affect the assignability of the Notes and, as such, possibly the regular functioning of the transaction throughout its lifetime.

Bail-In Instrument and other Restructuring and Resolution Measures

As a result of Directive 2014/59/EU on Banking Recovery and Resolution of 15 May 2014 (**BRRD**), the German Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz* – **SAG**) was implemented into German law and became effective on 1 January 2015. The BRRD and SAG are subject to ongoing revision and change, such as by the proposal to further adjust the European Union's existing bank crisis management and deposit insurance framework proposing, *inter alia*, further amendments to the BRRD adopted by the European Parliament's Committee on Economic and Monetary Affairs in March 2024 which is currently under further discussion by the European Parliament and Council.

The impact of this proposal, as well as any further amendments to the BRRD on credit institutions (or any other entities which are subject to the BRRD) is currently unclear. Potential investors in the Notes should consider the risk that a holder may lose all or a part of its investment, including the principal and any interests, if the general bail-in tool or any similar statutory loss absorption measures are used.

The SAG provides for various actions and measures that can be taken by the German Federal Agency for Financial Services Supervision (*Bundesanstalt für Finanzdienstleistungsaufsicht* – **BaFin**) in its capacity as national resolution authority. BaFin could take any of the above described measures and actions with regard to Hyundai Capital Bank Europe GmbH. The Issuer has been advised that, even if Hyundai Capital Bank Europe GmbH should be in financial difficulties and measures are being taken, these measures should only have limited impact on the claims of the Issuer against Hyundai Capital Bank Europe GmbH. The Receivables should not be subject to bail-in pursuant to the SAG as long as the sale and transfer of the Receivables from the Seller to the Issuer will not be re-characterised as a secured loan. However, even if the sale and transfer of the Receivables was re-characterised as a secured loan, claims against Hyundai Capital Bank Europe GmbH would not become subject to bail-in to the extent these claims are secured claims within the meaning of Section 91(2) No. 2 SAG. Consequently, if and to the extent the relevant claims against Hyundai Capital Bank Europe GmbH are secured by Receivables they should not be affected by bail-in.

Any transfer of rights or assets or any payments contemplated by the Transaction Documents may be challenged by an insolvency administrator of the Seller in accordance with the German law, although pursuant to the provisions of the Consolidated Banking Act implementing Directive 2001/24 the beneficiary of these acts can provide proof that (i) these transfers and payments are subject to the law of another Member State and

(ii) that law does not allow any means of challenging these acts in the case in point. As a result of the foregoing, the Issuer as beneficiary of the credit rights derived from the Loans may provide proof to the insolvency administrator of the Seller that (i) the transfer of the credit rights is subject to the application of Italian law, and (ii) as far as Italian law is concerned, as set forth in article 95-ter of the Consolidated Banking Act, in that case such a valid and effective assignment of the Receivables cannot be subject to any challenge in accordance with Italian law.

SRM Regulation

On 15 July 2014 the European legislator adopted Regulation (EU) No 806/2014 to establish a Single Resolution Mechanism (**SRM Regulation**) which is (directly) applicable – with certain exceptions – since 1 January 2016 to all credit institutions in Euro-area member states. The SRM Regulation has established a centralised power of resolution entrusted to a Single Resolution Board and to the national resolution authorities. Credit institutions (or other entities subject to BRRD) which have been designated as a significant supervised entity for the purposes of Article 49(1) of the SSM Framework Regulation are subject to the direct supervision of the ECB in the context of the Single Supervision Mechanism and therefore to the SRM Regulation. The SRM Regulation mirrors the BRRD and, to a large part, refers to the BRRD so that the Single Resolution Board is able to apply the same powers that would otherwise be available to the relevant national resolution authority. Should a credit institution which is a counterparty to the Issuer be or become at some point subject to the BRRD or the provisions implemented by the member states, the above provisions would apply notwithstanding any provisions to the contrary in the Transaction Documents, which may affect the enforceability of the Transaction Documents executed by such counterparty.

Lack of liquidity in the secondary market for the Notes may affect the market value of the Notes

Although application has been made to admit the Rated Notes to trading on the regulated market (segment for professional investors) of the Luxembourg Stock Exchange and to be listed on the official list of the Luxembourg Stock Exchange, liquidity of secondary market for the Rated Notes could be limited or absent. There can be no assurance that there will be bids and offers and that a liquid secondary market for the Rated Notes will develop or, if it develops, that it provides sufficient liquidity to absorb any bids and offers, or that it will continue for the whole life of the Rated Notes. Limited liquidity in the secondary market for asset-backed securities has in the past had a serious adverse effect on the market value of asset-backed securities. Limited liquidity in the secondary market may continue to have a serious 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 investment requirements of limited categories of investors.

In addition, prospective investors should be aware of the prevailing and widely reported global credit market conditions. The market value of the Notes may fluctuate with changes in market conditions. Any such fluctuation may be significant and could result in significant losses to investors in the Notes. Consequently, any sale of Notes by the relevant Noteholders in any secondary market transaction may be at a discount to the original purchase price of such Notes. Accordingly, investors should be prepared to remain invested in the Notes.

Change of law may impact the Securitisation

The structure of the Securitisation and, *inter alia*, the issuance of the Notes and the ratings assigned to the Rated Notes are based on Italian and English laws and tax regulations and their official interpretations in force as at the date of this Prospectus.

In the event of any change in the law and/or tax regulations and/or their official interpretations after the Closing Date, the performance of the Securitisation and the ratings assigned to the Rated Notes may be affected. In addition, it should be noted that regulatory requirements (including any applicable retention, due diligence or

disclosure obligations) may be recast or amended and there can be no assurance that any such changes will not adversely affect the compliance position of any transaction described in this Prospectus or of any party under any applicable law or regulation.

The above constitutes a risk given that a different interpretation of any law applicable to the Securitisation may impose on the Transaction Parties additional requirements and thus ultimately affect the operation of and/or the return expected under the Securitisation.

Application of the Securitisation Law has a limited interpretation

As at the date of this Prospectus, limited interpretation of the application of the Securitisation Law has been issued by any Italian governmental or regulatory authority. Consequently, it is possible that such authorities may issue further regulations relating to the Securitisation Law or to the interpretation thereof, the impact of which cannot be predicted by the Issuer or any other party as at the date of this Prospectus.

Investment in the Notes is only suitable for certain investors

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

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

Prospective Noteholders should not rely on or construe any communication (written or oral) of the Issuer, the Seller, the Arranger, the Joint Lead Managers or any other Transaction Party 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 Seller, the Arranger, the Joint Lead Managers or any other Transaction Party shall be deemed to be an assurance or guarantee as to the expected results of an investment in the Notes.

If an investor does not properly assess the nature of the Notes and the extent of its exposure to the relevant risks before making its investment decision, it may suffer losses.

Therefore, prospective Noteholders 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 judgment and upon advice from such advisers as they may deem necessary.

EMIR may impact the obligations of the Interest Rate Swap Counterparty and the Issuer under the Swap Agreement

EMIR (as amended from time to time, lastly by Regulation (EU) no. 2024/2987 (**EMIR 3.0**)) prescribes a number of regulatory requirements for counterparties to derivatives contracts including (i) a mandatory clearing obligation for certain classes of OTC derivatives contracts (the **Clearing Obligation**); (ii) collateral exchange, daily valuation and other risk mitigation requirements for OTC derivatives contracts not subject to

clearing (the **Risk Mitigation Requirements**); and (iii) certain reporting requirements (the **Reporting Obligation**). In general, the application of such regulatory requirements in respect of a swap transaction will depend on the classification of the counterparties to such derivative transaction.

Pursuant to EMIR, counterparties can be classified as: (i) financial counterparties (**FCs**) (which includes a sub-category of small FCs (**SFCs**)), and (ii) non-financial counterparties (**NFCs**). The category of "NFC" is further split into: (i) non-financial counterparties above the "clearing threshold" (**NFC+s**), and (ii) non-financial counterparties below the "clearing threshold" (**NFC-s**). Whereas FCs and NFC+ entities may be subject to the Clearing Obligation or, to the extent that the relevant swaps are not subject to clearing, to the collateral exchange obligation and the daily valuation obligation under the Risk Mitigation Requirements, such obligations do not apply in respect of NFC- entities. In addition, in respect of the Reporting Obligation, FCs are solely responsible and legally liable for reporting the details of OTC derivative contracts concluded with NFC-s on behalf of both counterparties as well as for ensuring the correctness of the reported details (known as "mandatory reporting"). Note that the calculation of the clearing threshold (together with other aspects of EMIR) has been impacted as a result of EMIR 3.0. However, the implementation of changes to the calculation of the clearing threshold is subject to the development of secondary legislation which is not currently expected to be finalised and become applicable until at least 2025.

The Issuer is currently an NFC-, although a change in its position cannot be ruled out. Should the status of the Issuer change to NFC+ or FC, this may result in the application of the Clearing Obligation or the collateral exchange obligation and daily valuation obligation under the Risk Mitigation Requirements, although it seems unlikely that the Swap Agreement would be a relevant type of OTC derivative contract that would be subject to the Clearing Obligation under the relevant implementing measures made to date. Certain other of the Risk Mitigation Requirements may also apply in a different way (for example, the portfolio reconciliation requirement may increase in frequency). In respect of the Reporting Obligation, "mandatory reporting" would also cease to apply which means that Issuer would be legally liable and responsible for their own reporting obligations under EMIR (although this requirement can be delegated). It should also be noted that, given the STS designation of the Securitisation, should the status of the Issuer change to NFC+ or FC, another exemption from the Clearing Obligation and a partial exemption from the collateral exchange obligation may be available for the Issuer, provided that the applicable conditions are satisfied. With regard to the latter, please refer to the section headed "*Transaction Overview - Principal features of the Notes*" and the risk factor entitled "*The STS designation impacts on regulatory treatment of the Notes*".

Prospective investors should note that there is some uncertainty with respect to the ability of the Issuer to comply with the Clearing Obligation, the daily valuation obligation and the collateral exchange obligation were they to be applicable, which may (i) lead to regulatory sanctions, (ii) adversely affect the ability of the Issuer to continue to be party to the Swap Agreement (possibly resulting in a restructuring or termination of the Swap Agreement) or to enter into replacement swap agreements and/or (iii) significantly increase the cost of such arrangements, thereby negatively affecting the ability of the Issuer to hedge the interest rate risk in respect of the Rated Notes. As a result, the amounts available to the Issuer to meet its obligations may be reduced, which may in turn result in investors' receiving less interest on the Rated Notes than expected.

Prospective investors should also note that uncertainty remains as to the full impact on the Swap Agreement of the reforms to EMIR.

Lastly, it should be noted that, as described above under the risk factor entitled "*Certain modifications may be adopted by the Representative of the Noteholders without Noteholders' consent*", EMIR-related amendments may be made to the Transaction Documents and/or to the Conditions without Noteholders' consent for the purpose of complying with any obligation which applies to the Issuer under EMIR.

Individual Noteholders have limited enforcement rights

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

The Conditions and the Rules of the Organisation of the Noteholders limit the ability of individual Noteholders to bring individual actions and commence proceedings (including proceedings for a declaration of insolvency) against the Issuer in certain circumstances by conferring on the Meeting the power to determine in accordance with the Rules of the Organisation of the Noteholders on the ability of any Noteholder to commence any such individual actions. 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.

Conflicts of interest will be managed by the Representative of the Noteholders in a manner which may not be in line with the interests of certain Classes of Notes

Without prejudice to the provisions of the Rules of the Organisation of the Noteholders concerning the Basic Terms Modifications, where the Representative of the Noteholders is required to consider the interests of the Noteholders and, in its opinion, there is a conflict between the interests of the holders of different Classes of Notes, the Representative of the Noteholders shall consider only the interests of the holders of the Most Senior Class of Notes.

Therefore, in certain circumstances, the interests of the other Classes of Notes may not be taken into account.

Directions of the holders of the Most Senior Class of Notes following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event may affect the interests of the holders of the other Classes of Notes

Pursuant to the Intercreditor Agreement and the Rules of the Organisation of the Noteholders, at any time after the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Issuer (or the Representative of the Noteholders on its behalf) may (with the prior consent of an Extraordinary Resolution of the holders of the Most Senior Class of Notes) or shall (if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes) dispose of the Aggregate Portfolio then outstanding in accordance with the provisions of the Intercreditor Agreement.

In addition, at any time after the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Representative of the Noteholders may, at its discretion and without further notice, take such steps and/or institute such proceedings as it thinks fit to enforce repayment of the Notes and payment of accrued interest thereon or at any time to enforce any other obligation of the Issuer under the Notes or any Transaction Document, but, in either case, it shall not be bound to do so unless it shall have been so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes and, in any such case, only if it shall have been indemnified and/or secured to its satisfaction against all fees, costs, expenses and liabilities to which it may thereby become liable or which it may incur by so doing.

The directions of the holders of the Most Senior Class of Notes in such circumstances will prevail over any other different directions of the holders of the other Classes of Notes and may be adverse to the interests of the holders of such other Classes of Notes.

Resolutions properly adopted in accordance with the Rules of the Organisation of the Noteholders are binding on all Noteholders irrespective of their interests

Pursuant to the Rules of the Organisation of the Noteholders:

(a) no Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of all of the other Classes of Notes then outstanding;

(b) any Ordinary Resolution or Extraordinary Resolution involving any matter other than a Basic Terms Modification that is passed by the holders of the Most Senior Class of Notes (or, if so expressly provided for, the holders of Rated Notes) shall be binding on the other Classes of Notes irrespective of the effect thereof on their interests;

(c) no Ordinary Resolution or Extraordinary Resolution involving any matter other than a Basic Terms Modification that is passed by the holders of a Class of Notes which is not the Most Senior Class of Notes shall be effective unless it is sanctioned by an Ordinary Resolution or Extraordinary Resolution, as the case may be, of the holders of the Most Senior Class of Notes.

Prospective Noteholders should note that these provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant Meeting and Noteholders who voted in a manner contrary to the Meeting. Therefore, certain rights of each Noteholder against the Issuer under the Conditions may be limited pursuant to any such Resolution.

Certain modifications may be approved by the Representative of the Noteholders without Noteholders' consent

Pursuant to the Rules of the Organisation of the Noteholders, the Representative of the Noteholders may, without the consent of the Noteholders or any Other Issuer Creditors, concur with the Issuer and any other relevant parties in making: (i) any amendment or modification to the Conditions (other than in respect of a Basic Terms Modification) or any of the Transaction Documents which, in the opinion of the Representative of the Noteholders, it may be economically reasonable to make and will not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes; and (ii) any amendment or modification to the Conditions or to any of the Transaction Documents, if, in the opinion of the Representative of the Noteholders, such amendment or modification is expedient to make, is of a formal, minor or technical nature, is made to correct a manifest error or an error which, in the opinion of the Representative of the Noteholders, is proven or is necessary or desirable for the purposes of clarification.

In addition, the Representative of the Noteholders may, without the consent of the Noteholders or any Other Issuer Creditor (other than those which are parties to the relevant Transaction Documents), authorise or waive any proposed breach or breach of the Notes (including an Issuer Event of Default) or of the Intercreditor Agreement or of any other Transaction Document, if, in the opinion of the Representative of the Noteholders, the interests of the holders of the Most Senior Class of Notes will not be materially prejudiced by such authorisation or waiver, provided that the Representative of the Noteholders shall not exercise any of such powers in contravention of any express direction by an Extraordinary Resolution or so as to authorise or waive any proposed breach or breach relating to a Basic Terms Modification.

Furthermore, subject to certain conditions set out in the Rules of the Organisation of the Noteholders, the Representative of the Noteholders: (a) shall be obliged, without any consent or sanction of the Noteholders or any of the Other Issuer Creditors, to concur with the Issuer or any other relevant parties in making any modification (other than in respect of a Basic Terms Modification) to the Conditions or any other Transaction Document that the Issuer considers necessary for the purposes of effecting a Base Rate Modification pursuant to Condition 5(d) (*Interest and Variable Return - Fallback provisions*); and (b) shall be obliged, without any consent or sanction of the Noteholders or any of the Other Issuer Creditors, to concur with the Issuer or any other relevant parties in making any modification (other than in respect of a Basic Terms Modification) to the Conditions or any other Transaction Document that the Issuer considers necessary (i) in order to enable the Issuer and/or the Interest Rate Swap Counterparty to comply with any obligation which applies to it under EMIR; (ii) for so long as the Class A Notes are intended to be held in a manner which will allow for Eurosystem

eligibility (the criteria in respect of which are currently set out in the ECB Guideline (EU) 2015/510, as amended), for the purposes of maintaining such eligibility; (iii) for the purposes of complying with the EU Securitisation Regulation; or (iv) for the purposes of enabling the Securitisation to constitute a transfer of significant credit risk within the meaning of article 244(2)(a) of the CRR. For further details, see the section headed "*Schedule 1 to the Terms and Conditions of the Notes - Rules of the Organisation of the Noteholders*". There is no assurance that each Noteholder concurs with any such modification by the Representative of the Noteholders.

3. RISKS RELATING TO THE UNDERLYING ASSETS

The performance of the Aggregate Portfolio may deteriorate in case of default by the Debtors

The Initial Portfolio comprises, and each Additional Portfolio will comprise, only Receivables deriving from Loans classified as performing (crediti *in bonis*) by the Seller in accordance with the Bank of Italy's guidelines as at the relevant Valuation Date. For further details, see the section headed "*The Aggregate Portfolio*".

However, there can be no guarantee that the Debtors will not default under such Loans or that they will continue to perform their respective payment obligations in relation to the Loans. It should be noted that adverse changes in economic conditions may affect the ability of the Debtors to make payments in respect of the Loans.

The recovery of overdue amounts in respect of the Loans will be affected by the length of enforcement proceedings in respect of the Loans, 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 Loans and (ii) more time will be required for the proceedings if it is necessary first to obtain a payment injunction (*decreto ingiuntivo*) or if a defence or counterclaim to the proceedings is raised.

No independent investigation has been or will be made in relation to the Receivables

The Issuer has entered into the Master Receivables Purchase Agreement with the Seller on the basis of, and upon reliance on, the representations and warranties made by the Seller under the Warranty and Indemnity Agreement.

The Issuer would not have entered into the Master Receivables Purchase Agreement without having received such representations and warranties given that neither the Issuer, nor the Arranger, the Joint Lead Managers or any other Transaction Party (other than the Seller) has carried out any due diligence in respect of the Receivables and the relevant Loan Contracts. More generally, none of the Issuer, the Arranger, the Joint Lead Managers nor any other Transaction Party (other than the Seller) has undertaken or will undertake any other investigation, searches or other actions to verify the details of the Receivables transferred by the Seller to the Issuer, nor has any of the Issuer, the Representative of the Noteholders, the Arranger, the Joint Lead Managers or any other Transaction Party (other than HCBE, Italian branch) undertaken, nor will they undertake, any investigations, searches or other actions to establish the creditworthiness of any Debtor in respect of the Receivables.

Therefore, the only remedies of the Issuer in respect of the occurrence of a breach of a representation and warranty which materially and adversely affects the value of a Receivable will be the requirement that the Seller repurchases the Receivables which do not comply with certain representations and warranties or fulfil certain indemnity obligations undertaken in favour of the Issuer pursuant to the Warranty and Indemnity Agreement (for further details, see the sections headed "*Description of the Transaction Documents - The Warranty and Indemnity Agreement*"). The repurchase and indemnification obligations undertaken by the Seller under the Warranty and Indemnity Agreement give rise to unsecured claims of the Issuer and no assurance can be given that the Seller will pay the relevant amounts if and when due.

Assignment of Receivables and payments made to the Issuer upon disposal of the Receivables may be subject to claw-back upon certain conditions being met

The Issuer is subject to the risk that the assignment of the Receivables made by the Seller to the Issuer pursuant to the Master Receivables Purchase Agreement may be clawed-back (*revocato*) in case of insolvency of the Seller (to the extent Italian law may be relevant).

Indeed, assignments of receivables made under the Securitisation Law are subject to claw-back (*revocatoria*) (i) pursuant to article 166, paragraph 1, of the Italian Insolvency Code, if the petition for admission to judicial liquidation (*liquidazione giudiziale*) of the originator is filed within 6 (six) months from the purchase of the relevant portfolio of receivables, provided that the value of the receivables exceeds the sale price of the receivables for more than 25 (twenty-five) per cent. and the issuer is not able to demonstrate that it was not aware of the insolvency of the originator, or (ii) pursuant to article 166, paragraph 2, of the Italian Insolvency Code, if the petition for admission to judicial liquidation (*liquidazione giudiziale*) of the originator is made within 3 (three) months from the purchase of the relevant portfolio of receivables, and the insolvency receiver of the originator is able to demonstrate that the issuer was aware of the insolvency of the originator.

In respect of the Seller, such risk is mitigated by the fact that, according to the Master Receivables Purchase Agreement, the Seller shall provide the Issuer, unless already provided in the preceding 90 (ninety) days, with (i) a solvency certificate signed by an authorised representative of the Seller dated the relevant Initial Purchase Date (with respect to the Initial Portfolio) or the relevant Offer Date (with respect to each Additional Portfolio), and (ii) a good standing certificate issued by the competent companies' register (*certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura*), signed by the relevant *conservatore* and dated no earlier than 5 (five) Business Days prior to the relevant Purchase Date, stating that the Seller is not subject to any insolvency proceedings. Furthermore, under the Warranty and Indemnity Agreement, the Seller has represented that it is solvent as at the relevant Purchase Date and as at the Closing Date.

Moreover, in case of repurchase by the Seller of individual Defaulted Receivables or Delinquent Receivables, disposal by the Servicer of Defaulted Receivables pursuant to the Servicing Agreement or disposal by the Issuer (or the Representative of the Noteholders on its behalf) of the Aggregate Portfolio following the service of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in the event of an early redemption of the Notes pursuant to Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), the payment of the relevant purchase price may be subject to claw-back pursuant to article 166, paragraph 1 or 2, of the Italian Insolvency Code. In order to mitigate such risk, pursuant to the Master Receivables Purchase Agreement, the Servicing Agreement or the Intercreditor Agreement, as the case may be, the Seller (unless already provided in the preceding 90 (ninety) days) or the relevant third party purchaser, as the case may be, shall provide the Issuer with (i) a solvency certificate signed by an authorised representative of the Seller (or the relevant third party purchaser, as the case may be) and dated no earlier than the date on which the relevant Receivables will be sold; and (ii) a good standing certificate issued by the competent companies' register (*certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura*), signed by the relevant *conservatore* and dated no earlier than 5 (five) Business Days before the date on which the relevant Receivables will be sold, stating that the Seller (or the relevant third party purchaser, as the case may be) is not subject to any insolvency proceedings, or any other equivalent certificate under the relevant jurisdiction in which the relevant third party purchaser is incorporated.

For further details, see the sections headed "*Description of the Transaction Documents - The Master Receivables Purchase Agreement*", "*Description of the Transaction Documents - The Servicing Agreement*" and "*Description of the Transaction Documents - The Intercreditor Agreement*".

Payments made to the Issuer by the Transaction Parties may be subject to claw-back upon certain conditions being met

The Issuer is subject to the risk that certain payments made to the Issuer by any Transaction Party may be clawed-back (*revocato*) in case of insolvency of the latter.

More in detail, payments made to the Issuer by any Transaction Party in the 1 (one) year or 6 (six) month suspect period, as applicable, prior to the date on which such party has been subject to insolvency proceedings, may be clawed-back (*revocati*) according to article 166 of the Italian Insolvency Code (or any equivalent rules under the applicable jurisdiction of incorporation of the Transaction Party). In case of application of article 166, paragraph 1, of the Italian Insolvency Code, the relevant payment will be set aside and clawed-back if the Issuer is not able to demonstrate that it was not aware of the state of insolvency of the relevant Transaction Party when the relevant payment was made, whereas, in case of application of article 166, paragraph 2, of the Italian Insolvency Code, the relevant payment will be set aside and clawed-back if the receiver is able to demonstrate that the Issuer was aware, or ought to be aware, of the state of insolvency of the relevant Transaction Party when such payment was 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 in its discretion may consider all relevant circumstances.

Claw-back risk does not apply to payments made by assigned debtors, which are exempted from claw-back (*revocatoria*) pursuant to article 166 of the Italian Insolvency Code and from declaration of ineffectiveness (*declaratoria di inefficacia*) pursuant to article 164, first paragraph of the Italian Insolvency Code.

Insurances may not cover losses in full

The Loan Contracts are assisted by an Insurance Policy. The beneficiary of such Insurance Policy is the relevant Debtor. Hence, there are no rights and claims deriving from such Insurance Policy that can be assigned by the Seller to the Issuer.

However, any indemnity paid by the relevant Insurance Company to the relevant Debtor, as the relevant beneficiary, may be used by the latter to pay the amounts due in relation to the Receivables deriving from the Loan granted to it. There is no guarantee that the Debtors would apply the insurance proceeds received towards payment of the Receivables.

Any loss incurred which is not covered, in whole or in part, by the relevant Insurance Policy could adversely affect the value of the Receivables and the ability of the Issuer to recover the full amount due under the relevant Loan.

The Issuer will not have any title to the Financed Vehicles nor will it benefit from any security interests over the same

Pursuant to the Master Receivables Purchase Agreement, the Issuer has acquired from the Seller interests in the Receivables, including rights to receive certain payments from the Borrowers and other ancillary rights under the Loan Contracts.

However, the Issuer will not have any title to the Financed Vehicles nor will it benefit from any security interests over the same.

Therefore, in the event of a payment default by the Borrowers, the Issuer will not be entitled to repossess the Financed Vehicles nor it will have any priority rights over the proceeds deriving from the sale or other disposal of such Financed Vehicles and this may ultimately affect the ability of the Issuer to pay the amounts due under the Notes.

Eligible Investments may not be fully recoverable in certain circumstances

The amounts standing to the credit of the Collection Account and the Liquidity Reserve Account may be invested in Eligible Investments to be settled by the Custodian (if appointed) as directed by the Issuer (acting upon written instructions of the Servicer). Such investments must comply with appropriate rating criteria, as set out in the definition of Eligible Investments. However, it may happen that, irrespective of any such rating, such investments will be irrecoverable due to the insolvency of the debtor under the investment.

This risk is mitigated by the provisions of the Agency and Accounts Agreement pursuant to which, if any Eligible Investments cease to have any of the minimum ratings, or to meet any of the other requirements, set out in the definition of Eligible Investments (each, a **Non-Eligibility Event**), the Issuer shall, acting upon written instructions of the Servicer, instruct the Custodian (if any) to: (i) in respect of Eligible Investments consisting of securities, facilitate the liquidation of such securities within the earlier of the date falling 30 (thirty) days following the occurrence of the relevant Non-Eligibility Event and the Eligible Investments Maturity Date immediately following such Non-Eligibility Event; or (ii) in respect of Eligible Investments consisting of deposits, transfer such deposits, within the earlier of the date falling 30 (thirty) days following the occurrence of the relevant Non-Eligibility Event and the Eligible Investments Maturity Date immediately following such Non-Eligibility Event, into another account (A) opened with a depositary institution organised under the law of any state which is a member of the European Union or the UK or of the United States and satisfies the rating requirements set out in the definition of Eligible Investments, and (B) meeting the maturity, currency and other requirements set out in the definition of Eligible Investments, provided that such transfer shall be made at cost of the account bank with which the relevant deposits were held.

Prospective Noteholders should note that none of the Seller, the Arranger, the Joint Lead Managers or any other Transaction Party will be responsible for any loss or shortfall deriving from the investment of amounts standing to the credit of the Collection Account and the Liquidity Reserve Account and/or the liquidation thereof.

Italian consumer legislation contains certain protections in favour of debtors

The Initial Portfolio comprises, and each Additional Portfolio will comprise, Receivables deriving from Loans granted to Borrowers qualifying as (i) "consumers" pursuant to the provisions of the Consolidated Banking Act and the other relevant applicable laws and regulations or (ii) individual entrepreneurs (*ditte individuali*).

Loans granted to Borrowers qualifying as "consumers" pursuant to the provisions of the Consolidated Banking Act and the other relevant applicable laws and regulations are regulated, *inter alia*: (i) by the Bank of Italy's regulation dated 29 July 2009, entitled "*Trasparenza delle operazioni e dei servizi bancarie e finanziari. Correttezza delle relazioni tra intermediari e client*" (as amended and/or supplemented from time to time), and (ii) if falling within the category of "consumer loans", by articles 121 to 126 of the Consolidated Banking Act. Under the current legislation, consumer loans are only those granted for amounts respectively lower and higher than the maximum and minimum levels set by article 122, paragraph 1, letter (a) of the Consolidated Banking Act, such levels being currently set at Euro 75,000 and Euro 200, respectively.

The following risks, *inter alia*, could arise in relation to a consumer loan contract.

(A) *Linked contracts* (*contratti collegati*)

Pursuant to paragraphs 1 and 2 of article 125-*quinquies* of the Consolidated Banking Act, borrowers 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 (i) they have previously and unsuccessfully made an injunction (*costituzione in mora*) against the supplier and (ii) such default constitutes a material default pursuant to, and for the purposes of, article 1455 of the Italian civil code.

In case of termination of the consumer loan contract, the lender must reimburse all instalments and sums paid by the consumer. However, the lender has the right to claim these payments from the relevant defaulting supplier.

Pursuant to paragraph 4 of article 125-*quinquies* of the Consolidated Banking Act, borrowers are entitled to exercise against the assignee of any lender under such consumer loan contracts any of the defences mentioned under paragraphs 1 to 3 of the same article, which they had against the original lender.

In addition, with respect to insurance policies financed by the originators/lenders (where the premium is paid up-front by the originators to the insurance companies and then reimbursed to the originators/lenders by the borrowers as a part of the loan instalments), it is uncertain whether such insurance policies may qualify as linked contracts and, as such, would confer on the borrowers the right to terminate the relevant loan agreements or at least claim a refund of the unearned premium from the issuer in case of default of the insurance companies. On the basis of the principles of the Italian civil code it could be reasonably argued that, should the insurance policies qualify as linked contracts, upon default of the insurance companies the borrowers would be entitled to claim only a refund of the portion of the loan financing the premium. However, it should be noted that, as at the date of this Prospectus, no decision has been expressed by any Italian court in respect of this issue.

In this respect, prospective Noteholders should note that, pursuant to the Warranty and Indemnity Agreement, HCBE, Italian branch has undertaken to indemnify and hold harmless the Issuer and its directors from and against any and all direct damages, losses, claims, reduced income (*minor incasso*), costs, lost profits (*lucro cessante*) and/or expenses (including, but not limited to, legal fees and disbursements and any value added tax thereon if due) incurred by the Issuer which arise out of or result from any loss being incurred by the Issuer as a consequence of the exercise by any Debtor of any right of set-off (including any set-off pursuant to article 125-*septies* of the Consolidated Banking Act, also in case of claims for refund of the unearned premium from the Issuer upon default of the Insurance Companies, and any set-off in case of prepayment of the Loans pursuant to article 125-*sexies* of the Consolidated Banking Act).

(B) *Prepayment right*

Pursuant to article 125-*sexies* of the Consolidated Banking Act, borrowers under consumer loan agreements may, at any time, prepay, in whole or in part, the loans and, in such case, they would be entitled to a reduction of the aggregate interest and costs under the loans, in proportion to the residual duration of the loans. In case of prepayment, the lenders would have the right to an equitable and objectively justified compensation for any cost directly connected with such repayment, provided that the relevant compensation shall not exceed (i) 1 per cent. of the prepaid amounts, if the residual duration of the loans is longer than 1 (one) year, or (ii) 0.5 per cent. of the prepaid amounts, if the residual duration of the loans is equal to or lower than 1 (one) year, and (iii) in any case the interest amount that the borrower would have paid for the residual duration of the loans. This compensation would not apply if (i) the prepayment is made under an insurance credit policy covering such prepayment; (ii) the prepayment relates to an overdraft facility; (iii) the prepayment occurs in a period during which no fixed interest rate already set in the relevant consumer loan agreements applies; or (iv) the prepaid amounts correspond to the whole outstanding debt or is equal to or lower than Euro 10,000.

The provisions of article 125-*sexies* of the Consolidated Banking Act have been recently amended by aw Decree no. 73 of 25 May 2021, as converted into Law no. 106 of 23 July 2021 (the so-called ***Sostegni-bis* Decree**). Pursuant to the *Sostegni-bis* Decree, the consumer loan agreements shall cleary indicate the criteria applicable for such interest and cost reduction, being a linear proportional reduction or a reduction based on the loan amortised cost. Unless otherwise specified in the relevant consumer loan agreement, a reduction based on the loan amortised cost would apply. Save for any different agreement between the lenders and the relevant credit intermediaries, the lenders would have a recourse against such credit intermediaries for the recovery of an amount equivalent to the portion of the credit intermediaries' fees reimbursed to the borrowers as a result of the prepayment.

The amendments to article 125-*sexies* of the Consolidated Banking Act introduced by the *Sostegni-bis* Decree would apply to the consumer loan agreements executed after the entry into force of conversion law. Any prepayment relating to consumer loan agreements entered into prior to such date would continue to be governed by the previous provisions of article 125-*sexies*, as well as by the Bank of Italy's regulations applicable at the time of the relevant prepayment. For further details, see the risk factor headed "*The European Court of Justice's "Lexitor" decision and subsequent Italian Constitutional Court's decision may impact the cash-flows deriving from the Aggregate Portfolio*" below; in line with the above, article 125-sexies of the Consolidated Banking Act has eventually been further amended by article 27 of Law Decree no. 104 of 10 August 2023, as converted into Law no. 136 of 9 October 2023.

In this respect, prospective Noteholders should note that, pursuant to the Warranty and Indemnity Agreement, HCBE, Italian branch has undertaken to indemnify and hold harmless the Issuer from and against any and all direct damages, losses, claims, reduced income (*minor incasso*), costs, lost profits (*lucro cessante*) and/or expenses (including, but not limited to, legal fees and disbursements and any value added tax thereon if due) incurred by the Issuer which arise out of or result from any loss being incurred by the Issuer as a consequence of the exercise by any Debtor of any claim or counterclaim (also by way of set-off, including in case of prepayment of the Loans pursuant to article 125-*sexies* of the Consolidated Banking Act) against the Seller.

(C) *Set-off*

Pursuant to article 125-*septies*, paragraph 1, 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 of 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 article 125-*septies*, paragraph 1, of the Consolidated Banking Act allows the assigned consumer to set-off against the assignee only claims that had arisen *vis-à-vis* the assignor before the assignment or also those claims arising after the assignment, regardless of any notification/acceptance of the same. It should be noted that the Securitisation Law (as amended by Italian Law no. 9 of 21 February 2014) provides, *inter alia*, that, notwithstanding any provision of law providing otherwise, no set-off may be exercised by a debtor *vis-à-vis* the issuer grounded on claims which have arisen towards the seller after (i) the date of publication of the notice of transfer of the relevant receivables in the Official Gazette, or (ii) the payment of the purchase price (even partial) of the relevant receivables bearing data certain at law (*data certa*).

In this respect, prospective Noteholders should note that, pursuant to the Warranty and Indemnity Agreement, HCBE, Italian branch has undertaken to indemnify and hold harmless the Issuer from and against any and all direct damages, losses, claims, reduced income (*minor incasso*), costs, lost profits (*lucro cessante*) and/or expenses (including, but not limited to, legal fees and disbursements and any value added tax thereon if due) incurred by the Issuer which arise out of or result from any loss being incurred by the Issuer as a consequence of the exercise by any Debtor of any right of set-off (including any set-off pursuant to article 125-*septies* of the Consolidated Banking Act, also in case of claims for refund of the unearned premium from the Issuer upon default of the Insurance Companies, and any set-off in case of prepayment of the Loans pursuant to article 125-*sexies* of the Consolidated Banking Act).

(D) *Consumer Code's protection*

The Loans are also regulated by article 1469-*bis* of the Italian civil code and by Italian Legislative Decree no. 206 of 6 September 2005 (*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 (i) terminate the contract without reasonable cause (*giusta causa*) or (ii) modify the conditions of the contract without a valid reason (*giustificato motivo*) previously stated in such contract. However, with regard to financial contracts, if there is a valid reason, the non-consumer party is empowered to modify the economic terms subject to prior notice to the consumer. 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: (i) any clause which has the effect of excluding or limiting the remedies of the consumers in case of total or partial failure by the non-consumer parties to perform their obligations under the consumer contract; and (ii) any clause which has the effect of making the consumer parties bound by clauses they have not had any opportunity to consider and evaluate before entering into the consumer contract.

In this respect, prospective Noteholders should note that, pursuant to the Warranty and Indemnity Agreement, HCBE, Italian branch has undertaken to indemnify and hold harmless the Issuer from and against any and all direct damages, losses, claims, reduced income (*minor incasso*), costs, lost profits (*lucro cessante*) and/or expenses (including, but not limited to, legal fees and disbursements and any value added tax thereon if due) incurred by the Issuer which arise out of or result from any amount of any Receivable not being collected or recovered by the Issuer as a consequence of the exercise by any Debtor of claims and/or counterclaims against the Seller (including, without limitation, any claim and/or counterclaim deriving from non-compliance with any credit consumer legislation (*credito al consumo*), banking and financial transparency rules or other consumer protection legislation (to the extent applicable)).

(E) *Transparency and information requirements*

Directive 2008/48/EC on consumer credit (the **Consumer Credit Directive**) sets out certain requirements on transparency and information. In particular, article 5 of the Consumer Credit Directive imposes an obligation on credit institutions and financial intermediaries to provide the consumer with detailed pre-contractual information, including: (i) identity and address of the creditor and credit intermediary; (ii) key characteristics of the credit, such as the total amount, duration and repayment terms; (iii) the total amount payable by the consumer; and (iv) any additional fees and charges related to the credit agreement. In Italy, the Consumer Credit Directive was implemented through Legislative Decree no. 141/2010, which amended the Consolidated Banking Act. The main provisions related to transparency in consumer credit include: (i) article 124 of the Consolidated Banking Act, which specifies the pre-contractual information to be provided to the consumer, in line with the provisions of Consumer Credit Directive; and (ii) article 125-*bis* of the Consolidated Banking Act, which imposes obligations of transparency and fairness in the relationships between financiers and customers, requiring clear and complete communication of the contractual conditions. In addition, articles 21 and 22 the Consumer Code provide for the prohibition of misleading commercial practices, such as failure to communicate information relating to the financing costs.

Under the Warranty and Indemnity Agreement, the Seller has represented and warranted that the Loan Contracts comply with all applicable laws and regulations. Nevertheless, the application of the provisions under sections (A) to (E) (inclusive) above, or a change of the relevant laws or their interpretation, cannot be completely excluded and would, consequently, have an adverse effect on the Securitisation.

The European Court of Justice's "Lexitor" decision and subsequent Italian Constitutional Court's decision may impact the cash-flows deriving from the Aggregate Portfolio

With decision no. 383 of 11 September 2019 (so-called "*Lexitor*"), the European Court of Justice established that, in the event of early termination of a consumer credit agreement, the customer has the right to a reduction in the total cost of the credit, including of all the costs charged to the consumer, and that the reduction must be applied in proportion to the shorter duration of the contract, as a consequence of the anticipated repayment.

With decision no. 263 of 22 December 2022, the Constitutional Court ruled on the matter of reducing the total cost of credit to consumers in the event of early repayment of the loan in the light of the "Lexitor" decision.

In particular, with the ruling in question, the Constitutional Court declared the unconstitutionality of article 11-*octies*, paragraph 2, of Legislative Decree no. 73 of 25 May 2021 ("*Decreto Sostegni bis*" - converted into Law no. 106 of 23 July 2021), in the part in which the right to a reduction due to the consumer in the event of early repayment was limited to certain types of costs incurred for financing.

The rule referred to contracts entered into after the entry into force of Legislative Decree no. 141 of 13 August 2010 implementing Directive 2008/48/EC, but before the entry into force of Law no. 106 of 23 July 2021.

In this respect, the Constitutional Court held that this limitation was in contrast with European legislation and, in particular, with article 16, paragraph 1, of Directive 2008/48/EC, as interpreted by the European Court of Justice with the "Lexitor" decision.

In the light of the decision of the Constitutional Court, consumers will have the right to a proportional reduction of all costs incurred in relation to the credit agreement, even when the agreements have been entered into prior to the entry into force of Law no. 106 of 23 July 2021.

Prospective Noteholders should note that, pursuant to the Master Receivables Purchase Agreement, the Seller has undertaken to indemnify the Issuer on demand and on a full after tax basis against any costs, damages, losses, expenses or liabilities (including, but not limited to, legal and out of pocket expenses) that are reasonable and justified and suffered by the Issuer (as shall be determined in good faith, directly or indirectly, by the Issuer) as a result of, *inter alia*, any dispute, claim, set-off or defence of any Debtor in respect of a payment under any Receivable (including, without limitation a defence based on a Receivable or the related Loan not being a legal, valid, and binding obligation of such Debtor enforceable against it in accordance with its terms).

Italian Usury Law has been subject to different interpretations over the time

Italian Law no. 108 of 7 March 1996 (as amended and supplemented, the **Usury Law**) introduced legislation preventing lenders from applying interest rates equal to or higher than rates (the **Usury Rates**) set every three months on the basis of a Decree issued by the Italian Treasury (the last such Decree having been published on [●]). In addition, even where the applicable Usury Rates are not exceeded, interest and other advantages and/or remuneration may be held to be usurious if: (a) they are disproportionate to the amount lent (taking into account the specific circumstances of the transaction and the average rate usually applied for similar transactions) and (b) the person who paid or agreed to pay was in financial and economic difficulties. The provision of usurious interest, advantages or remuneration has the same consequences as non-compliance with the Usury Rates.

With a view to limiting the impact of the application of the Usury Law to Italian loans executed prior to the entering into force of the Usury Law, the Italian Government has specified with Law Decree no. 394 of 29 December 2000 (the **Usury Law Decree**), converted into Law no. 24 by the Italian Parliament on 28 February 2001, that an interest rate is to be deemed usurious only if it is higher than the Usury Rate in force at the time the relevant agreement is reached, regardless of the time at which interest is repaid by the borrower. However, it should be noted that few commentators and some lower court decisions have held that, irrespective of the

principle set out in the Usury Law Decree, if an interest originally agreed at a rate falling below the then applicable usury limit were, at a later date, to exceed the usury limit from time to time in force, such interest should nonetheless be reduced to the then applicable usury limit. Such opinion seems confirmed by the Italian Supreme Court (Cass. Sez. I, 11 January 2013, no. 602 and Cass. Sez. I, 11 January 2013, no. 603), which stated that an automatic reduction of the applicable interest rate to the Usury Rates applicable from time to time shall apply to the loans.

The Usury Law Decree also provides 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 loans already entered into on the date on which the Usury Law Decree came into force (such date being 31 December 2000) are to be replaced by a lower interest rate fixed in accordance with parameters fixed by the Usury Law Decree.

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

The Italian Supreme Court, under decision no. 350/2013 clarified that default interest is relevant for the purposes of determining whether an interest rate is usurious. Such interpretation is in contradiction with the current methodology for determining the Usury Rates, considering that the relevant surveys aimed at calculating the applicable average rate never took into account the default interest rates.

The Italian Supreme Court, under decision no. 350/2013, as confirmed by decisions no. 23192/17 and no. 19597/2020, has clarified that the default interest rates are relevant and must be taken into account when calculating the aggregate remuneration of any given financing for the purposes of determining its compliance with the applicable Usury Rates.

If the Usury Law were to be applied to the Notes, the amount payable by the Issuer to the Noteholders may be subject to reduction, renegotiation or repayment.

Pursuant to the Warranty and Indemnity Agreement, the Seller has (i) represented that the interest rates applicable on the Loans have always been applied, owed and received in full compliance with the laws applicable from time to time (including, in particular, the Usury Law, where applicable), and (ii) undertaken to indemnify the Issuer for the non-compliance of the interest rate applicable to the Loan Contracts with the provisions of Italian law relating to the payment of interest and, in particular, the Usury Law or repurchase the relevant Receivables. However, if a Loan is found to contravene the Usury Law, the relevant Debtor might be able to claim relief on any interest previously paid and oblige the Issuer to accept a reduced rate of interest, or potentially no interest on such Loan. In such cases, the ability of the Issuer to maintain scheduled payments of interest and principal on the Notes may be adversely affected.

Rules on compounding of interest (*anatocismo*) have been subject to different interpretation over the time

Pursuant to article 1283 of the Italian civil code, in respect of a monetary claim or receivable, accrued interest may be capitalised after a period of not less than 6 (six) months only (i) under an agreement entered into after the date on which it has become due and payable or (ii) from the date when any legal proceedings are commenced in respect of that monetary claim or receivable. Article 1283 of the Italian civil code allows derogation from this provision in the event that there are recognised customary practices ("*usi*") to the contrary. Banks and other financial institutions in the Republic of Italy have traditionally capitalised accrued interest on

a quarterly basis on the grounds that such practice could be characterised as a customary practice ("*uso normativo*"). However, a number of judgements from Italian courts (including the judgements from the Italian Supreme Court (*Corte di Cassazione*) no. 2374/99, no. 2593/03, no. 21095/2004 as confirmed by judgement no. 24418/2010 of the same Court) have held that such practices may not be defined as customary practices ("*uso normativo*").

Consequently, if Debtors were to challenge this practice, it is possible that such interpretation of the Italian civil code would be upheld before other courts in the Republic of Italy and that the returns generated from the relevant Loan Contracts may be prejudiced.

It should be noted that paragraph 2 of article 120 of the Consolidated Banking Act, concerning compounding of interest accrued in the context of banking transactions, has been amended by article 17-*bis* of Law Decree no. 18 of 14 February 2016 (as converted into law by Law no. 49 of 8 April 2016), providing that interests (other than defaulted interests) shall not accrue on capitalised interest. Paragraph 2 of article 120 of the Consolidated Banking Act also requires the *Comitato Interministeriale per il Credito e il Risparmi*o (**CICR**) to establish the methods and criteria for the compounding of interest. Decree no. 343 of 3 August 2016 of the CICR, implementing paragraph 2 of article 120 of the Consolidated Banking Act, has been published in the Official Gazette no. 212 of 10 September 2016. Given the novelty of this new legislation and the absence of any jurisprudential interpretation, the impact of such new legislation may not be predicted as at the date of this Prospectus.

In this respect, under the Warranty and Indemnity Agreement the Seller has (i) represented that the Loans are not in breach of the provisions of articles 1283 (*anatocismo*), and (ii) undertaken to indemnify the Issuer for the non-compliance of the terms and conditions of any Loan Contract with the provisions of article 1283 of the Italian civil code or repurchase the relevant Receivables.

Enforcement of certain Issuer's rights may be prevented by statute of limitations

Certain rights of the Issuer under the Transaction Documents may become barred under statutes of limitation by operation of law. In particular, there is a possibility that the 1 (one) year statute of limitation period set out in article 1495 of the Italian civil code could be held to apply to some or all of the representations and warranties given by the Seller in the Warranty and Indemnity Agreement, on the ground that such provisions may not be derogated from by the parties to a sale contract (*contratto di compravendita*) (such as the Master Receivables Purchase Agreement).

However, under the Warranty and Indemnity Agreement the Seller and the Issuer have acknowledged and agreed that the provisions of article 1495 of the Italian civil code shall not apply to the representations and warranties given by the Seller thereunder.

4. OTHER LEGAL AND REGULATORY RISKS

Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes

In Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Arranger, the Joint Lead Managers or any other Transaction Party makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment in the Notes on the Closing Date or at any time in the future.

In particular, prospective investors should note that the Basel Committee on Banking Supervision (the **Basel Committee**) has approved a series of significant changes to the Basel framework for prudential regulation (such changes being referred to by the Basel Committee on Banking Supervision as Basel III, and referred to, colloquially, as Basel III in respect of reforms finalised prior to 7 December 2017 and Basel IV in respect of reforms finalised on or following that date). The Basel III/IV reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. The Basel Committee on Banking Supervision continues to work on new policy initiatives. National implementation of the Basel III/IV reforms may vary those reforms and/or their timing. It should also be noted that changes to prudential requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II Regulation in Europe and in the UK, both of which are under review and subject to further reforms.

These changes may affect the regulatory treatment applicable to the Notes. Investors in the Notes are responsible for analysing their own regulatory position and prudential regulation treatment applicable to the Notes and should consult their own advisors in this respect.

Non-compliance with the EU Securitisation Regulation or the UK Securitisation Framework, as applicable, may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes

General

The EU Securitisation Regulation applies in general (subject to certain grandfathering) from 1 January 2019 and, from 9 April 2021, the EU Securitisation Regulation applies as amended by Regulation (EU) 2021/557. However, some legislative measures necessary for the full implementation of the EU Securitisation Regulation regime have not yet been finalised and compliance with certain requirements is subject to the application of transitional provisions. In addition, further amendments are expected to be introduced to the EU Securitisation Regulation regime as a result of its periodic wider review. In this regard it should be noted that in October 2024 the European Commission published a consultation on various policy options for the wide reforms to the prudential and non-prudential regulation of securitisation (**EC Consultation**), including, among other things, reforms aimed at potentially reducing the regulatory burden in relation to the investor due diligence and transparency requirements under the EU Securitisation Regulation. On 31 March 2025, the Joint Committee of the European Supervisory Authorities published a report which, among other things, included certain recommendations to the European Commission relating to the amendments of the EU Securitisation Regulation (**JC of ESAs Article 44 Report**). The recommendations in the JC of ESAs Article 44 Report relating to due diligence and transparency requirements indicate a possible move towards more proportionate and principles-based approach, although it should be noted that some of the recommendations could also introduce new risks and new compliance challenges and that the implementation of the recommendations will also depend on the development of new technical standards and guidance which can further delay the introduction of helpful changes. However, at this stage, it is unclear to what extent any of such recommendations will be reflected in the package of legislative amendments that the European Commission will publish in June/July 2025 and which will be followed by the negotiation with the European Parliament and the Council of the European Union when further material amendments could be introduced before a compromise is reached and all changes are finalised. It should also be noted that, ESMA is reviewing technical standards that prescribe EU template-based reporting and in February 2025 published proposals on the introduction of a new simplified regime for European private securitisation. ESMA's work on this initiative and any further amendments to the reporting technical standards will need to be coordinated with wider review of the EU Securitisation Regulation. Therefore, when any such reforms (including any targeted amendments by ESMA to the EU technical standards prescribing the reporting templates) will be finalised and become applicable and whether such reforms will benefit the parties to the Securitisation and/or the Notes remains to be seen.

The EU Securitisation Regulation establishes certain common rules for all securitisations that fall within its scope (including recast of pre-1 January 2019 risk retention and investor due diligence regimes).

Following the UK's withdrawal from the EU at the end of 2020, the EU Securitisation Regulation as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the **UK Securitisation Regulation**) became applicable in the UK largely mirroring (with some adjustments) the EU Securitisation Regulation as it applied in the EU at the end of 2020. However, from 1 November 2024, the UK Securitisation Regulation regime is revoked and replaced with a new recast regime (subject to certain grandfathering and transitional provisions) introduced under the Financial Services and Markets Act 2000, as amended (**FSMA**) and related thereto: (i) the EU Securitisation Regulations 2024 (SI 2024/102), as amended (**2024 UK SR SI**); as well as (ii) the Securitisation Part of the Prudential Regulation Authority (**PRA**) Rulebook (**PRA Securitisation Rules**) and the securitisation sourcebook (**SECN**) of the Financial Conduct Authority (**FCA**) Handbook (together, the **UK Securitisation Framework**). Also note that, in H2 2025, the UK government, the PRA and the FCA will consult on some amendments to the requirements applicable under the UK Securitisation Framework including, but not limited to, amendments to the investor due diligence, transparency and reporting requirements. Therefore, at this stage, not all details are known on the implementation of the UK Securitisation Framework. Please note that some divergence between EU and UK regimes already exists. While the UK Securitisation Framework brings some alignment with the EU regime, it also introduces new points of divergence and the risk of further divergence between EU and UK regimes cannot be ruled out in the longer term as it is not known at this stage how the ongoing reforms or any future reforms will be finalised and implemented in the UK or the EU.

Risk Retention and Transparency Requirements

The EU Securitisation Regulation lays down a general framework for securitisation. It defines securitisation and establishes due-diligence, risk-retention and transparency requirements for parties involved in securitisations, criteria for credit granting, requirements for selling securitisations to retail clients, a ban on re-securitisation, requirements for securitisation special purpose entities (**SSPEs**) as well as conditions and procedures for securitisation repositories. Further, it creates a specific framework for simple, transparent and standardised (**STS**) securitisations. It applies to institutional investors and to originators, sponsors, original lenders and securitisation special purpose entities.

The EU Securitisation Regulation replaced the former risk retention requirements by one single provision, Article 6 of the EU Securitisation Regulation, which provides for a new direct obligation on, inter alios, originators to retain risk. Article 5(1)(c) of the EU Securitisation Regulation requires institutional investors (as defined in Article 2(12) of the EU Securitisation Regulation which term also includes (i) insurance and reinsurance undertakings as defined in Directive 2009/138/EC of the European Parliament and the Council of 25 November 2009 on the taking-up and pursuit of the business of insurance and reinsurance and (ii) alternative investment fund managers as defined in the Commission Delegated Regulation 231/2013 of 19 December 2012 (as amended)) to verify that, if established in the European Union, the originator, sponsor or original lender retains on an ongoing basis a material net economic interest in accordance with Article 6 of the EU Securitisation Regulation and the risk retention is disclosed to the institutional investors in accordance with Article 7(1)(e) of the EU Securitisation Regulation.

The Seller, as "originator" for the purposes of article 6(1) of the EU Securitisation Regulation, has undertaken that, for so long as any Note remains outstanding, it (i) will retain on an ongoing basis a material net economic interest in the securitisation of not less than 5 per cent. of the nominal value of the securitised exposures (where such non-securitised exposures would otherwise have been securitised in the securitisation), provided that the level of retention may reduce over time in compliance with article 10 (2) of Commission Delegated Regulation (EU) 2023/2175 or any successor delegated regulation, (ii) at all relevant times comply with the requirements of Article 7(1)(e)(iii) of the EU Securitisation Regulation by confirming for the purposes of the investor reports the risk retention of the Seller as contemplated by article 6(1) of the EU Securitisation Regulation, (iii) not

change the manner in which it retains such material net economic interest, except to the extent permitted by the EU Securitisation Regulation or any applicable regulatory technical standards and (iv) not sell, hedge or otherwise enter into any credit risk mitigation, short position or any other credit risk hedge with respect to its retained material net economic interest, except to the extent permitted by the EU Securitisation Regulation or any applicable regulatory technical standards.

With respect to the commitment of the Seller to retain a material net economic interest with respect to this Transaction, following the issuance of the Notes as contemplated by article 6(3)(c) of the EU Securitisation Regulation, the Seller will retain, in its capacity as originator within the meaning of the EU Securitisation Regulation, on an ongoing basis for the life of the Transaction, such net economic interest through an interest in randomly selected exposures of not less than 5 per cent. of the nominal value of the securitised exposures (where such non-securitised exposures would otherwise have been securitised in the securitisation).

Pursuant to article 7 of the EU Securitisation Regulation, information about the risk retained, including information on which of the modalities provided for in article 6(3) of the EU Securitisation Regulation has been applied in accordance with article 6 of the EU Securitisation Regulation shall be made available to the holders of the Notes, to the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors.

Pursuant to the obligations set forth in article 7(2) of the EU Securitisation Regulation, HCBE, Italian branch and the Issuer have designated the Issuer as Reporting Entity. The Issuer will provide all relevant information to the holders of the Notes, to the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in accordance with the disclosure requirements under the EU Securitisation Regulation.

Investors' compliance with the due diligence requirements under the EU Securitisation Regulation and UK Securitisation Framework

Investors should be aware of the due diligence requirements under article 5 of the EU Securitisation Regulation or article 5 of Chapter 2 of the PRA Securitisation Rules (the **PRA Due Diligence Rules**), SECN 4 (the **FCA Due Diligence Rules**) and regulations 32B, 32C and 32D of the 2024 UK SR SI (the **OPS Due Diligence Rules** and, together with the PRA Due Diligence Rules and the FCA Due Diligence Rules, the **UK Due Diligence Rules**) that apply to institutional investors with an EU or UK nexus (including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings, institutions for occupational retirement provision and UCITS funds). Amongst other things, such requirements restrict an institutional investor (other than the originator, sponsor or original lender) from investing in securitisation positions unless, prior to holding the securitisation position:

(a) such institutional investor has verified that:

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

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

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

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

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

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

The institutional investor's due diligence obligations described above apply in respect of the Notes. Relevant institutional investors are required to independently assess and determine the sufficiency of the information contained in this Prospectus for the purposes of complying with article 5 of the EU Securitisation Regulation or the UK Due Diligence Rules and any corresponding national measures which may be relevant to investors. None of the Issuer, HCBE, Italian branch (in any of its capacities under the Securitisation), the Arranger, the Joint Lead Managers or any other Transaction Party makes any representation that the information described above is sufficient in all circumstances for such purposes.

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

Each institutional investor that is required to comply with article 5 of the EU Securitisation Regulation or the UK Due Diligence Rules is required independently to assess and determine the sufficiency of the information described in this Prospectus and which may otherwise be made available to investors for the purposes of its initial and ongoing compliance with article 5 of the EU Securitisation Regulation or the UK Due Diligence Rules. Although the Seller will produce monthly investor reports and the Issuer may make announcements from time to time in accordance with applicable law or regulation or the terms of the Notes, none of the Issuer, the Arranger, the Joint Lead Managers or any of the other Transaction Parties (other than the Seller, as described below) (i) makes any representation that the information described above or elsewhere in this Prospectus or which may otherwise be made available to such investors or to which such investors are entitled (if any) is sufficient for such purposes, (ii) shall have any liability to any actual or prospective investor or any other person with respect to the insufficiency of such information or any failure of the transactions contemplated herein to comply with or otherwise satisfy the requirements of article 5 of the EU Securitisation Regulation or UK Due Diligence Rules or any other applicable legal, regulatory or other requirements, or (iii) shall have any obligation (including, but not limited to, the provision of additional information) to enable compliance by relevant investors with the disclosure obligations provided for by article 7 of the EU Securitisation Regulation and the requirements of article 5 of the EU Securitisation Regulation. Investors who are affected should therefore be aware that should they determine at any time, whether for their initial investment or as a result of changes following the end of the transitional period for reporting under article 7 of the EU Securitisation Regulation or article 7 of Chapter 2 together with Chapter 5 (including its Annexes) and Chapter 6 of the PRA Securitisation Rules (including its Annexes) (the **PRA Transparency Rules**) and SECN 6 together with SECN 11 (including its Annexes) and SECN 12 (including its Annexes) (the **FCA Transparency Rules** and, together with the PRA Transparency Rules, the **UK Transparency Rules**) or otherwise, that they have insufficient information in order to comply with their own due diligence obligations under article 5 of the EU Securitisation Regulation or UK Due Diligence Rules, there is no obligation on the Issuer or any other party (other than the Seller, as described below) including, for the avoidance of doubt, the Arranger and/or the Joint Lead Managers to provide further information to meet such insufficiency.

However, prospective Noteholders should note that, under the Intercreditor Agreement, the Seller has undertaken that it will provide such further information in its possession that may be requested by the Noteholders in order to enable them to comply with the requirements of article 5 of the EU Securitisation Regulation.

The STS designation impacts on regulatory treatment of the Notes

The Securitisation is intended to qualify as a simple, transparent and standardised (**STS**) securitisation within the meaning of article 18 of Regulation (EU) no. 2402 of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation (as from time to time amended and supplemented, the **EU Securitisation Regulation**). Consequently, the Securitisation meets, as at the date of this Prospectus, the requirements of articles 19 to 22 of the EU Securitisation Regulation (the **EU STS Requirements**) and, on or about the Closing Date, will be notified by the Seller to be included in the list published by ESMA referred to in article 27(5) of the EU Securitisation Regulation (the **STS Notification**). Pursuant to article 27(2) of the EU Securitisation Regulation, the STS Notification includes an explanation by the Seller of how each of the EU STS Requirements has been complied with in the Securitisation. The STS Notification will be available for download on the ESMA website (being, as at the date of this Prospectus, https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre) (the **ESMA STS Register**).

In addition, the Notes can also qualify as STS under the UK Securitisation Framework until maturity, provided the Notes are notified as STS to ESMA prior to 1 July 2026, remain on the ESMA STS Register and continue to meet the EU STS Requirements and, as such, the STS securitisation designation impacts on the potential ability of the Notes to achieve better or more flexible regulatory treatment from the perspective of the applicable UK regulatory regimes, such as the prudential regulation of UK CRR firms and UK Solvency II firms, and from the perspective of the UK EMIR regime.

The Seller has used the service of Prime Collateralised Securities (PCS) EU SAS (**PCS**), as a third party verifying STS compliance authorised under article 28 of the EU Securitisation Regulation, in connection with an assessment of the compliance of the Notes with the EU STS Requirements (the **STS Verification**) and to prepare an assessment of compliance of the Notes with the relevant provisions of article 243 of the CRR (the **CRR Assessment** and, together with the STS Verification, the **STS Assessments**). It is expected that the STS Assessments prepared by PCS will be available on the PCS website (being, as at the date of this Prospectus, https://pcsmarket.org/transactions/) together with a detailed explanation of its scope at https://pcsmarket.org/disclaimer/. For the avoidance of doubt, this PCS website and the contents thereof do not form part of this Prospectus.

It is important to note that the involvement of PCS as an authorised third party verifying STS compliance is not mandatory and the responsibility for compliance with the EU Securitisation Regulation (or, if applicable, the UK Securitisation Framework) remains with the relevant institutional investors, originators and issuers, as applicable in each case. The STS Assessments will not absolve such entities from making their own assessment and assessments with respect to the EU Securitisation Regulation (or, if applicable, the UK Securitisation Framework) and the STS Assessments cannot be relied on to determine compliance with the foregoing regulations in the absence of such assessments by the relevant entities. In addition, HCBE, Italian branch has not used the service of PCS, as a third party verifying STS compliance authorised under article 28 of the EU Securitisation Regulation, to prepare an assessment of compliance of the Notes with article 7 and article 13 of Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) no. 575 of 26 June 2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions, as amended by Commission Delegated Regulation (EU) no. 1620 of 13 July 2018 (the **LCR Regulation**); in this regard, it should be noted that as at the date of this Prospectus the Senior Notes are not expected to satisfy the requirements of the LCR Regulation. Furthermore, the STS Assessments are not an

opinion on the creditworthiness of the Notes nor on the level of risk associated with an investment in the Notes. It is not an indication of the suitability of the Notes for any investor and/or a recommendation to buy, sell or hold Notes. Institutional investors that are subject to the due diligence requirements of the EU Securitisation Regulation or the UK Securitisation Framework need to make their own independent assessment and may not solely rely on the STS Assessments, the STS Notification or other disclosed information. No assurance can be provided that the Securitisation does or will continue to qualify as an STS-securitisation under the EU Securitisation Regulation and/or the UK Securitisation Framework as at the date of this Prospectus or at any point in time in the future. The STS status of a transaction is not static and investors should verify the current status of the Securitisation on the ESMA STS Register which will be updated where the Notes are no longer considered to be STS following a decision of competent authorities or a notification by the Seller. None of the Issuer, HCBE, Italian branch (in any capacity), the Arranger, the Joint Lead Managers, the Representative of the Noteholders or any other Transaction Party makes any representation or accepts any liability for the Securitisation to qualify as an STS-securitisation under the EU Securitisation Regulation and/or the UK Securitisation Framework at any point in time in the future.

The STS securitisation designation impacts on the potential ability of the Notes to achieve better or more flexible regulatory treatment under various EU regimes that were amended (or will be amended in due course) to take into account the EU STS framework (such as Type 1 securitisation under Solvency II Regulation, as amended by the Solvency II Amendment Regulation; regulatory capital treatment under the securitisation framework of the CRR, as amended by the CRR Amendment Regulation) and the changes to the EMIR regime that provide for certain exemptions for EU STS securitisation swaps, as to which investors are referred to the risk factor entitled "*EMIR may impact the obligations of the Swap Counterparties and the Issuer under the Swap Agreement*".

5. TAX RISKS

No gross-up will be made by the Issuer in case withholding tax applies on the Notes

Payments of interest and other similar proceeds under the Notes may in certain circumstances be subject to a Decree 239 Withholding. In such circumstance, payment of interest and other proceeds relating to the Notes of any Class may be subject to a Decree 239 Withholding. A Decree 239 Withholding, 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 Decree 239 Withholding 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 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*".

The scope of application of FATCA is unclear in some respects

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (commonly known as **FATCA**), provides that various information reporting requirements must be satisfied with respect to (i) certain payments from sources within the United States, (ii) "foreign pass-through payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. Failure to comply with such information reporting requirements may trigger a U.S. withholding tax, currently at 30 per cent. rate on such payments.

The United States and a number of other jurisdictions have announced their intention to negotiate intergovernmental agreements to facilitate the implementation of FATCA (the **IGAs**). Pursuant to FATCA and the Model 1 and Model 2 IGAs released by the United States, an FFI in an IGA signatory country could be treated as a Reporting FI (as defined in FATCA) not subject to withholding under FATCA on any payments

it receives. Further, an FFI in a Model 1 IGA jurisdiction would generally not be required to withhold under FATCA or an IGA (or any law implementing an IGA) from payments it makes. The Model 2 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a Participating FFI (as defined in FATCA) on foreign pass-through payments and payments that it makes to Recalcitrant Holders (as defined in FATCA). Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and the Republic of Italy have entered into an agreement (the **US-Italy IGA**) based largely on the Model 1 IGA, which has been ratified in Italy by Law no. 95 of 18 June 2015.

Since the FATCA regulations are complex and uncertain in some respects, in particular with respect to the definition of so-called "pass-thru payments" the application of FATCA to payments between financial intermediaries is not entirely certain. Indeed, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of any withholding applicable under FATCA or an IGA (or any law implementing an IGA) (a **FATCA Withholding**). It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA Withholding.

Accordingly it is not completely clear how FATCA may affect the Notes and/or the Transaction Parties; therefore, investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. However, the Issuer will not pay any additional amounts to the Noteholders in respect of taxes imposed under FATCA or any law enacted to implement an intergovernmental agreement relating to FATCA and they have no responsibility for any amount thereafter transmitted through the custodians or intermediaries.

The tax treatment of the Issuer is based on the current interpretation of the Securitisation Law

Taxable income of the Issuer is determined in accordance with Italian Presidential Decree no. 917 of 22 December 1986. Pursuant to the regulations issued by the Bank of Italy on 15 December 2015 (*Istruzioni per la redazione dei bilanci e dei rendiconti degli Intermediari finanziari, degli istituti di pagamento, degli istituti di moneta elettronica, delle SGR e delle SIM*), as amended and/or supplemented from time to time, the assets, liabilities, costs and revenues of the Issuer in relation to the securitisation of the Aggregate Portfolio will be treated as off-balance sheet assets, liabilities, costs and revenues, to be reported in the notes to the financial statements. In 2016 the Bank of Italy has issued new regulations, as amended from time to time (*Il bilancio degli intermediari IFRS diversi dagli intermediari bancari*), in which all the references to the special purpose vehicles incorporated for the purposes of the carrying out of securitisation transactions have been deleted in accordance with a general principle that special purpose vehicles should not be subject to regulatory supervision. In the lack of any specific accounting provisions and any clarification by the Bank of Italy, the market operators have nonetheless continued applying the regulations issued by the Bank of Italy on 15 December 2015, treating the assets, liabilities, costs and revenues of special purpose vehicles incorporated pursuant to the Securitisation Law as off-balance sheet items.

Based on the general rules, the net taxable income of a company resident in Italy should be calculated on the basis of accounting, subject to such adjustments as are specifically provided for by applicable income tax rules and regulations. However, no taxable income should accrue to the Issuer in the context of the transfer to the Issuer of the Aggregate Portfolio and the Securitisation.

This opinion has been expressed by scholars and tax specialists and has been confirmed by the tax authority (Circular no. 8/E issued by the Italian tax authority (*Agenzia delle Entrate*) on 6 February 2003, confirmed by Ruling no. 222 of December 5, 2003, Ruling no. 77/E of 4 August 2010 and Ruling no. 132 of March 2, 2021)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.

It is, however, possible that the Ministry of Economy and Finance or another competent authority may issue further regulations, letters or rulings relating to Securitisation Law which might alter or affect the tax position of the Issuer as described above in respect of all or certain of its revenues and/or items of income also through the non-deduction of costs and expenses.

Pending tax reform

Law no. 111 of 9 August 2023, published in the Official Gazette no. 189 of 14 August 2023 (as amended, **Law 111**), delegates power to the Italian government to enact, within twenty-four months from its publication, one or more legislative decrees implementing the reform of the Italian tax system (the **Tax Reform**).

According to Law 111, the Tax Reform will significantly change the taxation of financial incomes and capital gains as well as introduce various amendments in the Italian tax system at different levels. The precise nature, extent, and impact of these amendments cannot be quantified or foreseen with certainty at this stage.

The information provided in this Prospectus may not reflect the future tax landscape accurately. Investors should be aware that the amendments that may be introduced to the tax regime of financial incomes and capital gains could increase the taxation on interest, similar income and/or capital gains accrued or realised under the Notes and could result in a lower return of their investment.

Prospective investors should consult their own tax advisors regarding the tax consequences described above.

6. COMMERCIAL RISKS

The ability of the Issuer to meet its obligations under the Notes is dependent on the performance of the Servicer

The Receivables comprised in the Aggregate Portfolio have been serviced by HCBE, Italian branch as Seller up to the relevant Purchase Date and, following such date, have continued and will continue to be serviced by HCBE, Italian branch as Servicer in accordance with the Servicing Agreement.

Accordingly, the Noteholders are relying on the business judgement and practices of the Servicer when enforcing claims against the Debtors, including taking decisions with respect to enforcement in respect of the Receivables.

Risk of late payment of Instalments

The Issuer is subject to the risk of insufficiency of funds as a result of late payment by a Borrower of an instalment due on a Receivable which would reduce the value of a Receivable for the Issuer. In addition, under the Servicing Agreement, the Servicer may, in specific circumstances, grant a deferral of the date on which certain payments are due under the Loan Contracts. This results in a risk of late payment of Instalments pursuant to the Loan Contracts underlying the Receivables.

Further, it should be noted that the Credit and Collection Policies provide that, upon request of a Borrower under a performing Loan, the Servicer may agree to modify such Loan on the basis of communication with the respective Borrower and a credit analysis, resulting e.g. in a suspension, postponement or reduction of payments of principal and interest amounts (for further details in this regard, please see the section "*The Credit and Collection Policies*" below). The net cash flows arising from the Receivables may be affected by decisions made or actions taken and such modifications implemented (if any) by the Servicer pursuant to the Credit and

Collection Policies.

Risk of replacement of the Servicer

Following the termination of the appointment of the Servicer pursuant to the Servicing Agreement, the Issuer shall appoint a Replacement Servicer and shall notify the Back-up Servicer Facilitator thereof. Upon receipt of such notice, the Back-up Servicer Facilitator shall (i) do its best effort in order to identify an entity to be appointed by the Issuer as Replacement Servicer in accordance with the Servicing Agreement, and (ii) cooperate with the Issuer in the performance of all activities to be carried out in connection with the appointment of the Replacement Servicer and the replacement of the Servicer with the same.

However, there can be no assurance that a Replacement Servicer who is able and willing to service the relevant Receivables could be found. Any delay or inability of the Issuer to appoint a Replacement Servicer may affect payments on the Notes.

In addition to the above, to mitigate the impact on the Securitisation's cashflows in the event that a Replacement Servicer is appointed and the Replacement Servicing Costs due to it are greater than the fees charged by the Servicer, pursuant to the Intercreditor Agreement, Santander Consumer Finance has agreed to fund a RSF Reserve upon the occurrence of a RSF Trigger Event. Any Replacement Servicing Costs due to the Replacement Servicer will be paid directly from such RSF Reserve rather than requiring the application of funds pursuant to the applicable Priority of Payments.

Furthermore, it is not certain whether the Replacement Servicer would service the Receivables on the same terms as those provided for in the Servicing Agreement. The ability of any Replacement Servicer to fully perform the required services will depend, *inter alia*, on the information, software and records available to it at the time of replacement of the Servicer.

The ability of the Issuer to meet its obligations under the Notes is dependent on the performance of other Transaction Parties

The timely payment of amounts due on the Notes will depend on the performance of other Transaction Parties, including, without limitation, (i) in respect of the Senior Notes and the Mezzanine Notes, the ability of the Interest Rate Swap Counterparty to make the payments due under the Swap Agreement, and (ii) in respect of the Notes, the ability of the Calculation Agent, the Corporate Servicer, the Paying Agent, the Account Banks and the Custodian (if any) to duly perform their respective obligations under the relevant Transaction Documents. In addition, the ability of the Issuer to make payments under the Notes may depend to an extent upon the due performance by the Seller of its obligations under the Warranty and Indemnity Agreement in respect of the Aggregate Portfolio. The performance of such parties of their respective obligations under the relevant Transaction Documents may be influenced by the solvency of each relevant party.

The inability of any of the Transaction Parties to provide its services to the Issuer (including any failure arising from circumstances beyond its control, such as pandemics) may ultimately affect the Issuer's ability to make payments on the Notes.

Adverse macroeconomic and geopolitical developments may have a material negative impact on the performance of the Receivables

The ongoing geopolitical developments, including the war in Ukraine (associated with the risk of a military expansion to further states) and other geopolitical tensions and uncertainties, such as the rising tensions between Russia and Sweden, Russia and Finland, Israel and Iran, increased military activity in the Baltic Sea, the escalated conflict between Israel and Hamas including the attacks on shipping routes carried out by Houthi insurgents, and any potential increase in geopolitical tensions in Asia, particularly relating to Taiwan and the sanctions imposed by the United States, the United Kingdom, the European Union, in particular against Russia,

may result in an adverse impact on global economic, financial, political, social or government conditions which may result or already resulted in (including but not limited to) limited access to workplaces and supplies, and limited availability of key personnel, higher inflation, higher interest rates, higher cost of living, declining access to credit, lower or stagnating wages, increasing unemployment, changes in government regulatory, fiscal or tax policies, including changes in applicable tax rates and the modification of existing or adoption of new tax legislation, sanctions regimes, removal of subsidies, reduced public spending, increases in fuel prices, weakness in energy markets (including electricity cuts) or a loss of consumer confidence. Such conditions may have an adverse impact on both the operational business of the Seller and the financial performance of the Receivables in the future and therefore, the Noteholders may suffer a risk of a reduction or non-receipt of principal and/or interest due to them in respect of their Notes.

Conflicts of interest may influence the performance by the Transaction Parties of their respective obligations under the Securitisation

Conflicts of interest may exist or may arise as a result of any Transaction Party (i) having previously engaged or in the future engaging in transactions with other parties to the Securitisation, (ii) having multiple roles in the Securitisation, and/or (iii) carrying out other transactions for third parties.

Without limiting the generality of the foregoing, under the Securitisation (i) HCBE, Italian branch will act as Seller, Servicer and Junior Notes Subscriber; (ii) BNY, Milan branch will act as Transaction Account Bank and Paying Agent; (iii) Banco Santander, Milan branch will act as Collection and Liquidity Reserve Account Bank; (iv) Banca Finint will act as Calculation Agent, Corporate Servicer and Representative of the Noteholders; (v) Banco Santander will act as Interest Rate Swap Counterparty, Arranger and Joint Lead Manager; (vi) Santander Consumer Finance will act as RSF Reserve Depositor and Back-up Servicer Facilitator; (vii) ISP will act as Joint Lead Manager; and (viii) UCBG will act as Joint Lead Manager.

In addition, the Seller may hold and/or service receivables arising from loans other than the Receivables and providing general financial services to the Borrowers. Even though under the Servicing Agreement the Servicer has undertaken to renegotiate the terms of the Loans only having regard primarily to the interests of the Issuer and the Noteholders, it cannot be excluded that, in certain circumstances, a conflict of interest may arise with respect to other relationships with the same Borrowers.

Banco Santander, ISP and UCBG may also be involved in a broad range of transactions with other parties. For further details, see the section headed "*Other business relations*".

Conflict of interest may influence the performance by the Transaction Parties of their respective obligations under the Securitisation and ultimately affect the interests of the Noteholders.

Significant concentrations of holdings of the Senior Notes may occur during the life of the Notes.

Significant concentrations of holdings of the Class A Notes may occur. In holding some or all of the Class A2 Notes, any investor or investors collectively holding such concentrations may have a majority holding and therefore be able to pass Noteholder resolutions. All of the Class A2 Notes are expected to be preplaced to one or more Joint Lead Managers or one or more investors which are either affiliates of one or more Joint Lead Managers or special purpose vehicles administered by such and who are subject to different economic terms separately agreed with the Seller. For the avoidance of doubt, the investment of each such investor in the Notes is not limited to the above-mentioned investment in the Class A2 Notes on the Closing Date. Such investors may from time to time, in the normal course of their business activities, invest in other Notes in addition to their holdings of the Class A2 Notes, and resell such additional Notes.

Historical, financial and other information relating to the Seller represents the historical experience of the Seller which may change in the future

The historical, financial and other information set out in the sections headed "*The Aggregate Portfolio - Historical Performance Data*", "*HCBE, Italian branch*" and "*The Credit and Collection Policies*", including information in respect of collection rates, represents the historical experience of the Seller.

There can be no assurance that the future experience and performance of HCBE, Italian branch, as Servicer of the Aggregate Portfolio, will be similar to the experience shown in this Prospectus. Should such experience and performance become worse in the future, this might affect the amounts payable under the Notes.

Risks connected with disruptions and volatility in the global financial markets may affect the performance of the Securitisation

The Issuer as well as the market value and the liquidity of the Notes may be affected by disruptions and volatility in the global financial markets.

On 24 February 2022, Russian troops began a full-scale invasion of Ukraine and, as of the date of this Prospectus, the countries remain in active armed conflict. Around the same time, the United States, the United Kingdom, the European Union, and several other nations announced a broad array of new or expanded sanctions, export controls, and other measures against Russia, Russia-backed separatist regions in Ukraine, and certain banks, companies, government officials, and other individuals in Russia and Belarus, as well as a number of Russian oligarchs.

The ongoing conflict and the rapidly evolving measures in response could be expected to have a negative impact on the economy and business activity globally, and therefore could adversely affect the performance of the Securitisation. The severity and duration of the conflict and its impact on global economic and market conditions as well as continued tensions in the Middle East, including those related to the ongoing conflict between Israel and the Palestinian territory of Gaza as well as the current tensions between Israel and Iran, are impossible to predict, and as a result, present material uncertainty and risk with respect to the performance of the Securitisation.

Should the performance of the Aggregate Portfolio deteriorate as a result of these circumstances, the amounts payable under the Notes might be affected.

Inflation

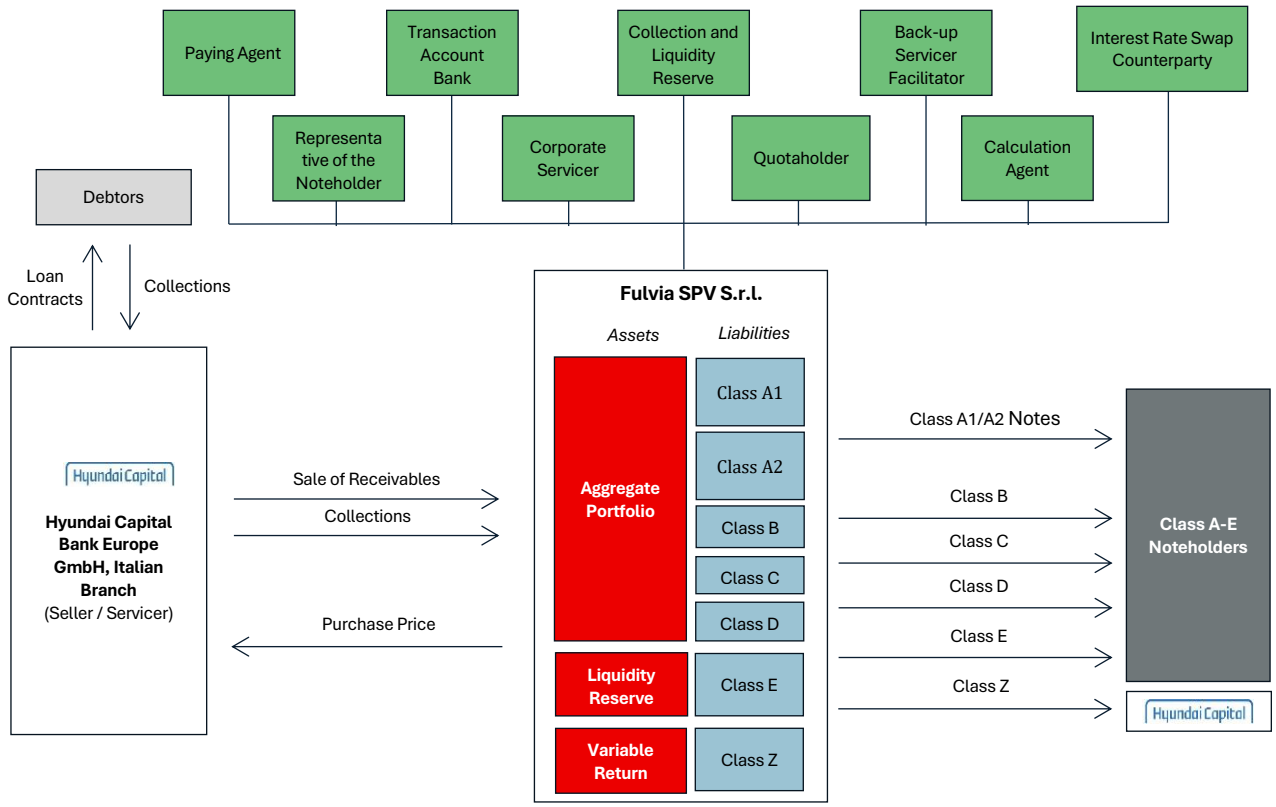
In 2023-2024, inflationary pressures intensified as a result of a number of factors, including the revitalization of demand for consumer goods, labour shortages and supply chain issues, which in turn have affected fiscal and monetary policies. Among the risks that could negatively affect the economy and financial markets are (i) the increase in energy prices that can lead to further inflationary pressures; (ii) the breakdown of global supply chains; and (iii) tightening of monetary and public deficit policies. Additionally, if consumer interest rates increase substantially or if financial service providers tighten lending standards or restrict their lending to certain classes of credit, consumers may not desire or be able to obtain financing. Although inflation is slowly decreasing, it still persists in key markets; therefore, it cannot be excluded that there could be subsequent increases in the cost of borrowing and decreased availability of affordable credit for financing.

TRANSACTION OVERVIEW

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

Capitalised terms used, but not defined, in the overview below shall have the meanings given to them in the section headed "*Glossary*".

1. TRANSACTION DIAGRAM



2. THE PRINCIPAL PARTIES

Issuer

Fulvia SPV S.r.l., a limited liability company (*società a responsabilità limitata*) with a sole quotaholder pursuant to article 3 of the Securitisation Law incorporated under the laws of the Republic of Italy, having its registered office at Via V. Alfieri 1, 31015 Conegliano (TV), Italy, fiscal code and enrolment with the companies' register of Treviso-Belluno no. 05540920260, quota capital of Euro 10,000 fully paid-up, enrolled with the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy's regulation dated 12 December 2023 (*Disposizioni in materia di obblighi informativi e statistici delle società veicolo*

	coinvolte in operazioni di cartolarizzazione) under no. 48684.5, having as its sole corporate object the performance of one or more securitisation transactions pursuant to the Securitisation Law. The Issuer has been established as a special purpose vehicle for the purposes of issuing asset backed securities in the context of one or more securitisation transactions, subject to Condition 4(o) (*Further securitisations and corporate existence*). For further details, see the section headed "*The Issuer*".
Seller	**Hyundai Capital Bank Europe GmbH**, a company incorporated under the laws of Germany, having its registered office at Friedrich-Ebert-Anlage 35-37, 60327 Frankfurt am Main, Germany, acting through its Italian branch at Corso Massimo D'Azeglio 33/E, 10126 Turin, Italy, fiscal code and enrolment with the companies' register of Turin under no. 09322330961, enrolled as a "*filiale di banca estera*" under no. 8095 with the banks' register held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act (**HCBE, Italian branch**). For further details, see the section headed "*HCBE, Italian branch*".
Servicer	**HCBE, Italian branch**. The Servicer will act as such pursuant to the Servicing Agreement. For further details, see the section headed "*HCBE*".
Back-up Servicer Facilitator	**Santander Consumer Finance S.A.**, a banking entity incorporated under the laws of Spain, registered with the Banco de España (Bank of Spain) under no. 8236, having its registered offices at Boadilla del Monte, 28660 Madrid, Spain and Tax Identification Code A-28122570 (**Santander Consumer Finance**). The Back-up Servicer Facilitator will act as such pursuant to the Intercreditor Agreement. For further details, see the section headed "*The Santander Group*".
Corporate Servicer	**Banca Finanziaria Internazionale S.p.A.**, *breviter* **Banca Finint S.p.A.**, a bank incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office in Via V. Alfieri 1, 31015 Conegliano (TV), Italy, share capital of Euro 91,743,007 fully paid up, tax code and enrolment in the companies' register of Treviso-Belluno no. 04040580963, VAT Group "*Gruppo IVA FININT S.P.A.*" - VAT no. 04977190265, registered in the banks' register held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act under no. 5580 and in the register of the banking groups held by the Bank of Italy as parent company of the Banca Finanziaria Internazionale banking group, member of the "*Fondo Interbancario di Tutela dei Depositi*" and of the "*Fondo Nazionale di Garanzia*" (**Banca Finint**).

	The Corporate Servicer will act as such pursuant to the Corporate Services Agreement. For further details, see the section headed "*Banca Finint*".
Representative of the Noteholders	**Banca Finint**. The Representative of the Noteholders will act as such pursuant to the Subscription Agreements, the Intercreditor Agreement and the Rules of the Organisation of the Noteholders. For further details, see the section headed "*Banca Finint*".
Calculation Agent	**Banca Finint**. The Calculation Agent will act as such pursuant to the Agency and Accounts Agreement. For further details, see the section headed "*Banca Finint*".
Transaction Account Bank	**The Bank of New York Mellon SA/NV**, a bank incorporated under the laws of Belgium, having its registered office at Multi Tower, Boulevard Anspachlaan 1, - B-1000, Brussels, Belgium, acting through its Milan branch at Via Mike Bongiorno 13, 20124 Milan, Italy, fiscal code and enrolment with the companies' register of Milano - Monza Brianza - Lodi under no. 09827740961, enrolled as a "*filiale di banca estera*" under no. 8070 and with ABI code 3351.4 with the banks' register held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act (**BNY, Milan branch**). The Transaction Account Bank will act as such pursuant to the Agency and Accounts Agreement. For further details, see section headed "*BNY, Milan branch*".
Collection and Liquidity Reserve Account Bank	**Banco Santander, S.A.**, a public limited company incorporated under the laws of Spain, having its registered office at Paseo de Pereda 9-12, 39004 Santander, Spain, registered with the Banco de España (Bank of Spain) under no. 0049, and with Tax Identification Code A-39000013, acting through its Milan branch at Via Gaetano De Castillia 23, 20124 Milan, Italy, fiscal code and enrolment with the companies' register of Milano - Monza Brianza - Lodi no. 97364050159, enrolled as a "*filiale di banca estera*" with *codice meccanografico* no. 3389 with the register of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act (**Banco Santander, Milan branch**). The Collection and Liquidity Reserve Account Bank will act as such pursuant to the Agency and Accounts Agreement. For further details, see the section headed "*The Santander Group*".

Paying Agent	**BNY, Milan branch**. The Paying Agent will act as such pursuant to the Agency and Accounts Agreement. For further details, see the section headed "*BNY, Milan branch*".
Reporting Entity	**Issuer**. The Reporting Entity will act as such pursuant to the Intercreditor Agreement.
Quotaholder	**Stichting San Siro**, a Dutch law foundation (*stichting*) incorporated under the laws of The Netherlands, having its registered office at Locatellikade 1, 1076AZ Amsterdam, The Netherlands, with Italian fiscal code no. 91055210263, and enrolled with the Chamber of Commerce of The Netherlands under no. 95388966. For further details, see the section headed "*The Issuer*".
Stichting Corporate Services Provider	**M&G Trustee Company Limited**, a company incorporated under the laws of England and Wales, having its registered office at 10 Fenchurch Avenue, London, EC3M 5AG, United Kingdom, enrolled with the Trade Register of the Chamber of Commerce of England and Wales under number 01863305. The Stichting Corporate Services Provider will act as such pursuant to the Stichting Corporate Services Agreement.
Interest Rate Swap Counterparty	**Banco Santander, S.A.**, a public limited company incorporated under the laws of Spain, whose registered office is at Paseo de Pereda 9-12, 39004 Santander, Spain, registered with the Banco de España (Bank of Spain) under no. 0049, and with Tax Identification Code A-39000013 (**Banco Santander**). The Interest Rate Swap Counterparty will act as such pursuant to the Swap Agreement. For further details, see the section headed "*The Santander Group*".
RSF Reserve Depositor	**Santander Consumer Finance**. The RSF Reserve Depositor will act as such pursuant to the Intercreditor Agreement. For further details, see the section headed "*The Santander Group*".
Arranger	**Banco Santander**.
Joint Lead Managers	**Banco Santander**. **Intesa Sanpaolo S.p.A.**, a bank incorporated under the laws of the

Republic of Italy as a joint stock company (*società per azioni*), having its registered office is at Piazza San Carlo 156, 10121 Turin, Italy, whose secondary office is at Via Monte Pietà 8, 20121 Milan, Italy, share capital of Euro [10,368,870,930.08] fully paid-up, registration with the companies' register of Turin and fiscal code no. 00799960158, representative of the "*Gruppo IVA Intesa Sanpaolo*", VAT no. 11991500015 (IT1 1991500015), registered in the register of the banks under no. 5361 pursuant to article 13 of the Consolidated Banking Act, member of the "*Fondo Interbancario di Tutela dei Depositi*" and of the "*Fondo Nazionale di Garanzia*", parent company of the Intesa Sanpaolo Banking Group, registered with the register of the banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act (**ISP**).

UniCredit Bank GmbH, a bank incorporated under the laws of the Federal Republic of Germany as a limited liability company (*Gesellschaft mit beschränkter Haftung*), registered with the commercial register administered by the Local Court of Munich at no. HR B 289472, belonging to the "*Gruppo Bancario UniCredit*" and having its head office at Arabellastraße 12, D-81925 Munich, Federal Republic of Germany (**UCBG**).

Junior Notes Subscriber

HCBE, Italian branch.

The Junior Notes Subscriber will act as such pursuant to the Junior Notes Subscription Agreement.

For further details, see the section headed "*HCBE, Italian branch*".

Listing Agent

Allen Overy Shearman Sterling, Luxembourg (**AOS Luxembourg**).

AOS Luxembourg will act as Listing Agent for the Issuer in connection with the Rated Notes and will not itself seek an admission of the Rated Notes to the official list of the Luxembourg Stock Exchange and to trading on its regulated market "*Bourse de Luxembourg*".

As at the date of this Prospectus, there are no relationships of direct or indirect control or ownership among the parties listed above, except for the relationships between (i) the Issuer and the Quotaholder as described in the section headed "*The Issuer*", and (ii) HCBE, Italian branch, Banco Santander, Banco Santander, Milan branch and Santander Consumer Finance as described in the sections headed "*HCBE, Italian branch*" and "*The Santander Group*".

3. PRINCIPAL FEATURES OF THE NOTES

The Notes

On the Closing Date, the Issuer will issue:

(a) Euro [●] Class A1 Asset Backed Floating Rate Notes due December 2041 (the **Class A1 Notes**);

(b) Euro [●] Class A2 Asset Backed Floating Rate Notes due December 2041 (the **Class A2 Notes** and, together with the Class A1 Notes, the **Class A Notes** or the **Senior Notes**);

(c) Euro [●] Class B Asset Backed Floating Rate Notes due December 2041 (the **Class B Notes**);

(d) Euro [●] Class C Asset Backed Floating Rate Notes due December 2041 (the **Class C Notes**);

(e) Euro [●] Class D Asset Backed Floating Rate Notes due December 2041 (the **Class D Notes** and, together with the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the **Mezzanine Notes**);

(f) Euro [●] Class E Asset Backed Floating Rate Notes due December 2041 (the **Class E Notes** and, together with the Senior Notes and the Mezzanine Notes, the **Rated Notes**); and

(g) Euro [●] Class Z Asset Backed Variable Return Notes due December 2041 (the **Class Z Notes** or the **Junior Notes** and, together with the Senior Notes, the Mezzanine Notes and the Class E Notes, the **Notes**).

Issue Price

The Notes will be issued at an issue price equal to the following percentages of their principal amount upon issue:

(a) Class A1 Notes: [100] per cent.;

(b) Class A2 Notes: [100] per cent.;

(c) Class B Notes: [100] per cent.;

(d) Class C Notes: [100] per cent.;

(e) Class D Notes: [100] per cent.;

(f) Class E Notes: [100] per cent.;

(g) Class Z Notes: 100 per cent.

Form and denomination

The Rated Notes (other than the Class A2 Notes) will be issued in the minimum denomination of Euro 100,000 and integral multiples of Euro 1,000 in excess thereof. The Class A2 Notes will be issued in the minimum denomination of Euro 100,000 and integral multiples of Euro 100,000 in excess thereof. The Class Z Notes will be issued in the minimum denomination of Euro 1,000.

The Notes will be issued in dematerialised form (*in forma dematerializzata*) on behalf of the ultimate owners, until redemption and/or cancellation thereof, through Euronext Securities Milan for

the account of the relevant Euronext Securities Milan Account Holders. Euronext Securities Milan will act as depository for Clearstream and Euroclear in accordance with article 83-*bis* of the Consolidated Financial Act, through the authorised institutions listed in article 83-*quarter* of the Consolidated Financial Act. Title to the Notes will at all times be evidenced by book-entries in accordance with the provisions of (i) article 83-*bis* of the Consolidated Financial Act, and (ii) the CONSOB and Bank of Italy Joint Resolution. No physical document of title will be issued in respect of the Notes.

Interest on the Rated Notes

Each Rated Note will bear interest on its Principal Amount Outstanding from (and including) the Closing Date until final redemption and/or cancellation as provided for in Condition 6 (*Redemption, purchase and cancellation*).

The rate of interest applicable from time to time to the Rated Notes (the **Rate of Interest**) will be:

(a) in respect of the Class A1 Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of [●] per cent. per annum;

(b) in respect of the Class A2 Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of [●] per cent. per annum;

(c) in respect of the Class B Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of [●] per cent. per annum;

(d) in respect of the Class C Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of [●] per cent. per annum;

(e) in respect of the Class D Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of [●] per cent. per annum;

(f) in respect of the Class E Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of [●] per cent. per annum.

To the extent permitted by law, there shall be no maximum or minimum Rate of Interest in respect of the Rated Notes, provided that, should in relation to any Interest Period the algebraic sum of the EURIBOR and the relevant margin applicable to any Class of Rated Notes result in a negative rate, then the Rate of Interest applicable to such Class of Rated Notes shall be deemed to be 0 (zero).

Interest on the Rated Notes will accrue on a daily basis and will be payable in Euro in arrear by reference to successive Interest Periods on each date falling (i) prior to the delivery of an Issuer Event of

Default Notice or the occurrence of an Issuer Insolvency Event, on the 23rd calendar day of March, June, September and December in each year (or, if such day is not a Business Day, the immediately following Business Day), or (ii) following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, on any such Business Day as determined by the Representative of the Noteholders on which payments are to be made under the Securitisation (each, a **Payment Date**), in each case in accordance with the applicable Priority of Payments. The first payment of interest on the Rated Notes will be due on the Payment Date falling on 23 September 2025 in respect of the Interest Period from (and including) the Closing Date up to (but excluding) such Payment Date.

Interest deferral

Payments of interest on any Class of Rated Notes (other than the Senior Notes or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes) will be subject to deferral to the extent that there are insufficient Available Interest Amounts on any Payment Date in accordance with the Pre-Enforcement Interest Priority of Payments to pay in full the relevant Aggregate Interest Amount which would otherwise be payable on such Class of Rated Notes. The amount by which the aggregate amount of interest paid on any Class of Rated Notes (other than the Senior Notes or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes) on any Payment Date in accordance with Condition 5 (*Interest and Variable Return*) falls short of the Aggregate Interest Amount which otherwise would be payable on such Class of Rated Notes on that date shall be aggregated with the amount of, and treated for the purposes of Condition 5 (*Interest and Variable Return*) as if it were interest due on, such Class of Rated Notes and, subject as provided below, payable on the next succeeding Payment Date. No interest will accrue on any amount so deferred.

If, on the Cancellation Date, there remains any such shortfall, the amount of such shortfall will become due and payable on such date, subject in each case to the amounts of Available Distribution Amounts and, to the extent unpaid, will be cancelled.

Any Aggregate Interest Amount due but not payable on the Senior Notes (or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes) on any Payment Date will not be deferred and any failure to pay such Aggregate Interest Amount will constitute an Issuer Event of Default pursuant to Condition 10 (*Issuer Event of Defaults*).

Variable Return

A variable return may or may not be payable on the Class Z Notes (the **Variable Return**) in Euro on each Payment Date, in accordance with the applicable Priority of Payments.

On each Payment Date, the Variable Return will be equal to any Available Distribution Amounts remaining after making payments

under items (i) (*first*) to (xxii) (*twenty-second*) (inclusive) of the Pre-Enforcement Interest Priority of Payments or under items (i) (*first*) to (xx) (*twentieth*) (inclusive) of the Post-Enforcement Priority of Payments, as the case may be, and may be equal to 0 (zero).

Status

The Notes will constitute direct and limited recourse obligations solely of the Issuer backed by the Aggregate Portfolio and the other Securitisation Assets. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any person except the Issuer and no person other than the Issuer will be liable in respect of any failure by the Issuer to make payment of any amount due on the Notes.

Ranking and subordination

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), in respect of the obligation of the Issuer to pay interest or Variable Return (as applicable) on the Notes and repay principal on the Class E Notes and the Class Z Notes:

(a) the Class A Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes;

(b) the Class B Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes;

(c) the Class C Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class D Notes, the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes and the Class B Notes;

(d) the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes, the Class B Notes and the Class C Notes;

(e) the Class E Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class Z Notes, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes; and

(f) the Class Z Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but

subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*) and during the Pro-Rata Redemption Period, in respect of the obligation of the Issuer to repay principal on the Notes (other than the Class E Notes and the Class Z Notes), the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves.

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*) and during the Sequential Redemption Period, in respect of the obligation of the Issuer to repay principal on the Notes (other than the Class E Notes and the Class Z Notes):

(a) the Class A Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the Class B Notes, the Class C Notes and the Class D Notes;

(b) the Class B Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class C Notes and the Class D Notes, but subordinated to the Class A Notes;

(c) the Class C Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class D Notes, but subordinated to the Class A Notes and the Class B Notes; and

the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes and the Class C Notes.

Following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), in respect of the obligation of the Issuer to pay interest or Variable Return (as applicable) and repay principal on the Notes:

(a) the Class A Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority

to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes;

(b) the Class B Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes;

(c) the Class C Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class D Notes, the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes and the Class B Notes;

(d) the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes, the Class B Notes and the Class C Notes;

(e) the Class E Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class Z Notes, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes; and

(f) the Class Z Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

The rights of the Noteholders in respect of the priority of payment of interest or Variable Return (as applicable) and principal on the Notes are set out in Condition 3(a) (*Priority of Payments - Pre-Enforcement Interest Priority of Payments*), Condition 3(b) (*Priority of Payments - Pre-Enforcement Principal Priority of Payments*) or Condition 3(c) (*Priority of Payments - Post-Enforcement Priority of Payments*), as the case may be, and are subject to the provisions of the Intercreditor Agreement and subordinated to certain prior ranking amounts due by the Issuer as set out therein.

For further details, see the section headed "*Credit Structure - Mezzanine Interest Subordination Events*", "*Credit Structure - Notes redemption*" and "*Credit Structure - Sequential Payment Trigger Event*".

Withholding tax

All payments in respect of the Notes by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes, duties or charges of whatsoever nature unless such withholding or deduction is required by law. Neither the Issuer nor any other person shall be obliged to pay any additional amount to any Noteholder on account of such withholding or

deduction.

According to the provisions of article 6 of Decree 239, a holder of a Note who (i) is not a person resident for tax purposes (or an institutional investor incorporated) in a country which allows an adequate exchange of information with the Republic of Italy, or (ii) is resident or incorporated in such a country but has not fulfilled all the requisite documentary requirements under Decree 239, receive amounts of interest payable on the Notes net of the Decree 239 Withholding.

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

Final redemption

The Issuer shall redeem the Notes at their Principal Amount Outstanding (together with any accrued but unpaid interest), in accordance with the applicable Priority of Payments, on the Payment Date falling in December 2041 (the **Legal Maturity Date**).

The Issuer may not redeem the Notes in whole or in part prior to the Legal Maturity Date except as provided for in Condition 6(c) (*Mandatory redemption*), Condition 6(d) (*Early redemption for Tax Event*), Condition 6(e) (*Early redemption for Clean-up Call Event*) or Condition 6(f) (*Early redemption for Regulatory Change Event*), but without prejudice to Condition 10 (*Issuer Event of Defaults*) and Condition 11 (*Enforcement*).

Cancellation

The Notes will be finally and definitively cancelled:

(a) on the earlier of (A) the Legal Maturity Date if the Notes are redeemed in full, and (B) the date on which the Notes are finally redeemed following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or pursuant to Condition 6(c) (*Mandatory redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*); or

(b) if the Notes cannot be redeemed in full on the Legal Maturity Date as a result of the Issuer having insufficient Available Distribution Amounts for application in or towards such redemption, on the later of (A) the Payment Date immediately following the date on which all the Receivables will have been paid in full, and (B) the Payment Date immediately following the date on which all the Receivables then outstanding will have been entirely written off by the Issuer as a consequence of the Servicer having determined that there is no reasonable likelihood of there being any further realisations in respect of the Aggregate Portfolio and the other Securitisation Assets (whether arising from judicial enforcement proceedings or otherwise) which would be available to pay unpaid amounts outstanding under the Notes,

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

Estimated Weighted Average Life of the Rated Notes

Calculations as to the estimated weighted average life of the Rated Notes are based on various assumptions relating also to unforeseeable circumstances.

For further details, see the sections headed "*Risk factors - Risks relating to the underlying assets - Yield to maturity, amortisation and weighted average life of the Rated Notes are influenced by a number of factors*" and "*Estimated Weighted Average Life of the Rated Notes*".

No assurance can be given that such assumptions and estimates will be accurate and, therefore, calculations as to the estimated weighted average life of the Rated Notes must be viewed with considerable caution.

Mandatory redemption

The Notes will be subject to mandatory redemption (*pro rata* within each Class) in whole or in part on each Payment Date during the Amortisation Period, to the extent that the Issuer has sufficient Available Distribution Amounts for such purpose in accordance with the applicable Priority of Payments.

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*):

(a) each Class of Senior Notes and Mezzanine Notes will be redeemed on each Payment Date as follows:

(i) during the Pro-Rata Redemption Period, at the relevant Pro-Rata Redemption Amount, *pari passu* and *pro rata* with the other Classes of Senior Notes and Mezzanine Notes; or

(ii) during the Sequential Redemption Period, in a sequential order,

in each case out of the Available Principal Amounts in accordance with the Pre-Enforcement Principal Priority of Payments;

(c) the Class E Notes and the Class Z Notes will be redeemed on each Payment Date during the Amortisation Period at their respective Principal Amount Outstanding, out of the Available Interest Amounts in accordance with the Pre-Enforcement Interest Priority of Payments,

provided that, on the Regulatory Change Early Redemption Date, the Issuer will apply any amounts comprising the Regulatory Change

Allocated Principal Amount, in a sequential order, pursuant to the Regulatory Change Order of Allocation to redeem each Class of Mezzanine Notes (in whole but not in part) at their respective Principal Amount Outstanding and, to the extent after such redemption there would sufficient funds to redeem also the Class E Notes (in whole but not in part), also the Class E Notes at their Principal Amount Outstanding, in accordance with the Pre-Enforcement Principal Priority of Payments.

Following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), all Classes of Notes shall be redeemed on each Payment Date at their respective Principal Amount Outstanding, in a sequential order, out of the Available Distribution Amounts in accordance with the Post-Enforcement Priority of Payments.

For further details, see the sections headed "*Available Distribution Amounts and Priority of Payments*", "*Credit Structure - Sequential Payment Trigger Events*" and "*Credit Structure - Regulatory Change Order of Allocation*".

Early redemption for Tax Event

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Issuer may redeem at its option the Rated Notes (in whole but not in part) and the Junior Notes (in whole or in part) at their Principal Amount Outstanding (together with any accrued but unpaid interest) in accordance with the Post-Enforcement Priority of Payments, on any Payment Date following the occurrence of a Tax Event in accordance with Condition 6(d) (*Early redemption for Tax Event*).

For the purposes of Condition 6(d) (*Early redemption for Tax Event*), **Tax Event** means the circumstance that, by reason of a change in law or regulation or the interpretation or administration thereof since the Closing Date:

(a) the Securitisation Assets become subject to taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or by any political sub-division thereof or by any authority thereof or therein or by any applicable taxing authority having jurisdiction; or

(b) either the Issuer or any paying agent or any custodian appointed in respect of the Notes is required to deduct or withhold any amount (other than in respect of a Decree 239 Withholding) in respect of any Class of Notes, from any payment of principal or interest on such Payment Date 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 by any political sub-division thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction and provided that such deduction or withholding may not be avoided by appointing a replacement paying agent or custodian in respect of the Notes before the Payment Date following the change in law or the interpretation or administration thereof; or

(c) any amounts of interest payable on the Loans to the Issuer are required to be deducted or withheld from the Issuer or the relevant payor 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 by any political sub-division thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction.

The Issuer's right to redeem the Notes in the manner described above shall be subject to the Issuer:

(a) giving not more than 60 (sixty) nor less than 30 (thirty) days' written notice (which notice shall be irrevocable) to the Representative of the Noteholders and the Noteholders in accordance with Condition 17 (*Notices*) of its intention to redeem the Rated Notes (in whole but not in part) and the Junior Notes (in whole or in part) on the next succeeding Payment Date at their Principal Amount Outstanding (together with any accrued but unpaid interest), pursuant to Condition 6(d) (*Early redemption for Tax Event*) (the **Tax Early Redemption Notice**); and

(b) on or prior to the delivery of the Tax Early Redemption Notice, providing to the Representative of the Noteholders:

(i) a legal opinion (in form and substance satisfactory to the Representative of the Noteholders) from a firm of lawyers of international reputation (approved in writing by the Representative of the Noteholders) opining on the relevant change in law or regulation or interpretation or administration thereof;

(ii) a certificate from the chairman of the board of directors or the sole director of the Issuer (as applicable) stating that a Tax Event will apply on the next Payment Date and cannot be avoided by the Issuer taking reasonable endeavours; and

(iii) a certificate from the chairman of the board of directors or the sole director of the Issuer (as applicable) to the effect that the Issuer will have sufficient funds on such Payment Date to discharge in full at least its obligations under the Rated Notes

and any obligations ranking in priority thereto, or *pari passu* therewith, together with any additional taxes payable by the Issuer by reason of such early redemption of the Notes.

Under the Master Receivables Purchase Agreement, the Issuer has irrevocably granted to the Seller an option, pursuant to article 1331 of the Italian civil code, to repurchase (in whole but not in part) the Aggregate Portfolio then outstanding at the Final Repurchase Price following the occurrence of a Tax Event in order to finance the early redemption of the Notes in accordance with Condition 6(d) (*Early redemption for Tax Event*). If the Seller exercises such option, then the Issuer shall redeem the Notes as described above.

For further details, see the section headed "*Description of the Transaction Documents - The Master Receivables Purchase Agreement*".

Early redemption for Clean-up Call Event

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Issuer may redeem at its option the Rated Notes (in whole but not in part) and the Class Z Notes (in whole or in part) at their Principal Amount Outstanding (together with any accrued but unpaid interest) in accordance with the Post-Enforcement Priority of Payments, on any Payment Date following the occurrence of a Clean-up Call Event in accordance with Condition 6(e) (*Early redemption for Clean-up Call Event*).

For the purposes of Condition 6(e) (*Early redemption for Clean-up Call Event*), **Clean-up Call Event** means the circumstance that, on any date, the aggregate Outstanding Principal of the Receivables comprised in the Collateral Aggregate Portfolio is equal to or lower than 10 per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of the Receivables comprised in the Initial Portfolio.

The Issuer's right to redeem the Notes in the manner described above shall be subject to the Issuer:

(a) giving not more than 60 (sixty) nor less than 30 (thirty) days' written notice (which notice shall be irrevocable) to the Representative of the Noteholders and the Noteholders in accordance with Condition 17 (*Notices*) of its intention to redeem the Rated Notes (in whole but not in part) and the Class Z Notes (in whole or in part) on the next succeeding Payment Date at their Principal Amount Outstanding (together with any accrued but unpaid interest), pursuant to Condition 6(e) (*Early redemption for Clean-up Call Event*) (the **Clean-up Call Early Redemption Notice**); and

(b) on or prior to the delivery of the Clean-up Call Early Redemption Notice, providing to the Representative of the Noteholders a certificate from the chairman of the board of directors or the sole director of the Issuer (as applicable) to

the effect that the Issuer will have sufficient funds on such Payment Date to discharge in full at least its obligations under the Rated Notes and any obligations ranking in priority thereto, or *pari passu* therewith.

Under the Master Receivables Purchase Agreement, the Issuer has irrevocably granted to the Seller an option, pursuant to article 1331 of the Italian civil code, to repurchase (in whole but not in part) the Aggregate Portfolio then outstanding at the Final Repurchase Price following the occurrence of the Clean-up Call Event, in order to finance the early redemption of the Notes in accordance with Condition 6(e) (*Early redemption for Clean-up Call Event*). If the Seller exercises such option, then the Issuer shall redeem the Notes as described above.

Early redemption for Regulatory Change Event

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Issuer may redeem at its option the Mezzanine Notes (in whole but not in part) at their Principal Amount Outstanding (together with any accrued but unpaid interest) in accordance with the Pre-Enforcement Principal Priority of Payments and the Pre-Enforcement Interest Priority of Payments, on any Payment Date following the occurrence of a Regulatory Change Event in accordance with Condition 6(f) (*Early redemption for Regulatory Change Event*).

For the purposes of Condition 6(f) (*Early redemption for Regulatory Change Event*), **Regulatory Change Event** means (a) any enactment or establishment of, or supplement or amendment to, or change in any law, regulation, rule, policy or guideline of any relevant competent international, European or national body (including the ECB or the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) or any other relevant competent international, European or national regulatory or supervisory authority) or the application or official interpretation of, or view expressed by any such competent body with respect to, any such law, regulation, rule, policy or guideline which becomes effective on or after the Closing Date, or (b) a notification by or other communication from the applicable regulatory or supervisory authority is received by the Seller with respect to the transactions contemplated by the Transaction Documents on or after the Closing Date which, in each case, in the reasonable opinion of the Seller, has the effect of materially adversely affecting the rate of return on capital of the Issuer and/or the Seller or materially increasing the cost or materially reducing the benefit to the Seller of the transactions contemplated by the Transaction Documents.

For the further avoidance of doubt, the declaration of a Regulatory Change Event will not be excluded by the fact that, prior to the Closing Date: (a) the event constituting any such Regulatory Change Event was: (i) announced or contained in any proposal (whether in draft or final form) for a change in the laws, regulations, applicable

regulatory rules, policies or guidelines (including any accord, standard, or recommendation of the Basel Committee on Banking Supervision), as officially interpreted, implemented or applied by the Federal Republic of Germany or the European Union; or (ii) incorporated in any law or regulation approved and/or published but the effectiveness or application of which is deferred, in whole or in part, beyond the Closing Date, provided that the application of the EU Securitisation Regulation and the CRR Amendment Regulation shall not constitute a Regulatory Change Event, but without prejudice to the ability of a Regulatory Change Event to occur as a result of any implementing regulations, policies or guidelines in respect thereof announced or published after the Closing Date; or (iii) expressed in any statement by any official of the competent authority in expert meetings or other discussions in connection with such Regulatory Change Event, or (b) the competent authority has issued any notification, taken any decision or expressed any view with respect to any individual transaction, other than the Securitisation. Accordingly, such proposals, statements, notifications or views will not be taken into account when assessing the rate of return on capital of the Issuer and/or the Seller or an increase the cost or reduction of benefits to the Seller of the transactions contemplated by the Transaction Documents immediately after the Closing Date.

The Issuer's right to redeem the Mezzanine Notes in the manner described above shall be subject to the Issuer:

(a) giving not more than 60 (sixty) nor less than 30 (thirty) days' written notice (which notice shall be irrevocable) to the Representative of the Noteholders and the Noteholders in accordance with Condition 17 (*Notices*) of its intention to redeem the Mezzanine Notes (in whole but not in part) on the next succeeding Payment Date (the **Regulatory Change Early Redemption Date**) at their Principal Amount Outstanding (together with any accrued but unpaid interest), pursuant to Condition 6(f) (*Early redemption for Regulatory Change Event*) (the **Regulatory Change Early Redemption Notice**); and

(b) on or prior to the delivery of the Regulatory Change Early Redemption Notice, providing to the Representative of the Noteholders a certificate from the chairman of the board of directors or the sole director of the Issuer (as applicable) to the effect that the Issuer will have sufficient funds on such Payment Date to discharge all of its obligations under the Mezzanine Notes.

If, after the Issuer having redeemed the Mezzanine Notes (in whole but not in part), there are sufficient funds to redeem also the Class E Notes (in whole but not in part), then the Regulatory Change Early Redemption Notice will be extended also to the Class E Notes,

provided that the Class E Notes will be redeemed in whole but not in part.

For the avoidance of doubt, the Class A Notes and the Class Z Notes (if still outstanding) will not be redeemed and will remain outstanding.

The Issuer will exercise the option to early redeem the Mezzanine Notes in accordance with Condition 6(f) (*Early redemption for Regulatory Change Event*) only if the Seller elects to advance a Seller Regulatory Loan to the Issuer for an amount equal to the Seller Regulatory Loan Disbursement Amount pursuant to the Intercreditor Agreement, provided that the Seller Regulatory Loan shall satisfy the following conditions (the **Seller Regulatory Loan Conditions**):

(a) the Seller Regulatory Loan shall be advanced on equivalent economic terms, and to achieve the same economic effect, as the Transaction Documents;

(b) the Seller Regulatory Loan shall not have a material adverse effect on the Senior Notes; and

(c) the Seller Regulatory Loan shall comply in all respects with the applicable requirements under the EU Securitisation Regulation and the CRR.

Under the Intercreditor Agreement, the parties thereto have acknowledged the provisions of Condition 6(f) (*Early redemption for Regulatory Change Event*) and have agreed to, promptly after the Regulatory Change Early Redemption Date, execute and deliver all instruments, notices and documents and take all further actions that the Issuer or the Seller may reasonably request including, without limitation, agreeing all necessary modifications, waivers and additions to the Transaction Documents required in order to, among others: (A) achieve, in respect of the Transaction Parties (other than, for the avoidance of doubt, the Seller) an equivalent economic effect as the position under the Transaction Documents on the date immediately prior to the Regulatory Change Early Redemption Date; and (B) reflect the advance of the Seller Regulatory Loan by the Seller, provided that no such modifications, waivers and additions are materially prejudicial to the interests of the holders of the Senior Notes.

For further details, see the sections headed "*Available Distribution Amounts and Priority of Payments*", "*Credit Structure - Regulatory Change Order of Priority*" and "*Description of the Transaction Documents - The Intercreditor Agreement*".

Source of payments of the Notes

The principal source of payments of interest or Variable Return (as applicable) and repayment of principal on the Notes will be the proceeds of the Aggregate Portfolio and the other Securitisation Assets.

Segregation of the Aggregate Portfolio and the other Securitisation Assets

The Notes will benefit of the provisions of the Securitisation Law pursuant to which the Aggregate Portfolio and the other Securitisation Assets will be segregated (*costituiscono patrimonio separato*) under Italian law from all other assets of the Issuer and from the assets relating to any Further Securitisation and will only be available, both before and after a winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any Connected Third Party Creditor. The Notes will have also the benefit of the Issuer Transaction Security.

For further details, see the section headed "*Selected Aspects of Italian Law - Ring-fencing of the assets*".

The Aggregate Portfolio and the other Securitisation Assets may not be seized or attached in any form by creditors of the Issuer other than the Noteholders, the Other Issuer Creditors and any Connected Third Party Creditor until full discharge by the Issuer of its payment obligations under the Notes and/or cancellation thereof. Pursuant to the terms of the Intercreditor Agreement, the Issuer has empowered the Representative of the Noteholders, following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or a Specified Event, to exercise all the Issuer's rights, powers and discretions under the Transaction Documents taking such action in the name and on behalf of the Issuer as the Representative of the Noteholders will deem necessary to protect the interests of the Issuer, the Noteholders and the Other Issuer Creditors in respect of the Aggregate Portfolio and under the Transaction Documents. Italian law governs the delegation of such power.

For further details, see the section headed "*Description of the Transaction Documents - The Intercreditor Agreement*".

Issuer Event of Defaults

The occurrence of any of the following events will constitute an **Issuer Event of Default**:

(i) *Non-payment*: default is made by the Issuer:

(A) in respect of any payment of interest due on the Senior Notes (or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes), provided that such default remains unremedied for 5 (five) Business Days; or

(B) in respect of any repayment of principal due on any Class of Notes on the Legal Maturity Date, provided that such default remains unremedied for 5 (five) Business Days; or

(C) in respect of any repayment of principal due and payable on the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes and the Class D Notes (during the Pro-Rata Redemption Period)

or on the Most Senior Class of Notes (during the Sequential Redemption Period) on any Payment Date prior to the Legal Maturity Date (to the extent the Issuer has sufficient Available Distribution Amounts to make such repayment of principal in accordance with the applicable Priority of Payments), provided that such default remains unremedied for 5 (five) Business Days (it being understood that, prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), if the Servicer fails to deliver the Servicer's Report to the Calculation Agent by the relevant Servicer's Report Date (or such later date as may be agreed between the Servicer and the Calculation Agent which enables the latter to prepare and deliver the Payments Report in a timely manner), no amount of principal will be due and payable in respect of the Notes); or

(ii) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its obligations (other than any payment obligations under paragraph (i) above) under the Notes or the Transaction Documents in any respect which is material for the interests of the Noteholders, provided that such default remains unremedied for 10 (ten) Business Days after the occurrence thereof (except where such default is not capable of remedy, in which case no remedy period will be given); or

(iii) *Misrepresentation*: any of the representations and warranties made by the Issuer under any of the Transaction Documents proves to be untrue, incorrect or misleading when made or repeated in any respect which is material for the interests of the Noteholders, provided that such breach remains unremedied for 10 (ten) Business Days after the occurrence thereof (except where such breach is not capable of remedy, in which case no remedy period will be given); or

(iv) *Issuer Insolvency Event*: an Issuer Insolvency Event occurs; or

(v) *Unlawfulness*: it is or will become unlawful for the Issuer (by reason of a change in law or the interpretation or administration thereof since the Closing Date) to perform or comply with any of its obligations under or in respect of the Notes or any Transaction Document, or any obligation of the Issuer under any Transaction Document ceases to be legal, valid, binding and enforceable or any Transaction Document

or any obligation contained or purported to be contained therein is not effective or is alleged by the Issuer to be ineffective for any reason, or any of the Issuer's rights under the Notes or any Transaction Document are or will (by reason of a change in law or the interpretation or administration thereof since the Closing Date) be materially adversely affected.

If an Issuer Event of Default occurs, then the Representative of the Noteholders:

(a) in the circumstances under paragraphs (i) (*Non-payment*), (iv) (*Issuer Insolvency Event*) and (v) (*Unlawfulness*) above, shall; or

(b) in the circumstances under paragraphs (ii) (*Breach of other obligations*) or (iii) (*Misrepresentation*) above, may (with the prior consent of an Extraordinary Resolution of the holders of the Most Senior Class of Notes) or shall (if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes),

serve a written notice on the Issuer (with copy to the Seller, the Servicer, the Calculation Agent and the Noteholders in accordance with Condition 17 (*Notices*)) (the **Issuer Event of Default Notice**), provided that the Representative of the Noteholders shall have been indemnified and/or secured to its satisfaction against all duly documented fees, costs, expenses and liabilities to which it may thereby become liable or which it may incur by so doing.

Upon the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Notes shall (subject to Condition 16 (*Limited recourse and non-petition*)) become immediately due and repayable at their Principal Amount Outstanding (together with any accrued but unpaid interest) without further action, notice or formalities, and all payments due by the Issuer shall be made in accordance with the Post-Enforcement Priority of Payments.

At any time after the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Representative of the Noteholders may, at its discretion and without further notice, take such steps and/or institute such proceedings as it thinks fit to enforce repayment of the Notes and payment of accrued interest thereon or at any time to enforce any other obligation of the Issuer under the Notes or any Transaction Document, but, in either case, it shall not be bound to do so unless it shall have been so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes and, in any such case, only if it shall have been indemnified and/or secured to its satisfaction against all fees, costs, expenses and liabilities to which it may thereby become liable or which it may incur by so doing.

Following the service of an Issuer Event of Default Notice, no amount of cash shall be trapped in the Issuer beyond what is necessary to ensure the operational functioning of the Issuer or the orderly payments of the amounts due under the Notes in accordance with the Post-Enforcement Priority of Payments and pursuant to the terms of the Transaction Documents, as required by article 21(4)(a) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

Following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Issuer (or the Representative of the Noteholders on its behalf) may (with the prior consent of an Extraordinary Resolution of the holders of the Most Senior Class of Notes) or shall (if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes) dispose of the Aggregate Portfolio then outstanding in accordance with the provisions of the Intercreditor Agreement, it being understood that no provisions shall require the automatic liquidation of the Aggregate Portfolio pursuant to article 21(4)(d) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

For further details, see the section headed "*Description of the Transaction Documents - the Intercreditor Agreement*".

Limited Recourse

All obligations of the Issuer to make payments to each Issuer Creditor, including, without limitation, the obligations under the Notes or any Transaction Document to which such Issuer Creditor is a party (other than the obligation to pay the Purchase Price for the Initial Portfolio to the Seller), will be limited in recourse and shall arise and become due and payable in an amount equal as at the relevant date to the lower of (i) the aggregate nominal amount of such payment which, but for the operation of the applicable Priority of Payments, would be due and payable at such time to such Issuer Creditor, and (ii) the Available Distribution Amounts net of any sums which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to, or *pari passu* with, sums payable to such Issuer Creditor.

In particular:

(a) without prejudice to the provisions of Condition 5(i) (*Interest and Variable Return - Interest Deferral*) regarding payment of interest on the Senior Notes (or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes), if the Available Distribution Amounts are insufficient to pay any amount due and payable on any Payment Date in accordance with the applicable Priority of Payments, the shortfall then occurring will not be payable on that Payment Date but will become payable on the subsequent Payment Date if and to the extent that funds may be used for this purpose in accordance with the applicable Priority of Payments. Such shortfall will not accrue interest;

(b) accordingly, it is agreed that (A) the limited recourse nature of the obligations under the Notes or any Transaction Document produces the effect of a *contratto aleatorio* and the consequences thereof are accepted, including but not limited to the provisions of article 1469 of the Italian civil code; and (B) the Issuer Creditors will have an existing claim against the Issuer only in respect of the Available Distribution Amounts which may be applied for the relevant purpose as at the relevant date and will not have any claim, by operation of law or otherwise, against, or recourse to, the Issuer's other assets or its contributed capital;

(c) all payments to be made by the Issuer to each Issuer Creditor, whether under the Notes or any Transaction Document to which such Issuer Creditor is a party or otherwise, will be made by the Issuer solely on the Payment Dates from the Available Distribution Amounts, except as permitted in the Transaction Documents; and

(d) unless paid before in accordance with the provisions set out above, all the obligations of the Issuer to each Issuer Creditor will expire on the Cancellation Date.

It is understood that any amount which is expressly stated to be paid by the Issuer outside the Priority of Payments pursuant to the Transaction Documents will not be subject to the Priority of Payments and will be due and payable within the limits of the funds standing to the credit of the relevant Account at that time.

Non-petition

Only the Representative of the Noteholders may pursue the remedies available under the general law or under the Transaction Documents to obtain payment of the obligations of the Issuer arising under the Notes and the Transaction Documents or enforce the Issuer Transaction Security and no Issuer Creditor shall be entitled to proceed directly against the Issuer to obtain payment of such obligation or enforce the Issuer Transaction Security.

In particular:

(a) no Issuer Creditor (nor any person on its behalf) is entitled, save as expressly permitted by the Transaction Documents, to direct the Representative of the Noteholders to enforce the Issuer Transaction Security or to take any proceedings against the Issuer to enforce the Issuer Transaction Security;

(b) no Issuer Creditor (nor any person on its behalf, other than the Representative of the Noteholders) is entitled, save as expressly permitted by the Transaction Documents, to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due by the Issuer to such Issuer Creditor;

(c) until the date falling 2 (two) years and 1 (one) day after the Cancellation Date or, if later, the date on which the notes issued by the Issuer in the context of any Further Securitisation have been redeemed in full and/or cancelled in accordance with the relevant terms and conditions, no Issuer Creditor (nor any person on its behalf, other than the Representative of the Noteholders when so directed by an Extraordinary Resolution of the Noteholders and only if the representatives of the noteholders of all Further Securitisations carried out by the Issuer (if any) have been so directed by an extraordinary resolution of the noteholders under the relevant securitisation transaction) shall initiate or join any person in initiating an Issuer Insolvency Event; and

(d) no Issuer Creditor is entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step that would result in any Priority of Payments not being complied with.

The Organisation of the Noteholders and the Representative of the Noteholders

The Organisation of the Noteholders will be established upon and by virtue of the issuance of the Notes and will remain in force and in effect until redemption in full and/or cancellation of the Notes.

Pursuant to the Rules of the Organisation of the Noteholders, for as long as any Note is outstanding, there will at all times be a Representative of the Noteholders. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of the Noteholders, will be made by the Noteholders subject to and in accordance with the Rules of the Organisation of the Noteholders, except for the initial Representative of the Noteholders which has been appointed by the Joint Lead Managers and the Junior Notes Subscriber in the Subscription Agreements and has been granted the powers set out in the Conditions and the Rules of the Organisation of the Noteholders (including the power to execute, in its capacity as trustee for the Noteholders, the Deed of Assignment and exercise on their behalf the rights and powers of the Noteholders in relation to the Deed of Assignment and the Issuer Transaction Security created or purported to be created thereby). Each Noteholder is deemed to accept such appointment.

Pursuant to the Intercreditor Agreement, the Issuer has irrevocably appointed, effective as from the Closing Date, the Representative of the Noteholders, as its true and lawful agent (*mandatario con rappresentanza*) in the interest, and for the benefit of, the Noteholders and the Other Issuer Creditors pursuant to article 1411 and article 1723, second paragraph, of the Italian civil code, to exercise, in the name and on behalf of the Issuer, all and any of the Issuer's rights arising from each of the Transaction Documents to which the Issuer is or will be a party (other than the rights and powers pertaining to the collection and recovery activities delegated to the Servicer and the activities delegated to the Corporate Servicer, the

	Stichting Corporate Services Provider or the Agents under the Transaction Documents). Pursuant to the Intercreditor Agreement, the Other Issuer Creditors have jointly appointed the Representative of the Noteholders as their true and lawful agent (*mandatario con rappresentanza*) to act also in the name and on behalf of the Other Issuer Creditors and in accordance with the provisions of articles 1723, second paragraph, and 1726 of the Italian civil code, and have authorised the Representative of the Noteholders to (i) execute, in its capacity as trustee for the Other Issuer Creditors, the Deed of Assignment and exercise on their behalf the rights and powers of the Other Issuer Creditors in relation to the Deed of Assignment and the Issuer Transaction Security created or purported to be created thereby, (ii) do any act, matter or thing which it considers necessary to exercise or protect the Other Issuer Creditors' rights under any of the Transaction Documents, and (iii) receive, following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, as sole agent (*mandatario esclusivo*) all monies payable by the Issuer to the Other Issuer Creditors in accordance with the Post-Enforcement Priority of Payments. For further details, see the sections headed "*Terms and Conditions of the Notes*" and "*Description of the Transaction Documents - The Intercreditor Agreement*".
Significant investors	Significant concentrations of holdings of the Class A Notes may occur. In holding some or all of the Class A2 Notes, any investor or investors collectively holding such concentrations may have a majority holding and therefore be able to pass Noteholder resolutions. All of the Class A2 Notes are expected to be preplaced to one or more Joint Lead Managers or one or more investors which are either affiliates of one or more Joint Lead Managers or special purpose vehicles administered by such and who are subject to different economic terms separately agreed with the Seller. For the avoidance of doubt, the investment of each such investor in the Notes is not limited to the above-mentioned investment in the Class A2 Notes on the Closing Date. Such investors may from time to time, in the normal course of their business activities, invest in other Notes in addition to their holdings of the Class A2 Notes, and resell such additional Notes.
Selling Restrictions	There are restrictions on the sale of the Notes and on the distribution of information in respect thereof. For further details, see the section headed "*Subscription and Sale*".
Purchase of Notes by the Issuer	The Issuer may not purchase any Notes at any time.
Eurosystem eligibility	After the Closing Date an application will be made to a central bank

in the Euro-zone to record the Class A Notes as eligible collateral, within the meaning of the guidelines of the European Central Bank. However, there is no assurance that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria and, in accordance with its policies, will not be given prior to issuance of the Class A Notes. If the Class A Notes are accepted for such purposes, Eurosystem may amend or withdraw any such approval in relation to the Class A Notes at any time.

For further details, see the section headed "*Risk Factors*".

Approval, listing and admission to trading of the Rated Notes

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the **CSSF**), as competent authority under Regulation (EU) 2017/1129 (the **Prospectus Regulation**).

The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuer or the quality of the Notes that are the subject of this Prospectus. By approving this Prospectus, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer in accordance with the provisions of article 6(4) of the Luxembourg law on prospectuses for securities of 16 July 2019. Investors should make their own assessment as to the suitability of investing in the Notes.

Application has been made for the Rated Notes to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the "*Bourse de Luxembourg*" which is a regulated market for the purposes of Directive 2014/65/EU.

The Class Z Notes are not being offered pursuant to this Prospectus and no application has been made to list the Class Z Notes on any stock exchange.

This Prospectus will be published by the Issuer on the website of the Luxembourg Stock Exchange (being, as at the date of this Prospectus, www.luxse.com) and will remain available for inspection on such website for at least 10 years.

Credit ratings of the Rated Notes

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

(a) with respect to the Class A1 Notes, "[AAA] (sf)" by DBRS Ratings GmbH and "[AA] sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*);

(b) with respect to the Class A2 Notes, "[AAA] (sf)" by DBRS Ratings GmbH and "[AA] sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*);

(c) with respect to the Class B Notes, "[AA (high)] (sf)" by DBRS Ratings GmbH and "[AA-] sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*);

(d) with respect to the Class C Notes, "[A (high)] (sf)" by DBRS Ratings GmbH and "[A-] sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*);

(e) with respect to the Class D Notes, "[BBB (high)] (sf)" by DBRS Ratings GmbH and "[BBB] sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*); and

(f) with respect to the Class E Notes, "[A] (sf)" by DBRS Ratings GmbH and "[BB+] sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*).

The Class Z Notes are not expected to be assigned any credit rating.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating organisation.

With reference to the ratings specified above to be assigned by DBRS Ratings GmbH, in accordance with Morningstar DBRS definitions available as at the date of this Prospectus on the website https://dbrs.morningstar.com/understanding-ratings:

(a) "[AAA] (sf)" means [highest credit quality. The capacity for the payment of financial obligations is exceptionally high and unlikely to be adversely affected by future events];

(b) "[AA (high)] (sf)" means [superior credit quality. The capacity for the payment of financial obligations is considered high. Credit quality differs from "AAA" only to a small degree. Unlikely to be significantly vulnerable to future events. The subcategory "(high)" indicates that the credit rating is at the top of the category];

(c) "[A (high)] (sf)" means [good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than "AA". May be vulnerable to future events, but qualifying negative factors are considered manageable. The subcategory "(high)" indicates that the credit rating is at the top of the category];

(d) "[A] (sf)" means [good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than "AA". May be vulnerable to future

events, but qualifying negative factors are considered manageable. The absence of either a (high) or (low) designation indicates the credit rating is in the middle of the category];

(e) "[BBB (high)] (sf)" means [adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events. The subcategory "(high)" indicates that the credit rating is at the top of the category].

With reference to the ratings specified above to be assigned by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*), in accordance with Fitch definitions available as at the date of this Prospectus on the website https://www.fitchratings.com/products/rating-definitions#rating-scales:

(a) "[AA] sf" denotes [expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events];

(b) "[AA-] sf" denotes [expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events. The additional "-" indicates a higher probability of default within "AA" category];

(c) "[A-] sf" denotes [expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings. The additional "-" indicates a higher probability of default within "A" category];

(d) "[BBB] sf" indicates [that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity];

(e) "[BB+] sf" indicates [an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial flexibility exists that supports the servicing of financial commitments. The additional "+" indicates a lower probability of default within "BB" category].

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) no. 1060/2009 on credit rating agencies, as subsequently amended (the **EU CRA Regulation**), unless such

rating is provided by a credit rating agency not established in the European Union but is endorsed by a credit rating agency established in the European Union and registered under the EU CRA Regulation or such rating is provided by a credit rating agency not established in the European Union which is certified under the EU CRA Regulation. In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under Regulation (EC) no. 1060/2009 on credit rating agencies, as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the **UK CRA Regulation**), unless such rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or such rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

As at the date of this Prospectus, (i) each of DBRS Ratings GmbH and Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) (together, the **Rating Agencies**) is established in the European Union and is registered under the EU CRA Regulation, as evidenced in the latest update of the list published by ESMA on its website (being, as at the date of this Prospectus, www.esma.europa.eu); and (ii) DBRS Ratings GmbH has no more than 10 per cent. of the total market share pursuant to and for the purposes of article 8d (1) of the EU CRA Regulation. As at the date of this Prospectus, each of the Rating Agencies is not established in the UK but the ratings assigned by each of DBRS Ratings GmbH and Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) are endorsed by DBRS Ratings Limited and Fitch Ratings Limited respectively, each of which is registered under the UK CRA Regulation, as evidenced in the latest update of the list published by FCA on its website (being, as at the date of this Prospectus, https://register.FCA.org.uk/s/).

STS-Securitisation

The Securitisation is intended to qualify as a simple, transparent and standardised (**STS**) securitisation within the meaning of article 18 of Regulation (EU) no. 2402 of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation (as from time to time amended and supplemented, the **EU Securitisation Regulation**). Consequently, the Securitisation meets, as at the date of this Prospectus, the requirements of articles 19 to 22 of the EU Securitisation Regulation (the **EU STS Requirements**) and, on or about the Closing Date, will be notified by the Seller to be included in the list published by ESMA referred to in article 27(5) of the EU Securitisation Regulation (the **STS Notification**). Pursuant to article 27(2) of the EU Securitisation Regulation, the STS Notification includes an explanation by the Seller of how each of the EU STS Requirements has been complied with in the Securitisation. The STS Notification will be available for download on the ESMA website (being, as at the date of this Prospectus, https://registers.esma.europa.eu/publication/searchRegister?core=es

ma_registers_stsre) (the **ESMA STS Register**).

The Notes can also qualify as STS under the UK Securitisation Framework until maturity, provided the Notes are notified as STS under the EU Securitisation Regulation to ESMA prior to 1 July 2026, remain on the ESMA STS Register and continue to meet the EU STS Requirements.

The Seller has used the service of Prime Collateralised Securities (PCS) EU SAS (**PCS**), as a third party verifying STS compliance authorised under article 28 of the EU Securitisation Regulation in connection with an assessment of the compliance of the Notes with the EU STS Requirements (the **STS Verification**) and to prepare an assessment of compliance of the Notes with the relevant provisions of article 243 of the CRR (the **CRR Assessment** and, together with the STS Verification, the **STS Assessments**). It is expected that the STS Assessments prepared by PCS will be available on the PCS website (being, as at the date of this Prospectus, https://pcsmarket.org/transactions/) together with a detailed explanation of its scope at https://pcsmarket.org/disclaimer/. For the avoidance of doubt, such PCS website and the contents thereof do not form part of this Prospectus. **No assurance can be provided that the Securitisation does or will continue to qualify as an STS-securitisation under the EU Securitisation Regulation and/or the UK Securitisation Framework as at the date of this Prospectus or at any point in time in the future**. **The STS status of a transaction is not static and investors should verify the current status of the Securitisation on the ESMA STS Register**. None of the Issuer, HCBE, Italian branch (in any capacity), the Arranger, the Joint Lead Managers, the Representative of the Noteholders or any other Transaction Party makes any representation or accepts any liability for the Securitisation to qualify as an STS-securitisation under the EU Securitisation Regulation or the UK Securitisation Framework at any point in time.

Retention requirements

Under the Intercreditor Agreement, the Seller has undertaken that, from the Closing Date, it will:

(a) retain, on an on-going basis, a material net economic interest of not less than 5 (five) per cent. in the Securitisation, in accordance with option (c) of article 6(3) of the EU Securitisation Regulation and the applicable Technical Standards and SECN 5 (the **FCA Retention Rules**) and article 6 of Chapter 2 together with Chapter 4 of the PRA Securitisation Rules (the **PRA Retention Rules** and, together with the FCA Retention Rules, the **UK Retention Rules**) (as such rules are interpreted and applied on the Closing Date);

(b) not change the manner in which the net economic interest is held, unless expressly permitted by article 6(3) of the EU Securitisation Regulation and the applicable Technical

Standards and the UK Retention Rules (as such rules are interpreted and applied on the Closing Date);

(c) procure that any change to the manner in which such retained interest is held in accordance with paragraph (b) above will be notified to the Calculation Agent to be disclosed in the SR Investors Report; and

(d) comply with the disclosure obligations imposed on originators under article 7(1)(e)(iii) of the EU Securitisation Regulation, subject always to any requirement of law, by providing the Issuer and the Calculation Agent with the relevant information about the risk retained to be disclosed in the SR Investors Report,

in each case provided that the Seller is only required to do so to the extent that the retention and disclosure requirements under the EU Securitisation Regulation and/or the UK Retention Rules (as such rules are interpreted and applied on the Closing Date) are applicable to the Securitisation.

For further details, see the section headed "*Risk Retention and Transparency Requirements*".

The Securitisation will not involve risk retention by the Seller for the purposes of the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the **U.S. Risk Retention Rules**) and the issuance of the Notes was not designed to comply with the U.S. Risk Retention Rules. The Seller intends to rely on an exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions that meet certain requirements. Consequently, except with the prior written consent of the Seller (a **U.S. Risk Retention Consent**) and where such sale falls within the exemption provided by Section __.20 of the U.S. Risk Retention Rules, any Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any "U.S. persons" as defined in the U.S. Risk Retention Rules (**Risk Retention U.S. Persons**). Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is different from the definition of "U.S. person" in Regulation S. Each purchaser of Notes, including beneficial interests therein will, by its acquisition of a Note or beneficial interest therein, be deemed to represent and agree 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 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section_.20 of the U.S. Risk Retention Rules).

Transparency requirements	Under the Intercreditor Agreement, the parties thereto have acknowledged that the Seller shall be responsible for compliance with article 7 of the EU Securitisation Regulation. Each of the Issuer and the Seller has acknowledged and agreed that the Issuer is designated as Reporting Entity, pursuant to and for the purposes of article 7(2) of the EU Securitisation Regulation, and it has fulfilled before pricing and/or shall fulfil after the Closing Date, as the case may be, the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and article 22 of the EU Securitisation Regulation. In addition, each of the Issuer and the Seller has agreed that the Issuer is designated as first contact point for investors and competent authorities referred to in article 29 of the EU Securitisation Regulation pursuant to the third sub-paragraph of article 27(1) of the EU Securitisation Regulation. Prospective investors should be aware that under the Securitisation it has not been contractually agreed to comply with the transparency requirements of the UK Securitisation Framework. For further details, see the sections headed "*Risk Factors*" and "*Risk Retention and Transparency Requirements*".
Governing Law and Jurisdiction of the Notes	The Notes, the Conditions and the Rules of the Organisation of the Noteholders, and any non-contractual obligation arising out or in connection therewith, are governed by, and shall be construed in accordance with, Italian law. Any dispute which may arise in relation to the Notes, the Conditions and the Rules of the Organisation of the Noteholders, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of Milan.

4. THE AGGREGATE PORTFOLIO

Transfer of the Initial Portfolio and each Additional Portfolio	Pursuant to the terms of the Master Receivables Purchase Agreement, the Seller has assigned and transferred to the Issuer, which has purchased, without recourse (*pro soluto*), in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the relevant articles of Law 52 referred to therein, the Initial Portfolio with economic effects from (but excluding) the Initial Valuation Date and legal effects from (and including) the Initial Purchase Date. In addition, during the Replenishment Period and provided that no Early Amortisation Event has occurred, the Seller may assign and transfer to the Issuer, which shall purchase from the Seller, without recourse (*pro soluto*), in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the relevant articles of Law 52 referred to therein, Additional Portfolios, with economic effects from (but excluding) the relevant Subsequent Valuation Date

and legal effects from (and including) the relevant Subsequent Purchase Date. The Purchase Price for the relevant Additional Portfolio shall not exceed the Replenishment Available Amount.

The Purchase Price for the Initial Portfolio will be financed by the Issuer using the proceeds of the issuance of the Notes (other than the Class E Notes and the Class Z Notes) and will be payable to the Seller on the Closing Date.

The Purchase Price for each Additional Portfolio will be paid by the Issuer on the Payment Date immediately succeeding the relevant Subsequent Purchase Date out of the Available Principal Amounts available for such purpose, in accordance with the Pre-Enforcement Principal Priority of Payments.

The Receivables comprised in each Portfolio arise from Loans disbursed by the Seller to the Borrowers (being individuals (*persone fisiche*) and individual entrepreneurs (*ditte individuali*)) for the purpose of purchasing Financed Vehicles.

For further details, see the sub-sections headed "*Eligibility Criteria*" and "*Concentration Limits*" below and the sections headed "*The Aggregate Portfolio*" and "*Description of the Transaction Documents - The Master Receivables Purchase Agreement*".

Eligibility Criteria

The Receivables comprised in each Portfolio shall, as at the relevant Valuation Date (or any other date specified in the relevant criterion), comply with the following Eligibility Criteria:

(a) was originated in the ordinary course of business of the Seller pursuant to underwriting and management standards in respect of the acceptance of automobile and other vehicle loans that are no less stringent than those that the Seller applied at the time of origination to similar receivables that are not securitised;

(b) is denominated and payable in euro;

(c) is a Receivable in respect of which the Loan Contract under which it arises has not been terminated or extended (for the avoidance of doubt, a Receivable arising under a Loan Contract whose terms have been modified in accordance with the Credit and Collection Policies can be offered for purchase to the Issuer) and such Receivable does not arise from an overdraft facility;

(d) is a Receivable in respect of which the loan facility under the relevant Loan Contract has been fully drawn by the relevant Debtor;

(e) is a Receivable in respect of which the Loan Contract under which it arises has a minimum remaining term of 1 (one) month and its original term is not greater than 120 months;

(f) has a fixed interest rate and is fully amortising through payment of constant monthly Instalments or a Balloon Instalment (except for the first Instalment or the final Instalment payable under the relevant Loan Contract which may differ from the monthly Instalments payable for subsequent or previous months);

(g) exists and constitutes legally valid, binding and enforceable obligations with full recourse to the relevant Debtor;

(h) is a Receivable which may be segregated and identified at any time for purposes of ownership in the electronic files of the Seller and such electronic files and the relating software is able to provide the information to be included in the offer with respect to such Receivables pursuant to the Master Receivables Purchase Agreement;

(i) arises from Loans which are granted for the purpose of financing the purchase of Financed Vehicles, including Balloon Loans;

(j) is not, as of the relevant Valuation Date and the relevant Purchase Date (with respect to any Instalment under the relevant Loan Contract), a Delinquent Receivable or a Defaulted Receivable;

(k) is a claim which can be transferred by way of assignment without the consent of the related Debtor and which shall be validly transferred to the Issuer in the manner contemplated by the Master Receivables Purchase Agreement;

(l) to the best of the Seller's knowledge and taking into account case law and prevailing market standards/practice existing as of the relevant Valuation Date and the relevant Purchase Date, is a Receivable which has been created in compliance with all applicable laws, rules and regulations (in particular with respect to consumer protection and data protection, except that (i) the withdrawal instruction may not comply with the template wording provided by the Italian legislator or otherwise with applicable law or (ii) the Loan Contract may not contain all mandatory information as required by applicable law) and all required consents, approvals and authorisations have been obtained in respect thereof and neither the Seller nor the Debtor are in violation of any such law, rule or regulation;

(m) is subject to Italian law and is subject to the jurisdiction of the competent Italian courts;

(n) is a Receivable the assignment of which does not violate any law or agreements (in particular with respect to

consumer protection and data protection) to which the Seller is bound, and following the assignment of the Receivable, such Receivable shall not be available to the creditors of the Seller on the occasion of any insolvency of the Seller;

(o) is a Receivable in relation to which at least 1 (one) due Instalment has been fully paid for the Receivable prior to the Cut-Off Date relating to the relevant Purchase Date;

(p) is due from a Debtor who is either (i) a commercial entrepreneur (*ditta individuale*) or (ii) a consumer (*persona fisica*) resident in Italy;

(q) to the best of the Seller's knowledge is due from a Debtor who is not insolvent or bankrupt (including imminent inability to pay its debts) or over-indebted and against whom no proceedings for the commencement of insolvency proceedings are pending in any jurisdiction;

(r) is not due from a Debtor who is an employee, manager or directors of the Seller; and

(s) is not, as at the relevant Valuation Date and as at the relevant Purchase Date, an exposure in default within the meaning of article 178(1) of the CRR or an exposure to a credit-impaired debtor or guarantor, who, to the best of the Seller's knowledge:

(i) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the relevant Purchase Date;

(ii) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the Seller; or

(iii) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the Seller which are not securitised.

Concentration Limits

The Receivables comprised in the Collateral Aggregate Portfolio (taking into account the Additional Portfolio offered for sale) shall,

as at the Offer Date of the relevant Additional Portfolio, comply with the following Concentration Limits:

(a) the Outstanding Principal, as at the Cut-Off Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer and owed to a Borrower, plus the Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Additional Portfolio and owed to the same Borrower, does not exceed Euro 75,000;

(b) the ratio between:

(i) the Outstanding Principal, as at the Cut-Off Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer arising from Balloon Loans, plus the Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Additional Portfolio arising from Balloon Loans; and

(ii) the Outstanding Principal, as at the Cut-Off Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer arising from all Loans, plus the Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Additional Portfolio arising from all Loans,

does not exceed 75 per cent.;

(c) the ratio between:

(i) the Outstanding Principal, as at the Cut-Off Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer arising from Loans to consumers, plus the Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Additional Portfolio arising Loans to consumers; and

(ii) the Outstanding Principal, as at the Cut-Off Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer arising from all Loans, plus the Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Additional Portfolio arising from all Loans,

is at least equal to 90 per cent.; and

(d) the weighted average interest rate of all Receivables comprised in the Collateral Aggregate Portfolio (including the Receivables comprised in the Additional Portfolio offered for sale) is at least equal to 6.4 per cent. per annum.

Early Amortisation Events

The occurrence of any of the following events during the Replenishment Period will constitute an **Early Amortisation Event**:

(a) *Breach of ratios*:

(i) the Cumulative Net Loss Ratio, as at any Cut-Off Date, exceeds [0.75] per cent.; or

(ii) the Delinquency Ratio, as at any Cut-Off Date, exceeds [1.75] per cent.; or

(b) *Purchase Shortfall Event*:

a Purchase Shortfall Event occurs; or

(c) *Issuer Event of Default, Seller Termination Event or Servicer Termination Event*:

an Issuer Event of Default, a Seller Termination Event or a Servicer Termination Event occurs; or

(d) *Debit balance of the Class D Principal Deficiency Sub-Ledger*:

on any Payment Date, a debit balance remains outstanding on the Class D Principal Deficiency Sub-Ledger for an amount equal to or higher than 0.25 per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of the Receivables comprised in the Initial Portfolio (following the relevant payments and/or provisions required to be made by the Issuer on such Payment Date in accordance with the Pre-Enforcement Interest Priority of Payments); or

(e) *Liquidity Reserve*:

on any Payment Date, the amount standing to the credit of the Liquidity Reserve Account is lower than the Liquidity Reserve Required Amount (following the relevant payments and/or provisions required to be made by the Issuer on such Payment Date in accordance with the Pre-Enforcement Interest Priority of Payments); or

(f) *Event of Default or Termination Event under the Swap Agreement*:

an Event of Default or a Termination Event occurs under the Swap Agreement (each as defined therein); or

(g) *Sequential Payment Trigger Event*:

a Sequential Payment Trigger Event occurs.

Upon occurrence of an Early Amortisation Event, the Issuer shall refrain from purchasing any further Additional Portfolios and the Amortisation Period will start.

For further details, see the section headed "*Description of the Transaction Documents - The Master Receivables Purchase Agreement*".

Warranties in relation of the Aggregate Portfolio

Pursuant to the Warranty and Indemnity Agreement, the Seller has agreed to (i) make certain representations and warranties in favour of the Issuer in relation to, *inter alia*, itself, the Receivables, the Loans and the Borrowers, and (ii) at the option of the Issuer, indemnify it in respect of, *inter alia*, those Receivables which do not comply with any such representation and warranty or repurchase such Receivables.

For further details, see the section headed "*Description of the Transaction Documents - The Warranty and Indemnity Agreement*".

Servicing of the Aggregate Portfolio

Pursuant to the Servicing Agreement, the Issuer has appointed HCBE, Italian branch as Servicer to act as "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e di pagamento*" and verify that the operations comply with the law and this Prospectus, pursuant to article 2, paragraph 3, letter (c) and paragraphs 6 and 6-*bis*, of the Securitisation Law.

Pursuant to the Servicing Agreement, the Servicer shall transfer the Collections into the Collection Account within 2 (two) Business Days from receipt thereof.

The Servicer has undertaken to prepare and deliver, on or prior to each Servicer's Report Date, the Servicer's Report to the Issuer, the Account Banks, the Custodian (if any), the Calculation Agent, the Representative of the Noteholders, the Paying Agent, the Corporate Servicer, the Back-up Servicer Facilitator, the Arranger, the Interest Rate Swap Counterparty and the Rating Agencies.

In addition, pursuant to the Servicing Agreement, the Servicer shall prepare the Loan by Loan Report setting out information relating to each Loan as at the end of the Collection Period immediately preceding the relevant ESMA Report Date (including, *inter alia*, the information related to the environmental performance of the assets financed by the relevant Loan, to the extent available), in compliance with point (a) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and the applicable Technical Standards

and deliver it via email and in .xlsx and .csv format to the Reporting Entity in a timely manner in order for the Reporting Entity (through the Servicer) to make available, on the Securitisation Repository, the Loan by Loan Report (simultaneously with the SR Investors Report and the Inside Information and Significant Event Report to be made available on the relevant ESMA Report Date) to the holders of a securitisation position, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes on each ESMA Report Date.

For further details, see the sections headed "*Credit and Collection Policies*", "*Risk Retention and Transparency Requirements*" and "*Description of the Transaction Documents - The Servicing Agreement*".

5. THE AGENCY AND ACCOUNTS AGREEMENT AND THE ACCOUNTS

Agency and Accounts Agreement

Pursuant to the Agency and Accounts Agreement, the Transaction Account Bank, the Collection and Liquidity Reserve Account Bank, the Custodian (if any), the Paying Agent and the Calculation Agent shall provide the Issuer with certain agency services and calculation, notification, cash management and reporting services together with account handling services in relation to the moneys and securities standing from time to time to the credit of the Accounts.

On or prior to each Calculation Date, the Calculation Agent shall prepare and deliver to the Issuer, the Seller, the Servicer, the Corporate Servicer, the Stichting Corporate Services Provider, the Paying Agent, the Account Banks, the Custodian (if any), the Representative of the Noteholders, the Arranger, the Joint Lead Managers, the Interest Rate Swap Counterparty and the Rating Agencies the Payments Report, with respect to the allocation of the Available Distribution Amounts on the immediately following Payment Date in accordance with the applicable Priority of Payments.

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), if the Servicer fails to deliver the Servicer's Report to the Calculation Agent by the relevant Servicer's Report Date (or such later date as may be agreed between the Servicer and the Calculation Agent which enables the latter to prepare and deliver the Payments Report in a timely manner), the Calculation Agent shall prepare the Payments Report relating to the immediately following Payment Date on the basis of the provisions of the Transaction Documents and any other information available on the relevant Calculation Date (including, without limitation, the balance standing to the credit of the Accounts), irrespective of its completeness and only interest on the Senior Notes (and, as long as no relevant Mezzanine Interest Subordination Event has occurred in

relation to a Class of Mezzanine Notes in respect of such Payment Date, interest on such Class of Mezzanine Notes) and any amounts ranking in priority thereto under the Pre-Enforcement Interest Priority of Payments shall be due and payable on such Payment Date, to the extent there are sufficient Available Interest Amounts to make such payments (the **Provisional Payments**). It is understood that the non-payment of principal on the Notes on such Payment Date would not constitute an Issuer Event of Default. On the next Calculation Date and subject to the receipt of the relevant Servicer's Report, in a timely manner, from the Servicer, the Calculation Agent shall, in determining the amounts due and payable on the immediately following Payment Date, make any necessary adjustment to take into account the difference (if any) between the Provisional Payments made on the immediately preceding Payment Date and the actual amounts that would have been due on that Payment Date.

On or prior to each Investors Report Date, the Calculation Agent shall prepare and deliver to the Issuer, the Seller, the Servicer, the Corporate Servicer, the Stichting Corporate Services Provider, the Paying Agent, the Account Banks, the Custodian (if any), the Representative of the Noteholders, the Arranger, the Joint Lead Managers, the Interest Rate Swap Counterparty and the Rating Agencies the Investors Report, setting out certain information with respect to the Aggregate Portfolio and the Notes. The Calculation Agent will be authorised to publish the Investors Report on its website (being, as at the date of this Prospectus, www.securitisation-services.com).

The Calculation Agent shall, subject to receipt of any relevant information from the Issuer or the Servicer, as the case may be, prepare the SR Investors Report setting out certain information with respect to the Aggregate Portfolio and the Notes (including the information referred to in point (e), items (i), (ii) and (iii), of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation), in compliance with point (e) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and the applicable Technical Standards, and deliver it via e-mail and in .xlsx and .csv format to the Reporting Entity in a timely manner in order for the Reporting Entity (through the Servicer) to make available, on the Securitisation Repository, the SR Investors Report (simultaneously with the Loan by Loan Report and the Inside Information and Significant Event Report to be made available on the relevant ESMA Report Date) to the holders of a securitisation position, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes on each ESMA Report Date.

In addition, the Servicer, upon becoming aware thereof, shall be required to notify the Calculation Agent of the occurrence of any inside information or significant event pursuant to article 7(1)(g) or (f) of the EU Securitisation Regulation for the purpose of preparing the Inside Information and Significant Event Report. Following such

notification, and on a quarterly basis, the Calculation Agent shall, subject to receipt of any relevant information from the Issuer or the Servicer, as the case may be, prepare the Inside Information and Significant Event Report containing the information set out in points (f) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation (including, *inter alia*, any material change of the Priority of Payments and the occurrence of a Sequential Payment Trigger Event, an Early Amortisation Event or an Issuer Event of Default), and deliver it via email and in .xlsx and .csv format to the Reporting Entity in a timely manner in order for the Reporting Entity (through the Servicer) to make available, on the Securitisation Repository, the Inside Information and Significant Event Report to the holders of a securitisation position, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes without delay following the occurrence of the relevant event or the awareness of the inside information triggering the delivery of such report in accordance with the EU Securitisation Regulation and the applicable Technical Standards and, in any case, on each ESMA Report Date (simultaneously with the Loan by Loan Report and the SR Investors Report).

For further details, see the sections headed "*Description of the Transaction Documents - The Agency and Accounts Agreement*", "*Terms and Conditions of the Notes*" and "*Risk Retention and Transparency Requirements*".

Accounts

The Issuer has opened with the Collection and Liquidity Reserve Account Bank the following Accounts:

(a) the Collection Account; and

(b) the Liquidity Reserve Account.

The Issuer has opened with the Transaction Account Bank the following Accounts:

(a) the Payments Account;

(b) the Swap Cash Collateral Account; and

(c) the Expenses Account.

The Issuer shall open with the Transaction Account Bank the RSF Reserve Account following the occurrence of a RSF Trigger Event.

Each of the Collection and Liquidity Reserve Account Bank, the Transaction Account Bank and the Custodian (if any) shall at all times be an Eligible Institution.

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

The Issuer has also opened with Banca Finint the Quota Capital

Account, into which its contributed quota capital has been deposited.

Eligible Investments

If the Issuer (as directed by the Servicer) intends to apply the amounts standing to the credit of the Collection Account and the Liquidity Reserve Account to make Eligible Investments, it shall appoint, with the prior notice to the Rating Agencies, an Eligible Institution who is willing to act as Custodian by acceding to the Agency and Accounts Agreement (or by entering into a separate agreement to be notified in advance to the Rating Agencies, having substantially the same terms of the Agency and Accounts Agreement), the Intercreditor Agreement and any other relevant Transaction Document.

The Custodian shall (i) open in the name of the Issuer and manage the Securities Account, (ii) settle, upon written instructions of the Servicer, Eligible Investments, and (iii) on each Eligible Investments Report Date, prepare and deliver to the Issuer, the Calculation Agent, the Servicer, the Representative of the Noteholders and the Collection and Liquidity Reserve Account Bank the Eligible Investments Report.

For further details, see the section headed "*Description of the Transaction Documents - the Agency and Accounts Agreement*".

6. AVAILABLE DISTRIBUTION AMOUNTS AND PRIORITY OF PAYMENTS

Available Interest Amounts

The Available Interest Amounts will comprise, with reference to each Payment Date, the aggregate (without double counting) of:

(a) all Interest Collections received by the Issuer in respect of the Aggregate Portfolio in relation to the immediately preceding Collection Period;

(b) all Recoveries received by the Issuer in respect of the Aggregate Portfolio (including the proceeds of the sale or repurchase of any Defaulted Receivables) in relation to the immediately preceding Collection Period;

(c) all amounts payable to the Issuer under or in relation to the Swap Agreement in respect of such Payment Date (other than any early termination amount or Replacement Swap Premium and any Swap Collateral, Swap Tax Credits, Excess Swap Collateral, or any other amount standing to the credit of the Swap Cash Collateral Account);

(d) notwithstanding item (c) above, (i) any early termination amount received from the Interest Rate Swap Counterparty in excess of the amount required and applied by the Issuer to enter into one or more replacement swap agreements, and (ii) any Replacement Swap Premium received from a replacement Interest Rate Swap Counterparty in excess of the amount required and applied to pay the outgoing Interest Rate Swap Counterparty;

(e) all amounts on account of interest, premium or other profit received, up to the immediately preceding Eligible Investments Maturity Date, from any Eligible Investments made in accordance with the Agency and Accounts Agreement using funds standing to the credit of the Collection Account and the Liquidity Reserve Account in relation to the immediately preceding Collection Period;

(f) the Liquidity Reserve Amount as at the immediately preceding Payment Date (after making payments due under the Pre-Enforcement Interest Priority of Payments on that Payment Date) or, in respect of the first Payment Date, the Liquidity Reserve Initial Amount;

(g) all amounts of interest accrued (net of any withholding or expenses, if due) and paid on the Collection Account, the Liquidity Reserve Account and the Payments Account during the immediately preceding Collection Period;

(h) any amounts allocated under item (i) (*first*) of the Pre-Enforcement Principal Priority of Payments on such Payment Date;

(i) any amounts allocated under item (xi) (*eleventh*) of the Pre-Enforcement Principal Priority of Payments on such Payment Date;

(j) any Available Interest Amounts relating to the immediately preceding Payment Date, to the extent not applied in full on that Payment Date; and

(k) any other amount (other than any amount on account of principal) received by the Issuer from any Transaction Party pursuant to the Transaction Documents in relation the immediately preceding Collection Period and not already included in any of the other items of this definition of Available Interest Amounts (but excluding any undue amount to be returned to the Seller or the Servicer pursuant to the Master Receivables Purchase Agreement or the Servicing Agreement, as the case may be, and any amount credited to the RSF Reserve Account),

provided that, prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), if the Servicer fails to deliver the Servicer's Report to the Calculation Agent by the relevant Servicer's Report Date (or such later date as may be agreed between the Servicer and the Calculation Agent which enables the latter to prepare and deliver the Payments Report in a timely manner), the Available Interest Amounts in respect of the

relevant Payment Date shall be limited to the amounts necessary to pay interest on the Senior Notes (and, as long as no relevant Mezzanine Interest Subordination Event has occurred in respect of such Payment Date in relation to a Class of Mezzanine Notes, interest on such Class of Mezzanine Notes) and any amounts ranking in priority thereto under the Pre-Enforcement Interest Priority of Payments.

Available Principal Amounts

The Available Principal Amounts will comprise, with reference to each Payment Date, the aggregate (without double counting) of:

(a) all Principal Collections received by the Issuer in respect of the Aggregate Portfolio in relation to the immediately preceding Collection Period;

(b) any amounts allocated under item (x) (*tenth*) of the Pre-Enforcement Interest Priority of Payments on such Payment Date;

(c) any amounts credited to the Collection Account pursuant to item (ii)(B) of the Pre-Enforcement Principal Priority of Payments on any preceding Payment Date during the Replenishment Period;

(d) the proceeds deriving from the sale (if any) of the Aggregate Portfolio following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of early redemption of the Notes pursuant to Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*);

(e) on the Regulatory Change Early Redemption Date, the Regulatory Change Allocated Principal Amount (provided that such amount will be applied solely in accordance with item (v) (*fifth*) of the Pre-Enforcement Principal Priority of Payments on such Regulatory Change Early Redemption Date);

(f) any Available Principal Amounts relating to the immediately preceding Payment Date, to the extent not applied in full on that Payment Date; and

(g) any other amount received by the Issuer from any Transaction Party pursuant to the Transaction Documents in relation the immediately preceding Collection Period and not already included in any of the other items of this definition of Available Principal Amounts or the definition of Available Interest Amounts (but excluding any undue amount to be returned to the Seller or the Servicer pursuant to the Master Receivables Purchase Agreement or the Servicing Agreement, as the case may be, and any amount credited to the RSF Reserve Account),

provided that, prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), if the Servicer fails to deliver the Servicer's Report to the Calculation Agent by the relevant Servicer's Report Date (or such later date as may be agreed between the Servicer and the Calculation Agent which enables the latter to prepare and deliver the Payments Report in a timely manner), the Available Principal Amounts in respect of the relevant Payment Date shall be limited to the amounts necessary to make payments under item (i) (*first*) of the Pre-Enforcement Principal Priority of Payments.

Pre-Enforcement Interest Priority of Payments

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), the Available Interest Amounts shall be applied, on each Payment Date (including, for the avoidance of doubt, on the Regulatory Change Early Redemption Date), in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

(i) *first*, *pari passu* and *pro rata* according to the respective amounts thereof, (A) to pay any Expenses (to the extent that the amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Interest Period), (B) to credit to the Expenses Account an amount necessary to bring the balance of the Expenses Account up to (but not exceeding) the Retained Expenses Amount, and (C) to return to the Seller any Repurchase Undue Amount;

(ii) *second*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;

(iii) *third*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof:

(A) all fees, costs and expenses of, and all other amounts due and payable to, the Back-up Servicer Facilitator, the Corporate Servicer, the Stichting Corporate Services Provider, the Account Banks, the Custodian (if any), the Calculation Agent and the Paying Agent; and

(B) solely to the extent that the funds standing to the credit of the RSF Reserve Account are insufficient

to settle the Replacement Servicing Costs which are due and payable on such date, to pay such amounts to the Replacement Servicer;

(iv) *fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all amounts (if any) due and payable to the Interest Rate Swap Counterparty under the Swap Agreement (but excluding any Subordinated Swap Amounts);

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

(vi) *sixth*, provided that (i) the Class B Notes are the Most Senior Class of Notes, or (ii) the amount debited on the Class B Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is less than [25] per cent. of the Principal Amount Outstanding of the Class B Notes, to pay, *pari passu* and *pro rata*, interest due and payable on the Class B Notes;

(vii) *seventh*, provided that (i) the Class C Notes are the Most Senior Class of Notes, or (ii) the amount debited on the Class C Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is less than [25] per cent. of the Principal Amount Outstanding of the Class C Notes, to pay, *pari passu* and *pro rata*, interest due and payable on the Class C Notes;

(viii) *eighth*, provided that (i) the Class D Notes are the Most Senior Class of Notes, or (ii) the amount debited on the Class D Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is less than [25] per cent. of the Principal Amount Outstanding of the Class D Notes, to pay, *pari passu* and *pro rata*, interest due and payable on the Class D Notes;

(ix) *ninth*, to credit to the Liquidity Reserve Account an amount necessary to bring the Liquidity Reserve Amount up to (but not exceeding) the Liquidity Reserve Required Amount;

(x) *tenth*, to credit in full sequential order (A) the Class A Principal Deficiency Sub-Ledger with an amount sufficient to eliminate any debit thereon, (B) the Class B Principal Deficiency Sub-Ledger with an amount sufficient to eliminate any debit thereon, (C) the Class C Principal Deficiency Sub-Ledger with an amount sufficient to eliminate any debit thereon, and (D) the Class D Principal Deficiency Sub-Ledger with an amount sufficient to

eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Principal Amounts);

(xi) *eleventh*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class B Notes (if not payable under item (vi) (*sixth*) above);

(xii) *twelfth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class C Notes (if not payable under item (vii) (*seventh*) above);

(xiii) *thirteenth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class D Notes (if not payable under item (viii) (*eighth*) above);

(xiv) *fourteenth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class E Notes;

(xv) *fifteenth*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class E Notes until the Class E Notes are redeemed in full;

(xvi) *sixteenth*, starting from the Regulatory Change Early Redemption Date, to pay interest due and payable on the Seller Regulatory Loan;

(xvii) *seventeenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Subordinated Swap Amounts due and payable to the Interest Rate Swap Counterparty;

(xviii) *eighteenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any indemnities due and payable to the Arranger and the Joint Lead Managers pursuant to the Rated Notes Subscription Agreement;

(xix) *nineteenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all fees, costs and expenses of, and all other amounts due and payable to HCBE, Italian branch as Servicer;

(xx) *twentieth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any other amount due and payable by the Issuer under the Transaction Documents, to the extent not already paid or payable under other items of this Pre-Enforcement Interest Priority of Payments;

(xxi) *twenty-first*, if a RSF Reserve Funding Failure has occurred which has not been remedied prior to such Payment Date, to credit to the RSF Reserve Account an amount necessary to bring the balance of such account up to (but not exceeding) the Required RSF Reserve Amount;

(xxii) *twenty-second*, following redemption in full of the Class E Notes, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class Z Notes until the Class Z Notes are redeemed in full (provided that, up to (but excluding) the Cancellation Date, an amount not lower than Euro 1,000 shall remain outstanding); and

(xxiii) *twenty-third*, to pay, *pari passu* and *pro rata*, the Variable Return (if any) on the Class Z Notes.

Pre-Enforcement Principal Priority of Payments

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), the Available Principal Amounts shall be applied, on each Payment Date (including, for the avoidance of doubt, on the Regulatory Change Early Redemption Date), in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full, provided that the amount set out in item (e) of the definition of Available Principal Amounts shall be used solely to make payments under item (v) (*fifth*) of the following order of priority on the Regulatory Change Early Redemption Date):

(i) *first*, to apply any Principal Addition Amounts to meet any Senior Expenses Deficit;

(ii) *second*, during the Replenishment Period:

(A) to pay to the Seller the Purchase Price for each Additional Portfolio purchased in accordance with the Master Receivables Purchase Agreement and the relevant Transfer Agreement; and

(B) to credit any Purchase Shortfall Amount occurring on such Payment Date to the Collection Account;

(iii) *third*, during the Pro-Rata Redemption Period, but prior to the Regulatory Change Early Redemption Date, to repay, *pari passu* and *pro rata* according to the respective amounts thereof, the Class A1 Pro-Rata Redemption Amount, the Class A2 Pro-Rata Redemption Amount, the Class B Pro-Rata Redemption Amount, the Class C Pro-Rata Redemption Amount and the Class D Pro-Rata Redemption Amount due and payable on, respectively, the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes and the Class D Notes;

(iv) *fourth*, during the Sequential Redemption Period, to repay, *pari passu* and *pro rata* according to the respective amounts thereof, the relevant Principal Amount Outstanding of the

Class A1 Notes and the Class A2 Notes until the Class A1 Notes and the Class A2 Notes are redeemed in full;

(v) *fifth*, on the Regulatory Change Early Redemption Date, to pay any amounts comprising the Regulatory Change Allocated Principal Amount in accordance with the Regulatory Change Order of Allocation;

(vi) *sixth*, during the Sequential Redemption Period, but prior to a Regulatory Change Early Redemption Date, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class B Notes until the Class B Notes are redeemed in full;

(vii) *seventh*, during the Sequential Redemption Period, but prior to a Regulatory Change Early Redemption Date, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class C Notes until the Class C Notes are redeemed in full;

(viii) *eighth*, during the Sequential Redemption Period, but prior to a Regulatory Change Early Redemption Date, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class D Notes until the Class D Notes are redeemed in full;

(ix) *ninth*, during the Sequential Redemption Period, starting from the Regulatory Change Early Redemption Date, to repay, *pari passu* and *pro rata*, principal due and payable on the Seller Regulatory Loan;

(x) *tenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any other amount due and payable by the Issuer under the Transaction Documents, to the extent not already paid or payable under other items of the Pre-Enforcement Interest Priority of Payments or this Pre-Enforcement Principal Priority of Payments; and

(xi) *eleventh*, to allocate any surplus to the Available Interest Amounts.

Post-Enforcement Priority of Payments

Following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call*), the Available Distribution Amounts shall be applied, on each Payment Date, in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

(i) *first*, *pari passu* and *pro rata* according to the respective amounts thereof, (A) to pay any Expenses (to the extent that

the amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Interest Period), (B) to credit to the Expenses Account an amount necessary to bring the balance of the Expenses Account up to (but not exceeding) the Retained Expenses Amount, and (C) to return to the Seller any Repurchase Undue Amount;

(ii) *second*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;

(iii) *third*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof:

(A) all fees, costs and expenses of, and all other amounts due and payable to, the Back-up Servicer Facilitator, the Corporate Servicer, the Stichting Corporate Services Provider, the Account Banks, the Custodian (if any), the Calculation Agent and the Paying Agent; and

(B) solely to the extent that the funds standing to the credit of the RSF Reserve Account are insufficient to settle the Replacement Servicing Costs which are due and payable on such date, to pay such amounts to the Replacement Servicer;

(iv) *fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all amounts (if any) due and payable to the Interest Rate Swap Counterparty under the Swap Agreement (but excluding any Subordinated Swap Amounts);

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

(vi) *sixth*, to repay, *pari passu* and *pro rata* according to the respective amounts thereof, the relevant Principal Amount Outstanding of the Class A1 Notes and the Class A2 Notes until the Class A1 Notes and the Class A2 Notes are redeemed in full;

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

(viii) *eighth*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class B Notes until the Class B Notes are redeemed in full;

(ix) *ninth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class C Notes;

(x) *tenth*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class C Notes until the Class C Notes are redeemed in full;

(xi) *eleventh*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class D Notes;

(xii) *twelfth*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class D Notes until the Class D Notes are redeemed in full;

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

(xiv) *fourteenth*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class E Notes until the Class E Notes are redeemed in full;

(xv) *fifteenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Subordinated Swap Amounts due and payable to the Interest Rate Swap Counterparty;

(xvi) *sixteenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any indemnities due and payable to the Arranger and the Joint Lead Managers pursuant to the Rated Notes Subscription Agreement;

(xvii) *seventeenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all fees, costs and expenses of, and all other amounts due and payable to HCBE, Italian branch as Servicer;

(xviii) *eighteenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any other amount due and payable by the Issuer under the Transaction Documents, to the extent not already paid or payable under other items of this Post-Enforcement Priority of Payments;

(xix) *nineteenth*, if a RSF Reserve Funding Failure has occurred which has not been remedied prior to such Payment Date, to credit to the RSF Reserve Account an amount necessary to bring the balance of such account up to (but not exceeding) the Required RSF Reserve Amount;

(xx) *twentieth*, following redemption in full of the Class E Notes, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class Z Notes until the Class Z Notes are redeemed in full (provided that, up to (but excluding) the

Cancellation Date, an amount not lower than Euro 1,000 shall remain outstanding); and

(xxi) *twenty-first*, to pay, *pari passu* and *pro rata*, the Variable Return (if any) on the Class Z Notes.

7. CREDIT STRUCTURE

Liquidity Reserve

On the Closing Date, the proceeds of the issuance of the Class E Notes, in an amount equal to the Liquidity Reserve Initial Amount, will be transferred from the Payments Account into the Liquidity Reserve Account.

On each Payment Date up to (but excluding) the earlier of (i) the Legal Maturity Date, (ii) the Payment Date following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, and (iii) the Payment Date on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled, the Liquidity Reserve Amount shall form part of the Available Interest Amounts and shall be available to cover any shortfall of other Available Distribution Amounts in making payments under items from (i) (*first*) to (viii) (*eighth*) (inclusive) of the Pre-Enforcement Interest Priority of Payments.

On each Payment Date up to (but excluding) the earlier of (i) the Legal Maturity Date, (ii) the Payment Date following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, and (iii) the Payment Date on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled, the Available Interest Amounts shall be applied in accordance with the Pre-Enforcement Interest Priority of Payments to credit to the Liquidity Reserve Account an amount necessary to bring the Liquidity Reserve Amount up to (but not exceeding) the Liquidity Reserve Required Amount.

On the earlier of (i) the Legal Maturity Date, (ii) the Payment Date following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, and (iii) the Payment Date on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled, the Liquidity Reserve Required Amount shall be reduced to 0 (zero) and the Liquidity Reserve Amount shall form part of the Available Interest Amounts and applied in accordance with the applicable Priority of Payments.

Senior Expenses Deficit and Principal Addition Amounts

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), the Calculation Agent shall, on each Calculation Date with reference to the immediately following Payment Date, determine if there is any shortfall in the Available Interest Amounts (excluding item (h) of the relevant definition) to make payments under items (i) (*first*) to (viii) (*eighth*)

(inclusive) of the Pre-Enforcement Interest Priority of Payments (the amount of any such shortfall, a **Senior Expenses Deficit**).

To the extent that there is any Senior Expenses Deficit, the Issuer shall, on the relevant Payment Date, apply an amount equal to the lesser of:

(a) the Available Principal Amounts available for application pursuant to item (i) (*first*) of the Pre-Enforcement Principal Priority of Payments on such Payment Date; and

(b) the amount of the relevant Senior Expenses Deficit

(the **Principal Addition Amounts**) to meet such Senior Expenses Deficit, by allocating the Principal Addition Amounts to the Available Interest Amounts.

Any Available Principal Amounts applied as Principal Addition Amounts will be recorded as a debit on the Principal Deficiency Ledger (as further described below).

Principal Deficiency Ledger

The Issuer has established and will maintain with the Calculation Agent 1 (one) principal deficiency ledger (the **Principal Deficiency Ledger**), comprising the following 4 (four) principal deficiency sub-ledgers: (i) a principal deficiency sub-ledger in respect of the Class A Notes (the **Class A Principal Deficiency Sub-Ledger**); (ii) a principal deficiency sub-ledger in respect of the Class B Notes (the **Class B Principal Deficiency Sub-Ledger**); (iii) a principal deficiency sub-ledger in respect of the Class C Notes (the **Class C Principal Deficiency Sub-Ledger**); and (iv) a principal deficiency sub-ledger in respect of the Class D Notes (the **Class D Principal Deficiency Sub-Ledger**).

On each Calculation Date prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), the Calculation Agent will record:

(a) any Principal Addition Amounts; and

(b) any Defaulted Amounts,

as a debit to the Principal Deficiency Ledger in the following order:

(i) *first*, to the Class D Principal Deficiency Sub-Ledger so long as, and to the extent that, the debit balance of the Class D Principal Deficiency Sub-Ledger is less than the Principal Amount Outstanding of the Class D Notes;

(ii) *second*, to the Class C Principal Deficiency Sub-Ledger so long as, and to the extent that, the debit balance of the Class

C Principal Deficiency Sub-Ledger is less than the Principal Amount Outstanding of the Class C Notes;

(iii) *third*, to the Class B Principal Deficiency Sub-Ledger so long as, and to the extent that, the debit balance of the Class B Principal Deficiency Sub-Ledger is less than the Principal Amount Outstanding of the Class B Notes; and

(iv) *fourth*, to the Class A Principal Deficiency Sub-Ledger so long as, and to the extent that, the debit balance of the Class A Principal Deficiency Sub-Ledger is less than the Principal Amount Outstanding of the Class A Notes.

After the adjustment of the Principal Deficiency Ledger on each Calculation Date and by reference to the adjusted amounts standing to the debit of the Principal Deficiency Ledger, on each Payment Date the Available Interest Amounts will be applied in accordance with item (x) (*tenth*) of the Pre-Enforcement Interest Priority of Payments in full sequential order and in each case up to the amount which has been recorded as a debit on the relevant Principal Deficiency Sub-Ledger on the Calculation Date prior to such Payment Date: (a) towards any debit against the Class A Principal Deficiency Sub-Ledger; (b) towards any debit against the Class B Principal Deficiency Sub-Ledger; (c) towards any debit against the Class C Principal Deficiency Sub-Ledger; and (d) towards any debit against the Class D Principal Deficiency Sub-Ledger and, in each case, such amounts will, for the avoidance of doubt, thereupon become Available Principal Amounts.

Mezzanine Interest Subordination Events

On each Payment Date up to (but excluding) the earlier of (i) the Legal Maturity Date, (ii) the Payment Date following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, and (iii) the Payment Date on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled:

(a) the circumstance that (i) the Class B Notes are not the Most Senior Class of Notes, and (ii) the amount debited on the Class B Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is equal to or higher than [25] per cent. of the Principal Amount Outstanding of the Class B Notes, shall constitute a **Class B Interest Subordination Event**;

(b) the circumstance that (i) the Class C Notes are not the Most Senior Class of Notes, and (ii) the amount debited on the Class C Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is equal to or higher than [25] per cent. of the Principal Amount Outstanding of the Class C Notes, shall constitute a **Class C Interest Subordination Event**; or

(c) the circumstance that (i) the Class D Notes are not the Most Senior Class of Notes, and (ii) the amount debited on the Class D Principal Deficiency Sub-Ledger is equal to or higher than [25] per cent. of the Principal Amount Outstanding of the Class D Notes, shall constitute a **Class D Interest Subordination Event**.

Upon occurrence of:

(a) a Class B Interest Subordination Event, interest on the Class B Notes will not then be payable under item (vi) (*sixth*) of the Pre-Enforcement Interest Priority of Payments, but will instead be payable under item (xi) (*eleventh*) of the Pre-Enforcement Interest Priority of Payments;

(b) a Class C Interest Subordination Event, interest on the Class C Notes will not then be payable under item (vii) (*seventh*) of the Pre-Enforcement Interest Priority of Payments, but will instead be payable under item (xii) (*twelfth*) of the Pre-Enforcement Interest Priority of Payments; or

(c) a Class D Interest Subordination Event, interest on the Class D Notes will not then be payable under item (viii) (*eighth*) of the Pre-Enforcement Interest Priority of Payments, but will instead be payable under item (xiii) (*thirteenth*) of the Pre-Enforcement Interest Priority of Payments.

Sequential Payment Trigger Event

The occurrence of any of the following events in respect of any Payment Date prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), shall constitute a **Sequential Payment Trigger Event**:

(a) *Breach of Cumulative Net Loss Ratio*:

the Cumulative Net Loss Ratio, as at the immediately preceding Cut-Off Date, exceeds the relevant Cumulative Net Loss Trigger Level; or

(b) *Breach of Delinquency Ratio Rolling Average*:

the Delinquency Ratio Rolling Average, as at the immediately preceding Cut-Off Date, is equal to or higher than [3.5] per cent.;

(c) *Debit balance of the Principal Deficiency Ledger*:

on any Payment Date, the Principal Deficiency Ledger has a debit balance equal to or higher than [1.00] per cent. of the aggregate Outstanding Principal, as at the Initial Valuation

Date, of the Receivables comprised in the Initial Portfolio, as calculated on the relevant Calculation Date by taking into account the relevant payments and/or provisions required to be made by the Issuer on such Payment Date in accordance with the Pre-Enforcement Interest Priority of Payments; or

(d) *Clean-up Call Event*:

the Clean-up Call Event occurs but the Aggregate Portfolio Repurchase Option is not exercised by the Seller; or

(e) *Delivery of a Tax Early Redemption Notice*:

the Issuer delivers a Tax Early Redemption Notice; or

(f) *Delivery of a Regulatory Change Early Redemption Notice*:

the Issuer delivers a Regulatory Change Early Redemption Notice; or

(g) *Interest Rate Swap Counterparty Downgrade Event*:

an Interest Rate Swap Counterparty Downgrade Event occurs and none of the remedies provided for in the Swap Agreement are put in place within the timeframe required thereunder; or

(h) *Issuer Event of Default, Seller Termination Event or Servicer Termination Event*:

an Issuer Event of Default, a Seller Termination Event or a Servicer Termination Event occurs.

Upon occurrence of a Sequential Payment Trigger Event, the Sequential Redemption Period will start and repayments of principal on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be made at all times in a sequential order in accordance with the Pre-Enforcement Principal Priority of Payments so that (i) the Class B Notes will not be redeemed for so long as the Class A Notes have not been redeemed in full, (ii) the Class C Notes will not be redeemed for so long as the Class B Notes have not been redeemed in full, (iii) the Class D Notes will not be redeemed for so long as the Class C Notes have not been redeemed in full.

Regulatory Change Order of Allocation

On the Regulatory Change Early Redemption Date, the Regulatory Change Allocated Principal Amount will be applied by or on behalf of the Issuer in making the following payments in the following order of allocation (in each case, only if and to the extent that payments of a higher priority have been made in full):

(i) *first*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class B Notes until the Class B Notes are redeemed in full;

(ii) *second*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class C Notes until the Class C Notes are redeemed in full;

(iii) *third*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class D Notes until the Class D Notes are redeemed in full; and

(iv) *fourth*, if after the Issuer having redeemed the Class B Notes, the Class C Notes and the Class D Notes (in whole but not in part), there are sufficient funds to redeem also the Class E Notes (in whole but not in part), to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class E Notes.

Swap Agreement

Pursuant to the Swap Agreement, the Interest Rate Swap Counterparty will hedge certain risks arising as a result of the interest rate mismatch between the fixed rate of interest received by the Issuer in respect of the Receivables and the floating rate of interest payable by the Issuer under the Senior Notes and the Mezzanine Notes.

For further details, see the section headed "*Description of the Transaction Documents - The Swap Agreement*".

RSF Reserve

Under the Intercreditor Agreement, the RSF Reserve Depositor has agreed to make available to the Issuer (i) within 60 (sixty) days from the date on which a RSF Trigger Event occurs (the **RSF Reserve Initial Funding Date**), a deposit in an amount equal to the Required RSF Reserve Amount, and (ii) if at any time thereafter the RSF Reserve Depositor receives a notice from the Issuer that a RSF Reserve Shortfall Amount exists, within 60 (sixty) days from receipt of such notice, a further deposit in an amount equal to such RSF Reserve Shortfall Amount (each, a **RSF Reserve Deposit Amount**).

If the RSF Reserve Depositor fails to deposit a RSF Reserve Deposit Amount for any reason (a **RSF Reserve Funding Failure**), the Issuer shall credit to the RSF Reserve Account an amount necessary to bring the balance of such account up to (but not exceeding) the Required RSF Reserve Amount out of the Available Interest Amounts in accordance with the Pre-Enforcement Interest Priority of Payments or out of the Available Distribution Amounts in accordance with the Post-Enforcement Priority of Payments, as the case may be.

On each Payment Date after the RSF Reserve Initial Funding Date and the appointment of a Replacement Servicer, the Issuer shall withdraw an amount equal to the Replacement Servicing Costs due on such date from the RSF Reserve Account and apply such amount to pay the Replacement Servicing Costs to the Replacement Servicer outside the Priority of Payments.

If, at any time after a Replacement Servicer has been appointed, there are insufficient funds standing to the credit of the RSF Reserve Account to pay the Replacement Servicing Costs due on any Payment Date, the Issuer will pay such amounts out of the Available Interest Amounts in accordance with the Pre-Enforcement Interest Priority of Payments or out of the Available Distribution Amounts in accordance with the Post-Enforcement Priority of Payments, as the case may be.

On each Payment Date after the RSF Reserve Initial Funding Date, if the balance standing to the credit of the RSF Reserve Account exceeds the Required RSF Reserve Amount, the Issuer shall return any such excess to the RSF Reserve Depositor outside the Priority of Payments.

On the Payment Date on which the Notes will be redeemed in full and/or cancelled, the Issuer shall return any residual amount standing to the credit of the RSF Reserve Account (after making payments due on that Payment Date) to the RSF Reserve Depositor outside the Priority of Payments.

8. OTHER TRANSACTION DOCUMENTS

Intercreditor Agreement

Pursuant to the Intercreditor Agreement, the parties thereto have agreed on the cash flow allocation of the Available Distribution Amounts and the Representative of the Noteholders has been granted certain rights in relation to the Aggregate Portfolio and the Transaction Documents.

Under the terms of the Intercreditor Agreement, the Issuer has irrevocably appointed, effective as from the Closing Date, the Representative of the Noteholders, as its true and lawful agent (*mandatario con rappresentanza*) in the interest, and for the benefit of, the Noteholders and the Other Issuer Creditors pursuant to article 1411 and article 1723, second paragraph, of the Italian civil code, to exercise, in the name and on behalf of the Issuer, all and any of the Issuer's rights arising from the Transaction Documents.

The mandate conferred by the Issuer on the Representative of the Noteholders as described above shall be exercisable upon the earlier to occur of:

(a) the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event; and

(b) the occurrence of a Specified Event (but in this case, such mandate shall be limited to authorising and empowering the Representative of the Noteholders to exercise or enforce the rights, entitlements, or remedies, or to exercise the discretions, authorities or powers to give any direction or make any determination which the Issuer failed to exercise or enforce, and which gave rise to the occurrence of the

Specified Event).

In addition, under the terms of the Intercreditor Agreement, the Other Issuer Creditors have jointly appointed the Representative of the Noteholders as their true and lawful agent (*mandatario con rappresentanza*) to act also in the name and on behalf of the Other Issuer Creditors, in accordance with the provisions of articles 1723, second paragraph, and 1726 of the Italian civil code, and have authorised the Representative of the Noteholders to (i) execute, in its capacity as trustee for the Other Issuer Creditors, the Deed of Assignment and exercise on their behalf the rights and powers of the Other Issuer Creditors in relation to the Deed of Assignment and the Issuer Transaction Security created or purported to be created thereby, (ii) do any act, matter or thing which it considers necessary to exercise or protect the Other Issuer Creditors' rights under any of the Transaction Documents, and (iii) receive, following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, as sole agent (*mandatario esclusivo*) all monies payable by the Issuer to the Other Issuer Creditors in accordance with the Post-Enforcement Priority of Payments.

Pursuant to the Intercreditor Agreement, the RSF Reserve Depositor has agreed to make available to the Issuer (i) within 60 (sixty) days from the date on which a RSF Trigger Event occurs, a deposit in an amount equal to the Required RSF Reserve Amount, and (ii) if at any time thereafter the RSF Reserve Depositor receives a notice from the Issuer that a RSF Reserve Shortfall Amount exists, within 60 (sixty) days from receipt of such notice, a further deposit in an amount equal to such RSF Reserve Shortfall Amount. For further details, see the sub-section headed "*RSF Reserve*" above.

Under the Intercreditor Agreement, the Issuer has appointed Santander Consumer Finance to act as Back-up Servicer Facilitator. If the Issuer must appoint a Replacement Servicer pursuant to the Servicing Agreement, it shall promptly inform in writing the Back-up Servicer Facilitator. Upon receipt of such notice, the Back-up Servicer Facilitator shall (i) do its best effort in order to identify an entity to be appointed by the Issuer as Replacement Servicer in accordance with the Servicing Agreement, and (ii) cooperate with the Issuer in the performance of all activities to be carried out in connection with the appointment of the Replacement Servicer and the replacement of the Servicer with the same.

Under the Intercreditor Agreement, the relevant parties thereto have also agreed upon certain provisions relating to compliance with risk retention and transparency requirements in accordance with the EU Securitisation Regulation and/or the UK Securitisation Framework, as applicable.

For further details, see the sections headed "*Risk Retention and Transparency Requirements*" and "*Description of the Transaction Documents - The Intercreditor Agreement*".

Quotaholder's Agreement	Pursuant to the Quotaholder's Agreement, the Quotaholder has assumed certain undertakings in relation to the management of the Issuer and the exercise of its rights as quotaholder of the Issuer. For further details, see the section headed "*Description of the Transaction Documents - The Quotaholder's Agreement*".
Corporate Services Agreement	Pursuant to the Corporate Services Agreement, the Corporate Servicer has agreed to provide the Issuer with certain corporate administrative services, including the maintenance of corporate books and of accounting and tax registers, in compliance with reporting requirements relating to the Receivables and with other regulatory requirements applicable to the Issuer. For further details, see the section headed "*Description of the Transaction Documents - The Corporate Services Agreement*".
Stichting Corporate Services Agreement	Pursuant to the Stichting Corporate Services Agreement, the Stichting Corporate Services Provider has undertaken to provide certain management and administration services in relation to the Quotaholder. For further details, see the section headed "*Description of the Transaction Documents - The Stichting Corporate Services Agreement*".
Deed of Assignment	Pursuant to the Deed of Assignment, the Issuer has granted an English law assignment by way of security in favour of the Representative of the Noteholders (acting for itself and as security trustee for the Noteholders and the Other Issuer Creditors) all the Issuer's rights, title, interest and benefit in and to the Swap Agreement and all payments due to it thereunder. For further details, see the section headed "*Description of the Transaction Documents - The Deed of Assignment*".
Governing Law and Jurisdiction of the Transaction Documents	The Transaction Documents (other than the Swap Agreement and the Deed of Assignment) and any non-contractual obligation arising out of or in connection therewith, are governed by, and shall be construed in accordance with, Italian law. The Swap Agreement and the Deed of Assignment, and any non-contractual obligation arising out of or in connection therewith, are governed by, and shall be construed in accordance with, English law. Any dispute which may arise in relation to the interpretation or the execution of the Transaction Documents (other than the Swap Agreement and the Deed of Assignment), or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of Milan. Any dispute which may arise in relation to the interpretation or the

execution of the Swap Agreement and the Deed of Assignment, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of England and Wales.

THE AGGREGATE PORTFOLIO

Introduction

Pursuant to the terms of the Master Receivables Purchase Agreement, the Seller has assigned and transferred to the Issuer, which has purchased, without recourse (*pro soluto*), in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the relevant articles of Law 52 referred to therein, the Initial Portfolio with economic effects from (but excluding) the Initial Valuation Date and legal effects from (and including) the Initial Purchase Date. In addition, during the Replenishment Period and provided that no Early Amortisation Event has occurred, the Seller may assign and transfer to the Issuer, which shall purchase from the Seller, without recourse (*pro soluto*), in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the relevant articles of Law 52 referred to therein, Additional Portfolios, with economic effects from (but excluding) the relevant Subsequent Valuation Date and legal effects from (and including) the relevant Subsequent Purchase Date. The Purchase Price for the relevant Additional Portfolio shall not exceed the Replenishment Available Amount.

The Purchase Price for the Initial Portfolio will be financed by the Issuer using the proceeds of the issuance of the Notes (other than the Class E Notes and the Class Z Notes) and will be payable to the Seller on the Closing Date. The Purchase Price for each Additional Portfolio will be paid by the Issuer on the Payment Date immediately succeeding the relevant Subsequent Purchase Date out of the Available Principal Amounts available for such purpose, in accordance with the Pre-Enforcement Principal Priority of Payments.

The Receivables comprised in each Portfolio arise from Loans disbursed by the Seller to the Borrowers (being individuals (*persone fisiche*) and individual entrepreneurs (*ditte individuali*)) for the purpose of purchasing Financed Vehicles.

Eligibility Criteria

The Receivables comprised in each Portfolio shall, as at the relevant Valuation Date (or any other date specified in the relevant criterion), comply with the following Eligibility Criteria:

(a) was originated in the ordinary course of business of the Seller pursuant to underwriting and management standards in respect of the acceptance of automobile and other vehicle loans that are no less stringent than those that the Seller applied at the time of origination to similar receivables that are not securitised;

(b) is denominated and payable in euro;

(c) is a Receivable in respect of which the Loan Contract under which it arises has not been terminated or extended (for the avoidance of doubt, a Receivable arising under a Loan Contract whose terms have been modified in accordance with the Credit and Collection Policies can be offered for purchase to the Issuer) and such Receivable does not arise from an overdraft facility;

(d) is a Receivable in respect of which the loan facility under the relevant Loan Contract has been fully drawn by the relevant Debtor;

(e) is a Receivable in respect of which the Loan Contract under which it arises has a minimum remaining term of 1 (one) month and its original term is not greater than 120 months;

(f) has a fixed interest rate and is fully amortising through payment of constant monthly Instalments or a Balloon Instalment (except for the first Instalment or the final Instalment payable under the relevant Loan Contract which may differ from the monthly Instalments payable for subsequent or previous months);

(g) exists and constitutes legally valid, binding and enforceable obligations with full recourse to the relevant Debtor;

(h) is a Receivable which may be segregated and identified at any time for purposes of ownership in the electronic files of the Seller and such electronic files and the relating software is able to provide the information to be included in the offer with respect to such Receivables pursuant to the Master Receivables Purchase Agreement;

(i) arises from Loans which are granted for the purpose of financing the purchase of Financed Vehicles, including Balloon Loans;

(j) is not, as of the relevant Valuation Date and the relevant Purchase Date (with respect to any Instalment under the relevant Loan Contract), a Delinquent Receivable or a Defaulted Receivable;

(k) is a claim which can be transferred by way of assignment without the consent of the related Debtor and which shall be validly transferred to the Issuer in the manner contemplated by the Master Receivables Purchase Agreement;

(l) to the best of the Seller's knowledge and taking into account case law and prevailing market standards/practice existing as of the relevant Valuation Date and the relevant Purchase Date, is a Receivable which has been created in compliance with all applicable laws, rules and regulations (in particular with respect to consumer protection and data protection, except that (i) the withdrawal instruction may not comply with the template wording provided by the Italian legislator or otherwise with applicable law or (ii) the Loan Contract may not contain all mandatory information as required by applicable law) and all required consents, approvals and authorisations have been obtained in respect thereof and neither the Seller nor the Debtor are in violation of any such law, rule or regulation;

(m) is subject to Italian law and is subject to the jurisdiction of the competent Italian courts;

(n) is a Receivable the assignment of which does not violate any law or agreements (in particular with respect to consumer protection and data protection) to which the Seller is bound, and following the assignment of the Receivable, such Receivable shall not be available to the creditors of the Seller on the occasion of any insolvency of the Seller;

(o) is a Receivable in relation to which at least 1 (one) due Instalment has been fully paid for the Receivable prior to the Cut-Off Date relating to the relevant Purchase Date;

(p) is due from a Debtor who is either (i) a commercial entrepreneur (*ditta individuale*) or (ii) a consumer (*persona fisica*) resident in Italy;

(q) to the best of the Seller's knowledge is due from a Debtor who is not insolvent or bankrupt (including imminent inability to pay its debts) or over-indebted and against whom no proceedings for the commencement of insolvency proceedings are pending in any jurisdiction;

(r) is not due from a Debtor who is an employee, manager or directors of the Seller; and

(s) is not, as at the relevant Valuation Date and as at the relevant Purchase Date, an exposure in default within the meaning of article 178(1) of the CRR or an exposure to a credit-impaired debtor or guarantor, who, to the best of the Seller's knowledge:

(i) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to

the date of origination or has undergone a debt- restructuring process with regard to his non-performing exposures within three years prior to the relevant Purchase Date;

(ii) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the Seller; or

(iii) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the Seller which are not securitised.

Concentration Limits

The Receivables comprised in the Collateral Aggregate Portfolio (taking into account the Additional Portfolio offered for sale) shall, as at the Offer Date of the relevant Additional Portfolio, comply with the following Concentration Limits:

(a) the Outstanding Principal, as at the Cut-Off Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer and owed to a Borrower, plus the Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Additional Portfolio and owed to the same Borrower, does not exceed Euro 75,000;

(b) the ratio between:

(i) the Outstanding Principal, as at the Cut-Off Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer arising from Balloon Loans, plus the Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Additional Portfolio arising from Balloon Loans; and

(ii) the Outstanding Principal, as at the Cut-Off Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer arising from all Loans, plus the Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Additional Portfolio arising from all Loans,

does not exceed 75 per cent.;

(c) the ratio between:

(i) the Outstanding Principal, as at the Cut-Off Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer arising from Loans to consumers, plus the Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Additional Portfolio arising Loans to consumers; and

(ii) the Outstanding Principal, as at the Cut-Off Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer arising from all Loans, plus the Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Additional Portfolio arising from all Loans,

is at least equal to 90 per cent.; and

(d) the weighted average interest rate of all Receivables comprised in the Collateral Aggregate Portfolio (including the Receivables comprised in the Additional Portfolio offered for sale) is at least equal to 6.4 per cent. per annum.

Balloon Loans

TCM (Trade Cycle Management) loans

In respect of those Balloon Loans which are classified as TCM (*Trade Cycle Management*) loans under the relevant Balloon Loan Contract, the Borrowers may, at least 45 (forty-five) days before the expiry of the relevant Balloon Loan Contract, choose among three alternative options:

(a) **Option A**: upon expiry of the financing and within the last Instalment's due date, transfer the ownership of the Financed Vehicle to the same Financed Vehicle Dealer from which the Borrower purchased it, in order to purchase a new vehicle; or

(b) **Option B**: within the expiry of the financing and within the last Instalment's due date, pay to HCBE, Italian branch the amount of the Balloon Instalment and keep the Financed Vehicle; the Borrower may also request HCBE, Italian branch to grant an extension of the financing and consequently dividing the payment of the final Balloon Instalment into certain additional instalments; or

(c) **Option C**: upon expiry of the financing and within the last Instalment's due date, transfer the ownership of the Financed Vehicle to the same Financed Vehicle Dealer from which the Borrower purchased such Financed Vehicle (the obligation of the relevant Financed Vehicle Dealer – towards HCBE, Italian branch – to accept the Financed Vehicle returned to it by the relevant Borrower who exercises Option C, is provided for under a bilateral agreement entered into between HCBE, Italian branch and the relevant Financed Vehicle Dealer).

Pursuant to the Balloon Loan Contracts, under Option B, the Borrower is discharged under the relevant Balloon Loan Contract only upon payment to HCBE, Italian branch of the Balloon Instalment (provided that the Borrower has duly paid all the Instalments accrued so far).

In case the payment of such Balloon Instalment is refinanced by HCBE, Italian branch, the Borrower shall be released from its obligation to pay the Balloon Instalment to HCBE, Italian branch only once the last refinanced instalment has been paid by it in accordance with the new amortisation plan agreed between the borrower and HCBE, Italian branch upon the refinancing request made by the Borrower to HCBE, Italian branch.

The monetary claims for the payment of the Balloon Instalment by the Borrower under the Balloon Loan Contracts are existing receivables (*crediti esistenti*) – also in case the payment of such Balloon Instalment is refinanced by the Borrower – and are assigned to the Issuer under the Master Receivables Purchase Agreement. In fact, pursuant to the Balloon Loan Contracts the relevant Loan has already been disbursed by the Seller to the Borrower, and the Debtor has agreed (and is obliged) to pay it.

Pursuant to the Balloon Loan Contracts, under Option A and Option C, the obligation to pay the Balloon Instalment *vis-à-vis* HCBE, Italian branch is undertaken by the Financed Vehicle Dealer and therefore the Borrower is discharged from such obligation under the relevant Balloon Loan Contract only once all of the following conditions are satisfied:

(i) the Borrower has elected to exercise either Option A or Option C by sending to the Financed Vehicle Dealer a letter with receipt of return at least 45 (forty-five) days prior to the Balloon Instalment's due date;

(ii) the Borrower has regularly paid all the Instalments accrued at the moment of the exercise by it of either Option A or Option C under the relevant Balloon Loan Contract;

(iii) the Financed Vehicle Dealer delivers to the Borrower the relevant handover minutes (*ricevuta di accettazione*) and the Borrower thus pays to the Financed Vehicle Dealer the possible residual amount for excessive mileage and/or damages (beyond those deriving from the normal usage of the vehicle) as agreed upon with the Financed Vehicle Dealer;

(iv) the Financed Vehicle underwent within the appropriate timing all the maintenance activities as provided for in the maintenance plan set forth by the Financed Vehicle Manufacturer;

(v) the Financed Vehicle is not in a condition of ordinary mechanical and bodywork integrity due to damage and/or missing components; and

(vi) the ownership of the Financed Vehicle is transferred by the borrower to the Financed Vehicle Dealer.

In that respect, it must be noted that:

(a) the discharge of the Borrower for the payment of the Balloon Instalment is not dependent upon the effective sale of the Financed Vehicle and/or the amount of the proceeds of the sale of the Financed Vehicle by the Financed Vehicle Dealer; and

(b) the monetary claims for the payment of the Balloon Instalment by the Financed Vehicle Dealer under the Balloon Loan Contracts are existing receivables (*crediti esistenti*) and are assigned to the Issuer under the Master Receivables Purchase Agreement. In fact, pursuant to the Balloon Loan Contracts the relevant Loan has already been disbursed by the Seller to the Borrower, and the Borrower has agreed (and is obliged) to pay it, and therefore there is only a change as to person/entity that pays such amount.

Other Balloon Loans

In respect of the Balloon Loans (other than those which are classified as TCM (*Trade Cycle Management*) loans under the relevant Balloon Loan Contract), the Borrower is discharged under the relevant Balloon Loan Contract only upon payment to HCBE, Italian branch of the Balloon Instalment (provided that the Borrower has duly paid all the Instalments accrued so far).

Other features of the Aggregate Portfolio

Under the Warranty and Indemnity Agreement, the Seller has also represented and warranted that:

(a) (*No encumbrance*) As at the relevant Valuation Date and as at the relevant Purchase Date, the Receivables comprised in each Portfolio are not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the transfer of the relevant Receivables to the Issuer pursuant to article 20(6) of the EU Securitisation Regulation;

(b) (*Homogeneity*) As at the relevant Valuation Date and as at the relevant Purchase Date, the Receivables comprised in each Portfolio are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit-risk and prepayment characteristics, pursuant to article 20(8), first paragraph, of the EU Securitisation Regulation and the applicable Technical Standards, given that:

(i) all Receivables are originated by the Seller based on similar underwriting standards which apply similar approaches to the assessment of credit risk associated with the underlying

exposures. In particular, the Seller applies to the Loans granted to Borrowers being individual entrepreneurs (*ditte individuali*) the same credit risk assessment approach which it applies to Loans granted to Borrowers being individuals (*persone fisiche*);

(ii) all Receivables are serviced by the Seller according to similar servicing procedures;

(iii) the Receivables fall within the same asset category of the relevant Technical Standards relating to auto loans; and

(iv) all Receivables reflect at least the homogeneity factor of the jurisdiction of the obligors, being all Borrowers resident in Italy as at the relevant Valuation Date.

(c) (*No underlying transferable securities*) Each Portfolio does not include any transferable securities, as defined in point (44) of article 4(1) of Directive 2014/65/EU, pursuant to article 20(8), last paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

(d) (*No underlying securitisation position*) Each Portfolio does not include any securitisation position pursuant to article 20(9) of the EU Securitisation Regulation.

(e) (*Assessment of Borrowers' creditworthiness*) The Seller has assessed the Debtors' creditworthiness in compliance with the requirements set out in article 124-*bis* of the Consolidated Banking Act implementing the provisions of article 8 of the Directive 2008/48/EC in Italy, pursuant to article 20(10), third paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

(f) (*Seller's expertise*) The Seller has expertise in originating exposures of a similar nature to those securitised, pursuant to article 20(10), last paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria. In particular, the members of the management body and the senior staff of the Seller who are responsible for managing the Seller's origination of exposures of a similar nature to those securitised have relevant professional experience in the origination of exposures of a similar nature to those securitised, at a personal level, of at least five years in accordance with the EBA Guidelines on STS Criteria.

(g) (*No predominant dependence on the sale of assets*) There are no Receivables that depend on the sale of assets to repay their Outstanding Principal at contract maturity pursuant to article 20(13) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria since the Loans are not secured over any specified asset.

(h) (*No underlying derivative*) Each Portfolio does not include any derivative pursuant to article 21(2) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

(i) (*Borrower's concentration*) As at the relevant Purchase Date, the Outstanding Balance of the Receivables owed by the same Borrower does not exceed 2 per cent. of the aggregate Outstanding Balance of all Receivables comprised in the Aggregate Portfolio, for the purposes of article 243(2)(a) of the CRR.

(j) (*Risk weighting*) As at the relevant Purchase Date, the Receivables meet the conditions for being assigned, under the standardised approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than 75 per cent. on an individual exposure basis pursuant to article 243, paragraph (2), letter (b), item (iii) of the CRR.

Level of collateralisation

As to the level of collateralisation, the ratio between (a) the aggregate of (i) the Outstanding Principal, as at the Initial Valuation Date, of the Receivables comprised in the Initial Portfolio, and (ii) the Liquidity Reserve Initial Amount and (b) the aggregate principal amount of the Rated Notes upon issue, is equal to [●] per cent.

Description of the Initial Portfolio

The following tables set out details of the preliminary Initial Portfolio deriving from information provided by HCBE, Italian branch. The information in the following tables reflects the characteristics of the preliminary Initial Portfolio as at 31 May 2025.

	31-May
Original Financed Amount	954,701,398
Total Outstanding Amount	749,999,154
Balloon Amount	421,428,339
Number of Loans	48,682
Number of Borrowers	48,578
Top Borrower Concentration	0.01%
Average Loan Amount	15,406
Weighted Average Interest rate	6.55%
Weighted Average Seasoning	19.3
Weighted Average Remaining Term	31.3
Weighted Average Original Term	50.6

Original Principal Balance

Original Principal Balance (Ranges in EUR)	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
0-10000	93,967,174.89	12.53%	14,760	30.32%
10000-20000	275,368,739.80	36.72%	19,427	39.91%
20000-30000	296,196,857.19	39.49%	11,939	24.52%
30000-40000	80,475,386.72	10.73%	2,464	5.06%
40000-50000	3,682,914.75	0.49%	86	0.18%
50000-60000	308,080.43	0.04%	6	0.01%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

Vehicle Type

Vehicle Type	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
New	749,999,153.78	100.00%	48,682	100.00%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

Product Type

Amortisation	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
Standard	207,091,033.88	27.61%	20,494	42.10%
Balloon	542,908,119.90	72.39%	28,188	57.90%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

Brand

Brand	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
Hyundai	345,995,833.72	46.13%	21,950	45.72%
Kia	404,003,320.06	53.87%	26,732	54.28%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

Region

Area	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
North	398,245,222.88	53.10%	25,125	51.61%
Centre	189,696,984.33	25.29%	12,488	25.65%
South and Islands	162,056,946.57	21.61%	11,069	22.74%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

North includes Emilia-Romagna, Friuli-Venezia Giulia, Liguria, Lombardia, Piemonte, Trentino-Alto Adige, Valle d'Aosta, Veneto; Centre includes Toscana, Marche, Umbria, Lazio; South includes Abruzzo, Molise, Campania, Puglia, Basilicata, Calabria, Sicilia, Sardegna

Origination Year

Year	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
2021	12,220,934.76	1.63%	1,415	2.91%
2022	138,161,556.30	18.42%	11,378	23.37%
2023	281,886,606.72	37.58%	18,523	38.05%
2024	317,730,056.00	42.36%	17,366	35.67%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

Maturity Year

Year	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
2025	19,428,052.32	2.59%	1,907	3.92%
2026	160,600,402	21.41%	12,270.00	25.20%
2027	266,109,966	35.48%	15,998.00	32.86%
2028	181,042,742	24.14%	10,294.00	21.15%
2029	48,211,416	6.43%	3,751.00	7.71%
2030	33,772,241	4.50%	2,233.00	4.59%
2031	27,725,049	3.70%	1,557.00	3.20%
2032	13,109,285	1.75%	672.00	1.38%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

Interest Rate

Rate (%)	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
3-4	63,942,756	8.53%	4,071	8.36%
4-5	116,997,573	15.60%	6,778	13.92%
5-6	129,800,977	17.31%	7,971	16.37%
6-7	187,984,676	25.06%	11,852	24.35%
7-8	168,994,950	22.53%	11,586	23.80%
8-9	50,097,211	6.68%	3,884	7.98%
9-10	15,311,916	2.04%	1,292	2.65%
>10	16,869,096	2.25%	1,248	2.56%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

Payment Method

Method	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
SDD (SEPA Direct Debit)	741,234,854.59	98.83%	47,957	98.51%
Postal Slip	8,764,299.19	1.17%	725	1.49%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

Counterparty

Type	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
Consumer	719,842,629.49	95.98%	47,106	96.76%
Independent professional	30,156,524.29	4.02%	1,576	3.24%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

Original Terms to Maturity

Term	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
10-19	58,393.95	0.01%	19	0.04%
20-29	2,314,904.11	0.31%	451	0.93%
30-39	237,929,540.95	31.72%	14,821	30.44%
40-49	340,483,211.34	45.40%	20,070	41.23%
50-59	1,891,092.92	0.25%	225	0.46%
60-69	59,807,428.66	7.97%	5,814	11.94%
70-79	23,371,434.06	3.12%	1,907	3.92%
80-89	48,821,629.01	6.51%	3,395	6.97%
90-100	35,321,518.78	4.71%	1,980	4.07%
>100	0.00	0.00%	0	0.00%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

Current Terms to Maturity

Term	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
0-9	36,075,849.91	4.81%	3,470	7.13%
10-19	143,939,482.92	19.19%	10,703	21.99%
20-29	221,105,984.20	29.48%	13,535	27.80%
30-39	176,901,305.23	23.59%	10,027	20.60%
40-49	74,523,887.96	9.94%	4,782	9.82%
50-59	33,757,002.86	4.50%	2,460	5.05%
60-69	27,734,424.91	3.70%	1,761	3.62%
70-79	22,828,321.03	3.04%	1,270	2.61%
80-89	12,261,219.02	1.63%	633	1.30%
90-99	871,675.74	0.12%	41	0.08%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

Seasoning

Term	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
0-9	104,401,052.71	13.92%	5,229	12.69%
10-19	323,953,182.61	43.19%	18,603	41.84%
20-29	197,958,398.11	26.39%	14,094	27.50%
30-39	109,321,676.45	14.58%	9,110	15.45%
40-49	14,364,843.90	1.92%	1,646	2.52%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

Balloon Amount over Financed Amount (Balloon Loans only)

%	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
10-20	26,293.39	0.00%	3	0.01%
20-30	857,148.61	0.16%	100	0.35%
30-40	12,431,717.46	2.29%	1,073	3.81%
40-50	46,979,706.86	8.65%	3,437	12.19%
50-60	100,716,500.18	18.55%	5,963	21.15%
60-70	154,057,506.63	28.38%	7,539	26.75%
70-80	147,807,687.98	27.23%	6,596	23.40%
80-90	71,420,737.59	13.16%	3,086	10.95%
90-100	8,610,821.20	1.59%	391	1.39%
Total	**542,908,119.90**	**100.00%**	**28,188**	**100.00%**

Balloon Amount over Outstanding Balance (Balloon Loans only)

%	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
20-30	26,293.39	0.00%	3	0.01%
30-40	713,477.49	0.13%	50	0.18%
40-50	8,541,324.68	1.57%	518	1.84%
50-60	34,884,040.50	6.43%	2,166	7.68%
60-70	86,687,753.22	15.97%	4,838	17.16%
70-80	155,821,534.38	28.70%	7,867	27.91%
80-90	185,326,871.84	34.14%	9,131	32.39%
90-100	70,906,824.40	13.06%	3,615	12.82%
Total	**542,908,119.90**	**100.00%**	**28,188**	**100.00%**

Engine Type

Type	*Original Principal Balance in EUR*	*Percentage of Total Balance*	*Number of Loans*	*Percentage of Total Loans*
No data	696,544.33	0.09%	65	0.13%
TriFuel	108,391.59	0.01%	4	0.01%
Hybrid Electric Vehicle	23,322,803.18	3.11%	1,781	3.66%
Internal Combustion Engine LPG	125,760,807.94	16.77%	9,779	20.09%
Hybrid Electric Vehicle Diesel	81,525,280.92	10.87%	3,723	7.65%
Electric Vehicle/Battery Electric Vehicle	7,487,305.59	1.00%	341	0.70%
Internal Combustion Engine Diesel	9,639,967.76	1.29%	520	1.07%
Hybrid Electric Vehicle Gasoline	347,507,458.13	46.33%	17,183	35.30%
Internal Combustion Engine Gasoline	153,950,594.34	20.53%	15,286	31.40%
Total	**749,999,153.78**	**100.00%**	**48,682**	**100.00%**

Pool Audit

Pursuant to article 22(2) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria, an external verification has been made in respect of the Initial Portfolio prior to the Closing Date by an appropriate and independent party and no significant adverse findings have been found. Such external verification has confirmed: (i) on a statistical basis, the integrity and referentiality of the information provided in the documentation and in the IT systems in respect of each selected position of a representative sample of the provisional Initial Portfolio as at 31 March 2025; (ii) the accuracy of the data relating to the preliminary Initial Portfolio as at 31 May 2025 disclosed in the paragraph entitled "*The Aggregate Portfolio*" above; and (iii) the compliance of the data contained in the loan by loan data tape prepared by the Seller in relation to the Receivables comprised in the Initial Portfolio with certain Eligibility Criteria that are able to be tested prior to the Closing Date.

Capacity to produce funds

The arrangements entered into or to be entered into by the Issuer on or prior to the Closing Date, taken together with the structural features of the Securitisation (including the Aggregate Portfolio and the proceeds expected to be received therefrom, the Conditions and the rights and benefits set out in the Transaction Documents), have characteristics that demonstrate capacity to produce funds to service any payment which become due and payable in respect of the Notes in accordance with the Conditions. However, both the characteristics of the Aggregate Portfolio and the other assets and rights available to the Issuer under the Securitisation and the risks to which the Issuer and the Notes may be exposed should be regarded. Prospective Noteholders should consider the detailed information set out elsewhere in this Prospectus, including without limitation under the section headed "*Risk Factors*" above.

Historical Performance Data

Historical data setting out certain information in relation to a pool of auto loans that can be considered substantially similar exposures to those comprised in the Initial Portfolio, pursuant to, and for the purposes of,

article 22(1) of the EU Securitisation Regulation are set out below in this section or, with respect to the Similar Loan Contracts (as defined below), made available as pre-pricing information on the Securitisation Repository.

From October 2021 to March 2025 (both inclusive), such historical data relate to auto loans which have been as they have been originated, underwritten and serviced in accordance with the policies of HCBE, Italian branch, which have been generally consistent over time.

From January 2013 to March 2022 (both inclusive), such historical data relate to auto loans financing Hyundai and Kia vehicles which have been originated by Santander Consumer Bank S.p.A. (the **Similar Loan Contracts**) and that can be considered substantially similar exposures to those comprised in the Initial Portfolio as originated in accordance with the same policies of HCBE, Italian branch.

The performance of the Similar Loan Contracts has been sourced from information provided by Santander Consumer Bank S.p.A. on its own Italian portfolio of auto loans financing Hyundai and Kia brands. The historical data of the Similar Loan Contracts presents at least 5 years of performance data of substantially similar exposures to the Receivables included in the Initial Portfolio. Such material similarity is based on the following criteria:

(a) the Loan Contracts were originated under the same policies and procedures adopted by Santander Consumer Bank S.p.A. on its own Italian auto loan portfolio;

(b) the Loan Contracts under which the Receivables arise were originated and granted to Debtors located in Italy and so were the Similar Loan Contracts;

(c) the Italian auto loan market is a highly regulated market with standard origination, servicing and collection processes.

Static cumulative quarterly gross defaults

For a generation of the loans (being all loans originated during the same quarter), the cumulative gross defaults in respect of a quarter are calculated as the ratio of (i) the cumulative defaulted balance recorded between the month when such loans were originated and the relevant month, to (ii) the original balance of such loans. The "Default" status on a loan is defined as the "first ever" triggering of any of the following events:

(a) Equal to or more than 91 days past due (dpd);

(b) One or more instalment(s) in arrears, after more than three months have passed since the due date of the last scheduled loan instalment; or

(c) Acceleration status.

The Acceleration status is a legal status, occurring when the loan is not performing and the Seller requires the customer to pay for the full outstanding balance of the loan and its unpaid amount.

Static cumulative quarterly gross defaults – Auto – Balloon Loans – New

		Periods after origination														
Quarter	**Amount Financed**	**0**	**3**	**6**	**9**	**12**	**15**	**18**	**21**	**24**	**27**	**30**	**33**	**36**	**39**	**42**
2021-Q4	44,506,796	0.00%	0.00%	0.05%	0.11%	0.11%	0.11%	0.19%	0.19%	0.22%	0.40%	0.51%	0.53%	0.64%	0.69%	0.76%
2022-Q1	81,890,765	0.00%	0.00%	0.03%	0.06%	0.06%	0.08%	0.11%	0.13%	0.23%	0.31%	0.39%	0.43%	0.48%	0.48%	
2022-Q2	98,460,904	0.00%	0.00%	0.04%	0.06%	0.11%	0.16%	0.20%	0.26%	0.27%	0.40%	0.40%	0.40%	0.41%		
2022-Q3	91,443,643	0.00%	0.00%	0.03%	0.06%	0.11%	0.16%	0.28%	0.28%	0.30%	0.30%	0.35%	0.37%			
2022-Q4	101,252,610	0.00%	0.00%	0.02%	0.08%	0.23%	0.26%	0.29%	0.34%	0.37%	0.37%	0.37%				
2023-Q1	92,734,043	0.00%	0.00%	0.17%	0.22%	0.22%	0.31%	0.38%	0.44%	0.50%	0.58%					
2023-Q2	99,470,185	0.00%	0.00%	0.43%	0.50%	0.62%	0.67%	0.80%	0.85%	0.90%						
2023-Q3	103,439,925	0.00%	0.03%	0.08%	0.12%	0.12%	0.23%	0.23%	0.25%							
2023-Q4	142,370,278	0.00%	0.00%	0.02%	0.04%	0.09%	0.24%	0.28%								
2024-Q1	147,513,167	0.00%	0.03%	0.13%	0.21%	0.28%	0.35%									
2024-Q2	130,276,570	0.00%	0.00%	0.08%	0.13%	0.17%										
2024-Q3	126,497,069	0.00%	0.00%	0.04%	0.08%											
2024-Q4	140,959,357	0.0%	0.0%	0.14%												
2025-Q1	142,195,231	0.0%	0.0%													

Static cumulative quarterly gross defaults – Auto – Standard Loans – New

		Periods after origination														
Quarter	**Amount Financed**	**0**	**3**	**6**	**9**	**12**	**15**	**18**	**21**	**24**	**27**	**30**	**33**	**36**	**39**	**42**
2021-Q4	33,204,988	-	-	0.12%	0.16%	0.24%	0.28%	0.37%	0.37%	0.46%	0.48%	0.48%	0.53%	0.59%	0.68%	0.70%
2022-Q1	41,959,714	-	-	0.00%	0.02%	0.16%	0.16%	0.18%	0.31%	0.31%	0.35%	0.38%	0.46%	0.53%	0.53%	
2022-Q2	44,861,258	-	-	0.10%	0.10%	0.24%	0.31%	0.46%	0.50%	0.50%	0.60%	0.66%	0.79%	0.79%		
2022-Q3	45,087,932	-	-	0.00%	0.14%	0.15%	0.25%	0.45%	0.48%	0.48%	0.64%	0.72%	0.75%			
2022-Q4	55,919,770	-	-	0.06%	0.13%	0.30%	0.49%	0.49%	0.56%	0.60%	0.71%	0.75%				
2023-Q1	60,624,419	-	-	0.11%	0.24%	0.27%	0.27%	0.29%	0.31%	0.36%	0.36%					
2023-Q2	65,220,851	-	-	0.32%	0.41%	0.58%	0.64%	0.67%	0.70%	0.70%						
2023-Q3	51,078,585	-	-	0.04%	0.07%	0.07%	0.07%	0.14%	0.15%							
2023-Q4	55,027,801	-	-	0.04%	0.09%	0.14%	0.14%	0.21%								
2024-Q1	59,561,034	-	-	0.11%	0.11%	0.11%	0.11%									
2024-Q2	59,562,904	-	-	0.14%	0.21%	0.27%										
2024-Q3	40,350,118	-	-	0.15%	0.19%											
2024-Q4	39,778,662	-	-	0.00%												
2025-Q1	37,351,456	-	-													

Static cumulative quarterly recoveries

For a generation of defaulted loans (being all loans defaulted during the same quarter), the cumulative recoveries in respect of a month are calculated as the ratio of (i) the cumulative recoveries recorded in each month following default for such loans that defaulted in the relevant period, to (ii) the gross defaulted balance of such loans that defaulted in the relevant period.

Static cumulative quarterly recoveries – Auto - Balloon Loans – New

Periods after default													
Quarter	**Defaulted Amount**	**3**	**6**	**9**	**12**	**15**	**18**	**21**	**24**	**27**	**30**	**33**	**36**
2022-Q2	20,684	93.66%	93.66%	93.66%	93.66%	93.66%	93.66%	93.66%	93.66%	93.66%	93.66%	93.66%	93.66%
2022-Q3	76,877	0.00%	0.00%	0.00%	0.00%	0.99%	1.26%	1.52%	1.78%	2.11%	2.43%	2.43%	
2022-Q4	59,818	1.36%	2.72%	2.72%	2.89%	3.57%	5.28%	6.73%	7.74%	8.41%	8.41%		
2023-Q1	123,911	8.07%	9.94%	10.88%	11.57%	12.26%	13.06%	13.95%	15.05%	15.84%			
2023-Q2	142,413	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%				
2023-Q3	495,636	1.95%	2.87%	4.24%	5.66%	6.63%	7.16%	7.53%					
2023-Q4	584,700	0.75%	1.46%	2.23%	2.75%	3.20%	4.00%						
2024-Q1	571,086	3.26%	4.52%	5.85%	6.78%	7.47%							
2024-Q2	386,919	1.96%	3.87%	14.17%	26.39%								
2024-Q3	692,069	2.07%	7.69%	8.95%									
2024-Q4	781,332	1.22%	5.06%										
2025-Q1	745,639	0.65%											

Static cumulative quarterly recoveries – Auto - Standard Loans – New

Periods after default													
Quarter	**Defaulted Amount**	**3**	**6**	**9**	**12**	**15**	**18**	**21**	**24**	**27**	**30**	**33**	**36**
2022-Q2	52,513	2.02%	3.03%	3.03%	3.03%	3.03%	3.03%	3.03%	3.03%	3.03%	3.03%	3.03%	3.03%
2022-Q3	28,012	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
2022-Q4	88,862	2.23%	3.12%	14.42%	14.42%	15.83%	16.99%	26.90%	27.06%	27.40%	27.56%		
2023-Q1	162,836	6.64%	7.23%	9.07%	10.91%	10.91%	10.91%	10.91%	10.91%	10.91%			
2023-Q2	95,795	0.00%	0.00%	0.53%	0.53%	0.65%	0.76%	1.53%	1.75%				
2023-Q3	298,069	0.66%	0.90%	1.61%	2.80%	3.24%	3.67%	3.81%					
2023-Q4	479,228	4.15%	6.07%	8.01%	10.73%	14.29%	15.21%						
2024-Q1	323,335	0.44%	0.92%	2.09%	2.72%	3.44%							
2024-Q2	170,902	6.96%	8.67%	10.17%	23.03%								
2024-Q3	224,031	7.43%	9.73%	11.26%									
2024-Q4	409,587	3.08%	3.88%										
2025-Q1	294,468	1.10%											

Dynamic monthly annualised prepayments

At a given month, the monthly prepayment is disclosed annualised.

For further details on the remedies and actions relating to delinquency and default of debtors, please see the section headed “Credit and Collection Policies”.

Dynamic monthly annualised prepayments – Auto Balloon Loans – New

	Outstanding (€)	**Prepayment (€)**	**Prepayments % - Annualised**
Oct-21	13,960,807		
Nov-21	33,035,923		0.00%
Dec-21	44,372,982	13,750	0.50%
Jan-22	64,636,174		0.00%

Feb-22	94,261,814	56,267	1.04%
Mar-22	124,794,906	79,725	1.01%
Apr-22	148,578,365	71,455	0.69%
May-22	181,987,749	84,375	0.68%
Jun-22	219,568,793	160,827	1.06%
Jul-22	252,635,496	330,542	1.81%
Aug-22	273,394,943	111,389	0.53%
Sep-22	304,187,455	286,174	1.26%
Oct-22	337,854,028	473,456	1.87%
Nov-22	369,458,428	285,576	1.01%
Dec-22	395,891,172	363,367	1.18%
Jan-23	418,690,114	615,887	1.87%
Feb-23	443,965,189	630,265	1.81%
Mar-23	475,176,954	1,179,750	3.19%
Apr-23	495,846,554	805,721	2.03%
May-23	527,328,129	1,015,807	2.46%
Jun-23	558,407,204	1,299,937	2.96%
Jul-23	583,683,466	1,140,742	2.45%
Aug-23	603,600,290	1,026,905	2.11%
Sep-23	642,656,205	1,505,125	2.99%
Oct-23	688,571,656	1,316,812	2.46%
Nov-23	731,050,240	2,184,258	3.81%
Dec-23	761,251,208	1,969,426	3.23%
Jan-24	798,236,282	1,680,516	2.65%
Feb-24	840,180,065	2,554,245	3.84%
Mar-24	879,911,389	3,147,625	4.50%

Apr-24	909,300,320	2,885,150	3.93%
May-24	944,072,978	3,202,273	4.23%
Jun-24	976,761,934	2,980,891	3.79%
Jul-24	1,009,375,540	3,467,909	4.26%
Aug-24	1,027,028,555	2,539,812	3.02%
Sep-24	1,065,741,444	3,956,703	4.62%
Oct-24	1,105,093,308	7,628,918	8.59%
Nov-24	1,130,707,646	8,006,097	8.69%
Dec-24	1,151,860,438	7,076,035	7.51%
Jan-25	1,179,725,779	8,416,903	8.77%
Feb-25	1,197,860,527	10,072,013	10.25%
Mar-25	1,228,043,283	12,156,340	12.18%

Dynamic monthly annualised prepayments – Auto Standard Loans – New

	Outstanding (€)	**Prepayment (€)**	**Prepayments % - Annualised**
Oct-21	11,387,182		
Nov-21	24,941,305		0.00%
Dec-21	32,984,595		0.00%
Jan-22	44,653,639	32,039	1.17%
Feb-22	58,921,285	42,650	1.15%
Mar-22	73,372,372	77,290	1.57%
Apr-22	83,800,361	135,996	2.22%
May-22	98,433,714	50,778	0.73%
Jun-22	114,528,818	151,420	1.85%
Jul-22	128,656,855	121,437	1.27%
Aug-22	138,061,859	172,818	1.61%

Sep-22	153,569,375	337,908	2.94%
Oct-22	169,651,088	341,886	2.67%
Nov-22	187,117,526	318,522	2.25%
Dec-22	200,880,355	374,314	2.40%
Jan-23	216,287,793	373,119	2.23%
Feb-23	230,263,754	604,373	3.35%
Mar-23	249,403,031	668,754	3.49%
Apr-23	262,756,060	713,930	3.44%
May-23	282,109,029	760,928	3.48%
Jun-23	299,262,128	796,153	3.39%
Jul-23	311,312,088	1,011,184	4.05%
Aug-23	318,423,052	853,046	3.29%
Sep-23	330,745,092	1,197,251	4.51%
Oct-23	342,851,527	1,314,070	4.77%
Nov-23	353,540,962	1,330,688	4.66%
Dec-23	362,921,136	1,027,950	3.49%
Jan-24	372,409,080	1,764,133	5.83%
Feb-24	384,527,680	1,479,641	4.77%
Mar-24	395,285,344	2,193,433	6.85%
Apr-24	403,937,780	1,960,029	5.95%
May-24	416,160,290	2,135,427	6.34%
Jun-24	424,642,379	1,847,143	5.33%
Jul-24	429,549,675	1,750,802	4.95%
Aug-24	429,316,079	1,302,317	3.64%
Sep-24	432,935,156	1,944,876	5.44%
Oct-24	437,789,720	2,469,218	6.84%

Nov-24	438,558,579	2,297,606	6.30%
Dec-24	437,028,384	1,969,530	5.39%
Jan-25	438,306,750	2,769,236	7.60%
Feb-25	436,516,780	3,098,101	8.48%
Mar-25	435,530,969	2,649,932	7.28%

Dynamic monthly defaults

The defaults data set out in the tables below is in dynamic format and shows at a given month the ratio of (i) the total outstanding balance of Loans distributed in the appropriate defaults bucket to (ii) the total outstanding balance of all Loans (tested at the end of the indicated month).

Dynamic monthly defaults – Auto Balloon Loans – New

	Outstanding (€)	**Defaulted (€)**	**Defaulted - %**
Oct-21	13,960,807	0	0.00%
Nov-21	33,035,923	0	0.00%
Dec-21	44,372,982	0	0.00%
Jan-22	64,636,174	0	0.00%
Feb-22	94,261,814	0	0.00%
Mar-22	124,794,906	0	0.00%
Apr-22	148,578,365	0	0.00%
May-22	182,008,434	20,684	0.01%
Jun-22	219,589,543	0	0.00%
Jul-22	252,635,496	0	0.00%
Aug-22	273,394,943	26,441	0.01%
Sep-22	304,239,879	50,436	0.02%
Oct-22	337,974,886	43,320	0.01%
Nov-22	369,579,324	0	0.00%
Dec-22	395,945,315	16,498	0.00%
Jan-23	418,736,839	27,041	0.01%

Feb-23	444,053,603	0	0.00%
Mar-23	475,330,742	96,870	0.02%
Apr-23	496,020,436	19,471	0.00%
May-23	527,479,421	37,957	0.01%
Jun-23	558,549,985	84,985	0.02%
Jul-23	583,959,406	159,538	0.03%
Aug-23	603,988,153	220,559	0.04%
Sep-23	643,035,823	115,539	0.02%
Oct-23	689,000,630	277,074	0.04%
Nov-23	731,601,263	218,797	0.03%
Dec-23	761,764,004	88,829	0.01%
Jan-24	798,707,409	162,760	0.02%
Feb-24	840,617,194	234,498	0.03%
Mar-24	880,427,044	173,828	0.02%
Apr-24	909,788,376	145,155	0.02%
May-24	944,528,482	152,401	0.02%
Jun-24	977,161,499	89,363	0.01%
Jul-24	1,009,839,981	294,508	0.03%
Aug-24	1,027,536,373	114,741	0.01%
Sep-24	1,066,424,535	282,820	0.03%
Oct-24	1,105,677,767	259,828	0.02%
Nov-24	1,131,490,270	254,109	0.02%
Dec-24	1,152,490,583	267,395	0.02%
Jan-25	1,180,356,591	89,522	0.01%
Feb-25	1,198,564,204	291,712	0.02%
Mar-25	1,228,983,011	364,404	0.03%

Dynamic monthly defaults – Auto Standard Loans – New

	Outstanding (€)	Defaulted (€)	Defaulted - %
Oct-21	11,387,182		
Nov-21	24,941,305		
Dec-21	32,984,595		
Jan-22	44,653,639		
Feb-22	58,921,285		
Mar-22	73,372,372		
Apr-22	83,839,611	39,250	0.05%
May-22	98,473,168		
Jun-22	114,587,806	13,263	0.01%
Jul-22	128,676,265		
Aug-22	138,081,339	19,480	0.01%
Sep-22	153,577,907	8,532	0.01%
Oct-22	169,675,998	25,835	0.02%
Nov-22	187,175,871	33,319	0.02%
Dec-22	200,930,284	29,708	0.01%
Jan-23	216,413,021	22,294	0.01%
Feb-23	230,380,004	30,833	0.01%
Mar-23	249,595,053	109,709	0.04%
Apr-23	262,885,079	28,961	0.01%
May-23	282,216,181	17,274	0.01%
Jun-23	299,354,950	49,560	0.02%
Jul-23	311,430,718	54,770	0.02%
Aug-23	318,552,174	96,341	0.03%
Sep-23	330,991,963	146,959	0.04%

Oct-23	343,237,856	80,784	0.02%
Nov-23	354,051,276	258,670	0.07%
Dec-23	363,296,913	139,775	0.04%
Jan-24	372,762,988	127,618	0.03%
Feb-24	384,943,366	140,427	0.04%
Mar-24	395,649,226	55,290	0.01%
Apr-24	404,214,437	51,224	0.01%
May-24	416,297,762	101,996	0.02%
Jun-24	424,796,916	17,682	0.00%
Jul-24	429,722,713	95,021	0.02%
Aug-24	429,514,346	62,862	0.01%
Sep-24	433,172,767	66,148	0.02%
Oct-24	438,084,609	135,469	0.03%
Nov-24	438,773,529	77,718	0.02%
Dec-24	437,309,031	196,400	0.04%
Jan-25	438,637,260	97,646	0.02%
Feb-25	436,899,614	152,299	0.03%
Mar-25	435,871,640	44,523	0.01%

Dynamic monthly delinquencies

The delinquencies data set out in the tables below is in dynamic format and shows at a given month the ratio of (i) the total outstanding balance of Loans distributed in the appropriate delinquency bucket to (ii) the total outstanding balance of all Loans (tested at the end of the indicated month).

Dynamic monthly delinquencies – Auto Balloon Loans – New

	0 Unpaid Instalment	**1 Unpaid Instalment**	**2 Unpaid Instalments**	**3 Unpaid Instalments**
Oct-21	100.00%	-	-	-
Nov-21	99.94%	0.06%	-	-

Dec-21	99.92%	0.08%	-	-
Jan-22	100.00%	-	-	-
Feb-22	99.98%	0.02%	-	-
Mar-22	99.96%	0.02%	0.02%	-
Apr-22	99.95%	0.04%	-	0.01%
May-22	99.87%	0.13%	-	-
Jun-22	99.87%	0.12%	0.01%	-
Jul-22	99.88%	0.10%	0.02%	-
Aug-22	99.81%	0.11%	0.06%	0.02%
Sep-22	99.90%	0.08%	0.00%	0.02%
Oct-22	99.91%	0.07%	0.02%	-
Nov-22	99.94%	0.05%	0.01%	0.00%
Dec-22	99.88%	0.10%	0.01%	0.01%
Jan-23	99.92%	0.05%	0.03%	0.01%
Feb-23	99.89%	0.09%	0.00%	0.02%
Mar-23	99.86%	0.13%	0.01%	0.00%
Apr-23	99.83%	0.15%	0.02%	0.01%
May-23	99.79%	0.13%	0.06%	0.02%
Jun-23	99.82%	0.11%	0.03%	0.04%
Jul-23	99.80%	0.13%	0.03%	0.03%
Aug-23	99.79%	0.13%	0.06%	0.02%
Sep-23	99.79%	0.10%	0.07%	0.04%
Oct-23	99.77%	0.16%	0.03%	0.05%
Nov-23	99.82%	0.13%	0.04%	0.01%
Dec-23	99.80%	0.13%	0.04%	0.03%
Jan-24	99.83%	0.10%	0.03%	0.04%

Feb-24	99.80%	0.14%	0.04%	0.02%
Mar-24	99.81%	0.14%	0.03%	0.02%
Apr-24	99.78%	0.17%	0.03%	0.02%
May-24	99.85%	0.11%	0.03%	0.01%
Jun-24	99.78%	0.18%	0.03%	0.02%
Jul-24	99.80%	0.14%	0.05%	0.02%
Aug-24	99.81%	0.13%	0.04%	0.03%
Sep-24	99.77%	0.16%	0.05%	0.02%
Oct-24	99.84%	0.09%	0.05%	0.03%
Nov-24	99.81%	0.13%	0.04%	0.02%
Dec-24	99.77%	0.17%	0.04%	0.02%
Jan-25	99.77%	0.15%	0.05%	0.04%
Feb-25	99.74%	0.17%	0.05%	0.04%
Mar-25	99.79%	0.15%	0.04%	0.03%

Dynamic monthly delinquencies – Auto Standard Loans – New

	0 Unpaid Instalment	**1 Unpaid Instalment**	**2 Unpaid Instalments**	**3 Unpaid Instalments**
Oct-21	100.00%	-	-	-
Nov-21	99.47%	0.53%	-	-
Dec-21	99.61%	0.39%	-	-
Jan-22	99.66%	0.34%	-	-
Feb-22	99.82%	0.12%	0.07%	-
Mar-22	99.77%	0.18%	-	0.05%
Apr-22	99.81%	0.13%	0.07%	-
May-22	99.91%	0.06%	-	0.03%
Jun-22	99.82%	0.13%	0.05%	-

Jul-22	99.93%	0.05%	0.02%	-
Aug-22	99.78%	0.19%	0.03%	0.01%
Sep-22	99.85%	0.10%	0.04%	0.01%
Oct-22	99.81%	0.15%	0.03%	0.02%
Nov-22	99.90%	0.06%	0.04%	0.01%
Dec-22	99.76%	0.15%	0.04%	0.05%
Jan-23	99.87%	0.07%	0.04%	0.01%
Feb-23	99.82%	0.12%	0.03%	0.03%
Mar-23	99.83%	0.14%	0.01%	0.02%
Apr-23	99.78%	0.16%	0.05%	0.01%
May-23	99.81%	0.13%	0.04%	0.02%
Jun-23	99.79%	0.18%	0.01%	0.02%
Jul-23	99.75%	0.18%	0.06%	0.01%
Aug-23	99.69%	0.21%	0.05%	0.05%
Sep-23	99.76%	0.11%	0.07%	0.06%
Oct-23	99.69%	0.23%	0.03%	0.05%
Nov-23	99.74%	0.18%	0.04%	0.04%
Dec-23	99.70%	0.20%	0.04%	0.05%
Jan-24	99.79%	0.11%	0.04%	0.06%
Feb-24	99.78%	0.18%	0.03%	0.02%
Mar-24	99.81%	0.14%	0.04%	0.01%
Apr-24	99.79%	0.16%	0.04%	0.02%
May-24	99.81%	0.15%	0.03%	0.02%
Jun-24	99.82%	0.13%	0.04%	0.01%
Jul-24	99.79%	0.17%	0.02%	0.02%
Aug-24	99.78%	0.16%	0.05%	0.02%

Sep-24	99.68%	0.25%	0.04%	0.03%
Oct-24	99.82%	0.12%	0.05%	0.01%
Nov-24	99.67%	0.23%	0.06%	0.03%
Dec-24	99.75%	0.16%	0.05%	0.04%
Jan-25	99.75%	0.17%	0.06%	0.03%
Feb-25	99.69%	0.25%	0.03%	0.03%
Mar-25	99.72%	0.18%	0.08%	0.01%

HCBE, ITALIAN BRANCH

HCBE, Italian branch is the Italian branch of Hyundai Capital Bank Europe GmbH (**HCBE**), a full licensed bank incorporated and headquartered in Germany (Frankfurt am Main), subject to the regulatory supervision of Joint Supervisory Team (ECB, Deutsche Bundesbank, BaFin).

HCBE, Italian branch is registered in the Turin Commercial Register (REA No. 1295938 – Fiscal Code/Vat no. 09322330961) and headquartered in Turin, Corso Massimo D'Azeglio 33/E, 10126. HCBE, Italian branch also holds an administrative office in Milan, Piazza Gae Aulenti, 1/Tower B, 20154 (not open to the public but reserved for employees of the sales, marketing & insurance, and human resources departments).

HCBE, Italian branch operates exclusively in Italy as a captive financial company of Hyundai Motor Company Italy S.r.l and Kia Italia S.r.l., supporting HCBE's overall strategic objectives of: (i) assisting Kia and Hyundai brands in their long-term growth by supporting the sale of vehicles through its financial services offers; (ii) be a reliable partner for Kia and Hyundai dealers in meeting their financial needs; and (iii) establish a lean, efficient and value-added organization. More in details, HCBE, Italian branch activity consists, *inter alia*, in (a) the offer of wholesale financing to dealers of the Hyundai and Kia brands; (b) the offer of auto loans and leasing products to retail customers, (c) the distribution of insurance products to target customers; and (d) the cross-selling of financial products to target customers.

The customer base of HCBE, Italian branch is mainly composed of dealers of the Hyundai and Kia brands and end customers who want to finance the purchase of a vehicle of the above-mentioned brands.

As at 31 December 2024, the Seller employed 57 people.

Historical background and general information

As reported above HCBE, Italian branch is the Italian branch of HCBE, a German credit institution with a full banking license and a CRR credit institution within the meaning of Section 1 (3d) Sentence 1 of the German Banking Act (KWG). HCBE was established in the legal form of a limited liability company (GmbH) in November 2016 with the aim of supporting the distribution of Hyundai and KIA motor vehicles independently of third-party banks with financial services.

In August 2018, a binding framework agreement was signed for a future joint venture between Hyundai Capital Services Inc., Seoul, Korea (**HCS**) and Santander Consumer Bank AG, Mönchengladbach, Germany (**SCB AG**). Following approval by the supervisory authorities, the strategic partnership formally entered into force on 28 March 2019.

HCBE, Italian branch started its operational activities as of 4th October 2021.

Shareholders	**Percentage of shareholdings**
Santander Consumer Bank AG	51%
Hyundai Capital Services Inc., Seoul, Korea	49%

Due to the majority control exercised by the Santander Group, HCBE is subject to consolidation into SCB AG and, through this latter, into Banco Santander S.A.

On 4 November 2020, SCB AG, HCS and HCBE entered into a supplementary agreement to the JV Agreement, according to which SCB AG, HCS and HCBE agreed to further expand their cooperation by establishing HCBE, Italian branch in Italy.

On 31 March 2021, HCBE notified BaFin of an application aimed at obtaining authorization to carry out banking activities in Italy by opening a branch. BaFin assessed the completeness and correctness of the notification received and transmitted the latter to the European Central Bank.

On 21 May 2021, the European Central Bank informed HCBE and Bank of Italy of the successful completion of the notification procedure pursuant, inter alia, to Directive no. 2013/36/EU of the European Parliament and of the Council and authorized HCBE to establish the branch in Italy.

On 4 June 2021, Bank of Italy confirmed that it had received the communication from the European Central Bank and provided HCBE with some instrumental provisions to allow the registration of HCBE, Italian branch in the register of banks provided for by art. 13 of Legislative Decree no. No. 393 of 1993 (**TUB**).

On the following 8 July 2021, having verified compliance with the provisions provided, HCBE, Italy Branch was registered in the Register of Banks.

On 29 September 2021, HCBE entered into a sale and purchase agreement of a branch of going concerns with Santander Consumer Bank S.p.A. effective as of 1 October 2021, along with a deed notarized on 29 September 2021 by Dr. Luigi Migliardi, notary in Turin, rep. no. 36.419/18.852 (the **Sale and Purchase Agreement**). By virtue of the Sale and Purchase Agreement, Santander Consumer Bank S.p.A. transferred to HCBE, Italian branch the branch of going concerns consisting of the set of assets and relationships organized by Santander Consumer Bank S.p.A. for the exercise of the financing activity for the purchase of Hyundai and Kia branded vehicles in favor of dealers active in the marketing of vehicles manufactured by Hyundai and Kia in the Italian market (hereinafter also the branch of going concerns).

In particular, the branch of going concerns subject to transfer included:

(a) all the assets included in the branch of going concerns, as indicated in the balance sheet attached to the Sale and Purchase Agreement, including, *inter alia*, the cash amounts transferred for the management of the branch of going concerns;

(b) all the obligations and liabilities existing on the effective date of the Sale and Purchase Agreement and resulting from the balance sheet, or arising from any event occurred in the period prior to such date;

(c) all the contracts (including the corresponding rights, obligations and liabilities) relating to the branch of going concerns entered into by Santander Consumer Bank S.p.A. and the dealers of Hyundai and Kia Brands, including *inter alia*:

  (i) the agreements for the deferred payment of assigned credits;

  (ii) the service account agreements;

  (iii) the agreed current account agreements;

  (iv) the advance liquidation agreements.

(d) the employment relationships with all the employees employed in the Business Unit on the effective date, excluding the employees whose employment relationship has ceased with effect on or before the effective date;

(e) all the lists, documents, correspondence and registers relating to the Business Unit.

HCBE, Italian branch started its operational activities on 4 October 2021.

General

HCBE, Italian branch competes in a complex and tough market, with many important players. The main strategic objectives of HCBE, Italian branch can be summarized as follows:

(a) Gain a strong identity as captive bank, independent but with a mission fully integrated with that of the brands it represents and the dealers it supports;

(b) Sustain OEMs and dealers' network, their sale's performance, and their position in the market;

(c) Satisfy the shareholders with the Profit and the Profitability required;

(d) Help OEMs and dealers in the complex transition towards EV market with products and processes suitable for the "new customers";

(e) Develop new products and simplify current processes.

Organizational Structure and Governance model of HCBE, Italian branch

From an organizational structure's point of view, at local level, HCBE, HCBE, Italian branch is composed of two Branch Managers (i.e. *Preposti*), appointed by the Management Board of HCBE, jointly responsible for the general direction (including personnel supervision) of HCBE, Italian branch, according to an adequate division of competences to ensure compliance with the structural segregation between front-office and back-office organizational units, expressly required by German regulatory law (cf. *Minimum Requirements for Risk Management* – cd. ***Marisk***). In particular:

(a) the person in charge of the Front-Office organizational unit of HCBE, Italian branch (**FO BM**) is designated by the Front Office Managing *Director* of HCBE, and:

  (i) has responsibility for commercial matters concerning HCBE, Italian branch;

  (ii) has the task of appointing or removing the managers of the Marketing & Insurance, Sales, and HR functions of HCBE, Italian branch, each of which holds a position and directly reporting to the FO BM;

  (iii) reports to the Management Board of HCBE on matters relating to the general management of HCBE, Italian branch and to the Front-Office Managing Director of HCBE on commercial matters.

(b) the person in charge of the Back-Office organizational unit of HCBE, Italian branch (the **BO BM)** is designated by the Back-Office Managing Director of HCBE and:

  (i) has responsibility for the core banking activities carried out by HCBE, Italian branch;

  (ii) has the task of appointing or removing the heads of the Finance, Risk Oversight, IT & Operations, Legal, AML & Compliance functions of HCBE, Italian branch, who holds a position directly reporting to the same BO BM;

  (iii) reports to the HCBE Management Board on matters relating to the General Management of HCBE, Italian branch and to the Back-Office Managing Director of HCBE for matters relating to the key banking operations of HCBE, Italian branch.

The Branch Managers of HCBE, Italian branch do not hold other offices within the Group.

The governance model adopted provides for that HCBE, Italian branch is an integral part of HCBE for all purposes: accounting, regulatory and supervisory. Consequently, the ultimate responsibility for HCBE, Italian branch's management decisions remain with the HCBE Management Board.

The constant supervision of HCBE on the work of HCBE, Italian branch is guaranteed through the following safeguards:

(a) the provision of specific functional reporting lines between the heads of functions, both from the F.O. and B.O. local functions and the respective heads of the functions of HCBE Germany.

(b) the holding of regular meetings (at least monthly) between the persons in charge of HCBE, Italian branch and, where necessary, of any other local function manager, and the Managing Directors of HCBE, to improve the services, operations and other issues concerning HCBE.

(c) the regular participation of the heads of each local function in the meetings of the Committees chaired by the heads of the respective functions of HCBE; and

(d) the integration of the agenda of the local periodic meetings of HCBE, Italian branch within the agenda of the respective committees established by HCBE.

At the local level, the constant interaction between organizational units (i.e., Front-office and Back-office) and the coordination between the different functions of HCBE, Italian branch are pursued through regular local meetings. The local regular meetings are intended to support the general management of HCBE, Italian branch in the management of the ordinary activities ("business as usual") of HCBE, Italian branch. Decisions taken within local regular meetings are formalized in minutes approved by the relevant participants. Below is an overview of all meetings:

(i) the Management Meeting (MM) consists of 11 members and is chaired by the Branch Managers. It includes all Heads of Functions and is responsible for decisions related to the ordinary management of HCBE, Italian branch. It also carries out general monitoring of the activities performed by HCBE, Italian branch;

(ii) the Risk Control Meeting (RCM) is composed of 5 members and chaired by the Head of Risk. Participants include the Branch Managers, Deputy Head of Risk, and Head of Sales. This committee supervises and controls all types of risks – credit, operational, market, and liquidity – affecting HCBE, Italian branch;

(iii) the Risk Approval Meeting (RAM) includes 7 members and is also chaired by the Head of Risk. Members include the Branch Managers, Deputy Head of Risk, Head of Finance, General Counsel, and Heads of Sales and Marketing & Pricing. It is tasked with analyzing and approving, under RAC delegation, models, policies, and procedures related to risk management and control. The committee also approves dealer wholesale applications, new products, and relevant changes to existing ones. ESG-related topics and projects are also reviewed through a local ESG forum on a monthly basis;

(iv) the Compliance and AML Meeting (CAM) comprises 7 members and is chaired by the General Counsel. Members include the Branch Managers, Head of IT & Operations, Head of Risk, and Head of Marketing & Pricing, along with the Head of Sales. This committee oversees and monitors non-compliance risks, including AML and data protection aspects. It reviews key events from a compliance perspective and promotes a culture of compliance across HCBE, Italian branch;

(v) the Collection Meeting (CM) has 7 members and is chaired by the Back Office Branch Manager. Members include the Branch Managers, SCB Italy Collection Director, Head and Deputy Head of

Risk, General Counsel, and Head of Sales. The committee monitors the performance and management of debt collection activities conducted under the Baas model;

(vi) the Accounting and Control Meeting (ACM) includes 5 members and is chaired by the Head of Finance. Together with the Branch Managers, Head of Risk, and Head of Marketing & Pricing, this committee supervises the financial activities of the Branch, including balance sheet and liquidity risk management;

(vii) the Service Quality Review Meeting (SQM) consists of 7 members and is chaired by the Head of IT & Operations. Members include the Branch Managers, Head and Deputy Head of Risk, General Counsel, and Head of Marketing & Pricing. This meeting monitors the quality of services provided by SCIT and its affiliates under the Baas Model Service Agreement;

(viii) the Sales and Marketing Meeting (SMM) / Product and Insurance Meeting (PIM) includes 7 members and is chaired by either the Head of Sales or the Head of Marketing & Pricing. The group includes the Branch Managers, Hyundai and Kia Brand Managers, Head of IT & Operations, Head of Risk, and Head of Marketing & Pricing. The committee oversees commercial and financial performance, OEM relationships, financing penetration rates, and insurance distribution activities;

(ix) the Audit and Information Security Meeting (AISM) has 5 members and is chaired by the Head of IT & Operations. Along with the Branch Managers, General Counsel, and Head of Marketing & Pricing, this committee analyzes audit findings, monitors IT and cyber risks, and ensures implementation of recommended corrective actions;

(x) the HR Meeting (HRM) is composed of 5 members and chaired by the Head of IT & Operations. Members include the Branch Managers, Head of HR, Head of Sales, and Head of Risk. It defines policies and processes for HR management, development, and training, and monitors the progress of related projects;

(xi) the System Plan Monitoring Meeting (SPMM) brings together 11 members and is chaired by the Branch Managers. It includes key functional heads such as those of Risk, Finance, IT & Operations, Legal, Sales, Marketing & Pricing, HR, and the Hyundai and Kia Brand Managers. The meeting ensures regular monitoring of project timelines and costs as outlined in the HCIT System Plan, identifying delays and their causes;

(xii) the Remuneration Meeting (REM) includes 7 members and is chaired by the Branch Managers. Participants include the Heads of Risk, Sales, Finance, Legal, and Marketing & Pricing. This committee approves dealer variable remuneration proposals and any exceptions, evaluates KPIs, and decides on bonus/malus applications. It also authorizes action plans when performance does not meet business objectives.

As anticipated, the decisions taken at the local meetings and the relevant agendas flow into the respective HCBE reference Committees as indicated in the following table:

Local Meeting	**Local Meeting Frequency**	**HCBE Reference Committee**
Risk Control Meeting ("**RCM**")	monthly	RCC[1]

[1] *The Risk Control Committee is the collegial (non-decision-making) body responsible for overseeing and controlling the risks of HCBE and its branches.*

Local Meeting	Local Meeting Frequency	HCBE Reference Committee
Risk Approval Meeting	weekly	RAC[2]
Compliance and AML Meetings ("**CAM**")	monthly	CRB[3]
Accounting and Controlling Meeting ("**ACM**")	monthly	EFC[4] and ALCO[5]
Service Quality Review Meeting ("**SQM**")	monthly	SQC[6]
Sales and Marketing Meeting ("**SMM**") - Products and Insurance Meeting ("**PIM**")	monthly	M&CC[7]
Audit and Information Security Meeting ("**AISM**")	quarterly	ISSC[8]

Internal Controls System

In terms of internal control governance, HCBE, Italian branch is in all respects an integral part of HCBE. In more detail, the internal controls system (**ICS)** adopted by the Italian branch reflects the Santander Group's model of the three lines of defense **(LoD)** also implemented by HCBE.

This governance model provides for three levels of control:

(a) the first level of defense (**1st LoD**) is responsible for defining and implementing business processes and related controls. The 1st LoD covers all the operational processes of HCBE, Italian branch and assumes that each process manager carries out line checks on their daily operational activity. Process operational guidelines, including associated risks and controls, are defined within specific policies and work instructions (e.g., internal procedures, manuals, etc.). The organizational structure of HCBE, Italian branch as well as the clear division of roles and responsibilities of the employees of HCBE, Italian branch guarantee compliance with individual competences and the principle of segregation *of duties* provided for by regulatory legislation. In addition, line controls on processes, performed by *the process owners* themselves, ensure that risks in operational processes are minimized.

(b) The second level of defense (**2LoD**): is responsible for monitoring the risk exposure of the business according to a holistic view, as well as for developing or implementing control methods and measures. The 2LoD has a supervisory function between different organizational units, on processes or business areas.

(c) The Third Level of Defense (**3LoD**) is responsible for the regular independent assessment of the adequacy of internal controls and the effectiveness of internal control processes. The scope of the *Internal Audit* function covers the entire organizational structure, processes, and IT systems. At the central level, the *Internal Audit* function is headed by the Internal Audit Officer ("*CAE*") of HCBE

[2] Il Risk Approval Committee is a decision-making body responsible for approving the models, policies, and procedures of HCBE and related branches with regard to risk management and risk control.
[3] The Compliance Risk Board is the non-decision-making body in which fundamental topics, events, and developments with impact on the state of compliance with HCBE and branches are presented, examined, and discussed.
[4] The EFC is the collegiate (non-decision-making) body responsible for the adequacy and efficiency of HCBE's financial activities, including its branches.
[5] ALCO is a non-decision-making body responsible for the effective management of the financial statements, as well as the structural and liquidity risks of HCBE, including its branches.
[6] The SQC is the collegiate (non-decision-making) body responsible for matters relating to the quality of the services provided by SCB AG and its affiliates under the service agreement entered with HCBE.
[7] The M&CC is the collegial (non-decision-making) body responsible for marketing or commercial matters of HCBE, including its branches.
[8] The Internal Audit Committee is an advisory body to the Managing Directors (without decision-making power per se) and responsible for the fairness of the overall audit activity of HCBE, including its branches.

and carries out its activity with the operational support of SCB AG (within the *Baas* model). At local level, the *governance* model adopted provides that the *audit* activities carried out at HCBE, Italian branch are carried out under the responsibility of the Internal *Audit* function of HCBE as part of the approved annual audit plans.

HCBE, Italian branch is generally included in the scope of external audits to which HCBE is also regularly subject.

In 2022 HCBE, Italian branch adopted the Organization, Management and Control Model (**Model**) pursuant to art. 6 of Legislative Decree no. 231 of 8 June 2001 (**Legislative Decree 231/2001**).

The Model was recently updated (on 23 July 2024) in accordance with the regulatory changes that occurred during 2023 and 2024 and is divided into:

(a) **General Part**, in which the regulatory framework is provided, and the role of the Supervisory Body is described, as well as the new structure of the system of circumstantiated reporting of unlawful conduct (so-called whistleblowing), as outlined by Legislative Decree 24/2023;

(b) **Code of Ethics**, which sets out the principles and rules of conduct to which the subjects operating for HCBE, Italian branch must comply with;

(c) **Sanctioning System**, which indicates the sanctions applied in case of violation of the provisions of the Model;

(d) **Special Part**, in which, on the basis of the evidence emerged during the risk assessment, the predicate crimes assessed as being at risk of commission in the context of HCBE, Italian branch's operations are indicated and, for each category, the company activities in which a crime could be committed have also been identified, as well as the areas / functions involved and the possible methods of committing the crime.

HCBE, Italian branch has also established a specific control body ("Supervisory Body" or "*Organismo di Vigilanza*"), autonomous and independent. The Supervisory Body has been assigned the duty to monitor constantly:

(a) the compliance with the Model by all recipients;

(b) on the actual effectiveness of the same in preventing the commission of crimes;

(c) on the implementation of the provisions contained therein;

(d) on its updating, in the event that there is a need to adapt the Model to the corporate structure and organization or to the reference regulatory framework, due to changes.

For the performance of the assigned tasks, the Supervisory Body is vested with all the powers of initiative and control, inspections, access to company documentation on each activity and level of personnel. The Supervisory Body reports directly to the Branch Managers of HCBE, Italian branch and it is currently composed by Avv. Andrea Polizzi (external member and chairman) and Calogero Costa (General Counsel of HCBE, Italian branch, as internal member).

THE CREDIT AND COLLECTION POLICIES

1. INTRODUCTION ON CREDIT ASSESSMENT PROCESS

The admission phase brings together the activities that lead to risk authorization for customers. It includes as an essential element the identification and assessment of the customer and of the risk whose authorization is proposed, through the use of evaluation models and the application of consolidated strategies. The acceptance of risk also follows appropriate channels according to the type of customer.

The process of analysis of the client's request consists of the following phases:

(a) Data Entry

(b) Documentation check

(c) Decision Phase

(d) Formalization phase

Each stage of the process is linked to a given dossier status.

In the following paragraphs the standards that regulate the above-mentioned phases will be explained.

1.1 Data Entry

Data Entry is the first step in the operational process of a loan application and the importance of this phase can be summarized as follows:

- Perform a correct evaluation of the creditworthiness of the customer.
- Allow correct identification / knowledge of the customer with an AML risk perspective.
- Facilitate the potential phase of collection, through the validation of address, telephone number and e-mail addresses.

The distribution channels for the sales of the Seller products are those listed below, and they identify the actors involved in the loading phase:

- **Dealers**: the products are sold directly by our dealers, who carry out the data entry phase through a dedicated web portal
- **Internet**: some of the Bank's products are sold through the Bank's website and selected websites.

Here below a synthetic reproduction of the different loading channels:

Loading Actor	Product Type		Data Entry method
	Auto Loans	Leasing	
Dealer	X	X	MC
Websites	X	X	MC (Data Entry done by the customer)

Where MC means telematic upload: this is a data entry system that is carried out directly on web portals.

In this phase, the following information must be inserted in the system / portal:

- socio-demographic characteristics;
- financial plan information (amount, asset subject to financing, etc.).

During the data entry phase, system performs anti-money laundering and anti-fraud checks. Once these checks are over, the system proceeds to query the Credit Bureaus.

1.2 Documentation check

Once the data collection is complete, the loans are assigned to the actors in charge of the preliminary evaluation.

The preliminary evaluation is the second phase of the operational process of the underwriting process, and at this stage the Bank aims to determine the accuracy, validity, and completeness of the data provided by the potential customer when the loan application was submitted.

An adequate control of the documentation provided by the customer allows the Bank to:

- Make a proper assessment of the credit quality of the customer.
- Create a valid and certified database, which will help in the near future to:
  - Perform portfolio analysis based on data that reflects the reality of the market.
  - Identify or confirm the discriminating variables in the acceptance phase.
  - Develop new scoring models that reflect market trends.

Here below a synthetic table of the bodies involved in the evaluation:

Loading Actor	Loading Channel	Preliminary Evaluation Body
Dealer	MC	Underwriting department
Websites	MC	Underwriting department

1.3 Decision Phase

This phase of the underwriting process and the assignment to the competent corporate bodies, to different structures according to grids showing the authorization levels.

Concretely, the result of the evaluation phase consists in the attribution of a definitive state to the loan application, distinguishable in an APPROVAL or in a REJECTION.

The decision- engine, on the basis of the data provided during the data entry, then proceeds to assign to the loan application a result of:

- Automatic Rejection (RA);
- Automatic Approval (AA);
- Manual Review (RM).

The decision engine therefore has the task of supporting the operator distinguishing between good customers and bad customers (i.e. with risk insolvency) in order to reduce the level of credit risk of the Bank. The technique used to manage this issue is the “Credit Scoring”.

Credit Scoring, through the use of decision models (rating) and policy rules, allows summarizing the credit quality of the counterparty, reflecting the probability of default within a one-year horizon.

For each loan where the decision engine assigns the manual review only an authorized operator can approve or reject the loan.

Each operator has different approval limits based on his skill and role. The approval limits are managed by the system and decided by the Credit department; they are different for each product and are based on:

(a) Final score of the contract;

(b) Policy override: maximum level of credit policy rules that can be overridden by the analyst in the approval process;

(c) Amount of the loan that is requested;

(d) Total exposure of the costumer with HCBE, Italian branch.

1.4 Formalization Phase

The Formalization Phase is the last operational phase of the underwriting process; the beneficiary is the dealer.

2. INTRODUCTION ON THE MANAGEMENT OF DEBT RECOVERIES

The standard payment dates for HCBE, Italian branch Auto Contracts is on the 1st or 15th of each month.

The recovery process starts at the end of the 1st Days Past Due (hence DPD), in case of direct debit payment method, or at the end of the 5th DPD, in case of postal slips payment method.

The Collection Business Unit, which manages the consumer recovery portfolio, is divided into three structures:

(a) *Massive Collection* and *Commercial Network*, dealing with the recovery of unpaid amount from 1 to 180 DPD;

(b) *Late Collection* which deals with the management of recovery after 180 DPD or acceleration.

Acceleration (Decadenza dal Beneficio del Termine) is a communication sent to the debtor, via letter, by which this latter is declared forfeited from the benefit of the term due to his default to re-pay at least 2 (two) instalments of the loan at the relevant deadlines (or due to other events set forth in the financial contract) and therefore urged to reimburse within 30 days the entire loan due (principal and interest due and unpaid) net of not accrued interests, after which the contract is terminated. Acceleration generally occurs when the loan has 360DPD, unless certain circumstances suggest anticipating the acceleration communication.

2.1 Massive collection and Commercial Network

The first two structures manage the portfolio according to risk amount. The criteria for the subdivision of items are as follows:

- 1 to 30 DPD: all contracts are managed by Massive Collection;
- 31-120 DPD: the risk amount is < € 5,000.00 management is the responsibility of the Massive Collection department; if the risk amount is > € 5,000.00 it is managed by the Commercial Network;
- 121 to 180 DPD: all contracts are managed by Massive Collection.

From 1 to 180 days past due, collection activity is performed as follow: sending of SMS and e-mail with a link for digital payment on all items;

- sending of a reminder letter only for Postal Slip methods;
- direct-debit reissues (ri-emissione SDD) for cases with this method of payment;
- for management relating to Massive Collection: Phone Collection activities through external recovery agencies, telephone contact is via expertise of external agencies who seek the client at all the addresses available on file. External agencies are constantly coordinated and monitored by personnel of Collection Business Unit;
- for Commercial Network Department, management through external recovery agencies specialised in Home Collection activities who visit the client at all the addresses available on file. External agencies are constantly coordinated and monitored by internal staff of the Collection Business Unit;
- later, in support of recovery, there may be sent (including at the discretion of the telephone operator) further SMS messages, e-mail or reminder letter.

In the last phase of management, a written reminder is issued by a law firm.

2.2 Late collection

Late Collection is divided into two structures, out-of-court settlement (**Extra-Giudiziale**) and court litigation (**Giudiziale**).

Extra-Giudiziale apply for late collections but also for massive and commercial network phase. Extra-judicial management go ahead with the activity of phone and home collection, through external companies other than those that managed the previous phases of Massive Collection and Commercial Network: the letters and telephone reminders continue until expiry of the 12th instalment (or a delay equal to approximately 360 days for completely expired contracts) upon which the debtor and any co-debtors are formally in acceleration (if the instalment payment plan has not yet expired) or notice given receiving the contract termination (when the last instalment of the original instalment payment plan has been reached).We can apply court litigation process only after the acceleration, when the conditions are right to initiate legal proceedings to recover the debt and the customer has assets that can be attacked

The Judicial Litigation Office (Giudiziale) manages also contracts that request of specific management, for example:

(a) the Debtor of the financing, sole signatory, has died;

(b) the Debtor is bankrupt or subject to other insolvency proceedings;

(c) the Debtor is held in custody;

(d) the Debtor has moved abroad;

(e) false income statement;

(f) identity theft, the Debtor does not exist;

(g) the vehicle which is the purpose of financing is not registered at the PRA (Public Vehicle Register) in the name of the loan holder or other signatories (this situation constitutes an irregularity of the Partner and legitimizes request for payment both from the client and, alternatively, the Dealer);

(h) financed goods not delivered or totally non-functional or non-conforming (this case involves release of the Debtor and obligation of the Dealer to cancel the item);

(i) service financed not provided (as above);

(j) revocation or termination validly exercised by the Debtor.

Debt recovery differs depending on the case in question and may be settled out of court, by telephone collection activities and written reminders or, where appropriate, be dealt with by the courts.

Notwithstanding the different management required depending on the particular facts of each case, may also be made by:

- requiring a repayment plan with or without promissory notes;
- repayment plans with a deferred payment.

2.3 Products for the management of a client with more than 1 Day Past Due (Massive, Commercial Network and Late Collections)

The products used for the management of a client in with at least one installment due and unpaid are defined as follows:

- **Restructuring**: this action allows to modify the original amortization plan. Could be done both in cases of less or more than 90 days past-due;

- **Refinancing**: allows to open a new loan with the contextual prepayment of the original one, modifying the amortization plan. It is done both in cases of less or more than 90 days past-due.

- **Deferral (Accodamento)**: the possibility of deferring to the end of the original amortization plan, this product may be used on the original contract (auto, durables and direct loan) and on the restructured/refinanced product using the rules outlined in this document.

The restructured and refinanced contract must retain the same counterparties as the contract to be renegotiated, except in special cases of premature death or proven unavailability of the guarantor, who must be replaced with a secondary figure with equal profile and the same guarantees.

Additional insurance is not possible, if the client already had insurance coverage, it would remain active until the original term of the plan.

In case of acceleration, no of the above instruments is proposed to the customer.

(a) **Exclusions**

The products of restructuring, refinancing and deferral will be offered to clients only after careful evaluation of the client and in particular, for contracts with less than 90 days of delay, it is forbidden to:

(i) restructure or refinance financing external to HCBE, Italian branch and for amounts in excess of the exposure currently in place with HCBE, Italian branch;

(ii) lose of safeguards previously acquired;

(iii) restructure or refinancing of leasing, credit cards (if only such a product is present) and salary assignment;

(iv) restructure or refinance a client who will be over 85 years of age at the final maturity of the loan, for both men and women;

(v) restructure or refinancing with a residual final maturity higher than 120 months;

(vi) restructure or refinancing with the amount awarded being less than € 1,000;

(vii) restructure or refinancing with an instalment amount of less than € 30;

(viii) restructure or refinancing contracts with less than 12 paid instalments;

(ix) restructure or refinancing a previous loan with less than 3 residual instalments (except in the case of balloon payments);

(x) contact the client through marketing activities;

(xi) Refinance the client with a new loan (new loan, auto, finalized, or personal loan) until the outstanding refinancing has been repaid in full;

(xii) Counterparties with outstanding loans and/or legal entities with overdrafts > 20%.

(xiii) Restructuring or refinancing using Flex/Balloon/Posticipate tables

In particular circumstances, where it is necessary to manage exceptions, it will be possible to act in derogation of the above points, subject to the approval of the Risk Approval Meeting or of the Collection Meeting.

(b) **Limits**

The deferrals, restructuring and refinancing products shall not exceed the sum of 3 products in any of their forms, in a period of five years per client.

Also, note that the minimum amount of the instalment must cover at least the ordinary interests of the new operation.

With regard to this rule, the following is specified:

Restructuring product

The refinanced product can be used only if 12 instalments have been paid. This tool cannot be used at most once in twelve months and thrice in five years in the history of the product (max thrice in 5 years).

Refinancing product

The refinanced product can be used only if 12 instalments have been paid. This tool cannot be used at most once in twelve months and thrice in five years in the history of the product (max thrice in 5 years).

Deferral product

Instalments in arrears at the end of the amortization plan cannot be greater than 2 instalments at the time of application of the product.

The client must demonstrate the ability to repay at least one instalment and, following deferral of max two instalments, his position should be regularized.

Example:

Contract with 5 instalments, two instalments are queued, the remaining instalments must be paid by the client.

2.4 Payment method for Collection recoveries

During the recovery process, the client can choose the payment method between Postal Payment Slip or SEPA Direct Debit (Italian abbreviation SDD). Moreover, at any time during the life of the loan, the client can change the payment method.

SDD (SEPA direct debit)

Given the strong interest in increasing as much as possible the percentage of contracts in which the payment method is direct debit, HCBE Italian branch has progressively implemented internal procedures with the aim of reaching the highest levels of efficiency.

The current procedure involves the use of SEPA (the European Interbank Network) to support the different phases of the management of collection. In detail:

- the client signs the authorization to debit his bank account by direct debit, by placing his signature in a special box on the title page of the financing agreement;

- on loading onto the system, a message is prepared according to the technical standards required by current procedures, containing the personal details of the client and the particulars of his bank account; this message, through the European Interbank Network, is sent to the client's bank which, subject to verification of correctness/content match of the message, will activate the procedure.

Once evidence of activation of the direct debit procedure has been obtained, in a manner consistent with applicable inter-banking law, HCBE Italian branch, through the European Interbank Network, presents the request for payment of each instalment to the client's bank with an advance generally between 5 and 8 days with respect to the due date, receiving the credit on the due date itself (or within the working day immediately following is the latter, if not a bank working day); within 15 days (on average 4 working days) after the expiration notice, HCBE Italian branch receives through the European Interbank Network any message by which the outstanding client's bank announces its inability to charge the client's bank account. Such a message will contain a code for the reasons why the bank has not been able to finalize the payment.

Following the entry into force of the European PSD legislation, the client has the right to have his own bank make the unresolved message available up to 6 weeks from its presentation.

Postal slip

If the client has opted for postal slip payment method, after conclusion of a loan agreement, within 10 working days, Postel receives a request for printing and shipment to the client's home of a booklet of postal payment slips to be used in payment of all instalments due.

Each slip contains, in particular, the pre-printed indication of the number of the financing contract, the due date and the amount of the instalment to which it relates as well as the "*giro*" account number with HCBE Italian branch to which the amounts to be paid are to be credited.

The client can make payment at any Post Office. Poste Italiane S.p.A. now enables very rapid receipt (average two/three days from the date of execution) of daily information about payments made by clients as well as obtaining availability of funds in their postal account just as quickly.

The electronic flow of information is processed by HCBE Italian branch immediately it is received, and in fully automated mode. After this processing, the accounts of individual clients are updated, with the exception of some items (relating to payments not made using pre-printed slips, on average, a percentage equal to 5% of the cash received) which require manual processing by operators.

2.5 Payment Suspensions

In addition, on the above, the payment suspensions may be permitted both to bonis/performing or past due loans in case of law requirement or voluntary when circumstances suggest to (for example natural disasters, collective sectorial agreement related to extraordinary circumstances as was the case during pandemic emergency).

RISK RETENTION AND TRANSPARENCY REQUIREMENTS

Prospective Noteholders are required to independently assess and determine the sufficiency of the information described below and in this Prospectus generally for the purposes of complying with the provisions of articles 6 of the EU Securitisation Regulation and the UK Retention Rules and with the provisions of articles 7 and 22 of the EU Securitisation Regulation on transparency requirements.

Prospective investors should be aware that under the Securitisation it has not been contractually agreed to comply with the UK Transparency Rules, while contractual compliance with the UK Retention Rules is provided for only with respect to such rules as interpreted and applied on the Closing Date.

Prospective investors should also note that there can be no assurance that the information described below or in this Prospectus or to be made available to investors in accordance with article 7 of the EU Securitisation Regulation will be adequate for any prospective institutional investors to comply with their due diligence obligations under the EU Securitisation Regulation or the UK Due Diligence Rules. None of the Issuer, the Seller, the Servicer, the Arranger, the Joint Lead Managers or any other party to the Transaction Documents makes any representation that the information described below or in this Prospectus is sufficient in all circumstances for such purposes.

For further information on the requirements referred to above and the corresponding risks, please refer to the risk factors entitled "*Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes*" and "*Non-compliance with the EU Securitisation Regulation or the UK Securitisation Framework, as applicable, may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes*".

Risk retention

Under the Intercreditor Agreement, the Seller has undertaken that, from the Closing Date, it will:

(a) retain, on an on-going basis, a material net economic interest of not less than 5 (five) per cent. in the Securitisation, in accordance with option (c) of article 6(3) of the EU Securitisation Regulation and the applicable Technical Standards and the UK Retention Rules (as such rules are interpreted and applied on the Closing Date);

(b) not change the manner in which the net economic interest is held, unless expressly permitted by article 6(3) of the EU Securitisation Regulation and the applicable Technical Standards and the UK Retention Rules (as such rules are interpreted and applied on the Closing Date);

(c) procure that any change to the manner in which such retained interest is held in accordance with paragraph (b) above will be notified to the Calculation Agent to be disclosed in the SR Investors Report; and

(d) comply with the disclosure obligations imposed on originators under article 7(1)(e)(iii) of the EU Securitisation Regulation, subject always to any requirement of law, by providing the Issuer and the Calculation Agent with the relevant information about the risk retained to be disclosed in the SR Investors Report,

in each case provided that the Seller is only required to do so to the extent that the retention and disclosure requirements under the EU Securitisation Regulation and/or the UK Retention Rules (as such rules are interpreted and applied on the Closing Date) are applicable to the Securitisation.

In addition, the Seller has undertaken and warranted that:

(a) the material net economic interest held by it will not be split amongst different types of retainers and will not be subject to any credit-risk mitigation or hedging, in accordance with article 6(1) of the EU Securitisation Regulation and the applicable Technical Standards and the UK Retention Rules (as such rules are interpreted and applied on the Closing Date);

(b) it will not sell, transfer or otherwise surrender all or part of the rights, benefits or obligations arising from the material net economic interest held by it, except to the extent permitted under the EU Securitisation Regulation and the applicable Technical Standards and the UK Retention Rules (as such rules are interpreted and applied on the Closing Date), and it will not enter into any transaction synthetically effecting any of these actions;

(c) during the life of the Securitisation, it will provide the Issuer, the Arranger and the Calculation Agent with all information within its possession or control or reasonably capable of being obtained by it which is required for the purposes of complying with the EU Securitisation Regulation and the UK Retention Rules (as such rules are interpreted and applied on the Closing Date); and

(d) it has not selected the Receivables comprised in the Aggregate Portfolio with the aim of rendering losses on the Receivables transferred to the Issuer higher than the losses on comparable receivables held on the balance sheet of the Seller, pursuant to article 6(2) of the EU Securitisation Regulation and the UK Retention Rules (as such rules are interpreted and applied on the Closing Date).

Transparency requirements

Under the Intercreditor Agreement, the parties thereto have acknowledged that the Seller shall be responsible for compliance with article 7 of the EU Securitisation Regulation.

Each of the Issuer and the Seller has acknowledged and agreed that the Issuer is designated as Reporting Entity, pursuant to and for the purposes of article 7(2) of the EU Securitisation Regulation, and it has fulfilled before pricing and/or shall fulfil after the Closing Date, as the case may be, the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and article 22 of the EU Securitisation Regulation. In addition, each of the Issuer and the Seller has agreed that the Seller is designated as first contact point for investors and competent authorities referred to in article 29 of the EU Securitisation Regulation pursuant to the third sub-paragraph of article 27(1) of the EU Securitisation Regulation.

As to pre-pricing information, the Seller has confirmed that, before pricing, it has been, as originator and retainer of randomly selected exposures equivalent to not less than 5 per cent. of the nominal value of the securitised exposures and as holder of the Class Z Notes, in possession of, and has made available to potential investors in the Notes:

(a) through the Securitisation Repository, the information under point (a) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and, in draft form, the information and documentation under points (b) and (d) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation;

(b) through the Securitisation Repository and this Prospectus, data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised covering a period of at least 5 (five) years, and the sources of those data and the basis for claiming similarity, pursuant to article 22(1) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria; and

(c) through Bloomberg and Intex platforms, a liability cash flow model which precisely represents the contractual relationship between the Receivables and the payments flowing between the Seller, the investors in the Notes, other third parties and the Issuer pursuant to article 22(3) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

As to post-closing information, the relevant parties to the Intercreditor Agreement have agreed and undertaken as follows:

(a) the Servicer shall prepare the Loan by Loan Report setting out information relating to each Loan as at the end of the Collection Period immediately preceding the relevant ESMA Report Date (including, *inter alia*, the information related to the environmental performance of the assets financed by the relevant Loan, to the extent available), in compliance with point (a) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and the applicable Technical Standards, and deliver it via email and in .xlsx and .csv format to the Reporting Entity in a timely manner in order for the Reporting Entity (through the Servicer) to make available, on the Securitisation Repository, the Loan by Loan Report (simultaneously with the SR Investors Report and the Inside Information and Significant Event Report to be made available on the relevant ESMA Report Date) to the holders of a securitisation position, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes on each ESMA Report Date;

(b) the Calculation Agent shall, subject to receipt of any relevant information from the Issuer or the Servicer, as the case may be, prepare the SR Investors Report setting out certain information with respect to the Aggregate Portfolio and the Notes (including the information referred to in point (e), items (i), (ii) and (iii), of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation), in compliance with point (e) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and the applicable Technical Standards, and deliver it via e-mail and in .xlsx and .csv format to the Reporting Entity in a timely manner in order for the Reporting Entity (through the Servicer) to make available, on the Securitisation Repository, the SR Investors Report (simultaneously with the Loan by Loan Report and the Inside Information and Significant Event Report to be made available on the relevant ESMA Report Date) to the holders of a securitisation position, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes on each ESMA Report Date; and

(d) the Servicer, upon becoming aware thereof, shall be required to notify the Calculation Agent of the occurrence of any inside information or significant event pursuant to article 7(1)(g) or (f) of the EU Securitisation Regulation for the purpose of preparing the Inside Information and Significant Event Report. Following such notification, and on a quarterly basis, the Calculation Agent shall, subject to receipt of any relevant information from the Issuer or the Servicer, as the case may be, prepare the Inside Information and Significant Event Report containing the information set out in points (f) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation (including, *inter alia*, any material change of the Priority of Payments and the occurrence of a Sequential Payment Trigger Event, an Early Amortisation Event or an Issuer Event of Default), and deliver it via email and in .xlsx and .csv format to the Reporting Entity in a timely manner in order for the Reporting Entity (through the Servicer) to make available, on the Securitisation Repository, the Inside Information and Significant Event Report to the holders of a securitisation position, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes without delay following the occurrence of the relevant event or the awareness of the inside information triggering the delivery of such report in accordance with the EU Securitisation Regulation and the applicable Technical Standards and, in any case, on each ESMA Report Date (simultaneously with the Loan by Loan Report and the SR Investors Report);

(e) the Issuer shall deliver to the Reporting Entity (A) a copy of the final Prospectus, the other final Transaction Documents, the final STS Notification and any other final document or information required under article 22(5) of the EU Securitisation Regulation, in a timely manner in order for the Reporting Entity (through the Servicer) to make available, on the Securitisation Repository, such documents to the investors in the Notes by no later than 15 (fifteen) days after the Closing Date, and (B) any other document or information that may be required to be disclosed to the investors or potential investors in the Notes and the competent authorities referred to in article 29 of the EU Securitisation

Regulation and the applicable Technical Standards in a timely manner (to the extent not already provided by other parties),

in each case in accordance with the requirements provided by the EU Securitisation Regulation and the applicable Technical Standards.

Pursuant to the Intercreditor Agreement, the Seller has further undertaken to make available to the investors in the Notes on an ongoing basis and to potential investors in the Notes upon request, through Bloomberg and Intex platforms, a liability cash flow model (as updated from time to time) which precisely represents the contractual relationship between the Receivables and the payments flowing between the Seller, the investors in the Notes, other third parties and the Issuer pursuant to article 22(3) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

The Seller has also undertaken to provide (upon request or as differently provided by the EU Securitisation Regulation and the relevant Technical Standards) the further information which from time to time may be deemed necessary to ensure compliance with articles 5, 6 and 7 of the EU Securitisation Regulation, in accordance with the market practice and to the extent such information is not covered under the above paragraphs.

THE ISSUER

Introduction

The Issuer was incorporated on 20 February 2025 in the Republic of Italy pursuant to the Securitisation Law as a limited liability company under the name "Fulvia SPV S.r.l." and is a limited liability company (*società a responsabilità limitata*) with a sole quotaholder pursuant to article 3 of the Securitisation Law incorporated and operating under the laws of the Republic of Italy, having its registered office at Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, fiscal code and enrolment with the companies' register of Treviso-Belluno no. 05540920260, quota capital of Euro 10,000 fully paid-up, enrolled with the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy's regulation dated 12 December 2023 (*Disposizioni in materia di obblighi informativi e statistici delle società veicolo coinvolte in operazioni di cartolarizzazione*) under no.48684.5, having as its sole corporate object the performance of one or more securitisation transactions pursuant to the Securitisation Law. The length of life of the Issuer is until 31 December 2100. The Issuer's telephone number is +39 0438 360926. The legal entity identifier (LEI) of the Issuer is 815600283046823DB425.

Since the date of its incorporation the Issuer has carried out only the purchase of the Initial Portfolio on the Initial Purchase Date pursuant to the Master Receivables Purchase Agreement. No dividends have been declared or paid and no indebtedness, other than the Issuer's costs and expenses of incorporation, has been incurred by the Issuer. The Issuer has no employees and no subsidiaries.

The authorised and issued capital of the Issuer is Euro 10,000, fully paid up. As at the date of this Prospectus, the entire quota capital of the Issuer is directly owned by the Quotaholder, being Stichting San Siro, a Dutch law foundation (*stichting*) incorporated under the laws of The Netherlands, having its registered office at Locatellikade 1, 1076AZ Amsterdam, The Netherlands, with Italian fiscal code no. 91055210263 and enrolled with the Chamber of Commerce of The Netherlands under no. 95388966. The corporate capital of Stichting San Siro is not directly or indirectly controlled by any other entity.

Under the Quotaholder's Agreement, the Quotaholder has undertaken to exercise the voting rights and the other administrative rights in such a way as not to prejudice the interests of the Noteholders.

Further information on the Issuer is available on the Securitisation Repository. It is understood that any such website is for information purposes only, does not form part of this Prospectus and has not been scrutinised or approved by the competent authority. For further details, see the section headed "*General Information - Documents available for inspection*".

Issuer's principal activities

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

The Issuer has undertaken to observe the restrictions in Condition 4 (*Covenants*). So long as any of the Notes remains outstanding, the Issuer shall not, *inter alia*, without the prior consent of the Representative of the Noteholders, (i) engage in any activity whatsoever which is not incidental to or necessary in connection with any Further Securitisation or with any of the activities which the Transaction Documents provide for, or envisage that the Issuer may engage in, or any other activity necessary in connection therewith or incidental thereto; (ii) create, incur or permit to subsist any indebtedness whatsoever (save for any indebtedness to be incurred in relation to any Further Securitisation) in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness or of any obligation of any person; or (iii) consolidate or merge with any other person or convey or transfer any of its assets substantially as an entirety to any other person.

Sole Director and Statutory Auditors

As at the date of this Prospectus, the sole director of the Issuer is Fabio Povoledo, appointed by the Quotaholder from the date of incorporation until the date of resignation or revocation. The domicile of Fabio Povoledo, in its capacity of sole director of the Issuer, is at Via V. Alfieri, 1, 31015 Conegliano (TV), Italy.

There are no relevant activities carried out (other than that of sole director) by the sole director to be reported.

As at the date of this Prospectus, no statutory auditor has been appointed.

Capitalisation and indebtedness statement

As at the date of this Prospectus, the capitalisation of the Issuer, adjusted for the issuance of the Notes, is as follows:

Capital	*Euro*
Issued, authorised and fully paid-up capital	10,000
Loan Capital	*Euro*
Securitisation	
Euro [●] Class A1 Asset Backed Floating Rate Notes due December 2041	[●]
Euro [●] Class A2 Asset Backed Floating Rate Notes due December 2041	[●]
Euro [●] Class B Asset Backed Floating Rate Notes due December 2041	[●]
Euro [●] Class C Asset Backed Floating Rate Notes due December 2041	[●]
Euro [●] Class D Asset Backed Floating Rate Notes due December 2041	[●]
Euro [●] Class E Asset Backed Floating Rate Notes due December 2041	[●]
Euro [●] Class Z Asset Backed Variable Return Notes due December 2041	[●]
Total capitalisation and indebtedness	[●]

Save as provided for above, as at the date of this Prospectus the Issuer has no other borrowings or indebtedness in respect of borrowings (including loan capital issued or created but unissued), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees or other contingent liabilities.

Financial statements and auditor's report

The Issuer's accounting reference date is 31 December in each year starting from 31 December 2025.

As at the date of this Prospectus, no financial statements have been drawn up and no auditors have been appointed. Copies of the Issuer's annual financial statements shall be made available, upon publication, on the Securitisation Repository (for further details, see the section headed "*General Information*").

BANCA FININT

The information contained in this section of this Prospectus relates to and has been obtained from Banca Finanziaria Internazionale S.p.A.. 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 in this section of this Prospectus is correct as of any time subsequent to its date.

Banca Finanziaria Internazionale S.p.A., *breviter* Banca Finint S.p.A., is a bank incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office in Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, share capital of Euro 91,743,007.00 fully paid up, tax code and enrolment in the companies' register of Treviso-Belluno no. 04040580963, VAT Group "*Gruppo IVA FININT S.P.A.*" - VAT no. 04977190265, registered in the banks' register held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act under no. 5580 and in the register of the banking groups held by the Bank of Italy as parent company of the Banca Finanziaria Internazionale banking group, member of the "*Fondo Interbancario di Tutela dei Depositi*" and of the "*Fondo Nazionale di Garanzia*".

Under the Securitisation, Banca Finint S.p.A. will act as Calculation Agent, Corporate Servicer and Representative of the Noteholders.

BNY, MILAN BRANCH

The information contained in this section of this Prospectus relates to and has been obtained from The Bank of New York Mellon SA/NV, Milan branch. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of The Bank of New York Mellon SA/NV, Milan branch since the date hereof, or that the information contained or referred to in this section of this Prospectus is correct as of any time subsequent to its date.

The Bank of New York Mellon SA/NV is a Belgian limited liability company established on 30 September 2008 under the form of a Société Anonyme/Naamloze Vennootschap. It was granted its banking licence by the former CBFA on 10 March 2009. It has its headquarters and main establishment at Multi Tower, Boulevard Anspachlaan 1, Brussels. The Bank of New York Mellon SA/NV is a subsidiary of BNY Mellon (BNY), the main banking subsidiary of The BNY Mellon Corporation. It is under the prudential supervision of the European Central Bank and the National Bank of Belgium and regulated by the Belgian Financial Services and Markets Authority in respect of conduct of business. The Bank of New York Mellon SA/NV engages in servicing, global collateral management, global markets, corporate trust and depositary receipts. The Bank of New York Mellon SA/NV operates from locations in Belgium, Denmark, Germany, Luxembourg, Italy, France, Spain and Ireland.

The Bank of New York Mellon SA/NV, Milan branch is a bank incorporated under the laws of Belgium, having its registered office at Multi Tower, Boulevard Anspachlaan 1, - B-1000, Brussels, Belgium, acting through its Milan branch at Via Mike Bongiorno 13, 20124 Milan, Italy, fiscal code and enrolment with the companies' register of Milano - Monza Brianza - Lodi under no. 09827740961, enrolled as a "*filiale di banca estera*" under no. 8070 and with ABI code 3351.4 with the banks' register held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act (**BNY, Milan branch**).

As of the date of this Prospectus, BNY, Milan branch's long-term rating is as follows:

Asset Class	**Moody's**	**S&P**	**Fitch**	**Morningstar DBRS**
Long-term Issuer Rating	"[Aa2]"	"[AA-]"	"[AA]"	"[AA (high)]"
Short-term Deposits/Issuer Default	"[P-1]"	"[A-1+]"	"[F1+]"	"[R-1 (high)]"
Outlook	[●]	[●]	[●]	[●]

Under the Securitisation, BNY, Milan branch will act as Transaction Account Bank and Paying Agent.

THE SANTANDER GROUP

General information

Banco Santander is a Spanish bank, incorporated as *sociedad anónima* in Spain and is the parent company of Grupo Santander. Banco Santander, S.A. operates under the commercial name Santander. The Milan branch of Banco Santander does not have a separate legal personality and forms a single entity with Banco Santander.

Banco Santander, S.A. was established in the city of Santander by public deed before the notary José Dou Martínez on 3 March 1856, which was later ratified and amended in part by a second public deed dated 21 March 1857 executed before the notary José María Olarán. Banco Santander commenced operations upon incorporation on 20 August 1857 and, according to article 4 of the Bylaws, its duration shall be for an indefinite period. The Milan branch of Banco Santander was established on [●].

Banco Santander's registered office is located at Paseo de Pereda, 9-12, 39004 Santander, Spain. Banco Santander's principal executive offices are located at Santander Group City, Avda. de Cantabria s/n, 28660 Boadilla del Monte, Madrid, Spain. The registered office of the Milan branch of Banco Santander is located at Via Gaetano De Castillia 23, 20124 Milan, Italy.

Banco Santander is registered with the Companies Registry of Cantabria, and its Bylaws have been adapted to the Spanish Companies Act by means of the notarial deed instrument executed in Santander on 29 July 2011 before the notary Juan de Dios Valenzuela García, under number 1209 of his book and fled with the Companies Registry of Cantabria in volume 1006 of the archive, folio 28, page number S-1960, entry 2038. Banco Santander is also registered in the Official registry of entities of Bank of Spain with code number 0049. The Milan branch of Banco Santander is registered with the companies' register of Milano - Monza Brianza - Lodi no. 97364050159 and is enrolled as a "*filiale di banca estera*" with *codice meccanografico* no. 3389 with the register of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

Banco Santander's aim is to be the best open financial services platform, by acting responsibly and earning the lasting loyalty of its people, customers, shareholders, and communities. Its purpose is to help people and businesses prosper. Banco Santander's strategy is to create value for all its stakeholders and its business model is based on three pillars: customer focus, scale and diversification.

Brief description of current activities

Banco Santander's primary segments are comprised of five operating areas plus the Corporate Center: Retail & Commercial Banking (Retail), Digital Consumer Bank (Consumer), Corporate & Investment Banking (CIB), Wealth Management & Insurance (WM&I) and Payments. Its global reach is backed by its secondary segments are Europe, DCB (Digital Consumer Bank) Europe, North America and South America.

Primary segment

This primary level of segmentation, which is based on Banco Santander and its subsidiaries (the **Group**)'s management structure is structured into Retail & Commercial Banking (Retail), Digital Consumer Bank (Consumer), Corporate & Investment Banking (CIB), Wealth Management & Insurance (WM&I) and Payments:

(f) ***Retail & Commercial Banking (Retail)***: area that integrates the retail banking business and commercial banking (individuals, SMEs and corporates), except for business originated in the consumer finance and the cards businesses.

(g) ***Digital Consumer Bank (Consumer)***: comprises all business originated in the consumer finance companies, plus Openbank, Open Digital Services (ODS) and SBNA Consumer.

(h) ***Corporate & Investment Banking (CIB)***: this business, which includes Global Transaction Banking, Global Banking (Global Debt Financing and Corporate Finance) and Global Markets, offers products and services on a global scale to corporate and institutional customers, and collaborates with other global businesses to better serve our broad customer base.

(i) ***Wealth Management & Insurance (Wealth)***: includes the corporate unit of Private Banking and International Private Banking in Miami and Switzerland (Santander Private Banking), the asset management business (Santander Asset Management) and the insurance business (Santander Insurance).

(j) ***Payments***: the Group's digital payments solutions, providing global technology solutions for our banks and new customers in the open market. It is structured in two businesses: PagoNxt (Getnet, Ebury and PagoNxt Payments) and Cards (cards platform and business in the countries where we operate).

Secondary segment

This secondary level of segmentation areas are:

(a) ***Europe:*** which comprises all business activity carried out in the region, except that included in DCB Europe. Detailed financial information is provided on Spain, the UK, Portugal and Poland.

(b) ***DCB Europe***: includes Santander Consumer Finance, which incorporates the entire consumer finance business in Europe, Openbank in Spain and ODS.

(c) ***North America:*** which comprises all the business activities carried out in Mexico and the US, which includes the holding company (SHUSA) and the businesses of Santander Bank (SBNA), Santander Consumer USA (SC USA), the specialized business unit Banco Santander International, the New York branch and Santander US Capital Markets (SanCap).

(d) ***South America:*** includes all the financial activities carried out by Banco Santander through its banks and subsidiary banks in the region. Detailed information is provided on Brazil, Chile and Argentina.

In addition to these operating units, both primary and secondary segments, the Group continues to maintain the area of Corporate Centre, that includes the centralised activities relating to equity stakes in financial companies, financial management of the structural exchange rate position, assumed within the sphere of the Group's assets and liabilities committee, as well as management of liquidity and of shareholders' equity via issuances. As the Group's holding entity, this area manages all capital and reserves and allocations of capital and liquidity with the rest of businesses. It also incorporates goodwill impairment but not the costs related to the Group's central services (charged to the areas), except for corporate and institutional expenses related to the Group's functioning.

Capital or equivalent

As of the date of this Prospectus, the share capital of Banco Santander amounted to EUR 7,576 million represented by 15,152,492,322 shares of EUR 0.50 of nominal value each.

Banco Santander's Milan branch is not and does not constitute a separate legal person from Banco Santander and as such it does not have a separate equity share capital from Banco Santander.

List of main shareholders

At 31 December 2024, no shareholder held more than 3% of Banco Santander's total share capital (which is the threshold generally provided under Spanish regulations for a significant holding in a listed company to be

disclosed). Even though at 31 December 2024, certain custodians appeared in its shareholders registry as holding more than 3% of its share capital, Banco Santander understand that those shares were held in custody on behalf of other investors, none of whom exceeded that threshold individually. These custodians were State Street Bank (15.26%), The Bank of New York Mellon Corporation (7.16%), Chase Nominees Limited (6.01%), Citibank New York (3.99%) and BNP (3.36%).

At 31 December 2024, neither Banco Santander's shareholders registry nor the CNMV's registry showed any shareholder residing in a non-cooperative jurisdiction with a shareholding equal to, or greater than, 1% of its share capital (which is the other threshold applicable under Spanish regulations).

Listing of the shares

Banco Santander's shares are listed on the Spanish stock exchanges (Madrid, Barcelona, Bilbao and Valencia, with trading symbol SAN), the New York Stock Exchange (NYSE) (in the form of ADSs), with trading symbol SAN and where each ADS represents one share of Banco Santander), the London Stock Exchange (in the form of Crest Depositary Interests (**CDI**)), with trading symbol BNC and where each CDI represents one share of Banco Santander) and the Warsaw Stock Exchange (with trading symbol SAN). They also trade on the unsponsored Sistema Internacional de Cotizaciones of the Mexican Stock Exchange (with trading symbol SANN).

Composition of governing bodies and supervisory bodies

As at the date of this Prospectus, the members of the Board of Directors of Banco Santander are:

Name	**Function**
Ms Ana Botín-Sanz de Sautuola y O'Shea	Group Executive Chairman
Mr Héctor Blas Grisi Checa	Executive Director Chief executive officer (CEO)
Mr Glenn Hutchins	Executive director Vice chairman and lead independent director
	Non-executive director (independent)
Mr. José Antonio Álvarez Álvarez	Vice chairman
Ms Homaira Akbari	Non-executive director (independent)
Mr. Juan Carlos Barrabés	Non-executive director (independent)
Mr Javier Botín-Sanz de Sautuola y O'Shea	Non-executive director
Ms Sol Daurella Comadrán	Non-executive director (independent)
Mr Henrique de Castro	Non-executive director (independent)
Ms Gina Díez Barroso	Non-executive director (independent)
Mr Luis Isasi Fernández de Bobadilla	Non-executive director

Mr Germán de la Fuente	Non-executive director (independent)
Mr Antonio Weiss	Non-executive director (independent)
Ms Belén Romana García	Non-executive director (independent)
Ms Pamela Walkden	Non-executive director (independent)
Mr Jaime Pérez Renovales	General secretary and secretary of the board

As at the date of this Prospectus, the members of the Executive Committee of Banco Santander are:

Composition	**Name**	**Category**
Chairman	Ms Ana Botín-Sanz de Sautuola y O'Shea	Executive
Members	Mr. Héctor Blas Grisi Checa	Executive
	Mr José Antonio Álvarez Álvarez	Other external (neither proprietary nor independent)
	Mr Luis Isasi Fernández de Bobadilla	Other external (neither proprietary nor independent)
	Ms Belén Romana García	Independent
Secretary	Mr Jaime Pérez Renovales	-

USE OF PROCEEDS

The net proceeds of the issuance of the Notes (being equal to Euro [●]) will be applied by the Issuer on or about the Closing Date:

(a) to pay an amount equal to Euro [●] as Purchase Price for the Initial Portfolio to the Seller by applying the proceeds of the issuance of the Senior Notes and the Mezzanine Notes;

(b) to credit an amount equal to Euro [●] as Liquidity Reserve Initial Amount to the Liquidity Reserve Account by applying the proceeds of the issuance of the Class E Notes;

(c) to credit an amount equal to Euro [50,000] as Retained Expenses Amount to the Expenses Account by applying the proceeds of the issuance of the Class Z Notes;

(d) to pay an amount equal to Euro [1,150,000] as up-front fees, costs and expenses by applying the proceeds of the issuance of the Class Z Notes; and

(e) to credit an amount equal to Euro [●] remaining after making payments under paragraphs (a) to (d) (inclusive) above to the Collection Account.

TERMS AND CONDITIONS OF THE NOTES

Euro [●] Class A1 Asset Backed Floating Rate Notes due December 2041
Euro [●] Class A2 Asset Backed Floating Rate Notes due December 2041
Euro [●] Class B Asset Backed Floating Rate Notes due December 2041
Euro [●] Class C Asset Backed Floating Rate Notes due December 2041
Euro [●] Class D Asset Backed Floating Rate Notes due December 2041
Euro [●] Class E Asset Backed Floating Rate Notes due December 2041
Euro [●] Class Z Asset Backed Variable Return Notes due December 2041

General

On [●] 2025 (the **Closing Date**) the Issuer will issue Euro [●] Class A1 Asset Backed Floating Rate Notes due December 2041 (the **Class A1 Notes**), Euro [●] Class A2 Asset Backed Floating Rate Notes due December 2041 (the **Class A2 Notes** and, together with the Class A1 Notes, the **Class A Notes** or the **Senior Notes**), Euro [●] Class B Asset Backed Floating Rate Notes due December 2041 (the **Class B Notes**), Euro [●] Class C Asset Backed Floating Rate Notes due December 2041 (the **Class C Notes**), Euro [●] Class D Asset Backed Floating Rate Notes due December 2041 (the **Class D Notes** and, together with the Class B Notes and the Class C Notes, the **Mezzanine Notes**), Euro [●] Class E Asset Backed Floating Rate Notes due December 2041 (the **Class E Notes** and, together with the Senior Notes and the Mezzanine Notes, the **Rated Notes**) and Euro [●] Class Z Asset Backed Variable Return Notes due December 2041 (the **Class Z Notes** or the **Junior Notes** and, together with the Senior Notes, the Mezzanine Notes and the Class E Notes, the **Notes**).

The Issuer is a limited liability company (*società a responsabilità limitata*) with a sole quotaholder pursuant to article 3 of the Securitisation Law incorporated under the laws of the Republic of Italy, having its registered office at Via V. Alfieri 1, 31015 Conegliano (TV), Italy, fiscal code and enrolment with the companies' register of Treviso-Belluno no. 05540920260, quota capital of Euro 10,000 fully paid-up, enrolled with the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy's regulation dated 12 December 2023 (*Disposizioni in materia di obblighi informativi e statistici delle società veicolo coinvolte in operazioni di cartolarizzazione*) under no. 48684.5, having as its sole corporate object the performance of one or more securitisation transactions pursuant to the Securitisation Law.

The principal source of payments of interest or Variable Return (as applicable) and repayment of principal on the Notes will be the proceeds of the Aggregate Portfolio and the other Securitisation Assets. Pursuant to the terms of the Master Receivables Purchase Agreement, the Seller has assigned and transferred to the Issuer, which has purchased, without recourse (*pro soluto*), in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the relevant articles of Law 52 referred to therein, the Initial Portfolio with economic effects from (but excluding) the Initial Valuation Date and legal effect from (and including) the Initial Purchase Date. In addition, during the Replenishment Period and provided that no Early Amortisation Event has occurred, the Seller may assign and transfer to the Issuer, which shall purchase from the Seller, without recourse (*pro soluto*), in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the relevant articles of Law 52 referred to therein, Additional Portfolios, with economic effects from (but excluding) the relevant Subsequent Valuation Date and legal effects from (and including) the relevant Subsequent Purchase Date. The Purchase Price for the relevant Additional Portfolio shall not exceed the Replenishment Available Amount.

The Purchase Price for the Initial Portfolio will be financed by the Issuer using the proceeds of the issuance of the Notes (other than the Class E Notes and the Class Z Notes) and will be payable to the Seller on the Closing Date.

The Purchase Price for each Additional Portfolio will be paid by the Issuer on the Payment Date immediately succeeding the relevant Subsequent Purchase Date out of the Available Principal Amounts available for such purpose, in accordance with the Pre-Enforcement Principal Priority of Payments.

The Notes will benefit of the provisions of the Securitisation Law pursuant to which the Aggregate Portfolio and the other Securitisation Assets will be segregated (*costituiscono patrimonio separato*) under Italian law from all other assets of the Issuer and from the assets relating to any Further Securitisation and will only be available, both before and after a winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any Connected Third Party Creditor. The Notes will have also the benefit of the Issuer Transaction Security.

The Aggregate Portfolio and the other Securitisation Assets may not be seized or attached in any form by creditors of the Issuer other than the Noteholders, the Other Issuer Creditors and any Connected Third Party Creditor until full discharge by the Issuer of its payment obligations under the Notes and/or cancellation thereof. Pursuant to the terms of the Intercreditor Agreement, the Issuer has empowered the Representative of the Noteholders, following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or a Specified Event, to exercise all the Issuer's rights, powers and discretions under the Transaction Documents taking such action in the name and on behalf of the Issuer as the Representative of the Noteholders will deem necessary to protect the interests of the Issuer, the Noteholders and the Other Issuer Creditors in respect of the Aggregate Portfolio and under the Transaction Documents. Italian law governs the delegation of such power.

Certain of the statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Transaction Documents. Copies of the Transaction Documents are available for inspection on the Securitisation Repository. 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. No amendment to the provisions of these Conditions or the Transaction Documents shall constitute a novation (*novazione*) of the Notes within the meaning of article 1230 of the Italian civil code.

The Noteholders are deemed to have notice of, are bound by and shall have the benefit of, *inter alia*, the Rules of the Organisation of the Noteholders, which constitute an integral and essential part of these Conditions. The Rules of the Organisation of the Noteholders are attached hereto as Schedule 1. The rights and powers of the Representative of the Noteholders and the Noteholders may be exercised only in accordance with these Conditions, the Rules of the Organisation of the Noteholders and the Intercreditor Agreement.

Each Noteholder, by reason of holding one or more Notes, recognises the Representative of the Noteholders as its representative, acting in its name and on its behalf, and agrees to be bound by the terms of the Transaction Documents to which the Representative of the Noteholders is a party as if such Noteholder was itself a signatory thereto.

In these Conditions the following defined terms have the meanings set out below:

Account Banks means, collectively, the Transaction Account Bank and the Collection and Liquidity Reserve Account Bank, and **Account Bank** means each of them.

Accounts means the Collection Account, the Liquidity Reserve Account, the Expenses Account, the Payments Account, the Swap Cash Collateral Account, the Securities Account (if any), the RSF Reserve Account (if any) and any other account which may be opened by the Issuer under the Securitisation in accordance with the Transaction Documents.

Additional Portfolio means any portfolio of Receivables purchased by the Issuer from the Seller during the Replenishment Period pursuant to the terms of the Master Receivables Purchase Agreement.

Additional Portfolio Transfer Proposal means the transfer proposal to be executed in relation to the transfer of an Additional Portfolio, in the form attached as schedule 4 (*Form of Additional Portfolio Transfer Proposal*) to the Master Receivables Purchase Agreement.

Agency and Accounts Agreement means the agency and accounts agreement entered into on or about the Closing Date between the Issuer, the Servicer, the Calculation Agent, the Transaction Account Bank, the Collection and Liquidity Reserve Account Bank, the Paying Agent, the Corporate Servicer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

Agents means, collectively, the Account Banks, the Custodian (if any), the Calculation Agent and the Paying Agent.

Aggregate Interest Amount has the meaning ascribed to such term in Condition 5(f) (*Interest and Variable Return - Calculation of Interest Amount, Aggregate Interest Amount and Variable Return*).

Aggregate Portfolio means, collectively, the Initial Portfolio and the Additional Portfolios transferred by the Seller to the Issuer pursuant to the Master Receivables Purchase Agreement and the relevant Transfer Agreement (if any).

Aggregate Portfolio Repurchase Option means the option, pursuant to article 1331 of the Italian civil code, granted by the Issuer to the Seller to repurchase the Aggregate Portfolio following the occurrence of a Clean-up Call Event or a Tax Event pursuant to the terms and subject to the conditions set out in the Master Receivables Purchase Agreement.

Alternative Base Rate has the meaning ascribed to such term in Condition 5(d)(iii) (*Interest and Variable Return - Fallback provisions*).

Amortisation Period means the period commencing on (and including) the Payment Date immediately following the end of the Replenishment Period and ending on (and including) the Cancellation Date.

Amortisation Plan means, with reference to each Receivable, the amount and the payment date of the Instalments scheduled in the relevant Loan Contract.

Arranger means Banco Santander.

Available Interest Amounts means, in respect of any Payment Date, the aggregate (without double counting) of:

(a) all Interest Collections received by the Issuer in respect of the Aggregate Portfolio in relation to the immediately preceding Collection Period;

(b) all Recoveries received by the Issuer in respect of the Aggregate Portfolio (including the proceeds of the sale or repurchase of any Defaulted Receivables) in relation to the immediately preceding Collection Period;

(c) all amounts payable to the Issuer under or in relation to the Swap Agreement in respect of such Payment Date (other than any early termination amount or Replacement Swap Premium and any Swap Collateral, Swap Tax Credits, Excess Swap Collateral, or any other amount standing to the credit of the Swap Cash Collateral Account);

(d) notwithstanding item (c) above, (i) any early termination amount received from the Interest Rate Swap Counterparty in excess of the amount required and applied by the Issuer to enter into one or more replacement swap agreements, and (ii) any Replacement Swap Premium received from a replacement Interest Rate Swap Counterparty in excess of the amount required and applied to pay the outgoing Interest Rate Swap Counterparty;

(e) all amounts on account of interest, premium or other profit received, up to the immediately preceding Eligible Investments Maturity Date, from any Eligible Investments made in accordance with the Agency and Accounts Agreement using funds standing to the credit of the Collection Account and the Liquidity Reserve Account in relation to the immediately preceding Collection Period;

(f) the Liquidity Reserve Amount as at the immediately preceding Payment Date (after making payments due under the Pre-Enforcement Interest Priority of Payments on that Payment Date) or, in respect of the first Payment Date, the Liquidity Reserve Initial Amount;

(g) all amounts of interest accrued (net of any withholding or expenses, if due) and paid on the Collection Account, the Liquidity Reserve Account and the Payments Account during the immediately preceding Collection Period;

(h) any amounts allocated under item (i) (*first*) of the Pre-Enforcement Principal Priority of Payments on such Payment Date;

(i) any amounts allocated under item (xi) (*eleventh*) of the Pre-Enforcement Principal Priority of Payments on such Payment Date;

(j) any Available Interest Amounts relating to the immediately preceding Payment Date, to the extent not applied in full on that Payment Date; and

(k) any other amount (other than any amount on account of principal) received by the Issuer from any Transaction Party pursuant to the Transaction Documents in relation the immediately preceding Collection Period and not already included in any of the other items of this definition of Available Interest Amounts (but excluding any undue amount to be returned to the Seller or the Servicer pursuant to the Master Receivables Purchase Agreement or the Servicing Agreement, as the case may be, and any amount credited to the RSF Reserve Account),

provided that, prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), if the Servicer fails to deliver the Servicer's Report to the Calculation Agent by the relevant Servicer's Report Date (or such later date as may be agreed between the Servicer and the Calculation Agent which enables the latter to prepare and deliver the Payments Report in a timely manner), the Available Interest Amounts in respect of the relevant Payment Date shall be limited to the amounts necessary to pay interest on the Senior Notes (and, as long as no relevant Mezzanine Interest Subordination Event has occurred in respect of such Payment Date in relation to a Class of Mezzanine Notes, interest on such Class of Mezzanine Notes) and any amounts ranking in priority thereto under the Pre-Enforcement Interest Priority of Payments.

Available Distribution Amounts means, in relation to each Payment Date, the aggregate of the Available Interest Amounts and the Available Principal Amounts.

Available Principal Amounts means, in respect of any Payment Date, the aggregate (without double counting) of:

(a) all Principal Collections received by the Issuer in respect of the Aggregate Portfolio in relation to the immediately preceding Collection Period;

(b) any amounts allocated under item (x) (*tenth*) of the Pre-Enforcement Interest Priority of Payments on such Payment Date;

(c) any amounts credited to the Collection Account pursuant to item (ii)(B) of the Pre-Enforcement Principal Priority of Payments on any preceding Payment Date during the Replenishment Period;

(d) the proceeds deriving from the sale (if any) of the Aggregate Portfolio following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of early redemption of the Notes pursuant to Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*);

(e) on the Regulatory Change Early Redemption Date, the Regulatory Change Allocated Principal Amount (provided that such amount will be applied solely in accordance with item (v) (*fifth*) of the Pre-Enforcement Principal Priority of Payments on such Regulatory Change Early Redemption Date);

(f) any Available Principal Amounts relating to the immediately preceding Payment Date, to the extent not applied in full on that Payment Date; and

(g) any other amount received by the Issuer from any Transaction Party pursuant to the Transaction Documents in relation the immediately preceding Collection Period and not already included in any of the other items of this definition of Available Principal Amounts or the definition of Available Interest Amounts (but excluding any undue amount to be returned to the Seller or the Servicer pursuant to the Master Receivables Purchase Agreement or the Servicing Agreement, as the case may be, and any amount credited to the RSF Reserve Account),

provided that, prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), if the Servicer fails to deliver the Servicer's Report to the Calculation Agent by the relevant Servicer's Report Date (or such later date as may be agreed between the Servicer and the Calculation Agent which enables the latter to prepare and deliver the Payments Report in a timely manner), the Available Principal Amounts in respect of the relevant Payment Date shall be limited to the amounts necessary to make payments under item (i) (*first*) of the Pre-Enforcement Principal Priority of Payments.

Back-up Servicer Facilitator means Santander Consumer Finance or any other entity acting as back-up servicer facilitator from time to time under the Securitisation.

Balloon Instalment means the final larger balloon instalment due under the Balloon Loan Contracts and **Balloon Instalments** means all of them.

Balloon Loan Contracts means the loan contracts entered into between the Seller and the Borrowers, under which the Seller has granted the Balloon Loans to the relevant Borrowers.

Balloon Loans means the loans providing for a final instalment which is higher than the preceding instalments under the relevant Amortisation Plan, being alternatively:

(a) a TCM (*Trade Cycle Management*) loan in respect of which the relevant Debtor has been granted with the option to either (i) pay or refinance the Balloon Instalment and retain the Financed Vehicle or (ii) return the Financed Vehicle to the Dealer (either buying a new Financed Vehicle or not) whereupon the relevant Balloon Instalment will be due by the Dealer; or

(b) a loan in respect of which the relevant Debtor has the obligation to pay the relevant Balloon Instalment and, upon request, may be granted an extension of the loan by dividing the payment of the relevant Balloon Instalment into several additional instalments.

Banca Finint means Banca Finanziaria Internazionale S.p.A., *breviter* Banca Finint S.p.A., a bank incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office in Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, share capital of Euro 91,743,007 fully paid up, tax code and enrolment in the companies' register of Treviso-Belluno no. 04040580963, VAT Group "*Gruppo IVA FININT S.P.A.*" - VAT no. 04977190265, registered in the banks' register held by the Bank of

Italy pursuant to article 13 of the Consolidated Banking Act under no. 5580 and in the register of the banking groups held by the Bank of Italy as parent company of the Banca Finanziaria Internazionale banking group, member of the "*Fondo Interbancario di Tutela dei Depositi*" and of the "*Fondo Nazionale di Garanzia*".

Banco Santander means Banco Santander, S.A. a public limited company incorporated under the laws of Spain, whose registered office is at Paseo de Pereda 9-12, 39004 Santander, Spain, registered with the Banco de España (Bank of Spain) under no. 0049, and with Tax Identification Code A-39000013.

Banco Santander, Milan branch means Banco Santander, S.A., a public limited company incorporated under the laws of Spain, having its registered office at Paseo de Pereda 9-12, 39004 Santander, Spain, registered with the Banco de España (Bank of Spain) under no. 0049, and with Tax Identification Code A-39000013, acting through its Milan branch at Via Gaetano De Castillia 23, 20124 Milan, Italy, fiscal code and enrolment with the companies' register of Milano - Monza Brianza - Lodi no. 97364050159, enrolled as a "*filiale di banca estera*" with *codice meccanografico* no. 3389 with the register of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

Base Rate Modification has the meaning ascribed to such term in Condition 5(d)(i) (*Interest and Variable Return - Fallback provisions*).

BNY, Milan branch means The Bank of New York Mellon SA/NV, Milan branch, a bank incorporated under the laws of Belgium, having its registered office at Multi Tower, Boulevard Anspachlaan 1, - B-1000, Brussels, Belgium, acting through its Milan branch at Via Mike Bongiorno 13, 20124 Milan, Italy, fiscal code and enrolment with the companies' register of Milano - Monza Brianza - Lodi under no. 09827740961, enrolled as a "*filiale di banca estera*" under no. 8070 and with ABI code 3351.4 with the banks' register held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

Borrowers means the individuals (*persone fisiche*) and the individual entrepreneurs (*ditte individuali*) being borrowers under the Loans.

Business Day means any day, other than Saturday or Sunday, which is not a public holiday or a bank holiday in Milan, Turin, London, Luxembourg, Frankfurt and Madrid and on which the real time gross settlement system operated by the Eurosystem (T2), or any successor thereto, is open for the settlements of payments in Euro.

Calculation Agent means Banca Finint or any other entity acting as calculation agent from time to time under the Securitisation.

Calculation Date means the date falling 4 (four) Business Days prior to each Payment Date.

Cancellation Date means the date on which the Notes will be finally and definitively cancelled, being:

(a) the earlier of (A) the Legal Maturity Date if the Notes are redeemed in full, and (B) the date on which the Notes are finally redeemed following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or pursuant to Condition 6(c) (*Mandatory redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*); or

(b) if the Notes cannot be redeemed in full on the Legal Maturity Date as a result of the Issuer having insufficient Available Distribution Amounts for application in or towards such redemption, the later of (A) the Payment Date immediately following the date on which all the Receivables will have been paid in full, and (B) the Payment Date immediately following the date on which all the Receivables then outstanding will have been entirely written off by the Issuer as a consequence of the Servicer having determined that there is no reasonable likelihood of there being any further realisations in respect of the Aggregate Portfolio and the other Securitisation Assets (whether arising from judicial

enforcement proceedings or otherwise) which would be available to pay unpaid amounts outstanding under the Notes.

Financed Vehicle Dealer means a subsidiary or a branch, as the case may be, of the Hyundai or KIA network, as the case may be, in Italy, or a vehicle dealer being franchised with the Hyundai or KIA network, as the case may be, which has entered into a sale contract (as seller) in respect of a Financed Vehicle with any person (as purchaser) who has simultaneously entered into a Loan Contract with the Seller for the purposes of financing the acquisition of such Financed Vehicle.

Financed Vehicle Manufacturer means each manufacturer of Financed Vehicles belonging to the vehicle brands owned by Hyundai or KIA, as the case may be, from time to time.

Class means a class of Notes being the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes or the Class Z Notes, as the case may be.

Class A Noteholders means the holders of the Class A Notes.

Class A Notes means, collectively, the Class A1 Notes and the Class A2 Notes.

Class A Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class A Notes.

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

Class A1 Notes means Euro [●] Class A1 Asset Backed Floating Rate Notes due December 2041.

Class A1 Pro-Rata Redemption Amount means, with reference to each Payment Date during the Pro-Rata Redemption Period, an amount equal to the lower of:

(a) the Pro-Rata Principal Payment Amount allocated to the Class A1 Notes; and

(b) the Principal Amount Outstanding of the Class A1 Notes on such Payment Date (before making payments due on such Payment Date in accordance with the Pre-Enforcement Principal Priority of Payments).

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

Class A2 Notes means Euro [●] Class A2 Asset Backed Floating Rate Notes due December 2041.

Class A2 Pro-Rata Redemption Amount means, with reference to each Payment Date during the Pro-Rata Redemption Period, an amount equal to the lower of:

(a) the Pro-Rata Principal Payment Amount allocated to the Class A2 Notes; and

(b) the Principal Amount Outstanding of the Class A2 Notes on such Payment Date (before making payments due on such Payment Date in accordance with the Pre-Enforcement Principal Priority of Payments).

Class B Interest Subordination Event means the circumstance that, on each Payment Date up to (but excluding) the earlier of (i) the Legal Maturity Date, (ii) the Payment Date following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, and (iii) the Payment Date on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled:

(a) the Class B Notes are not the Most Senior Class of Notes; and

(b) the amount debited on the Class B Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is equal to or higher than [25] per cent. of the Principal Amount Outstanding of the Class B Notes.

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

Class B Notes means Euro [●] Class B Asset Backed Floating Rate Notes due December 2041.

Class B Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class B Notes.

Class B Pro-Rata Redemption Amount means, with reference to each Payment Date during the Pro-Rata Redemption Period, an amount equal to the lower of:

(a) the Pro-Rata Principal Payment Amount allocated to the Class B Notes; and

(b) the Principal Amount Outstanding of the Class B Notes on such Payment Date (before making payments due on such Payment Date in accordance with the Pre-Enforcement Principal Priority of Payments).

Class C Interest Subordination Event means the circumstance that, on each Payment Date up to (but excluding) the earlier of (i) the Legal Maturity Date, (ii) the Payment Date following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, and (iii) the Payment Date on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled:

(a) the Class C Notes are not the Most Senior Class of Notes; and

(b) the amount debited on the Class C Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is equal to or higher than [25] per cent. of the Principal Amount Outstanding of the Class C Notes.

Class C Noteholders means the holders of the Class C Notes.

Class C Notes means Euro [●] Class C Asset Backed Floating Rate Notes due December 2041.

Class C Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class C Notes.

Class C Pro-Rata Redemption Amount means, with reference to each Payment Date during the Pro-Rata Redemption Period, an amount equal to the lower of:

(a) the Pro-Rata Principal Payment Amount allocated to the Class C Notes; and

(b) the Principal Amount Outstanding of the Class C Notes on such Payment Date (before making payments due on such Payment Date in accordance with the Pre-Enforcement Principal Priority of Payments).

Class D Interest Subordination Event means the circumstance that, on each Payment Date up to (but excluding) the earlier of (i) the Legal Maturity Date, (ii) the Payment Date following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, and (iii) the Payment Date on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled:

(a) the Class D Notes are not the Most Senior Class of Notes; and

(b) the amount debited on the Class D Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is equal to or higher than [25] per cent. of the Principal Amount Outstanding of the Class D Notes.

Class D Noteholders means the holders of the Class D Notes.

Class D Notes means Euro [●] Class D Asset Backed Floating Rate Notes due December 2041.

Class D Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class D Notes.

Class D Pro-Rata Redemption Amount means, with reference to each Payment Date during the Pro-Rata Redemption Period, an amount equal to the lower of:

(a) the Pro-Rata Principal Payment Amount allocated to the Class D Notes; and

(b) the Principal Amount Outstanding of the Class D Notes on such Payment Date (before making payments due on such Payment Date in accordance with the Pre-Enforcement Principal Priority of Payments).

Class E Noteholders means the holders of the Class E Notes.

Class E Notes means Euro [●] Class E Asset Backed Floating Rate Notes due December 2041.

Class Z Noteholders means the holders of the Class Z Notes.

Class Z Notes means Euro [●] Class Z Asset Backed Variable Return Notes due December 2041.

Clean-up Call Early Redemption Notice means the notice delivered by the Issuer following the occurrence of a Clean-up Call Event, in accordance with Condition 6(e) (*Early redemption for Clean-up Call Event*).

Clean-up Call Event means the circumstance that, on any date, the aggregate Outstanding Principal of the Receivables comprised in the Collateral Aggregate Portfolio is equal to or lower than 10 per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of the Receivables comprised in the Aggregate Portfolio.

Clearstream means Clearstream Banking, Luxembourg with offices at 42 avenue JF Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

Closing Date means the date falling on [●], on which the Notes will be issued.

Collateral Aggregate Portfolio means the Aggregate Portfolio, less any Defaulted Receivables.

Collateral Security means, with reference to each Receivable, any security interest, guarantee or other arrangement securing the payment of the Receivables.

Collection Account means the Euro denominated account with IBAN IT51V0338901600010413592250, opened in the name of the Issuer with the Collection and Liquidity Reserve Account Bank, or any other substitute account designated as such pursuant to the Agency and Accounts Agreement.

Collection and Liquidity Reserve Account Bank means Banco Santander, Milan branch or any other entity, being an Eligible Institution, acting as transaction account bank from time to time under the Securitisation.

Collection Period means (i) prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, each period commencing on (but excluding) a Cut-Off Date and ending on (and

including) the immediately following Cut-Off Date, provided that the first Collection Period will commence on (but excluding) the Initial Valuation Date and end on (and including) the Cut-Off Date falling in August 2025, or (ii) following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, any such period as determined by the Representative of the Noteholders.

Collections means all amounts on account of principal, interest, prepayment fees and other amounts received or recovered by the Issuer in respect of the Receivables.

Conditions means these terms and conditions of the Notes, and **Condition** means a condition thereof.

Connected Third Party Creditors means any creditors of the Issuer (other than the Issuer Creditors) in respect of any fees, costs and expenses in relation to the Securitisation.

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

CONSOB and Bank of Italy Joint Resolution means the resolution of 13 August 2018 jointly issued by CONSOB and Bank of Italy (named "*Disciplina dei servizi di gestione accentrata, di liquidazione, dei sistemi di garanzia e delle relative società di gestione*") containing rules on custody, clearing and settlement, as amended and/or supplemented from time to time.

Consolidated Banking Act means Italian Legislative Decree no. 385 of 1 September 1993, as amended and/or supplemented from time to time.

Consolidated Financial Act means Italian Legislative Decree no. 58 of 24 February 1998, as amended and/or supplemented from time to time.

COR means the long-term rating assigned by Morningstar DBRS to address the risk of default of particular obligations and/or exposures of certain banks that have a higher probability of being excluded from bail-in and remaining in a continuing bank in the event of the resolution of a troubled bank than other senior unsecured obligations.

Corporate Servicer means Banca Finint or any other entity acting as corporate servicer from time to time under the Securitisation.

Corporate Services Agreement means the corporate services agreement entered into on [●] 2025 between the Issuer and the Corporate Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

Credit and Collection Policies means the procedures for the origination, management, collection and recovery of the Receivables attached as schedule 1 to the Servicing Agreement.

Cumulative Net Loss Ratio means the ratio, calculated on each Servicer's Report Date with reference to the immediately preceding Cut-Off Date, between:

(a) (i) the aggregate Outstanding Principal, as at the relevant Default Date, of all Receivables which were part of the Aggregate Portfolio and have become Defaulted Receivables from (and excluding) the relevant Valuation Date up to (and including) the Cut-Off Date immediately preceding such Servicer's Report Date; minus (ii) the aggregate of the Recoveries made in respect of such Defaulted Receivables from (and including) the relevant Default Date up to (and including) the Cut-Off Date immediately preceding such Servicer's Report Date (but excluding, for the avoidance of doubt, any proceeds deriving from the repurchase of such Defaulted Receivables by the Seller pursuant to the Master Receivables Purchase Agreement); and

(b) the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the Aggregate Portfolio.

Cumulative Net Loss Trigger Level means the percentage set out in the table below for each period, starting from (and including) the Closing Date:

(a) from the Closing Date until (and including) the Payment Date falling in [December 2025]: [0.75] per cent.;

(b) from the Payment Date falling in [March] 2026 until (and including) the Payment Date falling in [June] 2026: [1.00] per cent.;

(c) from the Payment Date falling in [September] 2026 until (and including) the Payment Date falling in [December] 2026: [1.25] per cent.;

(d) from the Payment Date falling in [March] 2027 onwards: [1.50] per cent..

Custodian means an Eligible Institution that may be appointed as such by the Issuer pursuant to the Agency and Accounts Agreement.

Cut-Off Date means the last calendar day of February, May, August and November of each year.

Decree 239 means Italian Legislative Decree no. 239 of 1 April 1996, as amended and/or supplemented from time to time, and any related regulations.

Decree 239 Withholding means any withholding or deduction for or on account of "*imposta sostitutiva*" under Decree 239.

Deed of Assignment means the English law deed of assignment entered into on or prior to the Closing Date between the Issuer and the Representative of the Noteholders (acting for itself and as security trustee for the Noteholders and the Other Issuer Creditors), as from time to time modified in accordance with the provisions thereof and including any deed or other document expressed to be supplemental thereto.

Default Date means the date on which each relevant Receivable becomes a Defaulted Receivable.

Delinquency Ratio means the ratio, calculated on each Servicer's Report Date with reference to the immediately preceding Cut-Off Date, between:

(a) the aggregate Outstanding Principal, as at the relevant Cut-Off Date, of all Receivables comprised in the Aggregate Portfolio which are Delinquent Receivables; and

(b) (i) the aggregate Outstanding Principal, as at the relevant Cut-Off Date, of all Receivables comprised in the Collateral Aggregate Portfolio; plus (ii) the aggregate Outstanding Principal, as at the relevant Valuation Date, of all Receivables comprised in the relevant Additional Portfolio to be purchased by the Issuer on the immediately following Purchase Date, except for the first Cut-Off Date where it will be only the aggregate of the Outstanding Principal of all the Receivables comprised in the Collateral Aggregate Portfolio at the Initial Valuation Date.

Delinquency Ratio Rolling Average means, on each Servicer's Report Date with reference to the immediately preceding Cut-Off Date, the average of the Delinquency Ratio for the three immediately preceding Collection Periods as determined by the Servicer in the Servicer's Report, provided that, with reference to the first Cut-Off Date, it shall be equal to the Delinquency Ratio for the relevant Collection Period and, with reference to the second Cut-Off Date, it shall be equal to the average of the Delinquency Ratio for the two first Collection Periods.

Defaulted Receivables means [the Receivables arising from Loans in respect of which (i) there are one or more Instalments that are 90 (ninety) days overdue or, following the relevant Legal Maturity Date, there is at least one instalment which is 90 (ninety) days overdue or more (it being understood that, for so long as the relevant Loan is subject to a Moratoria, the relevant Receivables will not be deemed Defaulted Receivables); or (ii) the relevant Borrower has been subject to acceleration (*decadenza dal beneficio del termine*); or (iii) the Servicer, in accordance with the Credit and Collection Policies, considers that the relevant Borrower is unlikely to pay the Instalments under the Loans as they fall due].

Delinquent Receivables means the Receivables (other than the Defaulted Receivables) arising from Loans in respect of which there are one or more Instalments that are more than 30 (thirty) days overdue (it being understood that, for so long as the relevant Loan is subject to a Moratoria, the relevant Receivables will not be deemed Delinquent Receivables).

Early Amortisation Event means any of the events described in schedule 3 (*Early Amortisation Events*) of the Master Receivables Purchase Agreement and Condition 9 (*Early Amortisation Events*).

EBA means the European Banking Authority.

EBA Guidelines on STS Criteria means the guidelines on the criteria of simplicity, transparency and standardisation adopted by EBA on 12 December 2018 (as amended and/or supplemented from time to time) pursuant to the EU Securitisation Regulation and named "*Guidelines on the STS criteria for non-ABCP securitisation*", as amended and/or supplemented from time to time.

ECB means the European Central Bank.

Eligible Institution means a depository institution organised under the laws of any state which is a member of the European Union or the UK or of the United States of America:

(a) whose unsecured and unsubordinated debt obligations have the following ratings:

(i) with respect to Morningstar DBRS, a rating at least equal to "[A]" being:

(A) in case a public or private rating has been assigned by Morningstar DBRS, the higher of (I) the rating one notch below the institution's COR (if assigned), and (II) the long-term senior unsecured debt rating or deposit rating; or

(B) in case a long-term COR has not been assigned by Morningstar DBRS, the higher of the relevant institution's issue rating, long-term senior unsecured debt rating or deposit rating; or

(C) in case a public or private rating has not been assigned by Morningstar DBRS, a Morningstar DBRS Minimum Rating,

or such other rating as may from time to time comply with Morningstar DBRS' criteria;

and

(ii) with respect to Fitch, a public deposit rating or, when a deposit rating is not available, a public issuer default rating at least equal to "[A-]" or "[F1]"; or

(b) whose obligations under the Transaction Documents to which it is a party are guaranteed by a depository institution organised under the laws of any state which is a member of the European Union or the UK or of the United States of America, whose unsecured and unsubordinated debt obligations are rated by Morningstar DBRS as set out in paragraph (a)(i) above and whose public issuer default

rating is at least equal to either of the thresholds set out in paragraph (a)(ii) above, provided that such guarantee has been notified in advance to the Rating Agencies and complies with the Rating Agencies' criteria.

Eligible Investments means any senior, unsubordinated debt securities, investment, commercial paper, deposit or other instrument which is denominated in Euro and is in the form of bonds, notes, commercial papers, deposits or other financial instruments having at least the following ratings:

(a) with respect to Morningstar DBRS: (A) as regards investments having a maturity of 30 (thirty) days or less, a short-term public or private rating at least equal to "[R-1 (low)]" in respect of short term debt or a long-term public or private rating at least equal to "[A]" in respect of long-term debt or, in the absence of a public rating by Morningstar DBRS, a Morningstar DBRS Minimum Rating at least equal to "[A]" in respect of long-term debt; (B) as regards investments having a maturity between 30 (thirty) days and 90 (ninety) days, a short-term public or private rating at least equal to "[R-1 (middle)]" in respect of short term debt or a long-term public or private rating at least equal to "[AA (low)]" in respect of long-term debt or, in the absence of a public rating by Morningstar DBRS, a Morningstar DBRS Minimum Rating at least equal to "[AA (low)]" in respect of long-term debt; or (C) such other rating as may from time to time comply with Morningstar DBRS' criteria; and

(b) with respect to Fitch, (A) as regards investments having a maturity of 30 (thirty) days or less, a public deposit rating or, when a deposit rating is not available, a public issuer default rating at least equal to "[A-]" or "[F1]"; or (B) as regards investments having a maturity between 30 (thirty) days and 90 (ninety) days, a public deposit rating or, when a deposit rating is not available, a public issuer default rating at least equal to "[AA-]" or "[F1+]",

provided that: (i) each maturity date shall fall not later than the immediately following Eligible Investments Maturity Date; (ii) any investment shall guarantee a fixed amount on account of principal at maturity not lower than the initial invested amount; and (iii) in any event, any account, deposit, instrument or fund which consists, in whole or in part, actually or potentially, of credit-linked notes, synthetic securities or similar claims resulting from the transfer of credit risk by means of credit derivatives, swaps or tranches of other asset backed securities or any other instrument from time to time specified in the ECB monetary policy regulations applicable from time to time shall be excluded.

Eligible Investments Maturity Date means, with reference to each Eligible Investment, the date falling no later than 6 (six) Business Days prior to the Payment Date immediately following the Collection Period in respect of which the relevant Eligible Investment has been made.

ESMA means the European Securities and Markets Authority.

EU CRA Regulation means Regulation (EC) no. 1060/2009 on credit rating agencies, as amended and/or supplemented from time to time.

EU Insolvency Regulation means Regulation (EU) no. 848 of 20 May 2015, as amended and/or supplemented from time to time.

EURIBOR has the meaning ascribed to such term in Condition 5(c) (*Interest and Variable Return - Rate of interest on the Rated Notes*).

Euro, **EUR** or **€** means the single currency introduced in the Member States of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957, as amended by, *inter alia*, the Single European Act 1986, the Treaty of the European Union of 7 February 1992 establishing the European Union and the European Council of Madrid of 16 December 1995.

Euroclear means Euroclear Bank S.A./N.V., with offices at 1 boulevard du Roi Albert II, B-1210 Brussels.

Euronext Securities Milan means Monte Titoli S.p.A., a joint stock company under the laws of the Republic of Italy, having its registered office at Piazza degli Affari 6, 20123 Milan, Italy, VAT code and enrolment with the companies' register of Milano - Monza Brianza - Lodi no. 03638780159.

Euronext Securities Milan Account Holders means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Euronext Securities Milan including any depository banks appointed by Euroclear and Clearstream.

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).

EU Securitisation Regulation means Regulation (EU) no. 2402 of 12 December 2017, as amended and/or supplemented from time to time.

Excess Swap Collateral means an amount equal to the value of the Swap Collateral (or the applicable part thereof) which is in excess of the Interest Rate Swap Counterparty's liability (prior to any netting in respect of the Swap Collateral) under the Swap Agreement as at the date of termination of the Swap Agreement or which it is otherwise entitled to have returned to it under the terms of the Swap Agreement.

Expenses means any documented fees, costs, expenses and Taxes required to be paid to any Connected Third Party Creditor arising in connection with the Securitisation and any other documented costs, expenses and taxes required to be paid in order to preserve the existence of the Issuer, maintain it in good standing and comply with applicable laws and regulations or, after the last Payment Date, to liquidate it.

Expenses Account means the Euro denominated account with IBAN IT05U0335101600009044163000, opened in the name of the Issuer with the Transaction Account Bank, or any other substitute account designated as such pursuant to the Agency and Accounts Agreement.

Extraordinary Resolution has meaning ascribed to such term in the Rules of the Organisation of the Noteholders.

FATCA means Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986.

FATCA Withholding means any withholding applicable under FATCA or an IGA (or any law implementing an IGA).

Final Determined Amount means, in relation to any Delinquent Receivable or Defaulted Receivable, as the case may be, the fair value of such Delinquent Receivable or Defaulted Receivable calculated as the Outstanding Principal of such Delinquent Receivable or Defaulted Receivable as at the immediately preceding Cut-Off Date, minus an amount equal to any IFRS 9 Provisioned Amount for such Delinquent Receivable or Defaulted Receivable, as the case may be.

Final Repurchase Price or **Final Sale Price** means the repurchase price or the sale price of the Aggregate Portfolio, being equal to the sum of:

(a) for the Receivables (other the Delinquent Receivables and the Defaulted Receivables), the aggregate Outstanding Principal of such Receivables as at the immediately preceding Cut-Off Date; and

(b) for the Delinquent Receivables and the Defaulted Receivables, the aggregate Final Determined Amount of such Delinquent Receivables and Defaulted Receivables as at the immediately preceding Cut-Off Date.

Financed Vehicle means any vehicle designated to be a passenger car or a commercial vehicle having a weight not exceeding 35 quintals (or such other maximum weight as from time to time applicable to light commercial vehicles) pursuant to its Italian registration certificate or any equivalent documents located in Italy, which is a New Vehicle and is financed pursuant to the relevant Loan Contract.

Fitch means (i) for the purpose of identifying the Fitch Ratings' entity which has assigned the credit rating to the Rated Notes, Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*), and any successor thereto in this rating activity, and (ii) in any other case, any entity that is part of the Fitch Ratings group, which is either registered or not in accordance with the EU CRA Regulation, as evidenced in the latest update of the list published by ESMA, or any other applicable regulation.

Further Securitisation has the meaning ascribed to it in Condition 4(o) (*Further securitisations and corporate existence*).

HCBE, Italian branch means Hyundai Capital Bank Europe GmbH, a company incorporated under the laws of Germany, having its registered office at Friedrich-Ebert-Anlage 35-37, 60327 Frankfurt am Main, Germany, acting through its Italian branch at Corso Massimo D'Azeglio 33/E, 10126 Turin, Italy, fiscal code and enrolment with the companies' register of Turin under no. 09322330961, enrolled as a "*filiale di banca estera*" under no. 8095 with the banks' register held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

IFRS 9 Provisioned Amount means, with respect to any Delinquent Receivable and Defaulted Receivable on any Cut-Off Date, any amount that constitutes any expected credit loss for such Delinquent Receivable or Defaulted Receivable as determined by the Seller in accordance with International Financial Reporting Standard 9 (IFRS 9) (as amended) or any such equivalent financial reporting standard promulgated by the International Accounting Standards Board in order to replace IFRS 9.

IGA means each intergovernmental agreement entered into between the United States and other relevant jurisdictions to facilitate the implementation of FATCA.

Individual Purchase Price means, in respect of each Receivable, all Principal Components of the relevant Loan falling due after the relevant Valuation Date..

Initial Portfolio means the initial portfolio of Receivables transferred by the Seller to the Issuer on the Initial Purchase Date.

Initial Purchase Date means, in relation to the Initial Portfolio, the date from which the transfer thereof has legal effects, being [●] 2025.

Initial Valuation Date means, in relation to the Initial Portfolio, the date from which the transfer thereof has economic effects, being [●] 2025.

Insolvency Event means, in respect of any company (other than the Issuer), any of the following events:

(a) an application is made for the commencement of an extraordinary administration (*amministrazione straordinaria*), administrative compulsory liquidation (*liquidazione coatta amministrativa*) or any other applicable Insolvency Proceedings against it in any jurisdiction and such application has not been rejected by the relevant court nor has it been withdrawn by the relevant applicant; or

(b) it becomes subject to any extraordinary administration (*amministrazione straordinaria*), administrative compulsory liquidation (*liquidazione coatta amministrativa*) or any other applicable Insolvency Proceedings in any jurisdiction or the whole or any substantial part of its assets are subject to an attachment (*pignoramento*) or similar procedure having a similar effect; or

(c) it takes any action for a restructuring or deferment of fulfilment of any of its obligations relating to financial indebtedness or makes any out of court settlements with its creditors for the extension of fulfilment of its obligations relating to financial indebtedness or the enforcement of any guarantee given to guarantee such fulfilment; or

(d) an order is made or a resolution is passed for its winding up, liquidation or dissolution in any form; or

(e) an analogous event occurs in the relevant jurisdiction of incorporation of such company.

Instalment means each instalment due under a Loan Contract pursuant to the relevant Amortisation Plan, including a Principal Component and an Interest Component.

Intercreditor Agreement means the intercreditor agreement entered into on or about the Closing Date between the Issuer, the Quotaholder, the Representative of the Noteholders (acting for itself and on behalf of the Noteholders), the Other Issuer Creditors and the Reporting Entity, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

Interest Amount has the meaning ascribed to such term in Condition 5(f) (*Interest and Variable Return - Calculation of Interest Amount, Aggregate Interest Amount and Variable Return*).

Interest Collections means all amounts on account of interest, fees and prepayment penalties received by the Issuer in respect of the Receivables (other than the Defaulted Receivables).

Interest Component means, in relation to each Receivable, the interest component of each Instalment due pursuant to the relevant Loan Contract.

Interest Determination Date means the 2nd (second) TARGET Day immediately preceding the beginning of the relevant Interest Period.

Interest Period means each period from (and including) a Payment Date to (but excluding) the immediately following Payment Date, provided that the first Interest Period will commence on (and include) the Closing Date and end on (but exclude) the Payment Date falling in [September] 2025.

Interest Rate Swap Counterparty means Banco Santander or any other eligible entity acting as Interest Rate Swap Counterparty from time to time under the Securitisation.

Interest Rate Swap Counterparty Downgrade Event means the circumstance that the Interest Rate Swap Counterparty or its credit support provider pursuant to the Swap Agreement (as applicable) ceases to have the initial or subsequent rating threshold required under the Swap Agreement.

Issuer means Fulvia SPV S.r.l., a limited liability company (*società a responsabilità limitata*) with a sole quotaholder pursuant to article 3 of the Securitisation Law incorporated under the laws of the Republic of Italy, having its registered office at Via V. Alfieri 1, 31015 Conegliano (TV), Italy, fiscal code and enrolment with the companies' register of Treviso-Belluno no. 05540920260, quota capital of Euro 10,000 fully paid-up, enrolled with the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy's regulation dated 12 December 2023 (*Disposizioni in materia di obblighi informativi e statistici delle società veicolo coinvolte in operazioni di cartolarizzazione*) under no. 48684.5, having as its sole corporate object the performance of one or more securitisation transactions pursuant to the Securitisation Law.

Issuer Creditors means, collectively, the Noteholders and the Other Issuer Creditors.

Issuer Event of Default has the meaning ascribed to such term in Condition 10(a) (*Issuer Event of Defaults*).

Issuer Event of Default Notice means the notice described in Condition 10(b) (*Delivery of an Issuer Event of Default Notice*).

Issuer Insolvency Event means, in respect of the Issuer, any of the following events:

(a) an order is made or an effective resolution is passed for the winding up of the Issuer or any of the events under article 2484 of the Italian civil code occurs; or

(b) an Insolvency Proceeding has been instituted against the Issuer under applicable laws and such proceeding is not, in the opinion of the Representative of the Noteholders, being disputed in good faith with a reasonable prospect of success; or

(c) the Issuer takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with, or for the benefit of, its creditors (other than the Issuer Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it, or it applies for or consents to the suspension of payments or an administrator, administrative receiver, liquidator, trustee, receiver, extraordinary/judicial commissioner, independent expert or other similar official of the Issuer being appointed over or in respect of the whole or any part of the undertaking, assets and/or revenues of the Issuer or an encumbrancer taking possession of the whole or any substantial part of the undertaking or assets of the Issuer.

Issuer Transaction Security means the security created or purported to be created pursuant to the Deed of Assignment and any other security which may be created or purported to be created pursuant to the Intercreditor Agreement.

ISP means Intesa Sanpaolo S.p.A., a bank incorporated under the laws of the Republic of Italy as a joint stock company (*società per azioni*), having its registered office is at Piazza San Carlo 156, 10121 Turin, Italy, whose secondary office is at Via Monte Pietà 8, 20121 Milan, Italy, share capital of Euro [10,368,870,930.08] fully paid-up, registration with the companies' register of Turin and fiscal code no. 00799960158, representative of the "*Gruppo IVA Intesa Sanpaolo*", VAT no. 11991500015 (IT1 1991500015), registered in the register of the banks under no. 5361 pursuant to article 13 of the Consolidated Banking Act, member of the "*Fondo Interbancario di Tutela dei Depositi*" and of the "*Fondo Nazionale di Garanzia*", parent company of the Intesa Sanpaolo Banking Group, registered with the register of the banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act.

Joint Lead Managers means, collectively, Banco Santander, ISP and UCBG.

Junior Noteholders means the Class Z Noteholders.

Junior Notes means the Class Z Notes.

Junior Notes Subscriber means HCBE, Italian branch.

Junior Notes Subscription Agreement means the subscription agreement relating to the Junior Notes entered into on or about the Closing Date between the Issuer, the Representative of the Noteholders and the Junior Notes Subscriber, as from time to time modified in accordance with the provisions thereof and including any agreement or other document expressed to be supplemental thereto.

Law 52 means Italian Law no. 52 of 21 February 1991, as amended and/or supplemented from time to time.

Legal Maturity Date means the Payment Date falling in December 2041.

Liquidity Reserve means the Liquidity Reserve established on the Liquidity Reserve Account and replenished from time to time in accordance with the provisions of the Transaction Documents.

Liquidity Reserve Account means the Euro denominated account with IBAN IT80X0338901600010413592260, opened in the name of the Issuer with the Collection and Liquidity Reserve Account Bank, or any other substitute account designated as such pursuant to the Agency and Accounts Agreement.

Liquidity Reserve Amount means, at any time, the balance of the amounts standing to the credit of the Liquidity Reserve Account (net of any interest accrued and paid thereon).

Liquidity Reserve Initial Amount means an amount equal to Euro [●].

Liquidity Reserve Required Amount means, in respect of each Payment Date, an amount equal to:

(a) during the Replenishment Period, the Liquidity Reserve Initial Amount; or

(b) during the Amortisation Period, the higher of (i) [●][9], and (ii) [1.10] per cent. of the aggregate Principal Amount Outstanding of the Senior Notes and the Mezzanine Notes as at the immediately preceding Payment Date (after making payments due on that date) (it being understood that, in respect of the first Payment Date falling in the Amortisation Period, the Liquidity Reserve Required Amount shall be equal to the Liquidity Reserve Initial Amount),

provided that, on the earlier of (i) the Legal Maturity Date, (ii) the Payment Date following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, and (iii) the Payment Date on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled, such amount will be reduced to 0 (zero).

Loan Contracts means the loan contracts entered into between the Seller and the Borrowers, under which the Seller has granted the Loans to the relevant Borrowers, including, for the avoidance of doubt, the Standard Loan Contracts and the Balloon Loan Contracts.

Loans means the loans granted by the Seller to the relevant Borrowers for the purpose of purchasing Financed Vehicles (including, for the avoidance of doubt, the Balloon Loans).

Luxembourg Stock Exchange means the Luxembourg stock exchange.

Master Receivables Purchase Agreement means the master receivables purchase agreement entered into on [●] 2025 between the Seller and the Issuer, as from time to time modified in accordance with the provisions thereof and including any agreement or other document expressed to be supplemental thereto.

Meeting means a meeting of Noteholders duly convened (whether originally convened or resumed following an adjournment) and held in accordance with the provisions contained in the Rules of the Organisation of the Noteholders.

M&G Trustee Company Limited means a company incorporated under the laws of England and Wales, having its registered office at 10 Fenchurch Avenue, London, EC3M 5AG, United Kingdom, enrolled with the Trade Register of the Chamber of Commerce of England and Wales under number 01863305.

Mezzanine Interest Subordination Events means the Class B Interest Subordination Event, the Class C Interest Subordination Event and/or the Class D Interest Subordination Event, as the context may require.

[9] Calculated as [0.25] per cent. of the aggregate principal amount of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes upon issuance.

Mezzanine Noteholders means, collectively, the Class B Noteholders, the Class C Noteholders and the Class D Noteholders.

Mezzanine Notes means, collectively, the Class B Notes, the Class C Notes and the Class D Notes.

Moody's means Moody's Investors Service or any other entity that is part of its group.

Moratoria means any moratoria and/or suspension of payments due in respect of loans deriving from (i) any laws or regulations, (ii) any agreements, convention or similar arrangement entered into between business associations and/or institutions, (iii) any initiative launched by HCBE, Italian branch in favour of its clients, or (iv) any measures, recommendation or other act of any competent regulatory or supervisory authority, including without limitation the EBA.

Morningstar DBRS means (i) for the purpose of identifying the Morningstar DBRS entity which has assigned the credit rating to the Rated Notes, DBRS Ratings GmbH and any successor thereto in this rating activity, and (ii) in any other case, any entity that is part of Morningstar DBRS, which is either registered or not in accordance with the EU CRA Regulation, as it appears from the last available list published by ESMA on its website, or any other applicable regulation.

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

Morningstar 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

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

Most Senior Class of Notes means (i) until redemption in full of the Class A Notes, the Class A Notes; or (ii) following redemption in full of the Class A Notes, the Class B Notes; or (iii) following redemption in full of the Class B Notes, the Class C Notes; or (iv) following redemption in full of the Class C Notes, the Class D Notes; or (v) following redemption in full of the Class D Notes, the Class E Notes; or (vi) following redemption in full of the Class E Notes, the Class Z Notes.

Noteholders means, collectively, the Rated Noteholders and the Junior Noteholders.

Notes means, collectively, the Rated Notes and the Junior Notes.

Ordinary Resolution has the meaning ascribed to such term in the Rules of the Organisation of the Noteholders.

Organisation of the Noteholders means the association of the Noteholders, organised pursuant to the Rules of the Organisation of the Noteholders.

Other Issuer Creditors means the Seller, the Servicer, the Back-up Servicer Facilitator, the Representative of the Noteholders, the Calculation Agent, the Corporate Servicer, the Stichting Corporate Services Provider, the Account Banks, the Custodian (if any), the Paying Agent, the RSF Reserve Depositor, the Interest Rate Swap Counterparty and any other entity which may accede to the Intercreditor Agreement from time to time.

Other Rights means any other right, claim and action (including any legal proceeding for the recovery of suffered damages), substantial and procedural action and defence inherent or otherwise ancillary to the aforesaid rights and claims and their exercise in accordance with the Loan Contracts and/or pursuant to the applicable laws and regulations, including, without limitation, the right to terminate the relevant Loan Contract due to a default (*risoluzione per inadempimento*) and the right to declare any amount under the relevant Loan Contract immediately due and payable (*decadenza dal beneficio del termine*).

Outstanding Principal means, with reference to any given date and in relation to any Receivable, the aggregate of (i) all Principal Components falling due after that date pursuant to the relevant Loan Contract, and (ii) all Principal Components due but unpaid as at that date.

Paying Agent means BNY, Milan branch or any other entity, being an Eligible Institution, acting as paying agent from time to time under the Securitisation.

Payment Date means (i) prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the 23rd calendar day of March, June, September and December of each year (or, if such day is not a Business Day, the immediately following Business Day), provided that the first Payment Date will fall on 23 September 2025; or (ii) following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, any such Business Day as determined by the Representative of the Noteholders on which payments are to be made under the Securitisation.

Payments Account means the Euro denominated account with IBAN IT45N0335101600009044161000, opened in the name of the Issuer with the Transaction Account Bank, or any other substitute account designated as such pursuant to the Agency and Accounts Agreement.

Payments Report means the report named as such to be prepared and delivered by the Calculation Agent pursuant to the Agency and Accounts Agreement.

Portfolio means the Initial Portfolio or any Additional Portfolio, as the case may be.

Post-Enforcement Priority of Payments means the order of priority pursuant to which the Available Distribution Amounts shall be applied, in accordance with Condition 3(c) (*Post-Enforcement Priority of Payments*), following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*).

PRA means the Prudential Regulation Authority.

Pre-Enforcement Interest Priority of Payments means the order of priority pursuant to which the Available Interest Amounts shall be applied, in accordance with Condition 3(a) (*Pre-Enforcement Interest Priority of Payments*), prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption Clean-up Call Event*).

Pre-Enforcement Principal Priority of Payments means the order of priority pursuant to which the Available Principal Amounts shall be applied, in accordance with Condition 3(b) (*Pre-Enforcement Principal Priority of Payments*), prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer

Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption Clean-up Call Event*).

Principal Addition Amounts means, in respect of each Payment Date prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption Clean-up Call Event*), the Available Principal Amounts (to the extent available) equal to the lesser of:

(a) the Available Principal Amounts available for application pursuant to item (i) (*first*) of the Pre-Enforcement Principal Priority of Payments on such Payment Date; and

(b) the amount of the relevant Senior Expenses Deficit.

Principal Amount Outstanding means, with reference to any given date and in relation to any Note, the principal amount thereof upon issue, less the aggregate amount of all repayments of principal that have been made in respect of that Note prior to such date.

Principal Collections means all amounts on account of principal received in respect of the Receivables (other than the Defaulted Receivables).

Principal Component means, in relation to each Receivable, the principal component of each Instalment due pursuant to the relevant Loan Contract (including fees, costs, expenses and insurance premia).

Principal Deficiency Ledger means the principal deficiency ledger comprising the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger and the Class D Principal Deficiency Sub-Ledger maintained by the Calculation Agent on behalf of the Issuer pursuant to the Agency and Accounts Agreement.

Priority of Payments means, as the case may be, the Pre-Enforcement Interest Priority of Payments, the Pre-Enforcement Principal Priority of Payments or the Post-Enforcement Priority of Payments.

Pro-Rata Principal Payment Amount means, in relation to each Class of Senior Notes and Mezzanine Notes and in respect of each Payment Date during the Pro-Rata Redemption Period, the amount determined on the immediately preceding Calculation Date as:

(a) the Available Principal Amounts available for distribution on such Payment Date following payment of item (*first*) of the Pre-Enforcement Principal Priority of Payments; multiplied by

(b) a ratio between (i) and (ii) where:

  (i) means the Principal Amount Outstanding of the relevant Class of Senior Notes and Mezzanine Notes; and

  (ii) means the aggregate Principal Amount Outstanding of all Classes of Senior Notes and Mezzanine Notes.

Pro-Rata Redemption Amount means the Class A1 Pro-Rata Redemption Amount, the Class A2 Pro-Rata Redemption Amount, the Class B Pro-Rata Redemption Amount, the Class C Pro-Rata Redemption Amount or the Class D Pro-Rata Redemption Amount, as the case may be.

Pro-Rata Redemption Period means the period starting from (and including) the first Payment Date falling in the Amortisation Period (unless a Sequential Payment Trigger Event has occurred) and ending on the earlier of (i) the Payment Date (included) on which the Senior Notes and the Mezzanine Notes will be redeemed in

full and/or cancelled, and (ii) the date (excluded) on which a Sequential Payment Trigger Event occurs, provided that, for the avoidance of doubt, the Pro-Rata Redemption Period shall not start if a Sequential Payment Trigger Event has already occurred during the Replenishment Period.

Prospectus means the prospectus relating to the issuance of the Notes.

Purchase Price means the purchase price for each Portfolio, being equal to the aggregate of all the Individual Purchase Prices of the Receivables comprised in the relevant Portfolio.

Purchase Shortfall Amount means, in respect of any Payment Date during the Replenishment Period, the excess (if any) of the Replenishment Available Amount over the Purchase Price for the Additional Portfolio transferred to the Issuer on the immediately preceding Subsequent Purchase Date.

Purchase Shortfall Event means the circumstance that, on any Cut-Off Date during the Replenishment Period, the amount standing to the Collection Account as Purchase Shortfall Amount is higher than 10 per cent. of the aggregate principal amount of the Senior Notes and the Mezzanine Notes upon issue.

Quota Capital Account means the Euro denominated account with IBAN IT15P0326661620000014130223, opened in the name of the Issuer with Banca Finint.

Quotaholder means Stichting San Siro, a Dutch law foundation (*stichting*) incorporated under the laws of The Netherlands, having its registered office at Locatellikade 1, 1076AZ Amsterdam, The Netherlands, with Italian fiscal code no. 91055210263, and enrolled with the Chamber of Commerce of The Netherlands under no. 95388966.

Quotaholder's Agreement means the quotaholder's agreement entered into on or about the Closing Date between the Quotaholder, the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions thereof contained and including any agreement or other document expressed to be supplemental thereto.

Rate Determination Agent has the meaning ascribed to such term in Condition 5(d)(ii) (*Interest and Variable Return - Fallback provisions*).

Rated Noteholders means, collectively, the Class A Noteholders, the Mezzanine Noteholders and the Class E Noteholders.

Rated Notes means, collectively, the Class A Notes, the Mezzanine Notes and the Class E Notes.

Rated Notes Subscription Agreement means the subscription agreement relating to the Rated Notes entered into on or about the Closing Date between the Issuer, the Representative of the Noteholders, the Arranger, the Joint Lead Managers and the Seller, as from time to time modified in accordance with the provisions thereof and including any agreement or other document expressed to be supplemental thereto.

Rating Agencies means, collectively, DBRS Ratings GmbH and Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*).

Receivables means all rights and claims of the Issuer arising out of or in connection with the Loan Contracts, including without limitation:

(a) all rights and claims in respect of the repayment of the Outstanding Principal;

(b) all rights and claims in respect of the payment of interest (including default interest) accruing on the Loans from the relevant Valuation Date ([excluded]);

(c) all rights and claims in respect of payments of any amount deriving from damages suffered, costs, expenses (including collection costs and expenses), Taxes and ancillary amounts due pursuant to the Loan Contracts;

(d) all rights and claims in respect of any Collateral Security relating to the relevant Loan Contract; and

(e) in respect of those Balloon Loans which are classified as TCM (*Trade Cycle Management*) loans under the relevant Balloon Loan Contract, all rights and claims towards the relevant Financed Vehicle Dealer and Financed Vehicle Manufacturer for the payment of the Balloon Instalments upon exercise of the relevant contractual option by the Debtor pursuant to the relevant Balloon Loan Contract,

together with all privileges and priority rights (*diritti di prelazione*) provided for by law relating to Receivables, as well as, to the maximum extent and within the limits permitted by law, the Other Rights.

Recoveries means all amounts received or recovered by the Issuer in respect of the Defaulted Receivables.

Reference Rate has the meaning ascribed to such term in Condition 5(c) (*Interest and Variable Return - Rate of interest on the Rated Notes*).

Regulatory Change Allocated Principal Amount means, with respect to any Regulatory Change Early Redemption Date:

(a) the Available Principal Amounts (including, for the avoidance of doubt, the amounts set out in item (e) of the relevant definition) available to be applied in accordance with the Pre-Enforcement Principal Priority of Payments on such date; minus

(b) all amounts of Available Principal Amounts to be applied pursuant to items (i) (*first*) to (iv) (*fourth*) (inclusive) of the Pre-Enforcement Principal Priority of Payments on such Regulatory Change Early Redemption Date.

Regulatory Change Early Redemption Date has the meaning given to such term in Condition 6(f) (*Early redemption for Regulatory Change Event*).

Regulatory Change Early Redemption Notice means the notice delivered by the Issuer following the occurrence of a Regulatory Change Event, in accordance with Condition 6(f) (*Early redemption for Regulatory Change Event*).

Regulatory Change Event has the meaning given to such term in Condition 6(f) (*Early redemption for Regulatory Change Event*).

Regulatory Change Order of Allocation means the order of allocation pursuant to which the Regulatory Change Allocated Principal Amount shall be applied, in accordance with Condition 6(f) (*Regulatory Change Order of Allocation*) on the Regulatory Change Early Redemption Date.

Reporting Entity means the Issuer or any other eligible person acting as reporting entity pursuant to article 7(2) of the EU Securitisation Regulation from time to time under the Securitisation as notified by the Issuer to the investors in the Notes.

Replacement Servicer means any replacement servicer appointed by the Issuer in accordance with the provisions of the Servicing Agreement.

Replacement Servicing Costs means the fees to be paid to the Replacement Servicer and any costs, expenses, amounts in respect of taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business) and other amounts due and payable to any Replacement Servicer

(including any expenses, costs and fees incurred in connection with the replacement of the Servicer with the Replacement Servicer).

Replacement Swap Premium means an amount received by the Issuer from a replacement Interest Rate Swap Counterparty upon entry by the Issuer into an agreement with such replacement Interest Rate Swap Counterparty to replace the outgoing Interest Rate Swap Counterparty, which shall be applied by the Issuer in accordance with the Agency and Accounts Agreement.

Replenishment Available Amount means, in respect of each Payment Date during the Replenishment Period, the amount by which the aggregate principal amount of the Senior Notes and the Mezzanine Notes upon issue exceeds the aggregate Principal Amount Outstanding of the Senior Notes and the Mezzanine Notes as at the Cut-Off Date immediately preceding such Payment Date.

Replenishment Period means the period commencing on the Closing Date and ending on the earlier of:

(a) the Payment Date falling in [December 2025] (included); and

(b) the date on which an Early Amortisation Event occurs (excluded).

Representative of the Noteholders means Banca Finint or any other person acting as representative of the Noteholders from time to time under the Securitisation.

Required RSF Reserve Amount means, as of any date of determination:

(a) prior to the occurrence of a RSF Trigger Event, 0 (zero); and

(b) following the occurrence of a RSF Trigger Event, as of any date of determination, the higher of (x) an amount equal to the product of (i) [1]%, (ii) the remaining weighted average life of the Receivables, assuming a 0.0% CPR and a 0.0% CDR, and (iii) the then Outstanding Principal of the Aggregate Portfolio and (y) Euro [250,000].

Retained Expenses Amount means (i) in respect of the Closing Date and each Payment Date (other than the last Payment Date), an amount equal to Euro 50,000; or (ii) on the last Payment Date, the amount to be determined by the Corporate Servicer as necessary to pay any known Expenses not yet paid and any Expenses falling due after such Payment Date.

RSF Reserve Account means the Euro denominated account to be established in the name of the Issuer with the Transaction Account Bank following the occurrence of a RSF Trigger Event, or such other substitute account as may be opened with any other Eligible Institution, in accordance with the Agency and Accounts Agreement.

RSF Reserve Depositor means Santander Consumer Finance or any other entity acting as replacement servicer fee reserve depositor from time to time under the Securitisation.

RSF Reserve Funding Failure means the circumstance that the RSF Reserve Depositor fails to fund the RSF Reserve in accordance with the Intercreditor Agreement.

RSF Trigger Event means the earliest to occur of:

(a) Santander Consumer Finance ceasing to have the Servicer Required Rating; or

(b) Santander Consumer Finance ceasing to own, directly or indirectly, at least 50 per cent. of the share capital of Santander Consumer Bank AG;

(c) Santander Consumer Bank AG ceasing to own, directly or indirectly, at least 50 per cent. of the share capital of the Seller; or

(d) a Servicer Termination Event occurring,

unless, in each case of (a), (b) and (c) above, the Seller has a rating at least equal to the Servicer Required Rating.

Rules of the Organisation of the Noteholders or **Rules** means the rules of the Organisation of Noteholders attached as schedule 1 to these Conditions.

Santander Consumer Finance means Santander Consumer Finance S.A., a banking entity incorporated under the laws of Spain, registered with the Banco de España (Bank of Spain) under no. 8236, having its registered offices at Boadilla del Monte, 28660 Madrid, Spain and Tax Identification Code A-28122570.

Securities Account means the account named as such that may be opened in the name of the Issuer with the Custodian, or any other substitute account designated as such pursuant to the Agency and Accounts Agreement.

Securitisation means the securitisation of the Receivables made by the Issuer pursuant to the Securitisation Law through the issuance of the Notes.

Securitisation Assets means the Aggregate Portfolio, the Collections, the Eligible Investments and any other rights arising in favour of the Issuer under the Transaction Documents and, more generally, in respect of the Securitisation.

Securitisation Law means Italian Law no. 130 of 30 April 1999, as amended and/or supplemented from time to time.

Securitisation Repository means the website of European DataWarehouse (being, as at the date of this Prospectus, www.eurodw.eu) or any other securitisation repository registered pursuant to article 10 of the EU Securitisation Regulation as notified by the Issuer to the investors in the Notes.

Seller means HCBE, Italian branch.

Seller Regulatory Loan means a loan that, following the occurrence of a Regulatory Change Event, the Seller may elect to advance to the Issuer in accordance with the Intercreditor Agreement, for an amount equal to the Seller Regulatory Loan Disbursement Amount, to be applied by the Issuer in order to redeem the Mezzanine Notes (in whole but not in part) and, to the extent there are sufficient funds to redeem also the Class E Notes (in whole but not in part) after the Issuer having redeemed the Mezzanine Notes (in whole but not in part), also the Class E Notes in accordance with Condition 6(f) (*Early redemption for Regulatory Change Event*), which satisfies the Seller Regulatory Loan Conditions.

Seller Regulatory Loan Conditions means the following conditions which shall apply to a Seller Regulatory Loan:

(a) the Seller Regulatory Loan shall be advanced on equivalent economic terms, and to achieve the same economic effect, as the Transaction Documents;

(b) the Seller Regulatory Loan shall not have a material adverse effect on the Senior Notes; and

(c) the Seller Regulatory Loan shall comply in all respects with the applicable requirements under the EU Securitisation Regulation and the CRR.

Seller Regulatory Loan Disbursement Amount means the amount calculated on the Calculation Date immediately preceding the Regulatory Change Early Redemption Date that is equal to:

(a) the aggregate of (i) the Outstanding Principal, as at the end of the immediately preceding Collection Period, of the Receivables comprised in the Aggregate Portfolio (other than the Delinquent Receivables and the Defaulted Receivables); and (ii) the Final Determined Amount, as at the end of the immediately preceding Collection Period, of the Defaulted Receivables and the Delinquent Receivables comprised in the Aggregate Portfolio; plus

(b) the balance of the Liquidity Reserve Account as at such Calculation Date; minus

(c) the Principal Amount Outstanding of the Class A Notes (after making payments due under the Pre-Enforcement Principal Priority of Payments on the Regulatory Change Early Redemption Date).

Seller Termination Event means any of the following events:

(a) the Seller fails to make a payment due under the Master Receivables Purchase Agreement or the Warranty and Indemnity Agreement within 5 (five) Business Days after its due date or, in the event no due date has been determined, within 5 (five) Business Days after the demand for payment; or

(b) the Seller fails to perform its obligations (other than those referred to in item (a) above) in any respect which is material for the interests of the Noteholders under the Master Receivables Purchase Agreement or the Warranty and Indemnity Agreement within 5 (five) Business Days after its due date or, in the event no due date has been determined, within 5 (five) Business Days after the demand for performance; or

(c) any of the representations and warranties made by the Seller with respect to or under the Master Receivables Purchase Agreement or the Warranty and Indemnity Agreement or information transmitted is materially false or incorrect, unless such falseness or incorrectness, insofar as it relates to Receivables or the Loan Contracts, has been remedied by the 10th (tenth) Business Day after the Seller has become aware that such representations or warranties were false or incorrect; or

(d) an Insolvency Event occurs in respect of the Seller and the Seller fails to remedy such status within 5 (five) Business Days; or

(e) the banking licence of the Seller is revoked, restricted or made subject to any conditions or any of the proceedings referred to in or any action under Section 45 to 48t of the German Banking Act (*Gesetz über das Kreditwesen*) have been taken with respect to the Seller, or any measures under the German Recovery and Resolution Act (*Sanierungs-und Abwicklungsgesetz*) or under or in connection with the SRM Regulation have been taken with respect to the Seller; or

(f) the Seller fails to perform any material obligation under the Loan Contracts; or

(g) a material adverse change in the business or financial conditions of the Seller has occurred which materially affects its ability to perform its obligations under the Master Receivables Purchase Agreement or the Warranty and Indemnity Agreement.

Senior Expenses Deficit means, on any Calculation Date with reference to the immediately following Payment Date prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), an amount, as determined by the Calculation Agent, equal to any shortfall in the Available Interest Amounts (excluding item (h) of the relevant definition) to make payments under items (i) (*first*) to (viii) (*eighth*) (inclusive) of the Pre-Enforcement Interest Priority of Payments.

Senior Notes means the Class A Notes.

Sequential Payment Trigger Event has the meaning ascribed to such term in Condition 6(c) (*Mandatory redemption*).

Sequential Redemption Period means the period starting from (and including) the date on which a Sequential Payment Trigger Event occurs and ending on (and including) the Payment Date on which the Notes will be redeemed in full and/or cancelled.

Servicer Termination Event means any of the events listed under clause 8 of the Servicing Agreement.

Servicing Agreement means the servicing agreement entered into on [●] 2025 between the Issuer and the Servicer, as from time to time further modified in accordance with the provisions thereof and including any agreement or other document expressed to be supplemental thereto.

Servicer means HCBE, Italian branch or any other entity acting as servicer from time to time under the Securitisation.

Servicer Required Rating means, with respect to the Servicer or any other relevant entity belonging to the Santander group (to the extent the relevant debt obligations are rated by Fitch and Morningstar DBRS) and Santander Consumer Finance, the circumstance that:

(a) the short-term unsecured, unsubordinated and unguaranteed debt obligations of such entity are assigned a rating of at least "F2" (or its replacement) by Fitch or the long-term unsecured, unsubordinated and unguaranteed debt obligations of such entity are assigned a rating of at least "[BBB]" (or its replacement) by Fitch; and

(b) the long-term unsecured, unsubordinated and unguaranteed debt obligations of such entity are assigned a rating of at least "[BBB]" (or its replacement) by Morningstar DBRS,

and, in each case, such rating has not been withdrawn.

Servicer's Report means the report named as such to be prepared and delivered by the Servicer pursuant to the Servicing Agreement.

Servicer's Report Date means the [●][10] calendar day following each Cut-Off Date (or, if such day is not a Business Day, the immediately following Business Day), provided that the first Servicer's Report Date will fall on [● September] 2025.

S&P means any relevant entity of S&P Global Ratings' group.

Specified Event means, with respect to the rights of the Issuer under a Transaction Document, the combination of:

(a) the Issuer's failure to exercise or enforce any of the rights, entitlements or remedies, to exercise any authorities or powers, to give any direction or make any determination which may be available to the Issuer under such Transaction Document; and

(b) the expiry of 15 (fifteen) Business Days after the date on which the Representative of the Noteholders shall have given notice to the Issuer requiring the Issuer to exercise or enforce any such rights, entitlements or remedies, to exercise any such authorities or powers, to give any such direction or to make any such determination.

[10] To fall at least 5 BDs prior to the Calculation Date.

Standard Loan Contracts means the loan contracts entered into between the Seller and the Borrowers, under which the Seller has granted the Loans (other than the Balloon Loans) to the relevant Borrowers.

Stichting Corporate Services Agreement means the stichting corporate services agreement entered into on or about the Closing Date between the Issuer, the Quotaholder and the Stichting Corporate Services Provider, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

Stichting Corporate Services Provider means M&G Trustee Company Limited or any other entity acting as stichting corporate services provider from time to time under the Securitisation.

STS means simple, transparent and standardised within the meaning of article 18 of the EU Securitisation Regulation.

Subordinated Swap Amounts means any termination amount payable by the Issuer to the Interest Rate Swap Counterparty under the Swap Agreement as a result of either (i) an Event of Default (as defined in the Swap Agreement) where the Interest Rate Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement); or (ii) an Additional Termination Event (as defined in the Swap Agreement) which occurs as a result of the failure by the Interest Rate Swap Counterparty to comply with the requirements of a rating downgrade provision set out under the Swap Agreement.

Subscription Agreements means, collectively, the Rated Notes Subscription Agreement and the Junior Notes Subscription Agreement.

Subsequent Purchase Date means, during the Replenishment Period, the date of acceptance of the relevant Additional Portfolio Transfer Proposal by the Issuer, provided that the purchase date of each Additional Portfolio shall not fall after 1 (one) month following the relevant Subsequent Valuation Date.

Subsequent Valuation Date means, during the Replenishment Period, the date indicated as such in the relevant Transfer Agreement.

Swap Agreement means the swap agreement entered into on or about the Closing Date between the Issuer and the Interest Rate Swap Counterparty in the form of an International Swaps and Derivatives Association 2002 Master Agreement, together with the relevant Schedule, Credit Support Annex and confirmations thereunder, as from time to time modified in accordance with the provisions thereof and including any agreement or other document expressed to be supplemental thereto.

Swap Cash Collateral Account means the Euro denominated account with IBAN IT31S0335101600009044162000, opened in the name of the Issuer with the Transaction Account Bank, or any other substitute account designated as such pursuant to the Agency and Accounts Agreement.

Swap Collateral means an amount equal to the value of the collateral (or the applicable part of any collateral) provided by the Interest Rate Swap Counterparty to the Issuer in respect of the Interest Rate Swap Counterparty's obligations to transfer collateral to the Issuer under the Swap Agreement, which, for the avoidance of doubt, shall include any amount of interest credited to the Swap Cash Collateral Account.

Swap Tax Credit means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Interest Rate Swap Counterparty to the Issuer, the amounts of which shall be applied by the Issuer in accordance with the Agency and Accounts Agreement.

TARGET Day means any day on which the real time gross settlement system operated by the Eurosystem (T2), or any successor thereto, is open for the settlements of payments in Euro.

Tax means 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 sub-division thereof or any authority thereof or therein.

Tax Event has the meaning ascribed to such term in Condition 6(d) (*Early redemption for Tax Event*).

Tax Early Redemption Notice means the notice delivered by the Issuer following the occurrence of a Tax Event, in accordance with Condition 6(d) (*Early redemption for Tax Event*).

Transaction Account Bank means BNY, Milan branch or any other entity, being an Eligible Institution, acting as transaction account bank from time to time under the Securitisation.

Transaction Documents means the Master Receivables Purchase Agreement, each Transfer Agreement, the Servicing Agreement, the Warranty and Indemnity Agreement, the Corporate Services Agreement, the Intercreditor Agreement, the Agency and Accounts Agreement, the Quotaholder's Agreement, the Stichting Corporate Services Agreement, the Subscription Agreements, the Swap Agreement, the Deed of Assignment and any other agreement, deed or documents which may be entered into by the Issuer under the Securitisation from time to time.

Transaction Party means any party to the Transaction Documents (other than the Issuer).

Transfer Agreement means each transfer agreement executed by the Issuer and the Seller in connection with the purchase of each Additional Portfolio in accordance with the provisions of the Master Receivables Purchase Agreement.

UCBG means UniCredit Bank GmbH, a bank incorporated under the laws of the Federal Republic of Germany as a limited liability company (*Gesellschaft mit beschränkter Haftung*), registered with the commercial register administered by the Local Court of Munich at no. HR B 289472, belonging to the "*Gruppo Bancario UniCredit*" and having its head office at Arabellastraße 12, D-81925 Munich, Federal Republic of Germany.

Valuation Date means (i) in respect of the Initial Portfolio, the Initial Valuation Date, and (ii) in respect of each Additional Portfolio, the relevant Subsequent Valuation Date.

VAT means the Italian value added tax (*IVA*) provided for in Italian Presidential Decree no. 633 of 26 October 1972, as amended, supplemented and/or replaced from time to time, and any law or regulation supplemental thereto.

Variable Return means, on each Payment Date, the variable return payable on the Class Z Notes, which will be equal to any Available Distribution Amounts remaining after making payments under items (i) (*first*) to (xxii) (*twenty-second*) (inclusive) of the Pre-Enforcement Interest Priority of Payments or under items (i) (*first*) to (xx) (*twentieth*) (inclusive) of the Post-Enforcement Priority of Payments, as the case may be, and may be equal to 0 (zero).

Warranty and Indemnity Agreement means the warranty and indemnity agreement entered into on [●] 2025 between the Seller and the Issuer and including any agreement or other document expressed to be supplemental thereto.

1. Form, denomination and title

(a) *Form*

The Notes will be issued in dematerialised form (*in forma dematerializzata*) on behalf of the ultimate owners, until redemption and/or cancellation thereof, through Euronext Securities Milan for the account of the relevant Euronext Securities Milan Account Holders. Euronext Securities Milan will

act as depository for Clearstream and Euroclear in accordance with article 83-*bis* of the Consolidated Financial Act, through the authorised institutions listed in article 83-*quarter* of the Consolidated Financial Act.

(b) *Denomination*

The Rated Notes (other than the Class A2 Notes) will be issued in the minimum denomination of Euro 100,000 and integral multiples of Euro 1,000 in excess thereof. The Class A2 Notes will be issued in the minimum denomination of Euro 100,000 and integral multiples of Euro 100,000 in excess thereof. The Class Z Notes will be issued in the minimum denomination of Euro 1,000.

(c) *Title*

Title to the Notes will at all times be evidenced by book-entries in accordance with the provisions of (i) article 83-*bis* of the Consolidated Financial Act, and (ii) the CONSOB and Bank of Italy Joint Resolution. No physical document of title will be issued in respect of the Notes.

(d) *Holder Absolute Owner*

Except as ordered by a court of competent jurisdiction or as required by law, the Issuer, the Representative of the Noteholders and the Paying Agent may (to the fullest extent permitted by applicable laws) deem and treat the Euronext Securities Milan Account Holder, whose account is at the relevant time credited with a Note, as the absolute owner of such Note for all purposes (whether or not the Note shall be overdue and notwithstanding any notice to the contrary, any notice of ownership or writing on the Note or any notice of any previous loss or theft of the Note) and shall not be liable for doing so.

2. Status, segregation and ranking

(a) *Status*

The Notes will constitute direct and limited recourse obligations solely of the Issuer backed by the Aggregate Portfolio and the other Securitisation Assets. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any person except the Issuer and no person other than the Issuer will be liable in respect of any failure by the Issuer to make payment of any amount due on the Notes. The Noteholders acknowledge that the limited recourse nature of the Notes produces the effects of a *contratto aleatorio* under Italian law and they accept the consequences thereof, including but not limited to, the provisions of article 1469 of the Italian civil code.

(b) *Segregation*

The Notes will benefit of the provisions of the Securitisation Law pursuant to which the Aggregate Portfolio and the other Securitisation Assets will be segregated (*costituiscono patrimonio separato*) under Italian law from all other assets of the Issuer and from the assets relating to any Further Securitisation and will only be available, both before and after a winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any Connected Third Party Creditor. The Notes will have also the benefit of the Issuer Transaction Security.

The Aggregate Portfolio and the other Securitisation Assets may not be seized or attached in any form by creditors of the Issuer other than the Noteholders, the Other Issuer Creditors and any Connected Third Party Creditor until full discharge by the Issuer of its payment obligations under the Notes and/or cancellation thereof. Pursuant to the terms of the Intercreditor Agreement, the Issuer has empowered the Representative of the Noteholders, following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or a Specified Event, to exercise all the Issuer's rights,

powers and discretions under the Transaction Documents taking such action in the name and on behalf of the Issuer as the Representative of the Noteholders will deem necessary to protect the interests of the Issuer, the Noteholders and the Other Issuer Creditors in respect of the Aggregate Portfolio and under the Transaction Documents. Italian law governs the delegation of such power.

(c) *Ranking and subordination*

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), in respect of the obligation of the Issuer to pay interest or Variable Return (as applicable) on the Notes and repay principal on the Class E Notes and the Class Z Notes:

(i) the Class A Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes;

(ii) the Class B Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class C Notes, the Class D Notes, the Class E Notes, and the Class Z Notes, but subordinated to the Class A Notes;

(iii) the Class C Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class D Notes, the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes and the Class B Notes;

(iv) the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes, the Class B Notes and the Class C Notes;

(v) the Class E Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class Z Notes, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes; and

(vi) the Class Z Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*) and during the Pro-Rata Redemption Period, in respect of the obligation of the Issuer to repay principal on the Notes (other than the Class E Notes and the Class Z Notes), the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves.

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*) and during the Sequential Redemption Period, in respect of the obligation of the Issuer to repay principal on the Notes (other than the Class E Notes and the Class Z Notes):

(i) the Class A Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the Class B Notes, the Class C Notes and the Class D Notes;

(ii) the Class B Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class C Notes and the Class D Notes, but subordinated to the Class A Notes;

(iii) the Class C Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class D Notes, but subordinated to the Class A Notes and the Class B Notes and

(iv) the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes and the Class C Notes.

Following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), in respect of the obligation of the Issuer to pay interest or Variable Return (as applicable) and repay principal on the Notes:

(i) the Class A Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes;

(ii) the Class B Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes;

(iii) the Class C Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class D Notes, the Class E Notes and the Class Z Notes, but subordinated to the Class A Notes and the Class B Notes;

(iv) the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class Z Notes, but subordinated to the Class A Notes, the Class B Notes and the Class C Notes;

(v) the Class E Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class Z Notes, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes; and

(vi) the Class Z Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

The rights of the Noteholders in respect of the priority of payment of interest or Variable Return (as applicable) and principal on the Notes are set out in Condition 3(a) (*Priority of Payments - Pre-Enforcement Interest Priority of Payments*), Condition 3(b) (*Priority of Payments - Pre-Enforcement Principal Priority of Payments*) or Condition 3(c) (*Priority of Payments - Post-Enforcement Priority of Payments*), as the case may be, and are subject to the provisions of the Intercreditor Agreement and subordinated to certain prior ranking amounts due by the Issuer as set out therein.

The Intercreditor Agreement and the Rules of the Organisation of the Noteholders contain provisions regarding the protection of the respective interests of all Noteholders in connection with the exercise of the powers, authorities, rights, duties and discretions of the Representative of the Noteholders under or in relation to the Notes or any of the Transaction Documents. Without prejudice to the provisions of the Rules of the Organisation of the Noteholders concerning the Basic Terms Modifications, if, however, in the opinion of the Representative of the Noteholders, there is a conflict between the

interests of the Class A Noteholders, the interests of the Class B Noteholders, the interests of the Class C Noteholders, the interests of the Class D Noteholders, the interests of the Class E Noteholders and the interests of Class Z Noteholders, the Representative of the Noteholders is required under the Rules of the Organisation of the Noteholders to have regard only to the interests of the holders of the Most Senior Class of Notes.

3. Priority of Payments

(a) *Pre-Enforcement Interest Priority of Payments*

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), the Available Interest Amounts shall be applied, on each Payment Date (including, for the avoidance of doubt, on the Regulatory Change Early Redemption Date), in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full:

(i) *first*, *pari passu* and *pro rata* according to the respective amounts thereof, (A) to pay any Expenses (to the extent that the amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Interest Period), (B) to credit to the Expenses Account an amount necessary to bring the balance of the Expenses Account up to (but not exceeding) the Retained Expenses Amount, and (C) to return to the Seller any Repurchase Undue Amount;

(ii) *second*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;

(iii) *third*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof:

(A) all fees, costs and expenses of, and all other amounts due and payable to, the Back-up Servicer Facilitator, the Corporate Servicer, the Stichting Corporate Services Provider, the Account Banks, the Custodian (if any), the Calculation Agent and the Paying Agent; and

(B) solely to the extent that the funds standing to the credit of the RSF Reserve Account are insufficient to settle the Replacement Servicing Costs which are due and payable on such date, to pay such amounts to the Replacement Servicer;

(iv) *fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all amounts (if any) due and payable to the Interest Rate Swap Counterparty under the Swap Agreement (but excluding any Subordinated Swap Amounts);

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

(vi) *sixth*, provided that (i) the Class B Notes are the Most Senior Class of Notes, or (ii) the amount debited on the Class B Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is less than [25] per cent. of the Principal Amount Outstanding of the Class B Notes, to pay, *pari passu* and *pro rata*, interest due and payable on the Class B Notes;

(vii) *seventh*, provided that (i) the Class C Notes are the Most Senior Class of Notes, or (ii) the amount debited on the Class C Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is less than [25] per cent. of the Principal Amount Outstanding of the Class C Notes, to pay, *pari passu* and *pro rata*, interest due and payable on the Class C Notes;

(viii) *eighth*, provided that (i) the Class D Notes are the Most Senior Class of Notes, or (ii) the amount debited on the Class D Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is less than [25] per cent. of the Principal Amount Outstanding of the Class D Notes, to pay, *pari passu* and *pro rata*, interest due and payable on the Class D Notes;

(ix) *ninth*, to credit to the Liquidity Reserve Account an amount necessary to bring the Liquidity Reserve Amount up to (but not exceeding) the Liquidity Reserve Required Amount;

(x) *tenth*, to credit in full sequential order (A) the Class A Principal Deficiency Sub-Ledger with an amount sufficient to eliminate any debit thereon, (B) the Class B Principal Deficiency Sub-Ledger with an amount sufficient to eliminate any debit thereon, (C) the Class C Principal Deficiency Sub-Ledger with an amount sufficient to eliminate any debit thereon, and (D) the Class D Principal Deficiency Sub-Ledger with an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Principal Amounts);

(xi) *eleventh*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class B Notes (if not payable under item (vi) (*sixth*) above);

(xii) *twelfth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class C Notes (if not payable under item (vii) (*seventh*) above);

(xiii) *thirteenth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class D Notes (if not payable under item (viii) (*eighth*) above);

(xiv) *fourteenth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class E Notes;

(xv) *fifteenth*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class E Notes until the Class E Notes are redeemed in full;

(xvi) *sixteenth*, starting from the Regulatory Change Early Redemption Date, to pay interest due and payable on the Seller Regulatory Loan;

(xvii) *seventeenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Subordinated Swap Amounts due and payable to the Interest Rate Swap Counterparty;

(xviii) *eighteenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any indemnities due and payable to the Arranger and the Joint Lead Managers pursuant to the Rated Notes Subscription Agreement;

(xix) *nineteenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all fees, costs and expenses of, and all other amounts due and payable to HCBE, Italian branch as Servicer;

(xx) *twentieth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any other amount due and payable by the Issuer under the Transaction Documents, to the extent

not already paid or payable under other items of this Pre-Enforcement Interest Priority of Payments;

(xxi) *twenty-first*, if a RSF Reserve Funding Failure has occurred which has not been remedied prior to such Payment Date, to credit to the RSF Reserve Account an amount necessary to bring the balance of such account up to (but not exceeding) the Required RSF Reserve Amount;

(xxii) *twenty-second*, following redemption in full of the Class E Notes, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class Z Notes until the Class Z Notes are redeemed in full (provided that, up to (but excluding) the Cancellation Date, an amount not lower than Euro 1,000 shall remain outstanding); and

(xxiii) *twenty-third*, to pay, *pari passu* and *pro rata*, the Variable Return (if any) on the Class Z Notes.

(b) *Pre-Enforcement Principal Priority of Payments*

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), the Available Principal Amounts shall be applied, on each Payment Date (including, for the avoidance of doubt, on the Regulatory Change Early Redemption Date), in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full, provided that the amount set out in item (e) of the definition of Available Principal Amounts shall be used solely to make payments under item (v) (*fifth*) of the following order of priority on the Regulatory Change Early Redemption Date):

(i) *first*, to apply any Principal Addition Amounts to meet any Senior Expenses Deficit;

(ii) *second*, during the Replenishment Period:

(A) to pay to the Seller the Purchase Price for each Additional Portfolio purchased in accordance with the Master Receivables Purchase Agreement and the relevant Transfer Agreement; and

(B) to credit any Purchase Shortfall Amount occurring on such Payment Date to the Collection Account;

(iii) *third*, during the Pro-Rata Redemption Period, but prior to the Regulatory Change Early Redemption Date, to repay, *pari passu* and *pro rata* according to the respective amounts thereof, the Class A1 Pro-Rata Redemption Amount, the Class A2 Pro-Rata Redemption Amount, the Class B Pro-Rata Redemption Amount, the Class C Pro-Rata Redemption Amount and the Class D Pro-Rata Redemption Amount due and payable on, respectively, the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes and the Class D Notes;

(iv) *fourth*, during the Sequential Redemption Period, to repay, *pari passu* and *pro rata* according to the respective amounts thereof, the relevant Principal Amount Outstanding of the Class A1 Notes and the Class A2 Notes until the Class A1 Notes and the Class A2 Notes are redeemed in full;

(v) *fifth*, on the Regulatory Change Early Redemption Date, to pay any amounts comprising the Regulatory Change Allocated Principal Amount in accordance with the Regulatory Change Order of Allocation;

(vi) *sixth*, during the Sequential Redemption Period, but prior to a Regulatory Change Early Redemption Date, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class B Notes until the Class B Notes are redeemed in full;

(vii) *seventh*, during the Sequential Redemption Period, but prior to a Regulatory Change Early Redemption Date, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class C Notes until the Class C Notes are redeemed in full;

(viii) *eighth*, during the Sequential Redemption Period, but prior to a Regulatory Change Early Redemption Date, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class D Notes until the Class D Notes are redeemed in full;

(ix) *ninth*, during the Sequential Redemption Period, starting from the Regulatory Change Early Redemption Date, to repay, *pari passu* and *pro rata*, principal due and payable on the Seller Regulatory Loan;

(x) *tenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any other amount due and payable by the Issuer under the Transaction Documents, to the extent not already paid or payable under other items of the Pre-Enforcement Interest Priority of Payments or this Pre-Enforcement Principal Priority of Payments; and

(xi) *eleventh*, to allocate any surplus to the Available Interest Amounts.

(c) *Post-Enforcement Priority of Payments*

Following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), the Available Distribution Amounts shall be applied, on each Payment Date, in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

(i) *first*, *pari passu* and *pro rata* according to the respective amounts thereof, (A) to pay any Expenses (to the extent that the amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Interest Period), (B) to credit to the Expenses Account an amount necessary to bring the balance of the Expenses Account up to (but not exceeding) the Retained Expenses Amount, and (C) to return to the Seller any Repurchase Undue Amount;

(ii) *second*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;

(iii) *third*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof:

(A) all fees, costs and expenses of, and all other amounts due and payable to, the the Back-up Servicer Facilitator, the Corporate Servicer, the Stichting Corporate Services Provider, the Account Banks, the Custodian (if any), the Calculation Agent and the Paying Agent; and

(B) solely to the extent that the funds standing to the credit of the RSF Reserve Account are insufficient to settle the Replacement Servicing Costs which are due and payable on such date, to pay such amounts to the Replacement Servicer;

(iv) *fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all amounts (if any) due and payable to the Interest Rate Swap Counterparty under the Swap Agreement (but excluding any Subordinated Swap Amounts);

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

(vi) *sixth*, to repay, *pari passu* and *pro rata* according to the respective amounts thereof, the relevant Principal Amount Outstanding of the Class A1 Notes and the Class A2 Notes until the Class A1 Notes and the Class A2 Notes are redeemed in full;

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

(viii) *eighth*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class B Notes until the Class B Notes are redeemed in full;

(ix) *ninth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class C Notes;

(x) *tenth*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class C Notes until the Class C Notes are redeemed in full;

(xi) *eleventh*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class D Notes;

(xii) *twelfth*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class D Notes until the Class D Notes are redeemed in full;

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

(xiv) *fourteenth*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class E Notes until the Class E Notes are redeemed in full;

(xv) *fifteenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Subordinated Swap Amounts due and payable to the Interest Rate Swap Counterparty;

(xvi) *sixteenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any indemnities due and payable to the Arranger and the Joint Lead Managers pursuant to the Rated Notes Subscription Agreement;

(xvii) *seventeenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all fees, costs and expenses of, and all other amounts due and payable to HCBE, Italian branch as Servicer;

(xviii) *eighteenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any other amount due and payable by the Issuer under the Transaction Documents, to the extent not already paid or payable under other items of this Post-Enforcement Priority of Payments;

(xix) *nineteenth*, if a RSF Reserve Funding Failure has occurred which has not been remedied prior to such Payment Date, to credit to the RSF Reserve Account an amount necessary to bring the balance of such account up to (but not exceeding) the Required RSF Reserve Amount;

(xx) *twentieth*, following redemption in full of the Class E Notes, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class Z Notes until the Class Z Notes are redeemed in full (provided that, up to (but excluding) the Cancellation Date, an amount not lower than Euro 1,000 shall remain outstanding); and

(xxi) *twenty-first*, to pay, *pari passu* and *pro rata*, the Variable Return (if any) on the Class Z Notes.

(d) *Deferral under the applicable Priority of Payments*

Without prejudice to the provisions of Condition 5(i) (*Interest and Variable Return - Interest Deferral*) regarding payment of interest on the Senior Notes (or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes), in the event and to the extent that the Available Distribution Amounts available to the Issuer in accordance with the provisions of the applicable Priority of Payments are insufficient to pay any amount due and payable on any Payment Date in accordance with such Priority of Payments, such shortfall will not be payable on that Payment Date but will be deferred and become payable on the next succeeding Payment Date if, and to the extent that, the Available Distribution Amounts then available to the Issuer in accordance with the applicable Priority of Payments are sufficient to pay such amount. No interest will be payable on any amount so deferred.

4. Covenants

Subject to the provisions of Condition 4(o) (*Further securitisations and corporate existence*), as long as any Note remains outstanding, the Issuer, save with the prior written consent of the Representative of the Noteholders or as provided in these Conditions or any of the Transaction Documents, shall not, nor shall cause or permit (to the extent permitted by Italian law) quotaholders' meetings to be convened, in order to:

(a) *Negative pledge*

create or permit to subsist any security interest or other encumbrance whatsoever over the Receivables, the Aggregate Portfolio, the Accounts, the other Securitisation Assets or any part thereof or any of its present or future business, undertaking, assets or revenues relating to the Securitisation;

(b) *Use of assets*

use, invest, sell, transfer, exchange, factor, assign, lease, hire out, lend or dispose of, or otherwise deal with, any of the Receivables, the Aggregate Portfolio, the other Securitisation Assets or any interest, right or benefit in respect of any thereof or grant any option or right to acquire the same or agree or attempt or purport to do any of the same;

(c) *Restrictions on activities*

(A) engage in any activity whatsoever which is not incidental to or necessary in connection with any Further Securitisation or with any of the activities which the Transaction Documents provide for, or envisage that the Issuer may engage in, or any other activity necessary in connection therewith or incidental thereto;

(B) have any subsidiary or affiliate (*società controllata* or *società collegata* within the meaning of article 2359 of the Italian civil code) participations in other companies, or undertakings of any other nature or have 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, in the opinion of the Representative of the Noteholders, is materially prejudicial to the interests of the Noteholders or any Class thereof under the Notes or the Transaction Documents or any act or thing in relation thereto which, in the opinion of the Representative of the Noteholders, is materially prejudicial to the interests of the Noteholders or any Class under the Transaction Documents;

(d) *Dividends or distributions*

pay any dividend or make any other distribution or repayment to its Quotaholder, issue any further quotas or otherwise increase its equity capital other than when so required by applicable law;

(e) *Borrowings*

create, incur or permit to subsist any indebtedness whatsoever (save for any indebtedness to be incurred in relation to any Further Securitisation) in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness or of any obligation of any person;

(f) *Derivatives*

enter into derivative contracts save as expressly permitted by article 21(2) of the EU Securitisation Regulation;

(g) *Merger*

consolidate or merge with any other person or convey or transfer any of its assets substantially as an entirety to any other person;

(h) *Waiver or consent*

(i) permit any of the Transaction Documents to which it is a party to become invalid or ineffective; or (ii) consent to any variation of, or exercise any powers of consent or waiver pursuant to the terms of, any Transaction Documents; or (iii) permit any party to any Transaction Document to be released from its obligations;

(i) *Bank accounts*

have an interest in any bank account other than the Accounts, the Quota Capital Account, any bank account opened or to be opened in the context of any Further Securitisation;

(j) *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 any provision of law or regulation or by any regulatory authority having jurisdiction over it;

(k) *Separateness*

permit or consent to any of the following occurring:

(A) its books and records relating to the Securitisation being maintained with or comingled with those of any other person or entity or those of a different securitisation performed by the Issuer;

(B) its bank accounts relating to the Securitisation and the debts represented thereby being co-mingled with those of any other person or entity or those of a different securitisation performed by the Issuer;

(C) its assets or revenues relating to the Securitisation being comingled with those of any other person or entity or those of a different securitisation performed by the Issuer; or

(D) its business being conducted other than in its own name;

and, in addition and without limitation to the above, the Issuer shall or shall procure that, with respect to itself:

(A) separate financial statements in relation to its financial affairs and the Securitisation are maintained;

(B) all corporate formalities with respect to its affairs are observed in compliance with the Securitisation Law;

(C) separate stationery, invoices and cheques are used in respect of the Securitisation;

(D) it always holds itself out as a separate entity; and

(E) any known misunderstandings regarding its separate identity are corrected as soon as possible;

(l) *Residency and centre of main interest*

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 interests" (as such term is defined in the EU Insolvency Regulation) in Italy; or

(m) *De-registrations*

ask for de-registration from the register of special purpose vehicles (*elenco delle società veicolo*) held by the Bank of Italy under article 4 of the Bank of Italy's regulation dated 12 December 2023, for as long as the Securitisation Law, the Consolidated Banking Act or any other applicable law or regulation requires companies incorporated pursuant to the Securitisation Law to be registered thereon; or

(n) *Compliance with applicable law and corporate formalities*

cease to comply with any applicable law or regulation or any necessary corporate formalities.

(o) *Further securitisations and corporate existence*

None of the covenants in Condition 4 (*Covenants*) above shall prohibit the Issuer from:

(i) acquiring, or financing pursuant to article 7 of the Securitisation Law, by way of separate transactions unrelated to the Securitisation (the **Further Securitisations**), further receivables or portfolios of receivables of any kind (the **Further Portfolios**);

(ii) securitising such Further Portfolios through the issuance of further debt securities (the **Further Notes**);

(iii) entering into agreements and transactions 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 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;

(B) 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;

(C) 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 Condition 4 (*Covenants*) above; and

II. provisions which are the same as or, in the sole discretion of the Representative of the Noteholders, equivalent to this proviso; and

(D) the Representative of the Noteholders is satisfied that the provisions of paragraphs from (A) to (C) above have been satisfied;

(E) the Rating Agencies have been notified of the intention to carry out such Further Securitisation and have received confirmation from the Issuer that the transaction documents of the Further Securitisation contain provisions to the effect that the obligations of the Issuer in respect of such Further Securitisation are limited recourse obligations of the Issuer and contain limitations on the right of the noteholders and of each person which is a party to any transaction document in connection with such Further Securitisation to take action against the Issuer.

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.

(ii) carrying out any activity which is incidental to maintaining its corporate existence and complying with laws and regulations applicable to it.

5. Interest and Variable Return

(a) *Interest, Payment Dates and Interest Periods*

Each Rated Note will bear interest on its Principal Amount Outstanding from (and including) the Closing Date until final redemption and/or cancellation as provided for in Condition 6 (*Redemption, purchase and cancellation*) and subject to paragraph (b) (*Termination of interest*) below.

Interest on the Rated Notes will accrue on a daily basis and will be payable in Euro in arrear by reference to successive Interest Periods on each date falling (i) prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, on the 23rd calendar day of March, June, September and December of each year (or, if such day is not a Business Day, the immediately following Business Day), or (ii) following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, on any such Business Day as determined by the

Representative of the Noteholders on which payments are to be made under the Securitisation (each, a **Payment Date**), in each case in accordance with the applicable Priority of Payments. The first payment of interest on the Rated Notes will be due on the Payment Date falling on 23 September 2025 in respect of the Interest Period from (and including) the Closing Date up to (but excluding) such Payment Date.

(b) *Termination of interest*

Each Rated Note shall cease to bear interest from (and including) its due date for redemption, unless payment of principal due is improperly withheld or refused or default is otherwise made in respect of payment thereof, in which case it will continue to bear interest in accordance with this Condition 5 until the date on which all amounts due in respect of such Rated Note up to that date are received by or on behalf of the relevant Noteholder.

(c) *Rate of interest on the Rated Notes*

The rate of interest applicable from time to time to the Rated Notes (the **Rate of Interest**) will be:

(i) in respect of the Class A1 Notes, a floating rate equal to EURIBOR, plus a margin of [●] per cent. per annum;

(ii) in respect of the Class A2 Notes, a floating rate equal to EURIBOR, plus a margin of [●] per cent. per annum;

(iii) in respect of the Class B Notes, a floating rate equal to EURIBOR, plus a margin of [●] per cent. per annum;

(iv) in respect of the Class C Notes, a floating rate equal to EURIBOR, plus a margin of [●] per cent. per annum;

(v) in respect of the Class D Notes, a floating rate equal to EURIBOR, plus a margin of [●] per cent. per annum;

(vi) in respect of the Class E Notes, a floating rate equal to EURIBOR, plus a margin of [●] per cent. per annum.

To the extent permitted by law, there shall be no maximum or minimum Rate of Interest in respect of the Rated Notes, provided that, should in relation to any Interest Period the algebraic sum of the EURIBOR and the relevant margin applicable to any Class of Rated Notes result in a negative rate, then the Rate of Interest applicable to such Class of Rated Notes shall be deemed to be 0 (zero).

For the purpose of these Conditions, **EURIBOR** means, in respect of any Class of Rated Notes, the Euro-Zone inter-bank offered rate for 3-month Euro deposits which appears on:

(i) both prior to and, to the extent that the Representative of the Noteholders does not designate a different Business Day as a Payment Date, following the service of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event and in respect of each Interest Period, the rate offered in the Euro-Zone interbank market for 3-month deposits in euro (except in respect of the first Interest Period where an interpolated interest rate based on interest rates for 1 and 3-month Euro deposits will be substituted for 3-month Euro deposits) which appears on the Reuters-Euribor01 page or (A) such other page as may replace the Reuters-Euribor01 page on that service for the purpose of displaying such information or (B) if that service ceases to display such information, such page as displays such information on such equivalent service (or, if more than one, that one which is approved by the Representative

of the Noteholders) as may replace the Reuters-Euribor01 page (the **Screen Rate**) at or about 11.00 a.m. (Brussels time) on the Interest Determination Date falling immediately before the beginning of such Interest Period; or

(ii) following the service of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event and to the extent that the Representative of the Noteholders has designated a different Business Day as a Payment Date, and in respect of each Interest Period, the rate offered in the Euro-Zone interbank market for deposits in Euro applicable in respect of such Interest Period which appears on the Screen Rate nominated and notified by the Representative of the Noteholders for such purpose or, if necessary, the relevant linear interpolation, as determined by the Paying Agent in accordance with the Agency and Accounts Agreement at or about 11.00 a.m. (Brussels time) on the Interest Determination Date which falls immediately before the beginning of the relevant Interest Period,

provided that, if the Screen Rate is unavailable at such time for Euro deposits for the relevant period, then the rate for any relevant period (the **Reference Rate**) shall be determined in accordance with paragraph (d) (*Fallback provisions*) below.

(d) *Fallback provisions*

(i) Notwithstanding anything to the contrary, including paragraph (c) (*Rates of Interest on the Rated Notes*) above, the following provisions will apply if the Issuer determines that any of the following events (each a **Base Rate Modification Event**) has occurred:

(A) a material disruption to EURIBOR, an adverse change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or to be published;

(B) the insolvency or cessation of business of the EURIBOR administrator (in circumstances where no successor EURIBOR administrator has been appointed);

(C) 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);

(D) 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;

(E) 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;

(F) a public announcement of the permanent or indefinite discontinuity of EURIBOR as it applies to the Rated Notes; or

(G) the reasonable expectation of the Issuer that any of the events specified in sub-paragraphs (A), (B), (C), (D), (E) or (F) will occur or exist within 6 (six) months of the proposed effective date of such Base Rate Modification.

(ii) Following the occurrence of a Base Rate Modification Event, the Issuer will inform the Seller and the Representative of the Noteholders of the same and will appoint a rate determination agent to carry out the tasks referred to in this Condition 5(d) (the **Rate Determination Agent**).

(iii) 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 Rated 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 that:

(A) 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

(B) such Alternative Base Rate is:

I. a base rate published, endorsed, approved or recognised by the relevant regulatory authority or any stock exchange on which the Rated Notes are listed or any relevant committee or other body established, sponsored or approved by any of the foregoing;

II. 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;

III. a base rate utilised in a publicly-listed new issue of Euro denominated asset backed floating rate notes where the originator of the relevant assets is HCBE, Italian branch or an affiliate of HCBE, Italian branch; or

IV. such other base rate as the Rate Determination Agent reasonably determines (and in relation to which the Rate Determination Agent has provided reasonable justification of its determination to the Issuer and the Representative of the Noteholders),

provided that, for the avoidance of doubt (x) in each case, the change to the Alternative Base Rate will not be materially prejudicial to the interest of the Noteholders; and (y) for the avoidance of doubt, the Issuer may propose an Alternative Base Rate on more than one occasion provided that the conditions set out in this paragraph (iii) are satisfied.

(iv) It is a condition to any such Base Rate Modification that:

(A) the Seller pays (or arranges for the payment of) all fees, costs and expenses (including legal fees) properly incurred by the Issuer and each other applicable party including, without limitation, any of the agents to the Issuer, in connection with such modifications. For the avoidance of doubt, such costs shall not include any amount in respect of any reduction in the interest payable to a Noteholder or any change in the amount due to the Interest Rate Swap Counterparty or any change in the mark-to-market value of the Swap Agreement;

(B) with respect to each Rating Agency, the Issuer has notified such Rating Agency of the proposed modification and the relevant modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agency or (y) such Rating Agency placing the Rated Notes on rating watch negative (or equivalent); and

(C) the Issuer provides at least 30 (thirty) days' prior written notice to the Rated 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 (iii) above and if the Rated Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Rated 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 Rated Notes may be held within the notification period referred to above that they object to the proposed Base Rate Modification, then such modification will not be made unless a resolution of the holders of the Rated Notes is passed in favour of such modification in accordance with these Conditions by the holders of the Rated Notes representing at least the majority of the then Principal Amount Outstanding of the Rated Notes.

When implementing any modification pursuant to this Condition 5(d), the Rate Determination Agent and the Issuer 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 (in the case of the Rate Determination Agent) or the Rated Noteholders or any other party (in the case of the Rate Determination Agent or the Issuer).

(v) If a Base Rate Modification is not made as a result of the application of paragraph (iii) above, and for so long as the Issuer considers that a Base Rate Modification Event is continuing, the Issuer may or, upon request of the Seller, must, initiate the procedure for a Base Rate Modification as set out in this Condition 5(d).

(vi) Any modification pursuant to this Condition 5(d) must comply with the rules of any stock exchange on which the Rated Notes are from time to time listed or admitted to trading and may be made on more than one occasion.

(vii) As long as a Base Rate Modification is not deemed final and binding in accordance with this Condition 5(d), the Reference Rate applicable to the Rated Notes will be equal to the last Reference Rate available on the relevant applicable screen rate pursuant to paragraph (a) above.

(viii) Any Base Rate Modification shall be notified by the Issuer to the Paying Agent at least 10 (ten) Business Days prior to the first applicable Interest Determination Date. The Paying Agent is not obliged to concur with the Issuer in respect of any conforming changes or amendments required as a result of a Reference Rate replacement, to which, in the sole opinion of the Paying Agent, would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Paying Agent in the Agency and Accounts Agreement.

This Condition 5(d) shall be without prejudice to the application of any higher interest under applicable mandatory law.

(e) *Variable Return*

A variable return may or may not be payable on the Class Z Notes (the **Variable Return**) in Euro on each Payment Date, in accordance with the applicable Priority of Payments.

On each Payment Date the Variable Return will be equal to any Available Distribution Amounts remaining after making payments under items (i) (*first*) to (xxii) (*twenty-second*) (inclusive) of the Pre-Enforcement Interest Priority of Payments or under items (i) (*first*) to (xx) (*twentieth*) (inclusive) of the Post-Enforcement Priority of Payments, as the case may be, and may be equal to 0 (zero).

(f) *Calculation of Interest Amount, Aggregate Interest Amount and Variable Return*

On each Interest Determination Date, the Paying Agent shall determine the Rate of Interest applicable to the Rated Notes of each Class and the amount of interest in Euro payable on each Rated Note of each Class (the **Interest Amount**) and on the aggregate number of Rated Notes of each Class (the **Aggregate Interest Amount**), in each case in respect of the relevant Interest Period. The Interest Amount payable on each such Rated Note in respect of any Interest Period shall be calculated by (A) applying the relevant Rate of Interest to the Principal Amount Outstanding of that Rated Note on the Payment Date (or, in the case of the first Interest Period, the Closing Date) at the commencement of such Interest Period (after deducting therefrom any amount of principal due on that Payment Date (whether or not paid)); (B) multiplying the product of such calculation by the actual number of days in the relevant Interest Period; (C) dividing that amount by 360; and (D) rounding the resultant figure to the nearest cent (half a cent being rounded upwards). The Aggregate Interest Amount shall be calculated by multiplying the Interest Amount of each Rated Note of each such Class by the actual number of Rated Notes of that Class.

On each Calculation Date, the Calculation Agent shall determine the Variable Return (if any) payable on the Class Z Notes on the immediately following Payment Date.

The determinations and calculations made by the Paying Agent or the Calculation Agent (as the case may be) pursuant to this Condition 5(f) shall (in the absence of manifest error) be final and binding upon all parties.

(g) *Notification of Interest Amount, Aggregate Interest Amount and Variable Return and Payment Date*

On each Interest Determination Date, the Paying Agent shall notify the Interest Amount, the Aggregate Interest Amount and the relevant Payment Date to the Issuer, the Representative of the Noteholders, the Calculation Agent and Euronext Securities Milan.

The Interest Amount, the Aggregate Interest Amount and the relevant Payment Date may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of manifest error.

On each Calculation Date, the Calculation Agent shall notify, through the Payments Report, the Variable Return and the relevant Payment Date to the Issuer, the Representative of the Noteholders and the Paying Agent (which shall notify the same to Euronext Securities Milan).

(h) *Determination or calculation by the Representative of the Noteholders*

If the Paying Agent or the Calculation Agent, as the case may be, does not at any time for any reason determine the Interest Amount and/or the Aggregate Interest Amount for any Class of Rated Notes and/or the Variable Return (if any) for the Class Z Notes (as the case may be) in accordance with this Condition 5, the Representative of the Noteholders shall (but without incurring, in the absence of wilful misconduct (*dolo*) or gross negligence (*colpa grave*), any liability to any person as a result) calculate and notify the relevant Interest Amount, Aggregate Interest Amount and Variable Return (if any) in the manner specified in this Condition 5, and any such determination, calculation and notification shall be deemed to have been made by the Paying Agent or the Calculation Agent (as the case may be).

(i) *Interest Deferral*

Payments of interest on any Class of Rated Notes (other than the Senior Notes or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes) will be subject to deferral to the extent that there are insufficient Available Interest Amounts on any Payment Date in accordance

with the Pre-Enforcement Interest Priority of Payments to pay in full the relevant Aggregate Interest Amount which would otherwise be payable on such Class of Rated Notes. The amount by which the aggregate amount of interest paid on any Class of Rated Notes (other than the Senior Notes or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes) on any Payment Date in accordance with this Condition 5 falls short of the Aggregate Interest Amount which otherwise would be payable on such Class of Rated Notes on that date shall be aggregated with the amount of, and treated for the purposes of this Condition 5 as if it were interest due on, such Class of Rated Notes and, subject as provided below, payable on the next succeeding Payment Date. No interest will accrue on any amount so deferred.

If, on the Cancellation Date, there remains any such shortfall, the amount of such shortfall will become due and payable on such date, subject in each case to the amounts of Available Distribution Amounts and, to the extent unpaid, will be cancelled.

Any Aggregate Interest Amount due but not payable on the Senior Notes (or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes) on any Payment Date will not be deferred and any failure to pay such Aggregate Interest Amount will constitute an Issuer Event of Default pursuant to Condition 10 (*Issuer Event of Defaults*).

(j) *Notification of Interest Deferral*

If, on any Calculation Date, the Calculation Agent determines that any deferral of interest in respect of any Class of Rated Notes (other than the Senior Notes or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes) will arise on the immediately succeeding Payment Date, it shall give notice (through the Payments Report) to the Representative of the Noteholders and the Paying Agent (which shall notify the same to Euronext Securities Milan), specifying the amount of interest to be deferred on such following Payment Date in respect of such Class of Rated Notes.

6. Redemption, purchase and cancellation

(a) *Final redemption*

The Issuer shall redeem the Notes at their Principal Amount Outstanding (together with any accrued but unpaid interest), in accordance with the applicable Priority of Payments, on the Payment Date falling in December 2041 (the **Legal Maturity Date**).

The Issuer may not redeem the Notes in whole or in part prior to the Legal Maturity Date except as provided for in Condition 6(c) (*Mandatory redemption*), Condition 6(d) (*Early redemption for Tax Event*), Condition 6(e) (*Early redemption for Clean-up Call Event*) or Condition 6(f) (*Early redemption for Regulatory Change Event*), but without prejudice to Condition 10 (*Issuer Event of Defaults*) and Condition 11 (*Enforcement*).

(b) *Cancellation Date*

The Notes will be finally and definitively cancelled on:

(i) the earlier of (A) the Legal Maturity Date if the Notes are redeemed in full, and (B) the date on which the Notes are finally redeemed following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or pursuant to Condition 6(c) (*Mandatory redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*); or

(ii) if the Notes cannot be redeemed in full on the Legal Maturity Date as a result of the Issuer having insufficient Available Distribution Amounts for application in or towards such redemption, on the later of (A) the Payment Date immediately following the date on which all the Receivables will have been paid in full, and (B) the Payment Date immediately following the date on which all the Receivables then outstanding will have been entirely written off by the Issuer as a consequence of the Servicer having determined that there is no reasonable likelihood of there being any further realisations in respect of the Aggregate Portfolio and the other Securitisation Assets (whether arising from judicial enforcement proceedings or otherwise) which would be available to pay unpaid amounts outstanding under the Notes,

(the date of cancellation of the Notes pursuant to paragraph (i) or (ii) above, as applicable, the **Cancellation Date**).

(c) *Mandatory redemption*

The Notes will be subject to mandatory redemption (*pro rata* within each Class) in whole or in part on each Payment Date during the Amortisation Period to the extent that the Issuer has sufficient Available Distribution Amounts for such purpose in accordance with the applicable Priority of Payments.

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call*):

(i) each Class of Senior Notes and Mezzanine Notes will be redeemed on each Payment Date as follows:

(A) during the Pro-Rata Redemption Period, at the relevant Pro-Rata Redemption Amount, *pari passu* and *pro rata* with the other Classes of Senior Notes and Mezzanine Notes; or

(B) during the Sequential Redemption Period, in a sequential order,

in each case out of the Available Principal Amounts in accordance with the Pre-Enforcement Principal Priority of Payments;

(ii) the Class E Notes and the Class Z Notes will be redeemed on each Payment Date during the Amortisation Period at their respective Principal Amount Outstanding, out of the Available Interest Amounts in accordance with the Pre-Enforcement Interest Priority of Payments,

provided that, on the Regulatory Change Early Redemption Date, the Issuer will apply any amounts comprising the Regulatory Change Allocated Principal Amount, in a sequential order, pursuant to the Regulatory Change Order of Allocation to redeem each Class of Mezzanine Notes (in whole but not in part) at their respective Principal Amount Outstanding and, to the extent after such redemption there would sufficient funds to redeem also the Class E Notes (in whole but not in part), also the Class E Notes at their Principal Amount Outstanding, in accordance with the Pre-Enforcement Principal Priority of Payments.

The occurrence of any of the following events in respect of any Payment Date prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), shall constitute a **Sequential Payment Trigger Event**:

(a) *Breach of Cumulative Net Loss Ratio*:

the Cumulative Net Loss Ratio, as at the immediately preceding Cut-Off Date, is equal to, or higher than, the relevant Cumulative Net Loss Trigger Level; or

(b) *Breach of Delinquency Ratio Rolling Average*:

the Delinquency Ratio Rolling Average, as at the immediately preceding Cut-Off Date, is equal to or higher than [3.5] per cent.;

(c) *Debit balance of the Principal Deficiency Ledger*:

on any Payment Date, the Principal Deficiency Ledger has a debit balance equal to or higher than [1.00] per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of the Receivables comprised in the Initial Portfolio, as calculated on the relevant Calculation Date by taking into account the relevant payments and/or provisions required to be made by the Issuer on such Payment Date in accordance with the Pre-Enforcement Interest Priority of Payments; or

(d) *Clean-up Call Event*:

the Clean-up Call Event occurs but the Aggregate Portfolio Repurchase Option is not exercised by the Seller; or

(e) *Delivery of a Tax Early Redemption Notice*:

the Issuer delivers a Tax Early Redemption Notice; or

(f) *Delivery of a Regulatory Change Early Redemption Notice*:

the Issuer delivers a Regulatory Change Early Redemption Notice; or

(g) *Interest Rate Swap Counterparty Downgrade Event*:

an Interest Rate Swap Counterparty Downgrade Event occurs and none of the remedies provided for in the Swap Agreement are put in place within the timeframe required thereunder; or

(h) *Issuer Event of Default, Seller Termination Event or Servicer Termination Event*:

an Issuer Event of Default, a Seller Termination Event or a Servicer Termination Event occurs.

Upon occurrence of a Sequential Payment Trigger Event, the Sequential Redemption Period will start and repayments of principal on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be made at all times in a sequential order in accordance with the Pre-Enforcement Principal Priority of Payments so that (i) the Class B Notes will not be redeemed for so long as the Class A Notes have not been redeemed in full, (ii) the Class C Notes will not be redeemed for so long as the Class B Notes have not been redeemed in full, and (iii) the Class D Notes will not be redeemed for so long as the Class C Notes have not been redeemed in full.

However, prior to the delivery of an Issuer Event of Default Notice, the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), if the Servicer fails to deliver the Servicer's Report to the Calculation Agent by the relevant Servicer's Report Date (or such later date as may be agreed between the Servicer and

the Calculation Agent which enables the latter to prepare and deliver the Payments Report in a timely manner), no amount of principal will be due and payable in respect of the Notes.

Following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), all Classes of Notes shall be redeemed on each Payment Date at their respective Principal Amount Outstanding, in a sequential order, out of the Available Distribution Amounts in accordance with the Post-Enforcement Priority of Payments.

(d) *Early redemption for Tax Event*

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Issuer may redeem at its option the Rated Notes (in whole but not in part) and the Junior Notes (in whole or in part) at their Principal Amount Outstanding (together with any accrued but unpaid interest) in accordance with the Post-Enforcement Priority of Payments, on any Payment Date following the occurrence of a Tax Event in accordance with this Condition 6(d).

For the purposes of this Condition 6(d), **Tax Event** means the circumstance that, by reason of a change in law or regulation or the interpretation or administration thereof since the Closing Date:

(i) the Securitisation Assets become subject to taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or by any political sub-division thereof or by any authority thereof or therein or by any applicable taxing authority having jurisdiction; or

(ii) either the Issuer or any paying agent or any custodian appointed in respect of the Notes is required to deduct or withhold any amount (other than in respect of a Decree 239 Withholding) in respect of any Class of Notes, from any payment of principal or interest on such Payment Date 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 by any political sub-division thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction and provided that such deduction or withholding may not be avoided by appointing a replacement paying agent or custodian in respect of the Notes before the Payment Date following the change in law or the interpretation or administration thereof; or

(iii) any amounts of interest payable on the Loans to the Issuer are required to be deducted or withheld from the Issuer or the relevant payor 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 by any political sub-division thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction.

The Issuer's right to redeem the Notes in the manner described above shall be subject to the Issuer:

(i) giving not more than 60 (sixty) nor less than 30 (thirty) days' written notice (which notice shall be irrevocable) to the Representative of the Noteholders and the Noteholders in accordance with Condition 17 (*Notices*) of its intention to redeem the Rated Notes (in whole but not in part) and the Junior Notes (in whole or in part) on the next succeeding Payment Date at their Principal Amount Outstanding (together with any accrued but unpaid interest), pursuant to this Condition 6(d) (the **Tax Early Redemption Notice**); and

(ii) on or prior to the delivery of the Tax Early Redemption Notice, providing to the Representative of the Noteholders:

(A) a legal opinion (in form and substance satisfactory to the Representative of the Noteholders) from a firm of lawyers of international reputation (approved in writing by the Representative of the Noteholders) opining on the relevant change in law or regulation or interpretation or administration thereof;

(B) a certificate from the chairman of the board of directors or the sole director of the Issuer (as applicable) stating that a Tax Event will apply on the next Payment Date and cannot be avoided by the Issuer taking reasonable endeavours; and

(C) a certificate from the chairman of the board of directors or the sole director of the Issuer (as applicable) to the effect that the Issuer will have sufficient funds on such Payment Date to discharge in full at least its obligations under the Rated Notes and any obligations ranking in priority thereto, or *pari passu* therewith, together with any additional taxes payable by the Issuer by reason of such early redemption of the Notes.

Under the Master Receivables Purchase Agreement, the Issuer has irrevocably granted to the Seller an option, pursuant to article 1331 of the Italian civil code, to repurchase (in whole but not in part) the Aggregate Portfolio then outstanding at the Final Repurchase Price following the occurrence of a Tax Event in order to finance the early redemption of the Notes in accordance with this Condition 6(d). If the Seller exercises such option, then the Issuer shall redeem the Notes as described above.

(e) *Early redemption for Clean-up Call Event*

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Issuer may redeem at its option the Rated Notes (in whole but not in part) and the Class Z Notes (in whole or in part) at their Principal Amount Outstanding (together with any accrued but unpaid interest) in accordance with the Post-Enforcement Priority of Payments, on any Payment Date following the date on which the aggregate Outstanding Principal of the Receivables comprised in the Aggregate Portfolio is equal to or lower than 10 per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of the Receivables comprised in the Initial Portfolio (the **Clean-up Call Event**).

The Issuer's right to redeem the Notes in the manner described above shall be subject to the Issuer:

(i) giving not more than 60 (sixty) nor less than 30 (thirty) days' written notice (which notice shall be irrevocable) to the Representative of the Noteholders and the Noteholders in accordance with Condition 17 (*Notices*) of its intention to redeem the Rated Notes (in whole but not in part) and the Class Z Notes (in whole or in part) on the next succeeding Payment Date at their Principal Amount Outstanding (together with any accrued but unpaid interest), pursuant to this Condition 6(e) (the **Clean-up Call Early Redemption Notice**); and

(ii) on or prior to the delivery of the Clean-up Call Early Redemption Notice, providing to the Representative of the Noteholders a certificate from the chairman of the board of directors or the sole director of the Issuer (as applicable) to the effect that the Issuer will have sufficient funds on such Payment Date to discharge in full at least its obligations under the Rated Notes and any obligations ranking in priority thereto, or *pari passu* therewith.

Under the Master Receivables Purchase Agreement, the Issuer has irrevocably granted to the Seller an option, pursuant to article 1331 of the Italian civil code, to repurchase (in whole but not in part) the Aggregate Portfolio then outstanding at the Final Repurchase Price following the occurrence of the Clean-up Call Event, in order to finance the early redemption of the Notes in accordance with this Condition 6(e). If the Seller exercises such option, then the Issuer shall redeem the Notes as described above.

(f) *Early redemption for Regulatory Change Event*

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Issuer may redeem at its option the Mezzanine Notes (in whole but not in part) at their Principal Amount Outstanding (together with any accrued but unpaid interest) in accordance with the Pre-Enforcement Principal Priority of Payments and the Pre-Enforcement Interest Priority of Payments, on any Payment Date following the occurrence of a Regulatory Change Event in accordance with this Condition 6(f).

For the purposes of this Condition 6(f), **Regulatory Change Event** means (a) any enactment or establishment of, or supplement or amendment to, or change in any law, regulation, rule, policy or guideline of any relevant competent international, European or national body (including the ECB or the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) or any other relevant competent international, European or national regulatory or supervisory authority) or the application or official interpretation of, or view expressed by any such competent body with respect to, any such law, regulation, rule, policy or guideline which becomes effective on or after the Closing Date, or (b) a notification by or other communication from the applicable regulatory or supervisory authority is received by the Seller with respect to the transactions contemplated by the Transaction Documents on or after the Closing Date which, in each case, in the reasonable opinion of the Seller, has the effect of materially adversely affecting the rate of return on capital of the Issuer and/or the Seller or materially increasing the cost or materially reducing the benefit to the Seller of the transactions contemplated by the Transaction Documents.

For the further avoidance of doubt, the declaration of a Regulatory Change Event will not be excluded by the fact that, prior to the Closing Date: (a) the event constituting any such Regulatory Change Event was: (i) announced or contained in any proposal (whether in draft or final form) for a change in the laws, regulations, applicable regulatory rules, policies or guidelines (including any accord, standard, or recommendation of the Basel Committee on Banking Supervision), as officially interpreted, implemented or applied by the Federal Republic of Germany or the European Union; or (ii) incorporated in any law or regulation approved and/or published but the effectiveness or application of which is deferred, in whole or in part, beyond the Closing Date, provided that the application of the EU Securitisation Regulation and the CRR Amendment Regulation shall not constitute a Regulatory Change Event, but without prejudice to the ability of a Regulatory Change Event to occur as a result of any implementing regulations, policies or guidelines in respect thereof announced or published after the Closing Date; or (iii) expressed in any statement by any official of the competent authority in expert meetings or other discussions in connection with such Regulatory Change Event, or (b) the competent authority has issued any notification, taken any decision or expressed any view with respect to any individual transaction, other than the Securitisation. Accordingly, such proposals, statements, notifications or views will not be taken into account when assessing the rate of return on capital of the Issuer and/or the Seller or an increase the cost or reduction of benefits to the Seller of the transactions contemplated by the Transaction Documents immediately after the Closing Date.

The Issuer's right to redeem the Mezzanine Notes in the manner described above shall be subject to the Issuer:

(i) giving not more than 60 (sixty) nor less than 30 (thirty) days' written notice (which notice shall be irrevocable) to the Representative of the Noteholders and the Noteholders in accordance with Condition 17 (*Notices*) of its intention to redeem the Mezzanine Notes (in whole but not in part) on the next succeeding Payment Date (the **Regulatory Change Early Redemption Date**) at their Principal Amount Outstanding (together with any accrued but unpaid interest), pursuant to this Condition 6(f) (the **Regulatory Change Early Redemption Notice**); and

(ii) on or prior to the delivery of the Regulatory Change Early Redemption Notice, providing to the Representative of the Noteholders a certificate from the chairman of the board of directors or the sole director of the Issuer (as applicable) to the effect that the Issuer will have sufficient funds on such Payment Date to discharge all of its obligations under the Mezzanine Notes.

If, after the Issuer having redeemed the Mezzanine Notes (in whole but not in part), there are sufficient funds to redeem also the Class E Notes (in whole but not in part), then the Regulatory Change Early Redemption Notice will be extended also to the Class E Notes, provided that the Class E Notes will be redeemed in whole but not in part.

For the avoidance of doubt, the Class A Notes and the Class Z Notes (if still outstanding) will not be redeemed and will remain outstanding.

The Issuer will exercise the option to early redeem the Mezzanine Notes in accordance with Condition 6(f) (*Early redemption for Regulatory Change Event*) only if the Seller elects to advance a Seller Regulatory Loan to the Issuer for an amount equal to the Seller Regulatory Loan Disbursement Amount pursuant to the Intercreditor Agreement, provided that the Seller Regulatory Loan shall satisfy the following conditions (the **Seller Regulatory Loan Conditions**):

(i) the Seller Regulatory Loan shall be advanced on equivalent economic terms, and to achieve the same economic effect, as the Transaction Documents;

(ii) the Seller Regulatory Loan shall not have a material adverse effect on the Senior Notes; and

(iii) the Seller Regulatory Loan shall comply in all respects with the applicable requirements under the EU Securitisation Regulation and the CRR.

On the Regulatory Change Early Redemption Date, the Regulatory Change Allocated Principal Amount will be applied by or on behalf of the Issuer in making the following payments in the following order of allocation (in each case, only if and to the extent that payments of a higher priority have been made in full):

(i) *first*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class B Notes until the Class B Notes are redeemed in full;

(ii) *second*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class C Notes until the Class C Notes are redeemed in full;

(iii) *third*, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class D Notes until the Class D Notes are redeemed in full; and

(iv) *forth*, if after the Issuer having redeemed the Class B Notes, the Class C Notes and the Class D Notes (in whole but not in part), there are sufficient funds to redeem also the Class E Notes (in whole but not in part), to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class E Notes.

Under the Intercreditor Agreement, the parties thereto have acknowledged the provisions of this Condition 6(f) (*Early redemption for Regulatory Change Event*) and have agreed to, promptly after the Regulatory Change Early Redemption Date, execute and deliver all instruments, notices and documents and take all further actions that the Issuer or the Seller may reasonably request including, without limitation, agreeing all necessary modifications, waivers and additions to the Transaction Documents required in order to, among others: (A) achieve, in respect of the Transaction Parties (other than, for the avoidance of doubt, the Seller) an equivalent economic effect as the position under the Transaction Documents on the date immediately prior to the Regulatory Change Early Redemption

Date; and (B) reflect the advance of the Seller Regulatory Loan by the Seller, provided that no such modifications, waivers and additions are materially prejudicial to the interests of the holders of the Senior Notes.

(g) *Calculations and Determinations*

On each relevant Calculation Date, the Calculation Agent shall determine:

(i) the Available Interest Amounts and the Available Principal Amounts;

(ii) the principal payment due on the Notes of each relevant Class on the immediately following Payment Date;

(iii) the principal amount redeemable in respect of each Note of each Class on the immediately following Payment Date;

(iv) the Principal Amount Outstanding of each Note of each Class on the immediately following Payment Date (after deducting any principal payment due to be made on such Payment Date in respect of each Note of that Class); and

(v) whether a Sequential Payment Trigger Event has occurred in respect of the immediately following Payment Date.

The principal amount redeemable in respect of each Note of each Class on any relevant Payment Date shall be a *pro-rata* share of the principal payment payable on the Notes of the relevant Class on such Payment Date, as determined in accordance with the provisions of this Condition 6, calculated by reference to the ratio borne by the then Principal Amount Outstanding of the relevant Note of a Class to the then Principal Amount Outstanding of all the Notes of the same Class (rounded down to the nearest cent), provided always that no such repayment of principal may exceed the Principal Amount Outstanding of such Note.

Each determination by the Calculation Agent pursuant to this Condition 6(g) shall in each case (in the absence of manifest error) be final and binding on all persons.

On each relevant Calculation Date, the Calculation Agent shall forthwith notify the principal amount redeemable in respect of the Notes of each Class on the immediately following Payment Date and the Principal Amount Outstanding of the Notes of each Class on the immediately following Payment Date (after deducting any principal payment due to be made on such Payment Date in respect of each Note of that Class) to the Representative of the Noteholders and the Paying Agent (which shall notify the same to Euronext Securities Milan and, as long as the Rated Notes are admitted to trading on the Luxembourg Stock Exchange, the Luxembourg Stock Exchange.

(h) *Notice irrevocable*

Any notice as is referred to in Condition 6(g) (*Calculations and Determinations*) shall be irrevocable and the Issuer shall, in the case of any such notice, be bound to redeem the relevant Notes to which such notice refers (in whole or in part, as applicable) in accordance with this Condition 6.

(i) *Determinations by the Representative of the Noteholders*

If the Calculation Agent does not at any time for any reason determine the principal amount redeemable in respect of each Note of each Class on the immediately following Payment Date and the Principal Amount Outstanding of each Note of each Class on the immediately following Payment Date (after deducting any principal payment due to be made on such Payment Date in respect of each Note

of that Class) in accordance with this Condition 6, the Representative of the Noteholders shall (but without incurring, in the absence of wilful misconduct (*dolo*) or gross negligence (*colpa grave*), any liability to any person as a result):

(i) determine the principal amount redeemable in respect of each Note of each Class on the immediately following Payment Date and the Principal Amount Outstanding of each Note of each Class on the immediately following Payment Date (after deducting any principal payment due to be made on such Payment Date in respect of each Note of that Class) in accordance with this Condition 6; and

(ii) notify the principal amount redeemable in respect of each Note of each Class and the Principal Amount Outstanding of each Note of each Class in the manner specified in this Condition 6,

and any such determination and notification shall be deemed to have been made by the Calculation Agent.

(j) *No purchase by the Issuer*

The Issuer may not purchase any of the Notes.

(k) *Cancellation*

All Notes cancelled on the Cancellation Date may not be reissued or resold.

(l) *Notice to the Rating Agencies*

Any redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*), Condition 6(e) (*Early redemption for Clean-up Call Event*) or Condition 6(f) (*Early redemption for Regulatory Change Event*) shall be notified in advance by the Issuer to the Rating Agencies.

7. Payments

(a) *Payments through Euronext Securities Milan, Euroclear and Clearstream*

Payments of interest or Variable Return (as applicable) and repayment of principal on the Notes, deposited with Euronext Securities Milan will be credited, according to the instructions of Euronext Securities Milan, by or on behalf of the Issuer to the accounts with Euronext Securities Milan of the banks and authorised brokers whose accounts 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. Payments made by or on behalf of the Issuer according to the instructions of Euronext Securities Milan to the accounts with Euronext Securities Milan of the banks and authorised brokers (including Euroclear and Clearstream) whose accounts are credited with those Notes will relieve the Issuer *pro tanto* from the corresponding payment obligations under the Notes.

(b) *Payments subject to tax laws*

Payments of interest or Variable Return (as applicable) and repayment of principal on the Notes will be subject in all cases to (i) any fiscal or other applicable laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation in the Republic of Italy*) and (ii) any FATCA Withholding, any regulations or agreements under FATCA, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

(c) *Payments on Business Days*

If the due date for any payment of interest or Variable Return (as applicable) and repayment of principal on the Notes is not a Business Day, the holder of the relevant Note will not be entitled to payment of the relevant amount until the immediately succeeding Business Day and will not be entitled to any further interest or other payment in consequence of any such delay.

(d) *Notification to be final*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Condition 5 (*Interest and Variable Return*) or Condition 6 (*Redemption, purchase and cancellation*), the Paying Agent, the Calculation Agent or the Representative of the Noteholders, shall (in the absence of wilful misconduct (*dolo*) or gross negligence (*colpa grave*)) be binding on the Issuer, the Noteholders and all Other Issuer Creditors and (in the absence of wilful misconduct (*dolo*) or gross negligence (*colpa grave*)) no liability to the Representative of the Noteholders, the Noteholders or the Other Issuer Creditors shall attach to the Paying Agent, the Calculation Agent or the Representative of the Noteholders in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under Condition 5 (*Interest and Variable Return*) or Condition 6 (*Redemption, purchase and cancellation*).

(e) *Paying Agent*

The Issuer shall ensure that, as long as any of the Notes remains outstanding, there shall at all times be a Paying Agent.

The Paying Agent may resign in accordance with the provisions of the Agency and Accounts Agreement. The Issuer shall be obliged to appoint a substitute paying agent prior to such resignation becoming effective. The appointment of any substitute paying agent shall be subject to the prior written consent of the Representative of the Noteholders. The Issuer shall procure that any change in the identity of the Paying Agent is notified as soon as reasonably practicable in accordance with Condition 17 (*Notices*).

The Issuer may at any time, with the prior written consent of the Representative of the Noteholders, vary or terminate the appointment of the Paying Agent and appoint a substitute subject to the terms of the Agency and Accounts Agreement. Notice of any such termination or appointment will be given to the Noteholders in accordance with Condition 17 (*Notices*).

8. Taxation in the Republic of Italy

All payments in respect of the Notes by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes, duties or charges of whatsoever nature unless such withholding or deduction is requested by law. Neither the Issuer nor any other person shall be obliged to pay any additional amount to any Noteholder on account of such withholding or deduction.

9. Early Amortisation Events

The occurrence of any of the following events during the Replenishment Period will constitute an **Early Amortisation Event**:

(a) *Breach of ratios*:

(i) the Cumulative Net Loss Ratio, as at any Cut-Off Date, exceeds [0.75] per cent.; or

(ii) the Delinquency Ratio, as at any Cut-Off Date, exceeds [1.75] per cent.; or

(b) *Purchase Shortfall Event*:

a Purchase Shortfall Event occurs; or

(c) *Issuer Event of Default, Seller Termination Event or Servicer Termination Event*:

an Issuer Event of Default, a Seller Termination Event or a Servicer Termination Event occurs; or

(d) *Debit balance of the Class D Principal Deficiency Sub-Ledger*:

on any Payment Date, a debit balance remains outstanding on the Class D Principal Deficiency Sub-Ledger for an amount equal to or higher than 0.25 per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of the Receivables comprised in the Initial Portfolio (following the relevant payments and/or provisions required to be made by the Issuer on such Payment Date in accordance with the Pre-Enforcement Interest Priority of Payments); or

(e) *Liquidity Reserve*:

on any Payment Date, the amount standing to the credit of the Liquidity Reserve Account is lower than the Liquidity Reserve Required Amount (following the relevant payments and/or provisions required to be made by the Issuer on such Payment Date in accordance with the Pre-Enforcement Interest Priority of Payments); or

(f) *Event of Default or Termination Event under the Swap Agreement*:

an Event of Default or a Termination Event occurs under the Swap Agreement (each as defined therein); or

(g) *Sequential Payment Trigger Event*:

a Sequential Payment Trigger Event occurs.

Upon occurrence of an Early Amortisation Event, the Issuer shall refrain from purchasing any further Additional Portfolios and the Amortisation Period will start.

10. Issuer Event of Defaults

(a) *Issuer Event of Defaults*

The occurrence of any of the following events will constitute an **Issuer Event of Default**:

(i) *Non-payment*: default is made by the Issuer:

(A) in respect of any payment of interest due on the Senior Notes (or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes), provided that such default remains unremedied for 5 (five) Business Days; or

(B) in respect of any repayment of principal due on any Class of Notes on the Legal Maturity Date, provided that such default remains unremedied for 5 (five) Business Days; or

(C) in respect of any repayment of principal due and payable on the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes and the Class D Notes (during the Pro-Rata Redemption Period) or on the Most Senior Class of Notes (during the

Sequential Redemption Period) on any Payment Date prior to the Legal Maturity Date (to the extent the Issuer has sufficient Available Distribution Amounts to make such repayment of principal in accordance with the applicable Priority of Payments), provided that such default remains unremedied for 5 (five) Business Days (it being understood that, prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), if the Servicer fails to deliver the Servicer's Report to the Calculation Agent by the relevant Servicer's Report Date (or such later date as may be agreed between the Servicer and the Calculation Agent which enables the latter to prepare and deliver the Payments Report in a timely manner), no amount of principal will be due and payable in respect of the Notes); or

(ii) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its obligations (other than any payment obligations under paragraph (i) above) under the Notes or the Transaction Documents in any respect which is material for the interests of the Noteholders, provided that such default remains unremedied for 10 (ten) Business Days after the occurrence thereof (except where such default is not capable of remedy, in which case no remedy period will be given); or

(iii) *Misrepresentation*: any of the representations and warranties made by the Issuer under any of the Transaction Documents proves to be untrue, incorrect or misleading when made or repeated in any respect which is material for the interests of the Noteholders, provided that such breach remains unremedied for 10 (ten) Business Days after the occurrence thereof (except where such breach is not capable of remedy, in which case no remedy period will be given); or

(iv) *Issuer Insolvency Event*: an Issuer Insolvency Event occurs; or

(v) *Unlawfulness*: it is or will become unlawful for the Issuer (by reason of a change in law or the interpretation or administration thereof since the Closing Date) to perform or comply with any of its obligations under or in respect of the Notes or any Transaction Document, or any obligation of the Issuer under any Transaction Document ceases to be legal, valid, binding and enforceable or any Transaction Document or any obligation contained or purported to be contained therein is not effective or is alleged by the Issuer to be ineffective for any reason, or any of the Issuer's rights under the Notes or any Transaction Document are or will (by reason of a change in law or the interpretation or administration thereof since the Closing Date) be materially adversely affected.

(b) *Delivery of an Issuer Event of Default Notice*

If an Issuer Event of Default occurs, then the Representative of the Noteholders:

(i) in the circumstances under paragraphs (a)(i) (*Non-payment*), (a)(iv) (*Issuer Insolvency Event*) and (a)(v) (*Unlawfulness*) above, shall; or

(ii) in the circumstances under paragraphs (a)(ii) (*Breach of other obligations*) or (a)(iii) (*Misrepresentation*) above, may (with the prior consent of an Extraordinary Resolution of the holders of the Most Senior Class of Notes) or shall (if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes),

serve a written notice to the Issuer (with copy to the Seller, the Servicer, the Calculation Agent and the Noteholders in accordance with Condition 17 (*Notices*)) (the **Issuer Event of Default Notice**),

provided that the Representative of the Noteholders shall have been indemnified and/or secured to its satisfaction against all duly documented fees, costs, expenses and liabilities to which it may thereby become liable or which it may incur by so doing.

(c) *Consequences of the delivery of an Issuer Event of Default Notice*

(i) Upon the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Notes shall (subject to Condition 16 (*Limited recourse and non-petition*)) become immediately due and repayable at their Principal Amount Outstanding (together with any accrued but unpaid interest) without further action, notice or formalities, and all payments due by the Issuer shall be made in accordance with the Post-Enforcement Priority of Payments.

(ii) Following the service of an Issuer Event of Default Notice, no amount of cash shall be trapped in the Issuer beyond what is necessary to ensure the operational functioning of the Issuer or the orderly payments of the amounts due under the Notes in accordance with the Post-Enforcement Priority of Payments and pursuant to the terms of the Transaction Documents, as required by article 21(4)(a) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

11. Enforcement

(a) *Proceedings*

At any time after the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Representative of the Noteholders may, at its discretion and without further notice, take such steps and/or institute such proceedings as it thinks fit to enforce repayment of the Notes and payment of accrued interest thereon or at any time to enforce any other obligation of the Issuer under the Notes or any Transaction Document, but, in either case, it shall not be bound to do so unless it shall have been so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes and, in any such case, only if it shall have been indemnified and/or secured to its satisfaction against all fees, costs, expenses and liabilities to which it may thereby become liable or which it may incur by so doing.

(b) *Disposal of the Aggregate Portfolio following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event*

Following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Issuer (or the Representative of the Noteholders on its behalf) may (with the prior consent of an Extraordinary Resolution of the holders of the Most Senior Class of Notes) or shall (if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes) dispose of the Aggregate Portfolio then outstanding in accordance with the provisions of the Intercreditor Agreement, it being understood that no provisions shall require the automatic liquidation of the Aggregate Portfolio pursuant to article 21(4)(d) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

12. Representative of the Noteholders

(a) *Legal representative*

The Representative of the Noteholders is the legal representative (*rappresentante legale*) of the Noteholders in accordance with these Conditions, the Rules of the Organisation of the Noteholders and the other Transaction Documents.

(b) *Appointment of Representative of the Noteholders*

Pursuant to the Rules of the Organisation of the Noteholders, for as long as any Note is outstanding, there will at all times be a Representative of the Noteholders. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of the Noteholders, will be made by the Noteholders subject to and in accordance with the Rules of the Organisation of the Noteholders, except for the initial Representative of the Noteholders which has been appointed by the Joint Lead Managers and the Junior Notes Subscriber in the Subscription Agreements and has been granted the powers set out in these Conditions and the Rules of the Organisation of the Noteholders (including the power to execute, in its capacity as trustee for the Noteholders, the Deed of Assignment and exercise on their behalf the rights and powers of the Noteholders in relation to the Deed of Assignment and the Issuer Transaction Security created or purported to be created thereby). Each Noteholder will be deemed to accept such appointment.

13. Modification and Waiver

The Rules of the Organisation of the Noteholders contain provisions relating to the powers of the Representative of the Noteholders to make amendments or modifications to these Conditions or any of the Transaction Documents or authorise or waive any proposed breach or breach of the Notes (including an Issuer Event of Default) or of the Intercreditor Agreement or of any other Transaction Document, it being understood that unless the Representative of the Noteholders agrees otherwise, any such amendment, modification, waiver or authorisation shall be notified to the Noteholders, in accordance with Condition 17 (*Notices*), as soon as practicable after it has been made.

14. Agents

In acting under the Agency and Accounts Agreement and in connection with the Notes, the Collection and Liquidity Reserve Account Bank, the Transaction Account Bank, the Custodian (if any), the Calculation Agent and the Paying Agent shall act as agents (*mandatari*) solely of the Issuer and (to the extent provided therein) the Representative of the Noteholders and shall not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

The Issuer reserves the right (with the prior written consent of the Representative of the Noteholders) at any time to vary or terminate the appointment of the Collection and Liquidity Reserve Account Bank, the Transaction Account Bank, the Custodian (if any), the Calculation Agent and/or the Paying Agent and to appoint a relevant successor or an additional agent at any time, in accordance with the terms of the Agency and Accounts Agreement and these Conditions.

15. Statute of Limitation

Claims against the Issuer for payments in respect of the Notes will be barred and become void unless made within 10 (ten) years (in the case of principal) or 5 (five) years (in the case of interest and Variable Return) from the Relevant Date in respect thereof. In this Condition 15, **Relevant Date** in respect of a Note is the date on which a payment in respect thereof first becomes due or (if the full amount of the monies payable in respect of all Notes due on or before that date has not been duly received by the Paying Agent on or prior to such date) the date on which, the full amount of such monies having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 17 (*Notices*).

16. Limited recourse and non-petition

(a) *Limited recourse*

All obligations of the Issuer to make payments to each Issuer Creditor, including, without limitation, the obligations under the Notes or any Transaction Document to which such Issuer Creditor is a party (other than the obligation to pay the Purchase Price for the Initial Portfolio to the Seller), will be limited in recourse and shall arise and become due and payable in an amount equal as at the relevant date to the lower of (i) the aggregate nominal amount of such payment which, but for the operation of the applicable Priority of Payments, would be due and payable at such time to such Issuer Creditor, and (ii) the Available Distribution Amounts net of any sums which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to, or *pari passu* with, sums payable to such Issuer Creditor.

In particular:

(i) without prejudice to the provisions of Condition 5(i) (*Interest and Variable Return - Interest Deferral*) regarding payment of interest on the Senior Notes (or, as long as the relevant Class is the Most Senior Class of Notes, any Class of Mezzanine Notes), if the Available Distribution Amounts are insufficient to pay any amount due and payable on any Payment Date in accordance with the applicable Priority of Payments, the shortfall then occurring will not be payable on that Payment Date but will become payable on the subsequent Payment Date if and to the extent that funds may be used for this purpose in accordance with the applicable Priority of Payments. Such shortfall will not accrue interest;

(ii) accordingly, it is agreed that (A) the limited recourse nature of the obligations under the Notes or any Transaction Document produces the effect of a *contratto aleatorio* and the consequences thereof are accepted, including but not limited to the provisions of article 1469 of the Italian civil code, and (B) the Issuer Creditors will have an existing claim against the Issuer only in respect of the Available Distribution Amounts which may be applied for the relevant purpose as at the relevant date and will not have any claim, by operation of law or otherwise, against, or recourse to, the Issuer's other assets or its contributed capital;

(iii) all payments to be made by the Issuer to each Issuer Creditor, whether under the Notes or any Transaction Document to which such Issuer Creditor is a party or otherwise, will be made by the Issuer solely on the Payment Dates from the Available Distribution Amounts, except as permitted in the Transaction Documents; and

(iv) unless paid before in accordance with the provisions set out above, all the obligations of the Issuer to each Issuer Creditor will expire on the Cancellation Date.

It is understood that any amount which is expressly stated to be paid by the Issuer outside the Priority of Payments pursuant to the Transaction Documents will not be subject to the Priority of Payments and will be due and payable within the limits of the funds standing to the credit of the relevant Account at that time.

(b) *Non-petition*

Only the Representative of the Noteholders may pursue the remedies available under the general law or under the Transaction Documents to obtain payment of the obligations of the Issuer arising under the Notes and the Transaction Documents or enforce the Issuer Transaction Security and no Issuer Creditor shall be entitled to proceed directly against the Issuer to obtain payment of such obligation or enforce the Issuer Transaction Security. In particular:

(i) no Issuer Creditor (nor any person on its behalf) is entitled, save as expressly permitted by the Transaction Documents, to direct the Representative of the Noteholders to enforce the Issuer Transaction Security or to take any proceedings against the Issuer to enforce the Issuer Transaction Security;

(ii) no Issuer Creditor (nor any person on its behalf, other than the Representative of the Noteholders) is entitled, save as expressly permitted by the Transaction Documents, to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due by the Issuer to such Issuer Creditor;

(iii) until the date falling 2 (two) years and 1 (one) day after the Cancellation Date or, if later, the date on which the notes issued by the Issuer in the context of any Further Securitisation have been redeemed in full and/or cancelled in accordance with the relevant terms and conditions, no Issuer Creditor (nor any person on its behalf, other than the Representative of the Noteholders when so directed by an Extraordinary Resolution of the Noteholders and only if the representatives of the noteholders of all Further Securitisations carried out by the Issuer (if any) have been so directed by an extraordinary resolution of the noteholders under the relevant securitisation transaction) shall initiate or join any person in initiating an Issuer Insolvency Event; and

(iv) no Issuer Creditor is entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step that would result in any Priority of Payments not being complied with.

17. Notices

(a) *Valid notices*

All notices to the Noteholders, as long as the Notes are held through Euronext Securities Milan and/or by a common depository for Euroclear and/or Clearstream, shall be deemed to have been validly given if delivered to Euronext Securities Milan and/or Euroclear and/or Clearstream for communication by them to the entitled accountholders and shall be deemed to be given on the date on which it was delivered to Euronext Securities Milan, Clearstream and Euroclear, as applicable.

In addition, as long as the Rated Notes are admitted to trading on the Luxembourg Stock Exchange and the rules of that stock exchange so require, all notices will be given also through the website of the Luxembourg Stock Exchange (being, as at the date of the Prospectus, www.luxse.com).

(b) *Date of publication*

Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made in the manner required above.

(c) *Other methods*

The Representative of the Noteholders shall be at liberty to sanction some other method of giving notice to the Noteholders or to a Class or category of them, if, in its opinion, such other method is reasonable having regard to market practice then prevailing, and provided that notice of such other method is given to the Noteholders in such manner as the Representative of the Noteholders shall require.

18. Governing law and Jurisdiction

(a) *Governing law*

The Notes, these Conditions, the Rules of the Organisation of the Noteholders and the Transaction Documents (other than the Swap Agreement and the Deed of Assignment), and any non-contractual

obligation arising out or in connection therewith, are governed by, and shall be construed in accordance with, Italian law.

The Swap Agreement and the Deed of Assignment, and any non-contractual obligation arising out of or in connection therewith, are governed by, and shall be construed in accordance with, English law.

(b) *Jurisdiction*

Any dispute which may arise in relation to the Notes, these Conditions, the Rules of the Organisation of the Noteholders and the Transaction Documents (other than the Swap Agreement and the Deed of Assignment), or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of Milan.

Any dispute which may arise in relation to the interpretation or the execution of the Swap Agreement and the Deed of Assignment, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of England and Wales.

SCHEDULE 1 TO THE TERMS AND CONDITIONS OF THE NOTES

RULES OF THE ORGANISATION OF NOTEHOLDERS

PART 1

GENERAL PROVISIONS

1. GENERAL

The Organisation of Noteholders is created concurrently with the issue and the subscription of the Notes, it is governed by these Rules of the Organisation of Noteholders (the **Rules**) and it shall remain in force and in effect until redemption in full and/or cancellation of the Notes.

The contents of these Rules are deemed to form part of each Note issued by the Issuer.

It is understood that, for the purposes of these Rules, the Class A1 Notes and the Class A2 Notes will constitute a single Class of Notes.

2. DEFINITIONS

In these Rules, the following terms shall have the following meanings:

24 Hours means a period of 24 hours including all or part of a day upon which banks are open for business in the place where the Meeting is to be held and in the place where the Paying Agent has its office (disregarding for this purpose the day upon which such Meeting is to be held) and such period shall be extended by one or, to the extent necessary, more periods of 24 hours until there is included all or part of a day upon which banks are open for business, as above.

48 Hours means two consecutive periods of 24 Hours.

Basic Terms Modification means:

(a) a change in the date of maturity of the Notes of any Class;

(b) a change in any date fixed for the payment of principal in respect of the Notes of any Class or interest in respect of the Rated Notes of any Class or the Variable Return in respect of the Class Z Notes;

(c) save as provided for in Condition 5(d) (*Interest and Variable Return - Fallback provisions*), a change in the amount of principal payable on any Payment Date in respect of the Notes of any Class or interest payable on any Payment Date in respect of the Rated Notes of any Class or the Variable Return payable on any Payment Date in respect of the Class Z Notes (other than any reduction, cancellation or annulment permitted under the Conditions) or any alteration in the method of calculating any of such amounts;

(d) a change in the quorum required at any Meeting or the majority required to pass any Resolution;

(e) a change in the currency in which payments are due in respect of the Notes of any Class;

(f) an alteration of the Priority of Payments;

(g) the exchange, conversion or substitution of the Notes of any Class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate, formed or to be formed;

(h) a change to this definition.

Blocked Notes means the Notes which have been blocked in an account with the Euronext Securities Milan Account Holder for the purposes of obtaining (i) a Voting Certificate or (ii) if applicable, a Blocked Voting Instruction and will not be released until the conclusion of the Meeting or any adjournment of such Meeting (if any).

Blocked Voting Instruction means, in relation to any Meeting, a document issued by the Paying Agent:

(a) confirming that, on the basis of the Voting Certificate shown by the relevant Noteholder, the Blocked Notes have been blocked in an account with a clearing system and will not be released until the conclusion of the Meeting or any adjournment of such Meeting (if any);

(b) stating that, on the basis of the Voting Certificate shown by the relevant Noteholder, the relevant holder of each Blocked Note has requested that (i) the votes attributable to such Blocked Note are to be cast in a particular way on each Resolution to be put to the Meeting and that, during the period of 48 Hours before the time fixed for the Meeting, such instructions may not be amended or revoked and (ii) one or more Proxies named therein are authorised to vote on its behalf in respect of the Blocked Notes in accordance with such instructions; and

(c) attaching the relevant Voting Certificate.

Chairman means, in relation to any Meeting, the individual who takes the chair in accordance with paragraph 9 (*Chairman of the Meeting*).

Class of Notes means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes or the Class Z Notes, as the context requires.

Euronext Securities Milan Account Holder means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Euronext Securities Milan and includes depository banks appointed by Clearstream and Euroclear.

Extraordinary Resolution means a resolution of a Meeting of the Relevant Class Noteholders, duly convened and held in accordance with the provisions contained in these Rules on any of the subjects covered by paragraph 21 (*Powers exercisable by an Extraordinary Resolution*).

Insolvency Proceedings means any insolvency proceeding (including, but not limited to, *liquidazione giudiziale*, *concordato preventivo*, *domanda di accesso ad uno strumento di regolazione della crisi e dell'insolvenza con riserva di deposito di documentazione*, *concordato semplificato per la liquidazione del patrimonio*, *liquidazione controllata*, *concordato minore*, *liquidazione coatta amministrativa*, including the *liquidazione coatta amministrativa* provided under article 57, paragraph 6-*bis*, of the Consolidated Financial Act, and *amministrazione straordinaria* pursuant to Italian Legislative Decree no. 270 of 8 July 1999 or pursuant to Italian Law Decree no. 347 of 23 December 2003, as converted into law pursuant to Italian Law no. 39 of 18 February 2004), an arrangement pursuant to article 1977 of the Italian civil code (*cessione dei beni ai creditori*), a *piano attestato di risanamento* pursuant to article 56 of the Italian Insolvency Code, an *accordo di ristrutturazione dei debiti* pursuant to article 57 of the Italian Insolvency Code, an *accordo di ristrutturazione ad efficacia estesa* pursuant to article 61 of the Italian Insolvency Code, a *convenzione di moratoria* pursuant to article 62 of the Italian Insolvency Code, an *accordo di ristrutturazione agevolato* pursuant to article 60 of the Italian Insolvency Code, a *piano di ristrutturazione soggetto a omologazione* pursuant to article 64-*bis* of the Italian Insolvency Code, a *composizione negoziata per la soluzione della crisi d'impresa* pursuant to article 12 and following of the Italian Insolvency Code, an agreement as provided under article 23, paragraph 1, letter (a) and letter (c) of the Italian Insolvency Code, or any other similar proceedings or arrangements with creditors.

Italian Insolvency Code means the Italian Legislative Decree no. 14 of 12 January 2019 (*Codice della crisi d'impresa e dell'insolvenza*), as amended and/or supplemented from time to time.

Meeting means a meeting of the Relevant Class Noteholders (whether originally convened or resumed following an adjournment).

Ordinary Resolution means a resolution of a Meeting of the Relevant Class Noteholders, duly convened and held in accordance with the provisions contained in these Rules on any of the subjects covered by paragraph 20 (*Powers exercisable by an Ordinary Resolution*).

Proxy means, in relation to any Meeting, a person (who need not to be a Noteholder) indicated under a Blocked Voting Instruction or a Voting Certificate as the person entitled to vote in a Meeting in accordance with the instructions reproduced in such Blocked Voting Instruction or Voting Certificate.

Relevant Class Noteholders means (i) the Class A Noteholders; (ii) the Class B Noteholders; (iii) the Class C Noteholders; (iv) the Class D Noteholders; (v) the Class E Noteholders; (vi) the Class Z Noteholders and/or (vii) a combination of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class Z Noteholders, as the context requires.

Relevant Fraction means:

(a) for voting on any Ordinary Resolution, (i) one-tenth of the Principal Amount Outstanding of that Class of Notes (in case of a Meeting of a particular Class of Notes), or (ii) one-tenth of the Principal Amount Outstanding of all Classes of Notes (in case of a joint Meeting of a combination of Classes of Notes);

(b) for voting on any Extraordinary Resolution other than one relating to a Basic Terms Modification, (i) two-thirds of the Principal Amount Outstanding of that Class of Notes (in case of a Meeting of a particular Class of Notes), or (ii) two-thirds of the Principal Amount Outstanding of all Classes of Notes (in case of a joint Meeting of a combination of Classes of Notes); and

(c) for voting on any Extraordinary Resolution relating to a Basic Terms Modification (which must be proposed separately to each Class of Noteholders), three-quarters of the Principal Amount Outstanding of the relevant Class of Notes,

provided however that, in the case of a Meeting which has resumed after adjournment for want of a quorum, it means:

(a) for voting on any Ordinary Resolution or any Extraordinary Resolution other than one relating to a Basic Terms Modification, (i) one-twentieth of the Principal Amount Outstanding of that Class of Notes represented or held by the Voters actually present at the Meeting (in case of a Meeting of a particular Class of Notes), or (ii) one-twentieth of the Principal Amount Outstanding of the Notes of all Classes (in case of a joint Meeting of a combination of Classes of Notes); and

(b) for voting on any Extraordinary Resolution relating to a Basic Terms Modification (which must be proposed separately to each Class of Noteholders), one-third of the Principal Amount Outstanding of the relevant Class of Notes.

Resolution means an Ordinary Resolution or an Extraordinary Resolution, as the context may require.

Security Document means the Deed of Assignment and any other agreement, deed or document that may be entered into in relation to the Issuer Transaction Security.

Voter means, in relation to any Meeting, the holder of a Blocked Note.

Voting Certificate means, in relation to any Meeting, a certificate issued by the Euronext Securities Milan Account Holder under the Euronext Securities Milan system pursuant to the CONSOB and Bank of Italy Joint Resolution and dated:

(a) stating that, on the date thereof, on request of the relevant Noteholder the Blocked Notes have been blocked in an account with a clearing system or the depository Euronext Securities Milan Account Holders (under the Euronext Securities Milan system in accordance with the CONSOB and Bank of Italy Joint Resolution) and will not be released until the conclusion of the Meeting specified in such Voting Certificate or any adjournment of such Meeting (if any);

(b) listing the ISIN code or other suffix or identification number of the Blocked Notes;

(c) specifying the principal outstanding amount of the Blocked Notes; and

(d) stating that the bearer of such certificate (named therein) is entitled to attend and vote at the Meeting or to request the issue of a Blocked Voting Instruction in respect of the Blocked Notes;

Written Resolution means a Resolution in writing signed by or on behalf of all Noteholders who at that time are entitled to participate in a Meeting in accordance with the provisions of these Rules, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more of such Noteholders.

Capitalised terms not defined in these Rules shall have the meanings attributed to them in the Conditions.

3. ORGANISATION PURPOSE

Each holder of the Notes becomes a member of the Organisation of Noteholders upon subscription or purchase of the relevant Notes.

The purpose of the Organisation of Noteholders is to co-ordinate the exercise of the rights of the Noteholders and the taking of any action for the protection of their interests.

In these Rules, any reference to **Noteholders** shall be considered as a reference to the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and/or the Class Z Noteholders, as the case may be.

PART 2

THE MEETING OF NOTEHOLDERS

4. GENERAL

Any Resolution passed at a Meeting of the Relevant Class Noteholders, duly convened and held in accordance with these Rules, shall be binding upon all the Noteholders of such Class of Notes, whether or not present at such Meeting and whether or not voting.

The following provisions shall apply while Notes of more than one Class are outstanding:

(a) business which, in the opinion of the Representative of the Noteholders, affects only one Class of Notes shall be transacted at a separate Meeting of the holders of the Notes of such Class of Notes;

(b) business which, in the opinion of the Representative of the Noteholders, affects both Classes of Notes shall be transacted either at separate Meetings of the holders of each Class of Notes or at a single Meeting of the holders of both Classes of Notes as the Representative of the Noteholders shall

determine in its absolute discretion, provided however that (i) each time that in the opinion of the Representative of the Noteholders there is an actual or potential conflict of interest between the holders of one Class of Notes and the holders of the other Class of Notes, or (ii) an Extraordinary Resolution relating to Basic Terms Modifications shall be taken, in each case the relevant Resolution shall be transacted, proposed and adopted at separate Meetings of the holders of each Class of Notes.

In this subparagraph **business** includes (without limitation) the passing or rejection of any Resolution.

In relation to each Class of Notes:

(a) no Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of the other Classes of Notes then outstanding;

(b) any Ordinary Resolution or Extraordinary Resolution involving any matter other than a Basic Terms Modification that is passed by the holders of the Most Senior Class of Notes (or, if so expressly provided for, the holders of the Rated Notes) shall be binding on the holders of the other Classes of Notes irrespective of the effect thereof on their interests;

(c) no Ordinary Resolution or Extraordinary Resolution involving any matter other than a Basic Terms Modification that is passed by the holders of a Class of Notes which is not the Most Senior Class of Notes shall be effective unless it is sanctioned by an Ordinary Resolution or Extraordinary Resolution, as the case may be, of the holders of the Most Senior Class of Notes.

5. ISSUE OF VOTING CERTIFICATES AND BLOCKED VOTING INSTRUCTIONS

In order to provide evidence of its entitlement to attend a Meeting and/or vote in that Meeting (also through a Proxy), any Noteholder shall request to the Euronext Securities Milan Account Holder the issue of Voting Certificates. Should the Noteholder want that the vote is casted in a particular way and that a Proxy votes on its behalf on the relevant Meeting, shall require the Paying Agent (providing it with the relevant Voting Certificate) to issue a Blocked Voting Instruction instructing how the vote shall be casted and the appointed Proxy, in each case by arranging for its Notes to be blocked in an account with a clearing system not later than 48 Hours before the time fixed for the Meeting of the Relevant Class Noteholders.

A Voting Certificate or a Blocked Voting Instruction shall be valid until the conclusion of the Meeting or any adjournment of such Meeting (if any), when the Blocked Notes to which it relates shall be released.

As long as a Voting Certificate or a Blocked Voting Instruction is valid, the bearer of it (in the case of a Voting Certificate) or any Proxy named in it (in the case of a Blocked Voting Instruction) shall be deemed to be the holder of the Blocked Notes to which it relates for all purposes in connection with the Meeting.

6. VALIDITY OF BLOCKED VOTING INSTRUCTIONS

A Blocked Voting Instruction shall be valid only if it is deposited at the office of the Paying Agent, or at some other place approved by the Paying Agent, at least 24 Hours before the time fixed for the Meeting of the Relevant Class Noteholders and, if not deposited before such deadline, the Blocked Voting Instruction shall not be valid unless the Chairman decides otherwise before the Meeting proceeds to business. If the Representative of the Noteholders so requires, a notarised copy of each Blocked Voting Instruction and satisfactory proof of the identity of each Proxy named therein shall be produced at the Meeting, but the Representative of the Noteholders shall not be obliged to investigate the validity of any Blocked Voting Instruction or the authority of any Proxy.

7. CONVENING OF MEETING

The Representative of the Noteholders may convene a Meeting at any time and the Representative of the Noteholders shall be obliged to do so upon the request in writing of:

(a) Noteholders holding not less than one-tenth of the Principal Amount Outstanding of the relevant Class of Notes; or

(b) the Issuer's board of directors or the sole director (as the case may be),

subject in each case to being indemnified and/or secured to its satisfaction.

Every Meeting convened by the Representative of the Noteholders shall be held at such time and place as the Representative of the Noteholders may designate or approve (provided that such place shall be in an EU Member State).

If any of the Noteholders or the Issuer has requested the Representative of the Noteholders to convene the Meeting, they or it shall send a communication in writing to that effect to the Representative of the Noteholders suggesting the day, time and place of the Meeting (provided that such place shall be in an EU Member State), and specifying the items to be included in the agenda and the full text of any Resolution to be proposed.

Meetings may be held in case Voters are located in different places and are connected via audio-conference or video-conference, *provided that*:

(a) the Chairman can ascertain and verify the identity and legitimacy of those Voters, monitor the Meeting, acknowledge and announce to those Voters the outcome of the voting process;

(b) the person drawing up the minutes can clearly hear the meeting events being the subject-matter of the minutes;

(c) each Voter attending via audio-conference or video-conference can follow and intervene in the discussions and vote the items on the agenda in real time;

(d) the notice of the Meeting expressly states, where applicable, how Voters may obtain the information necessary to attend the relevant Meeting via audio-conference and/or videoconference equipment; and

(e) for the avoidance of doubt, the Meeting is deemed to take place where the Chairman and the person drawing up the minutes will be (provided that such place shall be in an EU Member State).

8. NOTICE

At least 21 (twenty-one) days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be held) specifying the date (falling no later than 30 (thirty) days after the date of delivery of such notice), time, the relevant quorum determined in accordance with paragraph 10 (*Quorum for conducting business at Meetings and majority to pass Resolutions*) and place of the Meeting (provided that such place shall be in an EU Member State) shall be given to the Noteholders and the Paying Agent (with a copy to the Issuer). Any notice to Noteholders shall be given in accordance with Condition 17 (*Notices*). The notice shall set out the full text of any Resolutions to be proposed (unless the Representative of the Noteholders determines - - that the notice shall instead specify the nature of the Resolution to be proposed at such Meeting without specifying the full text) and shall state that the Notes must be blocked in an account with a clearing system for the purpose of obtaining Voting Certificates or appointing Proxies (in accordance with the terms of these Rules) not later than 48 Hours before the time fixed for the Meeting.

9. CHAIRMAN OF THE MEETING

Any 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; or (ii) if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair, failing which the Issuer may appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as the Chairman of the original Meeting.

The Chairman co-ordinates matters to be transacted at the Meeting and monitors the fairness of the Meeting's proceedings.

10. QUORUM FOR CONDUCTING BUSINESS AT MEETINGS AND MAJORITY TO PASS RESOLUTIONS

The quorum (*quorum costitutivo*) for conducting business (relating either to an Ordinary Resolution or an Extraordinary Resolution) at any Meeting convened by due notice shall be at least one Voter representing or holding not less than the Relevant Fraction relative to (a) that Class of Notes (in case of a Meeting of one Class of Notes) or (b) all Classes of Notes (in case of a joint Meeting).

The majority (*quorum deliberativo*) for passing an Ordinary Resolution and an Extraordinary Resolution (*quorum deliberativo*) at any Meeting is provided for under paragraph 15 (*Passing of Ordinary Resolution or Extraordinary Resolution*).

11. ADJOURNMENT FOR WANT OF QUORUM

If within 15 (fifteen) minutes after the time fixed for any Meeting the quorum is not present, then:

(a) in the case of a Meeting requested by Noteholders, it shall be dissolved; and

(b) in the case of any other Meeting, it shall be adjourned to such new date (which shall fall not less than 14 (fourteen) days and not more than 42 (forty-two) days after the original date of such Meeting) and to such place as the Chairman determines (provided that such place shall be in an EU Member State); provided, however, that:

  (i) the Meeting shall be dissolved if the Issuer so decides; and

  (ii) no Meeting may be adjourned by resolution of a Meeting that represents less than the Relevant Fraction applicable in the case of Meetings which have been resumed after adjournment for want of quorum.

12. ADJOURNED MEETING

The Chairman may, with the consent of (and shall if directed by) any Meeting, adjourn such Meeting to a new date (which shall fall not less than 14 (fourteen) days and not more than 42 (forty-two) days after the original date of such Meeting) and a new place (provided that such place shall be in an EU Member State), but 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

Paragraph 8 (*Notice*) shall apply to any Meeting adjourned for want of quorum save that:

(a) at least 10 (ten) 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 given unless the notice of the original Meeting set the date for a second call, in which case no such notice shall be necessary;

(b) the notice shall specifically set out the quorum determined in accordance with paragraph 10 (*Quorum for conducting business at Meetings and majority to pass Resolutions*) which will apply when the Meeting resumes; and

(c) it shall not be necessary to give notice of the convening 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 representative and the Paying Agent;

(c) the directors, internal auditors (*sindaci*) (if appointed) and external auditors (*revisori*) of the Issuer;

(d) the financial advisers to the Issuer;

(e) the legal counsel to each of the Issuer, the Representative of the Noteholders and the Paying Agent;

(f) the Representative of the Noteholders; and

(g) such other person as may be resolved by the Meeting and as may be approved by the Representative of the Noteholders.

15. PASSING OF ORDINARY RESOLUTION OR EXTRAORDINARY RESOLUTION

An Ordinary Resolution is validly passed when the majority of votes cast by the Voters attending the relevant Meeting have been cast in favour of it.

An Extraordinary Resolution is validly passed when 75 (seventy-five) per cent. of the votes cast by the Voters attending the relevant Meeting have been cast in favour of it.

16. VOTING BY 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 pursuant to paragraph 17 (*Voting By Poll*) before or at the time that the result of the show of hands 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.

17. VOTING BY 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 who represent or hold at least one-twentieth of the Principal Amount Outstanding of the relevant Class of Notes.

If at any Meeting a poll is so demanded, it shall be taken in such manner and either at once or after such adjournment as the Chairman directs, and the result of such poll shall be deemed to be the resolution of the Meeting at which the poll was demanded as at the date of the taking of the poll. Notwithstanding the foregoing, the demand for a poll shall not prevent the continuance of the Meeting for the transaction of any business other than the question on which the poll has been demanded.

Any poll demanded at any Meeting on the election of a Chairman or on any question of adjournment shall be taken at the meeting without adjournment.

18. VOTES

Every Voter shall have:

(a) on a show of hands, one vote; and

(b) on a poll, one vote in respect of each Euro 1,000 in principal amount of Note(s) represented by the Voting Certificate produced by such Voter or in respect of which he is a Proxy.

Unless the terms of any Blocked Voting Instruction 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.

19. VOTING BY PROXIES

Any vote by a Proxy in accordance with the relevant Blocked Voting Instruction shall be valid even if such Blocked Voting Instruction or any instruction pursuant to which it was given has been amended or revoked, provided that the Paying Agent has not been notified in writing of such amendment or revocation by the time being 24 Hours before the time fixed for the Meeting. Unless revoked, any appointment of a Proxy under a Blocked Voting Instruction in relation to a Meeting shall remain in force in relation to any Meeting resumed following an adjournment except for any appointment of a Proxy in relation to a Meeting which has been adjourned for want of a quorum. Any person appointed to vote at such a Meeting must be re-appointed under a Blocked Voting Instruction to vote at the Meeting when it is resumed.

20. POWERS EXERCISABLE BY AN ORDINARY RESOLUTION

A Meeting shall have the exclusive power exercisable by Ordinary Resolution to determine any matter submitted to the Meeting in accordance with the provisions of these Rules and the Transaction Documents which is not subject to paragraph 21 (*Powers exercisable by an Extraordinary Resolution*) below.

21. POWERS EXERCISABLE BY AN EXTRAORDINARY RESOLUTION

A Meeting shall have exclusive power exercisable by Extraordinary Resolution only to:

(a) approve any Basic Terms Modification;

(b) approve any proposal by the Issuer or the Representative of the Noteholders for any alteration or waiver of the rights of the Noteholders against the Issuer;

(c) waive any breach by the Issuer of its obligations arising under the Transaction Documents or the Notes, or waive an Issuer Event of Default;

(d) approve any amendments of the provisions of (i) these Rules, (ii) the Conditions, (iii) the Intercreditor Agreement, (iv) the Agency and Accounts Agreement, or (v) any other Transaction Document which shall be proposed by the Issuer, the Representative of the Noteholders and/or any other party thereto;

(e) discharge or exonerate, including prior or retrospective discharge or exoneration, the Representative of the Noteholders from any liability in relation to any act or omission for which the Representative of the Noteholders has or may become liable pursuant or in relation to these Rules, the Conditions or any other Transaction Document;

(f) grant any authority, order or sanction and/or give any direction or instruction which, under the provisions of these Rules or of the Conditions or the Transaction Documents, must be granted or given pursuant to an Extraordinary Resolution (including in respect of the delivery of an Issuer Event of Default Notice, the taking of any enforcement action and/or the disposal of the Aggregate Portfolio pursuant to the Intercreditor Agreement);

(g) authorise and ratify the actions of the Representative of the Noteholders in compliance with these Rules, the Intercreditor Agreement and any other Transaction Document;

(h) authorise the Representative of the Noteholders or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;

(i) appoint and remove the Representative of the Noteholders; and

(j) authorise or object to individual actions or remedies of Noteholders under paragraph 25 (*Individual actions and remedies*) below.

22. CHALLENGE OF RESOLUTION

Any Noteholder can challenge a Resolution which is not passed in conformity with the provisions of these Rules.

23. MINUTES

Minutes shall be made of all Resolutions and proceedings at each Meeting. The Chairman shall sign the minutes, which shall be conclusive evidence of the resolutions and proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been made and signed shall be deemed to have been duly convened and held and all Resolutions passed or proceedings transacted at such meeting shall be deemed to have been duly passed or transacted.

24. WRITTEN RESOLUTION

A Written Resolution shall take effect as if it were an Extraordinary Resolution or, in respect of matters required to be determined by an Ordinary Resolution, as if it were an Ordinary Resolution.

25. INDIVIDUAL ACTIONS AND REMEDIES

The right of each Noteholder to bring individual actions or seek other individual remedies to enforce his or her rights under the Notes will be subject to the Meeting passing an Extraordinary Resolution authorising such individual action or other remedy. In this respect, the following provisions shall apply:

(a) the Noteholder intending to enforce his or her rights under the Notes will notify the Representative of the Noteholders in writing of his or her intention;

(b) the Representative of the Noteholders will, within 30 (thirty) days of receiving such notification, convene a Meeting of the Noteholders of the relevant Class of Notes or, as the case may be, of all of the Classes of Notes, in accordance with these Rules at the expense of such Noteholder;

(c) if the Meeting does not pass an Extraordinary Resolution authorising the individual enforcement or remedy, the Noteholder will be prevented from seeking such enforcement or remedy (provided that the same matter can be submitted again to a further Meeting after a reasonable period of time has elapsed); and

(d) if the Meeting does pass an Extraordinary Resolution authorising the individual enforcement or remedy, the Noteholder will be permitted to seek such individual enforcement or remedy in accordance with the terms of the Extraordinary Resolution.

No individual action or remedy can be sought by a Noteholder to enforce his or her rights under the Notes unless a Meeting of Noteholders has resolved to authorise such action or remedy and in accordance with the provisions of this paragraph 25.

PART 3

THE REPRESENTATIVE OF THE NOTEHOLDERS

26. APPOINTMENT, REMOVAL AND REMUNERATION

26.1 Appointment

Each appointment of a Representative of the Noteholders must be approved by an Extraordinary Resolution of the Noteholders in accordance with the provisions of this paragraph 26, save in respect of the appointment of the first Representative of the Noteholders which, in accordance with the Intercreditor Agreement, will be Banca Finint.

Each of the Noteholders, by reason of holding the relevant Note(s), will recognise the power of the Representative of the Noteholders, hereby granted, to appoint its own successor and recognise the Representative of the Noteholders so appointed as its representative.

26.2 Identity of the Representative of the Noteholders

The Representative of the Noteholders shall be:

(a) a bank incorporated in any jurisdiction of the European Union or a bank incorporated in any other jurisdiction, in either case provided it is licensed to conduct banking business in Italy; or

(b) 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.

It is further understood and agreed that directors, auditors, employees (if any) of the Issuer and those who fall in any of the conditions set out in article 2399 of the Italian civil code cannot be appointed as the Representative of the Noteholders.

26.3 Duration of appointment

The Representative of the Noteholders shall be appointed for an unlimited term and can be removed by way of an Extraordinary Resolution of the Noteholders at any time.

26.4 After termination

In the event of a termination of the appointment of the Representative of the Noteholders for any reason whatsoever, such Representative of the Noteholders shall remain in office until acceptance of the appointment by the Issuer of a substitute Representative of the Noteholders designated among the entities indicated in paragraph 26.2 above, and, provided that a Meeting of the Noteholders has not appointed such a substitute within 60 (sixty) days of such termination, such Representative of the Noteholders may appoint such a substitute. The powers and authority of the 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.

26.5 Remuneration

The Issuer shall pay to the Representative of the Noteholders an annual fee for its services as Representative of the Noteholders as from the date hereof as agreed in a separate fee letter. Such remuneration shall be payable in accordance with the Intercreditor Agreement and the applicable Priority of Payments up to (and including) the date when the Notes have been redeemed in full and/or cancelled in accordance with the Conditions.

In the event of the Representative of the Noteholders considering it necessary or being requested by the Issuer to undertake duties of an exceptional nature or otherwise outside the scope of the normal duties of the Representative of the Noteholders set out in the Conditions or in these Rules, the Issuer shall pay to the Representative of the Noteholders an additional remuneration in accordance with the terms of a fee letter to be entered into between the Issuer and the Representative of the Noteholders. In the event of the Representative of the Noteholders and the Issuer failing 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 hereunder, within 10 (ten) Business Days from the date on which the Representative of the Noteholders serves a written notice on the Issuer notifying it that a duty is of an exceptional nature or otherwise outside the scope of the normal duties of the Representative of the Noteholders and requesting it to pay an additional remuneration, then such matter shall be determined by a merchant 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, nominated (on the application of either the Issuer or the Representative of the Noteholders) by a third merchant bank (the expenses involved in such nomination and the fees of such merchant banks being payable by the Issuer) and the determination of any such nominated merchant bank shall be final and binding upon the Representative of the Noteholders and the Issuer.

27. DUTIES AND POWERS

(a) *Legal Representative*

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**).

(b) *Meetings*

The Representative of the Noteholders may convene a Meeting in order to obtain the authorisation or directions of the Meeting in respect of any action proposed to be taken by the Representative of the Noteholders. The Representative of the Noteholders has the right to attend Meetings. Subject to the Relevant Provisions, the Representative of the Noteholders is responsible for implementing the directions of a Meeting of Noteholders and for representing the interests of the Noteholders of a Class of Notes *vis-à-vis* the Issuer.

(c) *Conflict of interests*

Each of the Noteholders acknowledges and agrees that:

(i) the Representative of the Noteholders shall, as regards the exercise and performance of all powers, authorities, duties and discretion of the Representative of the Noteholders under the Conditions, these Rules and any relevant Transaction Document (except where expressly provided otherwise), have regard to the interests of the Noteholders and the Other Issuer Creditors, provided that if, in the opinion of the Representative of the Noteholders, there is a conflict between the interests of the Noteholders and the interests of the Other Issuer Creditors, the Representative of the Noteholders will have regard solely to the interests of the Noteholders;

(ii) where the Representative of the Noteholders is required to consider the interests of the Noteholders and, in its opinion, there is a conflict between the interests of the Class A Noteholders, the interests of the Class B Noteholders, the interests of the Class C Noteholders, the interests of the Class D Noteholders, the interests of Class E Noteholders and the interests of Class Z Noteholders, without prejudice to the provisions of the Rules of the Organisation of the Noteholders concerning the Basic Terms Modifications, the Representative of the Noteholders shall consider only to the interests of the holders of the Most Senior Class of Notes; and

(iii) if at any time there is, in the opinion of the Representative of the Noteholders, a conflict between the interests of the Other Issuer Creditors, then, subject to paragraph (i) above, the Representative of the Noteholders shall have regard to the interests of whichever of the Other Issuer Creditors ranks higher in the applicable Priority of Payments for the payment of the amounts therein specified.

(d) *Delegation of powers by the Representative of the Noteholders*

All actions taken by the Representative of the Noteholders in the execution and exercise of its powers and authorities and of the discretions vested in it shall be taken by duly authorised officer(s) for the time being of the Representative of the Noteholders. The Representative of the Noteholders may also, whenever it considers it expedient, whether by power of attorney or otherwise, delegate to any person(s) all or any of its duties, powers, authorities or discretions 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 in the interests of the Noteholders, provided that the Representative of the Noteholders shall use all reasonable care in the appointment of any such delegate. The Representative of the Noteholders shall give prior notice to the Issuer and the Rating Agencies of the appointment of any delegate appointed by it and of any renewal, extension or termination of such appointment. Any expense or cost in relation to any such delegation shall be borne by the Representative of the Noteholders.

(e) *Insurance*

The Representative of the Noteholders shall have the power (but not the obligation) to insure against all liabilities, proceedings, claims and demands to which it may become liable and all costs, charges and expenses which may be incurred by it:

(i) as a result of the Representative of the Noteholders acting or failing to act in a certain way (otherwise than by reason of wilful misconduct (*dolo*) or gross negligence (*colpa grave*)); and

(ii) as a result of any act or failure to act by any person to whom the Representative of the Noteholders has delegated any of its trusts, powers, authorities, duties, discretions and obligations or appointed as its agent;

and the Issuer shall, to the extent such insurance does not form part of the normal insurance cover carried by the Representative of the Noteholders for its business activities, pay all insurance premiums and expenses which the Representative of the Noteholders may properly incur in relation to such insurance, subject to the applicable Priority of Payments and provided that such insurance premiums and expenses shall be approved by the Issuer.

(f) *Representation in Insolvency Proceedings*

The Representative of the Noteholders shall be authorised to represent the Noteholders in judicial proceedings, including enforcement proceedings and Insolvency Proceedings against the Issuer in so far as they relate to the Notes and the other Transaction Documents.

(g) *Minor amendments or modifications*

The Representative of the Noteholders may, without the consent of the Noteholders or any Other Issuer Creditors, concur with the Issuer and any other relevant parties in making:

(i) any amendment or modification to the Conditions (other than in respect of a Basic Terms Modification) or any of the Transaction Documents which, in the opinion of the Representative of the Noteholders, it may be economically reasonable to make and will not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes; and

(ii) any amendment or modification to these Conditions or to any of the Transaction Documents, if, in the opinion of the Representative of the Noteholders, such amendment or modification is expedient to make, is of a formal, minor or technical nature, is made to correct a manifest error or an error which, in the opinion of the Representative of the Noteholders, is proven or is necessary or desirable for the purposes of clarification.

(h) *Waiver or authorisation of breach*

The Representative of the Noteholders may, without the consent of the Noteholders or any Other Issuer Creditor (other than those which are parties to the relevant Transaction Documents), authorise or waive any proposed breach or breach of the Notes (including an Issuer Event of Default) or of the Intercreditor Agreement or of any other Transaction Document, if, in the opinion of the Representative of the Noteholders, the interests of the holders of the Most Senior Class of Notes will not be materially prejudiced by such authorisation or waiver, provided that the Representative of the Noteholders shall not exercise any of such powers in contravention of any express direction by an Extraordinary Resolution or so as to authorise or waive any proposed breach or breach relating to a Basic Terms Modification.

(i) *Additional modifications*

Notwithstanding the provisions of these Rules, the Representative of the Noteholders shall be obliged, without any consent or sanction of the Noteholders or any of the Other Issuer Creditors, to concur with the Issuer or any other relevant parties in making any modification (other than in respect of a Basic Terms Modification) to the Conditions or any other Transaction Document that the Issuer considers necessary for the purposes of effecting a Base Rate Modification pursuant to Condition 5(d) (*Interest and Variable Return - Fallback provisions*) provided that, solely in circumstances in which the proposed Alternative Base Rate is determined by the Rate Determination Agent on the basis of Condition 5(d)(iii), if, prior to the expiry of the 30 (thirty) day notice period described in Condition 5(d)(iv)(C), the Issuer is notified by the Rated Noteholders representing at least 10 per cent. of the Principal Amount Outstanding of the Rated Notes that they object to the proposed modification, then following such a notification of objection the modification will only be made if it is approved by a resolution of the holders of the Rated Notes representing at least a majority of the Principal Amount Outstanding of the Rated Notes passed in accordance with these Rules.

In addition, notwithstanding the provisions of these Rules, the Representative of the Noteholders shall be obliged, without any consent or sanction of the Noteholders or any of the Other Issuer Creditors, to concur with the Issuer or any other relevant parties in making any modification (other than in respect of a Basic Terms Modification) to the Conditions or any other Transaction Document that the Issuer considers necessary:

(i) in order to enable the Issuer and/or the Interest Rate Swap Counterparty to comply with any obligation which applies to it under EMIR, provided that the Issuer or the Interest Rate Swap Counterparty, as appropriate, certifies to the Representative of the Noteholders in writing that such modification is required solely for the purpose of enabling it to satisfy such obligation and has been drafted solely to such effect; or

(ii) for so long as the Class A Notes are intended to be held in a manner which will allow for Eurosystem eligibility (the criteria in respect of which are currently set out in the ECB Guideline (EU) 2015/510, as amended), for the purposes of maintaining such eligibility, provided that the Issuer certifies to the

Representative of the Noteholders in writing that such modification is required solely for such purpose and has been drafted solely to such effect; or

(iii) for the purposes of complying with the EU Securitisation Regulation, provided that the Issuer certifies to the Representative of the Noteholders in writing that such modification has been advised by a reputable international law firm or, with respect to STS rules, by any third party (referred to under article 27(2) of the EU Securitisation Regulation) authorised under article 28 of the EU Securitisation Regulation to assess whether the Securitisation complies with articles 19 to 22 of the EU Securitisation Regulation; or

(iv) for the purposes of enabling the Securitisation to constitute a transfer of significant credit risk within the meaning of article 244(2)(a) of the CRR, provided that the Issuer certifies to the Representative of the Noteholders in writing that such modification is required solely for such purpose and has been drafted solely to such effect,

(the certificate to be provided by the Issuer pursuant to paragraph (i), (ii), (iii) or (iv) above being a **Modification Certificate**).

The Representative of the Noteholders is only obliged to concur with the Issuer in making any modification for the purposes referred to in paragraph (i), (ii), (iii) or (iv) above if the following conditions have been satisfied:

(i) at least 30 (thirty) days' prior written notice of any such proposed modification has been given to the Representative of the Noteholders;

(ii) the Modification Certificate in relation to such modification shall be provided to the Representative of the Noteholders both at the time the Representative of the Noteholders is notified of the proposed modification and on the date that such modification takes effect;

(iii) the Issuer provides the Representative of the Noteholders with such legal opinions as the Representative of the Noteholders considers necessary in connection with the implementation of such modifications;

(iv) the person who proposes such modification pays all fees, costs and expenses (including legal fees) incurred by the Issuer and the Representative of the Noteholders in connection with such modification;

(v) the Issuer certifies to the Representative of the Noteholders (which certification may be in the Modification Certificate) that the proposed modification is not, in the reasonable opinion of the Issuer formed on the basis of due consideration, a modification in respect of a Basic Terms Modification;

(vi) the Issuer certifies in the Modification Certificate that it has notified each of the Rating Agencies of the proposed modification and the relevant modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes by any Rating Agency or (y) any Rating Agency placing the Rated Notes on rating watch negative (or equivalent); and

(v) (I) the Issuer certifies in writing to the Representative of the Noteholders (which certification may be in the Modification Certificate) that, in relation to such modification, the Issuer (or the Paying Agent on its behalf) has provided at least 30 (thirty) days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 17 (*Notices*) specifying the date and time by which Noteholders must respond and has made available, at the time of publication, the modification documents for inspection at the registered office of the Representative of the Noteholders for the time being during normal business hours; and (II) Noteholders representing at least 10 per cent. of the Principal Amount Outstanding of the Most Senior Class of Notes have not contacted the Issuer and the Paying Agent in accordance with the then current practice of the clearing system through which

such Notes may be held notifying them by the time specified in such notice that such Noteholders do not consent to the modification.

If Noteholders representing at least 10 per cent. of the Principal Amount Outstanding of the Most Senior Class of Notes have notified the Issuer and the Paying Agent, in accordance with the notice and the then current practice of any applicable clearing system through which such Notes may be held, by the time specified in such notice that they do not consent to the modifications set out in paragraph (i), (ii), (iii) or (iv) above, then such modification will not be made unless an Extraordinary Resolution of the Most Senior Class of Noteholders is passed in favour of such modification in accordance with the Rules of the Organisation of the Noteholders.

Objections made in writing other than through the clearing systems must be accompanied by evidence to the Representative of the Noteholders' satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes.

Any modification made in accordance with this paragraph (i) (*Additional modifications*) shall be binding on all Noteholders and shall be notified by the Issuer (or the Paying Agent on its behalf) without undue delay to each Rating Agency, the Other Issuer Creditors and the Noteholders in accordance with Condition 17 (*Notices*).

The Representative of the Noteholders shall not be obliged to agree to any modification which, in the sole opinion of the Representative of the Noteholders, would have the effect of (i) exposing the Representative of the Noteholders to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protections, of the Representative of the Noteholders in the Transaction Documents and/or the Conditions.

(j) *Advice from experts*

The Representative of the Noteholders shall be entitled to act, at the Issuer's cost, on the advice, certificate or opinion of or on any information obtained from any lawyer, accountant, banker or other expert whether obtained by the Issuer, the Representative of the Noteholders or otherwise, provided that, where such lawyer, accountant, banker or other expert is appointed by the Representative of the Noteholders, such appointment is made with due care in all the circumstances, and, subject to the aforesaid, the Representative of the Noteholders shall not, in the absence of wilful misconduct (*dolo*) or gross negligence (*colpa grave*), be liable for any damages, losses, liabilities or expenses incurred by any party as a result of the Representative of the Noteholders so acting. Any such advice, certificate, opinion or information may be sent or obtained by letter, telex, telegram, email, facsimile transmission or cable and, in the absence of wilful misconduct (*dolo*) or gross negligence (*colpa grave*) on the part of the Representative of the Noteholders, the Representative of the Noteholders shall not be liable for acting on any advice, certificate, opinion or information contained in, or purported to be conveyed by, any such letter, telex, telegram, email, facsimile transmission or cable, notwithstanding any error contained therein or the non-authenticity of the same.

(k) *Certificates of Issuer as sufficient evidence*

The Representative of the Noteholders may call for, and shall be at liberty to accept as sufficient evidence of any fact or matter or as to the expediency of any dealing, transaction, step or thing, a certificate duly signed by or on behalf of the sole director or the chairman of the board of directors of the Issuer, as the case may be, 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 as a result of acting on such certificate.

(l) *Certificates of Other Issuer Creditors as sufficient evidence*

The Representative of the Noteholders shall be entitled to 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, any Other Issuer Creditor in respect of any matter and circumstance for which a certificate is

expressly provided for hereunder or under any 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 incurred by its failing to do so.

(m) *Certificate from Euronext Securities Milan Account Holder or common depository as sufficient evidence*

The Representative of the Noteholders may call for, and shall be at liberty to accept and place full reliance on, as suitable evidence of the facts stated therein, a certificate or letter of confirmation as true and accurate and signed on behalf of any Euronext Securities Milan Account Holder or common depository, as the case may be, as the Representative of the Noteholders considers appropriate, or any form of record made by any of them to the effect that at any particular time, or throughout any particular period, any party hereto is, was or will be shown in its records as entitled to a determined number of Notes.

(n) *Discretion in exercise of rights and powers*

The Representative of the Noteholders, save as expressly otherwise provided herein, shall have absolute and unfettered discretion as to the exercise, or non-exercise, of any right, power and discretion vested in the Representative of the Noteholders by the Conditions, these Rules, the Notes, any Transaction Document or by operation of law and the Representative of the Noteholders shall not be responsible for any loss, costs, damages, expenses or other liabilities that may result from the exercise or non-exercise thereof except insofar as the same are incurred as a result of its wilful misconduct (*dolo*) or gross negligence (*colpa grave*).

(o) *Instructions in respect of discretional matters*

In relation to the matters in respect of which the Representative of the Noteholders is entitled to exercise any of its rights and discretions hereunder, the Representative of the Noteholders is entitled to convene a Meeting of the Noteholders in order to obtain from them instructions upon how the Representative of the Noteholders should exercise such right or discretion. The Representative of the Noteholders shall not be obliged to take any action in respect of the Conditions, these Rules, the Notes or any Transaction Document unless it is indemnified and/or provided with security to its satisfaction against all actions, proceedings, claims and demands which may be brought against it and against all costs, charges, damages, expenses and liabilities which it may incur by taking such action.

(p) *Full reliance on Resolutions of Noteholders*

In connection with matters in respect of which the Noteholders are entitled to direct the Representative of the Noteholders, shall not be liable for acting upon any resolution purported to have been passed at any Meeting of holders of any Class of Notes in respect of which minutes have been drawn up and signed notwithstanding that subsequent to so 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 relevant Noteholders.

(q) *Issuer Event of Default*

The Representative of the Noteholders may determine whether or not an Issuer Event of Default is in its opinion materially prejudicial to the interests of the Noteholders and any such determination shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other party to any of the Transaction Documents.

(r) *Default of the Issuer capable of remedy*

The Representative of the Noteholders may determine whether or not a default in the performance by the Issuer of any obligation under the provisions of the Conditions or contained in the Notes or any other Transaction Documents is capable of remedy and, if the Representative of the Noteholders certifies that any such default

is not capable of remedy, such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other party hereto.

(s) *No Notes held by the Issuer*

The Representative of the Noteholders may assume, without enquiry, that no Notes are for the time being held by, or for the benefit of, the Issuer.

(t) *Acknowledgement of role and functions of the Representative of the Noteholders*

Each Noteholder, by acquiring title to a Note is deemed to agree and acknowledge that:

(i) the Representative of the Noteholders has agreed to become a party to each of the Transaction Documents to which the Issuer is a party only for the purpose of taking the benefit of such Transaction Document and regulating the agreement of amendments to it;

(ii) upon the Issuer's Mandate becoming effective pursuant to the provisions of clause 7.2 (*Appointment by the Issuer - Issuer's Mandate*) of the Intercreditor Agreement, the Representative of the Noteholders shall be entitled, in its capacity as representative of the Noteholders, to exercise certain rights in relation to the Aggregate Portfolio pursuant to the Transaction Documents and in particular, to dispose of the Aggregate Portfolio in accordance with the Intercreditor Agreement, the Conditions and these Rules, and the Representative of the Noteholders will be authorised, pursuant to the terms of the Intercreditor Agreement and the Issuer's Mandate (as defined therein), to exercise, in the name and on behalf of the Issuer and as true and lawful agent (*mandatario con rappresentanza*) of the Issuer, all and any of the Issuer's rights under the Transaction Documents, including the right to give directions and instructions to the relevant Transaction Parties;

(iii) by virtue of the transfer to it of the relevant Note, each Noteholder shall be deemed to have granted to the Representative of the Noteholders, as its agent, the right to exercise in such manner as the Representative of the Noteholders in its sole opinion deems appropriate, on behalf of such Noteholder, all of that Noteholder's rights under the Securitisation Law in respect of the Aggregate Portfolio and all amounts and/or other assets of the Issuer arising from the Aggregate Portfolio and the Transaction Documents;

(iv) the Representative of the Noteholders, in its capacity as agent in the name of and on behalf of the Noteholders, shall be the only person entitled under the Conditions and under the Transaction Documents to institute proceedings against the Issuer or to take any steps against the Issuer or any of the other Transaction Parties for the purposes of enforcing the rights of the Noteholders under the Notes and recovering any amounts owing under the Notes or under the Transaction Documents;

(v) no Noteholder shall be entitled to proceed directly against the Issuer nor take any steps or pursue any action whatsoever for the purpose of recovering any debts due or owing to it by the Issuer or take, or join in taking, steps for the purpose of obtaining payment of any amount expressed to be payable by the Issuer or the performance of any of the Issuer's obligations under the Conditions and/or the Transaction Documents or petition for or procure the commencement of insolvency proceedings or the winding-up, insolvency, extraordinary administration or compulsory administrative liquidation of the Issuer or the appointment of any kind of insolvency official, administrator, liquidator, trustee, custodian, receiver or other similar official in respect of the Issuer for any, all, or substantially all the assets of the Issuer or in connection with any reorganisation or arrangement or composition in respect of the Issuer, pursuant to the Consolidated Banking Act or otherwise, unless an Issuer Event of Default Notice shall have been served or an Issuer Insolvency Event shall have occurred and the Representative of the Noteholders, having become bound so to do, fails to do so within a reasonable period and such failure shall be continuing (provided that any such failure shall not be conclusive *per se* of a default or breach of duty by the Representative of the Noteholders), provided that the Noteholder may then only

proceed subject to the provisions of the Conditions and provided that this provision shall not prejudice the right of any Noteholder to prove a claim in the insolvency of the Issuer where such insolvency follows the institution of an insolvency proceedings by a third party;

(vi) to the extent the subordination provisions of Condition 2 (*Status, segregation and ranking*) and Condition 3 (*Priority of Payments*) and the provisions of Condition 16 (*Limited recourse and non-petition*) may be construed so as to bestow rights directly on the incorporators, quotaholders, officers, directors, employees or agents of the Issuer, acknowledge that each of such persons has expressed its will to benefit thereby (and the corresponding obligations of the Noteholders have therefore become irrevocable against such persons);

(vii) no Noteholder shall at any time exercise any right of netting, set-off or counterclaim in respect of its rights against the Issuer such rights being expressly waived or exercise any right of claim of the Issuer by way of a subrogation action (*azione surrogatoria*) pursuant to article 2900 of the Italian civil code; and

(viii) the provisions of this paragraph 27 shall survive and shall not be extinguished by the redemption (in whole or in part) and/or cancellation of the Notes and waives to the greatest extent permitted by law any rights directly to enforce its rights against the Issuer.

28. ISSUER TRANSACTION SECURITY

The Representative of the Noteholders, in its capacity as trustee for the benefit of the Noteholders and Other Issuer Creditors, is entitled to enter into the Deed of Assignment and any other Security Document relating to the Issuer Transaction Security and to exercise its rights and powers in relation thereto and the security created or purported to be created thereby, in each case on the terms set out in the Deed of Assignment, any other Security Document relating to the Issuer Transaction Security and the other Transaction Documents.

29. RESIGNATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS

The Representative of the Noteholders may resign at any time upon giving not less than 3 (three) calendar months' notice in writing to the Issuer without assigning any reason therefore and without being responsible for any costs incurred as a result of such resignation. The resignation of the Representative of the Noteholders shall not become effective until a Meeting of the Noteholders has appointed a new Representative of the Noteholders provided that if a new Representative of the Noteholders has not been so appointed within 60 (sixty) days of the date of such notice of resignation, the Representative of the Noteholders may appoint a successor which is a qualifying entity pursuant to paragraph 26.2 above.

30. EXONERATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS

The Representative of the Noteholders, in its capacity as such, shall not assume any other obligations related to the Securitisation in addition to those expressly provided herein and in the other Transaction Documents to which it is a party.

Without limiting the generality of the foregoing, the Representative of the Noteholders:

(a) *No ascertainment of events*

shall not be under any obligation to take any steps to ascertain whether an Issuer Event of Default 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 or any Noteholder under these Rules, the Notes, the Conditions 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 an Issuer Event of Default or such other event, condition or act has occurred;

(b) *No monitoring duties*

shall not be under any obligation to monitor or supervise the observance or performance by the Issuer or any other Transaction Party of the provisions of, and 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 such other party is observing and performing all such provisions and obligations;

(c) *Collection and payment services*

shall not be deemed to be a person responsible for the collection, cash and payment services (*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e di pagamento*) for the purposes of article 2, paragraph 6, of the Securitisation Law and the relevant implementing regulations from time to time in force including, without limitation, the relevant guidelines of the Bank of Italy;

(d) *No notices related to the Securitisation*

except as expressly required under the Transaction Documents, shall not be under any obligation to give notice to any person of the execution of these Rules, the Notes, the Conditions or any of the Transaction Documents or any transaction contemplated hereby or thereby;

(e) *No investigation duties*

shall not be responsible for, or for investigating, the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules, the Notes, the Conditions, any Transaction Document, or any other document, or any obligation or rights created or purported to be created hereby or thereby or pursuant hereto or thereto, and (without prejudice to the generality of the foregoing) it shall not have any responsibility for, or have any duty to make any investigation in respect of, or in any way be liable whatsoever for: (i) the nature, status, creditworthiness or solvency of the Issuer or any other Transaction Party; (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 or with any Transaction Document; (iii) the suitability, adequacy or sufficiency of any collection or recovery procedures operated by the Servicer or compliance therewith; (iv) the failure by the Issuer to obtain or comply with any licence, consent or other authority in connection with the purchase or administration of the Receivables; (v) any accounts, books, records or files maintained by the Issuer, the Servicer, the Paying Agent or any other person in respect of the Receivables; or (vi) 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 in any Transaction Document;

(f) *Use of proceeds*

shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes or the distribution of any of such proceeds to the persons entitled thereto;

(g) *Rights and title to the Receivables*

shall not be bound or concerned to examine, or enquire into, or be liable for any defect or failure in the right or title of the Issuer to the Receivables 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;

(h) *No registration duties*

shall not be liable for any failure, omission or defect in registering or filing or procuring registration or filing of, or otherwise protecting or perfecting, these Rules, the Notes or any Transaction Document;

(i) *No insurance obligations*

shall not be under any obligation to insure the Loans, the Receivables or any part thereof;

(j) *No responsibility for calculations and payments*

shall not be responsible for (except as otherwise provided in the Conditions or in the Transaction Documents) making or verifying any determination or calculation in respect of the Receivables, the Notes and any other payment to be made in accordance with the applicable Priority of Payments;

(k) *No regard of domicile of Noteholders*

shall not have regard to the consequences of any modification or waiver of these Rules, the Notes, the Conditions or any of the Transaction Documents for individual 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;

(l) *Effect of amendments*

shall not be under any obligation to consider the effect of any amendment of these Rules, the Conditions or any of the Transaction Documents on the financial condition of individual Noteholders or any other Transaction Party;

(m) *No disclosure of information*

shall not (unless and to the extent ordered so to do by a court of competent jurisdiction) be under any obligation to disclose to any Noteholder, any Other Issuer Creditor or any other person 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, the Notes or any other Transaction Document, and none of the Noteholders, Other Issuer Creditors nor any other person shall be entitled to take any action to obtain from the Representative of the Noteholders any such information; and

(n) *Rating*

shall have no responsibility for the maintenance of any rating of the Rated Notes by the Rating Agencies or any other credit or rating agency or any other person.

The Representative of the Noteholders shall be entitled to assume, for the purposes of exercising any power, authority, duty or discretion under or in relation to these Rules that such exercise will not be materially prejudicial to the interests of the Rated Noteholders or, as the case may be, the holders of the Most Senior Class of Notes if, along with other factors, it has accessed the view of, and, in any case, with prior written notice to, the Rating Agencies, and as ground to believe that the then current rating of the Rated Notes would not be adversely affected by such exercise. If the Representative of the Noteholders, in order properly to exercise its rights or fulfil its obligations, deems it necessary to obtain the views of the Rating Agencies as to how a specific act would affect any outstanding rating of the Rated Notes or any Class thereof, the Representative of the Noteholders shall inform the Issuer, which will have to obtain the valuation at its expense

on behalf of the Representative of the Noteholders unless the Representative of the Noteholders which to seek and obtain such valuation itself at the cost of the Issuer.

Any consent or approval given by the Representative of the Noteholders under these Rules, the Notes, the Conditions or any other Transaction Document may be given on such terms and subject to such conditions (if any) as the Representative of the Noteholders thinks fit and, notwithstanding anything to the contrary contained herein, in the Conditions or in any Transaction Document, such consent or approval may be given retrospectively.

No provision of these Rules, the Notes, the Conditions or any Transaction Document shall require the Representative of the Noteholders to do anything which may be illegal or contrary to applicable law or regulations, 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 powers or discretions, and the Representative of the Noteholders may refrain from taking any action if it has reasonable grounds to believe that it will not be reimbursed for any funds, or that it will not be indemnified against any loss or liability which it may incur as a result of such action.

31. INDEMNITY

It is hereby acknowledged that the Issuer has covenanted and undertaken under the Intercreditor Agreement to reimburse, pay or discharge (on a full indemnity basis) all duly documented costs, liabilities, losses, charges, expenses, damages, actions, proceedings, claims and demands (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 by any person to whom the Representative of the Noteholders has delegated any power, authority or discretion or any appointee thereof, in relation to the preparation and execution of, the exercise or the purported exercise of, its powers, authority and discretion and performance of its duties under and in any other manner in relation to these Rules, the Notes, the Conditions, the Intercreditor Agreement or any other Transaction Document, including but not limited to properly incurred legal expenses, reasonable travelling expenses and any reasonable attorney's fees, stamp, issue, registration, documentary and other taxes or duties due to be paid by the Representative of the Noteholders in connection with any action and/or legal proceedings brought against or contemplated by the Representative of the Noteholders pursuant to these Rules, the Notes, the Conditions or any Transaction Document, or against the Issuer or any other person for enforcing any obligations under these Rules, the Notes or the Transaction Documents, other than as a result of wilful misconduct (*dolo*) or gross negligence (*colpa grave*) on the part of the Representative of the Noteholders.

32. LIABILITY

Notwithstanding any other provision of these Rules, the Representative of the Noteholders shall not be liable for any act, matter or thing done or omitted in any way in connection with the Transaction Documents, the Notes or these Rules except in relation to its own gross negligence (*colpa grave*) or wilful default (*dolo*).

PART 4

THE ORGANISATION OF NOTEHOLDERS UPON SERVICE OF AN ISSUER EVENT OF DEFAULT NOTICE AND/OR OCCURRENCE OF AN ISSUER INSOLVENCY EVENT AND/OR A SPECIFIED EVENT

33. POWERS

Each of the Noteholders, by reason of holding the relevant Note(s), recognises that, pursuant to the Subscription Agreements and the Intercreditor Agreement, the Representative of the Noteholders, has been irrevocably appointed as from the date of execution of the Subscription Agreements and the Intercreditor Agreement and with effect on the date on which the Notes will become due and payable following the service of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, as exclusive, true and

lawful agent (*mandatario con rappresentanza*), of the Noteholders and the Other Issuer Creditors to, including without limitation, receive on their behalf from the Issuer any and all monies payable by the Issuer to the Noteholders and the Other Issuer Creditors from and including the date on which the Notes will become due and payable, such monies to be applied in accordance with the Post-Enforcement Priority of Payments.

In particular, the Representative of the Noteholders shall be authorised to:

(a) exercise all and any of their rights under the Securitisation Law in respect of the Aggregate Portfolio and the available Collections and all amounts and/or other assets of the Issuer deriving from the Aggregate Portfolio and the other Securitisation Assets, if any;

(b) receive on their behalf all moneys resulting from the action under paragraph (a) above or otherwise payable by the Issuer to the Noteholders and the Other Issuer Creditors, such moneys to be applied by the Representative of the Noteholders in accordance with the applicable Priority of Payments;

(c) following the occurrence of an Issuer Insolvency Event only, deal with the insolvency procedure (including the filing of any claim for payment) and to receive on their behalf from the procedure any and all monies payable by the insolvency receiver to any of the Issuer Creditors and to apply such monies in accordance with the Post-Enforcement Priority of Payments; and

(d) do any act, matter or thing which it considers necessary to exercise or protect the Noteholders and the Other Issuer Creditors' rights under any of the Transaction Documents.

In addition, the Representative of the Noteholders, in its capacity as true and lawful agent (*mandatario con rappresentanza*) of the Issuer in the interest, and for the benefit of, the Noteholders and the Other Issuer Creditors pursuant to article 1411 and article 1723, second paragraph of the Italian civil code, will be authorised, pursuant to the terms of the Intercreditor Agreement, to exercise, upon delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or a Specified Event, in the name and on behalf of the Issuer any and all of the Issuer's rights, including the right to give directions and instructions to the relevant parties to the Transaction Documents. In particular, the Representative of the Noteholders will be entitled, until the Notes have been redeemed in full and/or cancelled in accordance with the Conditions:

(a) to request the Collection and Liquidity Reserve Account Bank, the Transaction Account Bank and the Custodian (if any) to transfer all monies or securities, as the case may be, standing to the credit of each of the Accounts to replacement accounts opened for such purpose by the Issuer or the Representative of the Noteholders with the same or a replacement Collection and Liquidity Reserve Account Bank, Transaction Account Bank or Custodian (if any) (in each case being an Eligible Institution);

(b) to require performance by any Issuer Creditor of its obligations under the relevant Transaction Document to which such Issuer Creditor is a party, to bring any legal actions and exercise any remedies in the name and on behalf of the Issuer that are available to the Issuer under the relevant Transaction Document against such Issuer Creditor in case of failure to perform and generally to take such action in the name and on behalf of the Issuer as the Representative of the Noteholders may deem necessary to protect the interests of the Issuer, the Noteholders and the Other Issuer Creditors in respect of the Aggregate Portfolio and the other Securitisation Assets;

(c) to instruct the Servicer in respect of the recovery of any amounts due under the Aggregate Portfolio or in relation to any other Securitisation Asset;

(d) to take possession, as an agent of the Issuer and to the extent permitted by applicable laws, of all available Collections (by way of a power of attorney granted under the terms of the Intercreditor Agreement), to enforce the Issuer Transaction Security in accordance with its terms, to dispose of the Aggregate Portfolio in accordance with clause [9.2 (*Disposal of the Aggregate Portfolio following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event*)] of the

Intercreditor Agreement and to apply the proceeds in accordance with the Post-Enforcement Priority of Payments and subject to the provisions thereof;

(e) to distribute the monies from time to time standing to the credit of the Accounts and such other accounts as may be opened by the Issuer or the Representative of the Noteholders pursuant to paragraph (a) above to the Noteholders and the Other Issuer Creditors in accordance with the applicable Priority of Payments (subject to clauses 11.6 (*Swap Collateral*) and 11.7 (*RSF Reserve*) of the Intercreditor Agreement);

(f) to exercise any other rights and powers set out in clause 7.2 (*Appointment by the Issuer - Issuer's Mandate*) of the Intercreditor Agreement.

PART 5

GOVERNING LAW AND JURISDICTION

34. GOVERNING LAW AND JURISDICTION

These Rules are governed by, and shall be construed in accordance with, Italian law.

Any dispute which may arise in relation to these Rules, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of Milan.

THE ACCOUNTS

The Issuer has opened with the Collection and Liquidity Reserve Account Bank the Collection Account and the Liquidity Reserve Account.

The Issuer has opened with the Transaction Account Bank the Payments Account, the Swap Cash Collateral Account and the Expenses Account.

The Issuer shall open with the Transaction Account Bank the RSF Reserve Account following the occurrence of a RSF Trigger Event.

Each of the Collection and Liquidity Reserve Account Bank, the Transaction Account Bank and the Custodian (if any) shall at all times be an Eligible Institution.

The Issuer has also opened with Banca Finint the Quota Capital Account, into which its contributed quota capital has been deposited.

Set out below is a description of credits and debits on the Accounts.

1. COLLECTION ACCOUNT

(a) *Credit*:

(i) on the Closing Date, all Collections received or recovered in respect of the Initial Portfolio from the Initial Valuation Date (included) until the Closing Date (excluded) shall be credited to the Collection Account;

(ii) on the Closing Date, any amount remaining on the Payments Account after making all payments or transfer due on that date shall be transferred from the Payments Account into the Collection Account;

(iii) on the relevant Subsequent Purchase Date, all Collections received or recovered in respect of each Additional Portfolio from the relevant Subsequent Valuation Date (included) until the relevant Subsequent Purchase Date (excluded) shall be credited to the Collection Account;

(iv) save as provided for in paragraphs (i) and (iii) above, within 2 (two) Business Days following the receipt thereof, all Collections received or recovered by or on behalf of the Issuer in respect of the Aggregate Portfolio shall be credited to the Collection Account in accordance with the Servicing Agreement;

(v) any other amount received by the Issuer in respect of the Aggregate Portfolio (including any proceeds deriving from the repurchase by the Seller of individual Delinquent Receivables or Defaulted Receivables pursuant to the Master Receivables Purchase Agreement, any proceeds deriving from the sale of individual Defaulted Receivables pursuant to the Servicing Agreement and any amount paid by the Seller to the Issuer pursuant to the Warranty and Indemnity Agreement, but excluding any amount which is expressed to be credited to another Account) shall be credited to the Collection Account;

(vi) on any Payment Date, any amount allocated under item (ii)(B) of the Pre-Enforcement Principal Priority of Payments shall be credited to the Collection Account;

(vii) all amounts on account of principal, interest, premium or other profit deriving from the Eligible Investments made using funds standing to the credit of the Collection Account shall be credited to the Collection Account;

(viii) any other amount received by the Issuer under the Transaction Documents which is not expressed to be paid into another Account shall be credited to the Collection Account; and

(ix) any interest accrued from time to time on the balance of the Collection Account shall be credited to the Collection Account.

(b) *Debit*:

(i) in accordance with the provisions of the Agency and Accounts Agreement, the amounts standing to the credit of the Collection Account shall be made available by the Collection and Liquidity Reserve Account Bank, if so directed by the Issuer (acting upon written instructions of the Servicer), so as to permit the Custodian (if any), if so directed by the Issuer (acting upon written instructions of the Servicer), to settle Eligible Investments;

(ii) any undue amount to be returned to the Seller or the Servicer pursuant to the Master Receivables Purchase Agreement or the Servicing Agreement, as the case may be shall be transferred outside the Priority of Payments; and

(iii) 2 (two) Business Days prior to each Payment Date, the Available Distribution Amounts then standing to the credit of the Collection Account shall be transferred into the Payments Account.

2. LIQUIDITY RESERVE ACCOUNT

(a) *Credit*:

(i) on the Closing Date, an amount equal to the Liquidity Reserve Initial Amount shall be transferred from the Payments Account into the Liquidity Reserve Account;

(ii) on each Payment Date up to (but excluding) the earlier of (A) the Legal Maturity Date, (B) the Payment Date following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, and (C) the Payment Date on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled, an amount necessary to bring the balance of the Liquidity Reserve Account up to (but not exceeding) the Liquidity Reserve Required Amount shall be credited to the Liquidity Reserve Account in accordance with the Pre-Enforcement Interest Priority of Payments;

(iii) all amounts on account of principal, interest, premium or other profit deriving from the Eligible Investments made using funds standing to the credit of the Liquidity Reserve Account shall be credited to the Liquidity Reserve Account; and

(iv) any interest accrued from time to time on the Liquidity Reserve Amount shall be credited to the Liquidity Reserve Account.

(b) *Debit*:

(i) in accordance with the provisions of the Agency and Accounts Agreement, the amounts standing to the credit of the Liquidity Reserve Account shall be made available by the Collection and Liquidity Reserve Account Bank, if so directed by the Issuer (acting upon written instructions of the Servicer), so as to permit the Custodian (if any), if so directed by the Issuer (acting upon written instructions of the Servicer), to settle Eligible Investments; and

(ii) 2 (two) Business Days prior to each Payment Date, the Available Distribution Amounts then standing to the credit of the Liquidity Reserve Account shall be transferred into the Payments Account.

3. EXPENSES ACCOUNT

(a) *Credit*:

(i) on the Closing Date, an amount equal to the Retained Expenses Amount shall be transferred from the Payments Account into the Expenses Account;

(ii) on each Payment Date, an amount necessary to bring the balance of the Expenses Account up to (but not exceeding) the Retained Expenses Amount shall be credited to the Expenses Account in accordance with the applicable Priority of Payments; and

(iii) any interest accrued from time to time on the balance of the Expenses Account shall be credited to the Expenses Account.

(b) *Debit*:

(i) during each Interest Period, the amounts standing to the credit of the Expenses Account shall be used to pay the Expenses falling due in the relevant Interest Period; and

(ii) after the Payment Date on which the Notes have been redeemed in full and/or cancelled, the amounts standing to the credit of the Expenses Account shall be used to pay any known Expenses not yet paid and any Expenses falling due after such Payment Date.

4. SECURITIES ACCOUNT (IF ANY)

(a) *Credit*:

the Eligible Investments consisting of securities settled by the Custodian (if any) if so directed by the Issuer (acting upon written instructions of the Servicer) using the amounts from time to time standing to the credit of the Collection Account and the Liquidity Reserve Account shall be deposited into the Securities Account; and

(b) *Debit*:

the Eligible Investments consisting of securities to be liquidated pursuant to the provisions of the Agency and Accounts Agreement shall be transferred out of the Securities Account into the Account from which the amount initially invested was taken, within 1 (one) Business Day from liquidation thereof.

5. PAYMENTS ACCOUNT

(a) *Credit*:

(i) on the Closing Date, the proceeds of the issuance of the Notes shall be credited to the Payments Account;

(ii) 2 (two) Business Days prior to each Payment Date, the amounts to be transferred from the Collection Account and the Liquidity Reserve Account into the Payments Account shall be credited to the Payments Account;

(iii) upon receipt thereof, the proceeds deriving from the disposal (if any) of the Aggregate Portfolio following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of early redemption of the Notes pursuant to Condition 6(d)

(*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*) shall be credited to the Payments Account;

(iv) upon receipt thereof, the Seller Regulatory Loan Disbursement Amount shall be credited to the Payments Account;

(v) all amounts payable to the Issuer under or in relation to the Swap Agreement in respect of such Payment Date (other than any early termination amount or Replacement Swap Premium and any Swap Collateral, Swap Tax Credits, Excess Swap Collateral, or any other amount standing to the credit of the Swap Cash Collateral Account) shall be credited to the Payments Account;

(vi) upon the termination of the Swap Agreement, any remaining amounts standing to the credit of the Swap Cash Collateral Account may be withdrawn and paid into the Payments Account pursuant to paragraph 6(b)(ii)(C) below and will then form part of the Available Distribution Amounts; and

(vii) any interest accrued from time to time on the balance of the Payments Account shall be credited to the Payments Account.

(b) *Debit*:

(i) on the Closing Date, the amounts due to the Seller as Purchase Price for the Initial Portfolio pursuant to the Master Receivables Purchase Agreement shall be paid out of the Payments Account;

(ii) on the Closing Date, an amount equal to the Liquidity Reserve Initial Amount shall be transferred into the Liquidity Reserve Account;

(iii) on the Closing Date, an amount equal to the Retained Expenses Amount shall be transferred into the Expenses Account;

(iv) on or about the Closing Date, an amount equal to certain up-front fees, costs and expenses shall be paid out of the Payments Account;

(v) on the Closing Date, any amount remaining after making payments due under paragraphs from (i) to (iv) (inclusive) above shall be transferred into the Collection Account;

(vi) 1 (one) Business Day prior to each Payment Date, an amount equal to the amount of principal and interest or Variable Return (as applicable) due in respect of the Notes, on the relevant Payment Date shall be transferred to the Paying Agent (to the extent that the Paying Agent and the Transaction Account Bank are not the same entity); and

(vii) save as provided for in paragraph (vi) above, on each Payment Date, all payments to be made in accordance with the applicable Priority of Payments, as specified in the relevant Payments Report, shall be made out of the Payments Account.

6. SWAP CASH COLLATERAL ACCOUNT

(a) *Credit*:

any Swap Collateral consisting of cash shall be credited to the Swap Cash Collateral Account.

(b) *Debit*:

(i) prior to the termination of the Swap Agreement, all amounts standing to the Swap Cash Collateral Account which the Interest Rate Swap Counterparty is entitled to under the terms of the Swap Agreement (including as a result of changes in the value of the Swap Collateral and/or the Swap Agreement) shall be returned to the Interest Rate Swap Counterparty;

(ii) following the termination of the Swap Agreement:

(A) the amounts standing to the credit of the Swap Cash Collateral Account, which exceed the termination amount (if any) that would have otherwise been payable by the Interest Rate Swap Counterparty to the Issuer had the Swap Collateral not been provided pursuant to the Swap Agreement, may be withdrawn from the Swap Cash Collateral Account and paid and/or returned exclusively in or towards satisfaction of the amounts (if any) that are due and payable to the Interest Rate Swap Counterparty pursuant to the Swap Agreement (including, for the avoidance of doubt, the repayment of any Swap Collateral posted in accordance with and subject to the Swap Agreement), irrespective of the applicable Priority of Payments;

(B) after application in accordance with paragraph (A) above, any remaining amounts standing to the credit of the Swap Cash Collateral Account, together with any amount paid by the Interest Rate Swap Counterparty to the Issuer upon such termination, shall first be applied by the Issuer towards any payment of any Replacement Swap Premium payable to a replacement Interest Rate Swap Counterparty for it entering into a replacement swap agreement with the Issuer on substantially the same terms as the Swap Agreement. To the extent that such remaining amounts standing to the credit of the Swap Cash Collateral Account, together with any amount paid by the Interest Rate Swap Counterparty to the Issuer upon the termination of the Swap Agreement, are greater than the Replacement Swap Premium or no such Replacement Swap Premium is required to be made to a replacement Interest Rate Swap Counterparty, such remaining amounts shall be applied, after payment of any such Replacement Swap Premium, against any amount payable by the Issuer to the Interest Rate Swap Counterparty upon the termination of the Swap Agreement (including, for the avoidance of doubt, the repayment of any Swap Collateral posted in accordance with and subject to the Swap Agreement), irrespective of the applicable Priority of Payments; and

(C) after application in accordance with paragraphs (A) and (B) above and to the extent only that there are no further amounts payable by the Issuer to the Interest Rate Swap Counterparty upon the termination of the Swap Agreement, (I) any remaining amounts standing to the credit of the Swap Cash Collateral Account may be withdrawn and paid into the Payments Account and will then form part of the Available Distribution Amounts, and (II) any amount remaining from any amount paid by the Interest Rate Swap Counterparty to the Issuer upon the termination of the Swap Agreement shall remain in the Payments Account and will then form part of the Available Distribution Amounts.

7. RSF RESERVE ACCOUNT

(a) *Credit*:

(i) within 60 (sixty) calendar days following the occurrence of a RSF Trigger Event, an amount equal to the Required RSF Reserve Amount shall be credited by the RSF Reserve Depositor to the RSF Reserve Account;

(ii) if at any time thereafter the RSF Reserve Depositor receives a notice from the Issuer that a RSF Reserve Shortfall Amount exists, an amount equal to the Required RSF Reserve Shortfall Amount shall be credited by the RSF Reserve Depositor to the RSF Reserve Account within 60 (sixty) days from receipt of such notice; and

(iii) if a RSF Reserve Funding Failure occurs, an amount necessary to bring the balance of the RSF Reserve Account up to (but not exceeding) the Required RSF Reserve Amount shall be credited to such account out of the Available Interest Amounts in accordance with the Pre-Enforcement Interest Priority of Payments or out of the Available Distribution Amounts in accordance with the Post-Enforcement Priority of Payments, as the case may be;

(iv) any interest accrued from time to time on the balance of the RSF Reserve Account shall be credited to the RSF Reserve Account.

(b) *Debit*:

(i) on each Payment Date after the RSF Reserve Initial Funding Date and the appointment of a Replacement Servicer, an amount equal to the Replacement Servicing Costs due on such date shall be withdrawn from the RSF Reserve Account and applied to pay the Replacement Servicing Costs to the Replacement Servicer outside the Priority of Payments;

(ii) on each Payment Date after the RSF Reserve Initial Funding Date, if the balance standing to the credit of the RSF Reserve Account exceeds the Required RSF Reserve Amount, any such excess shall be returned to the RSF Reserve Depositor outside the Priority of Payments; and

(iii) on the Payment Date on which the Notes will be redeemed in full and/or cancelled, any residual amount standing to the credit of the RSF Reserve Account (after making payments due on that Payment Date) shall be returned to the RSF Reserve Depositor outside the Priority of Payments.

TAXATION IN THE REPUBLIC OF ITALY

[**The statements herein regarding Italian taxation are based on the laws in force and published practices of the Italian tax authorities issued as at the date of this Prospectus and are subject to any changes in law and interpretation occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to additional or special rules. Prospective purchasers of the Notes are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of the Notes. This summary will not be updated to reflect changes in laws or interpretation and if such a change occurs the information in this summary may become invalid. In any case, Italian legal or tax concepts may not be identical to the concepts described by the same English term as they exist under terms of different jurisdictions and any legal or tax concept expressed by using the relevant Italian term shall prevail over the corresponding concept expressed in English terms.**

Tax treatment of interest and proceeds payable under the Notes

Legislative Decree no. 239 of 1 April 1996, as subsequently amended and supplemented (**Decree 239**) sets out the applicable regime regarding the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) (hereinafter collectively referred to as **Interest**) deriving from notes falling within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*). Pursuant to Article 6, paragraph 1, of Italian Law no. 130 of 30 April 1999, as amended (**Law 130**), Decree 239 applies to Interest deriving from notes issued by Italian securitisation vehicle incorporated according with Law 130.

Italian resident Noteholders

Where an Italian resident Noteholder is the beneficial owner of Interest payments under the Notes and is:

(i) an individual not engaged in an entrepreneurial activity to which the Notes are connected;

(ii) a partnership (other than a *società in nome collettivo* or a *società in accomandita semplice* or a similar partnership) or a *de facto* partnership not carrying out commercial activities;

(iii) a non-commercial private or public institution (other than a company), a trust not carrying out mainly or exclusively commercial activities or the Italian State or other pubic and territorial entity;

(iv) an investor exempt from Italian corporate income taxation,

Interest deriving from the Notes and accrued during the relevant holding period is subject to a substitutive tax, referred to as *imposta sostitutiva*, levied at the rate of 26 per cent. (either when Interest is paid or obtained by the holder upon disposal of the Notes), unless the relevant Noteholder holds the Notes in a discretionary investment portfolio managed by an authorized intermediary and, under certain conditions, has validly opted for the application of the *risparmio gestito* regime provided for by Article 7 of Italian Legislative Decree no. 461 of November 21, 1997 (**Decree 461**) (see "*Capital gains tax*" below).

Where the resident holders of the Notes described above under (i) to (iii) above are engaged in an entrepreneurial activity to which the Notes are connected, *imposta sostitutiva* applies as a provisional tax. Interest will be included in the relevant beneficial owner's Italian income tax return and will be subject to Italian ordinary income taxation and the *imposta sostitutiva* may be recovered as a credit that can be offset against the income tax due.

Subject to certain conditions (including a minimum holding period requirement) and limitations, Interest relating to the Notes may be exempt from any income taxation (including from the 26 per cent. *imposta sostitutiva*) if the Noteholders are Italian resident individuals not engaged in entrepreneurial activity or social security entities pursuant to Legislative Decree no. 509 of 30 June 1994 and Legislative Decree no. 103 of 10 February 1996 and the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Where an Italian resident Noteholder is a company or similar commercial entity, or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected, and the Notes are deposited with an Intermediary (as defined below), Interest from the Notes will not be subject to *imposta sostitutiva* but must be included in the relevant Noteholder's income tax return and are therefore subject to general Italian corporate taxation (**IRES**) and, in certain circumstances, depending on the status of the Noteholder, also to regional tax on productive activities (**IRAP**).

Payments of Interest deriving from the Notes made to Italian resident real estate investment funds and Italian resident real estate investment companies with fixed capital (SICAF, i.e. *società di investimento a capitale fisso*) (the **Real Estate Funds**) complying with the relevant legal and regulatory requirements and subject to the regime provided for by, *inter alia*, Law Decree no. 351 of 25 September 2001 and/or Law Decree no. 44 of 4 March 2014, each as amended, are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of such Real Estate Funds, provided that the Notes are timely deposited with an Intermediary (as defined below). Subsequent distributions made in favour of unitholders or shareholders of the Real Estate Fund and income realised by the unitholders or shareholders in the event of redemption or sale of the units or shares in the Real Estate Fund may be subject, in certain circumstances, to a withholding tax of 26 per cent.. Moreover, subject to certain conditions, depending on the status of the investor and the percentage of its participation, income realised by Real Estate Funds may be attributed to the relevant investors and subject to tax in their hands irrespective of its actual collection and in proportion to the percentage of ownership of units or shares on a tax transparency basis.

Where the Italian resident Noteholder is an open-ended or closed-ended investment fund (other than a Real Estate Fund), an investment company with fixed capital (SICAF, i.e. *società di investimento a capitale fisso*, other than a Real Estate Fund) or an investment company with variable capital (SICAV, i.e. *società di investimento a capitale variabile*) (together, the **Funds**) and either (i) the Fund or (ii) its manager is subject to the supervision of a regulatory authority and the Notes are deposited with an Intermediary (as defined below), payments of Interest on such 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 result, but a withholding tax of 26 per cent. may in certain circumstances apply to distributions made in favour of unitholders or shareholders or in case of redemption or sale of the units or shares in the Fund.

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by Article 17 of Legislative Decree no. 252 of 5 December 2005) and the Notes are deposited with an Intermediary (as defined below), payments of Interest relating to the Notes accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period to be subject to a 20 per cent. substitute tax on the increase in value of the managed assets accrued at the end of each tax year (which increase would include Interest accrued on the Notes). Subject to certain conditions (including a 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 individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Pursuant to Decree 239, *imposta sostitutiva* is applied by banks, investment companies (*società di intermediazione mobiliare*, **SIMs**), fiduciary companies, management companies (*società di gestione del risparmio*), stock brokers and other qualified entities identified by a decree of the Ministry of Finance (together the **Intermediaries** and each an **Intermediary**). An Intermediary must (a) be (i) resident in Italy, (ii) a

permanent establishment in Italy of a non-Italian resident Intermediary or (iii) an entity or a company not resident in Italy, acting through a system of centralised administration of securities and directly connected with the Italian tax authorities having appointed an Italian representative for the purposes of Decree 239, and (b) intervene, in any way, in the collection of Interest or, also as transferees, in transfers or disposals of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are not deposited with an Intermediary meeting the requirements under (a) and (b) above, *imposta sostitutiva* is applied and withheld by any Italian intermediary paying Interest to the holders of the Notes or, absent that, by the Issuer and gross recipients that are Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected are entitled to deduct the suffered *imposta sostitutiva* from income taxes due.

Non-Italian resident Noteholders

Where the Noteholder is a non-Italian resident without a permanent establishment in Italy to which the Notes are connected, an exemption from the *imposta sostitutiva* applies, provided that the non-Italian resident Noteholder is the beneficial owner of relevant Interest (certain types of institutional investors are deemed to be beneficial owners by operation of law) and is:

(a) resident, for tax purposes, in a country which allows for a satisfactory exchange of information with Italy listed in the as listed in the Italian Ministerial Decree of 4 September 1996, as amended and supplemented from time to time and possibly further amended by future decrees to be issued pursuant to Article 11(4)(c) of Decree 239 (the **White List**); or

(b) an international body or entity set up in accordance with international agreements which have entered into force in Italy; or

(c) a central bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or

(d) an institutional investor which is established in a country which allows for a satisfactory exchange of information with Italy listed in the White List, even if it does not possess the status of taxpayer therein and provided that it timely files with the relevant depositary an appropriate self-declaration confirming its status of institutional investor.

In order to ensure gross payment, non-Italian resident Noteholders above must:

(A) deposit, in due time, directly or indirectly, the Notes with a resident bank or a SIM or a permanent establishment in Italy of a non-Italian resident bank or SIM or with a non-Italian resident entity or company participating in a centralised securities management system which is in contact, via computer, with the Italian Ministry of Economy and Finance having appointed an Italian representative for the purposes of Decree 239 (Euroclear and Clearstream qualify as such latter kind of depositary); and

(B) file with the relevant depository a statement of the relevant Noteholder, which remains valid until withdrawn or revoked, in which the Noteholder declares to be eligible to benefit from the applicable exemption from *imposta sostitutiva*. Such statement, which is not required for international bodies or entities set up in accordance with international agreements which have entered into force in Italy nor in case of foreign central banks or entities which manage, *inter alia*, the official reserves of a foreign State, must comply with the requirements set forth by Ministerial Decree of 12 December 2001, as subsequently amended.

Failure of a non-Italian resident holder of the Notes to comply in due time with the procedures set forth in Decree 239 and in the relevant implementing rules will result in the application of *imposta sostitutiva* on Interest payments to such non resident holder of the Notes.

The *imposta sostitutiva* will be applicable at the rate of 26 per cent. (or at the reduced rate provided for by the applicable double tax treaty, if any, and subject to timely filing of the required documentation) in respect to Interest accrued in the hands of Noteholders who are resident, for tax purposes, in countries which do not allow for a satisfactory exchange of information with Italy not included in the White List.

The exemption procedure for non-Italian resident Noteholders to ensure payment of Interest in respect of the Notes without application of the *imposta sostitutiva* identifies two categories of Intermediaries:

(a) an Italian or foreign bank or financial institution (there is no requirement for the bank or financial institution to be EU resident) (the **First Level Bank**), acting as intermediary in the deposit of the Notes and the relevant coupons held, directly or indirectly, by the Noteholder with a Second Level Bank (as defined below) and which has no direct connection with the Department of Revenue of the Ministry of Economics and Finance; and

(b) an Italian resident bank or SIM, or a permanent establishment in Italy of a non-resident bank or SIM, acting as depositary or sub-depositary of the Notes appointed to maintain direct relationships, via telematic link, with the Italian tax authorities (the **Second Level Bank**). Organizations and companies non-resident in Italy, providing a centralised administration of securities and directly connected with the Department of Revenue of the Ministry of Economics and Finance (which include Euroclear and Clearstream) are treated as Second Level Banks, provided that they appoint an Italian representative (an Italian resident bank or SIM, or a permanent establishment in Italy of a non-resident bank or SIM, or a central depositary of financial instruments pursuant to article 80 of the Consolidated Financial Act) for the purposes of the application of Decree 239.

In the event that a non-Italian resident Noteholder deposits the Notes and the relevant coupons directly with a Second Level Bank, the latter shall be treated both as a First Level Bank and a Second Level Bank.

Capital gains tax

Italian resident Noteholders

Where an Italian resident Noteholder is (i) an individual holding the Notes not in connection with an entrepreneurial activity, (ii) a non-commercial partnership (other than a *società in nome collettivo* or a *società in accomandita semplice* or a similar partnership) or a *de facto* partnership not carrying out commercial activities, or (iii) a non-commercial private or public institution (other than a company), a trust not carrying out mainly or exclusively commercial activities, any capital gain realised by such Noteholder from the sale or redemption of the Notes would be subject to an *imposta sostitutiva* provided for by Decree 461, levied at the rate of 26 per cent.. Under certain conditions and limitations Noteholders may set off capital gains with their capital losses.

For the purposes of determining the taxable capital gain (*redditi diversi*), any Interest on the Notes accrued and unpaid up to the time of the sale of the Notes must be deducted from the sale price.

In respect of the application of *imposta sostitutiva*, taxpayers under (i) to (iii) above may opt for one of the three regimes described below:

(a) under the tax declaration regime (*regime della dichiarazione*), which is the standard regime for taxation of capital gains realised by Noteholders under (i) to (iii) above, *imposta sostitutiva* on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any incurred capital loss of the same kind, realised by the relevant investor holding the Notes not in connection with an

entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. The relevant Noteholder must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss of the same kind, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance of 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;

(b) as an alternative to the tax declaration regime, Noteholders under (i) to (iii) above may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (the *risparmio amministrato* regime provided for by article 6 of Decree 461). Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries (including permanent establishments in Italy of foreign intermediaries) and (ii) a valid express election for the *risparmio amministrato* regime being timely made in writing by the relevant Noteholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted only from capital gains subsequently realised, within the same securities management, 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 declare the capital gains in the annual tax return; or

(c) any capital gains realised by Italian Noteholders under (i) to (iii) above who have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have validly opted for the so called *risparmio gestito* regime provided for by Article 7 of Decree 461 will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent. substitute tax, to be paid by the managing authorised intermediary. Under the *risparmio gestito* regime, any decrease in value of the managed assets accrued at year end may be carried forward against any increase in value of the managed assets accrued in any of the four succeeding tax years. The Noteholder is not required to declare the capital gains realised in the annual tax return.

Subject to certain conditions (including a minimum holding period requirement) and limitations, Italian resident individuals not engaged in entrepreneurial activity or social security entities pursuant to Legislative Decree no. 509 of 30 June 1994 and Legislative Decree no. 103 of 10 February 1996 may be exempt from Italian capital gain taxes, including the *imposta sostitutiva*, on capital gains realised upon sale, transfer or redemption of the Notes, if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Any capital gain obtained from the sale or redemption of the Notes would be treated as part of the taxable income for IRES purposes and, in certain circumstances, depending on the "status" of the Noteholder, also as part of the net value of the production for IRAP purposes, if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected), an Italian resident commercial partnership or an Italian resident individual engaged in an entrepreneurial activity to which the Notes are connected.

Any capital gains realised by a Noteholder that is a Real Estate Fund will be subject neither to *imposta sostitutiva* nor to any other income tax at the level of the Real Estate Fund. Subsequent distributions made in favour of unitholders or shareholders of the Real Estate Fund and income realised by the unitholders or shareholders in the event of redemption or sale of the units or shares in the Real Estate Fund may be subject, in certain circumstances, to a withholding tax of 26 per cent.. Moreover, subject to certain conditions,

depending on the status of the investor and the percentage of its participation, income realised by Real Estate Funds may be attributed to the relevant investors and subject to tax in their hands irrespective of its actual collection and in proportion to the percentage of ownership of units or shares on a tax transparency basis.

Any capital gains realised by an Italian Noteholder that is a Fund will not be subject to *imposta sostitutiva*, but will be included in the result of the relevant portfolio accrued at the end of the relevant tax period which is exempt from income tax. Subsequent distributions made in favour of unitholders or shareholders and income realised by the unitholders or shareholders in the event of redemption or sale of the units or shares in the Fund may be subject, in certain circumstances, to a withholding tax of 26 per cent..

Any capital gains realised by a Noteholder that is an Italian pension fund (subject to the regime provided for by Article 17 of Legislative Decree no. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20 per cent. substitute tax. Subject to certain conditions (including a minimum holding period requirement) and limitations, capital gains on 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 individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law, as amended and supplemented from time to time.

Non-Italian resident Noteholders

The 26 per cent. *imposta sostitutiva* may in certain circumstances be payable on any capital gains realised upon sale, transfer or redemption of the Notes by non-Italian resident Noteholders, not having a permanent establishment in Italy to which the Notes are effectively connected, if the Notes are held or deemed to be held in Italy.

Capital gains realised by non-Italian resident Noteholders, not having a permanent establishment in Italy to which the Notes are connected, from the sale or redemption of Notes traded on regulated markets in Italy or abroad are neither subject to the *imposta sostitutiva* nor to any other Italian income tax (subject to timely filling of required documentation (in particular, a self-declaration stating that the Noteholder is not resident in Italy for tax purposes) with Italian qualified intermediaries (or permanent establishments in Italy of foreign intermediaries) with which the Notes are deposited). The Italian tax authorities have clarified that the notion of multilateral trading facility under EU Directive 2014/65/CE (so called MiFID II) can be assimilated to that of "regulated market" for income tax purposes; conversely, organized trading facilities (OTF) cannot be assimilated to "regulated market" for Italian income tax purposes.

Capital gains realised by non-Italian resident Noteholders, not having a permanent establishment in Italy to which the Notes are effectively connected, from the sale or redemption of the Notes not traded on regulated markets are not subject to *imposta sostitutiva* provided that the Noteholder is the beneficial owner of the capital gain (certain types of institutional investors are deemed to be beneficial owners by operation of law) and is (i) resident for tax purposes in a country included in the White List; or (ii) an international entity or body set up in accordance with international agreements ratified in Italy; or (iii) a central bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or (iv) an institutional investor which is established in a country included in the White List, even if it does not possess the status of a taxpayer in its own country of establishment, in any case, to the extent all the requirements and procedures set forth in Decree 239 and in the relevant implementation rules, as subsequently amended, in order to benefit from the exemption from *imposta sostitutiva* are met or complied with in due time, if applicable. In this case, if the non Italian Noteholders have opted for the *risparmio amministrato* regime or the *risparmio gestito* regime, 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.

If none of the conditions described above is met, capital gains realised by non-Italian resident Noteholders from the sale or redemption of the Notes not traded on regulated markets and deemed to be held in Italy may be subject to *imposta sostitutiva* at the current rate of 26 per cent..

In any event, non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes are effectively connected that may benefit from a double tax treaty with 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 Italy on any capital gains realised upon the sale or redemption of the Notes provided all the conditions for its application are met. In this case, if the non-Italian resident Noteholders have opted for the *risparmio amministrato* regime or the *risparmio gestito* regime, 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 Noteholders.

Transfer tax

Contracts relating to the transfer of securities are subject to registration tax as follows: (a) public deeds and notarised deeds (*atti pubblici e scritture private autenticate*) are subject to a fixed registration tax of €200; (b) private deeds (*scritture private non autenticate*) are subject to registration tax only in case of voluntary registration, explicit reference (*enunciazione*) or case of use (*caso d'uso*).

Inheritance and gift taxes

Pursuant to Law No. 346 of 31 October 1990 and Law No. 286 of 24 November 2006, as subsequently amended, the transfers of any valuable asset (including the Notes) as a result of death or donation taxes as follows:

(i) transfers in favour of the spouse and direct descendants or ascendants are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding, for each beneficiary, € 1,000,000;

(ii) transfers in favour of the brothers or sisters are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the value of the inheritance or the gift exceeding, for each beneficiary, €100,000;

(iii) transfers in favour of all other relatives up to the fourth degree or relatives-in-law up to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift; and

(iv) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

If the transfer is made in favour of persons with severe disabilities, the tax is levied at the rate mentioned above in (i), (ii) and (iii) on the value exceeding, for each beneficiary, a threshold of €1,500,000.

The transfer of financial instruments (including the Notes) as a result of death is exempt from inheritance tax when such financial instruments are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law, as amended and supplemented from time to time.

Stamp duties on financial instruments

Pursuant to Article 13(2-ter) of the tariff Part I attached to Presidential Decree no. 642 of 26 October 1972, as amended (**Decree 642**), a proportional stamp duty applies on an annual basis to any periodic reporting communications which may be sent by an Italian based financial intermediary to its clients in respect of any financial product and instrument (including the Notes) which may be deposited with such financial intermediary in Italy. The stamp duty is collected by the Italian resident financial intermediaries and applies at a rate of 0.2 per cent. and cannot exceed Euro 14,000 for taxpayers other than individuals. This stamp duty is determined on the basis of the market value or, if no market value figure is available, on the basis of face value

or redemption value, or in the case the face or redemption values cannot be determined, on the basis of purchase value of the financial assets held.

The statement is deemed to be sent at least once a year, including with respect to the instruments for which it is not mandatory the deposit, the release or the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable on a pro-rata basis.

Pursuant to the law and the implementing decree issued by the Italian Ministry of Economy on 24 May 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy on 29 July 2009, as subsequently amended, supplemented and restated) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

Stamp duty applies both to Italian resident and to non-Italian resident investors, to the extent that the relevant securities (including the Notes) are held with an Italian-based financial intermediary (and not directly held by the investor outside Italy), in which case Italian wealth tax (see below under "*Wealth tax on financial products held abroad*") applies to Italian resident Noteholders only.

Wealth tax on financial products held abroad

In accordance with Article 19 of Decree no. 201 of 6 December 2011, converted with amendments by Law No. 214 of 22 December 2011, as amended, individuals, non-commercial entities and certain partnerships (*società semplici* or similar partnerships in accordance with Article 5 of Decree 917) resident in Italy for tax purposes holding financial products – including the Notes – outside of the Italian territory are required to declare in their own annual tax return and pay a wealth tax at the rate of 0.2 per cent. (***IVAFE***) (0.4 per cent., as of 2024, in case of financial assets held in States or territories with privileged tax regime identified by the Ministerial Decree of the Ministry of Economy and Finance of May 4, 1999). For taxpayers other than individuals, IVAFE cannot exceed Euro 14,000 per year.

The tax applies on the market value at the end of the relevant year (or, if earlier, at the end of the holding period) or – in the lack of the market value – on the basis of face value or redemption value, or in the case the face or redemption values cannot be determined, on the basis of purchase value of the financial assets held outside of the Italian territory. Taxpayers can generally deduct from the tax a tax credit equal to any wealth taxes paid in the State where the financial products are held (up to the amount of the Italian wealth tax due).

Financial assets (including the Notes) held abroad are excluded from the scope of IVAFE if they are administered by Italian financial intermediaries pursuant to an administration agreement and the items of income derived from such instruments have been subject to tax by the same intermediaries. In this case, the above mentioned stamp duty provided for by Article 13 of the Tariff attached to Decree 642 does apply.

Tax monitoring obligations

Pursuant to Law Decree no. 167 of 28 June 1990, converted with amendments by Law No. 227 of 4 August 1990, as amended, individuals, non-commercial entities and certain partnerships (*società semplici* or similar partnerships in accordance with Article 5 of Decree 917) resident in Italy for tax purposes under certain conditions, are required to report for tax monitoring purposes in their yearly income tax return the amount of investments directly or indirectly held abroad.

The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the beneficial owner of the instrument.

No disclosure requirements exist, *inter alia*, for investments and financial activities (including the Notes) under management or administration entrusted to Italian resident intermediaries and for contracts concluded through their intervention, provided that the cash flows and the income derived from such activities and contracts have been subject to Italian withholding or substitute tax by the intermediaries themselves.

DESCRIPTION OF THE TRANSACTION DOCUMENTS

The description of the Transaction Documents set out below is an overview of certain features of those agreements and is qualified by reference to the detailed provisions of the Transaction Documents. Prospective Noteholders may inspect copies of the Transaction Documents on the Securitisation Repository.

1. THE MASTER RECEIVABLES PURCHASE AGREEMENT

General

Pursuant to the terms of the Master Receivables Purchase Agreement, the Seller has assigned and transferred to the Issuer, which has purchased, without recourse (*pro soluto*), in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the relevant articles of Law 52 referred to therein, the Initial Portfolio with economic effects from (but excluding) the Initial Valuation Date and legal effect from (and including) the Initial Purchase Date.

In addition, during the Replenishment Period and provided that no Early Amortisation Event has occurred, the Seller may assign and transfer to the Issuer, which shall purchase from the Seller, without recourse (*pro soluto*), in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the relevant articles of Law 52 referred to therein, Additional Portfolios, with economic effects from (but excluding) the relevant Subsequent Valuation Date and legal effects from (and including) the relevant Subsequent Purchase Date. The Purchase Price for the relevant Additional Portfolio shall not exceed the Replenishment Available Amount.

The transfer of the Receivables comprised in the Initial Portfolio has been rendered enforceable against any third party creditors of the Seller (including any insolvency receiver of the same), through the publication of a notice of transfer in the Official Gazette no. [●], Part II of [●] 2025. The transfer of the Receivables comprised in each Additional Portfolio will be rendered enforceable against any third party creditors of the Seller (including any insolvency receiver of the same) through the annotation of the monies received from the Issuer as Purchase Price for the relevant Additional Portfolio on the Seller's account into which they have been paid, in order for the relevant payment to bear date certain at law (*data certa*) in accordance with the provisions of article 2, paragraph 1, letter b), of Legislative Decree No. 170 of 21 May 2004.

In addition, as from the date of the publication of the notice of transfer in the Official Gazette (with respect to the Initial Portfolio) or the date of payment of the relevant Purchase Price with a date certain at law (*data certa*) (with respect to each Additional Portfolio), the Debtors will not have the right to off-set their claims *vis-à-vis* the Seller which have arisen after such date against the amounts due by the relevant Debtors to the Issuer in respect of the relevant Receivables, pursuant to article 4, paragraph 2, of the Securitisation Law. Furthermore, if a notice of the assignment to the Issuer is sent to the relevant Debtor (i) by the Seller or (ii) by the Servicer upon the termination of its appointment as provided for under the Servicing Agreement or (iii) by any other entity validly acting as agent and in the name and on behalf of the Issuer, provided that such notice duly and unequivocally identifies the relevant Receivable, the transfer of the relevant Receivable from the Seller to the Issuer will become enforceable (*opponibile*) against the relevant Debtor, in accordance with the provisions of article 1264 of the Italian civil code.

Selection of each Portfolio

Under the Master Receivables Purchase Agreement, the Seller has represented and warranted that it has selected the Receivables comprised in the Initial, and will select the Receivables comprised in each Additional Portfolio, as follows:

(a) it has identified (or will identify, as the case may be) an interim portfolio of more than 100 (one hundred) exposures arising from loans granted by HCBE, Italian branch to borrowers for the purposes of purchasing vehicles so that such interim portfolio meets the Eligibility Criteria referred to below as at the relevant Valuation Date (or any other date specified in the relevant criterion) and, together with the Receivables already comprised in the Collateral Aggregate Portfolio, the Concentration Limits referred to below as at the relevant Offer Date (each, an **Interim Portfolio**);

(b) it has randomly excluded (or will randomly exclude, as the case may be) from each Interim Portfolio non-securitised exposures in an amount equivalent to not less than 5 per cent. of the nominal value of the securitised exposures; and

(c) each portfolio comprising the securitised exposures so selected constitutes (or will constitute, as the case may be) a Portfolio for the purposes of the Master Receivables Purchase Agreement and the other relevant Transaction Documents.

The Seller has further acknowledged, agreed and warranted that:

(i) pursuant to the terms of the Intercreditor Agreement, it shall retain, on an on-going basis, the non-securitised exposures referred to in paragraph (b) above in accordance with option (c) of article 6(3) of the EU Securitisation Regulation and the applicable Technical Standards and the UK Retention Rules (as such rules are interpreted and applied on the Closing Date); and

(ii) it has appropriate internal operational procedures that ensure and will ensure compliance, also on an ongoing basis, of the random selection described above with the applicable Technical Standards and the UK Retention Rules (as such rules are interpreted and applied on the Closing Date).

Eligibility Criteria

The Receivables comprised in each Portfolio shall, as at the relevant Valuation Date (or any other date specified in the relevant criterion), comply with the Eligibility Criteria. For further details, see the section headed "*The Aggregate Portfolio*".

Pursuant to the Master Receivables Purchase Agreement, in case of breach of the Eligibility Criteria, the Seller shall repurchase the Receivables which did not comply with such criteria as at the relevant Valuation Date (or any other date specified in the relevant criterion).

Concentration Limits

The Receivables comprised in the Aggregate Portfolio (taking into account the Additional Portfolio offered for sale) shall, as at the Offer Date of the relevant Additional Portfolio, comply with the Concentration Limits. For further details, see the section headed "*The Aggregate Portfolio*".

Purchase Price

The Purchase Price for the Initial Portfolio will be financed by the Issuer using the proceeds of the issuance of the Notes (other than the Class E Notes and the Class Z Notes) and will be payable to the Seller on the Closing Date.

The Purchase Price for each Additional Portfolio will be paid by the Issuer on the Payment Date immediately succeeding the relevant Subsequent Purchase Date out of the Available Principal Amounts available for such purpose, in accordance with the Pre-Enforcement Principal Priority of Payments.

Early Amortisation Events

Upon occurrence of an Early Amortisation Event, the Issuer shall refrain from purchasing any further Additional Portfolios and the Amortisation Period will start.

Undertakings of the Seller

The Master Receivables Purchase Agreement contains a number of undertakings by the Seller in respect of its activities relating to the Receivables. These include undertakings to refrain from conducting activities with respect to the Receivables which may adversely affect the Receivables and the relevant Collateral Security and, in particular, not to assign or transfer the whole or any part of the Receivables and/or the Collateral Security to any third party, not to create, or permit to be created, any security interest, lien, privilege or encumbrance or other right in favour of third parties over the Receivables and/or the Collateral Security, or any part thereof. The Seller has also undertaken not to agree to compromise or amend the provisions of the Loan Contracts and/or the Collateral Security, agree to the release of any Debtor, terminate the Loan Contracts and/or the Collateral Security or do or agree to any other thing which may result in invalidating or diminishing the value of the Receivables and/or the Collateral Security, unless permitted by the Servicing Agreement.

In addition, the Seller has undertaken to promptly inform the Calculation Agent of any material changes occurred after the Closing Date in the credit policies pursuant to which the Receivables that may be comprised in any Additional Portfolio are originated, providing an explanation of any such change and an assessment of any impact it may have on the relevant Loans, in order for the Calculation Agent to include such information in the Inside Information and Significant Event Report to be made available by the Reporting Entity without delay to potential investors in the Notes, pursuant to article 20(10) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

Individual Receivables Repurchase Option

Pursuant to the Master Receivables Purchase Agreement, the Issuer has irrevocably granted to the Seller an option, pursuant to article 1331 of the Italian civil code, to repurchase individual Delinquent Receivables or Defaulted Receivables comprised in the Aggregate Portfolio (the **Individual Receivables Repurchase Option**). The Individual Receivables Repurchase Option can be exercised by the Seller on any date by serving a written notice on the Issuer (with copy to the Representative of the Noteholders) (the **Individual Receivables Repurchase Option Exercise Notice**) prior to the relevant legal effective date (as specified in the relevant Individual Receivables Repurchase Option Exercise Notice), provided that:

(a) the Outstanding Principal, as at the relevant economic effective date (as specified in the relevant Individual Receivables Repurchase Option Exercise Notice), of the Delinquent Receivables and/or Defaulted Receivables subject to repurchase, plus the aggregate Outstanding Principal, as at the relevant economic effective date (as specified in the relevant Individual Receivables Repurchase Option Exercise Notice), of the Delinquent Receivables and Defaulted Receivables already repurchased, shall not exceed 1.50 per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of all Receivables comprised in the Initial Portfolio; and

(b) unless already provided in the preceding 90 (ninety) days, the Seller has delivered to the Issuer the following certificates:

  (i) a solvency certificate signed by an authorised representative of the Seller, in the form attached to the Master Receivables Purchase Agreement, dated the date of payment of the relevant repurchase price; and

  (ii) a good standing certificate issued by the competent companies' register (*certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura*), signed by the relevant *conservatore* and dated no earlier than 5 (five) Business Days prior to the date of payment of the relevant repurchase price, stating that the Seller is not subject to any insolvency proceedings.

It is understood that the repurchase of any individual Delinquent Receivable or Defaulted Receivable shall be made (i) with reference to any Defaulted Receivable, in order to facilitate the recovery and liquidation process in respect of such Defaulted Receivable, and (ii) in each case, only in extraordinary circumstances, without affecting the interests of the Noteholders and not for speculative purposes aimed at achieving a better performance of the Securitisation, pursuant to article 20(7) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

The repurchase price of each Delinquent Receivable or Defaulted Receivable shall be equal to the Final Determined Amount of such Delinquent Receivable or Defaulted Receivable as at the relevant economic effective date (as specified in the relevant Individual Receivables Repurchase Option Exercise Notice).

The Seller and the Issuer have acknowledged that the repurchase price paid by the Seller in relation to any Delinquent Receivable or Defaulted Receivable repurchased pursuant under the Individual Receivables Repurchase Option may prove thereafter to be greater than the actual Final Determined Amount (any such excess, a **Repurchase Undue Amount**). In such a case, the Issuer shall return to the Seller the relevant Repurchase Undue Amount on the subsequent Payment Dates, in accordance with the applicable Priority of Payments

The repurchase of each Delinquent Receivable or Defaulted Receivable will be effective subject to the actual payment in full of the repurchase price, on the relevant legal effective date (as specified in the relevant Individual Receivables Repurchase Option Exercise Notice), into the Collection Account.

The repurchase of each Delinquent Receivable or Defaulted Receivable (i) shall be made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of the relevant Delinquent Receivable or Defaulted Receivable in derogation of article 1266, paragraph 1, of the Italian civil code), and (ii) shall qualify as an aleatory contract (*contratto aleatorio*) pursuant to article 1469 of the Italian civil code.

Aggregate Portfolio Repurchase Option

Pursuant to the Master Receivables Purchase Agreement, the Issuer has irrevocably granted to the Seller an option, pursuant to article 1331 of the Italian civil code, to repurchase (in whole but not in part) the Aggregate Portfolio then outstanding (the **Aggregate Portfolio Repurchase Option**). The Aggregate Portfolio Repurchase Option can be exercised by the Seller only in respect of any Payment Date following the occurrence of the Clean-up Call Event or a Tax Event (the **Relevant Payment Date**) by serving a written notice on the Issuer (with copy to the Representative of the Noteholders) (the **Aggregate Portfolio Repurchase Option Exercise Notice**), no later than 30 (thirty) Business Days prior to the Relevant Payment Date, provided that:

(a) the Seller has obtained all the relevant authorisations, or made the relevant notices, to the extent required by the applicable laws and regulations;

(b) the Seller has delivered to the Issuer the following certificates:

  (i) a solvency certificate signed by an authorised representative of the Seller, in the form attached to the Master Receivables Purchase Agreement, dated the date of payment of the relevant repurchase price; and

  (ii) a good standing certificate issued by the competent companies' register (*certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura*), signed by the relevant *conservatore* and dated no earlier than 5 (five) Business Days prior to the date of payment of the relevant repurchase price, stating that the Seller is not subject to any insolvency proceedings;

(c) the repurchase price of the Aggregate Portfolio (as determined in accordance with the paragraph below), together with the other Available Distribution Amounts, is sufficient to enable the Issuer to discharge in full at least its obligations under the Rated Notes and any obligations ranking in priority thereto, or *pari passu* therewith, on the Relevant Payment Date in accordance with the Post-Enforcement Priority of Payments; and

(d) the Rating Agencies have been notified in advance of the exercise of the Aggregate Portfolio Repurchase Option.

The repurchase price of the Aggregate Portfolio shall be equal to the Final Repurchase Price.

The repurchase of the Aggregate Portfolio will be effective subject to the actual payment in full of the repurchase price, within 2 (two) Business Days prior to the Relevant Payment Date, into the Payments Account (subject to set-off *pro tanto* with any amount due by the Issuer to HCBE, Italian branch in any capacity under the Securitisation).

The repurchase of the Aggregate Portfolio (i) shall be made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of the Receivables comprised in the Aggregate Portfolio in derogation of article 1266, paragraph 1, of the Italian civil code), and (ii) shall qualify as an aleatory contract (*contratto aleatorio*) pursuant to article 1469 of the Italian civil code.

Back-up Servicer Facilitator

Pursuant to the Intercreditor Agreement, the Issuer has appointed Santander Consumer Finance as Back-up Servicer Facilitator.

If the Issuer must appoint a Replacement Servicer pursuant to the Servicing Agreement, it shall promptly inform in writing the Back-up Servicer Facilitator. Upon receipt of such notice, the Back-up Servicer Facilitator has undertaken (i) to do its best effort in order to identify an entity to be appointed by the Issuer as Replacement Servicer in accordance with the Servicing Agreement; and (ii) to cooperate with the Issuer in the performance of all activities to be carried out in connection with the appointment of the Replacement Servicer and the replacement of the Servicer with the same.

In addition, the Back-up Servicer Facilitator has undertaken to instruct in writing the Debtors to make future payments relating to the Receivables directly into the Collection Account, at cost of the Servicer, in case of failure by the Servicer to do so following receipt of a Servicer Termination Notice in accordance with the provisions of the Servicing Agreement.

If any of the following events occurs in respect of the Back-up Servicer Facilitator (each a **Back-up Servicer Facilitator Termination Event**):

(a) the Back-up Servicer Facilitator defaults in the performance or observance of any of its obligations as described above, provided that such default (A) is materially prejudicial to the interests of the Noteholders, and (B) remains unremedied for 10 (ten) Business Days after the Representative of the Noteholders having given written notice thereof to the Back-up Servicer Facilitator, with copy to the Issuer, requiring the same to be remedied (except where such default is not capable of remedy, in which case no notice requiring remedy will be given); or

(b) an Insolvency Event occurs in respect of the Back-up Servicer Facilitator,

then the Issuer shall (i) terminate the appointment of the Back-up Servicer Facilitator, by giving a written notice to the Back-up Servicer Facilitator, with copy to the Representative of the Noteholders and the Rating

Agencies, and (ii) within 30 (thirty) days following the occurrence of any of the Back-up Servicer Facilitator Termination Events, appoint a substitute back-up servicer facilitator which is willing to assume the obligations of the Back-up Servicer Facilitator substantially on the same terms as those of the Intercreditor Agreement.

It is understood that the Back-up Servicer Facilitator shall continue to perform its obligations until a substitute back-up servicer facilitator has been appointed by the Issuer and has acceded to the Intercreditor Agreement and the other relevant Transaction Documents to which the Back-up Servicer Facilitator is a party.

Governing Law and Jurisdiction

The Master Receivables Purchase Agreement, and any non-contractual obligations arising out of or in connection with it, is governed by and shall be construed in accordance with Italian law.

2. THE SERVICING AGREEMENT

General

Pursuant to the Servicing Agreement, the Issuer has appointed HCBE, Italian branch as Servicer in respect of the Receivables comprised in the Aggregate Portfolio.

The Servicer shall act as the "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e di pagamento*" pursuant to the Securitisation Law. In such capacity, the Servicer shall also be responsible for ensuring that such operations comply with the law and this Prospectus in accordance with the provisions of article 2, paragraph 3, letter c), and paragraphs 6 and 6-*bis*, of the Securitisation Law.

Obligations and representations of the Servicer

Under the Servicing Agreement, the Servicer has undertaken, *inter alia*:

(i) to perform its services in accordance with the provisions of the Servicing Agreement;

(ii) to keep with due diligence and care separate accounting records, also in electronic format, in relation to the Receivables and ensure that all books, registries and documents evidencing the Receivables and the relevant Loans are clearly identifiable with respect to all the other books, registries and documents, loans or loan agreements and relevant security in its possession, flagging them as the Issuer's documentation;

(iii) to obtain, in compliance with the relevant terms, and maintain all registrations, authorisations, approval, licenses, concessions, *nihil obstat* or consents of any nature which may be necessary to legitimately perform the services, providing the Issuer with a copy or other evidence thereof upon request;

(iv) to perform its obligations under the Servicing Agreement in the interest of the Noteholders and of the Representative of the Noteholders, as person entrusted with the duty to protect the Noteholders' interests.

Pursuant to the Servicing Agreement, the Servicer shall transfer the Collections into the Collection Account within 2 (two) Business Days from receipt thereof.

The Servicer has also undertaken to deliver to the Issuer, the Representative of the Noteholders and the Back-up Servicer Facilitator, promptly upon their request, an up-to-date list containing details of the Debtors (including *anagrafica*).

The Servicer has represented to the Issuer, *inter alia*, that:

(i) it has expertise in servicing exposures of a similar nature to those securitised and has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of exposures in accordance with article 21(8) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria. In particular, the members of the management body and the senior staff of the Servicer who are responsible for managing the Servicer's servicing of exposures of a similar nature to those securitised have relevant professional experience in the servicing of exposures of a similar nature to those securitised, at a personal level, of at least 5 (five) years in accordance with the EBA Guidelines on STS Criteria; and

(ii) it has the software, hardware, information technology and human resources such as to allow it to carry out its services in respect of the Receivables and to comply with the other obligations under the Servicing Agreement in accordance with the security and efficiency standards set out herein and in the Bank of Italy's regulations, and in particular to create a computerised archive of all information and data relating to its services in respect of the Receivables, adopting appropriate daily recovery and back-up systems and measures.

The Issuer and the Representative of the Noteholders have the right to inspect and take copies of the documentation and records relating to the Receivables in order to verify the performance by the Servicer of its obligations pursuant to the Servicing Agreement.

Sub-delegation

Without prejudice to the other provisions of the Servicing Agreement, the Servicer may sub-delegate to Santander Consumer Bank S.p.A. (or, with prior notice to the Representative of the Noteholders, to one or more other entities (duly authorised under any laws or regulation from time to time applicable and able to ensure a performance as efficient and professional as that of the Servicer) specific activities provided for by the Servicing Agreement, subject to the limitations set out in the supervisory regulations of the Bank of Italy.

The Servicer will retain primary responsibility for the fulfilment of its obligations under the Servicing Agreement and will be responsible, without any limitation pursuant to article 1228 of the Italian civil code and in express derogation of the provisions of article 1717, second paragraph, of the Italian civil code, for the actions undertaken by any sub-delegate appointed as above. The Servicer has undertaken to keep the Issuer harmless in relation to any duly documented loss, damage or cost incurred by the latter as a consequence of such sub-delegation, except for any loss, damage or cost deriving from the wilful default (*dolo*) or gross negligence (*colpa grave*) of the Issuer.

Renegotiations, settlements and disposals

Without prejudice to any Permitted Renegotiations, the Servicer may grant and make in respect of the Loan Contracts, payments suspension, moratoria deferrals, amortisation plans rescheduling, debt forgiveness, forbearance, payment holidays, losses, charge offs, amendment or adjustments (including to the interest rate), settlement agreements with the Borrowers and other asset performance remedies against the Borrowers, in each case, provided that and insofar as (a) any such actions is (i) compliant with and contemplated by the Servicer's clear and consistent documented customary business procedures in effect from time to time and (ii) aimed at maximising the collection and/or recovery of the Receivables, and (b) in case of amortisation plan rescheduling, the rescheduling does not cause an extension of the final repayment date of the relevant Receivable beyond the first Payment Date of the second year preceding the Legal Maturity Date. Without prejudice to the above, the Servicer shall be permitted to change those customary business procedures from time to time in its own discretion. Any material changes to such customary business procedure will be notified without delay by means of the Inside Information and Significant Event Report.

The Servicer may, in the name and on behalf of the Issuer, sell to a third party one or more Defaulted Receivables (each, a **Disposal**), provided that:

(a) the Servicer has tried, with its best professional diligence, to reach a settlement agreement with respect to such Defaulted Receivables with no success;

(b) in the prudent evaluation of the Servicer, carried out with the best professional diligence, there are no concrete alternative possibilities to recover the Defaulted Receivables in a manner which is economically more convenient in the interest of the Noteholders;

(c) the Disposal (i) is made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of such Defaulted Receivables in derogation of article 1266, paragraph 1, of the Italian civil code), and (ii) qualifies as an aleatory contract (*contratto aleatorio*) pursuant to article 1469 of the Italian civil code;

(d) the purchase price is determined in accordance with market standards and the Disposal is conditional upon the payment of the purchase price;

(e) the Servicer may proceed with the Disposal by means of public auction or any other procedure aimed at maximising the economic result of the Disposal;

(f) the purchaser is a financial intermediary enrolled with the register held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act, a bank, a special purpose vehicle incorporated pursuant to the Securitisation Law or any other entity validly established and authorised to purchase receivables in accordance with its by-laws and the applicable laws and regulations;

(g) the purchaser has delivered to the Issuer (A) a solvency certificate signed by an authorised representative of the purchaser, substantially in the form attached as schedule 5 (*Form of Solvency Certificate*) to the Master Receivables Purchase Agreement, dated the date of the Disposal; and (B) a good standing certificate issued by the competent companies' register (*certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura*), signed by the relevant *conservatore* and dated no earlier than 5 (five) Business Days prior to the relevant date of the Disposal, stating that the purchaser is not subject to any insolvency proceedings (or any other equivalent certificate under the jurisdiction in which the purchaser is incorporated).

Servicer's Report

The Servicer has undertaken to prepare and deliver, on or prior to each Servicer's Report Date, the Servicer's Report to the Issuer, the Account Banks, the Custodian (if any), the Calculation Agent, the Representative of the Noteholders, the Paying Agent, the Corporate Servicer, the Back-up Servicer Facilitator, the Arranger, the Interest Rate Swap Counterparty and the Rating Agencies.

Loan by Loan Report

The Servicer shall prepare the Loan by Loan Report setting out information relating to each Loan as at the end of the Collection Period immediately preceding the relevant ESMA Report Date (including, *inter alia*, the information related to the environmental performance of the assets financed by the relevant Loan, to the extent available), in compliance with point (a) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and the applicable Technical Standards and deliver it via email and in .xlsx and .csv format to the Reporting Entity in a timely manner in order for the Reporting Entity (through the Servicer) to make available, on the Securitisation Repository, the Loan by Loan Report (simultaneously with the SR Investors Report and the Inside Information and Significant Event Report to be made available on the relevant ESMA Report Date) to the holders of a securitisation position, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes on each ESMA Report Date..

Additional information

The Servicer shall supply such additional information available to it as the Issuer, the Account Banks, the Custodian (if any), the Calculation Agent, the Representative of the Noteholders, the Paying Agent, the Corporate Servicer, the Arranger, the Interest Rate Swap Counterparty, the Rating Agencies and the Bank of Italy may reasonably request in relation to the Receivables and/or the performance of the Servicer's duties under the Servicing Agreement (including, without limitation, such further information as may be necessary in order for the Calculation Agent to prepare the Inside Information and Significant Event Report and the SR Investors Report in compliance with the EU Securitisation Regulation and the applicable Technical Standards).

Termination of the appointment of the Servicer

Pursuant to the Servicing Agreement, the Issuer may (or shall, if so requested by the Representative of the Noteholders) terminate the appointment of the Servicer if any of the following events occurs (each, a **Servicer Termination Event**):

(a) the Servicer fails to make a payment due under the Servicing Agreement within 2 (two) Business Days after its due date or, in the event no due date has been determined, within 3 (three) Business Days after the demand for payment;

(b) the Servicer fails to perform its obligations (other than those referred to in item (a) above) in any respect which is material for the interests of the Noteholders under the Servicing Agreement within 5 (five) Business Days after the demand for performance; or

(c) any of the representations and warranties made by the Servicer with respect to or under the Servicing Agreement is materially false or incorrect; or

(d) an Insolvency Event occurs with respect to the Servicer; or

(e) it becomes unlawful for the Servicer to perform or comply with any of its obligations under the Servicing Agreement or the other Transaction Documents to which it is a party; or

(f) the Servicer is or will be unable to meet the current or future legal requirements and the Bank of Italy's regulations for entities acting as servicers in the context of a securitisation transaction; or

(g) a material adverse change in the business or financial conditions of the Servicer has occurred which materially affects its ability to perform its obligations under the Servicing Agreement.

Notice of any termination of the Servicer's appointment following the occurrence of a Servicer Termination Event shall be given in writing by the Issuer to the Servicer (with copy to the Back-up Servicer Facilitator), subject to the prior written consent of the Representative of the Noteholders and the prior notice to the Rating Agencies (the **Servicer Termination Notice**).

The Issuer shall, within 30 (thirty) calendar days of delivery of the Servicer Termination Notice, appoint a Replacement Servicer identified by the Issuer (with the assistance of the Back-up Servicer Facilitator) and approved by the Representative of the Noteholders (acting in accordance with the Rules of the Organisation of the Noteholders) subject to a prior notice to the Rating Agencies, who (i) meets the requirements of the Securitisation Law and the Bank of Italy to act as Servicer; (ii) has expertise in servicing exposures of a similar nature to the Receivables and has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of exposures, in accordance with article 21(8) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria; (iii) is able to ensure, directly or indirectly, the efficient and professional performance of any activities provided under any laws or regulations from time to time applicable to the Issuer and, if such legislations so require, the production of such information as is necessary

to meet the information requirements of the Bank of Italy; and (iv) has sufficient assets (including personnel and IT system) to ensure the continuous and effective performance of its duties.

Upon termination of its appointment, the Servicer shall promptly:

(a) place all books, registers, documents and records held by it in relation to the Receivables at the disposal of the Issuer or the Replacement Servicer, as the case may be;

(b) credit to the Collection Account any Collection it has received and not yet credited on such account;

(c) liquidate any non-cash payment instrument received from Debtors in relation to the Receivables and not yet liquidated and pay the relevant amount into the Collection Account;

(d) provide the Issuer, the Representative of the Noteholders and the Back-up Servicer Facilitator with an an up-to-date list containing details of the Debtors (including *anagrafica*); and

(e) co-operate with the Replacement Servicer in ensuring that all computer records and files relating to the services performed under the Servicing Agreement can be transferred in a compatible form to the computer system of the Replacement Servicer.

Within 10 (ten) Business Days following receipt of a Servicer Termination Notice, the Servicer (failing which the Back-up Servicer Facilitator or the Replacement Servicer, as the case may be), at cost of the Servicer, shall instruct in writing the Debtors to make future payments relating to the Receivables directly into the Collection Account.

The Servicer shall, for a period of 6 (six) months from the termination of its appointment, take any further action and do such further things as may be reasonably necessary in order to allow the Replacement Servicer to perform its obligations as servicer and assist and co-operate with it and the Issuer for such purpose.

Servicer's fees

In consideration of the performance of its obligations under the Servicing Agreement, the Issuer has undertaken to pay to the Servicer on each Payment Date, in accordance with the applicable Priority of Payments, the following fees (plus VAT, if applicable):

(a) with respect to the collection of the Receivables (other than the Defaulted Receivables), a fee calculated in accordance with the following formula:

C = ICRC/100 X 0.125/12 X P

where:

C means the amount of the fee due to the Servicer;

ICRC means the Outstanding Principal of the Receivables (other than the Defaulted Receivables) as at the beginning of the relevant Collection Period;

P means the number of the months in the relevant Collection Period.

Such fee shall be set out in each Servicer's Report.

(b) with respect to the management, collection and recovery of the Defaulted Receivables, a fee equal to [6.00] per cent. of the Collections made in respect of the Defaulted Receivables during the immediately preceding Collection Period, as set out in the relevant Servicer's Report;

(c) for the consulting and technical assistance and any other activity carried out by the Servicer (other than those set out in paragraphs (a) and (b) above), a quarterly fee of Euro [4,000].

The Servicer will not be entitled to receive any further amount as fees or reimbursement of expenses (including, without limitation, any reimbursement of expenses in relation to the recovery activities carried out in respect of the Defaulted Receivables), for the performance of its activities under the Servicing Agreement.

Governing Law and Jurisdiction

The Servicing Agreement, and any non-contractual obligation arising out of or in connection therewith, are governed by, and shall be construed in accordance with, Italian law.

Any dispute which may arise in relation to the interpretation or the execution of the Servicing Agreement, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of Milan.

3. THE WARRANTY AND INDEMNITY AGREEMENT

General

Pursuant to the Warranty and Indemnity Agreement, the Seller has agreed to (i) make certain representations and warranties in favour of the Issuer in relation to, *inter alia*, itself, the Receivables, the Loans and the Borrowers, and (ii) at the option of the Issuer, indemnify it in respect of, *inter alia*, those Receivables which do not comply with any such representation and warranty or repurchase such Receivables.

Representations and warranties

Under the Warranty and Indemnity Agreement, the Seller has represented and warranted, *inter alia*, as follows:

(a) (*Corporate existence and power*) The Seller is the Italian branch of a company incorporated under the laws of Germany, is a fully licensed bank under the Consolidated Banking Act and has all corporate power and all governmental approvals which are necessary in order to conduct its business in Italy.

(b) (*Corporate and governmental authorisation*) The execution, delivery and performance by the Seller of the Master Receivables Purchase Agreement, the Warranty and Indemnity Agreement and the other Transaction Documents to which it is or will be a party and the transactions contemplated thereby are within its corporate powers, have been duly authorised by all necessary corporate action, require no action by or in respect of, or filing recording or enrolling with, any governmental body, agency court official or other authority, and do not contravene, or constitute a default under, any provision of applicable law or regulation or of its articles of association or of any agreement, judgment, injunction, order, decree or other instrument binding upon it or result in the creation or imposition of any adverse claim on its assets.

(c) (*Binding effect*) The Master Receivables Purchase Agreement, the Warranty and Indemnity Agreement and the other Transaction Documents to which the Seller is or will be a party constitute legally valid, binding and enforceable obligations of the Seller enforceable against it in accordance with their terms. The Seller has undertaken all actions, obtained all approvals and fulfilled all other conditions in order to conclude the Master Receivables Purchase Agreement, the Warranty and Indemnity Agreement and the other Transaction Documents to which it is or will be a party to safeguard its rights and to fulfil its duties arising thereunder.

(d) (*Existence of Loan Contracts*) All Loan Contracts are legally valid, binding and enforceable and the Receivables originated thereunder are assignable. In addition, no Loan Contract has been subject to any variation, amendments, modification, waiver or exclusion of time of any kind which in any

material way adversely affects the enforceability or collectability of all or a material portion of the Receivables offered for purchase.

(e) (*Good title*) Upon the payment of the relevant Purchase Price on the relevant Purchase Date, the Issuer will acquire the ownership of each Receivable assigned on the relevant Purchase Date free and clear of any adverse claim.

(f) (*Credit policies*) The credit policies which had been applied by the Seller to the origination of the Receivables are consistent with the solid and clear credit policies that the Seller applies (for the avoidance of doubt) irrespective of a potential securitisation transaction to its other Italian consumer loan receivables.

(g) (*Amendments to Credit and Collection Policies*) There has not been any material amendment to the Credit and Collection Policies unless (i) each Rating Agency has been notified in writing of such amendment and (ii) the Issuer, the Servicer (if different from the Seller) and, where such amendment is, in the reasonable opinion of the Seller, expected to result in a loss for the holders of the then outstanding Notes, the Representative of the Noteholders, acting upon instructions of the Noteholders, has consented to such amendment in writing (such consent not to be unreasonably withheld).

(h) (*Asset representations and warranties*):

(i) each of the Receivable which complies with the Eligibility Criteria on the respective Valuation Date (or any other date specified in the relevant criterion) has been randomly selected from the Seller's portfolio of eligible receivables;

(ii) its:

(A) credit-granting is done on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing credits and that it has effective systems in place to apply such processes in accordance with article 9 of the EU Securitisation Regulation;

(B) credit-granting is subject to supervision; and

(iii) the credit policies applicable to the Receivables (A) are no less stringent than those that the Seller applied at the time of origination to similar exposures that are not securitised (if any) and (B) does not materially differ from prior underwriting standards of the Seller pursuant to article 20(10) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

(i) (*No Debtors' objections, defences or counter-rights*) Each Receivable is not subject to any executed right of withdrawal, set-off or counterclaim (or warranty claims of the Debtors and no other right of objection, irrespective of whether the purchaser knew or could have known of the existence of objections, defences or counter-rights.

(j) (*Compliance by the Seller with Loan Contracts*) To the best of the Seller's knowledge and taking into account case law and prevailing market standards/practice existing as of the relevant Purchase Date, the Seller has fully complied with its obligations under the Loan Contract.

(k) (*Compliance with specific provisions*) The Loans are not in breach of the provisions of articles 1283 (*anatocismo*), 1345 (*motivo illecito*) and 1346 (*requisiti*) of the Italian civil code.

(l) (*Compliance with consumer loan legislation*) In respect of the Loans governed by the provisions of articles 121 and following of the Consolidated Banking Act:

(i) the Seller has carried out all the forms of advertising provided for by the combined provisions of articles 123 and 116 of the Consolidated Banking Act, in particular indicating the TAN and the relevant valid period;

(ii) the TAN indicated by the Seller in the Loan Contracts was calculated by the Seller in accordance with the provisions of article 121 of the Consolidated Banking Act;

(iii) the Loan Contracts are drawn up in accordance with the provisions of article 117 of the Consolidated Banking Act, first and third paragraphs;

(iv) the Loan Contracts comply with the requirements of article 125-*bis* of the Consolidated Banking Act;

(v) the Loans provide for amounts to be paid by the Borrowers as compensation in the event of early repayment in line with the provisions of article 125-*sexies* of the Consolidated Banking Act. The amounts to be paid by the Borrowers by way of compensation in the event of early repayment of the Loans are legally binding for the Borrowers;

(vi) the Loan Contracts do not contain unfair clauses pursuant to and for the purposes of articles 33, paragraphs 1 and 2, and 36, paragraph 2, of the Legislative Decree no. 206 of 6 September 2005. All the clauses contained in the Loan Contracts are effective *vis-à-vis* the Borrowers;

(vii) the term provided for by the first paragraph of article 125-*ter* of the Consolidated Banking Act has expired for all Borrowers;

(viii) on the relevant Valuation Date, to the best knowledge of the Seller, there are no material breaches by the suppliers of the goods or services financed through the Loans, which give the Borrowers the right to terminate the relevant Loan Contracts pursuant to article 125-*quinquies* of the Consolidated Banking Act;

(ix) to the best of the Seller's knowledge and taking into account case law and prevailing market standards/practice existing as of the relevant Purchase Date, the Seller has fully complied with any applicable consumer legislation with respect to such Receivable as of the date when it was originated, which relate to distance marketing of consumer financial services, except that (A) the withdrawal instruction may not comply with the template wording provided by the Italian legislator or otherwise with applicable law or (B) the Loan Contract may not contain all mandatory information as required by applicable law.

(m) (*Insurance Policies*) In relation to the Insurance Policies: (i) the relevant Borrower is the only beneficiary of any payments to be made by the Insurance Company and the Seller is neither a beneficiary nor is entitled to require the Insurance Company to make any payment under the relevant Insurance Policy directly to the Seller or its assignees; (ii) in the case of the Insurance Policies whose premium is financed by the Seller, the Seller has duly paid up-front to the relevant Insurance Company the premium owed by the relevant Borrower to such Insurance Company; (iii) to the best of the Seller's knowledge and belief, the Insurance Policies are in full force and effect; and (iv) the Insurance Policies are expressed to be governed by Italian law.

In addition, under the Warranty and Indemnity Agreement, the Seller has represented and warranted that:

(a) (*Place of Business*) The Seller is the Italian branch of a company incorporated under the laws of Germany, whose principal place of business, chief executive office and "home member state" (as that term is used in Directive 2001/24/EC of the European Parliament and of the Council of 4 April 2001 on the reorganisation and winding up of credit institutions) is located within the territory of Germany pursuant to, and for the purposes of, articles 20(1), 20(2) and 20(3) of the EU Securitisation Regulation.

(b) (*No encumbrance*) As at the relevant Valuation Date and as at the relevant Purchase Date, the Receivables comprised in each Portfolio are not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the transfer of the relevant Receivables to the Issuer pursuant to article 20(6) of the EU Securitisation Regulation;

(c) (*Homogeneity*) As at the relevant Valuation Date and as at the relevant Purchase Date, the Receivables comprised in each Portfolio are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit-risk and prepayment characteristics, pursuant to article 20(8), first paragraph, of the EU Securitisation Regulation and the applicable Technical Standards, given that:

(i) all Receivables are originated by the Seller based on similar underwriting standards which apply similar approaches to the assessment of credit risk associated with the underlying exposures. In particular, the Seller applies to the Loans granted to Borrowers being individual entrepreneurs (*ditte individuali*) the same credit risk assessment approach which it applies to Loans granted to Borrowers being individuals (*persone fisiche*);

(ii) all Receivables are serviced by the Seller according to similar servicing procedures;

(iii) the Receivables fall within the same asset category of the relevant Technical Standards relating to auto loans; and

(iv) all Receivables reflect at least the homogeneity factor of the jurisdiction of the obligors, being all Borrowers resident in Italy as at the relevant Valuation Date.

(d) (*No underlying transferable securities*) Each Portfolio does not include any transferable securities, as defined in point (44) of article 4(1) of Directive 2014/65/EU, pursuant to article 20(8), last paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

(e) (*No underlying securitisation position*) Each Portfolio does not include any securitisation position pursuant to article 20(9) of the EU Securitisation Regulation.

(f) (*Assessment of Borrowers' creditworthiness*) The Seller has assessed the Debtors' creditworthiness in compliance with the requirements set out in article 124-*bis* of the Consolidated Banking Act implementing the provisions of article 8 of the Directive 2008/48/EC in Italy, pursuant to article 20(10), third paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

(g) (*Seller's expertise*) The Seller has expertise in originating exposures of a similar nature to those securitised, pursuant to article 20(10), last paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria. In particular, the members of the management body and the senior staff of the Seller who are responsible for managing the Seller's origination of exposures of a similar nature to those securitised have relevant professional experience in the origination of exposures of a similar nature to those securitised, at a personal level, of at least five years, in accordance with the EBA Guidelines on STS Criteria.

(h) (*No predominant dependence on the sale of assets*) There are no Receivables that depend on the sale of assets to repay their Outstanding Principal at contract maturity pursuant to article 20(13) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria since the Loans are not secured over any specified asset.

(i) (*No underlying derivative*) Each Portfolio does not include any derivative pursuant to article 21(2) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

(j) (*Borrower's concentration*) As at the relevant Purchase Date, the Outstanding Balance of the Receivables owed by the same Borrower does not exceed 2 per cent. of the aggregate Outstanding Balance of all Receivables comprised in the Aggregate Portfolio, for the purposes of article 243(2)(a) of the CRR.

(k) (*Risk weighting*) As at the relevant Purchase Date, the Receivables meet the conditions for being assigned, under the standardised approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than 75 per cent. on an individual exposure basis pursuant to article 243, paragraph (2), letter (b), item (iii) of the CRR.

The representations and warranties of the Seller under the Warranty and Indemnity Agreement shall be deemed to be given or repeated by the Seller (i) in relation to the Initial Portfolio, as at the relevant Purchase Date and the Closing Date, and (ii) in relation to each Additional Portfolio, as at each relevant Offer Date, each relevant Purchase Date and each date on which the Purchase Price for the relevant Additional Portfolio is paid, in each case with reference to the facts and circumstances existing on such dates (or on any other date indicated in the relevant representation and warranty).

For the sake of clarity and by express intent of the Seller and the Issuer and without prejudice to the *pro soluto* nature of the transfer of the Receivables pursuant to the Master Receivables Purchase Agreement and the relevant Transfer Agreement (if any), the warranties and remedies provided for in the Warranty and Indemnity Agreement are in addition to and separate from the minimum provided for by the law and the terms under articles 1495 and 1497 of the Italian civil code shall not apply.

Remedies

Indemnity

Without prejudice to any other right accruing in favour the Issuer under the Warranty and Indemnity Agreement or any other Transaction Document to which it is a party or under any and all applicable laws, the Seller has irrevocably undertaken to indemnify and hold harmless the Issuer and its directors from and against any and all direct damages, losses, claims, reduced income (*minor incasso*), costs, lost profits (*lucro cessante*) and/or expenses (including, but not limited to, legal fees and disbursements and any value added tax thereon if due), incurred by the Issuer or its directors which arise out of or result from:

(a) a material default by the Seller in the performance of any of its obligations under the Warranty and Indemnity Agreement or any other Transaction Document to which it is a party, unless the Seller has remedied such default, to the extent possible, in accordance with the terms set out in the relevant Transaction Document or has already indemnified the Issuer of such default pursuant to another Transaction Document;

(b) any representation and warranty made by the Seller pursuant to the Warranty and Indemnity Agreement being untrue, incorrect or misleading when made or repeated (unless such breach (if capable of remedy) is not remedied within 10 (ten) Business Days from receipt of a notice from the Issuer requiring it to be remedied);

(c) any liability and/or claim raised by any third party against the Issuer, as owner of the Receivables, which arises out of any negligent act or omission by the Seller in relation to the Receivables, the servicing and collection thereof or from any failure by the Seller to perform its obligations under the Warranty and Indemnity Agreement or any of the other Transaction Documents to which it is or will be a party;

(d) any loss being incurred by the Issuer as a consequence of the exercise by any Debtor of any right of set-off (including any set-off pursuant to article 125-*septies* of the Consolidated Banking Act, also in case of claims for refund of the unearned premium from the Issuer upon default of the Insurance

Companies, and any set-off in case of prepayment of the Loans pursuant to article 125-*sexies* of the Consolidated Banking Act) and/or any amount of any Receivable not being collected or recovered by the Issuer as a consequence of the exercise by any Debtor of any right to termination, invalidity, annulment or withdrawal, or other claims and/or counterclaims against the Seller in relation to each Loan Contract, Receivable or any other connected act or document (including, without limitation, any claim and/or counterclaim deriving from non-compliance with any credit consumer legislation (*credito al consumo*), banking and financial transparency rules or other consumer protection legislation (to the extent applicable)); and

(e) any claim for damages raised against the Issuer in relation to facts or circumstances occurred prior to the relevant Purchase Date.

Any claim by the Issuer shall be made in writing to the Seller, stating the amount of the claim thereunder (the **Claimed Amount**), together with a detailed description of the reasons for such claim.

Subject to the following provisions, the Seller may challenge the validity of the claim made by the Issuer or the Claimed Amount at any time within 15 (fifteen) Business Days (the **Challenge Period**) of receipt of any such claim, by notice in writing to the Issuer (the **Challenge Notice**), provided that, if the Seller does not make such a challenge, it shall be deemed to have accepted the claim in the amount stated therein (the **Accepted Amount**). In such a case, the Seller shall pay to the Issuer the Accepted Amount into the Collection Account, within 5 (five) Business Days from the expiry of the Challenge Period.

In the event that the Seller challenges the validity of the claim or the Claimed Amount within the Challenge Period, the Seller and the Issuer shall promptly conduct in good faith negotiations to resolve the dispute. In the event that no agreement in writing is reached within 30 (thirty) Business Days from the date of receipt by the Issuer of the Challenge Notice, then each of the Issuer and the Seller may (i) when the subject matter of the dispute involves the resolution of any factual or estimation matters, refer, at the Seller's cost, the dispute to an internationally recognised accountancy firm or another mutually agreed third party expert (the **Expert**), to determine the amount of the relevant damages, losses, costs, claims and expenses that may be claimed by the Issuer (the **Allocated Amount**), it being understood that, should the Issuer and the Seller not reach an agreement upon the appointment of the Expert, the Expert shall be appointed by the chairman of the Courts of Milan and such appointment shall be conclusive and binding on each of the Issuer and the Seller, or (ii) when the subject matter of the dispute involves the resolution of any matters relating to the interpretation of any provision of the Warranty and Indemnity Agreement and/or of any applicable laws, or any other matter falling outside the scope of the Expert's mandate, the relevant dispute will be referred to the Courts of Milan. The amount of the losses, costs and expenses so determined shall be considered as the Allocated Amount for the purposes of the Warranty and Indemnity Agreement. The Seller shall pay to the Issuer the Allocated Amount into the Collection Account, within 5 (five) Business Days from the date on which notice has been given to the Seller of the determination made by the Expert or the competent court, as the case may be.

In the event that a Claimed Amount becomes an Accepted Amount or an Allocated Amount, the Issuer shall be entitled to off-set the Accepted Amount or the Allocated Amount, as the case may be, with any amount due to the Seller pursuant to the Warranty and Indemnity Agreement or any other Transaction Documents.

The Seller's payment obligations may not be suspended or deferred by the Seller, not even by reason of any right, claim or counterclaim that the Seller asserts against the Issuer. The Seller has irrevocably waived its right to object its right to off-set any monetary claim owed to it by the Issuer.

Should a claim, counterclaim or other objection be judicially raised by a Debtor which would give rise to an indemnity obligation under any of items (a) to (e) (inclusive) above (the **Objection**), the following provisions will apply:

(i) if the Seller believes that the Objection is grounded, it shall, within 15 (fifteen) Business Days from the occurrence of the circumstance giving rise to such Objection, send a written notice to the Issuer

(the **Objection Notice**), stating that it accepts the amount of the Objection (the **Accepted Objection Amount**); otherwise, the Objection will be considered groundless and therefore the Seller will resist judicially (in which case the amount of the Objection will be defined as **Contested Objection Amount**);

(ii) following the service of the Objection Notice and in any case within 5 (five) Business Days therefrom, the Seller shall pay into the Collection Account an amount equal to the Accepted Objection Amount;

(iii) any payment made to the Collection Account pursuant to paragraph (ii) above for the amount equal to the Accepted Objection Amount will be considered as payment of an indemnity pursuant to the Warranty and Indemnity Agreement;

(iv) if there is a Contested Objection Amount (but only in such circumstance), the Seller will have the right to contest, at its own expense, the Objection and to take, also in the name of the Issuer (if the Objection is raised exclusively towards the Issuer or jointly towards the Issuer and the Seller), any steps that the Seller deems necessary, including, but not limited to, the initiation of legal actions against the relevant Debtor, provided that the Issuer will use all reasonable endeavours to allow the Seller to take such actions, including, without limitation, the appointment of lawyers designated by the Seller and the granting of powers of attorney to the Seller to act in the name of the Issuer, it being understood that any costs, expenses and Taxes incurred by the Issuer in relation to any such activity will be borne exclusively by the Seller; and

(v) if the Objection is unfounded, HCBE, Italian branch, in its capacity as Servicer pursuant to the Servicing Agreement, will request the Debtor to pay the unpaid sum. Should the Debtor fail to pay any such sum, the Servicer will be entitled to take recovery actions in accordance with the Servicing Agreement and the Credit and Collection Policies.

Re-transfer of Receivables

Without prejudice to the without recourse (*pro soluto*) nature of the assignment of the Receivables and any other right accruing to the Issuer by virtue of contract or law, if:

(a) any representation and warranty made by the Seller under the Warranty and Indemnity Agreement proves to be untrue, incorrect or misleading in any material respect when made or repeated, and such breach negatively and materially affects the value of the Receivables deriving from any Loans or the Issuer's rights related to the Receivables (each, a **Negative Event**); and

(b) the Seller does not remedy such breach within 15 (fifteen) Business Days of receipt from the Issuer of a written request to this effect (the **Remedy Period**),

the Seller has granted to the Issuer, pursuant to and for the purposes of article 1331 of the Italian civil code, the option to re-transfer (the **Re-transfer Option**) to the Seller the Receivables in relation to which the Negative Event has occurred (the **Affected Receivables** and each re-transfer thereof a **Re-transfer**), in accordance with the terms and conditions set out below (the **Re-Transfer of Receivables**).

The Issuer may exercise the Re-transfer Option at any time during the period starting from the Business Day immediately following the expiry of the Remedy Period and ending on the date falling 30 (thirty) Business Days thereafter by serving an irrevocable written notice on the Seller (the **Re-transfer Option Exercise Notice**).

The price for the Re-transfer (the **Re-transfer Price**) shall be equal to the Individual Purchase Price of the Affected Receivables, less all Collections received or recovered by the Issuer in respect thereof up to the date of payment of the Re-transfer Price.

In addition to the Re-transfer Price (without double counting), the Issuer will be entitled to receive from the Seller, as indemnity, an amount equal to any duly documented costs, expenses, losses, damages and other liabilities incurred by the Issuer in relation to the Affected Receivables as a direct consequence of the misrepresentation of the Seller.

Within 5 (five) Business Days of receipt of the Re-transfer Option Exercise Notice, unless already provided in the preceding 90 (ninety) days, the Seller shall:

(i) deliver to the Issuer the following certificates, unless already provided in the preceding 90 (ninety) days:

(A) a solvency certificate signed by an authorised representative of the Seller, in the form attached to the Master Receivables Purchase Agreement, dated the date of payment of the relevant Re-transfer Price; and

(B) a good standing certificate issued by the competent companies' register (*certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura)*, signed by the relevant *conservatore* and dated no earlier than 5 (five) Business Days prior to the date of payment of the relevant Re-transfer Price, stating that the Seller is not subject to any insolvency proceedings; and

(ii) pay to the Issuer the Re-transfer Price and the indemnity (if any) set out above, into the Collection Account.

It remains understood that the Re-transfer of the Affected Receivables will be effective subject to the actual payment in full of the Re-transfer Price and the indemnity (if any) set out above.

The Issuer and the Seller have acknowledged and agreed that the Re-Transfer of the Affected Receivables, (i) shall be made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of the Affected Receivables in derogation of article 1266, paragraph 1, of the Italian civil code), and (ii) shall qualify as an aleatory contract (*contratto aleatorio*) pursuant to article 1469 of the Italian civil code.

Governing Law and Jurisdiction

The Warranty and Indemnity Agreement, and any non-contractual obligation arising out of or in connection therewith, are governed by, and shall be construed in accordance with, Italian law.

Any dispute which may arise in relation to the interpretation or the execution of the Warranty and Indemnity Agreement, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of Milan.

4. THE AGENCY AND ACCOUNTS AGREEMENT

General

Pursuant to the Agency and Accounts Agreement, the Account Banks, the Custodian (if any), the Paying Agent and the Calculation Agent shall provide the Issuer with certain agency services and calculation, notification, cash management and reporting services together with account handling services in relation to the monies and securities standing from time to time to the credit of the Accounts.

Account Banks

The Collection and Liquidity Reserve Account Bank has agreed to (i) open in the name of the Issuer and manage, in accordance with the Agency and Accounts Agreement, the Collection Account and the Liquidity Reserve Account, and (ii) provide the Issuer with certain reporting services together with certain handling services in relation to monies from time to time standing to the credit of such Accounts.

The Transaction Account Bank has agreed to (i) open in the name of the Issuer and manage, in accordance with the Agency and Accounts Agreement, the Expenses Account, the Payments Account and the Swap Cash Collateral Account, and (ii) provide the Issuer with certain reporting services together with certain handling services in relation to monies from time to time standing to the credit of such Accounts.

Under the Agency and Accounts Agreement, the Issuer has instructed the Account Banks to arrange for the transfer to the Payments Account from the other relevant Accounts of amounts sufficient to make, on the relevant Payment Date, the payments specified in the relevant Payments Report. In particular:

(a) payments in favour of the Noteholders shall be made by transferring the full amount thereof to the Paying Agent (in the event that the Transaction Account Bank and the Paying Agent are not the same entity), which shall make the payments on the relevant Payment Date; and

(b) payments to the Other Issuer Creditors and any other third party creditors shall be made by the Transaction Account Bank on relevant Payment Date,

in each case to the extent that Available Distribution Amounts are available for such purposes and in accordance with the applicable Priority of Payments. No payments may be made out of the Accounts which would thereby cause or result in such accounts becoming overdrawn.

On or prior to each Account Bank Report Date, each of the Account Banks shall deliver a copy of the Account Bank Report in respect of each of the Accounts held with it to the Issuer, the Servicer, the Corporate Servicer, the Representative of the Noteholders, the Calculation Agent and the Custodian (if any).

Each of the Account Banks shall at all times be an Eligible Institution.

Custodian

If the Issuer (as directed by the Servicer) intends to apply the amounts standing to the credit of the Collection Account and the Liquidity Reserve Account to make Eligible Investments, it shall appoint, with prior notice to the Rating Agencies, an Eligible Institution who is willing to act as Custodian by acceding to the Agency and Accounts Agreement (or a separate agreement to be notified in advance to the Rating Agencies, having substantially the same terms of the Agency and Accounts Agreement), the Intercreditor Agreement and any other relevant Transaction Document.

In the case under paragraph (a) above, the Custodian shall (i) open in the name of the Issuer and manage the Securities Account, (ii) settle, upon written instructions of the Servicer, Eligible Investments, and (iii) on each Eligible Investments Report Date, prepare and deliver to the Issuer, the Calculation Agent, the Servicer, the Representative of the Noteholders and the Account Banks the Eligible Investments Report.

For the avoidance of doubt, the Issuer shall, acting upon written instructions of the Servicer, direct the Collection and Liquidity Reserve Account Bank to make available to the Custodian the amounts from time to time standing to the credit of the Collection Account and Liquidity Reserve Account so as to permit the Custodian, acting upon written instructions of the Servicer given in the form to be agreed with the Issuer, to apply such funds in deposit accounts only if such deposit accounts (A) are opened with a depositary institution organised under the law of any state which is a member of the European Union or the UK or of the United States and satisfies the rating requirements set out in the definition of Eligible Investments, and (B) meet the maturity, currency and other requirements set out in the definition of Eligible Investments.

The Issuer shall, acting upon written instructions of the Servicer, instruct the Collection and Liquidity Reserve Account Bank to make available to the Custodian the amounts from time to time standing to the credit of the Collection Account and the Liquidity Reserve Account so as to permit the Custodian, acting upon written instructions of the Servicer given in the form to be agreed with the Issuer, to settle Eligible Investments only to the extent that such Eligible Investments mature or are realisable on or before the Eligible Investments Maturity Date, provided that the Issuer may, acting upon written instructions of the Servicer, instruct the Custodian to facilitate the liquidation of any Eligible Investment also before the relevant Eligible Investments Maturity Date to the extent that the relevant proceeds are at least equal to the amount initially invested.

The Issuer shall, acting upon written instructions of the Servicer, instruct the Collection and Liquidity Reserve Account Bank to make available to the Custodian the amounts from time to time standing to the credit of the Collection Account and Liquidity Reserve Account so as to permit the Custodian, acting upon written instructions of the Servicer given in the form to be agreed with the Issuer, to settle Eligible Investments only on a monthly basis (or on such other basis as may be agreed between the Servicer and the Custodian), provided that no instruction shall be given to settle Eligible Investments in the period beginning on the Business Day immediately preceding the relevant Eligible Investments Maturity Date and ending on the immediately following Payment Date (inclusive).

If any Eligible Investments cease to have any of the minimum ratings, or to meet any of the other requirements, set out in the definition of Eligible Investments (each, a **Non-Eligibility Event**), the Issuer shall, acting upon written instructions of the Servicer, instruct the Custodian:

(a) in respect of Eligible Investments consisting of securities, to facilitate the liquidation of such securities within the earlier of the date falling 30 (thirty) days following the occurrence of the relevant Non-Eligibility Event and the Eligible Investments Maturity Date immediately following such Non-Eligibility Event; or

(b) in respect of Eligible Investments consisting of deposits, to transfer such deposits, within the earlier of the date falling 30 (thirty) days following the occurrence of the relevant Non-Eligibility Event and the Eligible Investments Maturity Date immediately following such Non-Eligibility Event, into another account (A) opened with a depositary institution organised under the law of any state which is a member of the European Union or the UK or of the United States and satisfies the rating requirements set out in the definition of Eligible Investments, and (B) meeting the maturity, currency and other requirements set out in the definition of Eligible Investments, provided that such transfer shall be made at cost of the account bank with which the relevant deposits were held.

The Custodian shall at all times be an Eligible Institution.

Calculation Agent

On or prior to each Calculation Date and subject to the Calculation Agent having received the information listed in schedule 2 (*Payments Report Information*) to the Agency and Accounts Agreement by no later than the relevant time indicated therein, the Calculation Agent shall determine:

(i) the Available Interest Amounts and the Available Principal Amounts;

(ii) the Liquidity Reserve Required Amount in respect of the immediately following Payment Date;

(iii) the principal payment due on the Notes of each relevant Class on the immediately following Payment Date;

(iv) the principal amount redeemable in respect of each Note of each Class on the immediately following Payment Date;

(v) the Principal Amount Outstanding of each Note of each Class on the immediately following Payment Date (after deducting any principal payment due to be made on such Payment Date in respect of each Note of that Class);

(vi) the Variable Return (if any) payable on the Class Z Notes on the immediately following Payment Date;

(vii) whether the balance of the RSF Reserve Account on any Payment Date exceeds the Required RSF Reserve Amount;

(viii) whether a Mezzanine Interest Subordination Event has occurred in respect of the immediately following Payment Date;

(ix) whether a Sequential Payment Trigger Event has occurred in respect of the immediately following Payment Date,

and notify the same through the Payments Report.

On or prior to each Calculation Date, the Calculation Agent shall prepare and deliver to the Issuer, the Seller, the Servicer, the Back-up Servicer Facilitator, the Corporate Servicer, the Stichting Corporate Services Provider, the Paying Agent, the Account Banks, the Custodian (if any), the Representative of the Noteholders, the Arranger, the Joint Lead Managers, the Interest Rate Swap Counterparty and the Rating Agencies the Payments Report, with respect to the allocation of the Available Distribution Amounts on the immediately following Payment Date in accordance with the applicable Priority of Payments.

Prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), if the Servicer fails to deliver the Servicer's Report to the Calculation Agent by the relevant Servicer's Report Date (or such later date as may be agreed between the Servicer and the Calculation Agent which enables the latter to prepare and deliver the Payments Report in a timely manner), the Calculation Agent shall prepare the Payments Report relating to the immediately following Payment Date on the basis of the provisions of the Transaction Documents and any other information available on the relevant Calculation Date (including, without limitation, the balance standing to the credit of the Accounts), irrespective of its completeness and only interest on the Senior Notes (and, as long as no relevant Mezzanine Interest Subordination Event has occurred in relation to a Class of Mezzanine Notes in respect of such Payment Date, interest on such Class of Mezzanine Notes) and any amounts ranking in priority thereto under the Pre-Enforcement Interest Priority of Payments shall be due and payable on such Payment Date, to the extent there are sufficient Available Interest Amounts to make such payments (the **Provisional Payments**). It is understood that the non-payment of principal on the Notes on such Payment Date would not constitute an Issuer Event of Default. On the next Calculation Date and subject to the receipt of the relevant Servicer's Report, in a timely manner, from the Servicer, the Calculation Agent shall, in determining the amounts due and payable on the immediately following Payment Date, make any necessary adjustment to take into account the difference (if any) between the Provisional Payments made on the immediately preceding Payment Date and the actual amounts that would have been due on that Payment Date.

On or prior to each Investors Report Date, the Calculation Agent shall prepare and deliver to the Issuer, the Seller, the Servicer, the Corporate Servicer, the Stichting Corporate Services Provider, the Paying Agent, the Account Banks, the Custodian (if any), the Representative of the Noteholders, the Arranger, the Joint Lead Managers, the Interest Rate Swap Counterparty and the Rating Agencies the Investors Report, setting out certain information with respect to the Aggregate Portfolio and the Notes. The Calculation Agent will be authorised to publish the Investors Report on its website (being, as at the date of this Prospectus, www.securitisation-services.com).

The Calculation Agent shall, subject to receipt of any relevant information from the Issuer or the Servicer, as the case may be, prepare the SR Investors Report setting out certain information with respect to the Aggregate

Portfolio and the Notes (including the information referred to in point (e), items (i), (ii) and (iii), of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation), in compliance with point (e) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and the applicable Technical Standards, and deliver it via e-mail and in .xlsx and .csv format to the Reporting Entity in a timely manner in order for the Reporting Entity (through the Servicer) to make available, on the Securitisation Repository, the SR Investors Report (simultaneously with the Loan by Loan Report and the Inside Information and Significant Event Report to be made available on the relevant ESMA Report Date) to the holders of a securitisation position, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes on each ESMA Report Date.

In addition, the Servicer, upon becoming aware thereof, shall be required to notify the Calculation Agent of the occurrence of any inside information or significant event pursuant to article 7(1)(g) or (f) of the EU Securitisation Regulation for the purpose of preparing the Inside Information and Significant Event Report. Following such notification, and on a quarterly basis, the Calculation Agent shall, subject to receipt of any relevant information from the Issuer or the Servicer, as the case may be, prepare the Inside Information and Significant Event Report containing the information set out in points (f) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation (including, *inter alia*, any material change of the Priority of Payments and the occurrence of a Sequential Payment Trigger Event, an Early Amortisation Event or an Issuer Event of Default), and deliver it via email and in .xlsx and .csv format to the Reporting Entity in a timely manner in order for the Reporting Entity (through the Servicer) to make available, on the Securitisation Repository, the Inside Information and Significant Event Report to the holders of a securitisation position, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes without delay following the occurrence of the relevant event or the awareness of the inside information triggering the delivery of such report in accordance with the EU Securitisation Regulation and the applicable Technical Standards and, in any case, on each ESMA Report Date (simultaneously with the Loan by Loan Report and the SR Investors Report).

Paying Agent

The Paying Agent has agreed to provide the Issuer with certain calculation, payment and agency services in relation to the Notes, including without limitation, calculating the Interest Amount and the Aggregate Interest Amount, making payments to the Noteholders, giving notices and issuing certificates and instructions in connection with any Meeting.

The Paying Agent shall at all times be an Eligible Institution.

Termination and resignation

The Issuer may or shall, subject to the terms and conditions of the Agency and Accounts Agreement, terminate the appointment of any Agent upon occurrence of certain events relating to the relevant Agent, including insolvency, breach of obligations, breach of representations and warranties and illegality (subject to the cure periods and materiality thresholds set out in the Agency and Accounts Agreement) (each, a **Termination Event**).

The Issuer may (with the prior written consent of the Representative of the Noteholders and prior notice to the Rating Agencies) revoke its appointment of any Agent by giving not less than 90 (ninety) days' prior written notice to the relevant Agent (with a copy to the Representative of the Noteholders and the Rating Agencies), regardless of whether a Termination Event has occurred, without being requested to give any reason for such revocation and without being responsible for any liabilities, damages, costs, expenses or losses incurred by any party to the Agency and Accounts Agreement as a result of such revocation.

Each of the Agents may at any time resign from its respective appointment under the Agency and Accounts Agreement by giving to the Issuer (which shall thereupon notify the Rating Agencies) and the Representative of the Noteholders not less than 90 (ninety) days' written notice to that effect, without being requested to give

any reason for such resignation and without being responsible for any liabilities, damages, costs, expenses or losses incurred by any party to the Agency and Accounts Agreement as a result of such resignation.

Upon any revocation, resignation or termination of any appointment of an Agent, the Issuer may (with the prior written consent of the Representative of the Noteholders) or shall (if so instructed by the Representative of the Noteholders) revoke or terminate the appointment of that Agent in all the other capacities in which such Agent acts pursuant to the Agency and Accounts Agreement, by giving a written notice to that effect to the relevant Agent, the Representative of the Noteholders, the Rating Agencies and the other parties to the Agency and Accounts Agreement.

Upon the resignation by or termination of the appointment of any of the Agents, the Issuer shall, with the prior written consent of the Representative of the Noteholders and prior notice to the Rating Agencies, appoint a relevant successor (which, in the case of any of the Account Bank, the Custodian (if any) and the Paying Agent, must be an Eligible Institution), provided that no resignation or termination of the appointment of any of the Agents shall take effect until the relevant successor has been appointed.

Upon any revocation, resignation or termination of any of the Agents taking effect in accordance with the Agency and Accounts Agreement:

(a) the relevant revoked, resigning or terminated Agent shall, as soon as reasonably practicable, save as required by any law or regulation affecting it and subject to all applicable laws and regulations (including, if applicable, the Privacy Rules and its implementing regulations), deliver to the Issuer, the Representative of the Noteholders and any other entity which the Representative of the Noteholders may indicate, all the records and all books of account, papers, records, registers, computer tapes, statements, correspondence and documents in its possession or under its control (or copies thereof) relating to the Notes and its performance of its obligations pursuant to the Agency and Accounts Agreement provided that it shall not thereby be required to disclose details of its own affairs and business or those of its other clients;

(b) any further rights and obligations of the relevant revoked, resigning or terminated Agent under the Agency and Accounts Agreement shall cease but without prejudice to any rights or obligations of the relevant resigning, revoked or terminated Agent towards any of the other parties to the Agency and Accounts Agreement incurred before the effective date of such revocation, termination or resignation (including without limitation, such revoked, resigning or terminated Agent's right to receive all fees and expenses properly incurred by it in accordance with the Agency and Accounts Agreement accrued up to the effective date of its revocation, termination or resignation which amounts shall be payable on the dates on which they would otherwise have fallen due under the Agency and Accounts Agreement); and

(c) the relevant revoked, resigning or terminated Agent shall provide reasonable assistance to its successor, for a maximum period of 3 (three) months, to enable its successor to assume and perform its duties and responsibilities hereunder, in accordance with any reasonable request of the Issuer or the Representative of the Noteholders.

In the event of the termination, revocation or resignation of any of the Account Banks, the Custodian (if any) or the Paying Agent becoming effective in accordance with the Agency and Accounts Agreement, the Issuer shall, at its own cost (or, in case of loss of status of the Eligible Institution by any of the Account Banks, the Custodian (if any) or the Paying Agent, at the cost of the relevant Account Bank, the Custodian (if any) or the Paying Agent having lost the status of Eligible Institution, as the case may be, such costs to be limited in all cases to the administrative costs referred to in the Agency and Accounts Agreement), promptly and in event within 30 (thirty) calendar days, transfer the data and information in its possession and, in case of loss of status of Eligible Institution by any of the Account Banks or the Custodian (if any) the balance of funds (together with accrued interest) or securities held in the relevant Accounts to another bank which shall qualify as Eligible

Institution. It is understood that, in case of termination, revocation and resignation of any Agent, no other costs in connection with its replacement shall be borne by the affected Agent.

Agents' fees and expenses

The Issuer shall pay to each of the Agents, on each Payment Date in accordance with the applicable Priority of Payments, such remuneration in respect of the services to be provided by each of them under the Agency and Accounts Agreement (together with value added tax thereon, if applicable) as agreed between the Issuer and the relevant Agent under a separate fee letter entered into on or prior to the Closing Date.

The Issuer shall also pay to the Agents all reasonable out-of-pocket expenses duly documented and properly incurred by each of them respectively in connection with the performance of their services under the Agency and Accounts Agreement (together with any value added tax thereon, if applicable) upon receipt of notification of the amount of such expenses and on production of such invoices and receipts as the Issuer may reasonably require on the Payment Date immediately succeeding the Interest Period during which such costs or expenses are incurred.

Governing Law and Jurisdiction

The Agency and Accounts Agreement, and any non-contractual obligation arising out of or in connection therewith, are governed by, and shall be construed in accordance with, Italian law.

Any dispute which may arise in relation to the interpretation or the execution of the Agency and Accounts Agreement, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of Milan.

5. THE INTERCREDITOR AGREEMENT

General

Pursuant to the Intercreditor Agreement, the parties thereto have agreed on the cash flow allocation of the Available Distribution Amounts and the Representative of the Noteholders has been granted certain rights in relation to the Aggregate Portfolio and the Transaction Documents.

The obligations owed by the Issuer to each of the Other Issuer Creditors, including without limitation, the obligations under any Transaction Document to which such Other Issuer Creditor is a party, will be limited recourse obligations of the Issuer. Each of the Other Issuer Creditors will have a claim against the Issuer only to the extent of the Available Distribution Amounts, in each case subject to and as provided for in the Intercreditor Agreement and the other Transaction Documents.

Under the terms of the Intercreditor Agreement, the Issuer has irrevocably appointed, effective as from the Closing Date, the Representative of the Noteholders, as its true and lawful agent (*mandatario con rappresentanza*) in the interest, and for the benefit of, the Noteholders and the Other Issuer Creditors pursuant to article 1411 and article 1723, second paragraph, of the Italian civil code, to exercise, in the name and on behalf of the Issuer, all and any of the Issuer's rights) arising from the Transaction Documents to which the Issuer is or will be a party (other than the rights and powers pertaining to the collection and recovery activities delegated to the Servicer and the activities delegated to the Corporate Servicer, the Stichting Corporate Services Provider or the Agents under the Transaction Documents. The mandate conferred by the Issuer on the Representative of the Noteholders as described above shall be exercisable upon the earlier of:

(a) the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event; and

(b) the occurrence of a Specified Event (but in this case, such mandate shall be limited to authorising and empowering the Representative of the Noteholders to exercise or enforce the rights, entitlements, or

remedies, or to exercise the discretions, authorities or powers to give any direction or make any determination which the Issuer failed to exercise or enforce, and which gave rise to the occurrence of the Specified Event).

In addition, under the terms of the Intercreditor Agreement, the Other Issuer Creditors have jointly appointed the Representative of the Noteholders as their true and lawful agent (*mandatario con rappresentanza*) to act also in the name and on behalf of the Other Issuer Creditors, in accordance with the provisions of articles 1723, second paragraph, and 1726 of the Italian civil code, and have authorised the Representative of the Noteholders to (i) do any act, matter or thing which it considers necessary to exercise or protect the Other Issuer Creditors' rights under any of the Transaction Documents, and (ii) receive, following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, as sole agent (*mandatario esclusivo*) all monies payable by the Issuer to the Other Issuer Creditors in accordance with the Post-Enforcement Priority of Payments.

Under the terms of the Intercreditor Agreement, until the date falling 2 (two) years and 1 (one) day after the Cancellation Date or, if later, the date on which the notes issued by the Issuer in the context of any Further Securitisation have been redeemed in full and/or cancelled in accordance with the relevant terms and conditions, no Issuer Creditor (nor any person on its behalf, other than the Representative of the Noteholders when so directed by an Extraordinary Resolution of the Noteholders and only if the representatives of the noteholders of all Further Securitisations carried out by the Issuer (if any) have been so directed by an extraordinary resolution of the noteholders under the relevant securitisation transaction) shall initiate or join any person in initiating an Issuer Insolvency Event.

Under the terms of the Intercreditor Agreement, the Issuer has undertaken, upon the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, to comply with all directions of the Representative of the Noteholders, acting pursuant to Conditions, in relation to the management and administration of the Aggregate Portfolio.

Swap Agreement

Under the Intercreditor Agreement, the Seller and the Issuer have acknowledged and agreed that the interest rate risk arising from the mismatch between the interest rate applicable on the Loans and the Senior Notes and the Mezzanine Notes is appropriately mitigated through the Swap Agreement pursuant to article 21(2) of the EU Securitisation Regulation.

In addition, the Issuer has covenanted with the Representative of the Noteholders that, in the event of early termination of the Swap Agreement, including any termination upon failure by the Interest Rate Swap Counterparty to perform its obligations, it will use its best endeavours to find, with the cooperation of the Seller, a suitably rated replacement Interest Rate Swap Counterparty who is willing to enter into a replacement swap agreement substantially on the same terms as the Swap Agreement.

RSF Reserve

Under the Intercreditor Agreement, the RSF Reserve Depositor has agreed to make available to the Issuer (i) within 60 (sixty) days from the date on which a RSF Trigger Event occurs (the **RSF Reserve Initial Funding Date**), a deposit in an amount equal to the Required RSF Reserve Amount, and (ii) if at any time thereafter the RSF Reserve Depositor receives a notice from the Issuer that a RSF Reserve Shortfall Amount exists, within 60 (sixty) days from receipt of such notice, a further deposit in an amount equal to such RSF Reserve Shortfall Amount (each, a **RSF Reserve Deposit Amount**).

If the RSF Reserve Depositor fails to deposit a RSF Reserve Deposit Amount for any reason (a **RSF Reserve Funding Failure**), the Issuer shall credit to the RSF Reserve Account an amount necessary to bring the balance of such account up to (but not exceeding) the Required RSF Reserve Amount out of the Available Interest

Amounts in accordance with the Pre-Enforcement Interest Priority of Payments or out of the Available Distribution Amounts in accordance with the Post-Enforcement Priority of Payments, as the case may be.

On each Payment Date after the RSF Reserve Initial Funding Date and the appointment of a Replacement Servicer, the Issuer shall withdraw an amount equal to the Replacement Servicing Costs due on such date from the RSF Reserve Account and apply such amount to pay the Replacement Servicing Costs to the Replacement Servicer outside the Priority of Payments.

If, at any time after a Replacement Servicer has been appointed, there are insufficient funds standing to the credit of the RSF Reserve Account to pay the Replacement Servicing Costs due on any Payment Date, the Issuer will pay such amounts out of the Available Interest Amounts in accordance with the Pre-Enforcement Interest Priority of Payments or out of the Available Distribution Amounts in accordance with the Post-Enforcement Priority of Payments, as the case may be.

On each Payment Date after the RSF Reserve Initial Funding Date, if the balance standing to the credit of the RSF Reserve Account exceeds the Required RSF Reserve Amount, the Issuer shall return any such excess to the RSF Reserve Depositor outside the Priority of Payments.

On the Payment Date on which the Notes will be redeemed in full and/or cancelled, the Issuer shall return any residual amount standing to the credit of the RSF Reserve Account (after making payments due on that Payment Date) to the RSF Reserve Depositor outside the Priority of Payments.

Risk retention and transparency requirements

Under the Intercreditor Agreement the relevant parties thereto have agreed upon certain provisions relating to compliance with risk retention and transparency requirements in accordance with the EU Securitisation Regulation. For further details, see the section headed "*Risk Retention and Transparency Requirements*".

No active portfolio management

Under the Intercreditor Agreement, the parties thereto have acknowledged that the disposal of Receivables is permitted only in the following circumstances: (A) from the Issuer to the Seller, in case of repurchase of individual Delinquent Receivables or Defaulted Receivables pursuant to the terms of the Master Receivables Purchase Agreement, (B) from the Issuer to the Seller, in case of breach of certain representations and warranties by the Seller pursuant to the terms of the Warranty and Indemnity Agreement, (C) from the Issuer to Seller, in case of repurchase of the Aggregate Portfolio following the occurrence of a Clean-up Call Event or a Tax Event, pursuant to the terms of the Master Receivables Purchase Agreement, (D) from the Issuer (or the Servicer on its behalf) to third parties in case of sale of Defaulted Receivables pursuant to the terms of the Servicing Agreement, and (E) from the Issuer (or the Representative of the Noteholders on its behalf) to third parties in case of disposal of the Aggregate Portfolio following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event pursuant to the terms of the Intercreditor Agreement. Therefore, no active portfolio management within the meaning of article 20(7) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria is allowed.

Seller Regulatory Loan

Under the Intercreditor Agreement, the parties thereto have acknowledged the provisions of Condition 6(f) (*Early redemption for Regulatory Change Event*) and have agreed to, promptly after the Regulatory Change Early Redemption Date, execute and deliver all instruments, notices and documents and take all further actions that the Issuer or the Seller may reasonably request including, without limitation, agreeing all necessary modifications, waivers and additions to the Transaction Documents required in order to, among others: (A) achieve, in respect of the Transaction Parties (other than, for the avoidance of doubt, the Seller) an equivalent economic effect as the position under the Transaction Documents on the date immediately prior to the Regulatory Change Early Redemption Date; and (B) reflect the advance of the Seller Regulatory Loan by the

Seller, provided that no such modifications, waivers and additions are materially prejudicial to the interests of the holders of the Senior Notes.

Disposal of the Aggregate Portfolio following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event

Following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the Issuer (or the Representative of the Noteholders on its behalf) may (with the consent of an Extraordinary Resolution of the holders of the Most Senior Class of Notes) or shall (if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes) dispose of the whole Aggregate Portfolio (in one or more tranches), provided that:

(a) the relevant purchaser has obtained all the necessary approvals and authorisations;

(b) the relevant purchaser has provided the Issuer and the Representative of the Noteholders with:

(i) a solvency certificate signed by an authorised representative of the purchaser and dated no earlier than the date on which the Aggregate Portfolio will be sold; and

(ii) a good standing certificate issued by the competent companies' register (*certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura*), signed by the relevant *conservatore* and dated no earlier than 5 (five) Business Days before the date on which the Aggregate Portfolio will be sold, stating that such purchaser is not subject to any insolvency proceedings or any other equivalent certificate under the relevant jurisdiction in which the purchaser is incorporated; and

(c) the Rating Agencies have been notified in advance of such disposal.

The sale price of the Aggregate Portfolio shall be equal to the Final Sale Price.

The sale price of the Aggregate Portfolio shall be unconditionally paid on the relevant date of disposal by credit transfer in Euro and in same day, freely transferable, cleared funds into the Payments Account. The disposal of the Aggregate Portfolio will be effective subject to the actual payment in full of the sale price.

The disposal of the Aggregate Portfolio (i) shall be made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of the Receivables comprised in the Aggregate Portfolio in derogation of article 1266, paragraph 1, of the Italian civil code), and (ii) shall qualify as an aleatory contract (*contratto aleatorio*) pursuant to article 1469 of the Italian civil code.

Disposal of the Aggregate Portfolio in case of early redemption for Tax Event

In case of early redemption of the Notes in accordance with Condition 6(d) (*Redemption, purchase and cancellation - Early redemption for Tax Event*), the Issuer may (with the prior written consent of the Representative of the Noteholders acting upon instruction of an Extraordinary Resolution of the holders of the Most Senior Class of Notes) or shall (if so directed by the Representative of the Noteholders acting upon instruction of an Extraordinary Resolution of the holders of the Most Senior Class of Notes) dispose of the whole Aggregate Portfolio (in one or more tranches), provided that:

(a) a sufficient amount would be realised from such disposal to allow discharge in full of at least all amounts owing to the Rated Noteholders and amounts ranking in priority thereto or *pari passu* therewith in accordance with the Post-Enforcement Priority of Payments;

(b) the relevant purchaser has obtained all the necessary approvals and authorisations;

(c) the relevant purchaser has provided the Issuer and the Representative of the Noteholders with:

(i) a solvency certificate signed by an authorised representative of the purchaser and dated no earlier than the date on which the Aggregate Portfolio will be sold; and

(ii) a good standing certificate issued by the competent companies' register (*certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura*), signed by the relevant *conservatore* and dated no earlier than 5 (five) Business Days before the date on which the Aggregate Portfolio will be sold, stating that such purchaser is not subject to any insolvency proceedings or any other equivalent certificate under the relevant jurisdiction in which the purchaser is incorporated; and

(d) the Rating Agencies have been notified in advance of such disposal.

Without prejudice to paragraph (a) above, the sale price of the Aggregate Portfolio shall be equal to the Final Sale Price.

The sale price of the Aggregate Portfolio shall be unconditionally paid on the relevant date of disposal by credit transfer in Euro and in same day, freely transferable, cleared funds into the Payments Account. The disposal of the Aggregate Portfolio will be effective subject to the actual payment in full of the sale price.

The disposal of the Aggregate Portfolio (i) shall be made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of the Receivables comprised in the Aggregate Portfolio in derogation of article 1266, paragraph 1, of the Italian civil code), and (ii) shall qualify as an aleatory contract (*contratto aleatorio*) pursuant to article 1469 of the Italian civil code.

The parties to the Intercreditor Agreement have acknowledged that, under the Master Receivables Purchase Agreement, the Issuer has irrevocably granted to the Seller an option, pursuant to article 1331 of the Italian civil code, to repurchase (in whole but not in part) the Aggregate Portfolio then outstanding at the Final Repurchase Price following the occurrence of a Tax Event in order to finance the early redemption of the Notes in accordance with Condition 6(d) (*Early redemption for Tax Event*). If the Seller exercises such option, then the Issuer shall redeem the Notes as described above.

Governing Law and Jurisdiction

The Intercreditor Agreement, and any non-contractual obligation arising out of or in connection therewith, are governed by, and shall be construed in accordance with, Italian law.

Any dispute which may arise in relation to the interpretation or the execution of the Intercreditor Agreement, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of Milan.

6. THE CORPORATE SERVICES AGREEMENT

General

Pursuant to the Corporate Services Agreement, the Corporate Servicer shall provide the Issuer with certain corporate administration and management services.

These services include, *inter alia*, the safekeeping of documentation pertaining to meetings of the Issuer's quotaholders and directors, maintaining the quotaholders' register, preparing VAT (value added tax) and other tax and accounting records, preparing the Issuer's annual balance sheet and administering all matters relating to the taxation of the Issuer.

Corporate Servicer's fees and expenses

As consideration for the services rendered pursuant to the Corporate Services Agreement, the Corporate Servicer shall be entitled to receive from the Issuer, on each Payment Date in accordance with the applicable Priority of Payments, for the amount accrued *pro rata temporis*, an annual fee specified in a separate letter entered into between the Issuer and the Corporate Servicer on or prior to the Closing Date.

The Corporate Servicer shall be entitled to be reimbursed, out of the funds standing to the credit of the Expenses Account (or, to the extent such funds are not sufficient, out of the Available Distribution Amounts, in accordance with the applicable Priority of Payments), for any costs and expenses (including, without limitation and by way of example only, travel disbursements, cable, telex, postage, publication of notices and legal expenses) advanced in the name and on behalf of the Issuer and incurred in consequence of its activity under the Corporate Services Agreement, without any mark-up and with the evidence of all details.

Should the Corporate Servicer be required to provide services additional to those contemplated in the Corporate Services Agreement, the Corporate Servicer will be paid for such additional services as agreed in advance in a separate fee letter with the Issuer, subject to the prior notice to the Representative of the Noteholders and the Rating Agencies.

Termination of the appointment of the Corporate Servicer

The Issuer may (or shall, if so directed by the Representative of the Noteholders) terminate the Corporate Services Agreement under article 1725 of the Italian civil code, at any time, by giving a written notice to the Corporate Servicer (with copy to the Representative of the Noteholders, the Servicer and the Rating Agencies), in case of material default of the Corporate Servicer in the performance or observance of its obligations set out under the Corporate Services Agreement.

In addition, the Issuer may (or shall, if so directed by the Representative of the Noteholders) terminate the appointment of the Corporate Servicer, at any time, by giving to the Corporate Servicer (with copy to the Representative of the Noteholders, the Servicer and the Rating Agencies) 3 (three) calendar months' prior written notice.

The Corporate Servicer may resign from its appointment under the Corporate Services Agreement at any time by giving at least 3 (three) calendar months prior written notice to the Issuer (with copy to the Representative of the Noteholders, the Servicer and the Rating Agencies).

Any termination of the appointment or resignation of the Corporate Servicer will have effect starting from the later of (i) the date indicated in the relevant written notice; and (ii) the date on which a successor corporate servicer has entered into a new corporate services agreement containing, *mutatis mutandis*, the terms and conditions of the Corporate Services Agreement (subject to any amendments or different provision which the parties thereto may agree in writing subject to the prior written consent of the Representative of the Noteholders or may be required by the Representative of the Noteholders and the prior notice to the Rating Agencies) and adhered to the other Transaction Documents to which the Corporate Servicer is a party.

The Corporate Servicer shall, for a period of 6 (six) months after the termination of its appointment or resignation, co-operate fully with the Issuer and any successor corporate servicer by delivering all records and information in its possession and relating to the performance of its functions under the Corporate Services Agreement in a format which will enable such successor corporate servicer to assume such functions or, as the case may be, the Issuer to continue the Issuer's business.

Governing Law and Jurisdiction

The Corporate Services Agreement, and any non-contractual obligation arising out of or in connection therewith, are governed by, and shall be construed in accordance with, Italian law.

Any dispute which may arise in relation to the interpretation or the execution of the Corporate Services Agreement, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of Milan.

7. STICHTING CORPORATE SERVICES AGREEMENT

General

Pursuant to the Stichting Corporate Services Agreement, the Stichting Corporate Services Provider has undertaken to provide certain management and administration services in relation to the Quotaholder.

The Stichting Corporate Services Provider shall be responsible for the provision of services to, and the management and administration of, the Quotaholder and all matters incidental thereto or connected therewith and with due observance of the following: (i) all requirements of applicable laws and the provisions of the articles of association of the Quotaholder; and (ii) the provisions of the Stichting Corporate Services Agreement.

Governing Law and Jurisdiction

The Stichting Corporate Services Agreement, and any non-contractual obligation arising out of or in connection therewith, are governed by, and shall be construed in accordance with, Italian law.

Any dispute which may arise in relation to the interpretation or the execution of the Stichting Corporate Services Agreement, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of Milan.

8. THE QUOTAHOLDER'S AGREEMENT

General

Pursuant to the Quotaholder's Agreement, the Quotaholder has assumed certain undertakings *vis-à-vis* the Issuer and the Representative of the Noteholders in relation to the management of the Issuer and the exercise of its rights as quotaholder of the Issuer.

The Quotaholder has also agreed not to dispose of, or charge or pledge, the quotas of the Issuer.

Governing Law and Jurisdiction

The Quotaholder's Agreement, and any non-contractual obligation arising out of or in connection therewith, are governed by, and shall be construed in accordance with, Italian law.

Any dispute which may arise in relation to the interpretation or the execution of the Quotaholder's Agreement, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of Milan.

9. THE SWAP AGREEMENT

General

Pursuant to the Swap Agreement, the Interest Rate Swap Counterparty will hedge certain risks arising as a result of the interest rate mismatch between the fixed rate of interest received by the Issuer in respect of the Receivables and the floating rate of interest payable by the Issuer under the Senior Notes and the Mezzanine Notes.

The Swap Agreement will be in the form of an International Swaps and Derivatives Association 2002 Master Agreement, together with the relevant Schedule, Credit Support Annex and confirmation thereunder.

The notional amount of the Swap Agreement in relation to each Interest Period is equal to the sum of the Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes as of the previous Payment Date, subject to a maximum of Euro 1,000,000,000.

On each Payment Date: (i) a floating amount equal to the EURIBOR applicable on the Senior Notes and the Mezzanine Notes (payable by the Interest Rate Swap Counterparty to the Issuer), and (ii) a fixed amount (payable by the Issuer to the Interest Rate Swap Counterparty), are each calculated on the notional amount of the Swap Agreement, with each such amount, in respect of each Payment Date, being divided by a count fraction of 360, and multiplied by the number of days of the relevant Interest Period. Both such amounts are netted against each other so that a single payment is due from either the Issuer or the Interest Rate Swap Counterparty to the other, depending on which of the two amounts is greater, in accordance with the terms of the Swap Agreement.

The Interest Rate Swap Counterparty will be obliged to make payments under the Swap Agreement without any withholding or deduction of taxes unless required by law.

The Swap Agreement will remain in full force until the earlier of (i) the Legal Maturity Date, and (ii) the date on which all the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes have been redeemed in full in accordance with the Conditions, without prejudice to the early termination provisions by one of the parties thereto in accordance with the terms of the Swap Agreement.

The Swap Agreement contains provisions requiring certain remedial actions to be taken in the event that the Interest Rate Swap Counterparty is subject to a rating withdrawal or downgrade; such provisions include a requirement that the Interest Rate Swap Counterparty must post collateral, or transfer the Swap Agreement to another entity meeting the applicable rating requirement, or procure that a guarantor meeting the applicable rating requirement guarantees its obligations under the Swap Agreement.

The Swap Agreement may terminate by its terms upon the occurrence of a number of events which include (without limitation) the following: (i) the Issuer becomes insolvent; (ii) the Issuer fails to make a payment under the Swap Agreement when due and such failure is not remedied within 5 (five) Local Business Days (as defined in the Swap Agreement) of notice of such failure being given; (iii) performance of the Swap Agreement becomes illegal; (iv) payments to the Interest Rate Swap Counterparty are reduced or payments from the Interest Rate Swap Counterparty are increased for a set period of time due to tax reasons; (v) an Issuer Event of Default Notice is served or certain amendments are made to the Transaction Documents without the Interest Rate Swap Counterparty's consent.

Governing Law and Jurisdiction

The Swap Agreement, and any non-contractual obligation arising out of or in connection therewith, are governed by, and shall be construed in accordance with, English law.

Any dispute which may arise in relation to the interpretation or the execution of the Swap Agreement, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of England and Wales.

10. DEED OF ASSIGNMENT

General

Pursuant to the Deed of Assignment, the Issuer has granted an English law assignment by way of security in favour of the Representative of the Noteholders (acting for itself and as security trustee for the Noteholders

and the Other Issuer Creditors) all the Issuer's rights, title, interest and benefit in and to the Swap Agreement and all payments due to it thereunder.

Governing Law and Jurisdiction

The Deed of Assignment, and any non-contractual obligation arising out of or in connection therewith, are governed by, and shall be construed in accordance with, English law.

Any dispute which may arise in relation to the interpretation or the execution of the Deed of Assignment, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the exclusive jurisdiction of the Courts of England and Wales.

SUBSCRIPTION AND SALE

The Rated Notes Subscription Agreement

On or about the Closing Date, the Issuer, the Seller, the Arranger, the Joint Lead Managers and the Representative of the Noteholders have entered into the Rated Notes Subscription Agreement, pursuant to which the Joint Lead Managers have agreed to subscribe for the Rated Notes, subject to the terms and conditions set out thereunder.

Each of the Seller and the Issuer has agreed to indemnify the Joint Lead Managers and the Arranger against certain liabilities in connection with the issuance of the Rated Notes. The Seller will be jointly and severally liable with the Issuer for any indemnity obligations undertaken by the latter pursuant to the Rated Notes Subscription Agreement.

The Junior Notes Subscription Agreement

On or about the Closing Date, the Issuer, the Junior Notes Subscriber and the Representative of the Noteholders have entered into the Junior Notes Subscription Agreement, pursuant to which the Junior Notes Subscriber has agreed to subscribe for the Junior Notes, subject to the terms and conditions set out thereunder.

The Junior Notes Subscription Agreement may be terminated by the Junior Notes Subscriber if and when the Rated Notes Subscription Agreement terminates according to the provisions thereof. The Issuer has agreed to indemnify the Junior Notes Subscriber against certain liabilities in connection with the issuance of the Notes.

Selling restrictions

General

Persons into whose hands this Prospectus comes are required by the Issuer, the Seller, the Arranger, the Joint Lead Managers and the Junior 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.

On the Closing Date, the Notes may only be purchased by persons that are not "U.S. person" as defined in the U.S. Risk Retention Rules (the **Risk Retention U.S. Persons**). Consequently, except with the prior written consent of the Seller (a **U.S. Risk Retention Consent**) and where such sale falls within the exemption provided by Section __.20 of the U.S. Risk Retention Rules, any Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any "U.S. persons" as defined in the U.S. Risk Retention Rules (**Risk Retention U.S. Persons**). Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is different from the definition of "U.S. person" in Regulation S. Each purchaser of Notes, including beneficial interests therein will, by its acquisition of a Note or beneficial interest therein, be deemed to represent and agree 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 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section_.20 of the U.S. Risk Retention Rules).

Under the Subscription Agreements, each of the Issuer, the Seller, the Joint Lead Managers and the Junior Notes Subscriber has undertaken that it will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers the Notes or has in its possession, distributes or publishes such offering material, or in each case purports to do so, in all cases at its own expense. Furthermore, each of the Issuer, the Seller, the Joint Lead Managers and the Junior Notes Subscriber has undertaken that it

will not, directly or indirectly, carry out, or purport to carry out, any offer, sale or delivery of any of the Notes or distribution or publication of any prospectus, form of application, offering circular (including this 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 provided in the Subscription Agreements, each of the Issuer, the Seller, the Joint Lead Managers and the Junior Notes Subscriber has undertaken that it will not take any action to obtain permission for public offering of the Notes in any country where action would be required for such purpose.

Prohibition of sales to EEA Retail Investors

Each of the Issuer, the Seller, the Joint Lead Managers and the Junior Notes Subscriber has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus to any retail investor in the European Economic Area (**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 (EU) 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; 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 for the Notes.

In relation to each Member State of the EEA, each of the Issuer, the Seller, the Joint Lead Managers and the Junior Notes Subscriber has represented and warranted and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

(A) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation); or

(C) at any time in any other circumstances falling within article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (A) to (C) above shall require the Issuer to publish a prospectus pursuant to article 3 of the Prospectus Regulation or supplement a prospectus pursuant to article 23 of the Prospectus Regulation.

For the purposes of this provision:

(i) the expression **an offer of Notes to the public** in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and

(ii) the expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

Prohibition of Sales to UK Retail Investors

Each of the Issuer, the Seller, the Joint Lead Managers and the Junior Notes Subscriber has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus to any retail investor in the United Kingdom (**UK**).

For the purposes of this provision:

(a) the expression **retail investor** means a person who is one (or more) of the following:

(i) a retail client as defined in point (8) of article 2 of Regulation (EU) no. 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (Withdrawal Agreement) Act 2020) (**EUWA**); or

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended by the Financial Services Markets Act 2023 (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; 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 for the Notes.

Each of the Issuer, the Seller, the Joint Lead Managers and the Junior Notes Subscriber has represented and warranted and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in the UK except that it may make an offer of such Notes to the public in the UK:

(A) at any time to any legal entity which is a qualified investor as defined in article 2 of the UK Prospectus Regulation;

(B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in article 2 of the UK Prospectus Regulation); or

(C) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (A) to (C) above shall require the Issuer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to article 23 of the UK Prospectus Regulation.

For the purposes of this provision:

(i) the expression **an offer of Notes to the public** in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and

(ii) the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

United States of America

The Notes have not been and will not be 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 except in certain transactions exempt from the registration requirements of the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each of the Issuer, the Seller, the Joint Lead Managers and the Junior Notes Subscriber has agreed that it will not offer, sell or deliver the Notes, (a) as part of their distribution at any time or (b) otherwise, until 40 days after the completion of the offering of the Notes, within the United States or to, or for the account or benefit of, any U.S. person, and that it will send to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells the Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, any U.S. person.

In addition, until 40 days after the commencement of the offering of the Notes, any offer or sale of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Republic of Italy

Pursuant to the Subscription Agreements, each of the Issuer, the Seller, the Joint Lead Managers and the Junior Notes Subscriber has represented, warranted and undertaken 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 any Notes, copy of this Prospectus nor any other offering material relating to the Notes other than to "qualified investors" ("*investitori qualificati*") as referred to in article 100 of the Consolidated Financial Act and article 34-*ter*, paragraph 1, letter (b) of the CONSOB Regulation no. 11971 of 14 May 1999 and in accordance with any applicable Italian laws and regulations.

Any offer of the Notes to qualified investors in the Republic of Italy shall be made only by banks, investment firms or financial intermediaries permitted to conduct such business in accordance with the Consolidated Banking Act, to the extent that they are duly authorised to engage in the placement and/or underwriting of financial instruments in the Republic of Italy in accordance with the relevant provisions of the Consolidated Financial Act, CONSOB Regulation no. 20307 of 15 February 2018, the Consolidated Banking Act and any other applicable laws and regulations.

In addition, each of the Issuer, the Seller, the Joint Lead Managers and the Junior Notes Subscriber has undertaken to comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to article 129 of the Consolidated Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

France

Under the Subscription Agreements, each of the Issuer, the Seller, the Joint Lead Managers and the Junior Notes Subscriber has represented and agreed that:

(a) it has not offered, sold or otherwise transferred and will not offer, sell or otherwise transfer, directly, or indirectly, the Notes to the public in the Republic of France;

(b) offers, sales and transfers of the Notes in the Republic of France will be made only to qualified investors (*investisseurs qualifiés*) as defined in, and in accordance with, article 2(e) of the Prospectus Regulation and article L. 411-2 of the French Monetary and Financial Code; and

(c) it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Prospectus or any other offering material relating to the Notes other than to investors to whom offers and sales of Notes in France may be made as described above.

In accordance with the provisions of article L. 214-170 of the French Monetary and Financial Code, the Notes may not be sold by way of unsolicited calls (*démarchage*) save with qualified investors within the meaning of article L. 411-2 of the French Monetary and Financial Code.

United Kingdom

Under the Subscription Agreements, each of the Issuer, the Seller, the Joint Lead Managers and the Junior Notes Subscriber has represented, warranted and undertaken that:

(a) *Financial promotion*: (i) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom; (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) *General compliance*: furthermore, it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the United Kingdom. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (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 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.

ESTIMATED WEIGHTED AVERAGE LIFE OF THE RATED NOTES

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

The estimated maturity and weighted average life of the Rated Notes cannot be predicted as the actual rate and timing at which amounts will be collected in respect of the Aggregate Portfolio and a number of other relevant facts are unknown.

Weighted average life refers to the average amount of time that will elapse from the date of issuance of a security to the date of distribution to the investor of amounts distributed in net reduction of principal of such security (assuming no losses).

Calculations as to the expected maturity and average life of the Rated Notes can be made based on 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 following table shows the estimated weighted average life and the estimated maturity of the Rated Notes and was prepared based on the characteristics of the Receivables included in the Aggregate Portfolio and on additional assumptions, including the following:

(a) that the Receivables are subject to the constant rates of prepayment as shown in the tables above;

(b) that no Receivables are repurchased by the Seller (other than in accordance with item (e) below);

(c) that the Notes are issued on [28 July] 2025;

(d) that the Receivables continue to be fully performing;

(e) that an early redemption of the Notes for Clean-up Call Event occurs, no Tax Event occurs and no Regulatory Change Event occurs;

(f) that no Early Amortisation Event (including, but not limited to, any Sequential Payment Trigger Event) occurs;

(g) that the Replenishment Period will end on the Payment Date falling in December 2025 (included) and the Pro-Rata Redemption Period starts from (and including) the Payment Date falling in March 2026;

(h) that the Receivables comprised in the Additional Portfolios which will be sold by the Seller to the Issuer during the Replenishment Period will amortise substantially in the same way as the Receivables comprised in the Initial Portfolio;

(i) that the amortisation profile of the Initial Portfolio and each of the Additional Portfolios as at the relevant Purchase Date is equal to the relative principal and interest scheduled profile of the preliminary Initial Portfolio as at 31 May 2025;

(j) that the principal amount of the Class E Notes has been paid according to the Pre-Enforcement Interest Priority of Payments and the Available Interest Amounts exclude any Eligible Investments;

(k) that the calculation of the weighted average life (in years) is calculated on an Actual/360 basis, adjusted for Business Days.

The actual performance of the Receivables is 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 performance of the Receivables will cause the estimated weighted average life and the principal payment window of the Rated Notes to differ (which difference could be material) from the corresponding information in the following tables.

1. In case of early redemption for Clean-up Call Event:

Class A (A1/A2) - D Notes			
CPR	WAL (in years)	First Principal Payment	Expected Maturity
0%	2.00	Mar 2026	Dec 2028
5%	1.93	Mar 2026	Dec 2028
6%	1.92	Mar 2026	Dec 2028
10%	1.84	Mar 2026	Sep 2028
15%	1.78	Mar 2026	Sep 2028
20%	1.69	Mar 2026	Jun 2028

Class E Notes			
CPR	WAL (in years)	First Principal Payment	Expected Maturity
0%	0.40	Sep 2025	Mar 2026
5%	0.40	Sep 2025	Mar 2026
6%	0.40	Sep 2025	Mar 2026
10%	0.40	Sep 2025	Mar 2026
15%	0.41	Sep 2025	Mar 2026
20%	0.41	Sep 2025	Mar 2026

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SELECTED ASPECTS OF ITALIAN LAW

The Securitisation Law

General

The Securitisation Law was enacted on 30 April 1999 and subsequently amended 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 receivables, where the sale is to a company created in accordance with article 3 of the Securitisation Law (the **SPV**) and all amounts paid by the debtors in respect of the receivables are to be used by the SPV exclusively to meet its obligations under the notes issued to fund the purchase of such receivables and all costs and expenses associated with the securitisation transaction.

Assignment pursuant to the combined provisions of Law 52 and the Securitisation Law

Law Decree no. 145 of 23 December 2013 converted into law by Law no. 9 of 21 February 2014 (**Decree 145**) has simplified the assignments under the Securitisation Law of receivables falling within the scope of Law 52, these being the receivables arising out of contracts entered into by the relevant assignor in the course of its business.

More in particular, it has been provided that the transfer of above-mentioned type of receivables, which do not need to be identifiable as a pool (*in blocco*), can be perfected also applying certain provisions of Law 52.

In addition, Decree 145 has established that if the transaction parties choose to use Law 52 as described above, then the relevant notice of assignment to be published in the Italian Official Gazette will need to set out only the details of the assignor, the assignee (i.e. the SPV) and the date of the relevant assignment.

Pursuant to the combined provisions of articles 1 and 4 of the Securitisation Law and the relevant articles of Law 52 referred to therein, the transfer of receivables and related ancillary rights is rendered enforceable against any third party creditors of the seller (including any insolvency receiver of the same) alternatively through (i) the publication of a notice of transfer in the Official Gazette and the registration of the same in the competent companies' register, or (ii) the annotation of the monies received from the SPV as purchase price for the relevant receivables on the seller's account into which they have been paid, in order for the relevant payment to bear date certain at law (*data certa*) in accordance with the provisions of article 2, paragraph 1, letter b), of Legislative Decree no. 170 of 21 May 2004.

The enforceability of the transfer of the receivables against the debtors is governed by the ordinary regime provided for by the Italian civil code. As a result, the transfer of the receivables from the assignor to the assignee will become enforceable (*opponibile*) against the relevant debtors only at such time as a notice (in any form) of the relevant assignment from the assignor to the assignee has been given to the relevant debtors, or the relevant debtors have accepted such assignment, in each case in accordance with the provisions of article 1264 of the Italian civil code. In this respect, it should be noted that, as a consequence of the application of article 4, second paragraph, of the Securitisation Law, as from the date of publication of the notice of transfer in the Official Gazette or the date of payment of the relevant purchase price bearing a date certain at law (*data certa*), a debtor will not have the right to off-set its claims *vis-à-vis* the assignor which have arisen after such date against the amounts due by the relevant debtor to the assignee in respect of the receivables. In addition, if a notice of the assignment to the assignee is sent to the relevant debtor (i) by the assignee or (ii) by any other entity validly acting as agent and in the name and on behalf of the assignee or the assignor, provided that such notice duly and unequivocally identifies the relevant receivable, the transfer of the relevant receivable from the assignor to the assignee will become enforceable (*opponibile*) against the relevant debtor, in accordance with the provisions of article 1264 of the Italian civil code.

Limitation to the set-off rights of the assigned debtors

Decree 145 has provided that, with effect from the date of the publication of the notice of transfer in the Official Gazette and registration of the same in the competent companies' register (or of the purchase price payment, as the case may be, as described in the preceding paragraph headed "*Assignment pursuant to the combined provisions of Law 52 and the Securitisation Law"*), in derogation of any other provision of law, the assigned debtors of the relevant securitised receivables are not entitled to exercise the set-off between such securitised receivables and their claims against the assignor arisen after such date of publication and registration (or of the payment of the purchase price payment, as the case may be).

Exemption of claw-back of prepayments

The Securitisation Law stated that payments made by the assigned debtors benefit from an exemption from the claw-back provided for by article 166 of the Italian Insolvency Code. However, nothing was said under the Securitisation Law in relation to the claw-back action pursuant to article 164 of the Italian Insolvency Code, being the claw-back in respect of any prepayments. Decree 145 has established an express exemption also in respect of such claw-back action under article 164 of the Italian Insolvency Code.

Ring-fencing of the assets

Under the terms of article 3 of the Securitisation Law, the assets relating to each securitisation transaction will, by operation of law, be segregated for all purposes from all other assets of the company which purchases the receivables (including any other receivables purchased by the Issuer pursuant to the Securitisation Law). Prior to and on a winding up of such company such assets 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 the company in connection with the securitisation of the relevant assets. In addition, the assets relating to a particular transaction will not be available to the holders of notes issued to finance any other securitisation transaction or to general creditors of the issuer company.

The segregation principle set out in the second paragraph of article 3 of the Securitisation Law has been extended by Law Decree no. 91 of 24 June 2014 (as converted into law by Law no.116 of 11 August 2014) and now provides that receivables relating to each securitisation transaction (meaning both the claims against the debtor or debtors and any other claim in favour of the securitisation company in the context of the relevant transaction), the cash flows deriving therefrom and any financial assets purchased with them constitute assets segregated in all respects from those of the securitisation company and those relating to other securitisation transactions. No actions against such segregated assets may be taken by creditors other than the holders of the securities issued to finance the purchase of the relevant receivables.

In addition, Law Decree no. 91 of 24 June 2014 (as converted into law by Law no. 116 of 11 August 2014) has introduced the new paragraphs 2-*bis* and 2-*ter* to article 3 of the Securitisation Law, pursuant to which the segregation principle of amounts standing to the credit of the accounts opened in the context of securitisation transactions has been strengthened and the commingling risk in respect of collections collected, on behalf of the relevant company incorporated under the Securitisation Law, by the servicers of the relevant securitisation transaction has been limited.

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.

Claw back of the sale of the Receivables

Assignments executed under the Securitisation Law are subject to claw back under article 166 of the Italian Insolvency Code but only in the event that the transaction is entered into within 3 (three) months of the filing of the petition for admission to judicial liquidation (*liquidazione giudiziale*) of the relevant party or in cases

where paragraph 1 of article 166 applies, within 6 (six) months of the filing of the petition for admission to judicial liquidation (*liquidazione giudiziale*).

Claw-back action against the payments made to companies incorporated under the Securitisation Law

According to article 4 of the Securitisation Law, payments made by an assigned debtor to the Issuer may not be subject to any claw-back action or ineffectiveness according to, respectively, articles 166 and 164, first paragraph, of the Italian Insolvency Code.

All other payments made to the Issuer by any Transaction Party in the one year/sixth months suspect period prior to the date on which the petition for admission to judicial liquidation (*liquidazione giudiziale*) of the relevant party is filed may be subject to claw-back action according to article 166, paragraphs 1 or 2, as applicable, of the Italian Insolvency Code. The relevant payment may 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.

Insolvency laws applicable to the Seller

The Seller is the Italian branch of a company incorporated under the laws of Germany, whose "home member state" (as that term is used in Directive 2001/24/EC of the European Parliament and of the Council of 4 April 2001 on the reorganisation and winding up of credit institutions) is located within the territory of Germany. The German insolvency laws do not contain severe claw-back provisions pursuant to, and for the purposes of, articles 20(1), 20(2) and 20(3) of the EU Securitisation Regulation.

Consumer credit provisions

Consumer credit provisions and enactment of Law Decree 141

The Initial Portfolio comprises, and each Additional Portfolio will comprise, Receivables deriving from Loans granted to Borrowers qualifying as (i) "consumers" pursuant to the provisions of the Consolidated Banking Act and the other relevant applicable laws and regulations or (ii) individual entrepreneurs (*ditte individuali*).. Loans granted to Borrowers qualifying as "consumers" pursuant to the provisions of the Consolidated Banking Act and the other relevant applicable laws and regulations are regulated by, *inter alia*, articles 121 to 126 of the Consolidated Banking Act. The Loans are also regulated by some provisions of the Consumer Code. Consumer protection legislation has been subject to a full revision by the enactment of law decree 13 August 2010 number 141 (as subsequently amended, **Law Decree 141**) which transposed in the Italian legal system EC Directive 2008/48 on credit agreements for consumers. Law Decree 141 has become enforceable on 19 September 2010.

Law Decree 141 and existing credit consumer agreements

Even if Law Decree 141 does not provide anything on the matter, on the basis of both article 30 of the Directive 2008/48 and the implementing measures of Law Decree 141, it can be stated that the provisions set by Law Decree 141 do not apply to agreements existing on the date on which latter entered into force, except for some provisions, applicable to open-end credit agreements only.

Scope of application

Prior to the entry into force of Law Decree 141, consumer loans were only those granted for amounts respectively lower and higher than the maximum and minimum levels set by the *Comitato Interministeriale per il Credito e il Risparmi*o (**CICR**) (the inter-ministerial committee for credit and savings), such levels being fixed at Euro 30,987.41 and Euro 154.94 respectively. Current article 122 of the Consolidated Banking Act

rules that provisions concerning consumer loans apply to loans granted for amounts from Euro 200 (included) to Euro 75,000 (included); moreover, the same article 122 sets a list of other deeds and agreement which shall not be considered as consumer loans.

Right of withdrawal

Pursuant to article 125-*ter* of the Consolidated Banking Act, consumers have a period of 14 calendar days in which to withdraw from the credit agreement without giving any reason. That period of withdrawal shall begin (a) either from the day of the conclusion of the credit agreement, or (b) from the day on which the consumer receives the contractual terms and conditions and information to be provided to it pursuant to paragraph 1 of article 125-*bis* of the Consolidated Banking Act, if that day is later than the date referred to under point (a). In case the consumer enforces its right of withdrawal, within thirty days following the date of enforcement the consumer shall pay to the lender any amount outstanding under the relevant consumer loan, plus matured interest and non recoverable expenses paid by the lender to the public administration in connection with the granting of the relevant consumer loan. If the credit agreement has been negotiated by distance marketing, withdrawal periods as calculated under article 67-*duodecies* of the Consumer Code will apply. Pursuant to article 125-*quater* of the Consolidated Banking Act, a consumer may always withdraw from an open-end credit agreement without paying any penalty or expense to the lender. Before the enactment of Law Decree 141, rights of withdrawal in favour of consumers under consumer loan agreements were limited to specific cases, such as in case of consumer credit agreement concluded to finance acquisition of goods or services pursuant to a distance contract.

With regard to the analysis of other provisions of the Consolidated Banking Act on consumer credit agreements, please refer to the section headed "*Risk factors*", paragraph entitled "*Italian consumer legislation contains certain protections in favour of debtors*".

The Issuer

According to the Securitisation Law, the Issuer shall be a *società di capitali*. Under the regime normally prescribed for Italian companies under the Italian civil code, it is unlawful for any company (other than banks) to issue securities for an amount exceeding two times the company's share capital. Under the provisions of the Securitisation Law, the standard provisions described above are inapplicable to the Issuer.

Moreover, the Issuer must be registered on the register of special purpose vehicles (*elenco delle società veicolo*) held by the Bank of Italy pursuant to article 4 of the Bank of Italy's regulation dated 12 December 2023 (*Disposizioni in materia di obblighi informativi e statistici delle società veicolo coinvolte in operazioni di cartolarizzazione*).

The enforcement proceedings in general

According to the Italian code of civil procedure, the enforcement of an obligation to pay a sum of money (*esecuzione forzata in forma generica*) is carried out through the attachment (*pignoramento*) and forced liquidation of assets belonging to the relevant debtor.

Save where the law provides otherwise, enforcement proceedings shall be commenced with the service of the title to enforcement (*titolo esecutivo*) and the formal demand of payment (*atto di precetto*).

A good title to enforcement (*titolo esecutivo*) would be:

(a) a public deed (*atto pubblico*) or authenticated private deed (*scrittura privata autenticata*), both of which, in order to amount to title to enforcement title as per the new article 475 of the Italian code of civil procedure shall be certified as conform to the original (*copia attestata conforme all'originale*); or

(b) a copy of an injunction order (*decreto ingiuntivo*) or an enforceable court decision (*sentenza esecutiva*) issued by the competent Court, ordering the debtor to pay its debt. In order to amount to a title to enforcement, the injunction order (*decreto ingiuntivo*) or the enforceable court decision shall certified as conform to the original (*copia attestata conforme*).

The formal demand of payment (*atto di precetto*) consists of an order to perform the obligation indicated in the title to enforcement (*titolo esecutivo)* by a term no shorter than 10 days, warning the debtor that, if it fails to perform such obligations within such term, the creditor will start the foreclosure proceedings. Pursuant to article 480 of the Italian code of civil procedure, the formal demand of payment (*atto di precetto*) must contain a number of information (e.g., indication of the parties, date of service of the title to enforcement, the declaration of residence or election of domicile by the claimant in the same district of the competent Court) and it would be considered void if it fails to contain all the information required by operation of law. The formal demand of payment (*atto di precetto*) ceases to be effective if enforcement proceeding is not commenced within 90 days after its service as per article 481 of the Italian code of civil procedure.

Enforcement of an obligation to pay an amount of money is performed in different ways, according to the kind of the debtor's assets the creditor wants to seize. Therefore and mentioning the most important only, the Italian code of civil procedure provides for different rules concerning respectively:

(a) distraint and forced liquidation of movable goods in possession of the debtor;

(b) distraint and forced liquidation of debtor's receivables or mobile goods in possession of third parties; and

(c) distraint and forced liquidation of real estate properties.

The Italian code of civil procedure provides for some common provisions applicable to any form of enforcement of an obligation to pay an amount of money and specific rules applicable to each form of enforcement.

The attachment (*pignoramento*) and forced liquidation of assets are carried out in several steps as summarised below:

(a) the debtor's assets are attached (*pignorati*) (article 491 - 497 of the Italian code of civil procedure);

(b) other creditors may intervene (article 498 - 500 of the Italian code of civil procedure);

(c) the debtor's assets are liquidated (article 501 - 508 of the Italian code of civil procedure); and

(d) the proceeds from the liquidation of the debtor's assets are distributed amongst the creditors (article 509 - 512 of Italian code of civil procedure).

The attachment (*pignoramento*), pursuant to article 491 of the Italian code of civil procedure, has the effect of seizing the asset to be liquidated and prohibits the debtor from selling or disposing or otherwise interfering with the liquidation of the relevant asset and is the necessary first step in forcing the liquidation of a property, when it is not already held in pledge.

Enforcement proceedings on movable assets in possession of the debtor

With reference to the seizure and forced liquidation of movable assets in possession of the debtor which is ruled by articles 513 and following of the Italian code of civil procedure, seizure begins with the application of the lawyer to the court bailiff to proceed at the debtor's house or in other places which are referred to the debtor and to attach all the debtor's movable assets he/she will find there. The court bailiff may look for the movables assets to seize in the debtor's house or in said other places related to such debtor and he/she is also

free to evaluate assets found and keep them attached. However, certain items of personal property cannot be attached (article 514 of the Italian code of civil procedure) and certain items of personal property can be attached within certain limitations (articles 515-516 of the Italian code of civil procedure).

The court bailiff writes the record/minutes of the attachment, that contain the injunction to the debtor to refrain from any act that would interfere with the liquidation of the attached property and the description of the movables beings attached. Normally upon consent of the creditor, the debtor is named as custodian of the assets since any interference by causing the destruction, deterioration, or removal of attached property is a criminal offence.

After the attachment, the creditor must file in the court chancery of the enforcement judge, the note for the enrollment of the enforcement procedure in the court docket (*nota di iscrizione a ruolo*) together with the minutes of attachment, the title to enforcement (*titolo esecutivo*) and the formal demand of payment (*atto di precetto*), all conform to the originals. In this moment the court chancellor clerk will enrol the enforcement procedure with the court docket and will, hence, open the file of enforcement.

After the filing activities said above, the creditor and the intervened creditors can file a petition to seek that the judge orders the liquidation of the attached assets (article 529 of the Italian code of civil procedure). Upon said petition, the judge schedules the date for the hearing to define the formalities of the sale. At that hearing the parties can pass their proposals about the formalities of the sale. This hearing is also the last possibility for the parties to raise remedies against the enforcement procedure. If there are no oppositions to the procedure or if the parties reach an agreement about the oppositions, the judge decides for the sale. The judge may choose to delegate the sale to a commission agent. In the delegation, the judge fixes the lowest price of the sale and the total amount which must be obtained from the sale. Otherwise the judge may choose to realise the sale by auction.

After the sale, if there is only one secured creditor without other creditors intervened in the enforcement procedure, pursuant to article 510 of the Italian code of civil procedure the judge will pay the secured creditor's principal debt and the interest and also the costs of the enforcement procedure with the proceeds of the sale. If there are intervened creditors, they may prepare a project of distribution and propose it to the judge under article 541 of the Italian code of civil procedure. If the judge agrees, he provides consequently to the distribution. If there is no agreement between the creditors the judge provides to the distribution on the basis of the ranking of the creditors pursuant to article 542 of the Italian code of civil procedure.

In addition to securing the creditor's rights, the attachment serves the purpose of identifying the property to be liquidated. When movables in the possession of the debtor are attached, the court bailiff must draw up a protocol describing the attached assets and indicating their value.

The debtor may avoid the attachment by paying the amount due to the court bailiff for delivery to the creditor. Such payment does not constitute recognition of the debt and the debtor is not precluded from bringing an action for restitution of the amount, should he prove that the enforcement procedure was wrongfully instituted.

If the value of the attached property exceeds the amount of the debt and costs, the judge, after hearing the creditor and any creditors who have intervened, may order that part of the properties are released.

The creditor may select the property that is to be liquidated. He/she may select various types of property and may bring proceedings in more than one district. However, if he/she selects more properties than necessary to satisfy his/her right, the debtor may apply to have this selection restricted. The creditor who requested the attachment must apply for the sale by auction of the attached assets within a deadline of forty-five days as of the filing in court of the note for the enrolment of the procedure in the court docket (*nota di iscrizione a ruolo*), otherwise the attachment lapses (article 497 of the Italian code of civil procedure).

Normally, the debtor's distrained property is sold (*vendita forzata*). Sometimes, however, property may be assigned to the creditors *in lieu* of sale (*assegnazione forzata*). Seized property may be sold or assigned solely

on the motion of the creditor who started the enforcement proceeding or of one of the intervening creditors who possesses an authority to execute. A petition to sell or assign it may not be made until at least ten days after distraint, but shall be made within 45 days for the attachment not to lapse as said above.

The creditor who applies for the sale has the duty to anticipate court expenses and the sale fees.

Attached movable property may be sold through acquiring sealed bids (*vendita senza incanto*) or auction (*vendita con incanto*) and may as well be offered for sale in several lots. Once the required amount has been obtained, the sale is discontinued.

Attached property may also be assigned to the creditors instead of being sold. Property may be assigned to discharge the debtor's obligation to the assignees up to the value of the assigned property. If the property is worth more than the amount of the debt, the assignees must pay the balance.

Unless the debtor's assets are assigned to the creditors in satisfaction of their claims, the proceeds of the liquidation must be distributed. The proceeds include:

(a) money received upon the sale or assignment of the debtor's assets;

(b) rents, profits, interest, and other revenues accruing from the debtor's assets during the period of distraint; and

(c) penalties or damages paid to the Court by the defaulting purchasers or assignees.

Distribution of the proceeds is made according to the following steps:

1. costs and expenses of the procedure are paid first;

2. payment of the secured creditors who are paid based on the order of their degree of priority;

3. afterwards, payment of unsecured creditors who commenced or intervened into the proceeding in due time: they share equally, in proportion to the amount of their claims, if there are insufficient funds to satisfy them;

4. payment of creditors who intervened after the hearing set for the authorisation of the liquidation of assets: they share the balance in proportion to their claims; and

5. return of any surplus to the debtor.

If there is any dispute concerning the distribution of proceeds, the judge hears the parties and decides by judicial order. In this case, the distribution of the proceeds can be suspended.

Subrogation

Law Decree 141 has introduced in the Consolidated Banking Act article 120-*quater*, which provides for certain measures for the protection of consumers' rights and the promotion of the competition in, *inter alia*, the Italian loan market. Law Decree 141 repealed article 8 (except for paragraphs 4-*bis*, 4-*ter* and 4-*quater*) of Italian Law Decree no. 7 of 31 January 2007, as converted into law by Italian Law no. 40 of 2 April 2007, replicating though, with some additions, such repealed provisions. The purpose of article 120-*quater* of the Consolidated Banking Act is to facilitate the exercise by the borrowers of their right of 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**), providing in particular that, in case of a loan, overdraft facility or any other financing granted by a bank, the relevant borrower can exercise 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 working 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.

Debtors may become subject to a debt restructuring arrangement or a court-supervised liquidation in accordance with the Italian Insolvency Code

The Italian Insolvency Code provides for special composition procedures for situations of over-indebtedness (*procedure di composizione della crisi da sovraindebitamento*), and for a special court-supervised liquidation for situations of over-indebtedness (*liquidazione controllata del sovraindebitamento*), which apply to (i) consumers, professionals, small enterprises who/which are in a situation of crisis or insolvency, and (ii) any other debtor which can not be subject to judicial liquidation (*liquidazione giudiziale*) or any other liquidation procedure under Italian law applicable for situations of crisis (*crisi*) or insolvency (*insolvenza*).

Over-indebtedness occurs either in a situation of crisis or in a situation of insolvency. Crisis is the condition that makes insolvency likely to happen, and it occurs when the perspective cash flow shows that the debtor will become unable to pay its debts as they fall due within the subsequent 12 months; insolvency is the inability to repay debts as they fall due.

The composition procedure that applies to over-indebted consumers is the consumer's debt restructuring arrangement (*ristrutturazione dei debiti del consumatore*) (the **Consumer's Debt Restructuring Arrangement**).

Pursuant to articles from 67 to 73 of the Italian Insolvency Code, the over-indebted consumer, supported by the competent body for the composition of the over-indebtedness (*organismo di composizione della crisi da sovraindebitamento*) (the **OCC**), can file before the competent court a petition for the restructuring of its debts, based on a plan providing for the strategy to overcome the over-indebtedness. The over-indebted consumer may propose a partial recovery of its debts. Secured creditors shall receive an amount not lower than the liquidation value of the relevant encumbered asset, as assessed by the OCC.

If the court deems that the requirement provided under the law are met, it orders that the plan and the proposal pertaining to the Consumer's Debt Restructuring Arrangement are published in a specific website and notified to the creditors. Upon the over-indebted consumer's request, the court may also order suspension of ongoing individual enforcement actions, and a general stay on enforcement and interim actions on the over-indebted consumer's assets.

Within 20 days from the court's notice, creditors may submit to the OCC their comments to the plan and the proposal pertaining to the Consumer's Debt Restructuring Arrangement. Within the subsequent 10 days, the OCC may refer them to the court, together with any amendments to the plan that it deems necessary.

The court verifies whether the plan is compliant with the requirement provided under the law and feasible, and, if so, issues a decision homologating it. Such decision can be opposed within 30 days.

The OCC supervises the execution of the plan, and any sale and/or dismissal is carried out through a tender procedure. One the plan is fully executed, the OCC delivers a final report.

The court, also upon request from a creditor, revokes the homologation of the Consumer's Debt Restructuring Arrangement if for the relevant debtor becomes impossible to fulfill the obligations set out in the plan or if the relevant debtor attempts to fraud its creditors. The revocation cannot be requested by creditors nor pursued by the court after 6 (six) months from delivery of the OCC's final report.

If the Consumer's Debt Restructuring Arrangement fails, or, in any event, upon its own request, the over-indebted consumer may be adjudicated in a court-supervised liquidation for situations of over-indebtedness (the **Court-Supervised Liquidation**). If the over-indebted consumer is in a situation of insolvency, the Court-Supervised Liquidation may be commenced also upon request of a creditor in the context of an individual enforcement proceeding.

If the court finds that the relevant requirements are met (e.g. the amount of debts due and unpaid is higher than Euro 50,000), it issues a decision adjudicating the over-indebted consumer into the Court-Supervised Liquidation. With the same decision, the court, among other things, (i) appoints the designated judge, (ii) appoints a liquidator and (iii) assigns to creditors a term of maximum 60 (sixty) days to file their proof of claim.

As of the adjudication of the over-indebted consumer into the Court-Supervised Liquidation, individual enforcement and interim actions of creditors are stayed, and claims are recovered in accordance with statutory priorities and the principle of equal treatment among creditors.

Pending contracts are suspended, and the liquidator determines if they should be continued or terminated.

Accounting treatment of the Receivables

Pursuant to Bank of Italy's regulations of 29 March 2000 *("Schemi di bilancio delle società di cartolarizzazione dei crediti")*, and on 14 February 2006 (*istruzioni per la redazione dei bilanci degli intermediari finanziari iscritti nell'"elenco speciale", degli IMEL delle SGR e delle SIM*) the accounting information relating to the securitisation of the Receivables will be contained in the Issuer's *nota integrativa*, which, together with the balance sheet and the profit and loss statements form part of the financial statements of Italian companies.

GENERAL INFORMATION

Approval, listing and admission to trading of the Rated Notes

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the **CSSF**), as competent authority under Regulation (EU) 2017/1129 (the **Prospectus Regulation**).

The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuer or the quality of the Notes that are the subject of this Prospectus. By approving this Prospectus, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer in accordance with the provisions of article 6(4) of the Luxembourg law on prospectuses for securities of 16 July 2019. Investors should make their own assessment as to the suitability of investing in the Notes.

Application has been made for the Rated Notes to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the "*Bourse de Luxembourg*" which is a regulated market for the purposes of Directive 2014/65/EU.

The Class Z Notes are not being offered pursuant to this Prospectus and no application has been made to list the Class Z Notes on any stock exchange.

This Prospectus will be published by the Issuer on the website of the Luxembourg Stock Exchange (being, as at the date of this Prospectus, www.luxse.com) and will remain available for inspection on such website for at least 10 years.

Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Italy in connection with the issue and performance of the Notes. The issuance of the Notes has been authorised by a resolution of the Quotaholder dated [10 July] 2025.

Clearing of the Notes

The Notes have been accepted for clearance through Euronext Securities Milan, Euroclear and Clearstream as follows:

Class	***ISIN Code***	***Common Code***
Class A1 Notes	IT0005657553	[●]
Class A2 Notes	IT0005657785	[●]
Class B Notes	IT0005657793	[●]
Class C Notes	IT0005657801	[●]
Class D Notes	IT0005657819	[●]
Class E Notes	IT0005657827	[●]
Class Z Notes	IT0005657835	N/A

Post-issuance reporting

On or prior to each Investors Report Date, the Calculation Agent shall prepare and deliver to the Issuer, the Seller, the Servicer, the Corporate Servicer, the Stichting Corporate Services Provider, the Paying Agent, the Account Banks, the Custodian (if any), the Representative of the Noteholders, the Arranger, the Joint Lead Managers, the Interest Rate Swap Counterparty and the Rating Agencies the Investors Report, setting out certain information with respect to the Aggregate Portfolio and the Notes. The Calculation Agent will be authorised to publish the Investors Report on its website (being, as at the date of this Prospectus, www.securitisation-services.com).

In addition, under the Intercreditor Agreement, each of the Issuer and the Seller has acknowledged and agreed that the Issuer is designated as Reporting Entity, pursuant to and for the purposes of article 7(2) of the EU Securitisation Regulation, and it has fulfilled before pricing and/or shall fulfil after the Closing Date, as the case may be, the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and article 22 of the EU Securitisation Regulation. Each of the Issuer and the Seller has agreed that the Issuer is designated as first contact point for investors and competent authorities referred to in article 29 of the EU Securitisation Regulation pursuant to the third sub-paragraph of article 27(1) of the EU Securitisation Regulation.

Prospective investors should be aware that under the Securitisation it has not been contractually agreed to comply with the transparency requirements of the UK Securitisation Framework.

For further details, see the section headed "*Risk Retention and Transparency Requirements*".

Documents available for inspection

As long as any of the Notes is outstanding, copies of the following documents may be inspected on the Securitisation Repository:

(a) the articles of association (*atto costitutivo*) and by-laws (*statuto*) of the Issuer;

(b) the Issuer's financial statements and the relevant auditors' reports;

(c) the Master Receivables Purchase Agreement and each Transfer Agreement;

(d) the Warranty and Indemnity Agreement;

(e) the Servicing Agreement;

(f) the Corporate Services Agreement;

(g) the Intercreditor Agreement;

(h) the Agency and Accounts Agreement;

(i) the Quotaholder's Agreement;

(j) the Stichting Corporate Services Agreement;

(k) the Swap Agreement;

(l) the Deed of Assignment;

(m) the Conditions;

(n) this Prospectus;

(o) any other Transaction Document that may be entered into from time to time by the Issuer after the Closing Date; and

(p) any other information made available or to be made available on the Securitisation Repository pursuant to the section headed "*Risk Retention and Transparency Requirements*".

The documents listed under paragraphs (c) to (m) (included) above constitute all the underlying documents that are essential for understanding the Securitisation and include, but not limited to, each of the documents referred to in point (b) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation.

Fees and expenses

The estimated annual fees and expenses payable by the Issuer in connection with the Securitisation amount to approximately Euro [●] (excluding servicing fees and any VAT, if applicable).

The total fees, costs and expenses payable in connection with the admission of the Rated Notes to listing on the official list of the Luxembourg Stock Exchange and to trading on the regulated market of the Luxembourg Stock Exchange amount to approximately Euro 40,000 (plus VAT, if applicable).

Material adverse change

There has been no material adverse change in the financial position or prospects of the Issuer since the date of its incorporation (such date being 20 February 2025).

Legal and arbitration proceedings

Since the date of its incorporation (such date being 20 February 2025), the Issuer has not been 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, significant effects on the financial position or profitability of the Issuer.

LEI

The legal entity identifier (LEI) of the Issuer is 815600283046823DB425.

GLOSSARY

2024 UK SR SI means the Securitisation Regulations 2024 (SI 2024/102), as amended.

Account Banks means, collectively, the Transaction Account Bank and the Collection and Liquidity Reserve Account Bank, and **Account Bank** means each of them.

Account Bank Report means the report named as such to be prepared and delivered by the relevant Account Bank pursuant to the Agency and Accounts Agreement.

Account Bank Report Date means the date falling [3 (three)] Business Days prior to each Calculation Date.

Accounts means the Collection Account, the Liquidity Reserve Account, the Expenses Account, the Payments Account, the Swap Cash Collateral Account, the Securities Account (if any), the RSF Reserve Account (if any) and any other account which may be opened by the Issuer under the Securitisation in accordance with the Transaction Documents.

Additional Portfolio means any portfolio of Receivables purchased by the Issuer from the Seller during the Replenishment Period pursuant to the terms of the Master Receivables Purchase Agreement.

Additional Portfolio Transfer Proposal means the transfer proposal to be executed in relation to the transfer of an Additional Portfolio, in the form attached as schedule 4 (*Form of Additional Portfolio Transfer Proposal*) to the Master Receivables Purchase Agreement.

Agency and Accounts Agreement means the agency and accounts agreement entered into on or about the Closing Date between the Issuer, the Servicer, the Calculation Agent, the Transaction Account Bank, the Collection and Liquidity Reserve Account Bank, the Paying Agent, the Corporate Servicer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

Agents means, collectively, the Account Banks, the Custodian (if any), the Calculation Agent and the Paying Agent.

Aggregate Interest Amount has the meaning ascribed to such term in Condition 5(f) (*Interest and Variable Return - Calculation of Interest Amount, Aggregate Interest Amount and Variable Return*).

Aggregate Portfolio means, collectively, the Initial Portfolio and the Additional Portfolios transferred by the Seller to the Issuer pursuant to the Master Receivables Purchase Agreement and the relevant Transfer Agreement (if any).

Aggregate Portfolio Repurchase Option means the option, pursuant to article 1331 of the Italian civil code, granted by the Issuer to the Seller to repurchase the Aggregate Portfolio following the occurrence of a Clean-up Call Event or a Tax Event pursuant to the terms and subject to the conditions set out in the Master Receivables Purchase Agreement.

Aggregate Portfolio Repurchase Option Exercise Notice means any notice delivered by the Seller pursuant to the Master Receivables Purchase Agreement, whereby the Aggregate Portfolio Repurchase Option is exercised.

Alternative Base Rate has the meaning ascribed to such term in Condition 5(d)(iii) (*Interest and Variable Return - Fallback provisions*).

Amortisation Period means the period commencing on (and including) the Payment Date immediately following the end of the Replenishment Period and ending on (and including) the Cancellation Date.

Amortisation Plan means, with reference to each Receivable, the amount and the payment date of the Instalments scheduled in the relevant Loan Contract.

Arranger means Banco Santander.

Available Distribution Amounts means, in relation to each Payment Date, the aggregate of the Available Interest Amounts and the Available Principal Amounts.

Available Interest Amounts means, in respect of any Payment Date, the aggregate (without double counting) of:

(a) all Interest Collections received by the Issuer in respect of the Aggregate Portfolio in relation to the immediately preceding Collection Period;

(b) all Recoveries received by the Issuer in respect of the Aggregate Portfolio (including the proceeds of the sale or repurchase of any Defaulted Receivables) in relation to the immediately preceding Collection Period;

(c) all amounts payable to the Issuer under or in relation to the Swap Agreement in respect of such Payment Date (other than any early termination amount or Replacement Swap Premium and any Swap Collateral, Swap Tax Credits, Excess Swap Collateral, or any other amount standing to the credit of the Swap Cash Collateral Account);

(d) notwithstanding item (c) above, (i) any early termination amount received from the Interest Rate Swap Counterparty in excess of the amount required and applied by the Issuer to enter into one or more replacement swap agreements, and (ii) any Replacement Swap Premium received from a replacement Interest Rate Swap Counterparty in excess of the amount required and applied to pay the outgoing Interest Rate Swap Counterparty;

(e) all amounts on account of interest, premium or other profit received, up to the immediately preceding Eligible Investments Maturity Date, from any Eligible Investments made in accordance with the Agency and Accounts Agreement using funds standing to the credit of the Collection Account and the Liquidity Reserve Account in relation to the immediately preceding Collection Period;

(f) the Liquidity Reserve Amount as at the immediately preceding Payment Date (after making payments due under the Pre-Enforcement Interest Priority of Payments on that Payment Date) or, in respect of the first Payment Date, the Liquidity Reserve Initial Amount;

(g) all amounts of interest accrued (net of any withholding or expenses, if due) and paid on the Collection Account, the Liquidity Reserve Account and the Payments Account during the immediately preceding Collection Period;

(h) any amounts allocated under item (i) (*first*) of the Pre-Enforcement Principal Priority of Payments on such Payment Date;

(i) any amounts allocated under item (xi) (*eleventh*) of the Pre-Enforcement Principal Priority of Payments on such Payment Date;

(j) any Available Interest Amounts relating to the immediately preceding Payment Date, to the extent not applied in full on that Payment Date; and

(k) any other amount (other than any amount on account of principal) received by the Issuer from any Transaction Party pursuant to the Transaction Documents in relation the immediately preceding Collection Period and not already included in any of the other items of this definition of Available

Interest Amounts (but excluding any undue amount to be returned to the Seller or the Servicer pursuant to the Master Receivables Purchase Agreement or the Servicing Agreement, as the case may be, and any amount credited to the RSF Reserve Account),

provided that, prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), if the Servicer fails to deliver the Servicer's Report to the Calculation Agent by the relevant Servicer's Report Date (or such later date as may be agreed between the Servicer and the Calculation Agent which enables the latter to prepare and deliver the Payments Report in a timely manner), the Available Interest Amounts in respect of the relevant Payment Date shall be limited to the amounts necessary to pay interest on the Senior Notes (and, as long as no relevant Mezzanine Interest Subordination Event has occurred in respect of such Payment Date in relation to a Class of Mezzanine Notes, interest on such Class of Mezzanine Notes) and any amounts ranking in priority thereto under the Pre-Enforcement Interest Priority of Payments.

Available Principal Amounts means, in respect of any Payment Date, the aggregate (without double counting) of:

(a) all Principal Collections received by the Issuer in respect of the Aggregate Portfolio in relation to the immediately preceding Collection Period;

(b) any amount allocated under item (x) (*tenth*) of the Pre-Enforcement Interest Priority of Payments on such Payment Date;

(c) any amounts credited to the Collection Account pursuant to item (ii)(B) of the Pre-Enforcement Principal Priority of Payments on any preceding Payment Date during the Replenishment Period;

(d) the proceeds deriving from the sale (if any) of the Aggregate Portfolio following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of early redemption of the Notes pursuant to Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*);

(e) on the Regulatory Change Early Redemption Date, the Regulatory Change Allocated Principal Amount (provided that such amount will be applied solely in accordance with item (v) (*fifth*) of the Pre-Enforcement Principal Priority of Payments on such Regulatory Change Early Redemption Date);

(f) any Available Principal Amounts relating to the immediately preceding Payment Date, to the extent not applied in full on that Payment Date; and

(g) any other amount received by the Issuer from any Transaction Party pursuant to the Transaction Documents in relation the immediately preceding Collection Period and not already included in any of the other items of this definition of Available Principal Amounts or the definition of Available Interest Amounts (but excluding any undue amount to be returned to the Seller or the Servicer pursuant to the Master Receivables Purchase Agreement or the Servicing Agreement, as the case may be, and any amount credited to the RSF Reserve Account),

provided that, prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), if the Servicer fails to deliver the Servicer's Report to the Calculation Agent by the relevant Servicer's Report Date (or such later date as may be agreed between the Servicer and the Calculation Agent which enables the latter to prepare and deliver the Payments Report in a timely manner), the Available Principal Amounts in respect of the relevant Payment Date shall be limited to the amounts necessary to make payments under item (i) (*first*) of the Pre-Enforcement Principal Priority of Payments.

Back-up Servicer Facilitator means Santander Consumer Finance or any other entity acting as back-up servicer facilitator from time to time under the Securitisation.

Balloon Instalment means the final larger balloon instalment due under the Balloon Loan Contracts and **Balloon Instalments** means all of them.

Balloon Loan Contracts means the loan contracts entered into between the Seller and the Borrowers, under which the Seller has granted the Balloon Loans to the relevant Borrowers.

Balloon Loans means the loans providing for a final instalment which is higher than the preceding instalments under the relevant Amortisation Plan, being alternatively:

(a) a TCM (*Trade Cycle Management*) loan in respect of which the relevant Debtor has been granted with the option to either (i) pay or refinance the Balloon Instalment and retain the Financed Vehicle or (ii) return the Financed Vehicle to the Dealer (either buying a new Financed Vehicle or not) whereupon the relevant Balloon Instalment will be due by the Dealer; or

(b) a loan in respect of which the relevant Debtor has the obligation to pay the relevant Balloon Instalment and, upon request, may be granted an extension of the loan by dividing the payment of the relevant Balloon Instalment into several additional instalments.

Banca Finint means Banca Finanziaria Internazionale S.p.A., *breviter* Banca Finint S.p.A., a bank incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office in Via V. Alfieri 1, 31015 Conegliano (TV), Italy, share capital of Euro 91,743,007 fully paid up, tax code and enrolment in the companies' register of Treviso-Belluno no. 04040580963, VAT Group "*Gruppo IVA FININT S.P.A.*" - VAT no. 04977190265, registered in the banks' register held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act under no. 5580 and in the register of the banking groups held by the Bank of Italy as parent company of the Banca Finanziaria Internazionale banking group, member of the "*Fondo Interbancario di Tutela dei Depositi*" and of the "*Fondo Nazionale di Garanzia*".

Banco Santander means Banco Santander, S.A. a public limited company incorporated under the laws of Spain, whose registered office is at Paseo de Pereda 9-12, 39004 Santander, Spain, registered with the Banco de España (Bank of Spain) under no. 0049, and with Tax Identification Code A-39000013.

Banco Santander, Milan branch means Banco Santander, S.A., a public limited company incorporated under the laws of Spain, having its registered office at Paseo de Pereda 9-12, 39004 Santander, Spain, registered with the Banco de España (Bank of Spain) under no. 0049, and with Tax Identification Code A-39000013, acting through its Milan branch at Via Gaetano De Castillia 23, 20124 Milan, Italy, fiscal code and enrolment with the companies' register of Milano - Monza Brianza - Lodi no. 97364050159, enrolled as a "*filiale di banca estera*" with *codice meccanografico* no. 3389 with the register of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

Base Rate Modification has the meaning ascribed to such term in Condition 5(d)(i) (*Interest and Variable Return - Fallback provisions*).

Benchmark Regulation means Regulation (EU) no. 2016/1011, as amended and/or supplemented from time to time.

BNY, Milan branch means The Bank of New York Mellon SA/NV, Milan branch, a bank incorporated under the laws of Belgium, having its registered office at Multi Tower, Boulevard Anspachlaan 1, - B-1000, Brussels, Belgium, acting through its Milan branch at Via Mike Bongiorno 13, 20124 Milan, Italy, fiscal code and enrolment with the companies' register of Milano - Monza Brianza - Lodi under no. 09827740961, enrolled as a "*filiale di banca estera*" under no. 8070 and with ABI code 3351.4 with the banks' register held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

Borrowers means the individuals (*persone fisiche*) and the individual entrepreneurs (*ditte individuali*) being borrowers under the Loans.

Business Day means any day, other than Saturday or Sunday, which is not a public holiday or a bank holiday in Milan, Turin, London, Luxembourg, Frankfurt and Madrid and on which the real time gross settlement system operated by the Eurosystem (T2), or any successor thereto, is open for the settlements of payments in Euro.

Calculation Agent means Banca Finint or any other entity acting as calculation agent from time to time under the Securitisation.

Calculation Date means the date falling 4 (four) Business Days prior to each Payment Date.

Cancellation Date means the date on which the Notes will be finally and definitively cancelled, being:

(a) the earlier of (A) the Legal Maturity Date if the Notes are redeemed in full, and (B) the date on which the Notes are finally redeemed following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or pursuant to Condition 6(c) (*Mandatory redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*); or

(b) if the Notes cannot be redeemed in full on the Legal Maturity Date as a result of the Issuer having insufficient Available Distribution Amounts for application in or towards such redemption, the later of (A) the Payment Date immediately following the date on which all the Receivables will have been paid in full, and (B) the Payment Date immediately following the date on which all the Receivables then outstanding will have been entirely written off by the Issuer as a consequence of the Servicer having determined that there is no reasonable likelihood of there being any further realisations in respect of the Aggregate Portfolio and the other Securitisation Assets (whether arising from judicial enforcement proceedings or otherwise) which would be available to pay unpaid amounts outstanding under the Notes.

Financed Vehicle Dealer means a subsidiary or a branch, as the case may be, of the Hyundai or KIA network, as the case may be, in Italy, or a vehicle dealer being franchised with the Hyundai or KIA network, as the case may be, which has entered into a sale contract (as seller) in respect of a Financed Vehicle with any person (as purchaser) who has simultaneously entered into a Loan Contract with the Seller for the purposes of financing the acquisition of such Financed Vehicle.

Financed Vehicle Manufacturer means each manufacturer of Financed Vehicles belonging to the vehicle brands owned by Hyundai or KIA, as the case may be, from time to time.

Class means a class of Notes being the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes or the Class Z Notes, as the case may be.

Class A Noteholders means the holders of the Class A Notes.

Class A Notes means, collectively, the Class A1 Notes and the Class A2 Notes.

Class A Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class A Notes.

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

Class A1 Notes means Euro [●] Class A1 Asset Backed Floating Rate Notes due December 2041.

Class A1 Pro-Rata Redemption Amount means, with reference to each Payment Date during the Pro-Rata Redemption Period, an amount equal to the lower of:

(a) the Pro-Rata Principal Payment Amount allocated to the Class A1 Notes; and

(b) the Principal Amount Outstanding of the Class A1 Notes on such Payment Date (before making payments due on such Payment Date in accordance with the Pre-Enforcement Principal Priority of Payments).

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

Class A2 Notes means Euro [●] Class A2 Asset Backed Floating Rate Notes due December 2041.

Class A2 Pro-Rata Redemption Amount means, with reference to each Payment Date during the Pro-Rata Redemption Period, an amount equal to the lower of:

(a) the Pro-Rata Principal Payment Amount allocated to the Class A2 Notes; and

(b) the Principal Amount Outstanding of the Class A2 Notes on such Payment Date (before making payments due on such Payment Date in accordance with the Pre-Enforcement Principal Priority of Payments).

Class B Interest Subordination Event means the circumstance that, on each Payment Date up to (but excluding) the earlier of (i) the Legal Maturity Date, (ii) the Payment Date following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, and (iii) the Payment Date on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled:

(a) the Class B Notes are not the Most Senior Class of Notes; and

(b) the amount debited on the Class B Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is equal to or higher than [25] per cent. of the Principal Amount Outstanding of the Class B Notes.

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

Class B Notes means Euro [●] Class B Asset Backed Floating Rate Notes due December 2041.

Class B Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class B Notes.

Class B Pro-Rata Redemption Amount means, with reference to each Payment Date during the Pro-Rata Redemption Period, an amount equal to the lower of:

(a) the Pro-Rata Principal Payment Amount allocated to the Class B Notes; and

(b) the Principal Amount Outstanding of the Class B Notes on such Payment Date (before making payments due on such Payment Date in accordance with the Pre-Enforcement Principal Priority of Payments).

Class C Interest Subordination Event means the circumstance that, on each Payment Date up to (but excluding) the earlier of (i) the Legal Maturity Date, (ii) the Payment Date following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, and (iii) the Payment Date on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled:

(a) the Class C Notes are not the Most Senior Class of Notes; and

(b) the amount debited on the Class C Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is equal to or higher than [25] per cent. of the Principal Amount Outstanding of the Class C Notes.

Class C Noteholders means the holders of the Class C Notes.

Class C Notes means Euro [●] Class C Asset Backed Floating Rate Notes due December 2041.

Class C Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class C Notes.

Class C Pro-Rata Redemption Amount means, with reference to each Payment Date during the Pro-Rata Redemption Period, an amount equal to the lower of:

(a) the Pro-Rata Principal Payment Amount allocated to the Class C Notes; and

(b) the Principal Amount Outstanding of the Class C Notes on such Payment Date (before making payments due on such Payment Date in accordance with the Pre-Enforcement Principal Priority of Payments).

Class D Interest Subordination Event means the circumstance that, on each Payment Date up to (but excluding) the earlier of (i) the Legal Maturity Date, (ii) the Payment Date following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, and (iii) the Payment Date on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled:

(a) the Class D Notes are not the Most Senior Class of Notes; and

(b) the amount debited on the Class D Principal Deficiency Sub-Ledger on the immediately preceding Payment Date (after making payments due on that date) is equal to or higher than [25] per cent. of the Principal Amount Outstanding of the Class D Notes.

Class D Noteholders means the holders of the Class D Notes.

Class D Notes means Euro [●] Class D Asset Backed Floating Rate Notes due December 2041.

Class D Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class D Notes.

Class D Pro-Rata Redemption Amount means, with reference to each Payment Date during the Pro-Rata Redemption Period, an amount equal to the lower of:

(a) the Pro-Rata Principal Payment Amount allocated to the Class D Notes; and

(b) the Principal Amount Outstanding of the Class D Notes on such Payment Date (before making payments due on such Payment Date in accordance with the Pre-Enforcement Principal Priority of Payments).

Class E Noteholders means the holders of the Class E Notes.

Class E Notes means Euro [●] Class E Asset Backed Floating Rate Notes due December 2041.

Class Z Noteholders means the holders of the Class Z Notes.

Class Z Notes means Euro [●] Class Z Asset Backed Variable Return Notes due December 2041.

Clean-up Call Early Redemption Notice means the notice delivered by the Issuer following the occurrence of a Clean-up Call Event, in accordance with Condition 6(e) (*Early redemption for Clean-up Call Event*).

Clean-up Call Event means the circumstance that, on any date, the aggregate Outstanding Principal of the Receivables comprised in the Collateral Aggregate Portfolio is equal to or lower than 10 per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of the Receivables comprised in the Initial Portfolio.

Clearstream means Clearstream Banking, Luxembourg with offices at 42 avenue JF Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

Closing Date means the date falling on [●], on which the Notes will be issued.

Collateral Aggregate Portfolio means the Aggregate Portfolio, less any Defaulted Receivables.

Collateral Security means, with reference to each Receivable, any security interest, guarantee or other arrangement securing the payment of the Receivables.

Collection Account means the Euro denominated account with IBAN IT51V0338901600010413592250, opened in the name of the Issuer with the Collection and Liquidity Reserve Account Bank, or any other substitute account designated as such pursuant to the Agency and Accounts Agreement.

Collection and Liquidity Reserve Account Bank means Banco Santander, Milan branch or any other entity, being an Eligible Institution, acting as transaction account bank from time to time under the Securitisation.

Collection Period means (i) prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, each period commencing on (but excluding) a Cut-Off Date and ending on (and including) the immediately following Cut-Off Date, provided that the first Collection Period will commence on (but excluding) the Initial Valuation Date and end on (and including) the Cut-Off Date falling in August 2025, or (ii) following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, any such period as determined by the Representative of the Noteholders.

Collections means all amounts on account of principal, interest, prepayment fees and other amounts received or recovered by the Issuer in respect of the Receivables.

Concentration Limits means the concentration limits set out in schedule 2 of the Master Receivables Purchase Agreement.

Conditions means the terms and conditions of the Notes, and **Condition** means a condition thereof.

Connected Third Party Creditors means any creditors of the Issuer (other than the Issuer Creditors) in respect of any fees, costs and expenses in relation to the Securitisation.

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

CONSOB and Bank of Italy Joint Resolution means the resolution of 13 August 2018 jointly issued by CONSOB and Bank of Italy (named "*Disciplina dei servizi di gestione accentrata, di liquidazione, dei sistemi di garanzia e delle relative società di gestione*") containing rules on custody, clearing and settlement, as amended and/or supplemented from time to time.

Consolidated Banking Act means Italian Legislative Decree no. 385 of 1 September 1993, as amended and/or supplemented from time to time.

Consolidated Financial Act means Italian Legislative Decree no. 58 of 24 February 1998, as amended and/or supplemented from time to time.

Consumer Code means Italian Legislative Decree no. 206 of 6 September 2005 (named "*Codice del consumo, a norma dell'articolo 7 della legge 29 luglio 2003, n. 229*"), as amended and/or supplemented from time to time.

COR means the long-term rating assigned by Morningstar DBRS to address the risk of default of particular obligations and/or exposures of certain banks that have a higher probability of being excluded from bail-in and remaining in a continuing bank in the event of the resolution of a troubled bank than other senior unsecured obligations.

Corporate Servicer means Banca Finint or any other entity acting as corporate servicer from time to time under the Securitisation.

Corporate Services Agreement means the corporate services agreement entered into on [●] 2025 between the Issuer and the Corporate Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

Credit and Collection Policies means the procedures for the origination, management, collection and recovery of the Receivables attached as schedule 1 to the Servicing Agreement.

CRR means Regulation (EU) no. 575/2013, as amended and/or supplemented from time to time.

CRR Amendment Regulation means Regulation (EU) no. 2401 of 12 December 2017 amending the CRR.

CRR Assessment means the assessment of compliance of the Notes with the relevant provisions of article 243 of the CRR carried out by PCS.

CSSF means the *Commission de Surveillance du secteur financier*.

Cumulative Net Loss Ratio means the ratio, calculated on each Servicer's Report Date with reference to the immediately preceding Cut-Off Date, between:

(a) (i) the aggregate Outstanding Principal, as at the relevant Default Date, of all Receivables which were part of the Aggregate Portfolio and have become Defaulted Receivables from (and excluding) the relevant Valuation Date up to (and including) the Cut-Off Date immediately preceding such Servicer's Report Date; minus (ii) the aggregate of the Recoveries made in respect of such Defaulted Receivables from (and including) the relevant Default Date up to (and including) the Cut-Off Date immediately preceding such Servicer's Report Date (but excluding, for the avoidance of doubt, any proceeds deriving from the repurchase of such Defaulted Receivables by the Seller pursuant to the Master Receivables Purchase Agreement); and

(b) the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the Aggregate Portfolio.

Cumulative Net Loss Trigger Level means the percentage set out in the table below for each period, starting from (and including) the Closing Date:

(a) from the Closing Date until (and including) the Payment Date falling in [December 2025]: [0.75] per cent.;

(b) from the Payment Date falling in [March] 2026 until (and including) the Payment Date falling in [June] 2026: [1.00] per cent.;

(c) from the Payment Date falling in [September] 2026 until (and including) the Payment Date falling in [December] 2026: [1.25] per cent.;

(d) from the Payment Date falling in [March] 2027 onwards: [1.50] per cent..

Custodian means an Eligible Institution that may be appointed as such by the Issuer pursuant to the Agency and Accounts Agreement.

Cut-Off Date means the last calendar day of February, May, August and November of each year.

Debtors means the Borrowers and any other persons who are liable for the payment of the Receivables (including any third-party guarantors).

Decree 239 means Italian Legislative Decree no. 239 of 1 April 1996, as amended and/or supplemented from time to time, and any related regulations.

Decree 239 Withholding means any withholding or deduction for or on account of "*imposta sostitutiva*" under Decree 239.

Deed of Assignment means the English law deed of assignment entered into on or prior to the Closing Date between the Issuer and the Representative of the Noteholders (acting for itself and as security trustee for the Noteholders and the Other Issuer Creditors), as from time to time modified in accordance with the provisions thereof and including any deed or other document expressed to be supplemental thereto.

Default Date means the date on which each relevant Receivable becomes a Defaulted Receivable.

Defaulted Amounts means, with reference to any Cut-Off Date, the aggregate Outstanding Principal of any Receivable comprised in the Aggregate Portfolio that has become a Defaulted Receivable during the Collection Period ending on the relevant Cut-Off Date, such amount being calculated as at the relevant Default Date.

Defaulted Receivables means [the Receivables arising from Loans in respect of which (i) there are one or more Instalments that are 90 (ninety) days overdue or, following the relevant Legal Maturity Date, there is at least one instalment which is 90 (ninety) days overdue or more (it being understood that, for so long as the relevant Loan is subject to a Moratoria, the relevant Receivables will not be deemed Defaulted Receivables); or (ii) the relevant Borrower has been subject to acceleration (*decadenza dal beneficio del termine*); or (iii) the Servicer, in accordance with the Credit and Collection Policies, considers that the relevant Borrower is unlikely to pay the Instalments under the Loans as they fall due].

Delinquency Ratio means the ratio, calculated on each Servicer's Report Date with reference to the immediately preceding Cut-Off Date, between:

(a) the aggregate Outstanding Principal, as at the relevant Cut-Off Date, of all Receivables comprised in the Aggregate Portfolio which are Delinquent Receivables; and

(b) (i) the aggregate Outstanding Principal, as at the relevant Cut-Off Date, of all Receivables comprised in the Collateral Aggregate Portfolio; plus (ii) the aggregate Outstanding Principal, as at the relevant Valuation Date, of all Receivables comprised in the relevant Additional Portfolio to be purchased by the Issuer on the immediately following Purchase Date, except for the first Cut-Off Date where it will be only the aggregate of the Outstanding Principal of all the Receivables comprised in the Collateral Aggregate Portfolio at the Initial Valuation Date.

Delinquency Ratio Rolling Average means, on each Servicer's Report Date with reference to the immediately preceding Cut-Off Date, the average of the Delinquency Ratio for the three immediately preceding Collection Periods as determined by the Servicer in the Servicer's Report, provided that, with reference to the first Cut-

Off Date, it shall be equal to the Delinquency Ratio for the relevant Collection Period and, with reference to the second Cut-Off Date, it shall be equal to the average of the Delinquency Ratio for the two first Collection Periods.

Delinquent Receivables means the Receivables (other than the Defaulted Receivables) arising from Loans in respect of which there are one or more Instalments that are more than 30 (thirty) days overdue (it being understood that, for so long as the relevant Loan is subject to a Moratoria, the relevant Receivables will not be deemed Delinquent Receivables).

Dodd-Frank Act means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as amended.

Early Amortisation Event means any of the events described in schedule 3 (*Early Amortisation Events*) of the Master Receivables Purchase Agreement and Condition 9 (*Early Amortisation Events*).

EBA means the European Banking Authority.

EBA Guidelines on STS Criteria means the guidelines on the criteria of simplicity, transparency and standardisation adopted by EBA on 12 December 2018 (as amended and/or supplemeted from time to time) pursuant to the EU Securitisation Regulation and named "*Guidelines on the STS criteria for non-ABCP securitisation*", as amended and/or supplemented from time to time.

ECB means the European Central Bank.

EEA means the European Economic Area.

Eligibility Criteria means the eligibility criteria of the Receivables comprised in the Initial Portfolio and the Additional Portfolios, as listed in schedule 1 to the Master Receivables Purchase Agreement.

Eligible Institution means a depository institution organised under the laws of any state which is a member of the European Union or the UK or of the United States of America:

(a) [whose unsecured and unsubordinated debt obligations have the following ratings:

(i) with respect to Morningstar DBRS, a rating at least equal to "[A]" being:

(A) in case a public or private rating has been assigned by Morningstar DBRS, the higher of (I) the rating one notch below the institution's COR (if assigned), and (II) the long-term senior unsecured debt rating or deposit rating; or

(B) in case a long-term COR has not been assigned by Morningstar DBRS, the higher of the relevant institution's issue rating, long-term senior unsecured debt rating or deposit rating; or

(C) in case a public or private rating has not been assigned by Morningstar DBRS, a Morningstar DBRS Minimum Rating,

or such other rating as may from time to time comply with Morningstar DBRS' criteria;

and

(ii) with respect to Fitch, a public deposit rating or, when a deposit rating is not available, a public issuer default rating at least equal to "[A-]" or "[F1]"; or

(b) whose obligations under the Transaction Documents to which it is a party are guaranteed by a depository institution organised under the laws of any state which is a member of the European Union or the UK or of the United States of America, whose unsecured and unsubordinated debt obligations are rated by Morningstar DBRS as set out in paragraph (a)(i) above and whose public issuer default rating is at least equal to either of the thresholds set out in paragraph (a)(ii) above, provided that such guarantee has been notified in advance to the Rating Agencies and complies with the Rating Agencies' criteria.]

Eligible Investments means any senior, unsubordinated debt securities, investment, commercial paper, deposit or other instrument which is denominated in Euro and is in the form of bonds, notes, commercial papers, deposits or other financial instruments having at least the following ratings:

(a) [with respect to Morningstar DBRS: (A) as regards investments having a maturity of 30 (thirty) days or less, a short-term public or private rating at least equal to "[R-1 (low)]" in respect of short term debt or a long-term public or private rating at least equal to "[A]" in respect of long-term debt or, in the absence of a public rating by Morningstar DBRS, a Morningstar DBRS Minimum Rating at least equal to "[A]" in respect of long-term debt; (B) as regards investments having a maturity between 30 (thirty) days and 90 (ninety) days, a short-term public or private rating at least equal to "[R-1 (middle)]" in respect of short term debt or a long-term public or private rating at least equal to "[AA (low)]" in respect of long-term debt or, in the absence of a public rating by Morningstar DBRS, a Morningstar DBRS Minimum Rating at least equal to "[AA (low)]" in respect of long-term debt; or (C) such other rating as may from time to time comply with Morningstar DBRS' criteria; and

(b) with respect to Fitch, (A) as regards investments having a maturity of 30 (thirty) days or less, a public deposit rating or, when a deposit rating is not available, a public issuer default rating at least equal to "[A-]" or "[F1]"; or (B) as regards investments having a maturity between 30 (thirty) days and 90 (ninety) days, a public deposit rating or, when a deposit rating is not available, a public issuer default rating at least equal to "[AA-]" or "[F1+]",

provided that: (i) each maturity date shall fall not later than the immediately following Eligible Investments Maturity Date; (ii) any investment shall guarantee a fixed amount on account of principal at maturity not lower than the initial invested amount; and (iii) in any event, any account, deposit, instrument or fund which consists, in whole or in part, actually or potentially, of credit-linked notes, synthetic securities or similar claims resulting from the transfer of credit risk by means of credit derivatives, swaps or tranches of other asset backed securities or any other instrument from time to time specified in the ECB monetary policy regulations applicable from time to time shall be excluded.]

Eligible Investments Maturity Date means, with reference to each Eligible Investment, the date falling no later than 6 (six) Business Days prior to the Payment Date immediately following the Collection Period in respect of which the relevant Eligible Investment has been made.

Eligible Investments Report means the report named as such to be prepared and delivered by the Custodian (if any) pursuant to the Agency and Accounts Agreement.

Eligible Investments Report Date means the date falling [6 (six)] Business Days prior to each Payment Date.

EMIR means Regulation (EU) no. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (as amended, modified and/or restated from time to time) and/or any supplementing regulations, provisions or regulatory or implementing technical standards (each as amended, modified and/or restated from time to time) being effected under or in connection with Regulation (EU) no. 648/2012.

EMMI means the European Money Markets Institute.

ESMA means the European Securities and Markets Authority.

ESMA Report Date means (i) prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the date falling no later than one month after each Payment Date, provided that the first ESMA Report Date will fall in [October] 2025, or (ii) following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the date falling no later than one month after each monthly date designated as Payment Date by the Representative of the Noteholders.

ESMA STS Register means the ESMA website on which the STS Notification will be available for download (being, as at the date of this Prospectus, https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre).

EU CRA Regulation means Regulation (EC) no. 1060/2009 on credit rating agencies, as amended and/or supplemented from time to time.

EU Insolvency Regulation means Regulation (EU) no. 848 of 20 May 2015, as amended and/or supplemented from time to time.

EURIBOR has the meaning ascribed to such term in Condition 5(c) (*Interest and Variable Return - Rate of interest on the Rated Notes*).

Euro, **EUR** or **€** means the single currency introduced in the Member States of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957, as amended by, *inter alia*, the Single European Act 1986, the Treaty of the European Union of 7 February 1992 establishing the European Union and the European Council of Madrid of 16 December 1995.

Euroclear means Euroclear Bank S.A./N.V., with offices at 1 boulevard du Roi Albert II, B-1210 Brussels.

Euronext Securities Milan means Euronext Securities Milan or Monte Titoli S.p.A., with registered office at Piazza degli Affari 6, 20123 Milan, Italy, VAT code and enrolment with the companies' register of Milano - Monza Brianza - Lodi no. 03638780159.

Euronext Securities Milan Account Holders means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Euronext Securities Milan including any depository banks appointed by Euroclear and Clearstream.

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).

EU Securitisation Regulation means Regulation (EU) no. 2402 of 12 December 2017, as amended and/or supplemented from time to time.

EU STS Requirements means the requirements of articles 19 to 22 of the EU Securitisation Regulation.

EUWA means the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020).

Excess Swap Collateral means an amount equal to the value of the Swap Collateral (or the applicable part thereof) which is in excess of the Interest Rate Swap Counterparty's liability (prior to any netting in respect of the Swap Collateral) under the Swap Agreement as at the date of termination of the Swap Agreement or which it is otherwise entitled to have returned to it under the terms of the Swap Agreement.

Expenses means any documented fees, costs, expenses and Taxes required to be paid to any Connected Third Party Creditor arising in connection with the Securitisation and any other documented costs, expenses and taxes required to be paid in order to preserve the existence of the Issuer, maintain it in good standing and comply with applicable laws and regulations or, after the last Payment Date, to liquidate it.

Expenses Account means the Euro denominated account with IBAN IT05U0335101600009044163000, opened in the name of the Issuer with the Transaction Account Bank, or any other substitute account designated as such pursuant to the Agency and Accounts Agreement.

Extraordinary Resolution has meaning ascribed to such term in the Rules of the Organisation of the Noteholders.

FATCA means Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986.

FATCA Withholding means any withholding applicable under FATCA or an IGA (or any law implementing an IGA).

FCA means the Financial Conduct Authority.

FCA Due Diligence Rules means SECN 4.

FCA Handbook means the handbook of rules and guidance adopted by the FCA.

FCA Retention Rules means SECN 5.

FCA Transparency Rules means SECN 6 together with SECN 11 (including its Annexes) and SECN 12 (including its Annexes).

Final Determined Amount means, in relation to any Delinquent Receivable or Defaulted Receivable, as the case may be, the fair value of such Delinquent Receivable or Defaulted Receivable calculated as the Outstanding Principal of such Delinquent Receivable or Defaulted Receivable as at the immediately preceding Cut-Off Date, minus an amount equal to any IFRS 9 Provisioned Amount for such Delinquent Receivable or Defaulted Receivable, as the case may be.

Final Repurchase Price or **Final Sale Price** means the repurchase price or the sale price of the Aggregate Portfolio, being equal to the sum of:

(a) for the Receivables (other the Delinquent Receivables and the Defaulted Receivables), the aggregate Outstanding Principal of such Receivables as at the immediately preceding Cut-Off Date; and

(b) for the Delinquent Receivables and the Defaulted Receivables, the aggregate Final Determined Amount of such Delinquent Receivables and Defaulted Receivables as at the immediately preceding Cut-Off Date.

Financed Vehicle means any vehicle designated to be a passenger car or a commercial vehicle having a weight not exceeding 35 quintals (or such other maximum weight as from time to time applicable to light commercial vehicles) pursuant to its Italian registration certificate or any equivalent documents located in Italy which is a New Vehicle and is financed pursuant to the relevant Loan Contract.

Fitch means (i) for the purpose of identifying the Fitch Ratings' entity which has assigned the credit rating to the Rated Notes, Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*), and any successor thereto in this rating activity, and (ii) in any other case, any entity that is part of the Fitch Ratings group, which is either registered or not in accordance with the EU CRA Regulation, as evidenced in the latest update of the list published by ESMA, or any other applicable regulation.

FSMA means the Financial Services and Markets Act 2000, as amended by the Financial Services Markets Act 2023.

Further Securitisation has the meaning ascribed to it in Condition 4(o) (*Further securitisations and corporate existence*).

HCBE, Italian branch means Hyundai Capital Bank Europe GmbH, a company incorporated under the laws of Germany, having its registered office at Friedrich-Ebert-Anlage 35-37, 60327 Frankfurt am Main, Germany, acting through its Italian branch at Corso Massimo D'Azeglio 33/E, 10126 Turin, Italy, fiscal code and enrolment with the companies' register of Turin under no. 09322330961, enrolled as a "*filiale di banca estera*" under no. 8095 with the banks' register held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

IDD means Directive (EU) 2016/97.

IFRS 9 Provisioned Amount means, with respect to any Delinquent Receivable and Defaulted Receivable on any Cut-Off Date, any amount that constitutes any expected credit loss for such Delinquent Receivable or Defaulted Receivable as determined by the Seller in accordance with International Financial Reporting Standard 9 (IFRS 9) (as amended) or any such equivalent financial reporting standard promulgated by the International Accounting Standards Board in order to replace IFRS 9.

IGA means each intergovernmental agreement entered into between the United States and other relevant jurisdictions to facilitate the implementation of FATCA.

Individual Purchase Price means, in respect of each Receivable, all Principal Components of the relevant Loan falling due after the relevant Valuation Date.

Individual Receivables Repurchase Option means the option, pursuant to article 1331 of the Italian civil code, granted by the Issuer to the Seller to repurchase individual Delinquent Receivables or Defaulted Receivables pursuant to the terms and subject to the conditions set out in the Master Receivables Purchase Agreement.

Individual Receivables Repurchase Option Exercise Notice means any notice delivered by the Seller pursuant to the Master Receivables Purchase Agreement, whereby the Individual Receivables Repurchase Option is exercised.

Initial Portfolio means the initial portfolio of Receivables transferred by the Seller to the Issuer on the Initial Purchase Date.

Initial Purchase Date means, in relation to the Initial Portfolio, the date from which the transfer thereof has legal effects, being [●] 2025.

Initial Valuation Date means, in relation to the Initial Portfolio, the date from which the transfer thereof has economic effects, being [●] 2025.

Inside Information and Significant Event Report means the report containing the information set out in points (f) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation (including, *inter alia*, any material change of the Priority of Payments and the occurrence of a Sequential Payment Trigger Event, an Early Amortisation Event or an Issuer Event of Default), to be prepared and delivered by the Calculation Agent in accordance with the Agency and Accounts Agreement.

Insolvency Event means, in respect of any company (other than the Issuer), any of the following events:

(a) an application is made for the commencement of an extraordinary administration (*amministrazione straordinaria*), administrative compulsory liquidation (*liquidazione coatta amministrativa*) or any other applicable Insolvency Proceedings against it in any jurisdiction and such application has not been rejected by the relevant court nor has it been withdrawn by the relevant applicant; or

(b) it becomes subject to any extraordinary administration (*amministrazione straordinaria*), administrative compulsory liquidation (*liquidazione coatta amministrativa*) or any other applicable Insolvency Proceedings in any jurisdiction or the whole or any substantial part of its assets are subject to an attachment (*pignoramento*) or similar procedure having a similar effect; or

(c) it takes any action for a restructuring or deferment of fulfilment of any of its obligations relating to financial indebtedness or makes any out of court settlements with its creditors for the extension of fulfilment of its obligations relating to financial indebtedness or the enforcement of any guarantee given to guarantee such fulfilment; or

(d) an order is made or a resolution is passed for its winding up, liquidation or dissolution in any form; or

(e) an analogous event occurs in the relevant jurisdiction of incorporation of such company.

Insolvency Proceedings means any insolvency proceeding (including, but not limited to, *liquidazione giudiziale, concordato preventivo, domanda di accesso ad uno strumento di regolazione della crisi e dell'insolvenza con riserva di deposito di documentazione, concordato semplificato per la liquidazione del patrimonio, liquidazione controllata, concordato minore, liquidazione coatta amministrativa*, including the *liquidazione coatta amministrativa* provided under article 57, paragraph 6-*bis*, of the Consolidated Financial Act, and *amministrazione straordinaria* pursuant to Italian Legislative Decree no. 270 of 8 July 1999 or pursuant to Italian Law Decree no. 347 of 23 December 2003, as converted into law pursuant to Italian Law no. 39 of 18 February 2004), an arrangement pursuant to article 1977 of the Italian civil code (*cessione dei beni ai creditori*), a *piano attestato di risanamento* pursuant to article 56 of the Italian Insolvency Code, an *accordo di ristrutturazione dei debiti* pursuant to article 57 of the Italian Insolvency Code, an *accordo di ristrutturazione ad efficacia estesa* pursuant to article 61 of the Italian Insolvency Code, a *convenzione di moratoria* pursuant to article 62 of the Italian Insolvency Code, an *accordo di ristrutturazione agevolato* pursuant to article 60 of the Italian Insolvency Code, a *piano di ristrutturazione soggetto a omologazione* pursuant to article 64-*bis* of the Italian Insolvency Code, a *composizione negoziata per la soluzione della crisi d'impresa* pursuant to article 12 and following of the Italian Insolvency Code, an agreement as provided under article 23, paragraph 1, letter (a) and letter (c) of the Italian Insolvency Code, or any other similar proceedings or arrangements with creditors.

Instalment means each instalment due under a Loan Contract pursuant to the relevant Amortisation Plan, including a Principal Component and an Interest Component.

Insurance Companies means the insurance companies which have issued the Insurance Policies.

Insurance Policies means any insurance policy entered into by the relevant Borrower in relation to the relevant Loan Contract.

Intercreditor Agreement means the intercreditor agreement entered into on or about the Closing Date between the Issuer, the Quotaholder, the Representative of the Noteholders (acting for itself and on behalf of the Noteholders), the Other Issuer Creditors and the Reporting Entity, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

Interest Amount has the meaning ascribed to such term in Condition 5(f) (*Interest and Variable Return - Calculation of Interest Amount, Aggregate Interest Amount and Variable Return*).

Interest Collections means all amounts on account of interest, fees and prepayment penalties received by the Issuer in respect of the Receivables (other than the Defaulted Receivables).

Interest Component means, in relation to each Receivable, the interest component of each Instalment due pursuant to the relevant Loan Contract.

Interest Determination Date means the 2nd (second) TARGET Day immediately preceding the beginning of the relevant Interest Period.

Interest Period means each period from (and including) a Payment Date to (but excluding) the immediately following Payment Date, provided that the first Interest Period will commence on (and include) the Closing Date and end on (but exclude) the Payment Date falling in [September] 2025.

Interest Rate Swap Counterparty means Banco Santander or any other eligible entity acting as Interest Rate Swap Counterparty from time to time under the Securitisation.

Interest Rate Swap Counterparty Downgrade Event means the circumstance that the Interest Rate Swap Counterparty or its credit support provider pursuant to the Swap Agreement (as applicable) ceases to have the initial or subsequent rating threshold required under the Swap Agreement.

Investors Report means the report setting out certain information with respect to the Aggregate Portfolio and the Notes, to be prepared and delivered by the Calculation Agent in accordance with the Agency and Accounts Agreement.

Investors Report Date means the date falling [1 (one)] Business Day after each Payment Date.

Issuer means Fulvia SPV S.r.l., a limited liability company (*società a responsabilità limitata*) with a sole quotaholder pursuant to article 3 of the Securitisation Law incorporated under the laws of the Republic of Italy, having its registered office at Via V. Alfieri 1, 31015 Conegliano (TV), Italy, fiscal code and enrolment with the companies' register of Treviso-Belluno no. 05540920260, quota capital of Euro 10,000 fully paid-up, enrolled with the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy's regulation dated 12 December 2023 (*Disposizioni in materia di obblighi informativi e statistici delle società veicolo coinvolte in operazioni di cartolarizzazione*) under no. 48684.5, having as its sole corporate object the performance of one or more securitisation transactions pursuant to the Securitisation Law.

Issuer Creditors means, collectively, the Noteholders and the Other Issuer Creditors.

Issuer Insolvency Event means, in respect of the Issuer, any of the following events:

(a) an order is made or an effective resolution is passed for the winding up of the Issuer or any of the events under article 2484 of the Italian civil code occurs; or

(b) an Insolvency Proceeding has been instituted against the Issuer under applicable laws and such proceeding is not, in the opinion of the Representative of the Noteholders, being disputed in good faith with a reasonable prospect of success; or

(c) the Issuer takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with, or for the benefit of, its creditors (other than the Issuer Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it, or it applies for or consents to the suspension of payments or an administrator, administrative receiver, liquidator, trustee, receiver, extraordinary/judicial commissioner, independent expert or other similar official of the Issuer being appointed over or in respect of the whole or any part of the undertaking, assets and/or revenues of the

Issuer or an encumbrancer taking possession of the whole or any substantial part of the undertaking or assets of the Issuer.

Issuer Transaction Security means the security created or purported to be created pursuant to the Deed of Assignment and any other security which may be created or purported to be created pursuant to the Intercreditor Agreement.

ISP means Intesa Sanpaolo S.p.A., a bank incorporated under the laws of the Republic of Italy as a joint stock company (*società per azioni*), having its registered office is at Piazza San Carlo 156, 10121 Turin, Italy, whose secondary office is at Via Monte Pietà 8, 20121 Milan, Italy, share capital of Euro [10,368,870,930.08] fully paid-up, registration with the companies' register of Turin and fiscal code no. 00799960158, representative of the "*Gruppo IVA Intesa Sanpaolo*", VAT no. 11991500015 (IT1 1991500015), registered in the register of the banks under no. 5361 pursuant to article 13 of the Consolidated Banking Act, member of the "*Fondo Interbancario di Tutela dei Depositi*" and of the "*Fondo Nazionale di Garanzia*", parent company of the Intesa Sanpaolo Banking Group, registered with the register of the banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act.

Issuer Event of Default has the meaning ascribed to such term in Condition 10(a) (*Issuer Event of Defaults*).

Issuer Event of Default Notice means the notice described in Condition 10(b) (*Delivery of an Issuer Event of Default Notice*).

Italian Insolvency Code means the Italian Legislative Decree no. 14 of 12 January 2019 (*Codice della crisi d'impresa e dell'insolvenza*), as amended and/or supplemented from time to time.

Joint Lead Managers means, collectively, Banco Santander, ISP and UCBG.

Junior Noteholders means the Class Z Noteholders.

Junior Notes means the Class Z Notes.

Junior Notes Subscriber means HCBE, Italian branch.

Junior Notes Subscription Agreement means the subscription agreement relating to the Junior Notes entered into on or about the Closing Date between the Issuer, the Representative of the Noteholders and the Junior Notes Subscriber, as from time to time modified in accordance with the provisions thereof and including any agreement or other document expressed to be supplemental thereto.

Law 52 means Italian Law no. 52 of 21 February 1991, as amended and/or supplemented from time to time.

Legal Maturity Date means the Payment Date falling in December 2041.

Liquidity Reserve means the Liquidity Reserve established on the Liquidity Reserve Account and replenished from time to time in accordance with the provisions of the Transaction Documents.

Liquidity Reserve Account means the Euro denominated account with IBAN IT80X0338901600010413592260, opened in the name of the Issuer with the Collection and Liquidity Reserve Account Bank, or any other substitute account designated as such pursuant to the Agency and Accounts Agreement.

Liquidity Reserve Amount means, at any time, the balance of the amounts standing to the credit of the Liquidity Reserve Account (net of any interest accrued and paid thereon).

Liquidity Reserve Initial Amount means an amount equal to Euro [●].

Liquidity Reserve Required Amount means, in respect of each Payment Date, an amount equal to:

(a) during the Replenishment Period, the Liquidity Reserve Initial Amount; or

(b) during the Amortisation Period, the higher of (i) [●][11], and (ii) [1.10] per cent. of the aggregate Principal Amount Outstanding of the Senior Notes and the Mezzanine Notes as at the immediately preceding Payment Date (after making payments due on that date) (it being understood that, in respect of the first Payment Date falling in the Amortisation Period, the Liquidity Reserve Required Amount shall be equal to the Liquidity Reserve Initial Amount),

provided that, on the earlier of (i) the Legal Maturity Date, (ii) the Payment Date following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, and (iii) the Payment Date on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled, such amount will be reduced to 0 (zero).

Listing Agent means Allen Overy Shearman Sterling, Luxembourg, acting as listing agent for the Issuer in connection with the Rated Notes.

Loan Contracts means the loan contracts entered into between the Seller and the Borrowers, under which the Seller has granted the Loans to the relevant Borrowers, including, for the avoidance of doubt, the Standard Loan Contracts and the Balloon Loan Contracts.

Loan by Loan Report means the report setting out information relating to each Loan as at the end of the Collection Period immediately preceding the relevant ESMA Report Date (including, *inter alia*, the information related to the environmental performance of the assets financed by the relevant Loan, if available), in compliance with point (a) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and the applicable Technical Standards, to be prepared and delivered by the Servicer in accordance with the Servicing Agreement.

Loans means the loans granted by the Seller to the relevant Borrowers for the purpose of purchasing Financed Vehicles (including, for the avoidance of doubt, the Balloon Loans).

Luxembourg Stock Exchange means the Luxembourg stock exchange.

Master Receivables Purchase Agreement means the master receivables purchase agreement entered into on [●] 2025 between the Seller and the Issuer, as from time to time modified in accordance with the provisions thereof and including any agreement or other document expressed to be supplemental thereto.

Meeting means a meeting of Noteholders duly convened (whether originally convened or resumed following an adjournment) and held in accordance with the provisions contained in the Rules of the Organisation of the Noteholders.

M&G Trustee Company Limited means a company incorporated under the laws of England and Wales, having its registered office at 10 Fenchurch Avenue, London, EC3M 5AG, United Kingdom, enrolled with the Trade Register of the Chamber of Commerce of England and Wales under number 01863305.

Mezzanine Interest Subordination Events means the Class B Interest Subordination Event, the Class C Interest Subordination Event and/or the Class D Interest Subordination Event, as the context may require.

Mezzanine Noteholders means, collectively, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders.

[11] Calculated as [0.25] per cent. of the aggregate principal amount of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes upon issuance.

Mezzanine Notes means, collectively, the Class B Notes, the Class C Notes and the Class D Notes.

MiFID II means Directive 2014/65/EU, as amended and/or supplemented from time to time.

Moody's means Moody's Investors Service or any other entity that is part of the Moody's group.

Moratoria means any moratoria and/or suspension of payments due in respect of loans deriving from (i) any laws or regulations, (ii) any agreements, convention or similar arrangement entered into between business associations and/or institutions, (iii) any initiative launched by HCBE, Italian branch in favour of its clients, or (iv) any measures, recommendation or other act of any competent regulatory or supervisory authority, including without limitation the EBA.

Morningstar DBRS means (i) for the purpose of identifying the Morningstar DBRS entity which has assigned the credit rating to the Rated Notes, DBRS Ratings GmbH and any successor thereto in this rating activity, and (ii) in any other case, any entity that is part of Morningstar DBRS, which is either registered or not in accordance with the EU CRA Regulation, as it appears from the last available list published by ESMA on its website, or any other applicable regulation.

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

Morningstar 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

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

Most Senior Class of Notes means (i) until redemption in full of the Class A Notes, the Class A Notes; or (ii) following redemption in full of the Class A Notes, the Class B Notes; or (iii) following redemption in full of the Class B Notes, the Class C Notes; or (iv) following redemption in full of the Class C Notes, the Class D Notes; or (v) following redemption in full of the Class D Notes, the Class E Notes; or (vi) following redemption in full of the Class E Notes, the Class Z Notes.

New Vehicles means passenger cars or commercial vehicles having a weight not exceeding 35 quintals (or such other maximum weight as from time to time applicable to light commercial vehicles) registered in Italy within 12 (twelve) months prior to the date of execution of the relevant Loan Contract.

Noteholders means, collectively, the Rated Noteholders and the Junior Noteholders.

Notes means, collectively, the Rated Notes and the Junior Notes.

Offer Date means, during the Replenishment Period and in relation to each Additional Portfolio, a date falling no later than the 10th Business Day of each Collection Period.

Official Gazzette means the Gazzetta Ufficiale della Repubblica Italiana.

OPS means an occupational pension scheme as defined in section 1(1) of the Pension Schemes Act 1993 that has its main administration in the United Kingdom.

OPS Due Diligence Rules means regulations 32B, 32C and 32D of the 2024 UK SR SI.

Ordinary Resolution has the meaning ascribed to such term in the Rules of the Organisation of the Noteholders.

Organisation of the Noteholders means the association of the Noteholders, organised pursuant to the Rules of the Organisation of the Noteholders.

Other Issuer Creditors means the Seller, the Servicer, the Back-up Servicer Facilitator, the Representative of the Noteholders, the Calculation Agent, the Corporate Servicer, the Stichting Corporate Services Provider, the Account Banks, the Custodian (if any), the Paying Agent, the RSF Reserve Depositor, the Interest Rate Swap Counterparty and any other entity which may accede to the Intercreditor Agreement from time to time.

Other Rights means any other right, claim and action (including any legal proceeding for the recovery of suffered damages), substantial and procedural action and defence inherent or otherwise ancillary to the aforesaid rights and claims and their exercise in accordance with the Loan Contracts and/or pursuant to the applicable laws and regulations, including, without limitation, the right to terminate the relevant Loan Contract due to a default (*risoluzione per inadempimento*) and the right to declare any amount under the relevant Loan Contract immediately due and payable (*decadenza dal beneficio del termine*).

Outstanding Balance means, with reference to any given date and in relation to any Receivable, the aggregate of (i) the Outstanding Principal of such Receivable, (ii) any interest, fee, expense and other amount due but unpaid thereon, and (iii) any interest accrued but not yet due thereon, as at such date.

Outstanding Principal means, with reference to any given date and in relation to any Receivable, the aggregate of (i) all Principal Components falling due after that date pursuant to the relevant Loan Contract, and (ii) all Principal Components due but unpaid as at that date.

Paying Agent means BNY, Milan branch or any other entity, being an Eligible Institution, acting as paying agent from time to time under the Securitisation.

Payment Date means (i) prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, the 23rd calendar day of March, June, September and December of each year (or, if such day is not a Business Day, the immediately following Business Day), provided that the first Payment Date will fall on 23 September 2025; or (ii) following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event, any such Business Day as determined by the Representative of the Noteholders on which payments are to be made under the Securitisation.

Payments Account means the Euro denominated account with IBAN IT45N0335101600009044161000, opened in the name of the Issuer with the Transaction Account Bank, or any other substitute account designated as such pursuant to the Agency and Accounts Agreement.

Payments Report means the report named as such to be prepared and delivered by the Calculation Agent pursuant to the Agency and Accounts Agreement.

PCS means Prime Collateralised Securities (PCS) EU SAS.

Permitted Renegotiations means any of the following amendments to the Loan Contracts which the Servicer will be authorised to agree or make, provided that the same are made in accordance with and subject to the Servicing Agreement:

(a) without prejudice to letter (d) below, a modification of the due date of an Instalment under the relevant Loan Contract such that the modified due date falls within the same calendar month;

(b) any amendment which is of a formal, minor or technical nature or aimed at correcting a manifest error;

(c) any amendment required by law or to reflect any guidance or pronouncement issued by any competent administrative, regulatory or judicial public authority or conventions or arrangements of institutional or trade associations;

(d) with reference to the Balloon Loans which are classified as TCM (*Trade Cycle Management*) loans under the relevant Balloon Loan Contract, any extension of the relevant loan granted by the Seller upon the Borrower's request by dividing the payment of the relevant Balloon Instalment into several additional instalments, provided that (i) the maturity date of the relevant Balloon Loans, after such extension, does not exceed 120 (one hundred and twenty) months from the date of signing of the relevant Balloon Loan Contract, and (ii) the interest rate of the extended Balloon Instalment is at least equal to [7.95] per cent. per annum; and

(e) in relation to any Delinquent Receivables or Defaulted Receivables, any restructuring, refinancing or deferral (*accodamento*) in accordance with the Credit and Collection Policies.

Portfolio means the Initial Portfolio or any Additional Portfolio, as the case may be.

Post-Enforcement Priority of Payments means the order of priority pursuant to which the Available Distribution Amounts shall be applied, in accordance with Condition 3(c) (*Post-Enforcement Priority of Payments*), following the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or in case of redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*).

PRA means the Prudential Regulation Authority.

PRA Due Diligence Rules means Article 5 of Chapter 2 of the PRA Securitisation Rules.

PRA Retention Rules means Article 6 of Chapter 2 together with Chapter 4 of the PRA Securitisation Rules.

PRA Rulebook means the rulebook of published policy of the PRA.

PRA Securitisation Rules means the Securitisation Part of the PRA Rulebook.

PRA Transparency Rules means Article 7 of Chapter 2, together with Chapter 5 (including its Annexes) and Chapter 6 of the PRA Securitisation Rules (including its Annexes).

Pre-Enforcement Interest Priority of Payments means the order of priority pursuant to which the Available Interest Amounts shall be applied, in accordance with Condition 3(a) (*Pre-Enforcement Interest Priority of Payments*), prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption Clean-up Call Event*).

Pre-Enforcement Principal Priority of Payments means the order of priority pursuant to which the Available Principal Amounts shall be applied, in accordance with Condition 3(b) (*Pre-Enforcement Principal Priority of Payments*), prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption Clean-up Call Event*).

PRIIPs Regulation means Regulation (EU) no. 1286/2014, as amended and/or supplemented from time to time.

Principal Addition Amounts means, in respect of each Payment Date prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption Clean-up Call Event*), the Available Principal Amounts (to the extent available) equal to the lesser of:

(a) the Available Principal Amounts available for application pursuant to item (i) (*first*) of the Pre-Enforcement Principal Priority of Payments on such Payment Date; and

(b) the amount of the relevant Senior Expenses Deficit.

Principal Amount Outstanding means, with reference to any given date and in relation to any Note, the principal amount thereof upon issue, less the aggregate amount of all repayments of principal that have been made in respect of that Note prior to such date.

Principal Collections means all amounts on account of principal received in respect of the Receivables (other than the Defaulted Receivables).

Principal Component means, in relation to each Receivable, the principal component of each Instalment due pursuant to the relevant Loan Contract (including fees, costs, expenses and insurance premia).

Principal Deficiency Ledger means the principal deficiency ledger comprising the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger and the Class D Principal Deficiency Sub-Ledger maintained by the Calculation Agent on behalf of the Issuer pursuant to the Agency and Accounts Agreement.

Principal Deficiency Sub-Ledger means any of the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger, the Class D Principal Deficiency Sub-Ledger, as the case may be.

Priority of Payments means, as the case may be, the Pre-Enforcement Interest Priority of Payments, the Pre-Enforcement Principal Priority of Payments or the Post-Enforcement Priority of Payments.

Privacy Rules means, collectively, the regulation issued by the Italian Privacy Authority (*Autorità Garante per la Protezione dei Dati Personali*) on 18 January 2007, the Regulation (EU) no. 679 of 27 April 2016 and the subsequent implementing national measures.

Pro-Rata Principal Payment Amount means, in relation to each Class of Senior Notes and Mezzanine Notes and in respect of each Payment Date during the Pro-Rata Redemption Period, the amount determined on the immediately preceding Calculation Date as:

(a) the Available Principal Amounts available for distribution on such Payment Date following payment of item (*first*) of the Pre-Enforcement Principal Priority of Payments; multiplied by

(b) a ratio between (i) and (ii) where:

  (i) means the Principal Amount Outstanding of the relevant Class of Senior Notes and Mezzanine Notes; and

  (ii) means the aggregate Principal Amount Outstanding of all Classes of Senior Notes and Mezzanine Notes.

Pro-Rata Redemption Amount means the Class A1 Pro-Rata Redemption Amount, the Class A2 Pro-Rata Redemption Amount, the Class B Pro-Rata Redemption Amount, the Class C Pro-Rata Redemption Amount, the Class D Pro-Rata Redemption Amount, as the case may be.

Pro-Rata Redemption Period means the period starting from (and including) the first Payment Date falling in the Amortisation Period (unless a Sequential Payment Trigger Event has occurred) and ending on the earlier of (i) the Payment Date (included) on which the Senior Notes and the Mezzanine Notes will be redeemed in full and/or cancelled, and (ii) the date (excluded) on which a Sequential Payment Trigger Event occurs, provided that, for the avoidance of doubt, the Pro-Rata Redemption Period shall not start if a Sequential Payment Trigger Event has already occurred during the Replenishment Period.

Prospectus means this prospectus relating to the issuance of the Notes.

Prospectus Regulation means Regulation (EU) 2017/1129, as amended and/or supplemented from time to time.

Purchase Date means (i) in relation to the Initial Portfolio, the Initial Purchase Date; or (ii) in relation to any Additional Portfolio, the relevant Subsequent Purchase Date.

Purchase Price means the purchase price for each Portfolio, being equal to the aggregate of all the Individual Purchase Prices of the Receivables comprised in the relevant Portfolio.

Purchase Shortfall Amount means, in respect of any Payment Date during the Replenishment Period, the excess (if any) of the Replenishment Available Amount over the Purchase Price for the Additional Portfolio transferred to the Issuer on the immediately preceding Subsequent Purchase Date.

Purchase Shortfall Event means the circumstance that, on any Cut-Off Date during the Replenishment Period, the amount standing to the Collection Account as Purchase Shortfall Amount is higher than 10 per cent. of the aggregate principal amount of the Senior Notes and the Mezzanine Notes upon issue.

Quota Capital Account means the Euro denominated account with IBAN IT15P0326661620000014130223, opened in the name of the Issuer with Banca Finint.

Quotaholder means Stichting San Siro, a Dutch law foundation (*stichting*) incorporated under the laws of The Netherlands, having its registered office at Locatellikade 1, 1076AZ Amsterdam, The Netherlands, with Italian fiscal code no. 91055210263, and enrolled with the Chamber of Commerce of The Netherlands under no. 95388966.

Quotaholder's Agreement means the quotaholder's agreement entered into on or about the Closing Date between the Quotaholder, the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions thereof contained and including any agreement or other document expressed to be supplemental thereto.

Rate Determination Agent has the meaning ascribed to such term in Condition 5(d)(ii) (*Interest and Variable Return - Fallback provisions*).

Rated Noteholders means, collectively, the Class A Noteholders, the Mezzanine Noteholders and the Class E Noteholders.

Rated Notes means, collectively, the Class A Notes, the Mezzanine Notes and the Class E Notes.

Rated Notes Subscription Agreement means the subscription agreement relating to the Rated Notes entered into on or about the Closing Date between the Issuer, the Representative of the Noteholders, the Arranger, the

Joint Lead Managers and the Seller, as from time to time modified in accordance with the provisions thereof and including any agreement or other document expressed to be supplemental thereto.

Rating Agencies means, collectively, DBRS Ratings GmbH and Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*).

Receivables means all rights and claims of the Issuer arising out of or in connection with the Loan Contracts, including without limitation:

(a) all rights and claims in respect of the repayment of the Outstanding Principal;

(b) all rights and claims in respect of the payment of interest (including default interest) accruing on the Loans from the relevant Valuation Date ([excluded]);

(c) all rights and claims in respect of payments of any amount deriving from damages suffered, costs, expenses (including collection costs and expenses), Taxes and ancillary amounts due pursuant to the Loan Contracts;

(d) all rights and claims in respect of any Collateral Security relating to the relevant Loan Contract; and

(e) in respect of those Balloon Loans which are classified as TCM (*Trade Cycle Management*) loans under the relevant Balloon Loan Contract, all rights and claims towards the relevant Financed Vehicle Dealer and Financed Vehicle Manufacturer for the payment of the Balloon Instalments upon exercise of the relevant contractual option by the Debtor pursuant to the relevant Balloon Loan Contracts,

together with all privileges and priority rights (*diritti di prelazione*) provided for by law relating to Receivables, as well as, to the maximum extent and within the limits permitted by law, the Other Rights.

Recoveries means all amounts received or recovered by the Issuer in respect of the Defaulted Receivables.

Reference Rate has the meaning ascribed to such term in Condition 5(c) (*Interest and Variable Return - Rate of interest on the Rated Notes*).

Regulation S has the meaning ascribed to such term in the Securities Act.

Regulatory Change Allocated Principal Amount means, with respect to any Regulatory Change Early Redemption Date:

(a) the Available Principal Amounts (including, for the avoidance of doubt, the amounts set out in item (e) of the relevant definition) available to be applied in accordance with the Pre-Enforcement Principal Priority of Payments on such date; minus

(b) all amounts of Available Principal Amounts to be applied pursuant to items (i) (*first*) to (iv) (*fourth*) (inclusive) of the Pre-Enforcement Principal Priority of Payments on such Regulatory Change Early Redemption Date.

Regulatory Change Early Redemption Date has the meaning given to such term in Condition 6(f) (*Early redemption for Regulatory Change Event*).

Regulatory Change Early Redemption Notice means the notice delivered by the Issuer following the occurrence of a Regulatory Change Event, in accordance with Condition 6(f) (*Early redemption for Regulatory Change Event*).

Regulatory Change Event has the meaning given to such term in Condition 6(f) (*Early redemption for Regulatory Change Event*).

Regulatory Change Order of Allocation means the order of allocation pursuant to which the Regulatory Change Allocated Principal Amount shall be applied, in accordance with Condition 6(f) (*Regulatory Change Order of Allocation*) on the Regulatory Change Early Redemption Date.

Reporting Entity means the Issuer or any other eligible person acting as reporting entity pursuant to article 7(2) of the EU Securitisation Regulation from time to time under the Securitisation as notified by the Issuer to the investors in the Notes.

Replacement Servicer means any Replacement Servicer appointed by the Issuer in accordance with the provisions of the Servicing Agreement.

Replacement Servicing Costs means the fees to be paid to the Replacement Servicer and any costs, expenses, amounts in respect of taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business) and other amounts due and payable to any Replacement Servicer (including any expenses, costs and fees incurred in connection with the replacement of the Servicer with the Replacement Servicer).

Replacement Swap Premium means an amount received by the Issuer from a replacement Interest Rate Swap Counterparty upon entry by the Issuer into an agreement with such replacement Interest Rate Swap Counterparty to replace the outgoing Interest Rate Swap Counterparty, which shall be applied by the Issuer in accordance with the Agency and Accounts Agreement.

Replenishment Available Amount means, in respect of each Payment Date during the Replenishment Period, the amount by which the aggregate principal amount of the Senior Notes and the Mezzanine Notes upon issue exceeds the aggregate Principal Amount Outstanding of the Senior Notes and the Mezzanine Notes as at the Cut-Off Date immediately preceding such Payment Date.

Replenishment Period means the period commencing on the Closing Date and ending on the earlier of:

(a) the Payment Date falling in [December 2025] (included); and

(b) the date on which an Early Amortisation Event occurs (excluded).

Representative of the Noteholders means Banca Finint or any other person acting as representative of the Noteholders from time to time under the Securitisation.

Repurchase Undue Amount means, in relation to any Delinquent Receivables or Defaulted Receivables repurchased by the Seller under the Individual Receivables Repurchase Option whose repurchase price paid by the Seller to the Issuer proves thereafter to be greater than the actual Final Determined Amount, an amount equal to the positive difference between (i) such paid repurchase price, and (ii) such actual Final Determined Amount.

Required RSF Reserve Amount means, as of any date of determination:

(a) prior to the occurrence of a RSF Trigger Event, 0 (zero); and

(b) following the occurrence of a RSF Trigger Event, as of any date of determination, the higher of (x) an amount equal to the product of (i) [1]%, (ii) the remaining weighted average life of the Receivables, assuming a 0.0% CPR and a 0.0% CDR, and (iii) the then Outstanding Principal of the Aggregate Portfolio and (y) Euro [250,000].

Required RSF Reserve Shortfall Amount means an amount equal to the difference between the Replacement Servicing Costs to be paid and reimbursed to the Replacement Servicer upon termination of the appointment of the Servicer pursuant to the Servicing Agreement and the then current Required RSF Reserve Amount.

Retained Expenses Amount means (i) in respect of the Closing Date and each Payment Date (other than the last Payment Date), an amount equal to Euro 50,000; or (ii) on the last Payment Date, the amount to be determined by the Corporate Servicer as necessary to pay any known Expenses not yet paid and any Expenses falling due after such Payment Date.

Risk Retention U.S. Persons means "U.S. persons" as defined in the U.S. Risk Retention Rules.

RSF Reserve means the reserve established on the RSF Reserve Account following the occurrence of a RSF Trigger Eventand replenished from time to time in accordance with the provisions of the Transaction Documents.

RSF Reserve Account means the Euro denominated account to be established in the name of the Issuer with the Transaction Account Bank following the occurrence of a RSF Trigger Event, or such other substitute account as may be opened with any other Eligible Institution, in accordance with the Agency and Accounts Agreement.

RSF Reserve Depositor means Santander Consumer Finance or any other entity acting as replacement servicer fee reserve depositor from time to time under the Securitisation.

RSF Reserve Deposit Amount means the amount to be deposited from time to time by the RSF Reserve Depositor into the RSF Reserve Account in accordance with the Intercreditor Agreement.

RSF Reserve Funding Failure means the circumstance that the RSF Reserve Depositor fails to fund the RSF Reserve in accordance with the Intercreditor Agreement.

RSF Trigger Event means the earliest to occur of:

(a) Santander Consumer Finance ceasing to have the Servicer Required Rating; or

(b) Santander Consumer Finance ceasing to own, directly or indirectly, at least 50 per cent. of the share capital of Santander Consumer Bank AG;

(c) Santander Consumer Bank AG ceasing to own, directly or indirectly, at least 50 per cent. of the share capital of the Seller; or

(d) a Servicer Termination Event occurring,

unless, in each case of (a), (b) and (c) above, the Seller has a rating at least equal to the Servicer Required Rating.

RSF Reserve Initial Funding Date means the date on which the initial funding of the RSF Reserve Account is made by the RSF Reserve Depositor following the occurrence of a RSF Trigger Event pursuant to the Intercreditor Agreement.

RSF Reserve Shortfall Amount means, at any given date, the difference (if positive) between (i) the amount of Replacement Servicing Costs due to the Replacement Servicer, and (ii) the balance then standing to the credit of the RSF Reserve Account.

Rules of the Organisation of the Noteholders or **Rules** means the rules of the Organisation of Noteholders attached as schedule 1 to the Conditions.

Santander Consumer Finance means Santander Consumer Finance S.A., a banking entity incorporated under the laws of Spain, registered with the Banco de España (Bank of Spain) under no. 8236, having its registered offices at Boadilla del Monte, 28660 Madrid, Spain and Tax Identification Code A-28122570.

SECN means the securitisation sourcebook of the FCA Handbook.

Securities Account means the account named as such that may be opened in the name of the Issuer with the Custodian, or any other substitute account designated as such pursuant to the Agency and Accounts Agreement.

Securities Act means the U.S. Securities Act of 1933, as amended and/or supplemented from time to time.

Securitisation means the securitisation of the Receivables made by the Issuer pursuant to the Securitisation Law through the issuance of the Notes.

Securitisation Assets means the Aggregate Portfolio, the Collections, the Eligible Investments and any other rights arising in favour of the Issuer under the Transaction Documents and, more generally, in respect of the Securitisation.

Securitisation Law means Italian Law no. 130 of 30 April 1999, as amended and/or supplemented from time to time.

Securitisation Repository means the website of European DataWarehouse (being, as at the date of this Prospectus, www.eurodw.eu) or any other securitisation repository registered pursuant to article 10 of the EU Securitisation Regulation as notified by the Issuer to the investors in the Notes.

Seller means HCBE, Italian branch.

Seller Regulatory Loan means a loan that, following the occurrence of a Regulatory Change Event, the Seller may elect to advance to the Issuer in accordance with the Intercreditor Agreement, for an amount equal to the Seller Regulatory Loan Disbursement Amount, to be applied by the Issuer in order to redeem the Mezzanine Notes (in whole but not in part) and, to the extent there ae sufficient funds to redeem also the Class E Notes (in whole but not in part) after the Issuer having redeemed the Mezzanine Notes (in whole but not in part), also the Class E Notes in accordance with Condition 6(f) (*Early redemption for Regulatory Change Event*), which satisfies the Seller Regulatory Loan Conditions.

Seller Regulatory Loan Conditions means the following conditions which shall apply to a Seller Regulatory Loan:

(a) the Seller Regulatory Loan shall be advanced on equivalent economic terms, and to achieve the same economic effect, as the Transaction Documents;

(b) the Seller Regulatory Loan shall not have a material adverse effect on the Senior Notes; and

(c) the Seller Regulatory Loan shall comply in all respects with the applicable requirements under the EU Securitisation Regulation and the CRR.

Seller Regulatory Loan Disbursement Amount means the amount calculated on the Calculation Date immediately preceding the Regulatory Change Early Redemption Date that is equal to:

(a) the aggregate of (i) the Outstanding Principal, as at the end of the immediately preceding Collection Period, of the Receivables comprised in the Aggregate Portfolio (other than the Delinquent Receivables and the Defaulted Receivables); and (ii) the Final Determined Amount, as at the end of the immediately preceding Collection Period, of the Defaulted Receivables and the Delinquent Receivables comprised in the Aggregate Portfolio; plus

(b) the balance of the Liquidity Reserve Account as at such Calculation Date; minus

(c) the Principal Amount Outstanding of the Class A Notes (after making payments due under the Pre-Enforcement Principal Priority of Payments on the Regulatory Change Early Redemption Date).

Seller Termination Event means any of the following events:

(a) the Seller fails to make a payment due under the Master Receivables Purchase Agreement or the Warranty and Indemnity Agreement within 5 (five) Business Days after its due date or, in the event no due date has been determined, within 5 (five) Business Days after the demand for payment; or

(b) the Seller fails to perform its obligations (other than those referred to in item (a) above) in any respect which is material for the interests of the Noteholders under the Master Receivables Purchase Agreement or the Warranty and Indemnity Agreement within 5 (five) Business Days after its due date or, in the event no due date has been determined, within 5 (five) Business Days after the demand for performance; or

(c) any of the representations and warranties made by the Seller with respect to or under the Master Receivables Purchase Agreement or the Warranty and Indemnity Agreement or information transmitted is materially false or incorrect, unless such falseness or incorrectness, insofar as it relates to Receivables or the Loan Contracts, has been remedied by the 10th (tenth) Business Day after the Seller has become aware that such representations or warranties were false or incorrect; or

(d) an Insolvency Event occurs in respect of the Seller and the Seller fails to remedy such status within 5 (five) Business Days; or

(e) the banking licence of the Seller is revoked, restricted or made subject to any conditions or any of the proceedings referred to in or any action under Section 45 to 48t of the German Banking Act (*Gesetz über das Kreditwesen*) have been taken with respect to the Seller, or any measures under the German Recovery and Resolution Act (*Sanierungs-und Abwicklungsgesetz*) or under or in connection with the SRM Regulation have been taken with respect to the Seller; or

(f) the Seller fails to perform any material obligation under the Loan Contracts; or

(g) a material adverse change in the business or financial conditions of the Seller has occurred which materially affects its ability to perform its obligations under the Master Receivables Purchase Agreement or the Warranty and Indemnity Agreement.

Senior Expenses Deficit means, on any Calculation Date with reference to the immediately following Payment Date prior to the delivery of an Issuer Event of Default Notice or the occurrence of an Issuer Insolvency Event or the redemption of the Notes in accordance with Condition 6(a) (*Final redemption*), Condition 6(d) (*Early redemption for Tax Event*) or Condition 6(e) (*Early redemption for Clean-up Call Event*), an amount, as determined by the Calculation Agent, equal to any shortfall in the Available Interest Amounts (excluding item (h) of the relevant definition) to make payments under items (i) (*first*) to (viii) (*eighth*) (inclusive) of the Pre-Enforcement Interest Priority of Payments.

Senior Notes means the Class A Notes.

Sequential Payment Trigger Event has the meaning ascribed to such term in Condition 6(c) (*Mandatory redemption*).

Sequential Redemption Period means the period starting from (and including) the date on which a Sequential Payment Trigger Event occurs and ending on (and including) the Payment Date on which the Notes will be redeemed in full and/or cancelled.

Servicing Agreement means the servicing agreement entered into on [●] 2025 between the Issuer and the Servicer, as from time to time further modified in accordance with the provisions thereof and including any agreement or other document expressed to be supplemental thereto.

Servicer means HCBE, Italian branch or any other entity acting as servicer from time to time under the Securitisation.

Servicer Termination Event means any of the events listed under clause 8 of the Servicing Agreement.

Servicer Termination Notice means any notice sent following the occurrence of a Servicer Termination Event pursuant to clause 8 of the Servicing Agreement.

Servicer Required Rating means, with respect to the Servicer or any other relevant entity belonging to the Santander group (to the extent the relevant debt obligations are rated by Fitch and Morningstar DBRS) and Santander Consumer Finance, the circumstance that:

(a) the short-term unsecured, unsubordinated and unguaranteed debt obligations of such entity are assigned a rating of at least "F2" (or its replacement) by Fitch or the long-term unsecured, unsubordinated and unguaranteed debt obligations of such entity are assigned a rating of at least "[BBB]" (or its replacement) by Fitch; and

(b) the long-term unsecured, unsubordinated and unguaranteed debt obligations of such entity are assigned a rating of at least "[BBB]" (or its replacement) by Morningstar DBRS,

and, in each case, such rating has not been withdrawn.

Servicer's Report means the report named as such to be prepared and delivered by the Servicer pursuant to the Servicing Agreement.

Servicer's Report Date means the [●][12] calendar day following each Cut-Off Date (or, if such day is not a Business Day, the immediately following Business Day), provided that the first Servicer's Report Date will fall on [● September] 2025.

S&P means any relevant entity of S&P Global Ratings' group.

Solvency II Regulation means Regulation (EU) no. 35/2015, as amended, supplemented and/or replaced from time to time.

Specified Event means, with respect to the rights of the Issuer under a Transaction Document, the combination of:

(a) the Issuer's failure to exercise or enforce any of the rights, entitlements or remedies, to exercise any authorities or powers, to give any direction or make any determination which may be available to the Issuer under such Transaction Document; and

(b) the expiry of 15 (fifteen) Business Days after the date on which the Representative of the Noteholders shall have given notice to the Issuer requiring the Issuer to exercise or enforce any such rights, entitlements or remedies, to exercise any such authorities or powers, to give any such direction or to make any such determination.

SR Investors Report means the report setting out certain information with respect to the Aggregate Portfolio and the Notes (including the information referred to in point (e), items (i), (ii) and (iii), of the first sub-

[12] To fall at least 5 BDs prior to the Calculation Date.

paragraph of article 7(1) of the EU Securitisation Regulation), to be prepared and delivered by the Calculation Agent in accordance with the Agency and Accounts Agreement.

Standard Loan Contracts means the loan contracts entered into between the Seller and the Borrowers, under which the Seller has granted the Loans (other than the Balloon Loans) to the relevant Borrowers.

Stichting Corporate Services Agreement means the stichting corporate services agreement entered into on or about the Closing Date between the Issuer, the Quotaholder and the Stichting Corporate Services Provider, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

Stichting Corporate Services Provider means M&G Trustee Company Limited or any other entity acting as stichting corporate services provider from time to time under the Securitisation.

STS means simple, transparent and standardised within the meaning of article 18 of the EU Securitisation Regulation.

STS Assessments means, collectively, the STS Verification and the CRR Assessment.

STS Notification means the notification to be sent by the Seller on or about the Closing Date in respect of the Securitisation for the inclusion in the ESMA STS Register.

STS-securitisation means a simple, transparent and standardised securitisation established and structured in accordance with the requirements of the EU Securitisation Regulation.

STS Verification means the assessment of the compliance of the Notes with the requirements of articles 19 to 22 of the EU Securitisation Regulation carried out by PCS.

Subordinated Swap Amounts means any termination amount payable by the Issuer to the Interest Rate Swap Counterparty under the Swap Agreement as a result of either (i) an Event of Default (as defined in the Swap Agreement) where the Interest Rate Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement); or (ii) an Additional Termination Event (as defined in the Swap Agreement) which occurs as a result of the failure by the Interest Rate Swap Counterparty to comply with the requirements of a rating downgrade provision set out under the Swap Agreement.

Subscription Agreements means, collectively, the Rated Notes Subscription Agreement and the Junior Notes Subscription Agreement.

Subsequent Purchase Date means, during the Replenishment Period, the date of acceptance of the relevant Additional Portfolio Transfer Proposal by the Issuer, provided that the purchase date of each Additional Portfolio shall not fall after 1 (one) month following the relevant Subsequent Valuation Date.

Subsequent Valuation Date means, during the Replenishment Period, the date indicated as such in the relevant Transfer Agreement.

Swap Agreement means the swap agreement entered into on or about the Closing Date between the Issuer and the Interest Rate Swap Counterparty in the form of an International Swaps and Derivatives Association 2002 Master Agreement, together with the relevant Schedule, Credit Support Annex and confirmations thereunder, as from time to time modified in accordance with the provisions thereof and including any agreement or other document expressed to be supplemental thereto.

Swap Cash Collateral Account means the Euro denominated account with IBAN IT31S0335101600009044162000, opened in the name of the Issuer with the Transaction Account Bank, or any other substitute account designated as such pursuant to the Agency and Accounts Agreement.

Swap Collateral means an amount equal to the value of the collateral (or the applicable part of any collateral) provided by the Interest Rate Swap Counterparty to the Issuer in respect of the Interest Rate Swap Counterparty's obligations to transfer collateral to the Issuer under the Swap Agreement, which, for the avoidance of doubt, shall include any amount of interest credited to the Swap Cash Collateral Account.

Swap Tax Credit means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Interest Rate Swap Counterparty to the Issuer, the amounts of which shall be applied by the Issuer in accordance with the Agency and Accounts Agreement.

TARGET Day means any day on which the real time gross settlement system operated by the Eurosystem (T2), or any successor thereto, is open for the settlements of payments in Euro.

Tax means 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 sub-division thereof or any authority thereof or therein.

Tax Event has the meaning ascribed to such term in Condition 6(d) (*Early redemption for Tax Event*).

Tax Early Redemption Notice means the notice delivered by the Issuer following the occurrence of a Tax Event, in accordance with Condition 6(d) (*Early redemption for Tax Event*).

Technical Standards means the regulatory and implementing technical standards issued by EBA or ESMA, as the case may be, pursuant to the EU Securitisation Regulation.

Termination Event means any of the events listed under clause 13.2(a) of the Agency and Accounts Agreement.

Transaction Account Bank means BNY, Milan branch or any other entity, being an Eligible Institution, acting as transaction account bank from time to time under the Securitisation.

Transaction Documents means the Master Receivables Purchase Agreement, each Transfer Agreement, the Servicing Agreement, the Warranty and Indemnity Agreement, the Corporate Services Agreement, the Intercreditor Agreement, the Agency and Accounts Agreement, the Quotaholder's Agreement, the Stichting Corporate Services Agreement, the Subscription Agreements, the Swap Agreement, the Deed of Assignment and any other agreement, deed or documents which may be entered into by the Issuer under the Securitisation from time to time.

Transaction Party means any party to the Transaction Documents (other than the Issuer).

Transfer Agreement means each transfer agreement executed by the Issuer and the Seller in connection with the purchase of each Additional Portfolio in accordance with the provisions of the Master Receivables Purchase Agreement.

UCBG means UniCredit Bank GmbH, a bank incorporated under the laws of the Federal Republic of Germany as a limited liability company (*Gesellschaft mit beschränkter Haftung*), registered with the commercial register administered by the Local Court of Munich at no. HR B 289472, belonging to the "*Gruppo Bancario UniCredit*" and having its head office at Arabellastraße 12, D-81925 Munich, Federal Republic of Germany .

UK means the United Kingdom.

UK CRA Regulation means Regulation (EC) no. 1060/2009 on credit rating agencies, as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

UK Due Diligence Rules means, collectively, the PRA Due Diligence Rules, the FCA Due Diligence Rules and the OPS Due Diligence Rules.

UK PRIIPs Regulation means Regulation (EU) no. 1286/2014 as it forms part of domestic law by virtue of the EUWA.

UK Retention Rules means, collectively, the PRA Retention Rules and the FCA Retention Rules.

UK Prospectus Regulation means Regulation (EU) no. 2017/1129 as it forms part of domestic law by virtue of the EUWA.

UK Securitisation Framework means the 2024 UK SR SI, SECN and the PRA Securitisation Rules, together with the relevant provisions of the FSMA.

UK Transparency Rules means, collectively, the PRA Transparency Rules and the FCA Transparency Rules.

U.S. Risk Retention Rules means the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended.

Usury Law means Italian Law no. 108 of 7 March 1996, as from time to time amended and/or supplemented, and the relevant implementing regulations.

Valuation Date means (i) in respect of the Initial Portfolio, the Initial Valuation Date, and (ii) in respect of each Additional Portfolio, the relevant Subsequent Valuation Date.

VAT means the Italian value added tax (*IVA*) provided for in Italian Presidential Decree no. 633 of 26 October 1972, as amended, supplemented and/or replaced from time to time, and any law or regulation supplemental thereto.

Variable Return means, on each Payment Date, the variable return payable on the Class Z Notes, which will be equal to any Available Distribution Amounts remaining after making payments under items (i) (*first*) to (xxii) (*twenty-second*) (inclusive) of the Pre-Enforcement Interest Priority of Payments or under items (i) (*first*) to (xx) (*twentieth*) (inclusive) of the Post-Enforcement Priority of Payments, as the case may be, and may be equal to 0 (zero).

Volcker Rule means Section 619 of the Dodd-Frank Act.

Warranty and Indemnity Agreement means the warranty and indemnity agreement entered into on [●] 2025 between the Seller and the Issuer and including any agreement or other document expressed to be supplemental thereto.

TAN means, in respect of a Loan, the annual nominal rate of that Loan.

ISSUER AND REPORTING ENTITY

Fulvia SPV S.r.l.
Via V. Alfieri, 1
31015 Conegliano (TV)
Italy

SELLER, SERVICER AND JUNIOR NOTES SUBSCRIBER

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Corso Massimo D'Azeglio, 33/E
10126 Turin
Italy

CORPORATE SERVICER, CALCULATION AGENT AND REPRESENTATIVE OF THE NOTEHOLDERS

Banca Finanziaria Internazionale S.p.A.
Via V. Alfieri, 1
31015 Conegliano (TV)
Italy

BACK-UP SERVICER FACILITATOR AND RSF RESERVE DEPOSITOR

Santander Consumer Finance S.A.
Boadilla del Monte
28660 Madrid
Spain

TRANSACTION ACCOUNT BANK AND PAYING AGENT

The Bank of New York Mellon SA/NV, Milan branch
Via Mike Bongiorno, 13
20124 Milan
Italy

COLLECTION AND LIQUIDITY RESERVE ACCOUNT BANK

Banco Santander, S.A., Milan branch
Via Gaetano De Castillia 23
20124 Milan
Italy

INTEREST RATE SWAP COUNTERPARTY

Banco Santander, S.A.
Paseo de Pereda 9-12
39004 Santander
Spain

QUOTAHOLDER

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1076AZ Amsterdam
The Netherlands

STICHTING CORPORATE SERVICES PROVIDER

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