PROSPECTUS DATED 19 JUNE 2023

AUTOFLORENCE 3 S.R.L.

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

€440,000,000 Class A Asset Backed Floating Rate Notes due December 2046

Issue Price: 100 per cent.

€13,500,000 Class B Asset Backed Floating Rate Notes due December 2046

Issue Price: 100 per cent.

€14,000,000 Class C Asset Backed Floating Rate Notes due December 2046

Issue Price: 100 per cent.

€9,500,000 Class D Asset Backed Floating Rate Notes due December 2046

Issue Price: 100 per cent.

€8,000,000 Class E Asset Backed Floating Rate Notes due December 2046

Issue Price: 100 per cent.

€15,000,000 Class F Asset Backed Floating Rate Notes due December 2046

Issue Price: 100 per cent.

This Prospectus relates to the issuance of €440,000,000 Class A Asset Backed Floating Rate Notes due December 2046 (the **Class A Notes** or the **Senior Notes**), €13,500,000 Class B Asset Backed Floating Rate Notes due December 2046 (the **Class B Notes**), €14,000,000 Class C Asset Backed Floating Rate Notes due December 2046 (the **Class C Notes**), €9,500,000 Class D Asset Backed Floating Rate Notes due December 2046 (the **Class D Notes**), €8,000,000 Class E Asset Backed Floating Rate Notes due December 2046 (the **Class E Notes** and, together with the Class B Notes, the Class C Notes and the Class D Notes, the **Mezzanine Notes** and, together with the Senior Notes, the **Rated Notes**) and €15,000,000 Class F Asset Backed Floating Rate Notes due December 2046 (the **Class F Notes** or the **Unrated Notes** and, together with the Rated Notes, the **Notes**) by Autoflorence 3 S.r.l., a company incorporated under the laws of the Republic of Italy as a limited liability company (*società a responsabilità limitata*) with a sole quotaholder, having its registered office at Corso Vittorio Emanuele II, 24-28, 20122 Milan, Italy, quota capital of Euro 10,000 fully paid up, fiscal code and enrolment with the companies' register of Milano - Monza Brianza - Lodi number 12873770965, enrolled with the register of securitisation vehicles (*elenco delle società veicolo*) held by Bank of Italy pursuant to its regulation (*provvedimento della Banca d'Italia*) of 7 June 2017 under number 48421.2.

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.**

This document constitutes a "*prospectus*" for the purpose of article 6.3 of the Prospectus Regulation and a "*prospetto informativo*" for the purposes of article 2, paragraph 3, of Italian Law number 130 of 30 April 1999 (the **Securitisation Law**).

Application has been made for the 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. 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.

This Prospectus is valid for 12 months from its date, until 19 June 2024. 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 principal source of payment of interest and repayment of principal on the Notes will be the collections and recoveries made in respect of monetary claims and connected rights arising out of consumer loan agreements and personal loan agreements for the purpose of purchasing Vehicles entered into by Findomestic Banca S.p.A., as Originator, and certain Debtors, and purchased by the Issuer from the Originator pursuant to the Master Receivables Purchase Agreement. The Issuer has purchased the Initial Portfolio on 1 June 2023. During the Revolving Period, if the Originator offers for sale Subsequent Portfolios and if certain conditions are met, the Issuer will use the Principal Available Funds to purchase Subsequent Portfolios from the Originator.

By virtue of the operation of article 3 of the Securitisation Law and the Transaction Documents, the Issuer's rights, title and interest in and to the Portfolio and the other Issuer's Rights will be segregated (*costituiscono patrimonio separato*) from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law) and, therefore, any cash-flow

deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any other creditors of the Issuer in respect of any fees, costs and expenses in relation to the Securitisation.

The Notes will be issued on 21 June 2023 (the **Issue Date**). The Notes will be held in bearer form (*al portatore*) and 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 shall act as depository for Euroclear and Clearstream in accordance with article 83-*bis* of the Financial Laws Consolidation Act, through the authorised institutions listed in article 83-*quarter* of the Financial Laws Consolidation 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 Financial Laws Consolidation 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 Rated Notes are expected, on issue, to be assigned the following ratings by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) and S&P Global Ratings Europe Limited, Italy Branch (together, the **Rating Agencies**): (a) Class A Notes: "AA sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) and "AA (sf)" by S&P Global Ratings Europe Limited, Italy Branch; (b) Class B Notes: "A+ sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) and "A+ (sf)" by S&P Global Ratings Europe Limited, Italy Branch; (c) Class C Notes: "BBB sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) and "BBB (sf)" by S&P Global Ratings Europe Limited, Italy Branch; (d) Class D Notes: "BB sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) and "BB+ (sf)" by S&P Global Ratings Europe Limited, Italy Branch; and (e) Class E Notes: "B+ sf" by Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) and "B- (sf)" by S&P Global Ratings Europe Limited, Italy Branch. **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 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, each of the Rating Agencies is established in the European Union, is registered under the EU CRA Regulation and has 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 evidenced in the latest update of the list published by the European Security and Markets Authority (**ESMA**) on its website (being, as at the date of this Prospectus, www.esma.europa.eu). 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 Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) and S&P Global Ratings Europe Limited, Italy Branch are endorsed by Fitch Ratings Limited and S&P Global Ratings UK 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/).

Interest on the Notes will accrue on a daily basis and will be payable in arrear in Euro (i) prior to the delivery of an Issuer Trigger Notice, on the 25th calendar day of each month in each year (or, if such day is not a Business Day, the immediately following Business Day or if such immediately following Business Day falls in another month, the immediately preceding Business Day), or (ii) following the delivery of an Issuer Trigger Notice, on each date on which payments are required to be made by the Representative of the Noteholders in accordance with the Conditions and the Intercreditor Agreement (each, a **Payment Date**). The First Payment Date will be 25 July 2023.

Each Note will bear interest on its Principal Amount Outstanding from (and including) the Issue Date until final redemption or cancellation as provided for in Condition 8 (*Redemption, purchase and cancellation*). The rate of interest payable from time to time in respect of the Notes (the **Rate of Interest**) will be: (a) in respect of the Class A Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of 0.95 per cent. per annum; (b) in respect of the Class B Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of 2.35 per cent. per annum; (c) in respect to the Class C Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of 3.35 per cent. per annum; (d) in respect to the Class D Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of 5.35 per cent. per annum; (e) in respect to the Class E Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of 7.25 per cent. per annum; and (f) in respect of the Class F Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of 12 per cent. per annum. To the extent permitted by law, there shall be no maximum or minimum Rate of Interest in respect of the Notes, provided that, should in relation to any Interest Period the algebraic sum of the EURIBOR and the relevant margin applicable on the Notes result in a negative rate, then the Rate of Interest applicable on the Notes shall be deemed to be 0 (zero).

As at the date of this Prospectus, payments of interest and other similar proceeds under the Notes may be subject to withholding or deduction for or on account of Italian tax, in accordance with Italian Legislative Decree number 239 of 1 April 1996 (**Decree 239**), as amended and supplemented from time to time, and any related regulations. Upon the occurrence of any withholding or deduction for or on account of tax from any payments under the Notes, neither the Issuer nor any other person shall have any obligation to pay any additional amount(s) to any holder of Notes. For further details, see the section headed "*Taxation*".

The Notes will be limited recourse obligations solely of the Issuer. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any of the Originator, the Servicer, the Back-up Servicer Facilitator, the Representative of the Noteholders, the Calculation Agent, the Account Bank, the Paying Agent, the Cash Manager, the Corporate Servicer, the Subordinated Loan Provider, the Arranger, the Lead Manager, the Swap Counterparties, the Swap Guarantor, the Set-Off Guarantor, the Quotaholder or any other

person. Furthermore, none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes.

Before the Final Maturity Date, the Notes will be subject to mandatory and/or optional redemption in whole or in part in certain circumstances (as set out in Condition 8 (*Redemption, purchase and cancellation*)). Save for the fact that, in any event, full redemption or cancellation of the Notes will have to occur on the Final Maturity Date, there is no predetermined fixed duration of the Notes the actual maturity of which is therefore uncertain. The Notes will start to amortise on the Payment Date falling immediately after the end of the Revolving Period, subject to there being sufficient Issuer Available Funds and in accordance with the applicable Priority of Payments.

The Notes may not be offered or sold, directly or indirectly, 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 see the section headed "*Subscription, Sale and Selling Restrictions*" below.

Under the Intercreditor Agreement, the Originator has undertaken that, from the Issue Date, it will (i) 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 (a) of article 6(3) of the EU Securitisation Regulation and of article 6(3) of the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures), (ii) 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 article 6(3) of the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures), (iii) procure that any change to the manner in which such retained interest is held in accordance with paragraph (ii) above will be notified to the Calculation Agent to be disclosed in the SR Investors Report, and (iv) 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 Originator is only required to do so to the extent that the retention and disclosure requirements under the EU Securitisation Regulation and the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures) 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 Originator 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 Originator 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 Originator (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, and in certain circumstances will be required, to have made certain representations and agreements, including that it (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Consent from the Originator, (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 Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the **Securities Act**), or the securities laws of any 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 (**Regulation S**)), 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. For further details, see the section headed "*Subscription, Sale and Selling Restrictions*". 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".

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 (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 prior to the Issue Date, will be notified by the Originator 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 Originator 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 Regulation (EU) 2017/2402 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the **UK Securitisation Regulation**) until maturity, provided that the Notes remain on the ESMA STS Register and continue to meet the EU STS Requirements. The Originator 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. **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 Regulation 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, Findomestic (in any capacity), the Arranger, the Lead Manager, 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 Regulation as at the date of this Prospectus nor at any point in time in the future.

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**); (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; or (iii) not a qualified investor as defined in article 2 of Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) no. 1286/2014 (the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA 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**); (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; or (iii) not a qualified investor as defined in article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by 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.

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 - Interest amounts payable in respect of the 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**).

Capitalised words and expressions used in this Prospectus shall, except so far as the context otherwise requires, have the meanings set out in the section headed "*Glossary*". **For a discussion of certain risks and other factors that should be considered in connection with an investment in the Notes, see the section headed "*Risk Factors*".**

Arranger and Lead Manager

BNP PARIBAS

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. The information in respect of which each of Findomestic Banca S.p.A. (in its capacities as Originator, Servicer, Cash Manager, Subordinated Loan Provider, Class A Swap Counterparty and Class B, C, D, E and F Swap Counterparty), Zenith Service S.p.A. (in its capacities as Back-up Servicer Facilitator, Corporate Servicer, Calculation Agent and Representative of the Noteholders), BNP Paribas, Italian branch (in its capacities as Account Bank and Paying Agent) and BNP Paribas (in its capacity as Swap Guarantor and Set-Off Guarantor) 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 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 Arranger, the Lead Manager or any other Transaction Party other than the Originator has undertaken or will undertake any investigation, searches or other actions to verify the details of the Receivables sold by the Originator to the Issuer, nor has any of the Issuer, the Arranger, the Lead Manager or any other Transaction Party (other than the Originator) undertaken, nor will they undertake, any investigations, searches, or other actions to establish the creditworthiness of any Debtor. In the Warranty and Indemnity Agreement, the Originator has given certain representations and warranties to the Issuer in relation to, inter alia*, the Receivables, the Loan Agreements and the Debtors.*

Findomestic Banca S.p.A. has provided the information included in this Prospectus in the sections headed "Risk Retention and Transparency Requirements", "The Portfolio", "Findomestic" and "Credit and Collection Policies" and any other information contained in this Prospectus relating to itself, the Receivables and the Loan Agreements and, together with the Issuer, accepts responsibility for such information. Findomestic Banca S.p.A. has also provided the data used as assumptions to make the calculations contained in the section headed "Estimated Weighted Average Life of the 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 Findomestic Banca S.p.A., such information is in accordance with the facts and those parts of the Prospectus make no omission likely to affect the import of such information.

Zenith Service S.p.A. has provided the information included in this Prospectus in the section headed "Zenith" and, together with the Issuer, accepts responsibility for the information contained in such section. To the best of the knowledge of Zenith, such information is in accordance with the facts and those parts of Prospectus make no omission likely to affect the import of such information.

Each of BNP Paribas and BNP Paribas, Italian branch has provided the information included in this Prospectus in the section headed "BNP Paribas Group" and, together with the Issuer, accepts responsibility for the information contained in such section. To the best of the knowledge of each of BNP Paribas and BNP Paribas, Italian branch, such information is in accordance with the facts and those parts of the Prospectus make no omission likely to affect the import of such information.

To the fullest extent permitted by law, neither the Arranger nor the Lead Manager 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 Lead Manager or on their behalf, in connection with the Issuer, the Originator, any other Transaction Party or the issue and offering of the Notes. Each of the Arranger and the Lead Manager 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 Arranger, the Lead Manager, the Representative of the Noteholders, the Issuer, the Quotaholder, Findomestic Banca S.p.A. (in any capacity), 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 not been any change or any event reasonably likely to involve any change, in the condition (financial or otherwise) of the Issuer or Findomestic Banca S.p.A. or the information contained herein since the date hereof, or that the information contained herein is correct as at any time subsequent to the date of this Prospectus. No person other than the Issuer (or, in the case of Zenith Service S.p.A., Findomestic Banca S.p.A., BNP Paribas and BNP Paribas, Italian 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.

Interest material to the offer

Save as described under the section headed "Subscription, Sale and Selling Restrictions" 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.

Limited recourse

The Notes constitute direct limited recourse obligations of the Issuer. By virtue of the operation of article 3 of the Securitisation Law and the Transaction Documents, the Issuer's rights, title and interest in and to the Portfolio and the other Issuer's Rights will be segregated (costituiscono patrimonio separato) from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any other creditors of the Issuer in respect of any fees, costs and expenses in relation to the Securitisation. The Noteholders agree that the Issuer Available Funds will be applied by the Issuer in accordance with the applicable Priority of Payments as set out in Condition 6 (Priority of Payments).

Other business relations

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

Selling Restrictions

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

*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 bearer form (*al portatore*) and in dematerialised form (*in forma dematerializzata*) 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, Sale and Selling Restrictions"). 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 the Lead Manager nor 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 Issue Date or at any time in the future. Investors should consult their own advisers as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

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 Originator (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, and in certain circumstances will be required, to have made certain representations and agreements, including that it (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Consent from the Originator, (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).

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****); (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; or (iii) not a qualified investor as defined in article 2 of Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) no. 1286/2014 (the* ***PRIIPs Regulation****) for offering or selling the Notes or otherwise making them available to retail investors in the EEA 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****); (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; or (iii) not a qualified investor as defined in article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by 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.*

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

Interest amounts payable in respect of the 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**).*

Forecasts and 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.

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.

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 Italy are to the Republic of Italy; references to laws and regulations are to the laws and regulations of Italy.

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.

Any websites included in this Prospectus are for information purposes only, do not form part of this Prospectus and have not been scrutinised or approved by the competent authority.

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RISK FACTORS

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

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may, exclusively or concurrently, occur for other reasons. 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 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.

Prospective Noteholders should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

1. RISKS RELATED TO THE AVAILABILITY OF FUNDS TO PAY THE NOTES

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

The Notes will be limited recourse obligations solely of the Issuer. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any of the Originator, the Servicer, the Back-up Servicer Facilitator, the Representative of the Noteholders, the Calculation Agent, the Cash Manager, the Account Bank, the Paying Agent, the Subordinated Loan Provider, the Corporate Servicer, the Swap Counterparties, the Swap Guarantor, the Set-Off Guarantor, the Arranger, the Lead Manager, the Quotaholder or any other person. None of any such persons, other than the Issuer, will accept any liability whatsoever in respect of any failure by the Issuer to make any payment of any amount due under the Notes.

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

The Issuer's principal asset is the Portfolio. As at the date of this Prospectus, the Issuer does not have any significant assets other than the Portfolio and the other Issuer's Rights.

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 (i) the receipt by the Issuer of collections and recoveries made on its behalf by the Servicer from the Portfolio, (ii) in respect of the Rated Notes only, the amounts standing to the credit of the Liquidity Reserve Account and the Set-Off Reserve Account; (iii) any payments made by the relevant Swap Counterparty under the relevant Swap Agreement, and (iv) any other amounts received by the Issuer pursuant to the provisions of the other Transaction Documents to which it is a 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 delivery of an Issuer Trigger Notice), there will be sufficient funds to enable the Issuer to pay interest 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 and principal, as well as any other amounts due in respect of the Notes, then the Noteholders will have no further claims against the Issuer in respect of any such unpaid amounts.

Following the service of an Issuer Trigger Notice, the only remedy available to the Noteholders and the Other Issuer Creditors is the exercise by the Representative of the Noteholders of the Issuer's Rights. After the service of an Issuer Trigger Notice, the Issuer (or the Representative of the Noteholders on its behalf) could attempt

to sell the Portfolio to third parties (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 Portfolio would be sufficient to pay in full all amounts due to the Noteholders.

Any loss would be suffered by the holders of the Notes having a lower ranking in the Priority of Payments

In respect of the obligations of the Issuer to pay interest and repay principal on the Notes, each Class of Notes will rank as set out in Condition 4.3 (*Ranking*) and Condition 6 (*Priority of Payments*).

To the extent that any losses are suffered by any of the Noteholders, such losses will be borne (i) by the holders of the Class F Notes, (ii) thereafter, by the holders of the Class E Notes while they remain outstanding, (iii) thereafter, by the holders of the Class D Notes while they remain outstanding, (iv) thereafter, by the holders of the Class C Notes while they remain outstanding, (v) thereafter, by the holders of the Class B Notes while they remain outstanding, and (vi) thereafter, by the holders of the Class A Notes while they remain outstanding.

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 a liquidity risk in case of delay between the Scheduled Instalment Dates and the actual receipt of payments from the Debtors.

The Issuer is also subject to the risk of, amongst other things, default in payment by the Debtors and the failure by the Servicer to collect or to recover sufficient funds in respect of the Portfolio in order to enable the Issuer to discharge all amounts payable under the Notes in full as they fall due. Debtors' individual, personal or financial circumstances 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 the support provided to the Issuer, in respect of interest payments on the Rated Notes, by (i) the Liquidity Reserve, and (ii) the availability of support provided by the credit structure such as the availability of certain Principal Available Funds to cure an Interest Deficiency. For further details, see the section headed "*Transaction Overview - Credit Structure*".

Although the Issuer believes that the 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 Portfolio will be adequate to ensure timely and full receipt of amounts due under the Notes.

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

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 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 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 Notes, the Issuer has entered into (i) the Class A Swap Agreement with the Class A Swap Counterparty in respect of the Senior Notes, and (ii) the Class B, C, D, E and F Swap Agreement with the Class B, C, D, E and F Swap Counterparty in respect of the Mezzanine Notes and the Unrated Notes. In addition, pursuant to the Swap Guarantee, the Swap

Guarantor (i) has agreed to guarantee to the Issuer by way of continuing guarantee the due and punctual payment of all amounts payable by any Swap Counterparty in respect of the relevant Swap Agreement as and when the same shall become due according to the relevant Swap Agreement, and (ii) has agreed that, if and each time the relevant Swap Counterparty fails to make any payments and/or deliveries when payable or, as the case may be, deliverable under the relevant Swap Agreement, the Swap Guarantor must immediately pay to the Issuer the amounts in the currency in which the amounts are payable by the relevant Swap Counterparty or, as the case may be, make delivery of the relevant property. No conclusive assurance can be given as to the completeness and soundness of such risk coverage in all kind of situations. For further details, see the sections headed "*Transaction Overview - Credit Structure*", "*Description of the Transaction Documents - The Swap Agreements*" and "*Description of the Transaction Documents - The Swap Guarantee*".

In the event of early termination of any of the Swap Agreements, including any termination upon failure by the relevant Swap Counterparty to perform its obligations, the Issuer has covenanted with the Representative of the Noteholders under the Intercreditor Agreement that it will use its best endeavours to find, with the cooperation of the Originator, a suitably rated replacement swap counterparty who is willing to enter into a replacement swap agreement substantially on the same terms as the relevant 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 such Swap Agreement.

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 frozen in case of insolvency of the 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 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, under the Servicing Agreement the Servicer has undertaken to transfer any Collections received or recovered by itself into the Collection Account within 1 (one) Business Day from the receipt thereof.

Finally, pursuant to the Servicing Agreement, if the appointment of Findomestic as Servicer is terminated, the Back-up Servicer Facilitator shall, within 3 (three) Business Days, on the basis of a list containing details of the Debtors (*including anagrafica*) made available by Findomestic, instruct the Debtors to pay any amount due in respect of the Receivables directly into the Collection Account. 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, please see the sections headed "*Description of the Transaction Documents - The Cash Allocation, Management and Payments 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 transaction because the corporate object of the Issuer, as contained in its by-laws (*statuto*), is

limited and the Issuer has covenanted in the Conditions, *inter alia*, not to engage in any activity which is not incidental to or necessary in connection with any activities which the Transaction Documents provide for or envisage that the Issuer may engage in or which is necessary in connection with or incidental to the Transaction Documents. Nonetheless, there remains the risk that the Issuer may incur unexpected expenses payable to the other third parties creditors in respect of any taxes, costs, fees or expenses incurred in relation to such securitisations and in order to preserve the corporate existence of the Issuer, to maintain it in good standing and to comply with applicable legislation (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.

Failure by any Noteholder or Other Issuer Creditor to comply with non-petition undertakings may affect the ability of the Issuer to meet its obligations under the Notes

By operation of article 3 of the Securitisation Law, the Portfolio and the other Issuer's Rights are segregated (*costituiscono patrimonio separato*) under Italian law from all other assets of the Issuer and from the assets relating to any further securitisation transaction carried out by it pursuant to the Conditions and are only 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 other third party creditors in respect of any fees, costs and expenses incurred in relation to the Securitisation and in order to preserve the corporate existence of the Issuer, to maintain it in good standing and to comply with applicable legislation. The Notes have also the benefit of the Security. In this respect, please refer to Condition 4.2 (*Segregation by law and 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 transaction have been redeemed in full and/or cancelled in accordance with the relevant terms and conditions, no Noteholder and no Other Issuer Creditor (nor any person on its behalf, other than the Representative of the Noteholders when so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes and only if the representatives of the noteholders of all further securitisation transactions (if any) carried out by the Issuer have been so directed by an extraordinary resolution of the holders of the most senior class of notes under the relevant securitisation transaction) shall initiate or join any person in initiating an Insolvency Event. However, there can be no assurance that the Noteholders and the Other Issuer Creditors will comply with non-petition obligations set out in Condition 9.1 (*Noteholders not entitled to proceed directly against Issuer*) and the Intercreditor Agreement.

If any 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 other third parties creditors in respect of any taxes, costs, fees or expenses incurred in relation to such securitisations and in order to preserve the corporate existence of the Issuer, to maintain it in good standing and to comply with applicable legislation 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.

2. RISKS RELATING TO THE UNDERLYING ASSETS

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).

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 Originator of its right to repurchase the outstanding Portfolio pursuant to the Master Receivables Purchase Agreement, the renegotiation by the Servicer of any of the terms and conditions of the Loans in accordance with the provisions of the Servicing Agreement and/or the early

redemption of the Notes pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*), Condition 8.4 (*Redemption for tax reasons*).

Prepayments may result in connection with the refinancing of the Loans by Debtors voluntarily. The receipt of proceeds from Insurance Policies may also impact on the way in which the Loans are repaid. The level of delinquency and default on payment of the relevant Instalments or request for renegotiation under 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 refinancing terms.

The impact of the above on the yield at maturity and the weighted average life of the Notes cannot be predicted. However, the actual characteristics and performance of the Loans may differ from such assumptions and any difference will affect the percentages of the Principal Amount Outstanding of the Notes over time and the weighted average life of the Notes. For further details, see the section headed "*Estimated weighted average life of the Notes*".

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

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

However, there can be no guarantee that the Debtors will not default under such Loans or that they will continue to perform thereunder. It should be noted that adverse changes in economic conditions may affect the ability of the Debtors to repay 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 any Debtor raises a defence or counterclaim to the proceedings.

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 Originator on the basis of, and upon reliance on, the representations and warranties made by the Originator 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 Lead Manager or any other party to the Transaction Documents (other than the Originator), has carried out any due diligence in respect of the Receivables and the relevant Loan Agreements. More generally, none of the Issuer, the Arranger, the Lead Manager nor any other Transaction Party (other than the Originator) has undertaken or will undertake any other investigation, searches or other actions to verify the details of the Receivables sold by the Originator to the Issuer, nor has any of such persons undertaken, nor will any of them undertake, any investigations, searches or other actions to establish the creditworthiness of any Debtors.

The only remedies of the Issuer in respect of the occurrence of a breach of a representation and warranty which materially and adversely affects the value of a Receivable will be the requirement that the Originator indemnifies the Issuer for the damages deriving therefrom pursuant to the Warranty and Indemnity Agreement (see the section headed "*Description of the Transaction Documents - The Warranty and Indemnity Agreement*" below). In particular, the indemnification obligations undertaken by the Originator under the Warranty and

Indemnity Agreement are unsecured claims of the Issuer and no assurance can be given that the Originator 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 Originator to the Issuer pursuant to the Master Receivables Purchase Agreement may be clawed-back (*revocato*) in case of insolvency of the Originator.

Indeed, assignments of receivables made under the Securitisation Law are subject to claw-back (*revocatoria fallimentare*) (i) pursuant to article 166, first paragraph, of the Italian Insolvency Code, if the adjudication of insolvency of the relevant originator is made 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 such originator, or (ii) pursuant to article 166, paragraph 2, of the Italian Insolvency Code, if the adjudication of insolvency of the relevant originator is made within 3 (three) months from the purchase of the relevant portfolio of receivables, and the insolvency receiver of such originator is able to demonstrate that the issuer was aware of the insolvency of the originator.

In order to mitigate such risk, pursuant to the Master Receivables Purchase Agreement, the Originator has provided the Issuer in respect of the Initial Portfolio, and will provide the Issuer in respect of each Subsequent Portfolio, with (i) a solvency certificate signed by a director of the Originator; 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*) stating that the Originator is not subject to any insolvency proceeding. Furthermore, under the Warranty and Indemnity Agreement, the Originator has represented that it was solvent as at the date thereof and such representation shall be deemed to be repeated on the Issue Date (with respect to the Initial Portfolio) and on the relevant Valuation Date, the relevant Transfer Date of the relevant Subsequent Portfolio as well as on the date of payment of the relevant Advanced Purchase Price (with reference to each Subsequent Portfolio).

In addition, the Issuer is subject to the risk that the disposal of Receivables made by the Issuer to the Originator or third parties pursuant to the Master Receivables Purchase Agreement and the Intercreditor Agreement may be clawed-back (*revocato*) in case of insolvency of the relevant purchaser.

In particular, in case of repurchase by the Originator of the outstanding Portfolio in accordance with the terms of the Master Receivables Purchase Agreement, or disposal of the Portfolio following the delivery of an Issuer Trigger Notice or any of the events contemplated in Condition 8.4 (*Optional redemption for taxation reasons*), the payment of the relevant sale price may be subject to claw-back pursuant to article 166, paragraph 1 or 2, of the Italian Insolvency Code. Pursuant to the Master Receivables Purchase Agreement, in case of repurchase of the outstanding Portfolio, the Originator shall provide the Issuer with (i) a solvency certificate signed by a director of the Originator; 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*) stating that the Originator is not subject to any insolvency proceeding. Pursuant to the Intercreditor Agreement, in case of disposal of the Portfolio following the delivery of an Issuer Trigger Notice or any of the events contemplated in Condition 8.4 (*Optional redemption for taxation reasons*), the relevant purchaser shall provide the Issuer and the Representative of the Noteholders with (i) a solvency certificate signed by a director of the purchaser; (ii) a certificate issued by the competent companies' register, stating that the purchaser is not subject to insolvency proceedings, or any other equivalent certificate under the relevant jurisdiction in which the purchaser is incorporated; and (iii) a certificate issued by the competent division of the competent court, stating that no insolvency proceedings have been commenced against the purchaser (unless such certificate cannot be issued by the competent court according to internal rules), or any other equivalent certificate under the relevant jurisdiction in which the purchaser is incorporated.

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

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 subject to claw-back (*revocatoria fallimentare*) 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 payments were 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. 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 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 Agreements are assisted by an Insurance Policy issued by an Insurance Company.

There can be no assurance that the insured losses will be covered in full for the benefit of the Issuer. 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.

Loans for the purchase of used vehicles have historically a lower performance

Historically, the risk of non-payment of auto loans in relation to used vehicles is greater than in relation to auto loans for the purchase of new vehicles. Indeed, it has been observed that the performance of the debtors who have purchased used vehicles is worse than that of the debtors who have purchased new vehicles.

A worse performance by the Debtors who have used the Loans to purchase used cars may negatively affect the ability of the Issuer to fulfil its payment obligations under the Notes.

In order to mitigate such risk, it is provided, under the Master Receivables Purchase Agreement, a Subsequent Portfolio may be transferred from the Originator to the Issuer only if the Outstanding Principal of the Receivables comprised in the relevant Subsequent Portfolio arising out of Loan Agreements disbursed to Debtors for the purchase of new cars is equal to or higher than 24% of the Outstanding Principal of all Receivables comprised in the relevant Subsequent Portfolio. In such respect please refer to the section entitled "*The Portfolio*".

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

The Issuer will acquire from the Originator interests in the Receivables, including rights to receive certain payments from Debtors and other ancillary rights under the Loan Agreements.

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

Therefore, in the event of a payment default by the Debtors, the Issuer will not be entitled to repossess the Vehicles nor it will have any priority rights over the proceeds deriving from the sale or other disposal of such 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 Accounts (other than the Expenses Account, the Securities Account and the Swap Collateral Accounts) may be invested in Eligible Investments by the Account Bank as directed by the Issuer (acting upon written instructions of the Representative of the Noteholders) in accordance with the provisions of the Cash Allocation, Management and Payments Agreement. The 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.

Such risk is mitigated by the provisions of the Cash Allocation, Management and Payments Agreement pursuant to which, if any Eligible Investment ceases to have any of the minimum ratings, or to meet any of the other requirements, set out in the definition of Eligible Investments, the Cash Manager may instruct the Account Bank to disinvest and liquidate such 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.

None of the Originator, the Arranger, the Lead Manager or any other Transaction Party will be responsible for any loss or shortfall deriving therefrom.

3. OTHER RISKS RELATING TO THE NOTES AND THE STRUCTURE

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 Originator, the Arranger, the Lead Manager 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 Originator, the Arranger, the Lead Manager 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. Conversely, 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.

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 receive less payments under the Notes than expected and, as result, it may suffer losses.

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

Payment of interest on any Class of Notes (other than the Class A Notes or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes) will be subject to deferral to the extent that the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with, in respect of the Rated Notes, any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) on any Payment Date prior to the Cancellation Date are not sufficient to pay in full the relevant interest amount which would otherwise be due on such Class of Notes. The amount by which the aggregate amount of interest paid on any Class of Notes (other than the Class A Notes or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes) on any Payment Date prior to the Cancellation Date falls short of the aggregate amount of interest which otherwise would be due on such Class of Notes on that Payment Date shall be aggregated with the amount of, and treated as if it were, interest amount due on such Class of Notes on the immediately following Payment Date and will be payable on such Payment Date in accordance with the Pre-Acceleration Interest Priority of Payments. No interest will accrue on any amount so deferred.

To the extent 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 is equal to or higher than 25 per cent. of the Principal Amount Outstanding of the Class B Notes, interest on the Class B Notes will not then fall due under item (ix) (*Ninth*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xix) (*Nineteenth*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class B Notes.

To the extent 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 is equal to or higher than 25 per cent. of the Principal Amount Outstanding of the Class C Notes, interest on the Class C Notes will not then fall due under item (xi) (*Eleventh*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xx) (*Twentieth*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class C Notes.

To the extent 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, interest on the Class D Notes will not then fall due under item (xiii) (*Thirteenth*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xxi) (*Twenty-first*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class D Notes.

To the extent that (i) the Class E Notes are not the Most Senior Class of Notes and (ii) the amount debited on the Class E Principal Deficiency Sub-Ledger is equal to or higher than 25 per cent. of the Principal Amount

Outstanding of the Class E Notes, interest on the Class E Notes will not then fall due under item (xv) (*Fifteenth*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xxii) (*Twenty-second*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class E Notes.

To the extent that (i) the Class F Notes are not the Most Senior Class of Notes and (ii) the amount debited on the Class F Principal Deficiency Sub-Ledger is equal to or higher than 0 per cent. of the Principal Amount Outstanding of the Class F Notes, interest on the Class F Notes will not then fall due under item (xvii) (*Seventeenth*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xxiii) (*Twenty-third*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class F Notes.

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 Issuer Available Funds and, to the extent unpaid, will be cancelled.

Any interest amount due but not payable on the Class A Notes (or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes) on any Payment Date prior to the Cancellation Date will not be deferred and any failure to pay such interest amount will constitute an Issuer Trigger Event.

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

Individual Noteholders have limited enforcement rights

The protection and exercise of the Noteholders' rights against the Issuer in respect of 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, 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 a Meeting of the holders of the Most Senior Class of Notes 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 Trigger Notice 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 Trigger Notice, 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 Portfolio then outstanding in accordance with the provisions of the Intercreditor Agreement.

In addition, at any time after the delivery of an Issuer Trigger Notice, 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 may be adverse to the interests of the holders of the other Classes of Notes.

There is no assurance that the Class A Notes will be recognised as eligible collateral for Eurosystem operations

After the Issue 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 (**ECB**). 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 issue 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 the event that Class A Notes are not recognised (or cease to be recognised) as an eligible collateral for Eurosystem operations, 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 Lead Manager 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.

4. RISKS RELATED TO CHANGES TO THE STRUCTURE AND DOCUMENTS

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, subject to Article 20 (*Swap Counterparty Entrenched Rights*) thereof:

(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 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 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.

Noteholders' interests are subject to Swap Counterparties' interests in respect of Swap Counterparty Entrenched Rights

Pursuant to the Rules of the Organisation of the Noteholders, any of the following matters will require the prior consent of each Swap Counterparty (each, a **Swap Counterparty Entrenched Right**):

(a) any amendment of the Pre-Acceleration Interest Priority of Payments, the Pre-Acceleration Principal Priority of Payments or the Post-Acceleration Priority of Payments;

(b) the approval of any proposed Alternative Base Rate determined by the Rate Determination Agent on the basis of Condition 7.5(c);

(c) any amendment of any Transaction Document if such amendment(s) would have the effect that the relevant Swap Counterparty would be reasonably required to pay more or receive less than would otherwise have been the case immediately prior to such amendment;

(d) any amendment to Article 20 (*Swap Counterparty Entrenched Rights*) of the Rules of the Organisation of the Noteholders; or

(e) any amendment to the definition of Swap Counterparty Entrenched Right.

There can be no assurance that each Swap Counterparty will provide consent to any such matter in a timely manner or at all. Each Swap Counterparty may act solely in the interests of itself and does not have any duties to any of the Noteholders.

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 from time to time and without the consent or sanction of the Noteholders and the Other Issuer Creditors and subject to a prior notice to the Rating Agencies concur with the Issuer and any other relevant parties in making: (i) any modification to the Rules of the Organisation of the Noteholders, the Notes or to any of the Transaction Documents in relation to which its consent is required if, in the sole opinion of the Representative of the Noteholders, such modification is of a formal, minor, administrative or technical nature, is made to comply with mandatory provisions of law or is made to correct a manifest error; (ii) any modification to the Rules of the Organisation of the Noteholders or any of the Transaction Documents (other than in respect of a Basic Terms Modification) in relation to which its consent is required which, in the sole opinion the Representative

of the Noteholders, is not materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding; and (iii) any modification to the Rules of the Organisation of the Noteholders or the Transaction Documents (other than in respect of a Basic Terms Modification) which the Issuer has requested the Representative of the Noteholders to approve in the context of any Further Securitisation referred to in Condition 5.12 (*Further securitisations*) and which, in the sole opinion of the Representative of the Noteholders, will not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes and the fact that the execution of the relevant amendment or modification would not adversely affect the then current ratings of the Rated Notes shall be conclusive evidence that the requested amendment or modification is not materially prejudicial to the interests of the holders of the Most Senior Class of Notes.

In addition, the Representative of the Noteholders shall be obliged, without any consent or sanction of the Noteholders or any of the Other Issuer Creditors (other than the Swap Counterparties), to concur with the Issuer or any other relevant parties in making (i) any modification (other than in respect of a Basic Terms Modification) to the Rules of the Organisation of the Noteholders, the Conditions or any other Transaction Document that the Issuer considers necessary for the purposes of effecting a Base Rate Modification pursuant to Condition 7.5 (*Fallback provisions*) provided that, solely in circumstances in which the proposed Alternative Base Rate is determined by the Rate Determination Agent the Swap Counterparties have approved the proposed Alternative Base Rate; (ii) any modification (other than in respect of a Basic Terms Modification) to the Rules of the Organisation of the Noteholders, the Conditions or any other Transaction Document that the Issuer considers necessary for the purposes of maintaining the Eurosystem eligibility (the criteria in respect of which are currently set out in the ECB Guideline (EU) 2015/510, as amended) in respect of the Class A Notes; (iii) any modification (other than in respect of a Basic Terms Modification) to the Rules of the Organisation of the Noteholders, the Conditions or any other Transaction Document that the Issuer, after consultation with the Originator, considers necessary and/or expedient in order to comply with the EU Securitisation Regulation and/or the UK Securitisation Regulation; (iv) for the purposes of enabling the Issuer and/or the Swap Counterparties to comply with any obligation which applies to it under EMIR, provided that the Servicer on behalf of the Issuer or the relevant 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; and (v) 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 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 Servicer on behalf of 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. For further details, please see the section headed "*Terms and Conditions of the Notes*".

There is no assurance that each Noteholder concurs with any such modification by the Representative of the Noteholders.

5. COUNTERPARTY RISKS

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

Pursuant to the Servicing Agreement, the Portfolio is serviced by the Servicer. The Servicer will carry out the administration, collection and enforcement of the Portfolio in accordance with the Servicing Agreement and the Credit and Collection Policies. The Credit and Collection Policies may change over time and no assurance can be given that such changes will not have an adverse effect on the Issuer's ability to make payments on the Notes. However, pursuant to the Servicing Agreement, any amendment to the Credit and Collection Policies shall be approved in writing by the Issuer on the basis of the written consent of the Representative of the Noteholders and notified in advance to the Rating Agencies, except for (i) amendments which form part of the normal practice of the Servicer, having the sole purpose of reducing the timing for the collection and recovery of the Receivables and increasing the amount of the Collections in the interest of the Issuer and the Noteholders; and (ii) amendments necessary to comply with the applicable laws and regulations from time to time in force.

The net cash flows from the Portfolio may be affected by decisions made, actions taken and the collection procedures adopted by the Servicer pursuant to the Servicing Agreement, including any renegotiation made by the Servicer pursuant to the Servicing Agreement (for further details, see the section headed "*Description of the Transaction Documents - The Servicing Agreement*"). In addition, there is no assurance that the Collections will be timely credited or transferred into the Collection Account in accordance with the Servicing Agreement.

The Servicer has undertaken to prepare and submit to the Issuer, on a monthly basis, reports in the form set out in the Servicing Agreement, including the Servicer's Report or the Set-Off Report. Prior to the delivery of an Issuer Trigger Notice or the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), if the Servicer fails to deliver the Servicer's Report or the Set-Off 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), only a portion of the Issuer Available Funds corresponding to the amounts necessary to make payments of interest on the Class A Notes (or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes) and all the other amounts ranking in priority thereto pursuant to the Pre-Acceleration Interest Priority of Payments and to make payments under item (i) (*first*) of the Pre-Acceleration Principal Priority of Payments will be transferred into the Payments Account and no amount of principal will be due and payable in respect of the Notes (for further details, see the section headed "*Description of the Transaction Documents - The Cash Allocation, Management and Payments Agreement*").

In the event that (i) a BNPP Downgrade Event occurs or (ii) Findomestic ceases to be controlled, directly or indirectly, by BNP Paribas or following the termination of the appointment of the Servicer pursuant to the Servicing Agreement, the obligations of Findomestic under the Servicing Agreement will be undertaken by a Back-up Servicer or a Substitute Servicer, as the case may be. There can be no assurance that a Back-up Servicer or a Substitute Servicer who is able and willing to service the Portfolio could be found. Any delay or inability to appoint a Back-up Servicer or a Substitute Servicer may affect payments on the Notes.

Furthermore, it is not certain whether the Back-up Servicer (or the Substitute Servicer, as the case may be) would service the Portfolio on the same terms as those provided for in the Servicing Agreement. The ability of the Back-up Servicer or any Substitute Servicer to fully perform the required services will depend, *inter alia*, on the information, software and records available to it at the time of its appointment.

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, the ability of (i) each Swap Counterparty to make the payments due under the relevant Swap Agreement, and (ii) the Back-up Servicer Facilitator, the Calculation Agent, the Cash Manager, the Corporate Servicer, the Subordinated Loan Provider, the Paying Agent and the Account Bank to duly perform their 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 (i) by the Originator of its obligations under the Warranty and Indemnity Agreement in respect of the Portfolio, and (ii) by the Insurance Companies of their obligations under the Insurance Policies. The performance of such parties of their respective obligations may be influenced by the solvency of each relevant party.

The inability of any of the above-mentioned third parties to provide their services to the Issuer (including any failure arising from circumstances beyond their control, such as pandemics) may ultimately affect the Issuer's ability to make payments on the Notes.

Conflict of interests may influence the performance by the Transaction Parties of their respective

obligations under the Securitisation

Conflict of interests 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) Findomestic will act as Originator, Servicer, Cash Manager, Subordinated Loan Provider, Class A Swap Counterparty and Class B, C, D, E and F Swap Counterparty; (ii) BNP Paribas, Italian branch will act as Account Bank and Paying Agent; (iii) Zenith will act as Back-up Servicer Facilitator, Calculation Agent, Corporate Servicer and Representative of the Noteholders; and (iv) BNP Paribas will act as Swap Guarantor, Set-Off Guarantor, Arranger and Lead Manager.

In addition, Findomestic may hold and/or service receivables arising from loans other than the Receivables and providing financial services to the Debtors. Even though under the Servicing Agreement Findomestic as Servicer has undertaken to act in the interest of the Noteholders, it cannot be excluded that, in certain circumstances, a conflict of interest may arise with respect to other relationships with the Debtors.

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

6. ORIGINATOR RISKS

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

The historical, financial and other information set out in the sections headed "*Historical Performance Data*", "*Findomestic*" and "*The Credit and Collection Policies*", including information in respect of collection rates, represents the historical experience of the Originator.

There can be no assurance that the future experience and performance of the Originator, as Servicer of the 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.

7. MACRO-ECONOMIC AND MARKET RISKS

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

Although an application has been made to list on the official list of the Luxembourg Stock Exchange and to admit to trading on its regulated market the Notes, there can be no assurance that a secondary market for the Notes will develop or, if a secondary market does develop in respect of the Notes, that it will provide the holders of such Notes with liquidity of investments or that it will continue until the final redemption and/or cancellation of the such Notes. Consequently, any purchaser of the Notes may be unable to sell such Notes to any third party and it may therefore have to hold the Notes until final redemption and/or cancellation thereof. The Notes have not been, and will not be, registered under the Securities Act and will be subject to significant restrictions on resale in the United States.

Limited liquidity in the secondary market may continue to have an adverse effect on the market value of the asset backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the requirements of limited categories of investors. Consequently, whilst these market conditions persist, an investor in the Notes may not be able to sell or acquire

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

Risks connected with the disruption 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.

Pursuant to a referendum held in June 2016, the UK has voted to leave the European Union (**EU**) The UK left the EU on 31 January 2020 at 11pm, and the transition period has ended on 31 December 2020 at 11pm. The exit of the United Kingdom from the European Union, and the possibility that other European Union countries could hold similar referendums to the one held in the United Kingdom and/or call into question their membership of the European Union or prolonged periods of uncertainty connected to these eventualities could have significant negative impacts on global economic conditions and the stability of international financial markets. These could include further falls in equity markets, a further fall in the value of the pound and, more in general, increase in financial markets volatility, reduction of global markets liquidities.

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 are impossible to predict, and as a result, present material uncertainty and risk with respect to the performance of the Securitisation.

Should any of these circumstances occur, the performance of the Portfolio may deteriorate and, as result, the amounts payable under the Notes might be affected.

Geographic concentration risks

The Loans have been granted to Debtors who, as at the relevant Valuation Date, were resident in Italy. A deterioration in economic conditions, including the ongoing uncertainty surrounding COVID-19 or rising geopolitical tensions, resulting in increased supply chain problems, unemployment rates, loss of earnings, increased short or long-term interest rates, increased consumer and commercial insolvency filings, a decline in the strength of national or local economies, the associated implications of a local, regional or national lockdown due to an epidemic or a pandemic, increased inflation or other outcomes (including geopolitical and economic risks relating to Russia's invasion of Ukraine which could impact the Italian economy, in particular by pushing up energy and oil prices and increasing inflation (and the cost of living) further) which negatively impact household incomes, could have an adverse effect on the ability of the Debtors to make payments on the Loans and result in losses on the Notes.

Loans in the Portfolio may also be subject to geographic concentration risks within certain regions of Italy. To the extent that specific geographic regions in Italy have experienced, or may experience in the future, weaker regional economic conditions (due to local, national and/or global macroeconomic factors) than other regions in Italy, a concentration of the Loans in such a region may exacerbate the risks relating to the Loans described in this section. Certain geographic regions in Italy rely on different types of industries. Any downturn in a local economy or particular industry may adversely affect the regional employment levels and consequently the repayment ability of the Debtors in that region or the region that relies most heavily on that industry. In addition, any natural disasters or widespread health crises or the fear of such crises (such as coronavirus, measles, SARS, Ebola, H1N1, Zika, avian influenza, swine flu, or other epidemic diseases) in a particular region or geopolitical instabilities, including Russia's invasion of Ukraine and the implication on the global

economy (such as the increase of energy and oil prices or the inflation) may weaken economic conditions and negatively impact the ability of affected Debtors to make timely payments on the Loans. This may affect receipts on the Loans. If the timing and payment of the Loans is adversely affected by any of the risks described in this paragraph, then payments on the Notes could be reduced and/or delayed and could ultimately result in losses on the Notes. For an overview of the geographical distribution of the Loans, see the section headed "*The Portfolio*". Given the unpredictable effect such factors may have on the local, national or global economy, no assurance can be given as to the impact of any of the matters described above and, in particular, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes.

Changes or uncertainty in respect of EURIBOR may affect the value or payment of interest under the 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 Notes. Regulation (EU) no. 2016/1011 (the **Benchmark Regulation**) was published in the Official Journal of the EU on 29 June 2016 and has applied since 1 January 2018. The Benchmark Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of "benchmarks" of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmark Regulation could have a material impact on the 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 Notes (which are linked to EURIBOR).

While (i) an amendment may be made under Condition 7.5 (*Fallback provisions*) to change the base rate on the 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 (or the Servicer on its behalf) 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 Originator to determine an Alternative Base Rate in accordance with Condition 7.5 (*Fallback provisions*), and (iii) an amendment may be made under Article 34.2 (*Additional modifications*) of the Rules of the Organisation of the Noteholders to change the base rate that then, subject to the consent of the Swap Counterparties, applies in respect of the Swap Agreements for the purpose of aligning the base rate of the Swap Agreements to the Reference Rate of the 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 Notes and the Swap Agreements or (b) will be made prior to any date on which any of the risks described in this risk factor may become relevant.

It is a condition of any Base Rate Modification that the Swap Counterparties have approved the proposed Alternative Base Rate determined by the Rate Determination Agent on the basis of Condition 7.5(c).

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 Notes.

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

The credit ratings assigned to the Rated Notes reflect the Rating Agencies' assessment only of the likelihood of payment of interest in a timely manner, pursuant to the Conditions and the Transaction Documents, and the ultimate repayment of principal on or before the Final Maturity Date, not that such repayment of principal will be paid when expected or scheduled. The ratings do not address (i) the likelihood that the principal will be redeemed on the Rated Notes, as expected, on the scheduled redemption dates; (ii) 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 Portfolio, the reliability of the payments on the Portfolio and the availability of credit enhancement. Future events such as any deterioration of the 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 for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under 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 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, each of the Rating Agencies is established in the European Union, is registered under the EU CRA Regulation and has 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 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). 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 Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) and S&P Global Ratings Europe Limited, Italy Branch are endorsed by S&P Global Ratings UK 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/).

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 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.

8. 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 Lead Manager 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 Issue Date or at any time in the future.

Investors should note in particular that the Basel Committee on Banking Supervision (**BCBS**) has approved a series of significant changes to the Basel framework for prudential regulation (such changes being referred to by the BCBS 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 BCBS 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 framework in Europe.

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 advisers in this respect.

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

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 wider review on which, under article 46 of the EU Securitisation Regulation,

the European Commission published a report on 10 October 2022 outlining a number of areas where legislative changes may be introduced in due course.

The UK Securitisation Regulation applies in the UK from 11pm (London time) on 31 December 2020 following the end of the transition period relating to the UK's withdrawal from the EU (note that the UK is also no longer part of the EEA). The UK Securitisation Regulation largely mirrors (with some adjustments) the EU Securitisation Regulation as it applied in the EU at the end of 2020 (meaning that the amendments that took effect in the EU from 9 April 2021 are not part of the UK regime). The UK Securitisation Regulation regime is currently subject to a review. The HM Treasury issued a report on this review in December 2021 outlining a number of areas where legislative changes may be introduced in due course. The legislative reforms affecting the UK Securitisation Regulation regime are being introduced under the Financial Services and Markets Bill published in July 2022 and the "Edinburgh Reforms" of UK financial services unveiled on 9 December 2022. The timing and all of the details for the implementation of securitisation-specific reforms are not yet known, but these are expected to become clearer in the course 2023. Therefore, some divergence between EU and UK regimes exists already and the risk of more divergence in the future between EU and UK regimes cannot be ruled out.

Certain European-regulated institutional investors or UK-regulated institutional investors, which include relevant credit institutions, investment firms, authorised alternative investment fund managers, insurance and reinsurance undertakings, certain undertakings for the collective investment of transferable securities and certain regulated pension funds (institutions for occupational retirement provision), are required to comply under article 5 of the EU Securitisation Regulation or article 5 of the UK Securitisation Regulation, as applicable, with certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the position. Among other things, prior to holding a securitisation position, such institutional investors are required to verify under their respective EU or UK regime certain matters with respect to compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements and, on transactions notified as EU STS or UK STS, compliance of that transaction with the EU or UK STS requirements, as applicable. If the relevant European- or UK-regulated institutional investor elects to acquire or holds the Notes having failed to comply with one or more of these requirements, as applicable to them under their respective EU or UK regime, this may result in the imposition of a penal capital charge on the Notes for institutional investors subject to regulatory capital requirements or a requirement to take a corrective action, in the case of a certain type of regulated fund investors. Certain aspects of the requirements of the EU Securitisation Regulation and the UK Securitisation Regulation and what is or will be required to demonstrate compliance to national regulators remain unclear. Prospective investors in the Notes should therefore make themselves aware of the requirements applicable to them in their respective jurisdictions and are required to independently assess and determine the sufficiency of the information described in this Prospectus generally for the purposes of complying with such due diligence requirements under the EU Securitisation Regulation and any corresponding national measures which may be relevant or the UK Securitisation Regulation, as applicable.

Prospective investors should note that there can be no assurance that the information in this Prospectus or to be made available to investors in accordance with article 7 of the EU Securitisation Regulation and the UK 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 Securitisation Regulation. Prospective investors in the Notes are responsible for analysing their own regulatory position, and should consult their own advisers in this respect.

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 (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 Issue Date, will be notified by the Originator 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 Originator of how each of the EU STS Requirements has been complied with under 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 Regulation until maturity, provided the Notes remain on the ESMA STS Register and continue to meet the EU STS Requirements and, as such, the EU 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 Originator 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 Regulation) 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 Regulation) 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, Findomestic 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 Rated 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 Regulation 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 continues to qualify as an STS-securitisation under the EU Securitisation Regulation and/or the UK Securitisation Regulation at any point in time. 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, Findomestic (in any capacity), the Arranger, the Lead Manager, 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 Regulation at any point in time.

The EU 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, as amended, 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 Agreements*".

Italian consumer legislation contains certain protections in favour of debtors

The Initial Portfolio comprises, and each Subsequent Portfolio will comprise, Receivables deriving from Loans qualifying as consumer loans or personal credit facilities for the purpose of purchasing Vehicles, *i.e.* loans granted to individuals acting outside the scope of their entrepreneurial, commercial, craft or professional activities.

Such Loans 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, Findomestic has undertaken to indemnify and keep the Issuer harmless from any damage, loss, claim, cost and/or expense that the Issuer has incurred or may incur as a result of the inability of the Issuer to collect or recover any Receivables due to the exercise by the Debtors of any claim or counterclaim (also by way of set-off) against the Originator.

(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 were 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 Law 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 on the risks connected with the reduction in the total cost of the credit pursuant to article 125-*sexies* of the Consolidated Banking Act in case of prepayment of the Loans, 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 Portfolio*" below.

Prospective Noteholders should note that, pursuant to the Warranty and Indemnity Agreement, Findomestic has undertaken to indemnify and keep the Issuer harmless from any damage, loss, claim, cost and/or expense that the Issuer has incurred or may incur as a result of the inability of the Issuer to collect or recover any Receivables due to the exercise by the Debtors 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 Originator. Moreover, following the occurrence of a Set-Off Guarantor Downgrade Event (which is continuing) until the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Rated Notes are redeemed in full or cancelled, the risks connected with the reduction in the total cost of the credit pursuant to article 125-*sexies* of the Consolidated Banking Act in case of prepayment of the Loans will be further mitigated by the Set-Off Reserve to be created in the Set-Off Reserve Account (to the extent that the Originator has not indemnified the Issuer in respect of the relevant Set-Off Loss in accordance with the provisions of the Warranty and Indemnity Agreement). The Issuer will credit to the Set-Off Reserve Account an amount equal to the Set-Off Reserve Required Amount using the Set-Off Reserve Proceeds advanced by the Subordinated Loan Provider under the Subordinated Loan.

(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. In this respect 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, as at the date of this Prospectus, none of the Debtors holds with Findomestic any deposit and/or bank account or otherwise benefits from a contractual right to off-set any amount due to Findomestic by it with any amount due to it by Findomestic and the latter has given a representation to this effect to the Issuer under the Warranty and Indemnity Agreement. In addition, pursuant to the Warranty and Indemnity Agreement, Findomestic (i) has undertaken to procure that none of the Debtors shall have at any time any relationships with Findomestic where the Receivables owed by the relevant Debtors have an Outstanding Principal higher than 0 (zero); and (ii) has undertaken to indemnify and keep the Issuer harmless from any damage, loss, claim, cost and/or expense that the Issuer has incurred or may incur as a result of the inability of the Issuer to collect or recover any Receivables due to the exercise by the Debtors of any claim or counterclaim (also by way of set-off) against the Originator. Moreover, following the occurrence of a Set-Off Guarantor Downgrade Event (which is continuing) until the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Rated Notes are redeemed in full or cancelled, the risk of any shortfall due to the exercise of any right of set-off by a Debtor will be further mitigated by the Set-Off Reserve to be created in the Set-Off Reserve Account (to the extent that the Originator has not indemnified the Issuer in respect of the relevant Set-Off Loss in accordance with the provisions of the Warranty and Indemnity Agreement). The Issuer will credit to the Set-Off Reserve Account an amount equal to the Set-Off Reserve Required Amount using the Set-Off Reserve Proceeds advanced by the Subordinated Loan Provider under the Subordinated Loan.

(D) *Consumer Code's protection*

The Loans, being disbursed to Debtors qualifying as a "consumer" pursuant to the Consolidated Banking Act, are regulated, *inter alia*, 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.

Pursuant to the Warranty and Indemnity Agreement, the Originator has undertaken to indemnify and keep the Issuer harmless from any damage, loss, claim, cost and/or expense that the Issuer has incurred or may incur as a result of the inability of the Issuer to collect or recover any Receivables due to the exercise by the Debtors or any third party of any claim or counterclaim (including a demand for invalidity) against the Originator.

The European Court of Justice's "Lexitor" decision and subsequent Italian Constitutional Court's decision may impact the cash-flows deriving from the 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 13 August 2010, no. 141 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 Warranty and Indemnity Agreement, Findomestic has undertaken to indemnify and keep the Issuer harmless from any damage, loss, claim, cost and/or expense that the Issuer has incurred or may incur as a result of the inability of the Issuer to collect or recover any Receivables due to the exercise by the Debtors of any claim or counterclaim (also by way of set-off) against the Originator. Moreover, following the occurrence of a Set-Off Guarantor Downgrade Event (which is continuing) until the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Rated Notes are redeemed in full or cancelled, the risks connected with the reduction in the total cost of the credit pursuant to article 125-*sexies* of the Consolidated Banking Act will be further mitigated by the Set-Off Reserve to be created in the Set-Off Reserve Account (to the extent that the Originator has not indemnified the Issuer in respect of the relevant Set-Off Loss in accordance with the provisions of the Warranty and Indemnity Agreement). The Issuer will credit to the Set-Off Reserve Account an amount equal to the Set-Off Reserve Required Amount using the Set-Off Reserve Proceeds advanced by the Subordinated Loan Provider under the Subordinated Loan.

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.

The Originator 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 Originator does not intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules and the issuance of the Notes was not designed to comply with the U.S. Risk Retention Rules, the Originator 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 Originator has advised the Issuer that it has not acquired, and it does not intend to acquire more than 25 per cent. of the assets from an affiliate or branch of the Originator or the Issuer that is organised or located in the United States.

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

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

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

(b) any partnership or corporation organised or incorporated under the laws 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 principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in 17 CFR 230.501(a)) who are not natural persons, estates or trusts.

Consequently, except with the prior written consent of the Originator (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, and in certain circumstances will be required, to have made certain representations and agreements, including that it (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Consent from the Originator, (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).

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

None of the Arranger, the Lead Manager, the Originator, 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 Issue 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" broadly defined to include U.S. banks, bank holding companies and foreign banking organisations, (together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading in financial instruments, (ii) acquiring or retaining any "ownership interest" in, or in "sponsoring", a "covered fund" and (iii) entering into certain transactions with such funds subject to certain exemptions and exclusions.

An "ownership interest" is defined widely and may arise through a holder's exposure to the profits and losses of the "covered fund", as well as through certain rights of the holder to participate in the selection or removal of an investment advisor, investment manager, or general partner, trustee, or member of the board of directors of the "covered fund". A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act of 1940, 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 Lead Manager 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.

EMIR may impact the obligations of the Swap Counterparties and the Issuer under the Swap Agreements

EMIR (as amended by Regulation (EU) no. 2019/834 (**EMIR Refit 2.1**)) 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. 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, following changes made by EMIR Refit 2.1, 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.

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 Agreements 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. 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 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 Agreements (possibly resulting in a restructuring or termination of the Swap Agreements) 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 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 Notes than expected.

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.

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 a 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 a 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 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 Termination Payments, 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.

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 issued on 30 December 2022). 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 number 394 of 29 December 2000 (the **Usury Law Decree**), converted into law number 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, number 602 and Cass. Sez. I, 11 January 2013, number 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 number 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 the default interest is relevant for the purposes of determining if 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 number 350/2013, as confirmed by decision number 23192/17 and number 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.

Prospective Noteholders should note that, under the Warranty and Indemnity Agreement, the Originator has represented and warranted that the Receivables comprised in the Portfolio comply with applicable Italian laws, including, without limitation, those relating to usury.

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 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 Agreements 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 number 49 of 8 April 2016), providing that interests (other than defaulted interests) shall not accrue on capitalised interests. Paragraph 2 of article 120 of the Consolidated Banking Act also 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.

Prospective Noteholders should note that, under the Warranty and Indemnity Agreement, the Originator has represented and warranted that the Loan Agreements and each other agreement, deed or document relating thereto comply with applicable Italian laws, including, without limitation, those relating to compounding interest (*anatocismo*).

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 Originator in the Warranty and Indemnity Agreement, on the ground that such provisions may not be derogated from by the parties to a sale contract (*contratto di compravendita*) (such as the Master Receivables Purchase Agreement and, with respect to each Subsequent Portfolio, the relevant Transfer Agreement).

However, under the Warranty and Indemnity Agreement the Originator 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 Originator thereunder.

Change of law may impact the Securitisation

The structure of the Securitisation and the ratings assigned to the Rated Notes are based on Italian, French 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 Issue 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.

9. 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 (the **2015 Bank of Italy Provision**) (*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*), the assets, liabilities, costs and revenues of the Issuer in relation to the Securitisation will be treated as off-balance sheet assets, liabilities, costs and revenues, to be reported in the notes to the financial statements. As of 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 2015 Bank of Italy Provision, 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 earnings (i.e. on-balance sheet earnings), 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 Portfolio and the Securitisation until the satisfaction of the obligations of the Issuer to the holder of the Notes, to any other Issuer's secured creditors and to any third party creditor in respect of which the Issuer has incurred costs, liabilities, fees and expenses in relation to the Securitisation (*fino a che non siano stati soddisfatti tutti i creditori del patrimonio separato dell'Issuer*). This is because, on the basis of the terms of the documents, during the Securitisation the Issuer is required to apply all amounts from time to time available to it and deriving from the receivables and the documents solely in order to fulfil its obligations to the holder of the Notes, to any other Issuer's secured creditors and to fulfil its obligations to other third parties in respect of any taxes, costs, fees, expenses or liabilities incurred by the Issuer in relation to the Securitisation, in each case in accordance with the applicable priority of payments.

This opinion has been expressed by scholars and tax specialists and has been confirmed by the Italian tax authority (*Agenzia delle Entrate*) (Circular no. 8/E of 6 February 2003, Resolution no. 222/E of 5 December 2003 and Rulings no. 77/E of 4 August 2010, no. 18 of 30 January 2019, no. 56 of 15 February of 2019 and no. 132 of 2 March 2021, all issued by the Italian Revenue Agency, confirmed by the decisions of the Italian Supreme Court no. 13162 of 16 May 2019 and no.10885 of 27 May 2015) 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. Specifically, it has been upheld that, due to the segregation of the assets relating to a securitisation transaction, the economic results (*risultati economici*) deriving from the management of the assets of the securitisation transaction shall not be deemed to be attributable or to pertain to the relevant issuer (*non entrano nella disponibilità giuridica della società veicolo*). Accordingly, only at the end of the securitisation, once the obligations vis-à-vis all the creditors of the

segregated assets have been discharged, the residual economic result, if any, deriving from the management of the assets of the securitisation may become attributable and pertain (if so agreed) to the relevant issuer and, as such, be included in its taxable income for the purposes of Italian corporation tax (IRES) and the Italian regional tax on productive activities (IRAP).

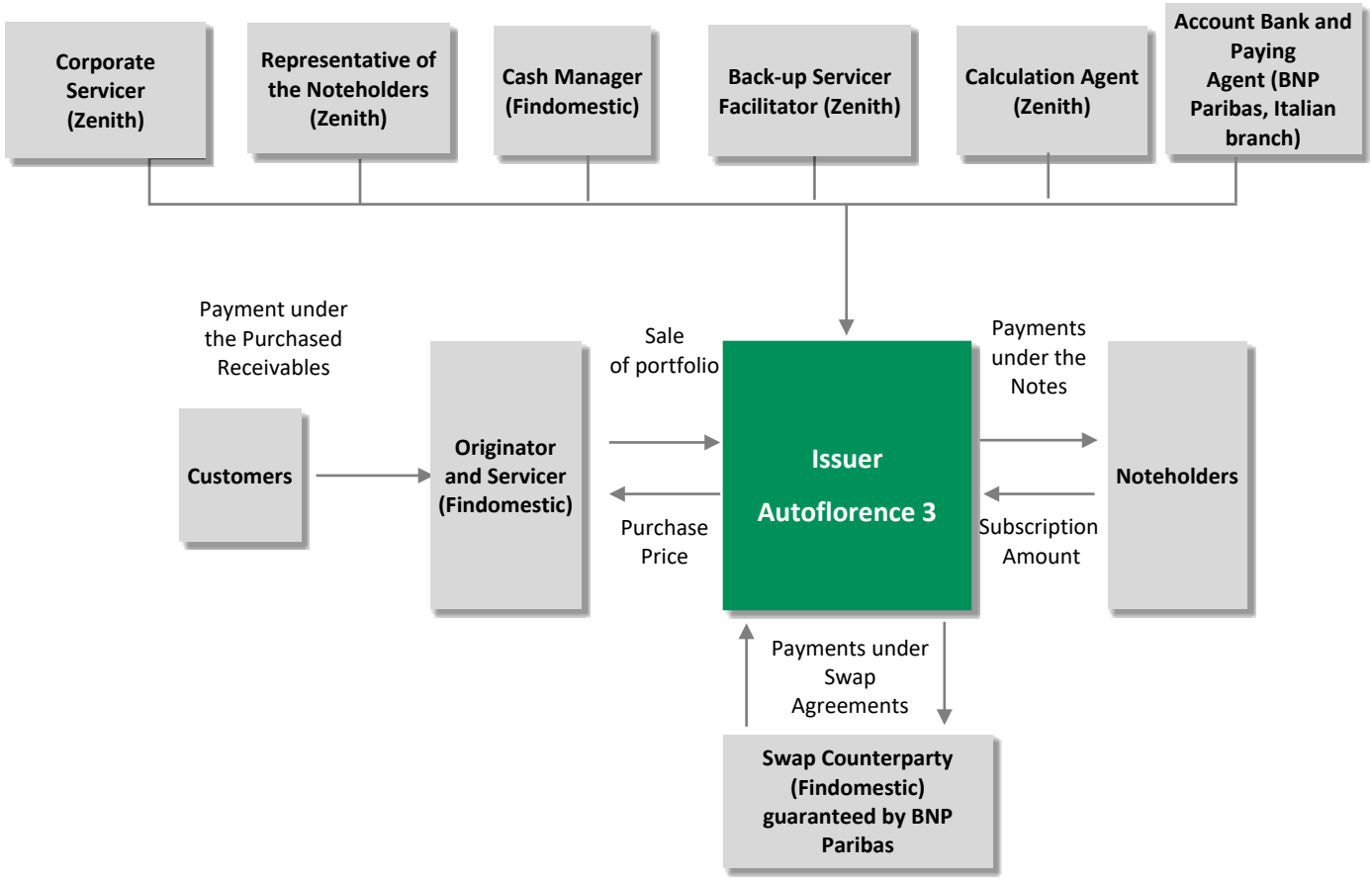
It is, however, possible that future rulings, guidelines, regulations or letters relating to the Securitisation Law or to the interpretation of certain provisions of Italian corporate income tax which may be issued by the Ministry of Economy and Finance, the Italian Revenue Agency or another competent authority might alter or affect the tax position of the Issuer as described above.

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

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

1. TRANSACTION DIAGRAM



2. THE PRINCIPAL PARTIES

Issuer

Autoflorence 3 S.r.l., a company incorporated under the laws of the Republic of Italy as a limited liability company (*società a responsabilità limitata*) with a sole quotaholder, having its registered office at Corso Vittorio Emanuele II, 24-28, 20122 Milan, Italy, quota capital of Euro 10,000 fully paid up, fiscal code and enrolment with the companies' register of Milano - Monza Brianza - Lodi number 12873770965, enrolled with the register of securitisation vehicles (*elenco delle società veicolo*) held by Bank of Italy pursuant to its regulation (*provvedimento della Banca d'Italia*) of 7 June 2017 under number 48421.2.

	The Issuer has been established as a special purpose vehicle for the purposes of issuing asset backed securities in the context of one or more securitisation transactions, subject to Condition 5.12 (*Further securitisations*). For further details, see the section headed "*The Issuer*".
Originator	**Findomestic Banca 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 at Via Jacopo da Diacceto, 48, 50123 Florence, Italy, share capital of Euro 659,403,400 fully paid up, fiscal code and enrolment with the companies' register of Florence number 03562770481 and enrolled under number 5396 in the register of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act, subject to the activity of direction and coordination (*soggetta all'attività di direzione e coordinamento*) of BNP Paribas Personal Finance S.A. pursuant to articles 2497 and following of the Italian civil code (**Findomestic**). For further details, see the section headed "*Findomestic*".
Servicer	**Findomestic**. The Servicer will act as such pursuant to the Servicing Agreement. For further details, see the section headed "*Findomestic*".
Back-up Servicer Facilitator	**Zenith Service S.p.A.**, a joint stock company (*società per azioni*) incorporated under the laws of the Republic of Italy, with registered office at Corso Vittorio Emanuele II, 24-28, 20122 Milan, Italy, fully paid share capital of Euro 2,000,000, fiscal code and enrolment with the companies register of Milano - Monza Brianza - Lodi number 02200990980, enrolled in the register of financial intermediaries ("*Albo Unico*") held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act, ABI Code 32590.2 (**Zenith**).The Back-up Servicer Facilitator will act as such pursuant to the Intercreditor Agreement. For further details, see the section headed "*Zenith*".
Representative of the Noteholders	**Zenith**. The Representative of the Noteholders will act as such pursuant to the Subscription Agreement, the Intercreditor Agreement and the Mandate Agreement. For further details, see the section headed "*Zenith*".
Calculation Agent	**Zenith**. The Calculation Agent will act as such pursuant to the Cash Allocation, Management and Payments Agreement. For further details, see the section headed "*Zenith*".
Account Bank	**BNP Paribas,** a company incorporated under the laws of France licensed to conduct banking operations, having its registered office at Boulevard des

	Italiens n. 16, Paris, France, registered with the Chamber of Commerce of Paris under number 662 042 449, with a fully paid-up share capital of Euro 2,468,663,292, which acts for the purposes hereof through the Securities Services Business Line of its Italian branch, whose offices are located in Piazza Lina Bo Bardi n. 3, Milan, enrolled in the register of the banks held by the Bank of Italy under no. 5482, Fiscal code and VAT code no. 04449690157, REA n. 731270 (**BNP Paribas, Italian branch**). The Account Bank will act as such pursuant to the Cash Allocation, Management and Payments Agreement. For further details, see the section headed "*BNP Paribas Group*".
Cash Manager	**Findomestic**. The Cash Manager will act as such pursuant to the Cash Allocation, Management and Payments Agreement. For further details, see the section headed "*Findomestic*".
Paying Agent	**BNP Paribas, Italian branch**. The Paying Agent will act as such pursuant to the Cash Allocation, Management and Payments Agreement. For further details, see the section headed "*BNP Paribas Group*".
Subordinated Loan Provider	**Findomestic**. The Subordinated Loan Provider will act as such pursuant to the Subordinated Loan Agreement. For further details, see the section headed "*Findomestic*".
Corporate Servicer	**Zenith**. The Corporate Servicer will act as such pursuant to the Corporate Services Agreement. For further details, see the section headed "*Zenith*".
Quotaholder	**Special Purpose Entity Management 2 S.r.l.**, a limited liability company organised under the laws of Italy, having its registered office in Corso Vittorio Emanuele II, 24-28, 20122 Milan, Italy registered in the companies' register of Milano - Monza Brianza - Lodi, fiscal code and registration number 11068370961. For further details, see the section headed "*The Issuer*".
Class A Swap Counterparty	**Findomestic**. The Class A Swap Counterparty will act as such pursuant to the Class A Swap Agreement. For further details, see the section headed "*Findomestic*".

Class B, C, D, E and F Swap Counterparty	**Findomestic**. The Class B, C, D, E and F Swap Counterparty will act as such pursuant to the Class B, C, D, E and F Swap Agreement. For further details, see the section headed "*Findomestic*".
Swap Guarantor	**BNP Paribas**, a *société anonyme* incorporated under the laws of France, whose registered office is at 16 Boulevard des Italiens 75009 Paris, registered with the Trade and Companies Registry of Paris (*Registre du commerce et des sociétés de Paris*) under number 662 042 449, licensed as a credit institution in France by the *Autorité de Contrôle Prudentiel et de Résolution* (**BNP Paribas**). The Swap Guarantor will act as such pursuant to the Swap Guarantee in respect of both the Class A Swap Agreement and the Class B, C, D, E and F Swap Agreement. For further details, see the section headed "*BNP Paribas Group*".
Set-Off Guarantor	**BNP Paribas**. The Set-Off Guarantor will act as such pursuant to the Set-Off Guarantee. For further details, see the section headed "*BNP Paribas Group*".
Reporting Entity	**Findomestic**. The Reporting Entity will act as such pursuant to the Intercreditor Agreement. For further details, see the section headed "*Findomestic*".
Arranger	**BNP Paribas**. For further details, see the section headed "*BNP Paribas Group*".
Lead Manager	**BNP Paribas**. The Lead Manager will act as such pursuant to the Subscription Agreement.
Listing Agent	**BNP Paribas, Luxembourg branch**, a bank incorporated under the laws of the Republic of France as a *société anonyme*, having its registered office at 16 boulevard des Italiens, 75009 Paris, France, acting through its Luxembourg branch with offices at 60 Avenue JF Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg. BNP Paribas, Luxembourg branch, being part of a financial group providing client services with a worldwide network covering different time zones, may entrust parts of its operational processes to other BNP Paribas Group entities and/or third parties, whilst keeping ultimate accountability and responsibility in Luxembourg. Further information on the international operating model of BNP Paribas, Luxembourg branch may be provided upon request.

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) Findomestic, BNP Paribas, Italian branch and Luxembourg branch, and BNP Paribas as described in the sections headed "*Findomestic*" and "*BNP Paribas Group*".

3. THE PRINCIPAL FEATURES OF THE NOTES

The Notes

On the Issue Date, the Issuer will issue:

(a) Euro 440,000,000 Class A Asset Backed Floating Rate Notes due December 2046 (the **Class A Notes** or the **Senior Notes**);

(b) Euro 13,500,000 Class B Asset Backed Floating Rate Notes due December 2046 (the **Class B Notes**);

(c) Euro 14,000,000 Class C Asset Backed Floating Rate Notes due December 2046 (the **Class C Notes**);

(d) Euro 9,500,000 Class D Asset Backed Floating Rate Notes due December 2046 (the **Class D Notes**);

(e) Euro 8,000,000 Class E Asset Backed Floating Rate Notes due December 2046 (the **Class E Notes** and, together with the Class B Notes, the Class C Notes and the Class D Notes, the **Mezzanine Notes** and, together with the Senior Notes, the **Rated Notes**); and

(f) Euro 15,000,000 Class F Asset Backed Floating Rate Notes due December 2046 (the **Class F Notes** or the **Unrated Notes** and, together with the Rated Notes, the **Notes**).

Issue Price

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

Class	*Issue Price*
Class A Notes	100 per cent.
Class B Notes	100 per cent.
Class C Notes	100 per cent.
Class D Notes	100 per cent.
Class E Notes	100 per cent.
Class F Notes	100 per cent.

Form and Denomination

The Notes will be issued in the minimum denomination of Euro 100,000 and integral multiples of Euro 1,000 in excess thereof.

The Notes will be issued in bearer form (*al portatore*) and 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 shall act as depository for Clearstream and Euroclear in accordance with article 83-*bis* of the Financial Laws Consolidated Act, through the authorised institutions listed in article 83-*quarter* of the Financial Laws Consolidated 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 Financial Laws Consolidated 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 Notes

Each Note will bear interest on its Principal Amount Outstanding from (and including) the Issue Date until final redemption or cancellation as provided for in Condition 8 (*Redemption, purchase and cancellation*).

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

(a) in respect of the Class A Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of 0.95 per cent. per annum;

(b) in respect of the Class B Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of 2.35 per cent. per annum;

(c) in respect of the Class C Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of 3.35 per cent. per annum;

(d) in respect of the Class D Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of 5.35 per cent. per annum;

(e) in respect of the Class E Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of 7.25 per cent. per annum;

(f) in respect of the Class F Notes, a floating rate equal to EURIBOR (as determined in accordance with the Conditions), plus a margin of 12 per cent. per annum.

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

Interest in respect of the Notes will accrue on a daily basis and will be payable in arrear in Euro on each Payment Date in accordance with the applicable Priority of Payments. The first payment of interest on the Notes will be due on the Payment Date falling on 25 July 2023 in respect of the period from (and including) the Issue Date to (but excluding) such date.

Interest deferral

Payment of interest on any Class of Notes (other than the Class A Notes or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes) will be subject to deferral to the extent that the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with, in respect of the Rated Notes, any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority

of Payments and any amount applied from the Liquidity Reserve) on any Payment Date prior to the Cancellation Date are not sufficient to pay in full the relevant interest amount which would otherwise be due on such Class of Notes. The amount by which the aggregate amount of interest paid on any Class of Notes (other than the Class A Notes or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes) on any Payment Date prior to the Cancellation Date falls short of the aggregate amount of interest which otherwise would be due on such Class of Notes on that Payment Date shall be aggregated with the amount of, and treated as if it were, interest amount due on such Class of Notes on the immediately following Payment Date and will be payable on such Payment Date in accordance with the Pre-Acceleration Interest Priority of Payments. No interest will accrue on any amount so deferred.

To the extent 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 is equal to or higher than 25 per cent. of the Principal Amount Outstanding of the Class B Notes, interest on the Class B Notes will not then fall due under item (ix) (*Ninth*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xix) (*Nineteenth*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class B Notes.

To the extent 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 is equal to or higher than 25 per cent. of the Principal Amount Outstanding of the Class C Notes, interest on the Class C Notes will not then fall due under item (xi) (*Eleventh*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xx) (*Twentieth*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class C Notes.

To the extent 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, interest on the Class D Notes will not then fall due under item (xiii) (*Thirteenth*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xxi) (*Twenty-first*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together

with any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class D Notes.

To the extent that (i) the Class E Notes are not the Most Senior Class of Notes and (ii) the amount debited on the Class E Principal Deficiency Sub-Ledger is equal to or higher than 25 per cent. of the Principal Amount Outstanding of the Class E Notes, interest on the Class E Notes will not then fall due under item (xv) (*Fifteenth*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xxii) (*Twenty-second*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class E Notes.

To the extent that (i) the Class F Notes are not the Most Senior Class of Notes and (ii) the amount debited on the Class F Principal Deficiency Sub-Ledger is equal to or higher than 0 per cent. of the Principal Amount Outstanding of the Class F Notes, interest on the Class F Notes will not then fall due under item (xvii) (*Seventeenth*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xxiii) (*Twenty-third*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class F Notes.

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 Issuer Available Funds and, to the extent unpaid, will be cancelled.

Any interest amount due but not payable on the Class A Notes or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes on any Payment Date prior to the Cancellation Date will not be deferred and any failure to pay such interest amount will constitute an Issuer Trigger Event pursuant to Condition 12 (*Issuer Trigger Events*).

Status

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

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

Ranking and subordination

Prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3

(*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), in respect of the obligation of the Issuer to pay interest 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 F 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 F 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 F 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 F 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 F Notes, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes;

(f) the Class F 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 Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*) and provided that no Sequential Redemption Event has occurred, in respect of the obligation of the Issuer to repay principal on the Notes, the Notes of each Class will rank *pari passu* and *pro rata* without any preference or priority among themselves and with the Notes of all the other Classes.

Prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*) and provided that a Sequential Redemption Event has occurred, in respect of the obligation of the Issuer to 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 F 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 F 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 F 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 F 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 F 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 F 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.

Following the delivery of an Issuer Trigger Notice or in case of redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), in respect of the obligation of the Issuer to pay interest 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 and (i) as to payment of interest, in priority to repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, and (ii) as to repayment of principal, in priority to payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest on the Class A Notes;

(b) the Class B Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and (i) as to payment of interest, in priority to repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F

Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes, and (ii) as to repayment of principal, in priority to payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes and payment of interest on the Class B Notes;

(c) the Class C Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and (i) as to payment of interest, in priority to repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes and payment of interest and repayment of principal on the Class B Notes, and (ii) as to repayment of principal, in priority to payment of interest and repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes and payment of interest on the Class C Notes;

(d) the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and (i) as to payment of interest, in priority to repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes and payment of interest and repayment of principal on the Class C Notes, and (ii) as to repayment of principal, in priority to payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes and payment of interest on the Class D Notes;

(e) the Class E Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and (i) as to payment of interest, in priority to repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes and payment of interest and repayment of principal on the Class D Notes, and (ii) as to repayment of principal, in priority to payment of interest and repayment of

principal on the Class F Notes but subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes and payment of interest on the Class E Notes;

(f) the Class F Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and (i) as to payment of interest, in priority to repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes and payment of interest and repayment of principal on the Class E Notes, and (ii) as to repayment of principal, subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes, payment of interest and prepayment of principal on the Class E Notes and payment of interest on the Class F Notes.

The rights of the Noteholders in respect of the priority of payment of interest and repayment of principal on the Notes are set out in Condition 6.1 (*Pre-Acceleration Interest Priority of Payments*), Condition 6.2 (*Pre-Acceleration Principal Priority of Payments*) or Condition 6.3 (*Post-Acceleration Priority of Payments*), as the case may be, and are subject to the provisions of the Conditions and the Intercreditor Agreement and subordinated to certain prior ranking amounts due by the Issuer as set out therein.

Withholding on the Notes

As at the date of this Prospectus, payments of interest and other similar proceeds under the Notes may be subject to withholding or deduction for or on account of Italian Tax in accordance with Decree 239. Upon the occurrence of any withholding or deduction for or on account of Tax from any payments under the Notes, neither the Issuer nor any other person shall have any obligation to pay any additional amount(s) to any holder of the Notes. For further details, see the section headed "*Taxation*".

Final redemption

The Issuer shall redeem the Notes at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), in accordance with the Post-Acceleration Priority of Payments, on the Payment Date falling in December 2046 (the **Final Maturity Date**).

The Issuer may not redeem the Notes in whole or in part prior to the Final Maturity Date except as provided for in Condition 8.2 (*Mandatory redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) and Condition 8.4 (*Optional redemption for taxation reasons*), but without prejudice to Condition 12 (*Issuer Trigger Events*) and Condition 14 (*Enforcement*).

Mandatory redemption

The Notes of each Class will be subject to mandatory redemption in full (or in part *pro rata* within each Class) on each Payment Date during the Amortisation Period, to the extent that the Issuer has sufficient Principal

Available Funds for such purpose in accordance with the Pre-Acceleration Principal Priority of Payments.

Prior to the occurrence of a Sequential Redemption Event, repayments of principal in respect of the Notes shall be made on a *pro rata* basis on each Payment Date in accordance with the Pre-Acceleration Principal Priority of Payments.

After the occurrence of a Sequential Redemption Event, repayments of principal in respect of the Notes shall be made in a sequential order at all times in accordance with the Pre-Acceleration Principal Priority of Payments.

For further details, see the section headed "*Sequential Redemption Event*" below.

Optional redemption for clean-up or regulatory reasons

Provided that no Issuer Trigger Notice has been served on the Issuer, upon:

(a) the aggregate Outstanding Principal of the Receivables comprised in the Portfolio being equal to, or lower than, 10 per cent. of the aggregate Outstanding Principal of the Receivables comprised in the Initial Portfolio as at the relevant Valuation Date (the **Clean-up Call Condition**); or

(b) the occurrence of any of the following events:

(i) 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 European Central Bank, the Bank of Italy 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 Issue Date; or

(ii) a notification by or other communication from the applicable regulatory or supervisory authority being received by the Originator with respect to the transactions contemplated by the Transaction Documents on or after the Issue Date; or

(iii) a change in or the adoption of any new law, rule, direction, guidance or regulation which requires the manner in which the Originator is retaining a material net economic interest of not less than 5 (five) per cent. in the Securitisation described in this Prospectus (the **Retained Exposures**) to be restructured after the Issue Date or which would otherwise result in the manner in which the Retained Exposures to become non-compliant in relation to a Noteholder or which would otherwise have an adverse effect on the ability of the Originator to comply with article 6 of the EU Securitisation Regulation,

which, in the reasonable opinion of the Originator, has the effect of materially adversely affecting the regulatory capital treatment or the rate of return on capital of the Originator pursuant to article 244(2) of the CRR provided that any reference to article 244(2) of the CRR shall be deemed to include any successor or replacement provisions to article 244(2) of the CRR or materially increasing the cost or materially reducing the benefit to the Originator of the transactions contemplated by the Transaction Documents (each of the events under this paragraph (b), a **Regulatory Change Event**),

then, upon the Originator exercising the option to repurchase the Portfolio as described below, the Issuer shall, on any Payment Date following the occurrence of a Clean-up Call Condition or a Regulatory Change Event, redeem the Notes (in whole but not in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), in accordance with the Post-Acceleration Priority of Payments, subject to the Issuer:

(i) giving not more than 45 (forty-five) days and not less than 10 (ten) days' notice to the Representative of the Noteholders (with copy to the Servicer, the Calculation Agent and the Rating Agencies) and to the Noteholders in accordance with Condition 17 (*Notices*) of its intention to redeem the Notes; and

(ii) delivering, prior to the notice referred to in paragraph (i) above being given, to the Representative of the Noteholders a certificate duly signed by the Issuer to the effect that it will have the necessary funds (free and clear of any Security Interest of any third party) on such Payment Date to discharge all of its outstanding liabilities in respect of the Notes and any other payment in priority to or *pari passu* with the Notes in accordance with the Post-Acceleration Priority of Payments.

For the avoidance of doubt, the declaration of a Regulatory Change Event will not be prevented or excluded by the fact that, prior to the Issue 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 ECB or the Basel Committee), as officially interpreted, implemented or applied by any relevant competent international, European or national body; 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 Issue 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 described in this Prospectus. Accordingly, such proposals, statements, notifications or views will not be taken into account when assessing the regulatory capital treatment or the capital relief afforded by the Notes for the Originator or its affiliates or rate of return on capital pursuant to article 244(2) of the CRR or an increase in the cost or reduction of benefits to the Originator or its affiliates of the Securitisation described in this Prospectus immediately after the Issue Date.

The Issuer may obtain the funds necessary to finance the early redemption of the Notes in accordance with Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) from the sale of the Portfolio to the Originator. Under the Master Receivables Purchase Agreement, the Issuer has granted to the Originator an option, pursuant to article 1331 of the Italian civil code, to repurchase the Portfolio at the Final Repurchase Price pursuant to the terms and subject to the conditions set out therein. If the Originator exercises such option, then the Issuer shall redeem the Notes as described above.

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

Optional redemption for taxation reasons

Provided that no Issuer Trigger Notice has been served on the Issuer, upon the imposition, at any time after the Issue Date, of:

(a) any Tax Deduction in respect of any payment to be made by the Issuer (other than in respect of a Decree 239 Deduction); or

(b) any changes in the Tax law of Italy (or in the application or official interpretation of such law) which would cause the total amount payable in respect of the Portfolio to cease to be receivable by the Issuer (including as a result of any of the Debtors being obliged to make a Tax Deduction in respect of any payment in relation to any Receivables) (each of the events under paragraphs (a) and (b), a **Tax Event**),

then, upon the Originator exercising the option to repurchase the Portfolio as described below, the Issuer shall, on any Payment Date following the occurrence of a Tax Event, redeem the Rated Notes (in whole but not in part) and the Unrated Notes (in whole or in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), in accordance with the Post-Acceleration Priority of Payments, subject to the Issuer:

(i) giving not more than 45 (forty-five) days and not less than 10 (ten) days' notice to the Representative of the Noteholders (with copy to the Servicer, the Calculation Agent and the Rating Agencies) and to the Noteholders in accordance with Condition 17 (*Notices*) of its intention to redeem the Notes; and

(ii) delivering, prior to the notice referred to in paragraph (i) above being given, to the Representative of the Noteholders:

(A) a certificate duly signed by the Issuer to the effect that the obligation to make a Tax Deduction or the imposition resulting in the total amount payable in respect of the Portfolio ceasing to be receivable by the Issuer cannot be avoided by taking measures reasonably available to the Issuer and not prejudicial to its interests as a whole; and

(B) a certificate duly signed by the Issuer to the effect that it will have the necessary funds (free and clear of any Security Interest of any third party) on such Payment Date to discharge all of its outstanding liabilities in respect of the Rated Notes and any other payment in priority to or *pari passu* with the Rated Notes in accordance with the Post-Acceleration Priority of Payments.

The Issuer may obtain the funds necessary to finance the early redemption of the Notes in accordance with Condition 8.4 (*Optional redemption for taxation reasons*) from the sale of the Portfolio to the Originator. Under the Master Receivables Purchase Agreement, the Issuer has granted to the Originator an option, pursuant to article 1331 of the Italian civil code, to repurchase the Portfolio at the Final Repurchase Price pursuant to the terms and subject to the conditions set out therein. If the Originator exercises such option, then the Issuer shall redeem the Notes as described above.

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

Estimated weighted average life of the Notes

The actual average life of the Notes cannot be stated, as the actual rate of repayment of the Loans and a number of other relevant factors are unknown. However, calculations of the possible average life of the Notes can be made based on certain assumptions as described in this Prospectus.

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 Notes must be viewed with considerable caution.

For further details, see the section headed "*Estimated weighted average life of the Notes*".

Cancellation

The Notes will be finally and definitively cancelled on:

(a) the earlier of (i) the Final Maturity Date, and (ii) the date on which the Notes are redeemed pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*), Condition 8.4 (*Redemption for tax reasons*) or following the delivery of an Issuer Trigger Notice pursuant to Condition 12 (*Issuer Trigger Events*); or

(b) if the Notes cannot be redeemed in full on the Final Maturity Date as a result of the Issuer having insufficient Issuer Available Funds for application in or towards such redemption, the later of (i) the Payment Date immediately following the 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 certified to the Representative of the Noteholders, and the Representative of the Noteholders having given notice to the Noteholders on the basis of such certificate pursuant to the Conditions, that there is no reasonable likelihood, following the application of all the Issuer Available Funds, of there being any further realisations in respect of the Portfolio or the other Issuer's Rights (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay any amount outstanding under the Notes,

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

Segregation of the Portfolio and the other Issuer's Rights

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

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

The Portfolio and the other Issuer's Rights may not be seized or attached in any form by creditors of the Issuer other than the Noteholders and the Other Issuer Creditors, until full discharge by the Issuer of its payment obligations under the Notes or cancellation thereof. Pursuant to the terms of the Intercreditor Agreement and the Mandate Agreement, the Issuer has empowered the Representative of the Noteholders, following the delivery of an Issuer Trigger Notice or, subject to the fulfilment of certain conditions, upon failure by the Issuer to exercise its rights under the Transaction Documents, to exercise all the Issuer's non-monetary rights, powers and discretion under certain Transaction Documents taking such action in the name and on behalf of the Issuer as the Representative of the Noteholders may deem necessary to protect the interests of the Issuer, the Noteholders and the Other Issuer Creditors in respect of the Portfolio and the other Issuer's Rights. Italian law governs the delegation of such power. The Notes have also the benefit of the Security.

Issuer Trigger Events

If any of the following events occurs in respect of the Issuer (each, an **Issuer Trigger Event**):

(a) *Non-payment*:

the Issuer defaults in the payment of:

(i) any amount of interest due on the Class A Notes (or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the

Class E Notes), provided that such default remains unremedied for 5 (five) Business Days; or

(ii) any amount of principal due on any Class of Notes on the Final Maturity Date (or any date of early redemption pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*)), provided that such default remains unremedied for 5 (five) Business Days; or

(iii) any amount of principal due and payable on the Class A Notes (or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes) on any Payment Date prior to the Final Maturity Date (or any date of early redemption pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*)), to the extent the Issuer has sufficient Principal Available Funds to make such repayment of principal in accordance with the Pre-Acceleration Principal 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 Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), if the Calculation Agent does not receive the relevant Servicer's Report, Set-Off Report or Cash Manager Report in accordance with the provisions of the Cash Allocation, Management and Payments Agreement, or any such report is delivered to the Calculation Agent with a delay not enabling the Calculation Agent to timely prepare the Payments Report, no amount of principal will be due and payable in respect of the Notes); or

(b) *Breach of other obligations*:

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

(c) *Breach of representations and warranties*:

any of the representations and warranties given by the Issuer under any of the Transaction Documents is, or proves to have been,

incorrect or erroneous in any material respect when made and (except where, in the opinion of the Representative of the Noteholders, such breach is not capable of remedy in which case no notice requiring remedy will be required) such breach remains remedied for 30 (thirty) days after the Representative of the Noteholders has given written notice thereof to the Issuer requiring the same to be remedied; or

(d) *Insolvency of the Issuer*:

an Insolvency Event occurs with respect to the Issuer; or

(e) *Unlawfulness*:

it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party,

then the Representative of the Noteholders,

(i) in the case of an Issuer Trigger Event under item (a) (*Non-payment*) or (d) (*Insolvency of the Issuer*) above, shall; or

(ii) in the case of an Issuer Trigger Event under item (b) (*Breach of other obligations*), (c) (*Breach of representations and warranties*) or (e) (*Unlawfulness*), if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes, shall,

in each case subject to being indemnified and/or secured to its satisfaction, serve an Issuer Trigger Notice on the Issuer (with copy to the Servicer, the Calculation Agent, the Rating Agencies and the Noteholders in accordance with Condition 17 (*Notices*)), whereupon the Notes shall (subject to Condition 9 (*Limited recourse and non petition*)) become immediately due and repayable at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), without any further action, notice or formality, and the Issuer Available Funds shall be applied in accordance with the Post-Acceleration Priority of Payments on such dates as the Representative of the Noteholders may determine.

At any time after the delivery of an Issuer Trigger Notice, 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 Trigger 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-Acceleration 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 Trigger Notice, 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 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 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 entitled "*Description of the Transaction Documents - The Intercreditor Agreement*".

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 or enforce the Security and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment of the Obligations or to enforce the Security. In particular:

(a) no Noteholder is entitled, otherwise than as permitted by the Transaction Documents, to direct the Representative of the Noteholders to enforce the Security and no Noteholder (nor any person on its behalf, other than the Representative of the Noteholders, where appropriate) is entitled to take any proceedings against the Issuer to enforce the Security;

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

(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 transaction have been redeemed in full or cancelled in accordance with the relevant terms and conditions, no Noteholder (nor any person on its behalf, other than the Representative of the Noteholders when so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes and only if the representatives of the noteholders of all further securitisation transactions (if any) carried out by the Issuer have been so directed by an extraordinary resolution of the holders of the most senior class of notes under the relevant securitisation transaction) shall initiate or join any person in initiating an Insolvency Event in relation to the Issuer; and

(d) no Noteholder shall be entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step which would result in the Priority of Payments not being complied with.

Limited recourse obligations of the Issuer

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

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

(b) sums payable to each Noteholder in respect of the Issuer's obligations to such Noteholder shall be limited to the lesser of (i) the aggregate amount of all sums due and payable to such Noteholder; and (ii) the Issuer Available Funds, net of any sums which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to or *pari passu* with, sums payable to such Noteholder; and

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

The Organisation of the Noteholders and the Representative of the Noteholders

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

Pursuant to the Rules of the Organisation of the Noteholders (attached to the Conditions as an Exhibit), for as long as any Note is outstanding, there shall at all times be a Representative of the Noteholders. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of the Noteholders, is made by the Noteholders subject to and in accordance with the Rules of the Organisation of the Noteholders, except for the initial Representative of the Noteholders which has been appointed by the Lead Manager under the Subscription Agreement. Each Noteholder is deemed to accept such appointment.

Rating

The Rated Notes are expected to be assigned the following ratings on the Issue Date:

Class	*Fitch*	*S&P*
Class A Notes	"AA sf"	"AA (sf)"
Class B Notes	"A+ sf"	"A+ (sf)"
Class C Notes	"BBB sf"	"BBB (sf)"
Class D Notes	"BB sf"	"BB+ (sf)"
Class E Notes	"B+ sf"	"B- (sf)"

It is not expected that the Unrated Notes will be assigned a credit rating.

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

With reference to the ratings specified above to be assigned by Fitch, in accordance with Fitch's definitions available as at the date of this Prospectus on the website https://www.fitchratings.com/products/rating-definitions#about-rating-definitions:

"AA" means very high credit quality;

"A+" means high credit quality;

"BBB"means good credit quality;

"BB" means speculative;

"B+" means highly speculative.

With reference to the ratings specified above to be assigned by S&P, in accordance with S&P's definitions available as at the date of this Prospectus on the website https://www.spratings.com/documents/20184/86966/Standard+%26+Poor%27s+Ratings+Definitions/fd2a2a96-be56-47b8-9ad2-390f3878d6c6:

"AA" means an obligation that differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitments on the obligation is very strong;

"A" means an obligation that is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitments on the obligation is still strong;

"BBB"means an obligation that exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation;

"BB" means an obligation less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation;

"B-" means an obligation more vulnerable to non-payment than obligations rated "BB", but the obligor currently has the capacity to meet its financial commitments on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitments on the obligation.

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, each of Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) and S&P Global Ratings Europe Limited, Italy Branch (together, the **Rating Agencies**) is established in the European Union, is registered under the EU CRA Regulation and has 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 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). 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 Fitch Ratings Ireland Limited (*Sede Secondaria Italiana*) and S&P Global Ratings Europe Limited, Italy Branch are endorsed by Fitch Ratings Limited and S&P Global Ratings UK 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 (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 prior to the Issue Date, will be notified by the Originator 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 Originator 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 Regulation (EU) 2017/2402 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the **UK Securitisation Regulation**) until maturity, provided that the Notes remain on the ESMA STS Register and continue to meet the EU STS

Requirements. For further details, see the section headed "*Risk Factors - The STS designation impacts on regulatory treatment of the Notes*".

The Originator 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. **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 Regulation 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, Findomestic (in any capacity), the Arranger, the Lead Manager, 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 Regulation as at the date of this Prospectus nor at any point in time in the future.

Risk retention

Under the Intercreditor Agreement, the Originator has undertaken that, from the Issue Date, it will:

(i) 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 (a) of article 6(3) of the EU Securitisation Regulation and of article 6(3) of the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures);

(ii) 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 article 6(3) of the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures);

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

(iv) 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 Originator is only required to do so to the extent that the retention and disclosure requirements under the EU Securitisation Regulation and the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures) 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 Originator 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 Originator 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 Originator (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, and in certain circumstances will be required, to have made certain representations and agreements, including that it (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Consent from the Originator, (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 Originator shall be responsible for compliance with article 7 of the EU Securitisation Regulation.

Each of the Issuer and the Originator has acknowledged and agreed that Findomestic 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 Issue Date, as applicable, 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.

However, in respect of the transparency requirements set out in article 7 of the UK Securitisation Regulation, neither the Issuer nor the Originator intend to provide any information to investors in the form required under the UK Securitisation Regulation, provided that in the event that the information made available to investors by the Reporting Entity in accordance with article

7 of the EU Securitisation Regulation and the applicable Regulatory Technical Standards is no longer considered by the relevant UK regulators to be sufficient in assisting UK investors in complying with the UK due diligence requirements under article 5 of the UK Securitisation Regulation, the Originator has agreed that it will, in its sole discretion, use commercially reasonable endeavours to take such further reasonable action as may be required for the provision of information to assist any UK investors in connection with the compliance by such UK investors with such UK due diligence requirements.

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

Approval, listing and admission to trading of the 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 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.

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.

Governing Law

The Notes and any non-contractual obligations arising out thereof will be governed by Italian law.

4. ISSUER AVAILABLE FUNDS AND PRIORITIES OF PAYMENTS

Issuer Available Funds

The Issuer Available Funds will comprise, in respect of any Payment Date, the aggregate of the Interest Available Funds and the Principal Available Funds.

Interest Available Funds

The Interest Available Funds will comprise, in respect of any Payment Date, the aggregate of the following amounts (without double counting):

(a) all Interest Collections received by the Issuer during the immediately preceding Collection Period (other than any undue amount of interest to be returned by the Issuer to the Originator under the Warranty and Indemnity Agreement);

(b) all Recoveries received by the Issuer in respect of the immediately preceding Collection Period;

(c) all amounts of interest accrued and paid on the Accounts (other than the Expenses Account, the Securities Account and the Swap Collateral Accounts) during the immediately preceding Collection Period (net of any applicable withholding or expenses);

(d) 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 Cash Allocation, Management and Payments Agreement using funds standing to the credit of the Accounts (other than the Expenses Account, the Securities Account and the Swap Collateral Accounts);

(e) all amounts to be received by the Issuer under or in relation to any Swap Agreement (including, for the avoidance of doubt, any amount payable by the Swap Guarantor) 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 relevant Swap Cash Collateral Account);

(f) notwithstanding item (e) above, (i) any early termination amount received from any 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 Swap Counterparty in excess of the amount required and applied to pay any outgoing Swap Counterparty;

(g) any amount allocated on such Payment Date under item (x) (*Tenth*) of the Pre-Acceleration Principal Priority of Payments;

(h) any Interest Collections (other than those Interest Collections referred to in item (a) above) that have not been applied on the immediately preceding Payment Date;

(i) any amount (other than any amount on account of principal) received by the Issuer from any Transaction Party during the immediately preceding Collection Period and not already included in any of the other items of this definition of Interest Available Funds,

provided that, prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), if the Calculation Agent does not receive the relevant Servicer's Report, Set-Off Report or Cash Manager Report in accordance with the provisions of the Cash Allocation, Management and Payments Agreement, or any such report is delivered to the Calculation Agent with a delay not enabling the Calculation Agent to timely prepare the Payments Report, but has actual evidence that the amounts standing to the credit of the Accounts are sufficient to make payments of interest on the Class A Notes (or, as long as the Class A Notes

are no longer outstanding, Class B Notes or, as long as the Class B Notes are no longer outstanding, Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes) and all the other amounts ranking in priority thereto pursuant to the Pre-Acceleration Interest Priority of Payments, the Interest Available Funds in respect of the relevant Payment Date shall be limited to the amounts necessary to make such payments.

Principal Available Funds

The Principal Available Funds will comprise, in respect of any Payment Date, the following amounts (without double counting):

(a) all Principal Collections received by the Issuer during the immediately preceding Collection Period (other than any undue amount of principal to be returned by the Issuer to the Originator under the Warranty and Indemnity Agreement);

(b) the Set-Off Reserve standing to the credit of the Set-Off Reserve Account on the Calculation Date immediately preceding such Payment Date, in an amount equal to the relevant Set-Off Loss (to the extent that the Originator has not indemnified the Issuer in respect of such Set-Off Loss in accordance with the provisions of the Warranty and Indemnity Agreement);

(c) any amount allocated under items (viii) (*Eighth*), (x) (*Tenth*), (xii) (*Twelfth*), (xiv) (*Fourteenth*), (xvi) (*Sixteenth*) and (xviii) (*Eighteenth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date;

(d) any amount standing to the credit of the Reinvestment Ledger pursuant to item (iii) (*Third*) of the Pre-Acceleration Principal Priority of Payments on any preceding Payment Date during the Revolving Period;

(e) the proceeds deriving from the sale, if any, of the Portfolio following the delivery of an Issuer Trigger Notice or in case of redemption of the Notes pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*);

(f) any Principal Collections (other than those Principal Collections referred to in item (a) above) that have not been applied on the immediately preceding Payment Date;

(g) any amount on account of principal received by the Issuer from any Transaction Party during the immediately preceding Collection Period and not already included in any of the other items of this definition of Principal Available Funds,

provided that, prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), if the Calculation Agent does not receive the relevant Servicer's Report, Set-Off Report or Cash Manager Report in accordance with the provisions of the Cash Allocation, Management and Payments Agreement, or any such report is

delivered to the Calculation Agent with a delay not enabling the Calculation Agent to timely prepare the Payments Report, but has actual evidence that the amounts standing to the credit of the Accounts are sufficient to make payments under item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments, the Principal Available Funds in respect of the relevant Payment Date shall be limited to the amounts necessary to pay such item.

Pre-Acceleration Interest Priority of Payments

Prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), (a) the Interest Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full), and (b) to the extent there is an Interest Deficiency on any Payment Date, any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve shall be used on such Payment Date to pay only the amounts due under items from (i) (*First*) to (vii) (*Seventh*), (ix) (*Ninth*), (xi) (*Eleventh*), (xiii) (*Thirteenth*) and (xv) (*Fifteenth*) in the order that they appear in the following order of priority:

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

(ii) *Second*, to credit to the Expenses Account an amount necessary to bring the balance of the Expenses Account up to (but not exceeding) the Retention Amount;

(iii) *Third*, 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;

(iv) *Fourth*, 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 Servicer, the Back-up Servicer Facilitator, the Back-up Servicer (if any), the Corporate Servicer, the Cash Manager, the Calculation Agent, the Account Bank and the Paying Agent;

(v) *Fifth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all amounts (if any) due and payable to each Swap Counterparty under the relevant Swap Agreement (including termination payments but excluding any Subordinated Swap Amounts);

(vi) *Sixth*, to credit to the Liquidity Reserve Account an amount necessary to bring the balance of the Liquidity Reserve Account up to (but not exceeding) Liquidity Reserve Required Amount;

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

(viii) *Eighth*, to reduce the debit balance of the Class A Principal Deficiency Sub-Ledger to 0 (zero), by allocating the relevant amounts to the Principal Available Funds;

(ix) *Ninth*, to the extent 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 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;

(x) *Tenth*, to reduce the debit balance of the Class B Principal Deficiency Sub-Ledger to 0 (zero), by allocating the relevant amounts to the Principal Available Funds;

(xi) *Eleventh*, to the extent 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 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;

(xii) *Twelfth*, to reduce the debit balance of the Class C Principal Deficiency Sub-Ledger to 0 (zero), by allocating the relevant amounts to the Principal Available Funds;

(xiii) *Thirteenth*, to the extent 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 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;

(xiv) *Fourteenth*, to reduce the debit balance of the Class D Principal Deficiency Sub-Ledger to 0 (zero), by allocating the relevant amounts to the Principal Available Funds;

(xv) *Fifteenth*, to the extent that (I) the Class E Notes are the Most Senior Class of Notes or (II) the amount debited on the Class E Principal Deficiency Sub-Ledger is less than 25 per cent. of the Principal Amount Outstanding of the Class E Notes, to pay, *pari passu* and *pro rata*, interest due and payable on the Class E Notes;

(xvi) *Sixteenth*, to reduce the debit balance of the Class E Principal Deficiency Sub-Ledger to 0 (zero), by allocating the relevant amounts to the Principal Available Funds;

(xvii) *Seventeenth*, to the extent that (I) the Class F Notes are the Most Senior Class of Notes or (II) there is no amount debited on the Class F Principal Deficiency Sub-Ledger, to pay, *pari passu* and *pro rata*, interest due and payable on the Class F Notes;

(xviii) *Eighteenth*, to reduce the debit balance of the Class F Principal Deficiency Sub-Ledger to 0 (zero), by allocating the relevant amounts to the Principal Available Funds;

(xix) *Nineteenth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class B Notes (to the extent not already paid under item (ix) (*Ninth*) above);

(xx) *Twentieth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class C Notes (to the extent not already paid under item (xi) (*Eleventh*) above);

(xxi) *Twenty-first*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class D Notes (to the extent not already paid under item (xiii) (*Thirteenth*) above);

(xxii) *Twenty-second*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class E Notes (to the extent not already paid under item (xv) (*Fifteenth*) above);

(xxiii) *Twenty-third*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class F Notes (to the extent not already paid under item (xvii) (*Seventeenth*) above);

(xxiv) *Twenty-fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Subordinated Swap Amounts due and payable to each Swap Counterparty;

(xxv) *Twenty-fifth*, to pay, *pari passu* and *pro rata*, the Start-up Costs Proceeds due under the Subordinated Loan Agreement;

(xxvi) *Twenty-sixth*, to pay, *pari passu* and *pro rata*, any interest amounts due and payable under the Subordinated Loan Agreement;

(xxvii) *Twenty-seventh*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any indemnities due and payable to the Arranger and the Lead Manager pursuant to the Subscription Agreement;

(xxviii) *Twenty-eighth*, 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 under other items of this Pre-Acceleration Interest Priority of Payments or the Pre-Acceleration Principal Priority of Payments;

(xxix) *Twenty-ninth*, to pay any surplus as Deferred Purchase Price to the Originator pursuant to the Master Receivables Purchase Agreement.

Pre-Acceleration Principal Priority of Payments

Prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full and provided that the calculations of the Class A Notes Redemption Amount, the Class B Notes Redemption Amount, the Class C Notes Redemption Amount, the Class D Notes Redemption Amount, the Class E Notes Redemption Amount and the

Class F Notes Redemption Amount (as respectively referred to in items (iv) (*Fourth*), (v) (*Fifth*), (vi) (*Sixth*), (vii) (*Seventh*), (viii) (*Eighth*) and (ix) (*Ninth*) below) by the Calculation Agent shall take into account whether or not a Sequential Redemption Event has occurred):

(i) *First*, by way of credit to the Interest Deficiency Ledger, to make up any Interest Deficiency;

(ii) *Second*, during the Revolving Period, to pay to the Originator the Advanced Purchase Price for any Subsequent Portfolio purchased prior to such Payment Date;

(iii) *Third*, during the Revolving Period, to credit any remaining Principal Available Funds to the Reinvestment Ledger;

(iv) *Fourth*, during the Amortisation Period, to pay, *pari passu* and *pro rata*, the Class A Notes Redemption Amount;

(v) *Fifth*, during the Amortisation Period, to pay, *pari passu* and *pro rata*, the Class B Notes Redemption Amount;

(vi) *Sixth*, during the Amortisation Period, to pay, *pari passu* and *pro rata*, the Class C Notes Redemption Amount;

(vii) *Seventh*, during the Amortisation Period, to pay, *pari passu* and *pro rata*, the Class D Notes Redemption Amount;

(viii) *Eighth*, during the Amortisation Period, to pay, *pari passu* and *pro rata*, the Class E Notes Redemption Amount;

(ix) *Ninth*, during the Amortisation Period, to pay, *pari passu* and *pro rata*, the Class F Notes Redemption Amount (in the case of all Payment Dates other than the Cancellation Date, up to an amount that makes the aggregate Principal Amount Outstanding of all the Class F Notes not lower than Euro 1,000); and

(x) *Tenth*, to allocate any surplus to the Interest Available Funds.

Post-Acceleration Priority of Payments

Following the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), (a) the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full), and (b) to the extent there is any shortfall in the Issuer Available Funds on the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be redeemed in full or cancelled, any amount applied from the Liquidity Reserve shall be used on such Payment Date to pay only the amounts due under items from (i) (*First*) to (vi) (*Sixth*), (viii) (*Eighth*), (x) (*Tenth*), (xii) (*Twelfth*) and (xiv) (*Fourteenth*) in the order that they appear in the following order of priority:

(i) *First*, if the relevant Issuer Trigger Event is an Insolvency Event, to pay mandatory expenses relating to such Insolvency Event in accordance with the applicable laws or, if the relevant Issuer Trigger Event is not an Insolvency Event, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Expenses (to the extent the amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Interest Period);

(ii) *Second*, if the relevant Issuer Trigger Event is not an Insolvency Event, to credit to the Expenses Account an amount necessary to bring the balance of the Expenses Account up to (but not exceeding) the Retention Amount;

(iii) *Third*, 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;

(iv) *Fourth*, 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 Servicer, the Back-up Servicer Facilitator, the Back-up Servicer (if any), the Corporate Servicer, the Cash Manager, the Calculation Agent, the Account Bank and the Paying Agent;

(v) *Fifth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all amounts (if any) due and payable to each Swap Counterparty under the relevant Swap Agreement (including termination payments but excluding any Subordinated Swap Amounts);

(vi) *Sixth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class A Notes;

(vii) *Seventh*, to pay, *pari passu* and *pro rata*, the Class A Notes Redemption Amount until the Class A Notes are redeemed in full;

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

(ix) *Ninth*, to pay, *pari passu* and *pro rata*, the Class B Notes Redemption Amount until the Class B Notes are redeemed in full;

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

(xi) *Eleventh*, to pay, *pari passu* and *pro rata*, the Class C Notes Redemption Amount until the Class C Notes are redeemed in full;

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

(xiii) *Thirteenth*, to pay, *pari passu* and *pro rata*, the Class D Notes Redemption Amount until the Class D Notes are redeemed in full;

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

(xv) *Fifteenth*, to pay, *pari passu* and *pro rata*, the Class E Notes Redemption Amount until the Class E Notes are redeemed in full;

(xvi) *Sixteenth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class F Notes;

(xvii) *Seventeenth*, to pay, *pari passu* and *pro rata*, the Class F Notes Redemption Amount (in the case of all Payment Dates other than the Cancellation Date, up to an amount that makes the aggregate Principal Amount Outstanding of all the Class F Notes not lower than Euro 1,000);

(xviii) *Eighteenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Subordinated Swap Amounts due and payable to each Swap Counterparty;

(xix) *Nineteenth*, to pay, *pari passu* and *pro rata*, the Start-up Costs Proceeds due under the Subordinated Loan Agreement;

(xx) *Twentieth*, to pay, *pari passu* and *pro rata*, any interest amounts due and payable under the Subordinated Loan Agreement;

(xxi) *Twenty-first*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any indemnities due and payable to the Arranger and the Lead Manager pursuant to the Subscription Agreement;

(xxii) *Twenty-second*, 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 under other items of this Post-Acceleration Priority of Payments; and

(xxiii) *Twenty-third*, to pay any surplus as Deferred Purchase Price to the Originator pursuant to the Master Receivables Purchase Agreement.

5. TRANSFER OF THE PORTFOLIO

The Portfolio

The principal source of payment of interest and repayment of principal on the Notes will be collections and recoveries made in respect of the Initial Portfolio purchased on 1 June 2023 and the Subsequent Portfolios purchased thereafter, from time to time, by the Issuer in accordance with the provisions of the Master Receivables Purchase Agreement.

The Initial Portfolio has been assigned and transferred and any Subsequent Portfolio will be assigned and transferred to the Issuer without recourse (*pro soluto*) against the Originator in the case of a failure by any of the Debtors to pay amounts due under the Loan Agreements, in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and article 58 of the Consolidated Banking Act and subject to the terms and conditions of the Master Receivables Purchase Agreement.

The Advanced Purchase Price for the Initial Portfolio and each Subsequent Portfolio is equal to the sum of all Individual Purchase Prices of the relevant Receivables. The Advanced Purchase Price for the Initial Portfolio will be paid on the Issue Date using (i) part of the net proceeds of the issue of the Notes and (ii) a portion of the Start-up Costs Proceeds.

Provided that no Revolving Period Termination Event has occurred, sales of Subsequent Portfolios may take place during the Revolving Period in accordance with the provisions of the Master Receivables Purchase Agreement. The Advanced Purchase Price for each Subsequent Portfolio will be funded on the Payment Date immediately following the relevant Transfer Date using the Principal Available Funds available for such purposes in accordance with the Pre-Acceleration Principal Priority of Payments.

In addition, on each Payment Date the Originator may or may not receive, as Deferred Purchase Price, an amount equal to the Issuer Available Funds remaining after making all payments ranking in priority to the payment of such amount in accordance with the applicable Priority of Payments.

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

Revolving Period Termination Events

If any of the following events occurs (each, a **Revolving Period Termination Event**):

(a) *Breach of obligations by Findomestic*:

Findomestic defaults in the performance or observance of any of its obligations under or in respect of any of the Transaction Documents to which it is a party, provided that, in the reasonable opinion of the Representative of the Noteholders, (A) such default is materially prejudicial to the interest of the Noteholders and (B) (except where such default is not capable of remedy, in which case no notice requiring remedy will be required) such default remains unremedied for 30 (thirty) days after the Representative of the Noteholders has given written notice thereof to Findomestic, with a copy to the Issuer, requiring the same to be remedied; or

(b) *Breach of representations and warranties by Findomestic*:

any of the representations and warranties given by Findomestic under any of the Transaction Documents to which it is party is or proves to have been incorrect or misleading in any material respect when made or repeated and such breach, to the extent is, in the reasonable opinion of the Representative of the Noteholders, prejudicial to the interest of the Noteholders, if capable of remedy is not remedied in accordance with the provisions of the Warranty and Indemnity Agreement; or

(c) *Insolvency of Findomestic*:

(i) 90 (ninety) days have elapsed since an application is made for the commencement of an *amministrazione straordinaria* or *liquidazione coatta amministrativa* or any other applicable

insolvency proceedings against Findomestic in any jurisdiction and such application has not been rejected by the relevant court nor has it been withdrawn by the relevant applicant unless a legal opinion or other adequate comfort is given to the Representative of the Noteholders confirming that such application is manifestly without grounds (it being understood that, pending the 90 (ninety)-day or the shorter period necessary for obtaining the aforementioned legal opinion or other adequate comfort, Findomestic will not be able to submit any Transfer Proposal); or

(ii) Findomestic becomes subject to any *amministrazione straordinaria*, *liquidazione coatta amministrativa* or any other applicable insolvency proceedings in any jurisdiction or the whole or any substantial part of the assets of Findomestic are subject to a *pignoramento* or similar procedure having a similar effect; or

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

(d) *Winding up of Findomestic*:

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

(e) *Breach of Cumulative Gross Default Ratio*:

the Cumulative Gross Default Ratio, as resulting from the Servicer's Report immediately preceding the relevant Offer Date, has exceeded the Cumulative Gross Default Trigger Level; or

(f) *Termination of Servicer's appointment*:

the Issuer has terminated the appointment of the Servicer following the occurrence of a Servicer's termination event in accordance with the provisions of the Servicing Agreement (other than the Servicer Termination Event set out in clause 10.1(f) of the Servicing Agreement); or

(g) *Amount of Principal Available Funds credited to the Reinvestment Ledger*:

for 2 (two) consecutive Offer Dates, the amount of Principal Available Funds credited to the Reinvestment Ledger in accordance with item (iii) (*Third*) of the Pre-Acceleration Principal Priority of Payments is higher than 10 per cent. of the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the Initial Portfolio; or

(h) *Failure to offer for sale Subsequent Portfolios*:

the Originator fails to offer for sale Subsequent Portfolios to the Issuer for 3 (three) consecutive Offer Dates; or

(i) *Liquidity Reserve:*

on any Payment Date during the Revolving Period, there are insufficient Interest Available Funds in order to fund the Liquidity Reserve up to the Liquidity Reserve Required Amount in accordance with the Pre-Acceleration Interest Priority of Payments; or

(j) *Class F Principal Deficiency Sub-Ledger*:

on any Payment Date during the Revolving Period, the amount debited on the Class F Principal Deficiency Sub-Ledger (taking into account the amounts which have been credited to the Class F Principal Deficiency Sub-Ledger on the immediately preceding Payment Date) is greater than 0.50 per cent. of the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the Initial Portfolio; or

(k) *Service of an Issuer Trigger Notice*:

an Issuer Trigger Notice has been served on the Issuer; or

(l) *Service of an early redemption notice for regulatory or taxation reasons*:

the Issuer has served a notice of early redemption of the Notes following the occurrence of a Regulatory Change Event in accordance with Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or a notice of early redemption of the Notes following the occurrence of a Tax Event in accordance with Condition 8.4 (*Optional redemption for taxation reasons*); or

(m) *Swap Agreements*:

an Event of Default or Termination Event has occurred under any Swap Agreement (as defined therein),

then the Representative of the Noteholders:

(i) in the case of a Revolving Period Termination Event under items (a) and (b) above, may in its absolute discretion, or shall (if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes); and

(ii) in the case of the other Revolving Period Termination Events, shall,

deliver a Revolving Period Termination Notice to the Issuer, the Calculation Agent and the Originator. After the service of a Revolving Period Termination Notice from the Representative of the Noteholders, the Issuer

shall refrain from purchasing any further Subsequent Portfolio under the Master Receivables Purchase Agreement.

Servicing of the Portfolio

Pursuant to the Servicing Agreement, the Servicer has agreed to collect the Receivables and to administer and service the Portfolio on behalf of the Issuer in compliance with the Securitisation Law.

The Servicer has undertaken to prepare and submit to the Issuer, on a monthly basis, reports in the form set out in the Servicing Agreement. In particular, the Servicer shall prepare: (i) on a monthly basis, an Accounting Servicer's Report, containing, *inter alia*, information relating to the Collections and other accounting information relating to the Receivables; (ii) on a monthly basis, a Set-Off Report, highlighting the relevant Set-Off Exposure and the relevant Set-Off Loss (if any) calculated, in each case, on the last Business Day of the calendar month immediately preceding the relevant Set-Off Report Date; and (iii) on a monthly basis, a Servicer's Report, containing information relating to (A) the Collections made in respect of the Portfolio during the relevant Collection Period, including, without limitation, a description of the Portfolio, information relating to any Defaulted Receivables and the Collections during the immediately preceding Collection Period and a performance analysis, and (B) the relevant Set-Off Exposure and the relevant Set-Off Loss (if any) calculated, in each case, on the last Business Day of the calendar month immediately preceding the relevant Set-Off Report Date.

In addition, the Servicer shall prepare:

(i) the Loan by Loan Report setting out information relating to each Loan as at the end of the immediately preceding Collection Period (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 Regulatory Technical Standards and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available, through 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 SR 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 SR Report Date; and

(ii) 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 of the credit policies relating to the Receivables to be included in any Subsequent Portfolio and the occurrence of any Issuer Trigger Event, Revolving Period Termination Event or Sequential Redemption Event), and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available, through 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 Regulatory Technical Standards and, in any case, on each SR Report Date (simultaneously with the Loan by Loan Report and the SR Investors Report to be made available on the relevant SR Report Date).

In the event that:

(i) a BNPP Downgrade Event occurs; or

(ii) Findomestic ceases to be controlled, directly or indirectly, by BNP Paribas,

the Issuer shall appoint as back-up servicer, within 30 (thirty) days from the occurrence of any of the events listed under paragraphs (i) and (ii) above, an entity identified by the Issuer, with the assistance of the Back-up Servicer Facilitator, which complies with the requirements provided for by the Servicing Agreement for substitute servicers (the **Back-up Servicer**).

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

Warranties and indemnities

Under the Warranty and Indemnity Agreement, the Originator has made certain representations and warranties to the Issuer in relation to, *inter alia*, the Receivables and has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer incurred in connection with the purchase and ownership of the Portfolio or repurchase the Receivables which do not comply with such representations and warranties.

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

6. CREDIT STRUCTURE

Interest Deficiency

On or prior to each Calculation Date up to (but excluding) the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be redeemed in full or cancelled, the Calculation Agent will determine whether the Interest Available Funds will be sufficient to pay the amounts due under items from (i) (*First*) to (vii) (*Seventh*), (ix) (*Ninth*), (xi) (*Eleventh*), (xiii) (*Thirteenth*) and (xv) (*Fifteenth*) of the Pre-Acceleration Interest Priority of Payments. If the Calculation Agent determines that there is a deficiency in the amount of Interest Available Funds available to pay the amounts due under items from (i) (*First*) to (vii) (*Seventh*), (ix) (*Ninth*), (xi) (*Eleventh*), (xiii) (*Thirteenth*) and (xv) (*Fifteenth*) of the Pre-Acceleration Interest Priority of Payments (the amount of the deficit being the **Interest Deficiency**), then the Issuer shall pay or provide for that Interest Deficiency by:

(i) *First*, applying the amount of Principal Available Funds available for application pursuant to item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments to pay the amounts due under items from (i) (*First*) to (vii) (*Seventh*), (ix) (*Ninth*), (xi) (*Eleventh*), (xiii) (*Thirteenth*) and (xv) (*Fifteenth*) of the Pre-Acceleration Interest Priority of Payments in the order

that they appear in the Pre-Acceleration Interest Priority of Payments on such Payment Date (and the Calculation Agent shall make a corresponding entry against the Interest Deficiency Ledger); and

(ii) *Second*, to the extent the amount of Principal Available Funds available for application pursuant to item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments is insufficient to cure such Interest Deficiency, then amounts standing to the credit of the Liquidity Reserve Account will be applied to pay the amounts due under items from (i) (*First*) to (vii) (*Seventh*), (ix) (*Ninth*), (xi) (*Eleventh*), (xiii) (*Thirteenth*) and (xv) (*Fifteenth*) of the Pre-Acceleration Interest Priority of Payments in the order that they appear in the Pre-Acceleration Interest Priority of Payments on such Payment Date.

If any Principal Available Funds are applied on any Payment Date in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments, the Issuer (or the Calculation Agent on its behalf) will make a corresponding debit entry on the Principal Deficiency Ledger.

Liquidity Reserve On the Issue Date, the Subordinated Loan Provider will advance to the Issuer the Liquidity Reserve Proceeds in an amount equal to the Liquidity Reserve Required Amount. The Issuer will use such proceeds to establish the Liquidity Reserve in the Liquidity Reserve Account.

On each Payment Date up to (but excluding) the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be redeemed in full or cancelled, the Interest Available Funds will be applied in accordance with the Pre-Acceleration Interest Priority of Payments to bring the balance of the Liquidity Reserve Account up to (but not exceeding) the Liquidity Reserve Required Amount.

On each Payment Date during the Amortisation Period up to (but excluding) the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be redeemed in full or cancelled, the amounts standing to the credit of the Liquidity Reserve Account (net of any amount that will be applied on such Payment Date to pay interest on the Class A Notes, interest on the Class B Notes, interest on the Class C Notes, interest on the Class D Notes, interest on the Class E Notes and all senior amounts ranking in priority thereto pursuant to items (i) (*First*) to (vii) (*Seventh*), (ix) (*Ninth*), (xi) (*Eleventh*), (xiii) (*Thirteenth*) and (xv) (*Fifteenth*) of the Pre-Acceleration Interest Priority of Payments) which are in excess of the Liquidity Reserve Required Amount will be applied outside the Priority of Payments to repay the Liquidity Reserve Proceeds to the Subordinated Loan Provider.

The Liquidity Reserve will be available to pay interest on the Class A Notes, interest on the Class B Notes, interest on the Class C Notes, interest on the Class D Notes, interest in the Class E Notes and all senior amounts ranking in priority thereto pursuant to items (i) (*First*) to (vii) (*Seventh*), (ix) (*Ninth*), (xi) (*Eleventh*), (xiii) (*Thirteenth*) and (xv) (*Fifteenth*) of the Pre-Acceleration Interest Priority of Payments, in the order that they appear in the Pre-Acceleration Interest Priority of Payments, on each Payment Date up to (but excluding) the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be redeemed in full or cancelled, to the extent that (a) there is an Interest Deficiency and (b) the Principal Available Funds available for application pursuant to item (i) (*First*)

of the Pre-Acceleration Principal Priority of Payments on the relevant Payment Date are insufficient to cover such Interest Deficiency.

On the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be redeemed in full or cancelled, the Liquidity Reserve Required Amount shall be reduced to 0 (zero) and all amounts standing to the credit of the Liquidity Reserve Account (net of any amount that will be applied on such Payment Date to pay interest on the Class A Notes, interest on the Class B Notes, interest on the Class C Notes, interest on the Class D Notes, interest on the Class E Notes and all senior amounts ranking in priority thereto pursuant to items (i) (*First*) to (vi) (*Sixth*), (viii) (*Eighth*), (x) (*Tenth*), (xii) (*Twelfth*) and (xiv) (*Fourteenth*) of the Post-Acceleration Priority of Payments, in the order that they appear in the Post-Acceleration Priority of Payments, to the extent the Issuer Available Funds are insufficient to make such payments) will be applied outside the Priority of Payments to repay the Liquidity Reserve Proceeds to the Subordinated Loan Provider.

Reinvestment Ledger

The Issuer has established and will maintain with the Calculation Agent a reinvestment ledger (the **Reinvestment Ledger**). During the Revolving Period, the Principal Available Funds will be credited to the Reinvestment Ledger in accordance with the Pre-Acceleration Principal Priority of Payments. Any such amounts credited to the Reinvestment Ledger will then be allocated towards the purchase of Subsequent Portfolios during the Revolving Period in accordance with the Pre-Acceleration Principal Priority of Payments. The Issuer may purchase Subsequent Portfolios on any relevant Transfer Date with amounts standing to the credit of the Reinvestment Ledger. After the end of the Revolving Period, such amounts will be applied as Principal Available Funds in accordance with the applicable Priority of Payments.

Principal Deficiency Ledgers

The Issuer has established and will maintain with the Calculation Agent 1 (one) principal deficiency ledger (the **Principal Deficiency Ledger**) comprising of 6 (six) principal deficiency sub-ledgers, one in respect of each Class of Notes and namely: (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**); (iv) a principal deficiency sub-ledger in respect of the Class D Notes (the **Class D Principal Deficiency Sub-Ledger**); (v) a principal deficiency sub-ledger in respect of the Class E Notes (the **Class E Principal Deficiency Sub-Ledger**); and (vi) a principal deficiency sub-ledger in respect of the Class F Notes (the **Class F Principal Deficiency Sub-Ledger**).

The Calculation Agent shall record amounts as appropriate on the Principal Deficiency Ledger, by:

(a) crediting the Class A Principal Deficiency Sub-Ledger by an amount equal to the amounts allocated under item (viii) (*Eighth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date;

(b) crediting the Class B Principal Deficiency Sub-Ledger by an amount equal to the amounts allocated under item (x) (*Tenth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date;

(c) crediting the Class C Principal Deficiency Sub-Ledger by an amount equal to the amounts allocated under item (xii) (*Twelfth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date;

(d) crediting the Class D Principal Deficiency Sub-Ledger by an amount equal to the amounts allocated under item (xiv) (*Fourteenth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date;

(e) crediting the Class E Principal Deficiency Sub-Ledger by an amount equal to the amounts allocated under item (xvi) (*Sixteenth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date;

(f) crediting the Class F Principal Deficiency Sub-Ledger by an amount equal to the amounts allocated under item (xviii) (*Eighteenth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date; and

(g) debiting the Principal Deficiency Ledger by an amount equal to the aggregate of (A) the Default Amount for the relevant Collection Period and (B) an amount equal to the amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments, in the following order:

(i) *First*, to the Class F Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class F Notes;

(ii) *Second*, to the Class E Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class E Notes;

(iii) *Third*, to the Class D Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class D Notes;

(iv) *Fourth*, to the Class C Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class C Notes;

(v) *Fifth*, to the Class B Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class B Notes; and

(vi) *Sixth*, to the Class A Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class A Notes.

Sequential Redemption Event

The occurrence of any of the following events in respect of any Payment Date during the Amortisation Period prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), shall constitute a **Sequential Redemption Event**:

(a) the amount debited on the Class F Principal Deficiency Sub-Ledger is greater than 0.50 per cent. of the aggregate Outstanding Principal of the Portfolio on such Payment Date after application of the Interest Available Funds in accordance with the Pre-Acceleration Interest Priority of Payments; or

(b) the Cumulative Gross Default Ratio is greater than any of the following levels:

Months 1-2	July 2023 - August 2023	0.25%
Months 3-5	September 2023 - November 2023	0.50%
Months 6-8	December 2023 - February 2024	0.75%
Months 9-11	March 2024 - May 2024	1.00%

Months 12-17	June 2024 - November 2024	1.25%
Months 18-23	December 2024 - May 2025	1.50%
Months 24-29	June 2025 - November 2025	2.00%
Months 30-35	December 2025 - May 2026	3.00%
Months + 36	from June 2026	4.00%

(c) the Clean-up Call Condition has occurred but the Clean-up Call Option has not been exercised.

During the Amortisation Period and provided that no Sequential Redemption Event has occurred, repayments of principal in respect of the Notes shall be made on a *pro rata* basis on each Payment Date in accordance with the Pre-Acceleration Principal Priority of Payments.

After the occurrence of a Sequential Redemption Event, repayments of principal in respect of the Notes shall be made in a sequential order at all times in accordance with the Pre-Acceleration Principal Priority of Payments and therefore the Class B Notes will not be further redeemed for so long as the Class A Notes have not been redeemed in an amount equal to the applicable Class A Notes Redemption Amount, the Class C Notes will not be further redeemed for so long as the Class B Notes have not been redeemed in an amount equal to the applicable Class B Notes Redemption Amount, the Class D Notes will not be further redeemed for so long as the Class C Notes have not been redeemed in an amount equal to the applicable Class C Notes Redemption Amount, the Class E Notes will not be further redeemed for so long as the Class D Notes have not been redeemed in an amount equal to the applicable Class D Notes Redemption Amount and the Class F Notes will not be further redeemed for so long as the Class E Notes have not been redeemed in an amount equal to the applicable Class E Notes Redemption Amount.

Set-Off Reserve

Following the occurrence of a Set-Off Guarantor Downgrade Event, the Subordinated Loan Provider will advance to the Issuer the Set-Off Reserve Proceeds in an amount equal to the Set-Off Reserve Required Amount. The Issuer will use such proceeds to establish the Set-Off Reserve in the Set-Off Reserve Account.

On each Payment Date after the Set-Off Reserve has been funded up to (and including) the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Rated Notes will be redeemed in full or cancelled, the Set-Off Reserve standing to the credit of the Set-Off Reserve Account on the Calculation Date immediately preceding such Payment Date will form part of the Principal Available Funds in an amount equal to the relevant Set-Off Loss (to the extent that the Originator has not indemnified the Issuer in respect of such Set-Off Loss in accordance with the provisions of the Warranty and Indemnity Agreement).

On each relevant Calculation Date, subject to receipt from the Servicer, on or prior to the immediately preceding Set-Off Report Date, of the Set-Off Report highlighting the relevant Set-Off Exposure and the relevant Set-Off Loss (if any), the Calculation Agent shall determine and, promptly after such determination, notify to the Issuer, the Corporate Servicer, the Servicer, the Representative of the Noteholders and the Rating Agencies, through the Payments Report, the relevant Set-Off Reserve Required Amount on such Calculation Date. If, on the relevant Calculation Date, the balance of the Set-Off Reserve is lower than the applicable Set-Off Reserve Required Amount, then the Issuer shall replenish the Set-Off Reserve up to (but not exceeding) such Set-Off Reserve Required Amount using further Set-Off Reserve Proceeds advanced by the Subordinated Loan Provider under the Subordinated Loan. Conversely, if, on the

relevant Calculation Date, the balance of the Set-Off Reserve is higher than the applicable Set-Off Reserve Required Amount, then the excess Set-Off Reserve will be applied outside the Priority of Payments towards repayment of the Set-Off Reserve Proceeds to the Subordinated Loan Provider or the Set-Off Guarantor (as the case may be).

On the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Rated Notes will be redeemed in full or cancelled, all amounts standing to the credit of the Set-Off Reserve Account (net of any amount that will form part of the Principal Available Funds on such Payment Date) will be applied outside the Priority of Payments towards repayment of the Set-Off Reserve Proceeds to the Subordinated Loan Provider or the Set-Off Guarantor (as the case may be).

If a Set-Off Guarantor Downgrade Event has occurred but is no longer continuing, all amounts standing to the credit of the Set-Off Reserve Account will be applied outside the Priority of Payments towards repayment of the Set-Off Reserve Proceeds to the Subordinated Loan Provider or the Set-Off Guarantor (as the case may be).

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

Set-Off Guarantee

The obligations of the Subordinated Loan Provider to advance the Set-Off Reserve Proceeds under the Subordinated Loan are guaranteed by the Set-Off Guarantor in the following circumstances:

(a) an Insolvency Event has occurred in relation to the Subordinated Loan Provider; or

(b) following the occurrence of a Set-Off Guarantor Downgrade Event, the Subordinated Loan Provider has failed to advance the Set-Off Reserve Proceeds to the Issuer within 3 (three) Business Days following receipt of a notice from the Issuer (or the Representative of the Noteholders on its behalf) of (i) the occurrence of such downgrade event, or (ii) the balance of the Set-Off Reserve being lower than the applicable Set-Off Reserve Required Amount, as the case may be (or in each case, if earlier, actual knowledge by the Subordinated Loan Provider of the relevant event).

Subject to the below, the Set-Off Guarantee is a continuing guarantee and extends to the ultimate balance of sums payable by the Subordinated Loan Provider, regardless of any intermediate payment or discharge in whole or in part on and from the date of the Set-Off Guarantee.

Following a Subordinated Loan Provider Change of Control, the Set-Off Guarantor may procure to find a Replacement Set-Off Guarantor and the obligations of the Set-Off Guarantor under the Set-Off Guarantee will be continuing until the later of (i) 30 (thirty) calendar days following a Subordinated Loan Provider Change of Control, or (ii) a Replacement Set-Off Guarantor having entered into a Replacement Set-Off Guarantee (such date being the **Set-Off Guarantee Cut-Off Date**). Immediately following the Set-Off Guarantee Cut-Off Date, the Set-Off Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) to guarantee the payment of the Set-Off Reserve Proceeds by the Subordinated Loan Provider under the Subordinated Loan.

In the event that the Set-Off Guarantor ceases to have the Set-Off Guarantor Minimum Ratings, then it shall procure, within 30 (thirty) calendar days from the loss of the Set-Off Guarantor Minimum Ratings, another person that has at least the Set-Off Guarantor Minimum Ratings to become a Replacement Set-Off Guarantor with any Replacement Set-Off Guarantee. Immediately following a Replacement Set-Off Guarantor having entered into a Replacement Set-Off Guarantee, the Set-Off Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) to guarantee the payments of the Set-Off Reserve Proceeds by the Subordinated Loan Provider under the Subordinated Loan.

The Set-Off Guarantor may terminate the Set-Off Guarantee by written notice to the Issuer, effective 10 (ten) Business Days following receipt of such written notice by the Issuer or at such later date as may be specified in such written notice. Notwithstanding the foregoing, a termination by the Set-Off Guarantor will not be effective until a Replacement Set-Off Guarantor is found by the Set-Off Guarantor and a Replacement Set-Off Guarantor has entered into a Replacement Set-Off Guarantee. Immediately following a Replacement Set-Off Guarantor having entered into a Replacement Set-Off Guarantee, the Set-Off Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) to guarantee the payment of the Set-Off Reserve Proceeds by the Subordinated Loan Provider under the Subordinated Loan. The Set-Off Guarantee shall continue in full force and effect with respect to any payment obligation of the Subordinated Loan Provider relating to the Set-Off Reserve Proceeds under the Subordinated Loan prior to the effective termination of the Set-Off Guarantee pursuant to the aforesaid written notice of termination.

It is understood that any repayment to be made to the Subordinated Loan Provider under the Subordinated Loan shall be made to the Set-Off Guarantor, to the extent any Set-Off Reserve Proceeds have been advanced by it. It is also understood that, upon substitution of the Set-Off Guarantor with a Replacement Set-Off Guarantor, any Set-Off Reserve Proceeds advanced by the Set-Off Guarantor will be returned to it outside the Priority of Payments and an equivalent amount shall be advanced to the Issuer by the Replacement Set-Off Guarantor.

For further details, see the section headed "*Description of the Transaction Documents - The Set-Off Guarantee*".

Swap Agreements

On or about the Issue Date, the Issuer has entered into (i) the Class A Swap Agreement with the Class A Swap Counterparty, pursuant to which the Class A 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 (ii) the Class B, C, D, E and F Swap Agreement with the Class B, C, D, E and F Swap Counterparty, pursuant to which the Class B, C, D, E and F 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 Notes.

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

Swap Guarantee

Pursuant to the Swap Guarantee, the Swap Guarantor (i) has agreed to guarantee to the Issuer by way of continuing guarantee the due and punctual payment of all amounts payable by any Swap Counterparty in respect of the relevant Swap Agreement as and

when the same shall become due according to the relevant Swap Agreement; and (ii) has agreed that, if and each time the relevant Swap Counterparty fails to make any payments and/or deliveries when payable or, as the case may be, deliverable under the relevant Swap Agreement, the Swap Guarantor must immediately pay to the Issuer the amounts in the currency in which the amounts are payable by the relevant Swap Counterparty or, as the case may be, make delivery of the relevant property.

Following a Swap Counterparty Change of Control, the Swap Guarantor may procure to find a Replacement Swap Guarantor and the obligations of the Swap Guarantor under the Swap Guarantee will be continuing until the later of (i) 30 (thirty) calendar days following the Swap Counterparty Change of Control, or (ii) a Replacement Swap Guarantor having entered into a Replacement Swap Guarantee (such date being the **Swap Guarantee Cut-Off Date**). Immediately following the Swap Guarantee Cut-Off Date, the Swap Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) to guarantee the payments of the amounts due by the Swap Counterparties under the Swap Agreements.

In the event that the Swap Guarantor ceases to have the Supported Minimum Counterparty Rating or the Subsequent S&P Required Rating, then it shall use its reasonable efforts (in the case of loss of the Supported Minimum Counterparty Rating) or commercially reasonable efforts (in the case of loss of the Subsequent S&P Required Rating) to procure, within 30 (thirty) calendar days from the loss of the Supported Minimum Counterparty Rating or 90 (ninety) calendar days from the loss of the Subsequent S&P Required Rating, another person that has at least the Supported Minimum Counterparty Rating and the Subsequent S&P Required Ratingto become a Replacement Swap Guarantor with any Replacement Swap Guarantee. Immediately following a Replacement Swap Guarantor having entered into a Replacement Swap Guarantee, the Swap Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) to guarantee the payments of the amounts due by the Swap Counterparties under the Swap Agreements.

The Swap Guarantor may terminate the Swap Guarantee by written notice to the Issuer, effective 10 (ten) Business Days following receipt of such written notice by the Issuer or at such later date as may be specified in such written notice. Notwithstanding the foregoing, a termination by the Swap Guarantor will not be effective until a Replacement Swap Guarantor is found by the Swap Guarantor and a Replacement Swap Guarantor has entered into a Replacement Swap Guarantee. Immediately following a Replacement Swap Guarantor having entered into a Replacement Swap Guarantee, the Swap Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) to guarantee the payments of the amounts due by the Swap Counterparties under the Swap Agreements. The Swap Guarantee shall continue in full force and effect with respect to any payment obligation of the Swap Counterparties under the Swap Agreements prior to the effective termination of the Swap Guarantee pursuant to the aforesaid written notice of termination.

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

7. TRIGGER TABLES

(A) RATING TRIGGERS TABLE

Transaction Party	Required Ratings	Contractual requirements on occurrence of breach of ratings trigger include the following:
Account Bank	With respect to Fitch, a long-term public rating at least equal to "A" or a short-term public rating at least equal to "F1". With respect to S&P, a long-term issuer credit rating (ICR) of "A".	The consequence of breach is that, within 30 (thirty) calendar days from the date on which such breach occurred: (i) the Account Bank shall promptly give notice of such event to the other parties to the Cash Allocation, Management and Payments Agreement and the Rating Agencies and shall procure, with the cooperation of the Issuer, to select a leading bank approved by the Representative of the Noteholders and which is an Eligible Institution willing to act as successor Account Bank, and (ii) the Issuer will appoint such bank to act as successor Account Bank and procure, in cooperation with the Account Bank, that the Accounts held with the Account Bank are transferred to the successor Account Bank, provided that such bank has agreed to become a party to the Intercreditor Agreement and any other relevant Transaction Document.
Paying Agent	With respect to Fitch, a long-term public rating at least equal to "A" or a short-term public rating at least equal to "F1". With respect to S&P, a long-term issuer credit rating (ICR) of "A".	The consequence of breach is that, within 30 calendar days from the date on which such event occurred: (i) the Paying Agent shall promptly give notice of such event to the other parties to the Cash Allocation, Management and Payments Agreement and the Rating Agencies and shall procure, with the cooperation of the Issuer, to select a leading bank approved by the Representative of the Noteholders and which is an Eligible Institution willing to act as successor Paying Agent, and (ii) the Issuer will appoint such bank as successor Paying Agent, provided that such bank shall agree to assume the role of Paying Agent upon the terms of the Cash

Transaction Party	Required Ratings	Contractual requirements on occurrence of breach of ratings trigger include the following:
		Allocation, Management and Payments, agreeing to become a party to the Intercreditor Agreement and any other relevant Transaction Document.
BNP Paribas	The long-term issuer default ratings of BNP Paribas fall below "BBB" by Fitch and "BBB" by S&P.	The consequence of breach is that (i) the Issuer shall appoint a Back-up Servicer; and (ii) the Subordinated Loan Provider shall advance to the Issuer the Set-Off Reserve Proceeds in an amount equal to the Set-Off Reserve Required Amount that will be used by the Issuer to establish the Set-Off Reserve in the Set-Off Reserve Account.
Class A Swap Counterparty	**Fitch's required ratings** Initial required ratings: The derivative counterparty rating and the short-term issuer default rating of at least as high as the corresponding Unsupported Minimum Counterparty Rating as specified in the table below.	The consequence of Fitch's initial required rating not being met (the **Senior Initial Fitch Rating Event**) is that (i) Class A Swap Counterparty must, on a reasonable efforts basis and at its own cost, post collateral within 14 calendar days of the Senior Initial Fitch Rating Event (or, if a Senior Initial Fitch Rating Event has continued since the date of the Class A Swap Agreement, on the date of the Senior Initial Fitch Rating Event), and (ii) may, in its sole discretion and at its own cost, (a) transfer all of its rights and obligations under the Class A Swap Agreement to a replacement third party (or a replacement third party with an eligible and appropriately rated guarantor), or (b) procure a co-obligation or guarantee from an appropriately rated third party; provided that if required, pending the taking of any of the actions in (ii)(a) to (b) above, the Class A Swap Counterparty posts collateral as required under (i) above. A failure by Class A Swap Counterparty to take such steps

Transaction Party	Required Ratings	Contractual requirements on occurrence of breach of ratings trigger include the following:
		will, in certain circumstances, allow the Issuer to terminate the Class A Swap Agreement.
	Subsequent required rating: The derivative counterparty rating and the short-term issuer default rating of at least as high as the corresponding Supported Minimum Counterparty Rating as specified in the table below.	The consequence of Fitch's subsequent required rating not being met (the **Senior Subsequent Fitch Rating Event**) is that (i) Class A Swap Counterparty will, on a reasonable efforts basis and at its own cost within 30 calendar days of such Senior Subsequent Fitch Rating Event, either (a) transfer all of its rights and obligations under the Class A Swap Agreement to a replacement third party (or a replacement third party with an eligible and appropriately rated guarantor), or (b) procure a co-obligation or guarantee from an appropriately rated third party; provided that pending the taking of any of the actions in (i) and (ii) above, the Class A Swap Counterparty posts collateral within 14 calendar days of the Senior Subsequent Fitch Rating Event. A failure by Class A Swap Counterparty to take such steps will, in certain circumstances, allow the Issuer to terminate the Class A Swap Agreement.

Current rating of Senior Notes	**Unsupported Minimum Counterparty Ratings**	**Supported Minimum Counterparty Ratings**	**Supported Minimum Counterparty Ratings (adjusted)**
AAAsf	A or F1	BBB- or F3	BBB+ or F2
AA+sf, AAsf, AA-sf	A- or F1	BBB- or F3	BBB+ or F2
A+sf, Asf, A-sf	BBB or F2	BB+	BBB or F2
BBB+sf, BBBsf, BBB-sf	BBB- or F3	BB-	BBB- or F3

Transaction Party	Required Ratings		Contractual requirements on occurrence of breach of ratings trigger include the following:	
	BB+sf, BBsf, BB-sf	At least as high as the Senior Notes rating	B+	BB-
	B+sf or below or Senior Notes are not rated by Fitch	At least as high as the Senior Notes rating	B-	B-
	S&P's required ratings Initial S&P Required Rating of "BBB+".		The consequence of the required rating not being met is that the Class A Swap Counterparty shall post collateral.	
	Subsequent S&P Required Rating of "BBB+".		The consequence of the required rating not being met is that the Issuer shall use commercially reasonable efforts to (i) transfer the Class A Swap Agreement to another entity meeting the applicable rating requirement; or (ii) procure that a guarantor meeting the applicable rating requirement guarantees the obligations of the Class A Swap Counterparty under the Class A Swap Agreement; or (iii) take other actions subject to confirmation by S&P.	
Class B, C, D, E and F Swap Counterparty	**Fitch's required ratings** Initial required ratings: The derivative counterparty rating and the short-term issuer default rating of at least as high as the corresponding Unsupported Minimum Counterparty Rating as specified in the table below.		The consequence of Fitch's initial required rating not being met (the **Mezzanine Initial Fitch Rating Event**) is that (i) Class B, C, D, E and F Swap Counterparty must, on a reasonable efforts basis and at its own cost, post collateral within 14 calendar days of the Mezzanine Initial Fitch Rating Event (or, if a Mezzanine Initial Fitch Rating Event has continued since the date of the Class B, C, D, E and F Swap Agreement, on the date of the Mezzanine Initial Fitch Rating Event), and (ii) may, in its sole discretion and at its own cost, (a) transfer all of its rights and obligations under the Class B, C, D, E and F Swap Agreement to a replacement third party (or a replacement third party with an	

Transaction Party	Required Ratings	Contractual requirements on occurrence of breach of ratings trigger include the following:
		eligible and appropriately rated guarantor), or (b) procure a co-obligation or guarantee from an appropriately rated third party; provided that if required, pending the taking of any of the actions in (ii)(a) to (b) above, the Class B, C, D, E and F Swap Counterparty posts collateral as required under (i) above. A failure by the Class B, C, D, E and F Swap Counterparty to take such steps will, in certain circumstances, allow the Issuer to terminate the Class B, C, D, E and F Swap Agreement.
	Subsequent required rating: The derivative counterparty rating and the short-term issuer default rating of at least as high as the corresponding Supported Minimum Counterparty Rating as specified in the table below.	The consequence of Fitch's subsequent required rating not being met (the **Mezzanine Subsequent Fitch Rating Event**) is that (i) the Class B, C, D, E and F Swap Counterparty will, on a reasonable efforts basis and at its own cost within 30 calendar days of such Mezzanine Subsequent Fitch Rating Event, either (a) transfer all of its rights and obligations under the Class B, C, D, E and F Swap Agreement to a replacement third party (or a replacement third party with an eligible and appropriately rated guarantor), or (b) procure a co-obligation or guarantee from an appropriately rated third party; provided that pending the taking of any of the actions in (i) and (ii) above, the Class B, C, D, E and F Swap Counterparty posts collateral within 14 calendar days of the Mezzanine Subsequent Fitch Rating Event. A failure by the Class B, C, D, E and F Swap Counterparty to take such steps will, in certain circumstances, allow the Issuer to

Transaction Party	Required Ratings	Contractual requirements on occurrence of breach of ratings trigger include the following:
		terminate the Class B, C, D, E and F Swap Agreement.

Current rating of the highest rated Mezzanine Notes	Unsupported Minimum Counterparty Ratings	Supported Minimum Counterparty Ratings	Supported Minimum Counterparty Ratings (adjusted)
AAAsf	A or F1	BBB- or F3	BBB+ or F2
AA+sf, AAsf, AA-sf	A- or F1	BBB- or F3	BBB+ or F2
A+sf, Asf, A-sf	BBB or F2	BB+	BBB or F2
BBB+sf, BBBsf, BBB-sf	BBB- or F3	BB-	BBB- or F3
BB+sf, BBsf, BB-sf	At least as high as the Senior Notes rating	B+	BB-
B+sf or below or the highest rated Mezzanine Notes are not rated by Fitch	At least as high as the highest rated Mezzanine Notes rating	B-	B-

S&P's required ratings Initial S&P Required Rating of "BBB+". Subsequent S&P Required Rating of "BBB+".	The consequence of the required rating not being met is that the Class B, C, D, E and F Swap Counterparty shall post collateral. The consequence of the required rating not being met is that the Issuer shall use commercially reasonable efforts to (i) transfer the Class B, C, D, E and F Swap Agreement to another entity meeting the applicable rating requirement; or (ii) procure that a guarantor meeting the applicable rating requirement guarantees the obligations of the Class B, C, D, E and F Swap Counterparty under the Class B, C, D, E and F Swap Agreement; or (iii) take other

Transaction Party	Required Ratings	Contractual requirements on occurrence of breach of ratings trigger include the following:
		actions subject to confirmation by S&P.
Swap Guarantor	**Fitch's required ratings** Initial required ratings: The long-term issuer default rating and the short-term issuer default rating of at least as high as the corresponding Unsupported Minimum Counterparty Rating as specified in the tables under sections "Class A Swap Counterparty" and "Class B, C, D, E and E Swap Counterparty" above. Subsequent required rating: The long-term issuer default rating and the short-term issuer default rating of at least as high as the corresponding Supported Minimum Counterparty Rating as specified in the tables under sections "Class A Swap Counterparty" and "Class B, C, D, E and F Swap Counterparty" above.	The consequence of the required rating not being met is that the relevant Swap Counterparty shall post collateral. The consequence of the required rating not being met is that the Issuer shall procure a co-obligation or guarantee from an appropriately rated third party in respect of the obligations under the relevant Swap Agreement.
	S&P's required ratings Initial S&P Required Rating of "BBB+". Subsequent S&P Required Rating of "BBB+".	The consequence of the required rating not being met is that the relevant Swap Counterparty shall post collateral. The consequence of the required rating not being met is that the Issuer shall (i) procure that a guarantor meeting the applicable rating requirement guarantees the obligations under the relevant Swap Agreement; or (ii) take other actions subject to confirmation by S&P.
Set-Off Guarantor	**Fitch's required ratings** "BBB" by Fitch.	The Subordinated Loan Provider will advance to the Issuer the Set-Off Reserve Proceeds in an amount equal to the Set-Off Reserve Required Amount. The

Transaction Party	Required Ratings	Contractual requirements on occurrence of breach of ratings trigger include the following:
		Issuer will use such proceeds to establish the Set-Off Reserve in the Set-Off Reserve Account.
	S&P's required ratings "BBB" by S&P.	The Subordinated Loan Provider will advance to the Issuer the Set-Off Reserve Proceeds in an amount equal to the Set-Off Reserve Required Amount. The Issuer will use such proceeds to establish the Set-Off Reserve in the Set-Off Reserve Account.

(B) **NON-RATING TRIGGERS TABLE**

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
Servicer Termination Event For further details, see the section headed "*Description of the Transaction Documents - The Servicing Agreement*"	The occurrence of any of the following events in respect of the Servicer (each, a **Servicer Termination Events**): (a) the Servicer fails to deposit or pay any amount required to be paid or deposited, which failure continues unremedied for 5 (five) Business Days after the due date thereof and cannot be attributed to strikes, technical interruptions or other grounded reasons; or (b) the Servicer fails to observe or perform any other term, condition, covenant or agreement (except for the obligation under paragraph (a) above) provided for under the Servicing Agreement and the other Transaction Documents to which it is a party, as long as such failure is, in the reasonable opinion of the	Following the occurrence of a Servicer Termination Event, the Issuer may (or, in the case of the Servicer Termination Events under paragraphs (d), (e), (f) and (g), shall) terminate the appointment of the Servicer and appoint a substitute servicer (unless a Back-up Servicer has been already appointed) in accordance with the Servicing Agreement.

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	Representative of the Noteholders, material prejudicial to the interest of the Noteholders and (unless such failure is not, in the reasonable opinion of the Representative of the Noteholders, capable of remedy) such failure continues for a period of 20 (twenty) days (or 10 (ten) days if the failure relates to the obligations set out under clauses 5.1, 5.2, 5.3, 5.4, 5.5 and 5.6 of the Servicing Agreement) following receipt by the Servicer of written notice from the Issuer, with copy to the Representative of the Noteholders, asking the remedy to such failure; or	
	(c) any of the representations and warranties given by the Servicer, pursuant to the Servicing Agreement, is untrue, false or deceptive in any material respect and such default is materially prejudicial to the interest of the Noteholders and, if capable of remedy, is not remedied in accordance with the provisions of the Servicing Agreement and the Warranty and Indemnity Agreement; or	
	(d) (i) the Servicer becomes subject to any *amministrazione straordinaria*, *liquidazione coatta amministrativa* or any other insolvency proceedings, or resolution is passed by the	

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	competent body of the Servicer approving the winding-up of the Servicer or the admission of the same to any of the aforesaid proceedings; or (ii) the Servicer takes any action for a restructuring or deferment of fulfilment of any of its obligations relating to financial indebtedness or makes any out of court settlements with its creditors (to the extent such out of court settlements may be materially prejudicial to the interests of the Noteholders) for the extension of fulfilment of its obligations relating to financial indebtedness or the enforcement of any guarantee given to guarantee such fulfilment; or	
	(e) an order is issued or a resolution is adopted by the competent body of the Servicer approving the liquidation of the Servicer; or	
	(f) 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	
	(g) the Servicer is or will be unable to meet the current or future legal requirements provided for by law and the Bank of Italy's regulations for entities acting as servicers	

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	in the context of a securitisation transaction.	
Agent Termination Event For further details, see the section headed "*Description of the Transaction Documents - The Cash Allocation, Management and Payments Agreement*".	The occurrence of any of the following in respect of any of the Agents (each, an **Agent Termination Event upon Default**): (a) a material default is made by an Agent in the performance of its obligations under the Cash Allocation, Management and Payments Agreement; or (b) any of the representations and warranties given by it under the Cash Allocation, Management and Payments Agreement proves to be inaccurate in any respect, and in each case the Representative of the Noteholders is of the opinion that such default or inaccuracy is materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding, and where such default or inaccuracy (except where in the opinion of the Representative of the Noteholders, such default or inaccuracy is incapable of remedy, in which case, no notice requiring remedy shall be required) continues unremedied for a period of 30 (thirty) days after the earlier of such Agent becoming aware of such default or inaccuracy and receipt by such Agent of a written notice from the Representative of the Noteholders requiring the same to be remedied. The occurrence of any of the following in respect of any of the	Following the occurrence of an Agent Termination Event upon Default or an Agent Material Termination Event, the Issuer may (or, in the case of the Agent Material Termination Events under paragraphs (b), (c) and (d), shall) terminate the appointment of the relevant Agent and appoint a substitute Agent in accordance with the Cash Allocation, Management and Payments Agreement. For further details, see the section headed "*Description of the Transaction Documents - The Cash Allocation, Management and Payments Agreement*".

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	Agents (each, an **Agent Material Termination Event**): (a) any of the Agents fails to comply with any of its respective obligations under clauses 4.1(a) (*Operation of the Accounts*), 4.1(b) (*No payments if account overdrawn*), 4.2 (*Duties in relation to payments*), 4.3 (*Duties in relation to Eligible Investments*), 4.5(b) (*Funds held for the Noteholders and the Other Issuer Creditors*), 4.5(c) (*Exclusions of set-off and interest*), 4.6 (*Reports*), 5 (*Duties of the Calculation Agent*), 6.5 (*Cash Manager Report*), 7.4 (*Exclusion of liens and interest*), 7.5 (*Payments to Noteholders*), 7.12 (*Publication of Notices*), 8.1 (*Determination and notification of the Interest Payment Amount*), 9.2 (*Details of Records*) of the Cash Allocation, Management and Payments Agreement, and the relevant default continues unremedied for a period of 5 (five) Business Days after the occurrence thereof); or (b) an Insolvency Event occurs in relation to any Agent; or (c) the Account Bank or the Paying Agent ceases to be an Eligible Institution in accordance with the provisions of clause 4.4 (*Loss of status of Eligible Institution by the Account*	

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	Bank) or clause 8.3 (*Loss of status of Eligible Institution by the Paying Agent*) of the Cash Allocation, Management and Payments Agreement; or (d) if the relevant Agent is rendered unable to perform its obligations under the Cash Allocation, Management and Payments Agreement for a period of 60 (sixty) days by circumstances beyond its control.	
Revolving Period Termination Event For further details, see the sections headed "*Description of the Transaction Documents - The Master Receivables Purchase Agreement*" and "*Terms and Conditions of the Notes*".	The occurrence of any of the following events (each, a **Revolving Period Termination Event**): (i) *Breach of obligations by Findomestic*: Findomestic defaults in the performance or observance of any of its obligations under or in respect of any of the Transaction Documents to which it is a party, provided that, in the reasonable opinion of the Representative of the Noteholders, (A) such default is materially prejudicial to the interest of the Noteholders and (B) (except where such default is not capable of remedy, in which case no notice requiring remedy will be required) such default remains unremedied for 30 (thirty) days after the Representative of the Noteholders has given written notice thereof to	Upon the occurrence of a Revolving Period Termination Event, the Representative of the Noteholders: (a) in the case of a Revolving Period Termination Event under items (i) (*Breach of obligations by Findomestic*) and (ii) (*Breach of representations and warranties by Findomestic*), may in its absolute discretion, or shall (if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes); and (b) in the case of the other Revolving Period Termination Events, shall, deliver a Revolving Period Termination Notice to the Issuer, the Calculation Agent and the Originator. After the service of a Revolving Period Termination Notice from the Representative of the Noteholders, the Issuer shall

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	Findomestic, with a copy to the Issuer, requiring the same to be remedied; or (ii) *Breach of representations and warranties by Findomestic*: any of the representations and warranties given by Findomestic under any of the Transaction Documents to which it is party is or proves to have been incorrect or misleading in any material respect when made or repeated and such breach, to the extent is, in the reasonable opinion of the Representative of the Noteholders, prejudicial to the interest of the Noteholders, if capable of remedy is not remedied in accordance with the provisions of the Warranty and Indemnity Agreement; or (iii) *Insolvency of Findomestic*: (A) 90 (ninety) days have elapsed since an application is made for the commencement of an *amministrazione straordinaria* or *liquidazione coatta amministrativa* or any other applicable insolvency proceedings against Findomestic in	refrain from purchasing any further Subsequent Portfolio under the Master Receivables Purchase Agreement.

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	any jurisdiction and such application has not been rejected by the relevant court nor has it been withdrawn by the relevant applicant unless a legal opinion or other adequate comfort is given to the Representative of the Noteholders confirming that such application is manifestly without grounds (it being understood that, pending the 90 (ninety)-day or the shorter period necessary for obtaining the aforementioned legal opinion or other adequate comfort, Findomestic will not be able to submit any Transfer Proposal); or	
	(B) Findomestic becomes subject to any *amministrazione straordinaria*, *liquidazione coatta amministrativa* or any other applicable insolvency proceedings in any jurisdiction or the whole or any	

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	substantial part of the assets of Findomestic are subject to a *pignoramento* or similar procedure having a similar effect; or (C) Findomestic takes any action for a restructuring or deferment of fulfilment of any of its obligations relating to financial indebtedness or makes any out of court settlements with its creditors (to the extent such out of court settlements may be materially prejudicial to the interests of the Noteholders) for the extension of fulfilment of its obligations relating to financial indebtedness or the enforcement of any guarantee given to guarantee such fulfilment; or (iv) *Winding up of Findomestic*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution in any form of Findomestic; or	

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	(v) *Breach of Cumulative Gross Default Ratio*: the Cumulative Gross Default Ratio, as resulting from the Servicer's Report immediately preceding the relevant Offer Date, has exceeded the Cumulative Gross Default Trigger Level; or	
	(vi) *Termination of Servicer's appointment*: the Issuer has terminated the appointment of the Servicer following the occurrence of a Servicer Termination Event in accordance with the provisions of the Servicing Agreement (other than the Servicer Termination Event set out in clause 10.1(f) of the Servicing Agreement); or	
	(vii) *Amount of Principal Available Funds credited to the Reinvestment Ledger*: for 2 (two) consecutive Offer Dates, the amount of Principal Available Funds credited to the Reinvestment Ledger in accordance with item (iii) (*Third*) of the Pre-Acceleration Principal Priority of Payments is higher than 10 per cent. of the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the Initial Portfolio; or	

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	(viii) *Failure to offer for sale Subsequent Portfolios*: the Originator fails, during the Revolving Period, to offer for sale Subsequent Portfolios to the Issuer for 3 (three) consecutive Offer Dates; or	
	(ix) *Liquidity Reserve*: on any Payment Date during the Revolving Period, there are insufficient Interest Available Funds in order to fund the Liquidity Reserve up to the Liquidity Reserve Required Amount in accordance with the Pre-Acceleration Interest Priority of Payments;	
	(x) *Class F Principal Deficiency Sub-Ledger*: on any Payment Date during the Revolving Period, the amount debited to the Class F Principal Deficiency Sub-Ledger (taking into account the amounts which have been credited to the Class F Principal Deficiency Sub-Ledger on the immediately preceding Payment Date) is greater than 0.50 per cent. of the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the Initial Portfolio; or	

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	(xi) *Service of an Issuer Trigger Notice*: an Issuer Trigger Notice has been served on the Issuer; or (xii) *Service of an early redemption notice for regulatory or taxation reasons*: the Issuer has served a notice of early redemption of the Notes following the occurrence of a Regulatory Change Event in accordance with Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or a notice of early redemption of the Notes following the occurrence of a Tax Event in accordance with Condition 8.4 (*Optional redemption for taxation reasons*); or (xiii) *Swap Agreements*: an Event of Default or Termination Event has occurred under any Swap Agreement (as defined therein).	
Issuer Trigger Events For further details, see the section headed "*Terms and Conditions of the Notes*".	The occurrence of any of the following events in respect of the Issuer (each, an **Issuer Trigger Event**): (a) *Non-payment*: the Issuer defaults in the payment of: (i) any amount of interest due on	Upon the occurrence of an Issuer Trigger Event, then the Representative of the Noteholders, (i) in the case of an Issuer Trigger Event under item (a) (*Non-payment*) or (d) (*Insolvency of the Issuer*) above, shall; or

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	the Class A Notes (or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes), provided that such default remains unremedied for 5 (five) Business Days; or (ii) any amount of principal due on any Class of Notes on the Final Maturity Date (or any date of early redemption pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*)), provided that such default	(ii) in the case of an Issuer Trigger Event under item (b) (*Breach of other obligations*), (c) (*Breach of representations and warranties*) or (e) (*Unlawfulness*), if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes, shall, in each case subject to being indemnified and/or secured to its satisfaction, serve an Issuer Trigger Notice on the Issuer (with copy to the Servicer, the Calculation Agent, the Rating Agencies and the Noteholders in accordance with Condition 17 (*Notices*)), whereupon the Notes shall (subject to Condition 9 (*Limited recourse and non petition*)) become immediately due and repayable at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), without any further action, notice or formality, and the Issuer Available Funds shall be applied in accordance with the Post-Acceleration Priority of Payments on such dates as the Representative of the Noteholders may determine.

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	remains unremedied for 5 (five) Business Days; or	
	(iii) any amount of principal due and payable on the Class A Notes (or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes) on any Payment Date prior to the Final Maturity Date (or any date of early redemption pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*)), to the extent the Issuer has sufficient Principal	

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	Available Funds to make such repayment of principal in accordance with the Pre-Acceleration Principal 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 Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), if the Calculation Agent does not receive the relevant Servicer's Report, Set-Off Report or Cash Manager Report in accordance with the provisions of the Cash Allocation, Management and	

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	Payments Agreement, or any such report is delivered to the Calculation Agent with a delay not enabling the Calculation Agent to timely prepare the Payments Report, no amount of principal will be due and payable in respect of the Notes); or	
	(b) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party (other than any obligation under paragraph (a) (*Non-payment*) above) and (except where, in the opinion of the Representative of the Noteholders, such default is not capable of remedy in which case no notice requiring remedy will be required) such default remains unremedied for 30 (thirty) days after the Representative of the Noteholders has given written notice thereof to the Issuer requiring the same to be remedied; or	
	(c) *Breach of representations and warranties*:	

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	any of the representations and warranties given by the Issuer under any of the Transaction Documents is, or proves to have been, incorrect or erroneous in any material respect when made and (except where, in the opinion of the Representative of the Noteholders, such breach is not capable of remedy in which case no notice requiring remedy will be required) such breach remains remedied for 30 (thirty) days after the Representative of the Noteholders has given written notice thereof to the Issuer requiring the same to be remedied; or (d) *Insolvency of the Issuer*: an Insolvency Event occurs with respect to the Issuer; or (e) *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party.	
Sequential Redemption Event For further details, see the section headed "*Terms and Conditions of the Notes*".	The occurrence of any of the following events in respect of any Payment Date during the Amortisation Period prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or	After the occurrence of a Sequential Redemption Event, repayments of principal in respect of the Notes shall be made in a sequential order at all times in accordance with the Pre-Acceleration Principal Priority of Payments and therefore the Class B Notes will not be further redeemed for so long as the Class

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	Condition 8.4 (*Optional redemption for taxation reasons*) (each, a **Sequential Redemption Event**): (a) the amount debited on the Class F Principal Deficiency Sub-Ledger is greater than 0.50 per cent. of the aggregate Outstanding Principal of the Portfolio on such Payment Date after application of the Interest Available Funds in accordance with the Pre-Acceleration Interest Priority of Payments; or (b) the Cumulative Gross Default Ratio is greater than any of the following levels:	A Notes have not been redeemed in an amount equal to the applicable Class A Notes Redemption Amount, the Class C Notes will not be further redeemed for so long as the Class B Notes have not been redeemed in an amount equal to the applicable Class B Notes Redemption Amount, the Class D Notes will not be further redeemed for so long as the Class C Notes have not been redeemed in an amount equal to the applicable Class C Notes Redemption Amount, the Class E Notes will not be further redeemed for so long as the Class D Notes have not been redeemed in an amount equal to the applicable Class D Notes Redemption Amount and the Class F Notes will not be further redeemed for so long as the Class E Notes have not been redeemed in an amount equal to the applicable Class E Notes Redemption Amount.

Months 1-2	July 2023 - August 2023	0.25%
Months 3-5	September 2023 - November 2023	0.50%
Months 6-8	December 2023 - February 2024	0.75%
Months 9-11	March 2024 - May 2024	1.00%
Months 12-17	June 2024 - November 2024	1.25%
Months 18-23	December 2024 - May 2025	1.50%

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	<table><tr><td>Months 24-29</td><td>June 2025 - November 2025</td><td>2.00%</td></tr><tr><td>Months 30-35</td><td>December 2025 - May 2026</td><td>3.00%</td></tr><tr><td>Months + 36</td><td>from June 2026</td><td>4.00%</td></tr></table> (c) the Clean-up Call Condition has occurred but the Clean-up Call Option has not been exercised.	
Clean-up Call Condition For further details, see the section headed "*Terms and Conditions of the Notes*".	The circumstance that the aggregate Outstanding Principal of the Receivables comprised in the Portfolio being equal to, or lower than, 10 per cent. of the aggregate Outstanding Principal of the Receivables comprised in the Initial Portfolio as at the relevant Valuation Date (the **Clean-up Call Condition**).	Provided that no Issuer Trigger Notice has been served on the Issuer, upon the Originator exercising the option to repurchase the Portfolio in accordance with the Master Receivables Purchase Agreement, the Issuer shall, on any Payment Date following the occurrence of a Clean-up Call Condition, redeem the Notes (in whole but not in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), in accordance with the Post-Acceleration Priority of Payments, subject to the requirements provided for in the Conditions being met.
Regulatory Change Event For further details, see the section headed "*Terms and Conditions of the Notes*".	The occurrence of any of the following events (each, a **Regulatory Change Event**): (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	Provided that no Issuer Trigger Notice has been served on the Issuer, upon the Originator exercising the option to repurchase the Portfolio in accordance with the Master Receivables Purchase Agreement, the Issuer shall, on any Payment Date following the occurrence of a Regulatory Change Event, redeem the Notes (in whole but not in part) at their Principal Amount Outstanding

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	the European Central Bank, the Bank of Italy 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 Issue Date; or	(plus any accrued but unpaid interest thereon), in accordance with the Post-Acceleration Priority of Payments, subject to the requirements provided for in the Conditions being met.
	(b) a notification by or other communication from the applicable regulatory or supervisory authority is received by the Originator with respect to the transactions contemplated by the Transaction Documents on or after the Issue Date; or	
	(c) a change in or the adoption of any new law, rule, direction, guidance or regulation which requires the manner in which the Originator is retaining a material net economic interest of not less than 5 (five) per cent. in the Securitisation described in this Prospectus (the **Retained Exposures**) to be restructured after the Issue Date or which would otherwise result in the manner in which the Retained Exposures to become non-compliant in relation to a Noteholder or which would otherwise have an adverse effect on	

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	the ability of the Originator to comply with article 6 of the EU Securitisation Regulation, which, in the reasonable opinion of the Originator, has the effect of materially adversely affecting the regulatory capital treatment or the rate of return on capital of the Originator pursuant to article 244(2) of the CRR provided that any reference to article 244(2) of the CRR shall be deemed to include any successor or replacement provisions to article 244(2) of the CRR or materially increasing the cost or materially reducing the benefit to the Originator of the transactions contemplated by the Transaction Documents. For the avoidance of doubt, the declaration of a Regulatory Change Event will not be prevented or excluded by the fact that, prior to the Issue 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 ECB or the Basel Committee), as	

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	officially interpreted, implemented or applied by any relevant competent international, European or national body; 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 Issue 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 described in this Prospectus. Accordingly, such proposals, statements, notifications or views will not be taken into account when assessing the regulatory capital treatment or the capital relief afforded by the	

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	Notes for the Originator or its affiliates or rate of return on capital pursuant to article 244(2) of the CRR or an increase in the cost or reduction of benefits to the Originator or its affiliates of the Securitisation described in this Prospectus immediately after the Issue Date.	
Tax Event For further details, see the section headed "*Terms and Conditions of the Notes*".	The imposition, at any time after the Issue Date, of any of the following (each, a **Tax Event**): (a) any Tax Deduction in respect of any payment to be made by the Issuer (other than in respect of a Decree 239 Deduction); or (b) any changes in the Tax law of Italy (or in the application or official interpretation of such law) which would cause the total amount payable in respect of the Portfolio to cease to be receivable by the Issuer (including as a result of any of the Debtors being obliged to make a Tax Deduction in respect of any payment in relation to any Receivables).	Provided that no Issuer Trigger Notice has been served on the Issuer, upon the Originator exercising the option to repurchase the Portfolio in accordance with the Master Receivables Purchase Agreement, the Issuer shall, on any Payment Date following the occurrence of a Tax Event, redeem the Rated Notes (in whole but not in part) and the Unrated Notes (in whole or in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), in accordance with the Post-Acceleration Priority of Payments, subject to the requirements provided for in the Conditions being met.
Post-Acceleration Priority of Payments For further details, see the section headed "*Terms and Conditions of the Notes*".	The occurrence of any of the following events: (a) the delivery of an Issuer Trigger Notice; or (b) the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional Redemption*	Following the delivery of an Issuer Trigger Notice or in case of redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Issuer Available Funds will be applied on each Payment Date in

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
	for clean-up or regulatory reasons) or Condition 8.4 (*Optional redemption for taxation reasons*).	accordance with the Post-Acceleration Priority of Payments.

8. DESCRIPTION OF THE TRANSACTION DOCUMENTS

Intercreditor Agreement

Under the terms of the Intercreditor Agreement, the Representative of the Noteholders shall be entitled, *inter alia*, following the service of an Issuer Trigger Notice and until the Notes have been redeemed in full or cancelled in accordance with the Conditions, to pay or cause to be paid on behalf of the Issuer and using the Issuer Available Funds all sums due and payable by the Issuer to the Noteholders, the Other Issuer Creditors and any third party creditors in respect of fees, costs and expenses incurred by the Issuer in the context of the Securitisation, in accordance with the terms of the Post-Acceleration Priority of Payments.

In addition, the Intercreditor Agreement contains provisions relating to risk retention and transparency requirements in accordance with the EU Securitisation Regulation and the UK Securitisation Regulation.

For further details, see the section headed "*Description of the Transaction Documents - The Intercreditor Agreement*" and "*Risk Retention and Transparency Requirements*"

Cash Allocation, Management and Payments Agreement

Under the terms of the Cash Allocation, Management and Payments Agreement, the Account Bank, the Cash Manager, the Calculation Agent and the Paying Agent have agreed to provide the Issuer with certain calculation, notification, cash management and reporting services together with account handling services in relation to moneys and securities from time to time standing to the credit of the Accounts and with certain agency services.

On or prior to each Calculation Date, the Calculation Agent shall prepare and deliver to the Issuer, the Representative of the Noteholders, the Rating Agencies, the Subordinated Loan Provider, the Swap Counterparties, the Servicer, the Back-up Servicer Facilitator, the Back-up Servicer (if any), the Corporate Servicer and each of the Agents the Payments Report, with respect to the allocation of the Issuer Available Funds on the immediately following Payment Date in accordance with the applicable Priority of Payments. On each Payment Date, the Paying Agent shall apply amounts transferred to it out of the Payments Account in making payments to the Noteholders in accordance with the applicable Priority of Payments, as set out in the relevant Payments Report.

On or prior to each Investors Report Date, the Calculation Agent shall prepare and deliver to the Issuer, the Representative of the Noteholders, the Rating Agencies, the Subordinated Loan Provider, the Servicer, the Back-up Servicer (if any), the Corporate Servicer and each of the Agents the Investors Report, setting out certain information with respect to the Portfolio and the Notes. Such report will be available for inspection on the website of the

Calculation Agent (being, as at the date of this Prospectus, https://www.zenithservice.it/it/reserved-area/).

In addition, the Calculation Agent shall, subject to receipt of any relevant information from the Issuer or the Servicer, prepare the SR Investors Report setting out certain information with respect to the Portfolio and the Notes (including the information referred to in point (e), items (i), (ii) and (iii), of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation) and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available, through 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 SR 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 SR Report Date.

For further details, see the section headed "*Description of the Transaction Documents - The Cash Allocation, Management and Payments Agreement*".

Subordinated Loan Agreement

On the Issue Date, the Subordinated Loan Provider will advance the Liquidity Reserve Proceeds and the Start-up Costs Proceeds to the Issuer in accordance with the provisions of the Subordinated Loan Agreement and the other relevant Transaction Documents.

Following the occurrence of a Set-Off Guarantor Downgrade Event, the Subordinated Loan Provider will also advance the Set-Off Reserve Proceeds to the Issuer in accordance with the provisions of the Subordinated Loan Agreement and the other relevant Transaction Documents.

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

Mandate Agreement

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

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

Corporate Services Agreement

Under the terms of the Corporate Services Agreement, the Corporate Servicer has agreed to provide certain corporate administrative services to the Issuer.

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

Deed of Charge

Pursuant to the Deed of Charge, the Issuer has assigned 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 Agreements and all payments due to it thereunder.

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

French Law Pledge Agreement

Pursuant to the French Law Pledge Agreement, the Issuer has pledged in favour of the Representative of the Noteholders (acting as *agent des sûretés* (security agent) pursuant to articles 2488-6 et seq. of the French Civil Code in its own name (*en son nom propre*) for the benefit of (*au profit de*) of the Noteholders, the Other Issuer Creditors and their respective successors in title, permitted transferees or permitted assignees and any of their successors in title, permitted transferees or permitted assignees) all the receivables owing or payable to the Issuer pursuant to the Swap Guarantee and the Set-Off Guarantee and all payments due to it thereunder.

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

9. THE ACCOUNTS

Collection Account

The Issuer has established with the Account Bank the Collection Account, into which the Servicer shall credit all the amounts received or recovered under the Receivables on the Business Day immediately following the day on which such amounts are so received or recovered in accordance with the Servicing Agreement.

The Collection Account will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

Payments Account

The Issuer has established with the Account Bank the Payments Account, into which, 2 (two) Business Days (or one Business Day, for as long as the Paying Agent and the Account Bank are the same entity) prior to such Payment Date, all amounts payable on each Payment Date will be transferred.

The Payments Account will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

Liquidity Reserve Account

The Issuer has established with the Account Bank the Liquidity Reserve Account on which the Liquidity Reserve will be credited.

The Liquidity Reserve Account will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

Set-Off Reserve Account

The Issuer has established with the Account Bank the Set-Off Reserve Account on which the Set-Off Reserve will be credited.

The Set-Off Reserve Account will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

Securities Account

The Issuer has established with the Account Bank the Securities Account, into which any Eligible Investments consisting of securities purchased using funds standing to the credit of the Accounts (other than the Expenses Account, the Securities Account and the Swap Collateral Accounts) will be deposited.

	The Securities Account will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.
Swap Cash Collateral Accounts	The Issuer has established with the Account Bank the Swap Cash Collateral Accounts, into which any Swap Collateral consisting of cash will be credited. The Swap Cash Collateral Accounts will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.
Swap Securities Collateral Accounts	The Issuer has established with the Account Bank the Swap Securities Collateral Accounts, into which any Swap Collateral consisting of securities will be credited. The Swap Securities Collateral Accounts will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.
Expenses Account	The Issuer has established with the Account Bank the Expenses Account into which, on the Issue Date and thereafter on Payment Date, an amount necessary to bring the balance of the Expenses Account up to (but not exceeding) the Retention Amount will be credited.

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 article 6 of the UK Securitisation Regulation on risk retention and with the provisions of articles 7 and 22 of the EU Securitisation Regulation on transparency requirements.

Prospective investors should 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 Securitisation Regulation. None of the Issuer, the Originator, the Servicer, the Arranger, the Lead Manager or any other Transaction Party 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 "Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes".

Risk retention

Under the Intercreditor Agreement, the Originator has undertaken that, from the Issue Date, it will:

(i) 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 (a) of article 6(3) of the EU Securitisation Regulation and of article 6(3) of the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures);

(ii) 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 article 6(3) of the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures);

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

(iv) 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 Originator is only required to do so to the extent that the retention and disclosure requirements under the EU Securitisation Regulation and the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures) are applicable to the Securitisation.

In addition, the Originator 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 UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures);

(b) it will not to 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 UK Securitisation Regulation (as interpreted and applied on the date hereof and not taking into account any relevant national measures), and it will not enter into any transaction synthetically effecting any of these actions; and

(c) it has not selected the Receivables comprised in the Initial Portfolio, and it will not select the Receivables comprised in each Subsequent 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 Originator, pursuant to article 6(2) of the EU Securitisation Regulation and article 6(2) of the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures).

Transparency requirements

Under the Intercreditor Agreement, the parties thereto have acknowledged that the Originator shall be responsible for compliance with article 7 of the EU Securitisation Regulation.

Each of the Issuer and the Originator has acknowledged and agreed that Findomestic 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 Issue 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 Originator has agreed that the Originator 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 Originator has confirmed that, before pricing, it has been, as holder of a portion of the principal amount of each Class of 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, a liability cash flow model which precisely represents the contractual relationship between the Receivables and the payments flowing between the Originator, 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:

(i) the Loan by Loan Report setting out information relating to each Loan as at the end of the immediately preceding Collection Period (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 Regulatory Technical Standards and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available, through 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 SR 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 SR Report Date;

(ii) 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 of the credit policies relating to the Receivables to be included in any Subsequent Portfolio and the occurrence of any Issuer Trigger Event, Revolving Period Termination Event or Sequential Redemption Event), and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available, through 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 Regulatory Technical Standards and, in any case, on each SR Report Date (simultaneously with the Loan by Loan Report and the SR Investors Report to be made available on the relevant SR Report Date);

(b) the Calculation Agent shall, subject to receipt of any relevant information from the Issuer or the Servicer, prepare the SR Investors Report setting out certain information with respect to the Portfolio and the Notes (including the information referred to in point (e), items (i), (ii) and (iii), of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation) and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available, through 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 SR 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 SR Report Date; and

(c) 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 to make available, through the Securitisation Repository, such documents to the investors in the Notes by no later than 15 (fifteen) days after the Issue 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 pursuant to the EU Securitisation Regulation and the applicable Regulatory 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 Regulatory Technical Standards.

Pursuant to the Intercreditor Agreement, the Originator has further undertaken to make available to investors in the Notes on an ongoing basis and to potential investors in the Notes upon request, through Bloomberg and Intex (or any other provider notified by the Issuer to the investors in the Notes), 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 Originator, 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.

However, in respect of the transparency requirements set out in article 7 of the UK Securitisation Regulation, neither the Issuer nor the Originator intend to provide any information to investors in the form required under the UK Securitisation Regulation, provided that in the event that the information made available to investors by the Reporting Entity in accordance with article 7 of the EU Securitisation Regulation and the applicable Regulatory Technical Standards is no longer considered by the relevant UK regulators to be sufficient in assisting UK investors in complying with the UK due diligence requirements under article 5 of the UK Securitisation Regulation, the Originator has agreed that it will, in its sole discretion, use commercially reasonable endeavours to take such further reasonable action as may be required for the provision of information to assist any UK investors in connection with the compliance by such UK investors with such UK due diligence requirements.

THE PORTFOLIO

Introduction

Pursuant to the Master Receivables Purchase Agreement, the Issuer has purchased, pursuant to the combined provisions of articles 1 and 4 of the Securitisation Law and article 58 of the Consolidated Banking Act, the Initial Portfolio and may purchase Subsequent Portfolios from the Originator together with any other rights of the Originator to guarantees or security interests and any related rights that have been granted to the Originator to secure or ensure payments of any of the Receivables.

The Receivables comprised in the Initial Portfolio and in any Subsequent Portfolio arise out of consumer loans contracts (*contratti di credito al consumo*) and personal loan contracts for the purpose of purchasing Vehicles classified as at the relevant Valuation Date as performing by the Originator.

The Receivables comprised in the Initial Portfolio have been, and the Receivables comprised in any Subsequent Portfolio will be, selected on the basis of (i) certain common objective criteria listed in schedule 1 to the Master Receivables Purchase Agreement (the **Common Criteria**) which shall apply to the Initial Portfolio and to any Subsequent Portfolio and (ii) certain further objective criteria listed in schedule 2 to the Master Receivables Purchase Agreement (the **Specific Criteria** and, together with the Common Criteria, the **Criteria**). The Specific Criteria are split between the Specific Criteria relating to the Initial Portfolio (which are set out in schedule 2, part A, of the Master Receivables Purchase Agreement) and the Specific Criteria relating to any Subsequent Portfolio (which are set out in schedule 2, part B, of the Master Receivables Purchase Agreement and may supplement the Common Criteria at the option of the Originator in respect of any Subsequent Portfolio).

As at the relevant Valuation Date, the aggregate Outstanding Principal of all Receivables comprised in the Initial Portfolio amounted to €500,013,870.56.

The information relating to the Initial Portfolio contained in this Prospectus is, unless otherwise specified, a description of the Initial Portfolio as at 31 May 2023.

Pursuant to the Master Receivables Purchase Agreement, the Originator has sold and will sell to the Issuer and the Issuer has purchased and will purchase from the Originator, pursuant to the combined provisions of articles 1 and 4 of the Securitisation Law and article 58 of the Consolidated Banking Act, all the Receivables arising from Loan Agreements which meet, as at the relevant Valuation Date, the following Criteria.

Common Criteria

- Loans in respect of which Findomestic is the only lender and, in any event, Loans which have not been disbursed by Credial Italia S.p.A.;
- Loans whose Debtors are individuals resident and domiciled in the Republic of Italy (as stated under the relevant Loan Agreement);
- Loans whose Debtors are Italian citizens;
- Loans granted pursuant to Loan Agreements governed by the laws of the Republic of Italy;
- Loans disbursed for an original amount (indicated as "*Importo Finanziato*" in the Loan Agreements) comprised between a minimum of Euro 200.00 and a maximum of Euro 120,000.00;
- Loans denominated in euro that do not contain provision for the conversion of the Loans into any other currency;
- Loans disbursed for the only purpose of financing the supply of the Vehicles;

- Loans in respect of which at least 1 (one) Instalment has become due and has been paid;
- Loans in respect of which the first Instalment has been timely paid;
- Loans in respect of which no Instalment is due and unpaid;
- Loans in respect of which Findomestic has not delivered a notice to the relevant Debtors stating that such loans have been accelerated (*decadenza del debitore dal beneficio del termine*) as provided in the relevant Loan Agreement and formally requesting payment (*intimazione ad adempiere*);
- Loans which have not been granted under credit cards;
- Loans which have not been disbursed to Debtors which have declared to use them in relation to leasing agreements;
- Loans whose Debtors are not directors and/or employees (including, by way of example and without limitation, managers and executives) of Findomestic;
- Loans which have not granted on the basis of "assignment of one fifth of the relevant Debtor's salary" ("*cessione del quinto dello stipendio o della pensione e/o da delegazione di pagamento dello stipendio o della pensione*") by the relevant Debtor;
- Loans whose relevant amortisation plan provides for the full reimbursement on a date not preceding the Valuation Date and not following 31 December 2036;
- Loans whose Debtors do not have a deposit account and/or current account with the Findomestic;
- Loans which have not been granted pursuant to any law or rule (as may be included in the relevant Loan Agreement) which provides for, since the beginnings, any advantageous financial terms and conditions, public financial contributions or grants of any kind, discounts pursuant to the law, contractually capped interest rates and/or any other provisions which result in advantageous repayment terms or reductions in payments for the Debtors or the relevant guarantors in relation to principal and/or interest;
- Loans which do not provide for:

  (a) an amortisation plan involving two phases, under which:

    (i) during phase 1, the reimbursement occurs through the payment of monthly Instalments for a number and an amount so that the residual amount may be paid by a single payment within the scheduled date and, if the Debtor decides not to pay the residual amount by a single payment,

    (ii) during phase 2, the reimbursement occurs through the payment of monthly Instalments on the basis of the amortisation plan specified in the relevant economic conditions ("*Prestito Personale MaxiRata*"), or

  (b) bullet repayment of principal at maturity;
- Loans which are not finalised to the restructuring or renegotiations of a claim of Findomestic;
- Loans which provide for a French amortisation plan (*piano di ammortamento alla francese*), that is an amortisation plan having instalments consisting of an interest component which decreases over the life of the Loan and a principal component which increases over the life of the Loan;

- Loans which do not provide for payment of any interest by the relevant dealer (*concessionario*);
- Loans with a fixed rate of interest;
- Loans which provide for an amortisation plan with constant monthly Instalments, the payment dates of which fall on the fifth day or the twentieth day of each month;
- Loans disbursed after 31 December 2010 (excluded);
- Loans for which Findomestic has not notified in writing to the relevant Debtor that the relevant Loan is subject to accounting recharacterisation ("*oggetto di sistemazione contabile*");
- Loans under which the relevant payment by the relevant Debtor is made by an automatic debit of its current account (*addebito automatico in conto corrente*) or by postal order (*bollettini postali*);
- Loans not disbursed to "wealthy individuals", "unemployed" (incuding housewives, students) and "soldiers" (*military di leva*) (so qualified in the Loan Agreements);
- Loans made available under the Loan Agreements referred to in the list published on the following website: http://findo.it/autoflorence3;
- Loans for which no prepayments have been made;
- Loans to individuals who, at the time of the relevant disbursement, were not registered in a public credit registry of persons with adverse credit history;
- Loans made available under Loan Agreements which are not included under the category "*Prodotto Flessibile*";
- Loans whose Instalments are not subject to moratoria or suspension of payments;
- Loans for which the relevant Loan Agreement provides for an annual nominal rate (TAN) at least equal to 3%.

Specific Criteria relating to the Initial Portfolio

- Loans having a number of residual Instalments higher than or equal to 3 (three).

Specific Criteria relating to any Subsequent Portfolio

- Loans made available under the Loan Agreements referred to in the list published on the following website: http://findo.it/autoflorence3;
- Loans having a number of residual Instalments higher than or equal to [●] (●).

Conditions for the purchase of Subsequent Portfolios

Subsequent Portfolios may only be offered or purchased if, on the relevant Offer Date, all of the following conditions are satisfied with respect to the Subsequent Portfolio offered for sale:

(i) the weighted average annual nominal rate (TAN) of the Loans comprised in each Subsequent Portfolio is at least equal to 8.0%;

(ii) the Outstanding Principal of the Receivables comprised in the relevant Subsequent Portfolio arising out of Loan Agreements disbursed to Debtors for the purchase of new cars is equal to or higher than 24% of the Outstanding Principal of the relevant Subsequent Portfolio;

(iii) the Outstanding Principal of the Receivables comprised in the relevant Subsequent Portfolio arising out of Loan Agreements disbursed to Debtors for the purchase of cars (including, for the avoidance of doubt, both new cars and used cars) is equal to or higher than 77% of the Outstanding Principal of the relevant Subsequent Portfolio;

(iv) the Outstanding Principal of the Receivables comprised in the relevant Subsequent Portfolio arising out of Loan Agreements disbursed to Debtors who have declared themselves to be self employed is equal to or lower than 16% of the Outstanding Principal of the relevant Subsequent Portfolio;

(v) the Outstanding Principal of the Receivables comprised in the relevant Subsequent Portfolio payable through postal order (*bollettino postale*) is equal to or lower than 8% of the Outstanding Principal of the relevant Subsequent Portfolio; and

(vi) the aggregate of the premia financed by the Originator and relating to the existing Insurance Policies assisting the Receivables which are included in the relevant Subsequent Portfolio is equal to or lower than 10% of the Outstanding Principal of the relevant Subsequent Portfolio.

Homogeneity

Under the Warranty and Indemnity Agreement, the Originator has represented and warranted that, as at the relevant Valuation Date and as at the relevant Transfer Date, the Receivables comprised in the Initial Portfolio are, and the Receivables comprised in each Subsequent Portfolio will be, homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flow of the asset type including their contractual, credit-risk and prepayment characteristics, for the purposes of article 20(8) of the EU Securitisation Regulation and the Regulatory Technical Standards, given that:

(i) all Receivables are or will be, as the case may be, originated by Findomestic based on similar credit policies which apply similar approaches to the assessment of credit risk associated with the underlying exposures;

(ii) all Receivables are or will be, as the case may be, serviced by Findomestic pursuant to similar servicing procedures;

(iii) the Receivables fall or will fall, as the case may be, within the same asset category of the relevant Regulatory Technical Standards named "auto loans"; and

(iv) all Receivables reflect or will reflect, as the case may be, at least the homogeneity factor of the "jurisdiction of the obligors", being all assigned debtors resident in the Republic of Italy as at the relevant Valuation Date.

Other features of the Portfolio

Under the Warranty and Indemnity Agreement, the Originator has also represented and warranted that:

(a) Findomestic is a credit institution (as defined in article 1.1 of Directive 2000/12/CE) and its "home Member State" (as that term is defined in article 2 of Directive 2001/24/EC on the re-organisation and winding up of credit institutions by reference to article 1.6 of Directive 2000/12/EC) is located within the territory of the Republic of Italy, pursuant to articles 20(2) and 20(3) of the EU Securitisation Regulation;

(b) as at the relevant Valuation Date and as at the relevant Transfer Date, each Receivable is not subject to any lien (*pignoramento*), seizure (*sequestro*) or other charge in favour of any third party nor are there elements that can be foreseen to adversely affect the enforceability of the transfer of such Receivable under the Master Receivables Purchase Agreement pursuant to article 20(6) of the EU Securitisation Regulation;

(c) the Receivables comprised in the Initial Portfolio constitute, and the Receivables comprised in each Subsequent Portfolio will constitute, valid and lawful obligations, binding on each party thereto, with full recourse to the Debtors pursuant to article 20(8) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(d) the Initial Portfolio does not, and each Subsequent Portfolio will not, comprise any transferable securities, as defined in point (44) of article 4(1) of Directive 2014/65/EU, pursuant to article 20(8) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(e) the Initial Portfolio does not, and each Subsequent Portfolio will not, comprise any securitisation positions, pursuant to article 20(9) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(f) the Loans from which the Receivables comprised in the Initial Portfolio or each Subsequent Portfolio arise (or will arise, as the case may be) have been (or will be, as the case may be) disbursed in Findomestic's ordinary course of business; Findomestic has been originating exposures of a similar nature to those securitised for more than 5 (five) years, pursuant to article 20(10), last paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(g) the Receivables comprised in the Initial Portfolio have been, and the Receivables comprised in each Subsequent Portfolio will be, selected by the Originator in accordance with credit policies which are no less stringent than those that Findomestic applied at the time of origination to similar exposures that have not been (or will not be, as the case may be) assigned in the context of the Securitisation, pursuant to article 20(10) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(h) Findomestic has assessed the Debtors' creditworthiness in compliance with the requirements set out in article 8 of Directive 2008/48/EC, pursuant to article 20(10), of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(i) as at the relevant Valuation Date and as at the relevant Transfer Date, the Receivables comprised in the Initial Portfolio are not, and the Receivables comprised in each Subsequent Portfolio will not, be qualified as exposures in default within the meaning of article 178, paragraph 1, of the CRR or as exposures to a credit-impaired debtor or guarantor, who, to the best of the Originator'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 Transfer Date;

(ii) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history; 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 the ones of comparable exposures held by the Originator which have not been assigned to the Issuer under the Securitisation,

in each case pursuant to article 20(11) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(j) the Outstanding Balance of the Receivables owed by the same Debtor does not exceed 2 per cent. of the aggregate Outstanding Balance of all Receivables comprised in the Portfolio, for the purposes of article 243(2)(a) of the CRR;

(k) 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; and

(l) the Initial Portfolio does not, and each Subsequent Portfolio will not, comprise any derivatives, pursuant to article 21(2) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

Characteristics of the Initial Portfolio

The Receivables included in the Initial Portfolio have the characteristics that demonstrate capacity to produce funds to service payments due and payable on the Notes. In order to ensure that also the Receivables included in any Subsequent Portfolio will be capable of producing funds sufficient to service payments due and payable on the Notes, Subsequent Portfolios may be purchased by the Issuer only if the conditions for the purchase of Subsequent Portfolios (see the paragraph "*Conditions for the purchase of Subsequent Portfolios*" above) are met and no Revolving Period Termination Event has occurred. Neither the Originator nor the Issuer warrants the solvency of any or all of the Debtor(s).

As to the level of collateralisation, the ratio between (i) the Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the Initial Portfolio, and (ii) the principal amount of the Rated Notes upon issue is equal to 103 per cent.

The Loan Agreements included in the Initial Portfolio have the characteristics illustrated in the following tables:

Summary Table	
Total Current Balance	500,013,870.56
Total Original Balance	676,857,141.71
Number of Loans	53,219.00
Number of Borrowers	53,056.00
Average Loan	9,395.40
Average Borrower Exposure	9,424.27
WA Interest Rate	7.28
WA Seasoning	13.46
WA Remaining Term	53.51
WA Original Term	66.97
French Amortisation	100%
Balloon Payments	0%
Interest Type	Fixed (100%)

Current Balance	**Current Balance**	**% of Total**	**Number of Loans**	**% of Total**
0.01 to 5,000.00	49,418,523.56	9.88	17,513.00	32.91
5,000.01 to 10,000.00	116,954,165.04	23.39	15,754.00	29.60
10,000.01 to 15,000.00	127,996,710.49	25.60	10,381.00	19.51
15,000.01 to 20,000.00	92,906,329.44	18.58	5,398.00	10.14
20,000.01 to 25,000.00	51,162,370.22	10.23	2,312.00	4.34
25,000.01 to 30,000.00	25,844,082.95	5.17	951.00	1.79
30,000.01 to 35,000.00	13,688,783.76	2.74	425.00	0.80
35,000.01 to 40,000.00	7,372,029.70	1.47	197.00	0.37
40,000.01 to 45,000.00	4,902,241.23	0.98	115.00	0.22
45,000.01 to 50,000.00	2,816,433.96	0.56	59.00	0.11
50,000.01 to 55,000.00	2,042,598.64	0.41	39.00	0.07
55,000.01 to 60,000.00	1,665,794.83	0.33	29.00	0.05
60,000.01 to 65,000.00	1,118,581.57	0.22	18.00	0.03
65,000.01 to 70,000.00	1,012,752.86	0.20	15.00	0.03
70,000.01 to 75,000.00	220,284.89	0.04	3.00	0.01
75,000.01 to 80,000.00	233,302.81	0.05	3.00	0.01
80,000.01 to 85,000.00	80,812.66	0.02	1.00	0.00
85,000.01 to 90,000.00	85,985.02	0.02	1.00	0.00
90,000.01 to 95,000.00	280,457.53	0.06	3.00	0.01

95,000.01 to 100,000.00	97,930.25	0.02	1.00	0.00
100,000.01 to 105,000.00	0.00	0.00	0.00	0.00
105,000.01 to 110,000.00	0.00	0.00	0.00	0.00
110,000.01 to 115,000.00	113,699.15	0.02	1.00	0.00
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**
Min	155.98			
Max	113,699.15			
Average	9,395.40			

Asset Type	Current Balance	% of Total	Number of Loans	% of Total
Other Vehicles	44,978,089.10	9.00	11,458.00	21.53
Cars	423,236,766.43	84.65	39,971.00	75.11
Campers	31,799,015.03	6.36	1,790.00	3.36
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**

New or Used Vehicle	Current Balance	% of Total	Number of Loans	% of Total
New Cars	146,175,720.10	29.23	12,608.00	23.69
Used Cars	277,061,046.33	55.41	27,363.00	51.42
Other Vehicles	1,908,747.55	0.38	269.00	0.51
Camper	31,799,015.03	6.36	1,790.00	3.36
Motorcycle	43,069,341.55	8.61	11,189.00	21.02
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**

Interest Rate	Current Balance	% of Total	Number of Loans	% of Total
0.01 to 0.50	0.00	0.00	0.00	0.00
0.51 to 1.00	0.00	0.00	0.00	0.00
1.01 to 1.50	0.00	0.00	0.00	0.00
1.51 to 2.00	0.00	0.00	0.00	0.00
2.01 to 2.50	0.00	0.00	0.00	0.00
2.51 to 3.00	64,019.38	0.01	8.00	0.02
3.01 to 3.50	1,291,873.27	0.26	281.00	0.53
3.51 to 4.00	12,202,251.89	2.44	989.00	1.86
4.01 to 4.50	12,906,162.80	2.58	1,574.00	2.96
4.51 to 5.00	19,843,565.45	3.97	1,733.00	3.26
5.01 to 5.50	29,160,180.93	5.83	3,332.00	6.26
5.51 to 6.00	44,485,106.56	8.90	4,014.00	7.54
6.01 to 6.50	57,684,977.03	11.54	6,835.00	12.84
6.51 to 7.00	67,842,559.46	13.57	7,273.00	13.67
7.01 to 7.50	64,324,449.06	12.86	7,866.00	14.78
7.51 to 8.00	50,409,403.83	10.08	5,026.00	9.44
8.01 to 8.50	33,387,054.95	6.68	3,939.00	7.40
8.51 to 9.00	34,429,077.12	6.89	3,128.00	5.88
9.01 to 9.50	20,804,487.56	4.16	2,358.00	4.43
9.51 to 10.00	11,578,605.20	2.32	1,077.00	2.02
10.01 to 10.50	6,782,019.26	1.36	772.00	1.45
10.51 to 11.00	4,692,059.45	0.94	496.00	0.93
11.01 to 11.50	3,205,027.52	0.64	480.00	0.90
11.51 to 12.00	16,260,676.73	3.25	1,235.00	2.32
12.01 to 12.50	7,285,292.57	1.46	731.00	1.37
12.51 to 13.00	1,173,177.23	0.23	61.00	0.11
13.01 to 13.50	31,131.35	0.01	4.00	0.01
13.51 to 14.00	170,711.96	0.03	7.00	0.01
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**
Minimum	3.00			
Maximum	13.95			
Weighted Average	7.28			

Origination Channel	Current Balance	% of Total	Number of Loans	% of Total
Agents	2,849,120.07	0.57	300.00	0.56
Dealers	497,161,858.65	99.43	52,916.00	99.43
Others	1,219.89	0.00	1.00	0.00
HQ	1,671.95	0.00	2.00	0.00
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**

Macro Geographical Area	Current Balance	% of Total	Number of Loans	% of Total
Center	90,871,508.38	18.17	10,606.00	19.93
North	287,881,646.33	57.57	28,347.00	53.26
South	121,260,715.85	24.25	14,266.00	26.81
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**

Region	Current Balance	% of Total	Number of Loans	% of Total
ABRUZZO	8,491,474.72	1.70	947.00	1.78
BASILICATA	2,634,722.63	0.53	304.00	0.57
CALABRIA	17,715,066.18	3.54	1,888.00	3.55
CAMPANIA	34,323,265.34	6.86	4,369.00	8.21
EMILIA ROMAGNA	35,395,297.96	7.08	3,458.00	6.50
FRIULI VENEZIA	8,749,138.20	1.75	893.00	1.68
LAZIO	47,547,616.84	9.51	5,522.00	10.38
LIGURIA	8,368,420.77	1.67	1,409.00	2.65
LOMBARDIA	129,368,094.28	25.87	12,247.00	23.01
MARCHE	6,985,706.40	1.40	680.00	1.28
MOLISE	963,327.01	0.19	108.00	0.20
PIEMONTE	50,086,847.59	10.02	5,290.00	9.94
PUGLIA	12,983,697.29	2.60	1,554.00	2.92
SARDEGNA	12,266,036.70	2.45	1,220.00	2.29
SICILIA	41,337,927.71	8.27	4,931.00	9.27
TOSCANA	21,051,389.15	4.21	2,742.00	5.15
TREN.ALTO ADIGE	6,666,184.28	1.33	616.00	1.16
UMBRIA	5,831,994.26	1.17	607.00	1.14
VALLE D AOSTA	1,007,700.17	0.20	78.00	0.15
VENETO	48,239,963.08	9.65	4,356.00	8.19
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**

Payment Type	Current Balance	% of Total	Number of Loans	% of Total
Postal Payment	24,283,484.86	4.86	3,303.00	6.21
Direct Debit	475,730,385.70	95.14	49,916.00	93.79
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**

Employment Type	Current Balance	% of Total	Number of Loans	% of Total
Employees	347,619,319.25	69.52	37,590.00	70.63
Others	23,893,950.10	4.78	2,230.00	4.19
Retired People	64,262,543.74	12.85	7,512.00	14.12
Self-employed	64,238,057.47	12.85	5,887.00	11.06
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**

Origination Year	Current Balance	% of Total	Number of Loans	% of Total
2011	0.00	0.00	0.00	0.00
2012	0.00	0.00	0.00	0.00
2013	77,855.49	0.02	43.00	0.08
2014	354,791.62	0.07	75.00	0.14
2015	968,596.14	0.19	208.00	0.39
2016	2,924,019.73	0.58	787.00	1.48
2017	6,303,393.38	1.26	1,481.00	2.78
2018	6,800,181.30	1.36	1,432.00	2.69
2019	17,919,166.96	3.58	3,299.00	6.20
2020	8,180,943.34	1.64	1,057.00	1.99
2021	71,793,729.82	14.36	7,840.00	14.73
2022	301,525,189.92	60.30	29,285.00	55.03
2023	83,166,002.86	16.63	7,712.00	14.49
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**

Original Term	Current Balance	% of Total	Number of Loans	% of Total
0.01 to 12.00	583,018.82	0.12	306.00	0.57
12.01 to 24.00	13,427,284.02	2.69	4,742.00	8.91
24.01 to 36.00	47,175,188.83	9.43	8,810.00	16.55
36.01 to 48.00	90,869,131.43	18.17	11,212.00	21.07
48.01 to 60.00	112,004,070.79	22.40	11,225.00	21.09
60.01 to 72.00	71,268,705.54	14.25	5,707.00	10.72
72.01 to 84.00	84,306,146.26	16.86	6,057.00	11.38
84.01 to 96.00	57,712,107.90	11.54	4,090.00	7.69
96.01 to 108.00	174,830.11	0.03	7.00	0.01
108.01 to 120.00	20,097,553.73	4.02	1,008.00	1.89
120.01 to 132.00	293,019.55	0.06	6.00	0.01
132.01 to 144.00	2,102,813.58	0.42	49.00	0.09
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**
Minimum	6.00			
Maximum	144.00			
Weighted Average	66.97			

Remaining Term	Current Balance	% of Total	Number of Loans	% of Total
0.01 to 12.00	8,968,750.29	1.79	5,113.00	9.61
12.01 to 24.00	38,509,283.86	7.70	9,387.00	17.64
24.01 to 36.00	76,130,086.46	15.23	10,913.00	20.51
36.01 to 48.00	103,322,249.24	20.66	10,430.00	19.60
48.01 to 60.00	93,590,310.26	18.72	7,566.00	14.22
60.01 to 72.00	71,609,308.93	14.32	4,579.00	8.60
72.01 to 84.00	63,987,622.21	12.80	3,461.00	6.50
84.01 to 96.00	27,831,077.80	5.57	1,276.00	2.40
96.01 to 108.00	7,709,208.97	1.54	246.00	0.46
108.01 to 120.00	6,864,173.31	1.37	214.00	0.40
120.01 to 132.00	875,429.24	0.18	21.00	0.04
132.01 to 144.00	616,369.99	0.12	13.00	0.02
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**
Minimum	3.00			
Maximum	143.00			
Weighted Average	53.51			

Seasoning	Current Balance	% of Total	Number of Loans	% of Total
0.01 to 12.00	309,225,480.06	61.84	29,413.00	55.27
12.01 to 24.00	145,402,781.25	29.08	15,156.00	28.48
24.01 to 36.00	9,230,030.80	1.85	1,211.00	2.28
36.01 to 48.00	16,420,444.64	3.28	2,941.00	5.53
48.01 to 60.00	7,877,108.59	1.58	1,667.00	3.13
60.01 to 72.00	5,119,048.38	1.02	1,135.00	2.13
72.01 to 84.00	4,758,697.54	0.95	1,251.00	2.35
84.01 to 96.00	1,308,665.43	0.26	298.00	0.56
96.01 to 108.00	532,507.14	0.11	88.00	0.17
108.01 to 120.00	139,106.73	0.03	59.00	0.11
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**
Minimum	1.00			
Maximum	117.00			
Weighted Average	13.46			

Scheduled Instalment Date	Current Balance	% of Total	Number of Loans	% of Total
5th day of the month	338,849,842.48	67.77	36,747.00	69.05
20th day of the month	161,164,028.08	32.23	16,472.00	30.95
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**

Maturity Year	Current Balance	% of Total	Number of Loans	% of Total
2021	0.00	0.00	0.00	0.00
2022	0.00	0.00	0.00	0.00
2023	3,034,832.41	0.61	2,574.00	4.84
2024	25,841,560.63	5.17	8,046.00	15.12
2025	60,310,820.98	12.06	10,384.00	19.51
2026	93,905,704.98	18.78	10,768.00	20.23
2027	101,196,914.43	20.24	8,894.00	16.71
2028	77,977,999.69	15.60	5,525.00	10.38
2029	68,779,011.37	13.76	3,946.00	7.41
2030	45,645,617.23	9.13	2,287.00	4.30
2031	10,246,449.03	2.05	398.00	0.75
2032	9,975,460.02	2.00	313.00	0.59
2033	2,066,202.79	0.41	62.00	0.12
2034	692,266.49	0.14	14.00	0.03
2035	341,030.51	0.07	8.00	0.02
Total:	**500,013,870.56**	**100.00**	**53,219.00**	**100.00**

Historical Performance Data

Data on the historical performance of receivables originated by Findomestic are made available as pre-pricing information on the Securitisation Repository.

These historical data are substantially similar to those of the Receivables comprised in the Initial Portfolio pursuant to, and for the purposes of, article 22(1) of the EU Securitisation Regulation, given that (i) the most relevant factors determining the expected performance of the underlying exposures are similar; and (ii) as a result of the similarity referred to in paragraph (i) above, it could reasonably have been expected, on the basis of indications such as past performance or applicable models, that, over the life of the Securitisation, their performance would not be significantly different.

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 Provisional Portfolio or the Initial Portfolio, as applicable, prior to the Issue Date by an appropriate and independent party, and no significant adverse findings have been found. Such 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 Portfolio; (ii) the accuracy of the data relating to the Initial Portfolio disclosed in the paragraph entitled "*Characteristics of the Initial Portfolio*" above; and (iii) the compliance of the data contained in the loan by loan data tape prepared by the Originator in relation to the Receivables comprised in the Initial Portfolio with the Criteria that are able to be tested prior to the Issue Date.

FINDOMESTIC

General profile of Findomestic Banca

Findomestic Banca S.p.A. (hereinafter **Findomestic** or **Findomestic Banca**), is a bank specialized in consumer lending, registered in the register of Banks pursuant Art. 13 of D.Lgs. 385/93 with number 5396 and in the Register of Banking Group as "Findomestic Gruppo" with number 3115.
Findomestic is established in the Republic of Italy as a private joint stock company (*"Società per azioni"*), having its registered office in Via Jacopo da Diacceto 48, 50123 Florence. It is registered in the Companies Register of the City of Florence with number 03562770481.
Findomestic is a member of ASSOFIN (Italian Association for Consumer Credit and Mortgages) and ABI (Italian Banking Association).

History

Findomestic was created on the 27th September 1984 on initiative of Banca CR Firenze S.p.A. and Cetelem S.A., a French company, leader in the European consumer credit market which was merged with UCB S.A. in 2008 in order to create a new entity, BNP Paribas Personal Finance S.A. (**BNPP Personal Finance**).
Findomestic was established with the purpose of granting consumer loans to retail customers, primarily for the purchase of household appliances and vehicles.
In 1989, Findomestic opened 6 branches in Italy offering mostly personal loans.
In 1992, Findomestic launched the AURA credit card, an Italian version of Cetelem "Carte Aurore", and the first credit card with instalment repayments in Italy. In the same year, it also contributed to the creation of ASSOFIN.
In 1993, Findomestic entered into partnership agreements with other banks and insurance companies to increase its business activities in the consumer credit sector. Further partnerships were created in connection with vehicle financing in 1995, the same year in which Findomestic implemented a new recovery management system.
Findomestic entered into credit card partnership agreements with Mastercard and Visa in 1997 and 1998, respectively.
In 1998 Findomestic carried out the first consumer loan securitization in Italy: "Dolfin N.1 Limited". In the same year, Findomestic established Findomestic Leasing S.p.A., a company specialized in car leases.
In order to provide a structure which corresponded to the undertaken activities, in 1999 Findomestic obtained the legal status of "Bank".
In 2000 the Findomestic banking Group was established (the **Group** or **Findomestic Group**) and it was recorded in the banking group register with number n. 3115.3.
In the same year Findomestic structured the first credit card securitization in Italy: "Findomestic Securitization Vehicle" which closed at the end of 2005. In addition, in 2000, Findomestic obtained its first rating from Standard & Poor's.
In 2003 Findomestic launched a new securitization transaction of "classic loans", with the legal structure of a Master Trust Program: "Master Dolfin". The transaction was unwound on October 2008.
In 2006, Findomestic identified the need to increase its presence in the market through the creation of a network of agents for the promotion and placing of Findomestic's consumer credits and leasing products. For this reason, Findomestic created a dedicated company, Findomestic Network S.p.A. In the same year, in order to increase and diversify its presence in the market, Findomestic established Bieffe5 S.p.A., with the purpose to offer loans guaranteed by customers' salary or pension, in the various technical forms available on the market (the so-called "*Cessione del Quinto/Delegazione di Pagamento*").
In 2008, Findomestic merged through acquisition Findomestic Leasing S.p.A.: the activities carried out by Findomestic Leasing S.p.A. were integrated in Findomestic. In the same year, Findomestic completed a self-retained securitization (**Viola Finanza**) which enabled Findomestic to activate an alternative refinancing source. The transaction was unwound on July 2011.
In December 2009 BNPP Personal Finance S.A. (**BNPP Personal Finance**) (owner at the time of the 50% of shares of Findomestic, the residual 50% of shares being held by Banca CR Firenze S.p.A.) bought the 25% of shares held by Banca CR Firenze S.p.A., so that BNPP Personal Finance acquired the direct control of Findomestic.

In the first semester of 2010, Findomestic started to implement the guidelines of the 2010-2012 industrial plan. The plan aimed at integrating Findomestic in the general BNP Paribas S.A. (indirect owner of Findomestic through BNPP Personal Finance) European business model, in order to develop its business with BNPP Group assistance, in collaboration also with BNL (the Italian subsidiary of BNPP Group). The new organizational and commercial strategy enabled Findomestic to deal with the changes of the market in a more effective way. In the same year Findomestic launched Carta NOVA, a credit card that allows customers to choose the type of payment they prefer (instalment or end of month payment).
In 2011, BNPP Personal Finance S.A. bought the remaining 25 per cent of shares held by Banca CR Firenze S.p.A., so that BNPP Personal Finance S.A. obtained the control of the 100% of the share capital of Findomestic.
During the same year, a new product was introduced in the offer of Findomestic: the stock financing, a product dedicated to car dealers with the objective to improve customer loyalty and to increase the percentage of financed vehicles sold by the dealer.
In November 2012 Findomestic started the offer of the "saving account" ("*conto deposito*"), as first building block of the project "Findomestic Banca", the aim being to improve customer loyalty and to create an alternative source of funding for the Bank.
In April 2019, Findomestic, in order to allow the evolution and the strengthening of the business model of the Bank, expanded its range of products on the market launching its own banking account.
Over the years Findomestic created or acquired companies for specific products or commercial channels that were later merged into Findomestic or sols. In September 2019, Findomestic established a new company called Florence Real Estate Developments S.p.A. (FRED S.p.A.) with the goal of following all the activities related to the building of the new Head Quarters of the Bank.
On July 1, 2020 Findomestic was enrolled in the Bank of Italy banking groups register with the name "Findomestic Gruppo".

Securitization Transactions

Findomestic has a solid track record concerning securitization transactions. The first Findomestic securitization dates even before the enactment of Law 130/99 that regulates securitizations in Italy.
In particular:
- Dolfin No. 1 Limited (1998): it was the first consumer credit securitization in Italy. The transaction involved the purchase of a pool of "classic" performing loans (i.e. loans with a predetermined amortization schedule) for an equivalent amount of €310M. (PIF 2003)
- Findomestic Securitization Vehicle S.r.l (2000): first securitization of credit cards in Italy. The transaction involved performing revolving credit cards, i.e. Carta Aura, for an equivalent amount of 320M€. (PIF 2005)
- Master Dolfin S.r.l. (2003): securitization of "classic" performing consumer loans, for an amount of 350M€. This transaction had the legal structure of a Master Trust Program: the special purpose vehicle had the possibility to issue multiple subsequent series of securities, up to a maximum amount. (PIF 2008)
- Viola Finanza S.r.l. (2008): securitization involving "classic" performing loans, for a total amount of 600M€. Differently from the previous Findomestic's securitizations, which aimed at raising funds and reducing the Risk Weighted Assets of the Bank, this securitization was retained to be used as collateral in re-financing transactions with qualified counterparties, including the European Central Bank. For this purpose, Findomestic subscribed the 100% of both the Senior notes (the "collateral") and the Junior notes issued by the vehicle. (PIF 2011)
- Florence SPV S.r.l. (2013): securitization on a pool of "classic" performing personal loans for a total amount of €3bn. This securitization was structured in order to create eligible assets to be used as collateral in the context of refinancing transactions with European Central Bank. Findomestic fully retained all the Notes issued by the vehicle and lent the Senior Notes (with AAA rating) to BNPP. In 2015, with the restructuring, the size increased from €3bn to €4.2bn and vehicle loans were included into the total portfolio (approximately 15%). In March 2018 Findomestic Banca finalized the restructuring of the Florence SPV securitization transaction by extending the revolving period for a further two years. At the end of the process, the transaction received an upgrade of the ABS notes rating by the Rating Agencies. Further amendments were made in April 2019 which concerned the replenishment frequency and the frequency of the Payment Date from quarterly to monthly. In February 2020, the revolving period was extended for further 2 years. In October/November 2020, the portfolio size was increased up to €6bn; in addition, the automotive loans were excluded from the

securitized portfolio. In 2022 the revolving period was further extended and the notes were upgraded by one rating agency.
- AutoFlorence 1 (2019): securitization of a pool of performing automotive loans for a total amount of 950M€. This transaction aimed at raising funds and reducing the Risk Weighted Assets of the Bank, by realizing a "significant risk transfer" under the Capital Requirement Regulation[1]. Findomestic has placed on the market 95% of each tranche, with 85% of the total issuance (807.5M€) represented by Class A securities (the "senior tranche"), rated AA by S&P and DBRS. Since September 2020, after the expiration of the revolving period, the pro-rata amortising of the Notes has started.
- AutoFlorence 2 (2021): securitization of a pool of performing automotive loans for a total amount of 800M€. As AutoFlorence 1, this transaction aimed at raising funds and reducing the Risk Weighted Assets of the Bank, by realizing a "significant risk transfer" under the Capital Requirement Regulation and the deal was notified to ESMA as a STS ("Simple, Transparent and Standardised") securitization. Findomestic has placed on the market 70% of the senior tranche and 95% of the mezzanine and junior tranches, with 87.5% of the total issuance (700M€) represented by Class A securities (the "senior tranche"), rated AA by S&P and AA- by Fitch. Since November 2022, after the expiration of the revolving period, the pro-rata amortisation of the Notes has started.

Rating

Findomestic has been rated by Standard & Poor's Rating Services ("S&P") from December 2000 to December 2011 (as described in the following table).
In December 2011, due to the complete integration in BNPP Group, Findomestic requested the withdrawal of the rating to S&P. In compliance with its policy, S&P made a last review of Findomestic's rating, at the date of the actual withdrawal.

Findomestic's Rating

Date	Long Term Debt	Short Term Debt	Outlook
05 December 2000	A-	A2	Stable
17 September 2002	A	A-1	Stable
19 January 2004	A	A-1	Positive
26 January 2006	A+	A-1	Stable
21 September 2011	A	A-1	Negative
2 December 2011	A-	A-2	Stable

These excellent rating levels were mainly due to four factors:
- membership of the BNPP Group
- excellent solvency capital
- good profitability of the core business
- conservative risk management policies.

The current long term senior preferred debt ratings of BNPP by the main rating agencies are:
- A+/A-1 by Standard & Poor's, with stable outlook
- Aa3/P-1 by Moody's, with stable outlook
- AA-/F1+ by Fitch, with stable outlook

[1] CRR: Regulation (EU) 575/2013

- AA (low)/R-1(middle) by DBRS, with stable outlook

Corporate purposes

The purpose of Findomestic, according to the article 5[2] of its by-laws, is to grant credit in its various forms and consumer loans in particular.
Findomestic may also collect savings and, in accordance with current Italian regulations, perform all allowed banking and financial transactions and services, including the subscription of shareholdings in Italian or foreign companies and any other operations connected in any way to the development of its business and the achievement of its business purpose.
Findomestic may also invest in other companies, assuming unlimited liability for the related obligations; such transactions must be resolved at the Ordinary Shareholders' Meeting, as per the Italian Civil Code, Article 2361, second paragraph.

Share Capital of Findomestic Banca

As at December 31, 2022, Findomestic's share capital was equal to € 659.403.400 fully paid-in, divided into 13.188.068 ordinary shares with a par value of €50.00 each.

Shareholders

Findomestic is 100% owned by BNP Paribas Personal Finance.
BNP Paribas Personal Finance results from the merger in 2008 between Cetelem S.A., a subsidiary of BNP Paribas S.A. specialized in consumer finance (and founder of Findomestic) with UCB S.A., another subsidiary of BNPP specialized in residential mortgages, in order to become the leading European multi-specialist company able to offer a comprehensive range of personal credit products.
BNPP Personal Finance is fully owned by BNP Paribas ("BNPP"). Consequently, BNPP indirectly owns 100% of Findomestic's share capital. BNPP is a world leader in banking and financial services.
BNPP Personal Finance is leader in Europe in consumer credit and a partner to private individuals for their daily financial needs (consumer credit, mortgages, savings and insurance products). It is present in more than 30 countries on 4 continents with over 20,000 employees.

Management and Control

Board of Directors

The current board of directors of Findomestic Banca was appointed during the shareholders' meeting held on April 2021 (subsequently updated in October of the same year). Each director serves for three-years (from April 2021) and may be re-elected.

As at December 31, 2022 it is composed of 9 members including the Chairman:

Office	**Name**
Chairman	Andrea Munari
Deputy Chairman	Chiaffredo Salomone
Chief Executive Officer and Managing Director	Gilles Zeitoun
Independent Director	Margherita Mapelli
Independent Directon	Mia Rinetti
Independent Director	Jean Deuillin
Director	Jany Gerometta

[2] "5.1) La Società, ai sensi del decreto legislativo n. 385 del 1 settembre 1993 e successive modifiche ed integrazioni, ha per oggetto l'attività di concessione del credito nelle sue varie forme, con particolare riguardo al credito al consumo."

Office	Name
Director	Gianluca Luigi Carlo Masciadri
Director	Pascale, Charlotte, Eugénie, Prudence Dufourcq in Dennery

The directors are domiciled for the purpose of their office in Via Jacopo da Diacceto, 48, 50123 Firenze at the registered office of Findomestic.

The board of directors is required under Findomestic Banca by-laws to meet at least three times a year. It is vested with all powers for the ordinary and extraordinary administration of Findomestic Banca, except those which are expressly reserved to the exclusive authority of the shareholders by Italian law or the by-laws.

In case of any potential conflict of interest between certain directors' duties to Findomestic Banca and their private interests, pursuant to Article 2391 of the Italian Civil Code, the director shall disclose his interest, whether personal or on behalf of a third party, in a specific transaction to the other members of the board and to the board of statutory auditors. The director shall point out the nature, origin and conditions of this private interest.

Furthermore, according to Article 136 of the Italian Banking Act, any person who is vested with managing/controlling powers within a bank shall not assume any obligation or enter into any purchase/sale agreements with such bank unless such transaction has been approved by the board of directors of the bank through a resolution passed unanimously (and with the favorable vote of all the members of the Board of Statutory Auditors).

General Manager

Findomestic's General Manager, Gilles Zeitoun, was appointed by the board of directors and is responsible for managing the ordinary activity of Findomestic. Starting from April 2021, he is also CEO of the Bank.

During the meeting of 20th of May 2022, the Board of Directors appointed three Deputy General Managers (Riccardo Del Sarto, Alessandro Lazzeri, and Marco Molinaro), in order to ensure more flexibility from an organizational point of view of the operating structure of the Bank.

Board of Statutory Auditors

The board of statutory auditors of Findomestic is composed by the Chairman, two standing auditors and two substitute auditors.

The auditors remain in charge for three-years and may be re-appointed.

The board of statutory auditors checks compliance with laws, by-laws, the principles of fair management and, in particular, monitors the adequacy of the organizational, administrative and accounting structures and their proper functioning.

The current board of statutory auditors was appointed during the Shareholders' Meeting held in April 2021 (and updated in September 2021). As of December 31, 2022, it is composed by the following members:

Office	Name
Chairman	Claudia Cattani
Standing Auditor	Francesco Mancini
Standing Auditor	Anna Lenarduzzi
Substitute Auditor	Guido Cinti
Substitute Auditor	Giorgio Garolfi

Since 2015, the independent auditor of Findomestic is Mazars Italia S.p.A. (Via Senato, 20, 20121, Milano – Italia).

Activities of Findomestic Banca

Findomestic grants credit in several forms with a focus on consumer loans.

The Bank offers a wide range of products which today can be classified mainly in:

- credit cards: the customer receives a credit facility which can be used through a credit card for purchases in store (Visa or Mastercard networks), for withdrawals, internet payments or to ask for a personal loan. The customer repays the loan either by (i) monthly instalments or (ii) end-of-month payment.

- classic loans ("*Credito Classico"*): loans which are reimbursed by the customer according to a predefined amortization plan.

Since July 2008, after the merger of Findomestic Leasing S.p.A., Findomestic grants directly car leasing products.

In addition, in October 2012 Findomestic launched its first saving product: the "*Conto Deposito*". Since April 2018, the Bank started to offer the new "*Current Account*".

Findomestic offers its products through the following channels:

(i) "Distribuzione" at the sale points, through a network of agreed retailers and car dealers;
(ii) "Diretto": through Findomestic's own 82 branches (2021 end) either directly or by phone;
(iii) "Internet": through either Findomestic or partner websites
(iv) "Partenariati": through partnerships developed with banks and insurance companies;
(v) "Network": through the network of agents using Findomestic brand (243 branches and 71 agents throughout Italy as of 31 December 2021) and promoting loans in the name and on behalf of Findomestic.

In 2022, Findomestic originated 10.704.958 new contracts for a total financed amount of Mln € 9.983 -1,74%% compared to 2021).

As at 31st of December 2022 the average outstanding loans amounted to Mln € 20.588 (+3,1% compared to 2021).

In 2022 the level of the cost of risk is equal to 1,48%, higher than the level reached in 2021 (1,31%). The increase is linked to higher provisions connected to inflation (based on the indications contained in IFRS 9 on the subject of Significant Increase in Credit Risk, so-called SICR), partially offset by the good performance recorded by credit recovery.

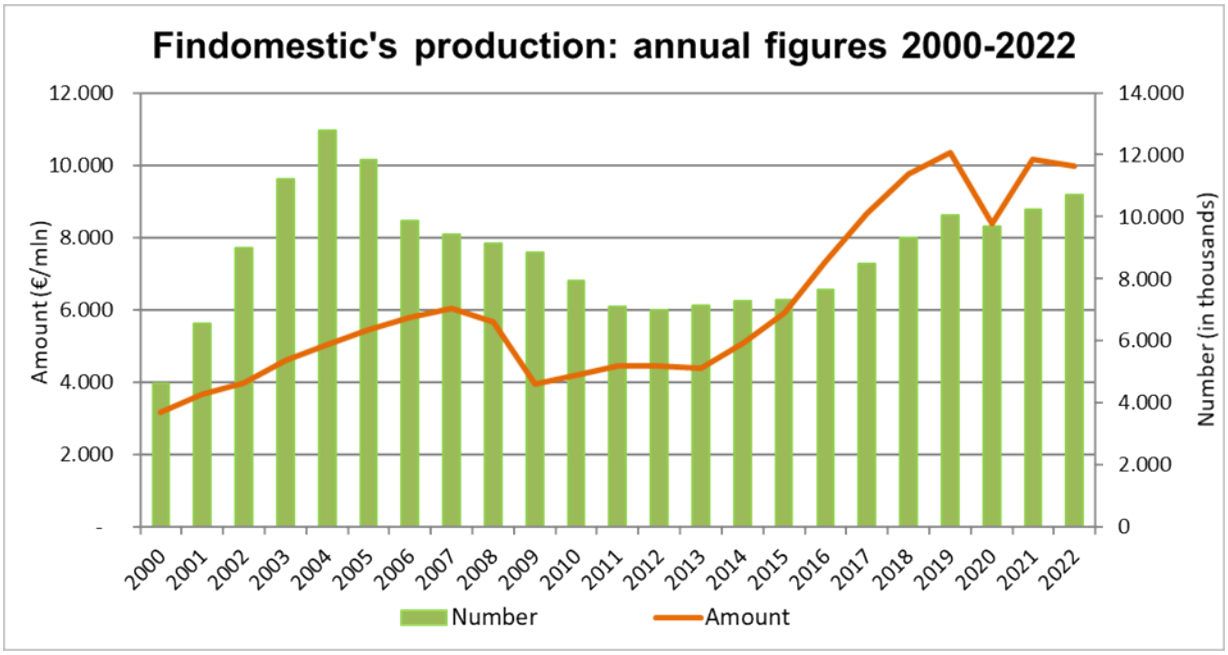
The following tables set out Findomestic's production from 2000 to 2022:

Findomestic's production: annual figures 2000 - 2022

Year	Amount (€ Mln)	% change	Number (in thousands)	% change
2000	3,160	29.3%	4,610	38.4%
2001	3,661	15.9%	6,549	42.1%
2002	3,969	8.4%	9,012	37.6%
2003	4,618	16.4%	11,224	24.5%
2004	5,053	9.4%	12,786	13.9%
2005	5,446	7.8%	11,845	-7.4%
2006	5,786	6.2%	9,882	-16.6%
2007	6,035	4.3%	9,440	-4.5%

2008	5,678	-5.9%	9,131	-3.3%
2009	3,939	-30.6%	8,834	-3.3%
2010	4,205	6.8%	7,944	-10.1%
2011	4,453	5.9%	7,118	-10.4%
2012	4,442	-0.3%	6,983	-1.9%
2013	4,387	-1.2%	7,142	2.3%
2014	5,077	15.7%	7,272	1.8%
2015	5,903	16.3%	7,335	0.9%
2016	7,326	24.1%	7,636	4.1%
2017	8,677	18.45%	8,473	11.0%
2018	9,757	12.44%	9,334	10.2%
2019	10,356	6.14%	10,057	7.7%
2020	8,372	-19.16%	9,699	-3.6%
2021	10,160	21.36%	10,224	5.4%
2022	9,983	-1.74%	10,705	4.7%

*** 2014 takes into account the merging of Bieffe5**



Funding

Currently, almost the whole set of Findomestic funding resources, needed for its commercial activities and regulatory liquidity buffer, is borrowed from BNPP (through its Milan branch).

As of 31 December 2022 the total amount of BNPP's funding to Findomestic was € 18.5bn (out of € 19.9bn) of which 72% at fixed rate and 28% at floating rate. The residual amount (€1.4bn) is a floating AT1 Bonds issued in March 2018 (€ 220M) and in June 2021 (€ 45M), T2 loans issued in February 2019 (€ 125M), in March 2021 (€ 125M) and in June 2022 (€25M), a fixed to floating bond non-preferred senior issued in December 2020 (€ 500M) and a floating bond non-preferred senior issued in February 2022 (€200 M) with counterparty BNPP Paribas.

The saving accounts amount was equal to €275M as of December 2022. The Current Accounts amount was equal to €216M as of December 2022.

Findomestic plays an active role in the funding process of BNPP Group, through:

- the collection of saving ("*conto deposito*") and current accounts ("*conto corrente*");
- self-retained securitizations, aiming at generating collateral lent to BNPP by means of security lending transactions (€4.4bn through Florence SPV).

CREDIT AND COLLECTION POLICIES

Description of the products

Findomestic presents a diversified offer of consumer loans, granted with or without a specific purpose.

Findomestic products can be divided into two main categories: “credit cards” and “classic loans”.

Since October 2012, Findomestic has increased its offer with the introduction of the first saving product: the “*Conto Deposito”.* Since April 2019, Findomestic started the commercialisation of the new Current Accounts to customers.

Classic loans

“Classic loans” are loans which are reimbursed according to predetermined amortization plan. Findomestic offers two types of “classic loans”:

i. Specific purpose term loans (**Purpose Loan**) originated through a network of distributors of consumer goods.

   Purpose Loans, by law, must have a specified purpose. The amount of the loans generally ranges from Eur 1,000 to Eur 75,000.

ii. Non-specific purpose term loans (**Personal Loan**) granted through Findomestic's branches, internet, agents network and partners (bank and insurance companies).

   The Personal Loan is granted both for specific and non-specific purposes and generally ranges from Eur 1,000 to Eur 75,000 in amount with maturities up to 120 months.

Both categories of loans may benefit of insurance policies issued in favour of the relevant debtor (at his own expense) against the risks of death/disability/unemployment through an approved insurance company.

Purpose loans

By law, Purpose Loans must be granted for a specific purpose, such as the purchase of vehicles (cars, motor cycles, etc.) or other goods (furniture, electrical household appliances, etc.), and their amount generally ranges between €200 and €75,000. Findomestic may fund up to the 100% of the purchase value.

Purpose loans are at fixed rate and repay according to a predetermined monthly amortization plan with fixed instalments, including principal, interest and, if any, insurance costs.

Monthly instalments can be due either on the 5th or on the 20th calendar day of each month. The choice is made by the customer when the agreement is signed and it remains the same for the entire life of the loan.

Borrowers may have the option of a repayment schedule made up by a certain number of monthly fixed instalments followed by a larger final lump sum (“maxi-rata”). The borrower may have the option to re-finance this final lump sum with a monthly fixed instalments plan.

Maxi-rata product are excluded from the securitized pool.

In April 2012 Findomestic launched a new type of loan: the flexible loan.

Flexible loan is a product designed for the consumer to enable a certain freedom and flexibility in terms of responsible and transparent budget management.
It is the first flexible loan which allows the borrower to make changes to monthly payments (each month, if necessary, and free of charge) and also defer a specified number of monthly payments to the end of the loan period. The borrower is free to choose from the following options available free of charge:

- change a monthly payment;
- skip a monthly payment;
- early repayment of outstanding balance.

The criteria for the exercise of the options are set to ensure the control of the maximum duration of the loan and consistency with risk control.

Unlike other products offered on the market, customers can choose any of these options either by phone, Internet, mobile phone or even by simply sending a text message.

The Purpose Loans are offered by Findomestic through a network of dealers ("*Distribuzione + Veicoli*" channel), agents ("Network") and through the web ("Internet").

Flexible loans are excluded from the securitized pool.

Personal Loans

Personal Loans are granted both for specific and general purposes.

The original amount of Personal Loans ranges from Eur 1000 to Eur 75,000. Maturities generally range between 6 and 120 months, the average maturity is around 70 months.

The majority of the Personal Loans bear a fixed interest rate and have a defined amortization plan, where the customer repays the loan by monthly fixed instalments that include principal, interest and, if any, insurance costs.

Monthly instalments are always due either on the 5th or on the 20th of each month. The choice is made by the customer when the loan agreement is signed and it remains the same for the entire life of the loan.

Similarly, to Purpose Loans, the borrower may have the following options: (i) a repayment schedule made up by a certain number of fixed monthly instalments followed by a larger final lump sum ("*maxi-rata*") or (ii) to set different the monthly instalment amount during the life of the loan ("*rata variabile*").

Maxi-rata and "*rata variabile*", product are excluded from the securitized pool.

From April 2011 Personal Loans are characterised by the "Rata Chiara", i.e. instalments do not include any additional cost (arrangement fees, stamp duty, statement and transparency expenses, early settlement fees) than that indicated in the contract.

The Personal Loans are offered by Findomestic through Findomestic's branches *("Diretto"*), partners (bank, insurance companies, retailers) and *"Internet"*.

Also Personal loans may be "flexible".

Personal Loans are excluded from the securitized pool.

Insurance Policies

Findomestic intermediates different insurance products, included and non-included within financed amount, through many agreements with several insurance companies.

Regarding the auto business, the two main products included in the finance amount are Credit Protection Insurance (CPI) and Fire & Theft Insurance, currently provided by Cardif (CPI) and other Insurance Companies such as Nobis company, Covea and Unipol (Fire & Theft). The concentration in terms of total

financed premia is about 33% towards Cardif (CPI) and 67% towards other Insurance companies (Fire & Theft).

Assessment of risks

The Risk Department ensures an adequate control, monitoring and credit risk management in Findomestic.
In order to fulfill this mission, further activities are aimed at:

- Assessing the bank's capital adequacy;
- Providing a clear, fast, reliable and complete information about the risk level and status;
- Notifying possible deterioration of risks to the Top Management and to the parent company's risk functions;
- Constantly monitoring the effective risk assumed by the bank and its coherence with the Risk Appetite Framework (RAF);
- Assuring the operating risk system management in accordance with the current regulation;
  Contributing to the development of the permanent controls system in each company department by assuring the coordination of the necessary activities for the correct function of the system itself.

Credit Process: Assessment and Disbursement

Credit approval is subject to a thorough analysis, aimed at determining the customer's potential repayment capacity.
This activity is developed chronologically in 3 phases:

- assessment of the customer's ability to pay
- checks on the credit decision
- disbursement

The customer's ability to pay is based on an analysis of various elements, such as an evaluation of the customer's information, the reliability of the information collected, a statistical analysis of the customer risk, the customer's repayment capacity and the purpose of the loan.
Findomestic makes use of its internal archives and of external databases such as CRIF ("*Centrale Rischi Finanziaria*" – Italian Central Credit Register), CTC ("*Consorzio Tutela del Credito*" – Italian Consortium for Credit Protection) and CERVED.
On receiving a loan application, Findomestic collects information and documents on the customer, such as:

- customer identity and family situation
- address
- at least a telephone contact
- job
- income
- purpose of the purchase

Some of this information is checked using the documents supplied by the customer, such as at least an identity document and an income document.
In order to guarantee a suitable assessment of customers' creditworthiness, Findomestic internally has developed risk prediction scoring models for each origination channel (Direct, Distribution, Vehicles, Partners), as well as behavioural scoring models designed to measure the probability of insolvency based on the socio-demographic characteristics of the counterparty, behavioural information over a timescale of several months and other features of the loan application.
The credit scoring system in Findomestic was developed, tested and monitored in house and in collaboration with the corresponding unit of BNPP Personal Finance (Scoring Centre) that validated it. The only exception is the CRIF and CTC behavioural score and ratings from Partner Banks and the BNPP Group.
In particular, three different types of Score are produced:

- Risk Scores (Acceptance Score)
- Internal and external Behavioural Scores
- Recovery/CTX Score

In addition, the **Cross Score** summarises in one indicator the information present in the 3 different Scores.
The objective of the **Risk Scores** is to determine the probability of default of a customer at the moment of the assessment. The Risk Scores currently available are:

- Score Personal Loans
- Score vehicles (for individuals)
- Score vehicles (for companies)
- Score classic Distribution
- Score Cards Direct
- Score Cards Distribution

The objective of the **Behavioural Scores** is to determine the probability default of an existing customer. The Behavioural Scores currently available are:

- Incentive Score (quality of customer credit)
- Behavioural Score ("CRIF")
- Behavioural Score ("CTC")

The **Recovery/CTX Scores** refer to the management of customer with instalments in arrears, and are:

- Score first unpaid
- Score Phase 2
- Score Phase 3
- Score of litigation recovery

Every customer is subject to score analysis. The score becomes a means of borrower selection, thanks to the identification of specific blocking values, which establish the limit between an acceptable risk and the non-acceptable risks.
This activity is completed by other checks on the customer's level of indebtedness.
These instruments are integrated in Expert Systems managed by specific units of the Risk Department. Expert Systems are developed to allow decisions on the basis of score values and methodological rules as well as to provide indications and support for commercial interaction and analysis activities.
The processing of all the information collected and assessed by the Expert System leads to three possible outcomes:

- Accepted by the system: all acceptance rules envisaged by the Expert System are satisfied. It is only necessary to carry out some specific controls required by the system, some formal checks and then validating the decision.

- Rejected by the system: in the presence of clients that, on the basis of precise methodological rules, are deemed particularly risky, the Expert System immediately rejects the application.

- Applications "to be reviewed": these relate to clients that, on the basis of the assessment of the rules present on the Expert Systems, require a more targeted and more in-depth evaluation. The in-depth study of the application is based on the analysis of alerts and checks proposed by the system. Further in-depth analysis can be performed on the supporting documentation presented by the customer.
Alerts are proposed by the system and are attributable to:

- information on the customer's profile;
- indications on the correct upload of data;
- consistency between the data, customer profile and goods purchased;
- information relating to the intermediary.

The further checks are directly proposed by the Expert System which also indicates the required documents and further steps to be taken in order to continue with the assessment process. The result of the checks required by the system is coded and stored by the Expert System.
After assessing the information collected in order to meet the requirements of the ALERTS and CHECKS, the Credit Analyst takes the FINAL DECISION on the loan application.
The Expert System also sets, for each loan application, the decision-making body for the approval of the loan.

The rules of decision-making define the different signatures to be obtained for the final decision. The decision must be signed by each intermediate decision-making body up to the highest level requested.
The level of decision-making is defined by the Expert System on the basis of the following factors:

- Financed Amount
- Total customer exposure
- Customer and Intermediary Scores
- Budget
- Term of the loan
- Loan type
- Customer profile
- Negative information in a risk database
- Inconsistencies between documents submitted and documents requested

As regards the decision, it is possible to ignore the rejection proposed by the Expert System or resulting from an in-depth review. The rejections which can be ignored due to commercial requirements are those for:

- Score
- Budget
- Term of the loan
- Loan type
- Negative information in a risk database
- Inconsistencies between documents submitted and documents requested

For the Vehicle, Distribution, Network and Commercial, Banking/Insurance Partners, there are limits and ceilings granted by the Risk Department, in relation to which it is possible to make a commercial exception. Monthly monitoring and a statistical follow-up are performed in order to verify the correct formalisation and suitable grounds for the exception.
The process is completed with the disbursement of the customer's loan. During the disbursement phase, all actions which aim to prevent fraud and money laundering are carried out.

The entire credit granting process is certified according to ISO 9001 rules.

Setting up Partnership Agreements with and Monitoring Agents

The mission of GSI (*"Gestione e Studio Intermediari"*: Intermediary Appraisal and Management of intermediaries) is to ensure the compliance in the application of the agreements with intermediaries (agents/partners) during all the life of the relationship.

It is essential to select partners carefully. This selection takes into consideration the risks relating to their:

- activity/business model
- financial/economic situation

An intermediary assessment starts with a preliminary appraisal based on information extracted from the Intermediary archive and the CERVED[3] database.

This pre-assessment is under the responsibility of:

- Accounts, for the relationship with a non-major partner;
- Key Accounts, for the relationship with major Commercial and Banking Insurance Partners
- Distribution Partner Centre, for the centralised commercial structure in retail market

[3] The CERVED document allows Findomestic to obtain information on the financial and economic situation of the intermediary and makes it possible to verify whether there are any disputes or prejudicial events.

After having received all necessary requested information for the possible agreement, GSI can start the assessment procedure for the potential partner.

The active partner/agent is constantly monitored according to the information received from Cerved and/or through e-mail from the commercial structure.

KYI - Know Your Intermediary

Money laundering and terrorist financing risks must be assessed for each intermediary.

The anti-money laundering scoring process is called KYI (= know your intermediary).

The rules, the scores, the parameters and the tools to carry out this new function are all managed and delegated by BNPP. BNPP receives monthly reports.

In addition to the ordinary certification plan of the existing portfolio, the KYI process covers:

- first-time risk assessment of intermediaries
- management of the signals/alerts (Trigger Events), i.e. events that potentially can pose financial security risks
- assessment of the opportunity of starting or maintaining a relationship with the intermediary in case of high-risk events

This activity is subject to first level controls.

Dealers Review (*"Controllo Venditori"*)

The mission of the "Dealers Review" ("*Controllo Venditori*") is to ensure the constant monitoring of the partners through the analysis of the quality of their portfolio, analysing anomalous situations, both actual and potential, and implementing the necessary measures for protecting Findomestic.

This monitoring is based on two principles:

- the prompt identification of risks ("Reports on Agents"), by using:
    - internal/external information resources
    - constant review of lists of partners daily and automatically selected on the basis of results not in line with statistical reference values

The monthly monitoring, made on the whole portfolio of partners and based on more specific parameters allows Findomestic to classify all agents in different "classes of risk" (high, medium, low) and to treat adequately the above-mentioned problems/alerts in order to:

- allow a quick and correct definition (if necessary measures of control or interruption of the collaboration etc…);
- quantify the risks generated by a wrong behaviour of the intermediary or the worsening of its economic context
- send to the relevant offices the information necessary for the correct treatment of such issues

The outcome of actions or checks may lead to the confirmation, termination or continued supervision of the relationship with the intermediary.

Fraud prevention

In order to prevent frauds effectively, Findomestic has created a framework for a clear identification and management of fraudulent behaviors of clients and agents through:

- Departments dedicated to counteracting, preventing and dealing with external fraud;

- Implementation of effective fraud prevention tools, also adapting them to the new customer acquisition channels (eCommerce) and to the monitoring digital bank fraud (product launched in May 2019);
- Regular follow-ups;
- Training and information for all operating personnel.

Findomestic has reorganized the group dedicated to the fight against fraud (FRM), which is also responsible for making the operational departments aware of such risks, ensuring a statistical and documentary follow-up in cases where fraud has been committed or thwarted.

Each attempted fraud (committed or prevented) is archived in a special database to facilitate the analysis of the risks and implement all the necessary protective measures.

The monthly "*Tableau de bord Fraud*" contains the statistical monitoring of frauds and highlights the number of frauds committed and prevented, the percentage of effectiveness of prevention tools, the number of frauds that lead to litigation or were transferred to the loss status.

As regards fraud prevention, verification of the data and supporting documents submitted at the time of the loan application by the customer is particularly important.

In order to protect the bank, training sessions are organized for branch network personnel and for agents, fraud documents are archived. Appropriate and specific anti-fraud tools allow for effective prevention, in particular Cleafy in the world of the Web channel and Instinct introduced in July 2021 for all entry channels. The aforementioned tools together with the internal Expert Systems are constantly fed with specific and punctual rules to support the analyst in identifying suspicious transactions and finally, the appropriate external databases are also queried. During 2022, a Fraud Analysis and Prevention team (APF) was created specifically dedicated to fraud prevention analysis. The collaboration that began in November 2021 with the external company that provides us with an antiphishing service continues.

The credit scoring system

The credit scoring system is used by Findomestic to predict the future behavior of customers in terms of risk.

The system, based on the application of statistical methods and models for assessing credit risk, processes a series of information until it obtains a numerical indicator (score), which summarizes the risk profile of the customer.

Based on these scores, different actions are performed on the basis of the context in which they're applied. For example, when a loan application is received, Findomestic uses a score to accept/reject the application or to decide how to manage certain loans.

The scores currently in use in Findomestic can be classified in three macro-types:

1. acceptance scores: they aim to determine the probability of default of a new customer on the basis of socio-demographic profile.
2. behavioral scores: they attempt to determine the probability of default of an existing customer (referred to Basel II default definition) on the basis of the payment history available.
3. recovery/ctx scores: they aim to determine the recovery probability of a customer in arrears.

Acceptance, behavioral and recovery/ctx scores are generally developed and monitored within the company by the Risk Score team and implemented into the system by Expert System team. The process for the implementation and validation and the subsequent monitoring of each score is managed by Findomestic in collaboration with the corresponding score unit (Scoring Centre) of BNPP Personal Finance.

Some operational scores used to support the management of collection process (i.e. score for fragile clients, score postponement and score in iphone) are developed and monitored by Customer Solution unit.

Findomestic uses also an external score acquired from Credit Bureau CRIF ("*Centrale Rischi Finanziari*"), and CTC ("*Consorzio per la Tutela del Credito*") – Italian Consortium for Credit Protection, which allows the company to obtain information on the external activities of the relevant customer. Also an external score on PSD2 open banking, based on the online current account transitions of the customers, are stored for a part of Findomestic portfolio during the granting phase in support of the credit evaluation.

Implementation and Validation of the Scoring System

The Scores Department and Expert Systems Department are responsible for the development, management and implementation of the credit scoring system.

Initially, the request for the implementation of a new scoring system must be justified by operational reasons (age of the score, reduction in performances...) or based on the expected requirements of other Departments and planned in collaboration with the Scoring Centre of BNPP Personal Finance Group.

The process of implementation by Findomestic follows the methodology of the Scoring Centre - BNPP Personal Finance Group. Technical documents containing all the analyses performed and the results are drafted by the score development group, are then analyzed by first and second level validators.

After the first and second level checks, the score must be approved by the "Model Risk Control" department of the group and by Score Committee of PF Scoring Centre - BNPP Personal Finance Group which officially validates the score.

Data validation

Using a special application called Irion, on a daily basis, Study and Data Analysis (SDA) unit checks the reliability of data.

In the event that data are incorrect, SDA unit reports the anomaly to the competent IT office.

This activity is crucial as it guarantees the reliability of the information used which provides the basis for the construction and monitoring of the various scores.

On a quarterly basis, a first level control is performed to check and validate this activity.

Monitoring of the Scoring Systems

The Scores regularly analyses if the scores in use remain stable and retain their forecasting power.
Findomestic, in collaboration with BNPP Personal Finance Group (Risk PF Department/ Risk Monitoring & Anticipation), controls and ensures the validity of the scores through a monitoring campaign twice a year. An automatic alert system allows to analyze changes occurred in the population and promptly checks the variation of the performance.

The monitoring procedure, standard for all the BNPP Personal Finance country partners and defined by BNPP Personal Finance Group (Risk PF Department/ Risk Monitoring & Anticipation), contains all the indicators, tables and graphs needed to monitor the score.

The main indicators developed and applied for a correct monitoring of the scores are:

- Stability index
- Score performance indexes

Stability Index ensures control of population profiles changes, between score construction population and current population for the same score classes. In order to execute this control, the appropriate indicator known

as Stability index (SI) is used, which quantifies the average change in the score distribution between the current application and the application used originally. The methodology also provides alert thresholds for the Stability indicator, beyond which there is the first warning, which indicates that the application is changing and, therefore, the score is no longer stable.

In the event the SI is too big (huge changes between the 2 populations - instability of the score) the monitoring procedure requires an in-depth study to be carried out: Characteristics Analysis. This analysis allows to identify the components responsible for the instability of the score.

Scoring models must be periodically back-tested to check consistency between scoring classes and actual risk. Two monitoring Score performance indexes are used to back-test: Gini index and Kolmogorov-Smirnov statistic's (KS).

The Gini Index measures the robustness of the score after a defined period of time. Its evolution on several consecutive time periods applied to the same customer/cluster allows to understand the reliability of the score. E.g. the Gini Index is measured at time 0 for a customer with a certain score. After 12 months the index is performed again for the same customer. By running a comparison of the Gini index over the two periods (in general over time) it is possible to establish whether there is a deterioration in the score. Alert thresholds for the Gini index help to easily identify any problems relating to the score. The KS measures the distance between the score's distribution and the empiric cumulative distribution. The more the score is discriminant (good separation between "good" and "bad"), the higher the KS is.

Alert thresholds for the KS index help to easily identify any problems relating to the score performance.

The combination of those two indicators (Stability index and Gini index) summarizes the goodness of the score and is synthesized in an 'alert light' (green=satisfactory, blu = caution, red =to rebuild). In case of "red" alert, an action plan must be planned together with Central Scoring Center in Personal Finance.

In addition to these indicators, also a new monitoring on the materiality of the scores in the decisional process has been made: the aim is to measure the weight and the impact of the scores into the final system decision.

Credit Scoring in the Acceptance Process

Findomestic requires a set of information from the borrower so it can carry out a comprehensive assessment of the loan application. Such information is used to calculate the scores and obtain a risk indicator with respect to the loan application in question.

The review process is assisted by an Expert Systems based on rules that optimize review times, execute specific algorithms that calculate the scores and identify the riskiest loans, permitting a targeted analysis by recommending a final decision on the loan application.
There are different types of scores employed in the credit process:

- acceptance score
- behavioral score
- credit bureau score.

It is important to note that the scores are calculated automatically and there is no subjective component, nor any subjective input from the operator, which may modify the result of the score.

Acceptance Score

The acceptance score is a quantitative instrument that summarizes the risk profile of the customer at the time of the loan application.

The acceptance scores currently available (differentiated on the basis of the product requested) are the following:

- Direct Score
- Direct Cross Score
- Score Vehicles (for companies)
- Score Vehicles (for individuals)
- Score Distribution - Classic Loans
- Score Distribution - Cards

All these indicators have been built internally by Findomestic with the above-mentioned construction and validation process.

Direct Score (Score Diretto)

The Direct Score is obtained by processing the customer's socio-demographic information. This score, as all the other scores, is calculated by a specific Expert System for each client requesting a personal loan.

Direct Cross Score

The Cross Score combines three scores: acceptance score, behavioral score and CRIF score. This score is calculated by a specific Expert System when behavioral score or CRIF score are available. A combining score system can achieve for Findomestic an greater improvement in performance.

Score Auto (for individuals)

The Auto score (for individuals) is calculated by a specific Expert System when a client applies for a vehicle loan.

Behavioral score

The *behavioural score* is based on the payment history of a known customer. If the customer has no payment track record, i.e. is unknown to Findomestic, this indicator cannot be calculated.

The components which contribute to the calculation of the behavioral score can be split into:

- *Historical behaviour component*: takes into account the past payment history and behaviour of the customers with respect to the existing loans. In the event in which a customer has failed to make timely payments, the outcome of the behaviour score would be negative. Hence, for a customer the component is strongly affected by late payments in the last 18 months and by the number of rejected loans in the last 36 months.

- *Current behaviour component*: takes into consideration the current behaviour of the customers with respect to the existing loans and is strongly affected by late payments.

- *Socio-demographic component:* summarises the information relating to the socio-demographic profile. Information relating to the residence code, profession affect this component.

This indicator is Basel compliant and has been developed internally by Findomestic with the above-mentioned construction and validation process.

CRIF Score

Findomestic acquires information from CRIF, in particular, a score which expresses the level of customer risk.

The score is calculated by using the data loaded in CRIF's Central Credit Register on all existing exposures of the customer with financial companies. If there is not sufficient information in the Central Credit Register, the score cannot be calculated by CRIF. In that case, the score is not displayed.

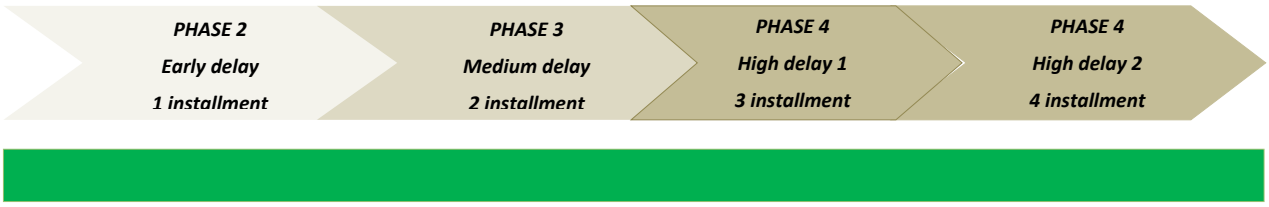
CTC Score

Findomestic acquires information data from CTC and, in particular, three scores: “Socio-demo score”, “Behavioral score” and “Complete score”.

The scores are calculated by using the data loaded in CTC on all existing exposures of the customer with financial companies that contibutes to CTC.

Credit Scoring in the Recovery and Disputed Claim Service Process

Since NEO introduction, starting from August 2018, the collection process in Findomestic has been based on the number of installments in delay following the framework below:



In all the phases credit scoring is involved to help determining whether a delinquent borrower can settle the payments in the future or not. If the outcome is positive the aim is to choose the most suitable recovery strategy.

The first step of the recovery process is known as the PHASE 2 (ex “First unpaid”) and occurs when the customer has one late instalment. A specific score (score first unpaid) helps the company manage the customer in this phase.

The score for supporting PHASE 3 is called “Score Collection Phase 3”, whereas the PHASE 4 is supported by “Score Collection Phase 4”.

PHASE 5 is a transversal phase for the clients with at least a contract reported in the graph (cars, companies, leasing…) and is supported by PHASE 2 (ex “First unpaid”).

If the customer does not make any payment during the months in which the recovery has been managed, the file is transmitted to the Litigation Department. At this stage, a score is calculated (Score of collection to the litigation).

Thanks to these indicators built in-house, it is possible to maximize collections and minimize the amount of time the customer remains in the recovery process, so cutting management costs.

To summarize, the scores used in the recovery process are:

- Score collection phase 2 (ex “First unpaid”)
- Score collection phase 3
- Score collection phase 4
- Score of collection to the litigation

Score collection phase 2

The objective of the score collection phase 2 is to determine the best action (if any) to be taken in order to obtain the payment of the delinquent loan. The possible actions could be: external phone collection, payment reminder, pre-recovery management, personalized SMS or no action if the customer has a high probability of settling its overdue debt.

Score collection phase 3

With the NEO reorganization of the collection process in Findomestic there was the need to create a new score for the Medium Delay phase.

The objective of the Score Collection Phase 3 is to select, among the customers that have moved to Medium delay phase those that will exit the recovery process by the end of the entrance month through a voluntary payment.
The use of this score, calculated automatically by the Recovery Expert System, allows to increase the effectiveness of recovery as it helps to apply a more suitable management strategy to the customer.

Score collection phase 4

The objective of the Score collection Phase 4 is to select among the customers that have moved to High delay phase those that have the highest recovery potential.
The use of this score, calculated automatically by the Recovery Expert System, makes it possible to increase the effectiveness of recovery as it helps to apply a more suitable management strategy to the customer.
The score phase 4 was recently enhanced in order to get for each recovery process level a specific score system.

Score of litigation recovery

The Score of litigation recovery indicates the predicted probability that the client will make a payment during the next 21 months.
Thanks to this instrument, it is possible to maximize collections and minimize recovery timing.

The Collection policy

Loans are payable in monthly instalments, either on the 5th or on the 20th day of each month. The choice is made by the borrower at inception and it remains the same for the entire life of the loan.
The customer is allowed to choose between two methods of payment: Direct Debit (SDD system) or Postal Transfer. The customer can change the method of payment during the life of the loan.

Direct Debit

Findomestic adopts the following automatic electronic procedure:
(1) the borrower indicates his bank details in the loan agreement;
(2) through the electronic alignment of direct debit data archives (SEDA), Findomestic informs the customers bank of the procedure;
(3) Findomestic delivers an electronic request for payment to the customer's bank ten days before the scheduled payment date and, if there are sufficient funds in the customer's account, the cash is transferred on the due date. If the instalment is not paid, Findomestic will be informed by the customer's bank within maximum five days.

Postal Transfer

Payments can be executed in all Italian post offices by using postal payment forms.
On disbursement of the loan, Findomestic prints postal payment forms to be used for the entire life of the loan and delivers them to the customer.
Each postal payment form carries the number of the relevant instalment, the payment date and the amount to be paid. The matching between the payment forms and the information on the relevant consumer loan is made electronically on a daily basis by Findomestic.

The Collection service – Pre-litigation arrears management

The Collection Department of Findomestic is responsible for identifying the most appropriate solutions for problematic customers. Collection procedures must adapt to any change in the economic and operating context. The focus of the process is finding a solution with the borrower in order to avoid litigation.

Arrears recovery management is based on three general principles:

- maximizing the recoveries from problematic customers minimizing costs and time
- retaining the loyalty of valued customers
- preserving Findomestic's image under all circumstances

The Collection process (Pre-litigation arrears management)

The collection process starts when a file is about 5-15 days past due and, after this first period (during which the customer receives solicitation by phone or sms, treatment called "first unpaid"), the collection procedure can continue with the "Collection" phase and then with the "Recovery" phase.

Transfer of the files from one phase to another one is automatic, as each phase includes a maximum number of days, after which, if not properly settled, the file goes to the next step. This is in line with the methodologies of BNPP Personal Finance.

In details, the "Collection" phase consists of three phases, the first two provide a maximum management period of 30 days each, the last one provides a maximum management period of 60 days.

If by the end of these phases the file has not been properly settled, it is transmitted to the Recovery Department. Close to this process there is another one for "Special Products" that are not included in the main process, above described.

Specific categories of customer, as an example with open insurance or with a car loan, are managed with dedicated procedures and timelines.

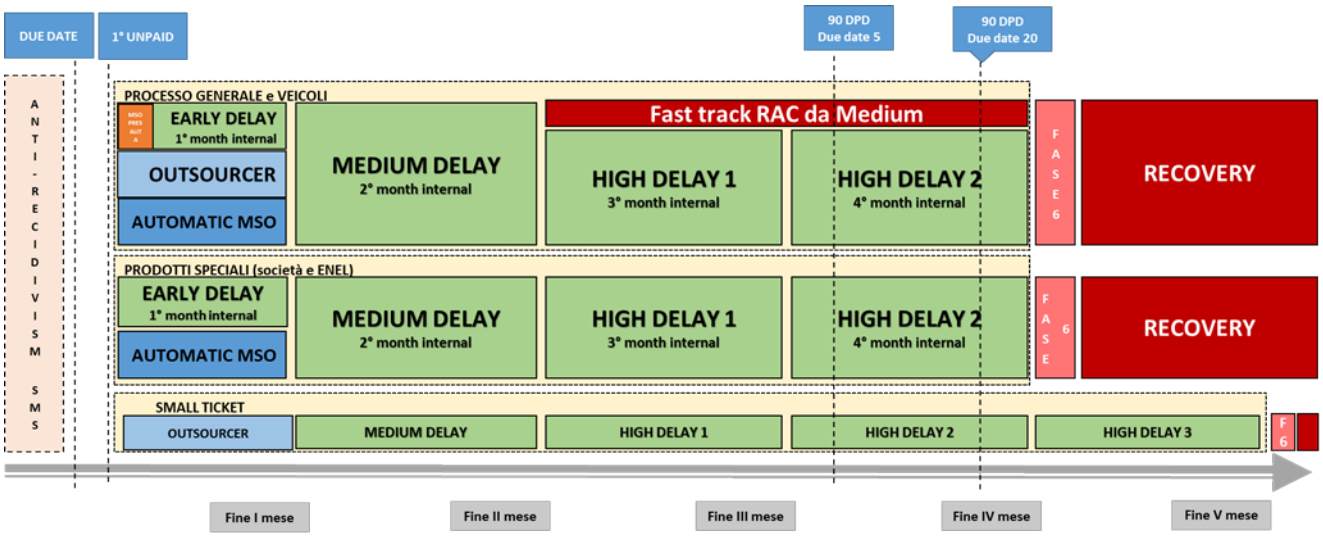
A file can be (1) settled at any time being classified again as performing or (2) it can be transmitted directly to the Litigation Department without having to go through all the stages of Customer Solutions (as an example in case of fraud check).

Drivers of recovery

In order to adapt the credit recovery activities to the variability of the macroeconomic context, Findomestic constantly takes into consideration:

i. the use of all communication tools with customers, looking for the most effective;
ii. organization of the recovery management chain so as to maximize the possibility of success at the lowest cost for the company (for this reason it is possible to create customer clusters thanks to a tool that groups the customers with selected characteristics).
iii. the profitability of the collection instruments chosen, trying to pass or share the collection costs with delinquent borrowers
iv. the possibility to give credit facilities to customers in arrears of amounts lower than one instalment.
v. Compliance with the rules of ethics: in any phase of the collection process the management of arrears must comply with principles of ethics issued by BNPP. Compliance with such principles is aimed at avoiding reputational and legal risks.

The collection process (Pre-litigation arrears management)



The collection process in Findomestic is divided into three main phases:

1. Early Delay / First Unpaid (FU),

2. Medium Delay,

3. High Delay

At the beginning of each phase, the expert system calculates a “probability of collection” score for each file. Such score estimates the probability that a file is settled within 30 days and allow the bank to classify the files on the basis of risk profile and to apply the most suitable collection procedure.

The score is calculated for each individual file on the basis of the following variables:

- socio-demographic (eg. income, profession);
- the current situation of file (e.g. debt amount of the customer, number of instalments in arrear);
- behavioral (e.g. repeated arrears, past renegotiations, etc.)

Organization chart

First Unpaid (FU)

To reduce the number of files to be treated in Customer Solutions the first type of action is an sms/call reminder to the customer immediately after an instalment remains unpaid (“First Unpaid” action).
All files with a payment delay of a month, are selected and prioritized by the expert system through a special "first unpaid score", which assesses the probability that the customer will not pay the delayed installment before the next deadline payment.
Based on this score and on the total amount due by the client, the most suitable recovery procedure is selected. Several types of management are available:

- *External Outbound*: files with a high score and medium-high amount of arrears are managed by External Outsourcer through phone collection;
- *External Outbound Call Center*: files with medium score and medium-high amount of past due are managed by a call center that calls the customer to remind the payment;
- SMS: files with low score (high probability of regularization) and low amount of past due are managed through an sms.

The First Unpaid phase lasts from 5 to 15 days after the missed due date.
Direct Debit files can also be managed, depending on their score, through an automatic re-submission of the payment request on the current account of the customer.

Controls on first unpaid outsourcing

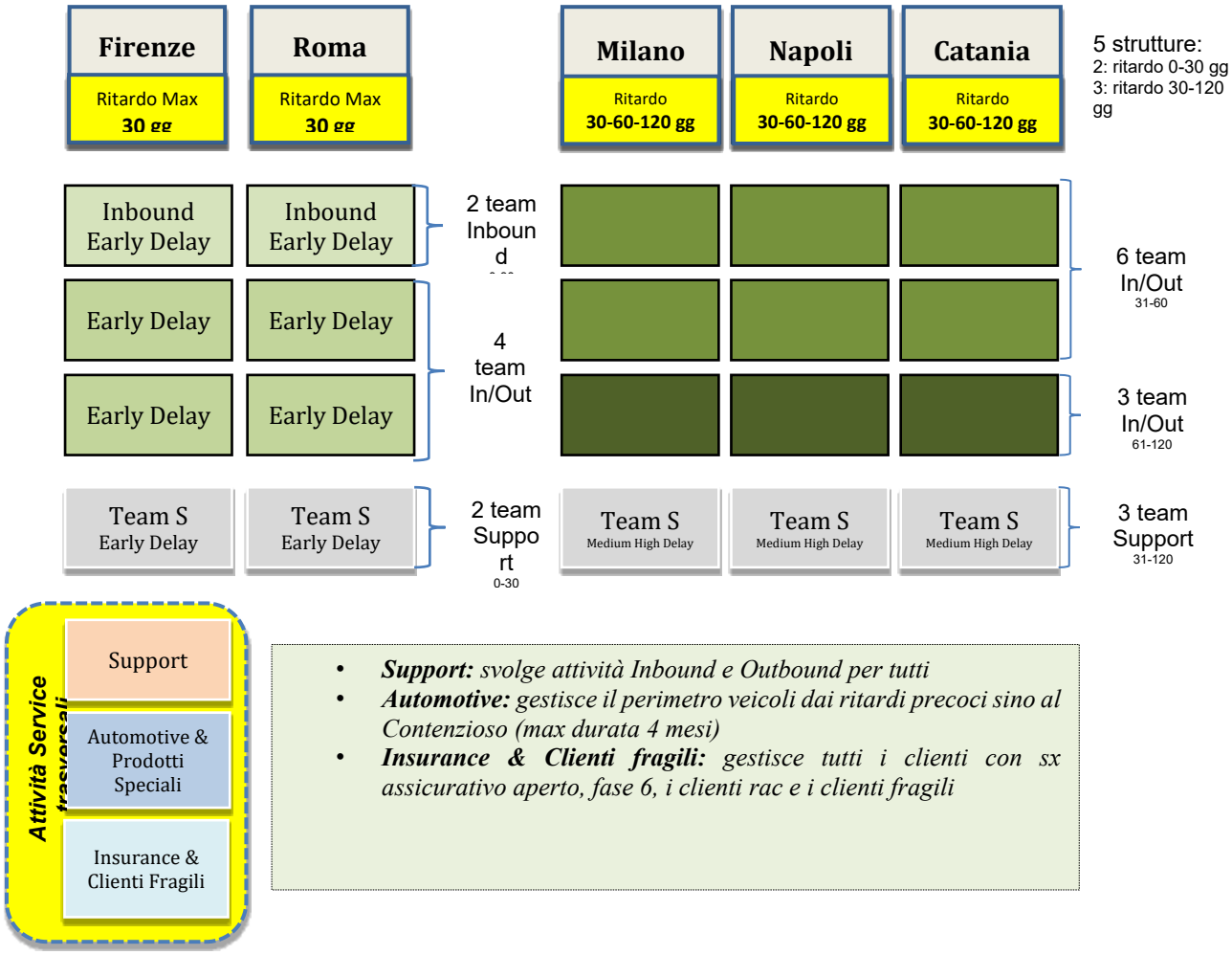
Outsourcers are monitored through:

- REMOTE CHECKS: constant monitoring, on a daily basis, of the management activities results (number of managed files, % of settlements, % of collections); continuous support to the operating department of outsourcers through dedicated telephone calls and e-mails;

- ON-SITE VISITS: periodic visits, at least on a monthly basis, to the operating departments of the outsourcer, targeted at on-the-job training of the people that manage the files and quality control through shadowing and listening with dual headphones);

- CUSTOMER SATISFACTION: dedicated monthly survey on customer satisfaction.

Organization Scheme



- ***Support:*** *svolge attività Inbound e Outbound per tutti*
- ***Automotive:*** *gestisce il perimetro veicoli dai ritardi precoci sino al Contenzioso (max durata 4 mesi)*
- ***Insurance & Clienti fragili:*** *gestisce tutti i clienti con sx assicurativo aperto, fase 6, i clienti rac e i clienti fragili*

In general:

Early Delay is entitled to manage files having:

- one unpaid instalments;
- 30 days of activity.

Medium Delay is entitled to manage files having:

- two unpaid instalments;

- 30 days of activity.

High Delay is entitled to manage files having:

- till four unpaid instalments;
- 60 days of activity.

Special Product Service is entitled to manage files having:

- Particular Situation:
  - Loans with open insurance
  - Car loans
  - Company loans
  - Fragile Customer
  - Support Team in charge of tracking down any temporarily unavailable customers.
- 120 days maximum of manage

The first step in the process of Customer Solutions (Early Delay) is done by two Centers in Florence and Rome. There are two teams that manage the Inbound calls and four teams that manage the Early Delay Outbound calls.

The second and third steps are done by three Medium and High Centers in Milan, Naples and Catania.

There are six teams to manage Medium Delay and three teams to manage High Delay.

The Special Product Service is based in Florence.

The majority of files are treated in a "massive way" through "Storm", which is a telephone dialer that allows to process targeted types of customers. This system is based on automatic composition of phone calls: the phone system, in fact, launches multiple calls for each member of customer solutions team. This makes the search process more efficient.

To maximize the effectiveness it is possible to create specific clusters of customers for every phase. This is possible thanks a tool that allows to choose customers based on their characteristics or their financing.

Forbearance mesures

Main tools to manage and help customers who have temporary financial difficulty are:

"Riporto Rischio" through which the due installment is postponed to the end of the amortization plan;

"Rachat", granting a new loan which consolidates the customer's existing loans. This is usually proposed to clients whose difficulties cannot be overcome in a short term.

The Recovery Department ("CTX") Post-litigation arrears management

The Recovery Department ("CTX") manages loans in respect of which no payments were received from customers, despite the credit recovery activities performed for them.

The Recovery Department is divided into several units:

- Internal Phone Negotiation (2 teams)
- Management and Animation of Outsourcers
- Litigation
- Transversal Activities

- Insurance & Fragile Customers

The activities performed by recovery department following the reception by the debtor of the Termination Notice (lettera di decadenza di beneficio del termine) are supported and guided by an Expert System, which defines timing and methods of processing the files.

The Termination Notice is automatically sent to the debtor, stating the amount of the unpaid instalments and inviting the customer to settle or renegotiate his debt position.

Internal Phone Collection Teams

The files which are considered with a better potential are managed by the Internal Phone Collection Teams that carry out inbound and outbound phone collection activities, trying to find the most appropriate solutions to settle the file (repayment plans or settlement agreements).

If Termination Notice is effective (Findomestic is certain that the client has received the letter) but an agreement is not defined with the debtor during the Phone Collection, the files are subsequently transferred to Management and Animation of Outsourcers Unit or Litigation Unit, according to the Collection guidelines.

Loans managed into the post Termination phases are reported as defaulted to the Bank of Italy: the overall debt position of the borrower is evaluated, automatic reporting is not allowed.

Borrower's search
If the debtor is unreachable, a team of the NPL Assignment and Transversal Activities Unit will:

- Carry out a search of unreachable borrowers personal data through specialised external companies;
- Manage the loans of deceased debtors;
- Track, through "Poste Italiane" website or its offices, registered letters not delivered to debtors.

At the end of the search process, if Termination Notice is effective (Findomestic is certain that the client has received the letter) the loan is terminated the files are transferred to Management and Animation of Outsourcers Unit or Litigation Unit, according to the Recovery guidelines.

If Termination Notice is ineffective, the file, according to the Recovery guidelines, can be written off or sold (based on a shared strategy between Customer Solutions, Risk and Finance).

Management and Animation of Outsourcers Unit

The files may be managed by the Management and Animation of Outsourcers Unit, which can appoint different outsourcers specialized in home collection activity. This team deals with managing and follow up of files assigned to home collection companies that act on behalf of Findomestic, trying to find the most appropriate solutions to settle the file (mainly with promissory notes agreements).

This unit also manages activities not relevant for the securitised portfolio (Leasing, Salary-Backed Loans).

Litigation Unit

This unit analyses the opportunity of starting legal action against the debtors, assigning the positions to external lawyers.

Main activities managed:

- Evaluates the positions that are transmitted, checking the suitability of a legal action
- Manages and monitors the network of external lawyers,
- Agrees with external lawyers the most appropriate recovery proceedings

Transversal Activities Unit

This Unit, in synergy with the other units of the Collection Department, manages:

- The correspondence received from borrowers (e-mail, letters, fax);
- The administrative activities: payments of borrowers, check of the invoices of outsourcers, write-off;
- The Borrower's search (see above).

Insurance & Fragile Customers Unit

This Unit, in synergy with the other units in Findomestic of After Sales, and Customer Solutions Department, manages the loans with insurance coverage.

This unit also manages activities for Fragile Customers, proposing alternative payment solutions to a selected portfolio in order to avoid default.

Main tools for Recovery management

In addition to legal actions other main tools to manage Recovery process are:

- Deferred Payment Agreements
- Deferred payments with bills of exchange "Pagamenti dilazionati con cambiali"
- NPL sales
- Activation of over-indebtedness procedures
- Write-off with transfer of part of the debt to loss

THE ISSUER

Introduction

The Issuer was incorporated in the Republic of Italy on 20 March 2023 as a limited liability company (*società a responsabilità limitata*) with a sole quotaholder under the name "Autoflorence 3 S.r.l.". The Issuer's by-laws provides for termination of the same on 31 December 2100. The registered office of the Issuer is at Milan 20122, Corso Vittorio Emanuele II, 24-28, the fiscal code and number of enrolment with the companies' register of Milano - Monza Brianza - Lodi is 12873770965. The Issuer operates under the laws of the Republic of Italy. The Issuer has no employees and no subsidiaries. The Issuer's telephone number is +39 027788051. The legal entity identifier (LEI) of the Issuer is 815600F88BB8BFD30863.

The authorised and issued quota capital of the Issuer is Euro 10,000.00, fully paid up and held by Special Purpose Entity Management 2 S.r.l.. The corporate capital of the Quotaholder 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.

Since the date of its incorporation, the Issuer has not commenced operations other than those incidental to its incorporation, authorising the issue of the Notes and the entering into the documents referred to in this Prospectus and matters which are incidental or ancillary to the foregoing.

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

Further information on the Issuer is available on the website of the Corporate Servicer (being, as at the date of this Prospectus, https://www.zenithservice.it/it/reserved-area/) and on the Securitisation Repository. It is understood that any such websites are for information purposes only, do not form part of this Prospectus and have 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 sole corporate object of the Issuer as set out in article 2 of its by-laws (*statuto*) and in compliance with the Securitisation Law is to perform securitisation transactions (*operazioni di cartolarizzazione*) and issue asset backed securities.

The Issuer has been established as a special purpose vehicle for the purpose of issuing asset backed securities in the context of one or more securitisation transactions, subject to Condition 5.12 (*Further securitisations*).

Condition 5 (*Covenants*) provides that, *inter alia* and so long as any of the Notes remain outstanding, the Issuer shall not, unless with the prior written consent of the Representative of the Noteholders and as provided in the Conditions and the Transaction Documents, incur any other indebtedness for borrowed monies (except in relation to any further securitisation carried out in accordance with the Transaction Documents) engage in any activities (other than acquiring and holding the assets on which the Notes are secured, issuing the Notes and entering into the Transaction Documents to which it is a party or entering into further permitted securitisations), pay any dividends, repay or otherwise return its quota capital, have any subsidiaries, employees or premises, consolidate or merge with any other person, convey or transfer its property or assets to any person (otherwise than as contemplated in the Conditions or in the Intercreditor Agreement), or increase its share capital.

The Issuer will covenant in the Intercreditor Agreement to observe, *inter alia*, those restrictions which are detailed in Condition 5 (*Covenants*).

Sole Director and Statutory Auditors

As at the date of this Prospectus, the sole director of the Issuer is Solidea Maccioni (the **Sole Director**). Solidea Maccioni is an officer of Zenith Service S.p.A.. The domicile of the Sole Director of the Issuer is at Corso Vittorio Emanuele II, 24-28, 20122Milan, Italy.

As at the date of this Prospectus, no board of statutory auditors is appointed.

The Quotaholder's Agreement

Pursuant to the terms of the Quotaholder's Agreement entered into on or about the Issue Date, the Quotaholder has agreed, *inter alia*, not to amend the by-laws (*statuto*) of the Issuer and not to pledge, charge or dispose of the quota (save as set out below) of the Issuer without the prior written consent of the Representative of the Noteholders. Pursuant to the Quotaholder's Agreement, (i) the Quotaholder has granted to the Originator the option to purchase the 100 per cent stake of the Issuer quota capital owned by the Quotaholder after the date on which the Notes or any other notes issued by the Issuer in connection with further securitisations permitted pursuant to Condition 5.12 (*Further securitisations*) have been redeemed in full or cancelled, and (ii) the Originator has granted to the Quotaholder the option to sell to the Originator such 100 per cent stake of the Issuer quota capital after the date on which the Notes or any other notes issued by the Issuer in connection with further securitisations permitted pursuant to Condition 5.12 (*Further securitisations*) have been redeemed in full or cancelled. The Quotaholder's Agreement, and any non-contractual obligations arising out of or in connection with it, are governed by, and will be construed in accordance with, Italian law. The Issuer believes that the provisions of the Quotaholder's Agreement and of the other Transaction Documents are adequate to ensure that the participation by the Quotaholder in the quota capital of the Issuer is not abused.

Capitalisation and indebtedness statement

The capitalisation of the Issuer as at the date of this Prospectus, adjusted for the issue of the Notes, is as follows:

Quota capital	**Euro**
Issued, authorised and fully paid up capital	10,000.00
Loan Capital	**Euro**
€440,000,000 Class A Asset Backed Floating Rate Notes due December 2046	440,000,000
€13,500,000 Class B Asset Backed Floating Rate Notes due December 2046	13,500,000
€14,000,000 Class C Asset Backed Floating Rate Notes due December 2046	14,000,000
€9,500,000 Class D Asset Backed Floating Rate Notes due December 2046	9,500,000
€8,000,000 Class E Asset Backed Floating Rate Notes due December 2046	8,000,000
€15,000,000 Class F Asset Backed Floating Rate Notes due December 2046	15,000,000
Total loan capital (euro)	500,000,000
Total capitalisation and indebtedness (euro)	500,010,000

Subject to the above, as at the date of this Prospectus, the Issuer has no borrowings or indebtedness in respect of borrowings (including loan capital issued or created but unissued), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees or other contingent liabilities.

Financial statements and auditors

The Issuer's accounting reference date is 31 December in each year. As at the date of this Prospectus, no financial statements have been drawn up and no auditors have been appointed. Should any auditors be appointed by the Issuer at any time following the Issue Date, notice thereof shall be given by the Issuer in accordance with Condition 17 (*Notices*).

ZENITH

Zenith Service S.p.A. is a joint stock company (*società per azioni*) incorporated under the laws of the Republic of Italy, with registered office at Corso Vittorio Emanuele II, 24-28, 20122Milan, Italy, fully paid share capital of Euro 2,000,000, fiscal code and enrolment with the companies register of Milano - Monza Brianza - Lodi number 02200990980, enrolled in the register of financial intermediaries ("*Albo Unico*") held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act, ABI Code 32590.2.

In the context of the Securitisation, Zenith Service S.p.A. acts as Corporate Servicer, Representative of the Noteholders, Back-up Servicer Facilitator and Calculation Agent.

The information contained herein relates to Zenith Service S.p.A. and has been obtained from it. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Zenith Service S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

BNP PARIBAS GROUP

BNP Paribas' organisation is based on three operating divisions: Corporate & Institutional Banking (CIB), Commercial, Personal Banking & Services (CPBS) and Investment & Protection Services (IPS).

Corporate and Institutional Banking (CIB) division, combines:

- Global Banking,
- Global Markets and
- Securities Services.

Commercial, Personal Banking & Services division, covers:

- Commercial & Personal Banking in the euro zone:
  - Commercial & Personal Banking in France (CPBF),
  - BNL banca commerciale (BNL bc), Italian Commercial & Personal Banking,
  - Commercial & Personal Banking in Belgium (CPBB),
  - Commercial & Personal Banking in Luxembourg (CPBL);
- Commercial & Personal Banking outside the euro zone, organised around:
  - Europe-Mediterranean, covering Commercial & Personal Banking outside the euro zone, in particular in Central and Eastern Europe, Turkey and Africa
- Specialised businesses:
  - BNP Paribas Personal Finance,
  - Arval and BNP Paribas Leasing Solutions,
  - New Digital Businesses (in particular Nickel, Floa, Lyf) and BNP Paribas Personal Investors.

Investment & Protection Services division, combines:

- Insurance (BNP Paribas Cardif),
- Wealth and Asset Management: BNP Paribas Asset Management, BNP Paribas Real Estate, BNP Paribas Principal Investments (management of the BNP Paribas Group's portfolio of unlisted and listed industrial and commercial investments) and BNP Paribas Wealth Management.

BNP Paribas SA is the Parent Company of the BNP Paribas Group.

As at 31 March 2023, the BNP Paribas Group had consolidated assets of €2,694 billion (compared to €2,666 billion at 31 December 2022), consolidated loans and receivables due from customers of €854 billion (compared to €857 billion at 31 December 2022), consolidated items due to customers of €1,001 billion (compared to €1,008 billion at 31 December 2022) and shareholders' equity (Group share) of € 127 billion (compared to €122 billion at 31 December 2022).

As at 31 March 2023, pre-tax income was €2.4 billion (compared to €2.6 billion[4] as at 31 March 2022). For the first quarter 2023, net income, attributable to equity holders was €4.4 billion (compared to €1.8 billion[1] for the first quarter 2022).

[4] As a reminder: on 2 May 2023, BNP Paribas reported restated quarterly series for 2022 to reflect for each quarter: (i) the application of IFRS 5 relating to disposal groups of assets and liabilities held for sale, following the sale of Bank of the West on 1 February 2023; (ii) the application of IFRS 17 (Insurance Contracts) and the application of IFRS 9 for insurance entities, effective 1 January 2023; (iii) the application of IAS 29 (Financial Reporting in Hyperinflationary Economies) to Türkiye, effective 1 January 2022; and (iv) the internal transfers of activities and results at Global Markets and Commercial & Personal Banking in Belgium.

At the date of this Memorandum, the BNP Paribas Group currently has Long Term Senior Preferred debt ratings of "A+" with stable outlook from S&P, "Aa3" with stable outlook from Moody's Investors Service, Inc. and "AA-" with stable outlook from Fitch Ratings, Ltd and "AA (low)" with stable outlook from DBRS.

The information contained in this section relates to and has been obtained from BNP Paribas. The information concerning BNP Paribas and the BNP Paribas Group contained herein is furnished solely to provide limited introductory information regarding BNP Paribas and the BNP Paribas Group and does not purport to be comprehensive.

The delivery of the information contained in this section shall not create any implication that there has been no change in the affairs of BNP Paribas or the BNP Paribas Group since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

For up-to-date financial information, including quarterly results since the last fiscal year end, please refer to https://invest.bnpparibas/en/

USE OF PROCEEDS

The total net proceeds of the issue of the Notes are expected to be Euro 500,000,000 and will be applied by the Issuer on the Issue Date to pay to the Originator a portion of the Advanced Purchase Price for the Initial Portfolio in accordance with the Master Receivables Purchase Agreement.

DESCRIPTION OF THE TRANSACTION DOCUMENTS

The description of the Transaction Documents set out below is an overview of certain features of the Transaction Documents and is qualified by reference to the detailed provisions of such documents. Prospective Noteholders may inspect copies of the Transaction Documents (other than the Subscription Agreement) on the Securitisation Repository.

1. THE MASTER RECEIVABLES PURCHASE AGREEMENT

On 1 June 2023, the Originator and the Issuer entered into the Master Receivables Purchase Agreement, pursuant to which the Originator has assigned and transferred to the Issuer, without recourse (*pro soluto*), all of its rights, title and interest in and to the Initial Portfolio pursuant to the combined provisions of articles 1 and 4 of the Securitisation Law and article 58 of the Consolidated Banking Act. As long as no Revolving Period Termination Notice has been delivered, on each Offer Date the Originator may offer for sale to the Issuer, which, subject to the conditions set out in the paragraph entitled "*Conditions for the purchase of Subsequent Portfolios*" of the section headed "*The Portfolio*" above having been met, shall purchase from the Originator, during the Revolving Period, Subsequent Portfolios, in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and article 58 of the Consolidated Banking Act and pursuant to the terms of the Master Receivables Purchase Agreement. The Originator shall select the Receivables comprised in each Subsequent Portfolio on the basis of the Criteria so that, to the extent possible, the aggregate Individual Purchase Prices of all the Receivables comprised in such Subsequent Portfolio shall be substantially equal to the Target Amount (and, in any event, shall not exceed such Target Amount for more than Euro 200,000) in respect of the relevant Subsequent Portfolio.

The Advanced Purchase Price in respect of the Initial Portfolio and of each Subsequent Portfolio is equal to the sum of all Individual Purchase Prices of the relevant Receivables as at the relevant Valuation Date (included). The Advanced Purchase Price in respect of the Initial Portfolio will be paid on the Issue Date using (i) part of the net proceeds of the issue of the Notes and (ii) a portion of the Start-up Costs Proceeds. Provided that no Revolving Period Termination Event has occurred, the Advanced Purchase Price in respect of each Subsequent Portfolio, if any, will be funded on the Payment Date immediately following the relevant Transfer Date using the Principal Available Funds available for such purposes in accordance with the Pre-Acceleration Principal Priority of Payments.

In addition, on each Payment Date the Originator may or may not receive, as Deferred Purchase Price, an amount equal to the Issuer Available Funds remaining after making all payments ranking in priority to the payment of such amount in accordance with the applicable Priority of Payments.

Under the Master Receivables Purchase Agreement, the Advanced Purchase Price in respect of the Initial Portfolio is payable by the Issuer to the Originator on the Issue Date, provided that (i) the condition subsequent provided for under the Master Receivables Purchase Agreement has not occurred, and (ii) the notice of the transfer of the Initial Portfolio has been published in the Official Gazette and registered in the competent companies' register. The Originator has sold to the Issuer, and the Issuer has purchased from the Originator, the Receivables comprised in the Initial Portfolio, which meet the Criteria described in detail in the section headed "*The Portfolio*". The sale of the Initial Portfolio was made, and the sale of each Subsequent Portfolio will be made in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and article 58 of the Consolidated Banking Act. Notice of the transfer of the Initial Portfolio was published in the Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*)*, Parte Seconda*, number 67 of 8 June 2023 and was registered in the companies' register of Milano - Monza Brianza - Lodi on 6 June 2023. Notice of the transfer of each Subsequent Portfolio will be published in the Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*) and will be registered in the companies' register of Milano - Monza Brianza - Lodi.

The Issuer shall refrain from purchasing any further Subsequent Portfolio under the Master Receivables Purchase Agreement if any of the following Revolving Period Termination Events has occurred and the Representative of the Noteholders has served a Revolving Period Termination Notice on the Issuer:

(a) *Breach of obligations by Findomestic:*

Findomestic defaults in the performance or observance of any of its obligations under or in respect of any of the Transaction Documents to which it is a party, provided that, in the reasonable opinion of the Representative of the Noteholders, (A) such default is materially prejudicial to the interest of the Noteholders and (B) (except where such default is not capable of remedy, in which case no notice requiring remedy will be required) such default remains unremedied for 30 (thirty) days after the Representative of the Noteholders has given written notice thereof to Findomestic, with a copy to the Issuer, requiring the same to be remedied; or

(b) *Breach of representations and warranties by Findomestic:*

any of the representations and warranties given by Findomestic under any of the Transaction Documents to which it is party is or proves to have been incorrect or misleading in any material respect when made or repeated and such breach, to the extent is, in the reasonable opinion of the Representative of the Noteholders, prejudicial to the interest of the Noteholders, if capable of remedy is not remedied in accordance with the provisions of the Warranty and Indemnity Agreement; or

(c) *Insolvency of Findomestic:*

(i) 90 (ninety) days have elapsed since an application is made for the commencement of an *amministrazione straordinaria* or *liquidazione coatta amministrativa* or any other applicable insolvency proceedings against Findomestic in any jurisdiction and such application has not been rejected by the relevant court nor has it been withdrawn by the relevant applicant unless a legal opinion or other adequate comfort is given to the Representative of the Noteholders confirming that such application is manifestly without grounds (it being understood that, pending the 90 (ninety)-day or the shorter period necessary for obtaining the aforementioned legal opinion or other adequate comfort, Findomestic will not be able to submit any Transfer Proposal); or

(ii) Findomestic becomes subject to any *amministrazione straordinaria*, *liquidazione coatta amministrativa* or any other applicable insolvency proceedings in any jurisdiction or the whole or any substantial part of the assets of Findomestic are subject to a *pignoramento* or similar procedure having a similar effect; or

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

(d) *Winding up of Findomestic:*

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

(e) *Breach of Cumulative Gross Default Ratio:*

the Cumulative Gross Default Ratio, as resulting from the Servicer's Report immediately preceding the relevant Offer Date, has exceeded the Cumulative Gross Default Trigger Level; or

(f) *Termination of Servicer's appointment:*

the Issuer has terminated the appointment of the Servicer following the occurrence of a Servicer Termination Event in accordance with the provisions of the Servicing Agreement (other than the Servicer Termination Event set out in clause 10.1(f) of the Servicing Agreement); or

(g) *Amount of Principal Available Funds credited to the Reinvestment Ledger*:

for 2 (two) consecutive Offer Dates, the amount of Principal Available Funds credited to the Reinvestment Ledger in accordance with item (iii) (*Third*) of the Pre-Acceleration Principal Priority of Payments is higher than 10 per cent. of the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the Initial Portfolio; or

(h) *Failure to offer for sale Subsequent Portfolios*:

the Originator fails to offer for sale Subsequent Portfolios to the Issuer for 3 (three) consecutive Offer Dates; or

(i) *Liquidity Reserve:*

on any Payment Date during the Revolving Period, there are insufficient Interest Available Funds in order to fund the Liquidity Reserve up to the Liquidity Reserve Required Amount in accordance with the Pre-Acceleration Interest Priority of Payments;

(j) *Class F Principal Deficiency Sub-Ledger:*

on any Payment Date during the Revolving Period, the amount debited to the Class F Principal Deficiency Sub-Ledger (taking into account the amounts which have been credited to the Class F Principal Deficiency Sub-Ledger on the immediately preceding Payment Date) is greater than 0.50 per cent. of the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the Initial Portfolio; or

(k) *Service of an Issuer Trigger Notice:*

an Issuer Trigger Notice has been served to the Issuer; or

(l) *Service of an early redemption notice for regulatory or taxation reasons:*

the Issuer has served a notice of early redemption of the Notes following the occurrence of a Regulatory Change Event in accordance with Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or a notice of early redemption of the Notes following the occurrence of a Tax Event in accordance with Condition 8.4 (*Optional redemption for taxation reasons*); or

(m) *Swap Agreements:*

an Event of Default or Termination Event has occurred under any Swap Agreement (as defined therein).

The Master Receivables Purchase Agreement contains a number of undertakings by the Originator in respect of its activities relating to the Receivables. The Originator has undertaken, *inter alia*, to refrain

from carrying out activities with respect to the Receivables which may prejudice the validity or recoverability of any Receivable or adversely affect the benefit which the Issuer may derive from the Receivables and in particular not to assign or transfer the Receivables to any third party or to create any security interest, charge, lien or encumbrance or other right in favour of any third party in respect of the Receivables. The Originator has also undertaken not to modify or cancel any term or condition of the Loan Agreements or any document to which it is a party relating to the Receivables which may prejudice the Issuer's rights to the Receivables, save in the event such modifications or cancellations are provided for by the Transaction Documents or required by law. In addition, the Originator has undertaken to promptly inform the Servicer of any material change of the credit policies relating to the Receivables to be included in any Subsequent Portfolio, providing an explanation of any such change and an assessment of any impact it may have on the new Loans in order for the Servicer to disclose such information, without delay, in the Inside Information and Significant Event Report that will be made available by the Reporting Entity, through the Securitisation Repository, to the Noteholders and potential investors in the Notes pursuant to and for the purposes of article 20(10) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards.

The Issuer has granted to the Originator, in accordance with article 1331 of the Italian civil code, upon occurrence of a Clean-up Call Condition, a Regulatory Change Event or a Tax Event, an option pursuant to which the Originator may repurchase, without recourse, from the Issuer the outstanding Portfolio at the Final Repurchase Price, in accordance with the provisions of article 58 of the Consolidated Banking Act and subject to the conditions set out in the Master Receivables Purchase Agreement. The Issuer has undertaken in the Master Receivables Purchase Agreement to apply the Final Repurchase Price received by the Originator following the exercise by the latter of the option referred to above, together with the other Issuer Available Funds, in performing the optional redemption of the Notes (in whole but not in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), in accordance with the Post-Acceleration Priority of Payments and subject to the provisions of Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*).

The Master Receivables Purchase Agreement, and any non-contractual obligations arising out of or in connection with it, are governed by and shall be construed in accordance with Italian law.

2. THE SERVICING AGREEMENT

On 1 June 2023, the Originator and the Issuer entered into the Servicing Agreement, pursuant to which the Issuer has appointed Findomestic Banca S.p.A. as Servicer of the Receivables. The Servicer will also 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 provisions of articles 2.3, letter (c), and paragraph 6 and 6-*bis* of the Securitisation Law.

The receipt of the Collections is the responsibility of the Servicer acting as agent (*mandatario*) of the Issuer. Under the Servicing Agreement, starting from the Issue Date (included) with respect to the Initial Portfolio or the relevant Transfer Date (included) with respect to each Subsequent Portfolio, the Servicer shall credit any amounts collected or recovered from the Receivables to the Collection Account on the Business Day following receipt thereof. The Servicer will also be responsible for carrying out, on behalf of the Issuer, in accordance with the Servicing Agreement and the Credit and Collection Policies, any activities related to the management, enforcement and recovery of the Defaulted Receivables.

The Servicer has undertaken:

(a) on or prior to each Target Report Date during the Revolving Period, to prepare and deliver the Target Report;

(b) on or prior to each Accounting Servicer's Report Date, to prepare and deliver the Accounting Servicer's Report, containing, *inter alia*, information relating to the Collections and other accounting information relating to the Receivables;

(c) on or prior to each Set-Off Report Date, to prepare and deliver the Set-Off Report, highlighting the relevant Set-Off Exposure and the relevant Set-Off Loss (if any) calculated, in each case, on the last Business Day of the calendar month immediately preceding the relevant Set-Off Report Date;

(d) on or prior to each Servicer's Report Date, to prepare and deliver the Servicer's Report, containing information relating to (A) the Collections made in respect of the Portfolio during the relevant Collection Period, including, without limitation, a description of the Portfolio, information relating to any Defaulted Receivables and the Collections during the immediately preceding Collection Period and a performance analysis, and (B) the relevant Set-Off Exposure and the relevant Set-Off Loss (if any) calculated, in each case, on the last Business Day of the calendar month immediately preceding the relevant Set-Off Report Date (provided that the form of Servicer's Report may be subsequently amended in order to include such further information as may be necessary in order for the Calculation Agent to prepare and deliver the SR Investors Report pursuant to the Cash Allocation, Management and Payments Agreement in compliance with paragraph (e) of article 7(1) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards).

In addition, the Servicer has undertaken:

(a) to prepare the Loan by Loan Report setting out information relating to each Loan as at the end of the immediately preceding Collection Period (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 Regulatory Technical Standards and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available, through 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 SR 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 SR Report Date; and

(b) to 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 of the credit policies relating to the Receivables to be included in any Subsequent Portfolio and the occurrence of any Issuer Trigger Event, Revolving Period Termination Event or Sequential Redemption Event), and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available, through 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 Regulatory Technical Standards and, in any case, on each SR Report Date (simultaneously with the Loan by Loan Report and the SR Investors Report to be made available on the relevant SR Report Date).

The activities to be carried out by the Servicer include also the processing of administrative and accounting data in relation to the Receivables and the management of such data. The Servicer has represented to the Issuer that it has expertise for more than 5 (five) years 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. The Servicer has also represented to the Issuer that it has all skills, software, hardware, information technology and human resources necessary to comply with the efficiency standards required by the Servicing Agreement. The Servicer has further undertaken to use all due diligence to maintain all accounting records relating to the Receivables and the Defaulted Receivables and to supply all relevant information to the Issuer to enable it to prepare its financial statements.

Under the Servicing Agreement, the Servicer has undertaken not to amend the terms and conditions of the Receivables and not to enter into any settlement agreement involving any payment deferral in relation to any Receivable or any waiver, in whole or in part, of any Receivable, unless in compliance with the provisions of the Credit and Collection Policies relating to the Defaulted Receivables.

The Servicer may, on behalf of the Issuer, sell one or more Defaulted Receivables to third parties (other than an affiliate of Findomestic), in compliance with the Credit and Collection Policies, provided that:

(a) in case of sale in the context of a competitive process, the Servicer shall select as purchaser of the Defaulted Receivables the entity which has submitted the best offer or, in case of bilateral sale to an entity selected directly by the Servicer, the purchase price is determined by a third independent party designated by the Issuer in agreement with the Servicer;

(b) the entity selected by the Servicer as purchaser of the Defaulted Receivables provides the Servicer with (i) a good standing certificate issued by the competent companies' register in respect of the purchaser, stating that it has not been subject to any insolvency proceeding (or any other equivalent certificate under the relevant jurisdiction in which the purchaser is incorporated), and (ii) a solvency certificate signed by a director of the purchaser, each dated not earlier than 10 (ten) Business Days prior to the date of purchase of the Defaulted Receivables;

(c) the purchaser is authorised to buy Defaulted Receivables pursuant to any applicable law and regulation;

(d) the relevant purchase price is paid by the purchaser in one single tranche and the legal effects of the transfer of the Defaulted Receivables are subject to the condition precedent that the purchase price has been paid in full; and

(e) the relevant transfer is made *pro soluto* (i.e. without guarantee of the solvency of the Debtors), at risk of the purchaser pursuant to article 1488, paragraph 2, of the Italian civil code, without any guarantee from the Issuer (including, without limitation, any guarantee as to the existence of the relevant Defaulted Receivables in derogation of article 1266, paragraph 1, of the Italian civil code) and qualifies as an aleatory contract pursuant to article 1469 of the Italian civil code.

In return for the services provided by the Servicer, the Issuer will pay to the Servicer on each Payment Date, in accordance with the applicable Priority of Payments:

(i) for the services relating to the management and collection of the Receivables which are not classified as Defaulted Receivables), an annual all-inclusive fee equal to 0.42 per cent. (plus VAT, if applicable) of the Outstanding Principal of the Receivables (other than the Defaulted Receivables) as at the beginning of the Collection Period immediately preceding such Payment Date;

(ii) for the services relating to the recovery of the Defaulted Receivables (if any), an annual all-inclusive fee equal to 0.05 per cent. (plus VAT, if applicable) of the Collections collected by the Servicer in respect of the Defaulted Receivables during the relevant Collection Period; and

(iii) for the services relating to the monitoring, supervisory notification and reporting, a monthly all-inclusive fee of Euro 1,000 (plus VAT, if applicable).

The Issuer may terminate the Servicer's appointment and appoint a substitute servicer (unless a Back-up Servicer has been already appointed) which complies with the requirements provided for by the Servicing Agreement (including without limitation, the fact that it has at least five years of 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), upon occurrence of any of the following events (each, a **Servicer Termination Event**):

(a) the Servicer fails to deposit or pay any amount required to be paid or deposited, which failure continues unremedied for 5 (five) Business Days after the due date thereof and cannot be attributed to strikes, technical interruptions or other grounded reasons; or

(b) the Servicer fails to observe or perform any other term, condition, covenant or agreement provided for under the Servicing Agreement and the other Transaction Documents to which it is a party, as long as such failure is, in the reasonable opinion of the Representative of the Noteholders, material prejudicial to the interest of the Noteholders and (unless such failure is not, in the reasonable opinion of the Representative of the Noteholders, capable of remedy) such failure continues for a period of 20 (twenty) days (or 10 (ten) days if the failure relates to the obligations set out under clauses 5.1, 5.2, 5.3, 5.4, 5.5 and 5.6 of the Servicing Agreement) following receipt by the Servicer of written notice from the Issuer, with copy to the Representative of the Noteholders, asking the remedy to such failure; or

(c) any of the representations and warranties given by the Servicer, pursuant to the Servicing Agreement, is untrue, false or deceptive in any material respect and such default is materially prejudicial to the interest of the Noteholders and, if capable of remedy, is not remedied in accordance with the provisions of the Servicing Agreement and the Warranty and Indemnity Agreement; or

(d) (i) the Servicer becomes subject to any *amministrazione straordinaria*, *liquidazione coatta amministrativa* or any other insolvency proceedings, or resolution is passed by the competent body of the Servicer approving the winding-up of the Servicer or the admission of the same to any of the aforesaid proceedings; or (ii) the Servicer takes any action for a restructuring or deferment of fulfilment of any of its obligations relating to financial indebtedness or makes any out of court settlements with its creditors (to the extent such out of court settlements may be materially prejudicial to the interests of the Noteholders) for the extension of fulfilment of its obligations relating to financial indebtedness or the enforcement of any guarantee given to guarantee such fulfilment; or

(e) an order is issued or a resolution is adopted by the competent body of the Servicer approving the liquidation of the Servicer; or

(f) 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

(g) the Servicer is or will be unable to meet the current or future legal requirements provided for by law and the Bank of Italy's regulations for entities acting as servicers in the context of a securitisation transaction.

In the event that:

(i) a BNPP Downgrade Event occurs; or

(ii) Findomestic ceases to be controlled, directly or indirectly, by BNP Paribas,

the Issuer shall appoint as back-up servicer, within 30 (thirty) days from the occurrence of any of the events listed under paragraphs (i) and (ii) above, an entity identified by the Issuer, with the assistance of the Back-up Servicer Facilitator, which complies with the requirements provided for by the Servicing Agreement for substitute servicers (including without limitation, the fact that it has at least five years of 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) (the **Back-up Servicer**).

The Servicing Agreement, and any non-contractual obligations arising out of or in connection with it, are governed by and shall be construed in accordance with Italian law.

3. THE WARRANTY AND INDEMNITY AGREEMENT

On 1 June 2023, the Issuer and the Originator entered into the Warranty and Indemnity Agreement, pursuant to which the Originator has given certain representations and warranties in favour of the Issuer in relation to the Receivables comprised in the Initial Portfolio and each Subsequent Portfolio and certain other matters and has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer that may be incurred in connection with the purchase and ownership of the Portfolio or repurchase the Receivables which do not comply with such representations and warranties.

The Warranty and Indemnity Agreement contains representations and warranties given by the Originator as to matters of law and fact affecting the Originator including, without limitation, that the Originator validly exists as a juridical person, has the corporate authority and power to enter into the Transaction Documents to which it is party and assume the obligations contemplated therein and has all the necessary authorisations therefor.

The Warranty and Indemnity Agreement sets out standard representations and warranties in respect of the Receivables including, *inter alia*, that, as of the dates set out therein, the Receivables comprised in the Initial Portfolio and in each Subsequent Portfolio (i) are valid, in existence and in compliance with the Criteria, and (ii) relate to Loan Agreements which have been entered into, executed and performed by the Originator in compliance with all applicable laws, rules and regulations (including the Usury Law). The Originator has also represented, *inter alia*, that (i) the Receivables comprised in the Initial Portfolio have been, and the Receivables comprised in each Subsequent Portfolio will be, selected on a random basis in accordance with the Criteria, and (ii) each of the Debtors and the Guarantors is resident in Italy.

In addition, the Originator has represented that:

(a) Findomestic is a credit institution (as defined in article 1.1 of Directive 2000/12/CE) and its "home Member State" (as that term is defined in article 2 of Directive 2001/24/EC on the re-organisation and winding up of credit institutions by reference to article 1.6 of Directive 2000/12/EC) is located within the territory of the Republic of Italy, pursuant to articles 20(2) and 20(3) of the EU Securitisation Regulation;

(b) as at the relevant Valuation Date and as at the relevant Transfer Date, each Receivable is not subject to any lien (*pignoramento*), seizure (*sequestro*) or other charge in favour of any third party nor are there elements that can be foreseen to adversely affect the enforceability of the

transfer of such Receivable under the Master Receivables Purchase Agreement pursuant to article 20(6) of the EU Securitisation Regulation;

(c) as at the relevant Valuation Date and as at the relevant Transfer Date, the Receivables comprised in the Initial Portfolio are, and the Receivables comprised in each Subsequent Portfolio will be, homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flow of the asset type including their contractual, credit-risk and prepayment characteristics, for the purposes of article 20(8) of the EU Securitisation Regulation and the Regulatory Technical Standards, given that:

(i) all Receivables are or will be, as the case may be, originated by Findomestic based on similar credit policies which apply similar approaches to the assessment of credit risk associated with the underlying exposures;

(ii) all Receivables are or will be, as the case may be, serviced by Findomestic pursuant to similar servicing procedures;

(iii) the Receivables fall or will fall, as the case may be, within the same asset category of the relevant Regulatory Technical Standards named "auto loans"; and

(iv) all Receivables reflect or will reflect, as the case may be, at least the homogeneity factor of the "jurisdiction of the obligors", being all assigned debtors resident in the Republic of Italy as at the relevant Valuation Date;

(d) the Receivables comprised in the Initial Portfolio constitute, and the Receivables comprised in each Subsequent Portfolio will constitute, valid and lawful obligations, binding on each party thereto, with full recourse to the Debtors pursuant to article 20(8) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(e) the Initial Portfolio does not, and each Subsequent Portfolio will not, comprise any transferable securities, as defined in point (44) of article 4(1) of Directive 2014/65/EU, pursuant to article 20(8) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(f) the Initial Portfolio does not, and each Subsequent Portfolio will not, comprise any securitisation positions, pursuant to article 20(9) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(g) the Loans from which the Receivables comprised in the Initial Portfolio or each Subsequent Portfolio arise (or will arise, as the case may be) have been (or will be, as the case may be) disbursed in Findomestic's ordinary course of business; Findomestic has been originating exposures of a similar nature to those securitised for more than 5 (five) years, pursuant to article 20(10), last paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(h) the Receivables comprised in the Initial Portfolio have been, and the Receivables comprised in each Subsequent Portfolio will be, selected by the Originator in accordance with credit policies which are no less stringent than those that Findomestic applied at the time of origination to similar exposures that have not been (or will not be) assigned in the context of the Securitisation, pursuant to article 20(10) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(i) Findomestic has assessed the Debtors' creditworthiness in compliance with the requirements set out in article 8 of Directive 2008/48/EC, pursuant to article 20(10), of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(j) as at the relevant Valuation Date and as at the relevant Transfer Date, the Receivables comprised in the Initial Portfolio are not, and the Receivables comprised in each Subsequent Portfolio will not, be qualified as exposures in default within the meaning of article 178, paragraph 1, of the CRR or as exposures to a credit-impaired debtor or guarantor, who, to the best of the Originator'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 Transfer Date;

(ii) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history; 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 the ones of comparable exposures held by the Originator which have not been assigned to the Issuer under the Securitisation,

in each case pursuant to article 20(11) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(k) the Outstanding Balance of the Receivables owed by the same Debtor does not exceed 2 per cent. of the aggregate Outstanding Balance of all Receivables comprised in the Portfolio, for the purposes of article 243(2)(a) of the CRR;

(l) 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; and

(m) the Initial Portfolio does not, and each Subsequent Portfolio will not, comprise any derivatives, pursuant to article 21(2) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

Pursuant to the Warranty and Indemnity Agreement, the Originator has agreed to indemnify and hold harmless the Issuer, its officers or agents or any of its permitted assigns from and against any and all damages, losses, claims, costs and expenses awarded against, or incurred by such parties which arise out of or result from, *inter alia*, (a) any representations and/or warranties made by the Originator under the Warranty and Indemnity Agreement, being false, incomplete or incorrect; (b) the failure by the Originator to comply with any of its obligations under the Transaction Documents; (c) any amount of any Receivable not being collected as a result of the proper and legal exercise of any right of set-off against the Originator by the relevant Debtor and/or any insolvency receiver of the relevant Debtor; (d) the failure of the terms and conditions of any Loan Agreement on the relevant Valuation Date to comply with the provision of article 1283; or (e) the failure to comply with the provisions of the Usury Law in respect of any interest accrued under the Loan Agreement.

According to the Warranty and Indemnity Agreement, as an alternative to the payment of certain indemnity payments obligation of the Originator, the Originator has granted to the Issuer, in accordance with article 1331 of the Italian civil code, an option pursuant to which the Issuer may sell to the Originator, in accordance with the provisions of article 1260 of the Italian civil code or, to the extent applicable, article 58 of the Consolidated Banking Act and subject to the conditions set out in the Warranty and Indemnity Agreement, one or more Receivables in relation to which any representations and/or warranties made by the Originator under the Warranty and Indemnity Agreement, is false, incomplete or incorrect.

The Warranty and Indemnity Agreement, and any non-contractual obligations arising out of or in connection with it, are governed by and shall be construed in accordance with Italian law.

4. THE CASH ALLOCATION, MANAGEMENT AND PAYMENTS AGREEMENT

On or about the Issue Date, the Issuer, the Originator, the Servicer, the Representative of the Noteholders, the Calculation Agent, the Corporate Servicer, the Account Bank, the Cash Manager and the Paying Agent entered into the Cash Allocation, Management and Payments Agreement.

Under the terms of the Cash Allocation, Management and Payments Agreement:

(a) the Account Bank has agreed to establish and maintain, in the name and on behalf of the Issuer, the Payments Account, the Collection Account, the Liquidity Reserve Account, the Set-Off Reserve Account, the Securities Account, the Swap Collateral Accounts and the Expenses Account and to provide the Issuer with certain reporting services together with account handling services in relation to monies and securities from time to time standing to the credit of such accounts;

(b) the Corporate Servicer has agreed to operate the Expenses Account held with the Account Bank, in accordance with the instructions of the Issuer;

(c) the Cash Manager may, in the name and on behalf of the Issuer, select the Eligible Investments in which the cleared credit balance of any of the Accounts (other than the Expenses Account and the Securities Account) will be invested and shall instruct the Account Bank to settle such Eligible Investments accordingly;

(d) the Calculation Agent has agreed to provide the Issuer with calculation services, including, without limitation the preparation of the following reports: (i) on or prior to each Calculation Date, the Payments Report setting out, *inter alia*, the Issuer Available Funds and each of the payments and allocations to be made by the Issuer on the next Payment Date, in accordance with the applicable Priority of Payments; and (ii) on or prior to each Investors Report Date, the Investors Report setting out certain information with respect to the Portfolio and the Notes. The Investors Report will be available for inspection on the website of the Calculation Agent (being, as at the date of this Prospectus, https://www.zenithservice.it/it/reserved-area/). In addition, the Calculation Agent shall, subject to receipt of any relevant information from the Issuer or the Servicer, prepare the SR Investors Report setting out certain information with respect to the Portfolio and the Notes (including the information referred to in point (e), items (i), (ii) and (iii), of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation) and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available, through 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 SR 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 SR Report Date; and

(e) the Paying Agent has agreed to provide the Issuer with certain payment services together with certain calculation services in relation to the Notes.

The Accounts held with the Account Bank shall be opened in the name of the Issuer and shall be operated by the Account Bank and the amounts or securities standing to the credit thereof shall be debited and credited in accordance with the provisions of the Cash Allocation, Management and Payments Agreement.

The Issuer will maintain with the Calculation Agent a reinvestment ledger (the **Reinvestment Ledger**). During the Revolving Period, the Principal Available Funds will be credited to the Reinvestment Ledger in accordance with the Pre-Acceleration Principal Priority of Payments. Any such amounts credited to the Reinvestment Ledger will then be allocated towards the purchase of Subsequent Portfolios during the Revolving Period in accordance with the Pre-Acceleration Principal Priority of Payments. The Issuer may purchase Subsequent Portfolios on any relevant Transfer Date with amounts standing to the credit of the Reinvestment Ledger. After the end of the Revolving Period, such amounts will be applied as Principal Available Funds in accordance with the applicable Priority of Payments.

The Issuer will maintain with the Calculation Agent the Interest Deficiency Ledger. In addition, the Issuer will maintain with the Calculation Agent 1 (one) principal deficiency ledger (the **Principal Deficiency Ledger**) comprising of 6 (six) principal deficiency sub-ledgers, one in respect of each Class of Notes and namely: (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**); (iv) a principal deficiency sub-ledger in respect of the Class D Notes (the **Class D Principal Deficiency Sub-Ledger**); (v) a principal deficiency sub-ledger in respect of the Class E Notes (the **Class E Principal Deficiency Sub-Ledger**); and (vi) a principal deficiency sub-ledger in respect of the Class F Notes (the **Class F Principal Deficiency Sub-Ledger**).

The Calculation Agent shall record amounts as appropriate on the Principal Deficiency Ledger, by:

(a) crediting the Class A Principal Deficiency Sub-Ledger by an amount equal to the amounts allocated under item (viii) (*Eighth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date;

(b) crediting the Class B Principal Deficiency Sub-Ledger by an amount equal to the amounts allocated under item (x) (*Tenth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date;

(c) crediting the Class C Principal Deficiency Sub-Ledger by an amount equal to the amounts allocated under item (xii) (*Twelfth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date;

(d) crediting the Class D Principal Deficiency Sub-Ledger by an amount equal to the amounts allocated under item (xiv) (*Fourteenth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date;

(e) crediting the Class E Principal Deficiency Sub-Ledger by an amount equal to the amounts allocated under item (xvi) (*Sixteenth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date;

(f) crediting the Class F Principal Deficiency Sub-Ledger by an amount equal to the amounts allocated under item (xviii) (*Eighteenth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date; and

(g) debiting the Principal Deficiency Ledger by an amount equal to the aggregate of (A) the Default Amount for the relevant Collection Period and (B) an amount equal to the amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments, in the following order:

(i) *First*, to the Class F Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class F Notes;

(ii) *Second*, to the Class E Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class E Notes;

(iii) *Third*, to the Class D Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class D Notes;

(iv) *Fourth*, to the Class C Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class C Notes;

(v) *Fifth*, to the Class B Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class B Notes; and

(vi) *Sixth*, to the Class A Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class A Notes.

The Issuer may or shall, in accordance with the provisions of the Cash Allocation, Management and Payments 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 Cash Allocation, Management and Payments 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 Cash Allocation, Management and Payments Agreement as a result of such revocation.

Each of the Agents may at any time resign from its respective appointment under the Cash Allocation, Management and Payments 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 Cash Allocation, Management and Payments Agreement as a result of such resignation.

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 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 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 Cash Allocation, Management and Payments 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 Cash Allocation, Management and Payments Agreement.

The Cash Allocation, Management and Payments Agreement, and any non-contractual obligations arising out of or in connection with it, are governed by and shall be construed in accordance with Italian law.

5. THE INTERCREDITOR AGREEMENT

On or about the Issue Date, the Issuer, the Quotaholder, the Other Issuer Creditors and the Reporting Entity entered into the Intercreditor Agreement. Under the Intercreditor Agreement provision is made as to the application of the Issuer Available Funds and as to the circumstances in which the Representative of the Noteholders will be entitled to exercise the Issuer's Rights.

In the Intercreditor Agreement the Other Issuer Creditors have agreed, *inter alia*, to the order of priority of payments to be made out of the Issuer Available Funds. The obligations owed by the Issuer to the Noteholders and, in general, to the Other Issuer Creditors are limited recourse obligations of the Issuer. The Noteholders and the Other Issuer Creditors have a claim against the Issuer only to the extent of the Issuer Available Funds in each case subject to and as provided in the Intercreditor Agreement and the other Transaction Documents.

Under the terms of the Intercreditor Agreement, the Issuer has undertaken, following the service of an Issuer Trigger Notice, to comply with all directions of the Representative of the Noteholders, acting pursuant to the Conditions, in relation to the management and administration of the Portfolio.

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 Originator, in case of any breach of representations and warranties by the Originator pursuant to the terms of the Warranty and Indemnity Agreement, (B) from the Issuer to Originator, in case of repurchase of the Portfolio in the context of an early redemption of the Notes in accordance with Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*) pursuant to the terms of the Master Receivables Purchase Agreement, (C) 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 (D) from the Issuer (or the Representative of the Noteholders on its behalf) to third parties in case of disposal of the Portfolio following the delivery of an Issuer Trigger Notice 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 and for the purposes of article 244, paragraph 4, letters (d) and (e) of the CRR is allowed.

In the event of early termination of any of the Swap Agreements, including any termination upon failure by the relevant Swap Counterparty to perform its obligations, the Issuer has covenanted with the Representative of the Noteholders under the Intercreditor Agreement that it will use its best endeavours to find, with the cooperation of the Originator, a suitably rated replacement swap counterparty who is willing to enter into a replacement swap agreement substantially on the same terms as the relevant Swap Agreement.

Under the Intercreditor Agreement, the Originator has undertaken that, from the Issue Date, it will (i) 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 (a) of article 6(3) of the EU Securitisation Regulation and of article 6(3) of the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures); (ii) 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 article 6(3) of the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures), (iii) procure that any change to the manner in which such retained interest is held in accordance with paragraph (ii) above will be notified to the Calculation Agent to be disclosed in the SR Investors Report, and (iv) 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 Originator is only required to do so to the extent that the retention and disclosure requirements under the EU Securitisation Regulation and the UK Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking

into account any relevant national measures) are applicable to the Securitisation. For further details, see the section headed "*Risk Retention and Transparency Requirements*".

Under the Intercreditor Agreement, the parties thereto have acknowledged that the Originator shall be responsible for compliance with article 7 of the EU Securitisation Regulation. Each of the Issuer and the Originator has agreed that Findomestic 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 Issue Date, as applicable, 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 Originator has acknowledged and agreed that Findomestic 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 Issue Date, as applicable, 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. However, in respect of the transparency requirements set out in article 7 of the UK Securitisation Regulation, neither the Issuer nor the Originator intend to provide any information to investors in the form required under the UK Securitisation Regulation, provided that in the event that the information made available to investors by the Reporting Entity in accordance with article 7 of the EU Securitisation Regulation and the applicable Regulatory Technical Standards is no longer considered by the relevant UK regulators to be sufficient in assisting UK investors in complying with the UK due diligence requirements under article 5 of the UK Securitisation Regulation, the Originator has agreed that it will, in its sole discretion, use commercially reasonable endeavours to take such further reasonable action as may be required for the provision of information to assist any UK investors in connection with the compliance by such UK investors with such UK due diligence requirements. For further details, see the section headed "*Risk Retention and Transparency Requirements*".

The Intercreditor Agreement, and any non-contractual obligations arising out of or in connection with it, are governed by and shall be construed in accordance with Italian law.

6. THE MANDATE AGREEMENT

On or about the Issue Date, the Issuer and the Representative of the Noteholders entered into the Mandate Agreement under which, subject to an Issuer Trigger Notice being served upon the Issuer or upon failure by the Issuer to exercise its rights under the Transaction Documents, the Representative of the Noteholders, acting in such capacity, shall be authorised to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of certain Transaction Documents to which the Issuer is a party.

The Mandate Agreement, and any non-contractual obligations arising out of or in connection with it, are governed by and shall be construed in accordance with Italian law.

7. THE CORPORATE SERVICES AGREEMENT

Under the Corporate Services Agreement entered into on or about the Issue Date, between the Issuer, the Corporate Servicer and the Representative of the Noteholders, the Corporate Servicer has agreed to provide certain corporate administration and management services to the Issuer in relation to the Securitisation.

The Corporate Services Agreement, and any non-contractual obligations arising out of or in connection with it, are governed by and shall be construed in accordance with Italian law.

8. THE SWAP AGREEMENTS

On or about the Issue Date, the Issuer entered into (i) the Class A Swap Agreement with the Class A Swap Counterparty, pursuant to which the Class A 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 (ii) the Class B, C, D, E and F Swap Agreement with the Class B, C, D, E and F Swap Counterparty, pursuant to which the Class B, C, D, E and F 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 Notes.

The notional amount of the Class A Swap Agreement is equal to the lower of (a) the Principal Amount Outstanding of the Class A Notes, and (b) the Outstanding Principal of the Receivables (other than Defaulted Receivables).

The notional amount of the Class B, C, D, E and F Swap Agreement is equal to the lower of (a) the sum of the Principal Amount Outstanding of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, and (b) the higher of (i) the Outstanding Principal of the Receivables (other than Defaulted Receivables) minus the Principal Amount Oustanding of the Class A Notes and (ii) zero.

On each Payment Date, the relevant Swap Counterparty will pay to the Issuer a floating amount, and the Issuer will pay to the relevant Swap Counterparty a fixed amount, both calculated on the corresponding notional amount of the relevant Swap Agreement.

Each Swap Agreement contains provisions requiring certain remedial action to be taken in the event that the relevant Swap Counterparty or the Swap Guarantor is subject to a rating withdrawal or downgrade, such provisions being in accordance with the rating methodology of the Rating Agencies at the time of entry into the relevant Swap Agreement. Such provisions may include a requirement that a 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 or, with respect to S&P, take other actions subject to confirmation by S&P.

Each Swap Agreement may terminate by its terms, whether or not the Notes have been redeemed in full prior to such termination, upon the occurrence of a number of events which include (without limitation) the following: (i) certain events of insolvency, receivership or reorganisation of the Issuer or the relevant Swap Counterparty; (ii) failure on the part of the Issuer or the relevant Swap Counterparty to make any payment under the applicable Swap Agreement after taking into account the applicable grace period; (iii) a change in law making it illegal for either the Issuer or the relevant Swap Counterparty to be a party to, or to perform its obligations under, any applicable Swap Agreement; (iv) an Issuer Trigger Notice is served on the Issuer; (v) the Notes are redeemed early in full pursuant to Conditions 8.3 (*Optional redemption for clean-up or regulatory reasons*) or 8.4 (*Optional redemption for taxation reasons*); (vi) any amendment of the Pre-Acceleration Interest Priority of Payments, the Pre-Acceleration Principal Priority of Payments or the Post-Acceleration Priority of Payments without the prior written consent of the relevant Swap Counterparty; (vii) any amendment of any Transaction Document without the relevant Swap Counterparty's prior written consent if such amendment would have the effect that the relevant Swap Counterparty would be reasonably required to pay more or receive less than would otherwise have been the case immediately prior to such amendment; (viii) failure by the relevant Swap Counterparty to comply with the requirement of the Rating Agencies in the event that it or the Swap Guarantor is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable rating requirements; and (ix) any other event as specified in the relevant Swap Agreement.

Each Swap Agreement and any non-contractual obligations arising out of or in connection therewith are governed by, and shall be construed in accordance with, English law.

9. THE DEED OF CHARGE

On or about the Issue Date, the Issuer and the Representative of the Noteholders entered into the Deed of Charge under which the Issuer has assigned 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 Agreements and all payments due to it thereunder.

The Deed of Charge, and any non-contractual obligations arising out of or in connection therewith are governed by, and shall be construed in accordance with, English law.

10. THE SWAP GUARANTEE

On or prior to the Issue Date, the Swap Guarantor entered into the Swap Guarantee, whereby the Swap Guarantor (i) has agreed to guarantee to the Issuer by way of continuing guarantee the due and punctual payment of all amounts payable by any Swap Counterparty in respect of the relevant Swap Agreement as and when the same shall become due according to the relevant Swap Agreement; and (ii) has agreed that, if and each time the relevant Swap Counterparty fails to make any payments and/or deliveries when payable or, as the case may be, deliverable under the relevant Swap Agreement, the Swap Guarantor must immediately pay to the Issuer the amounts in the currency in which the amounts are payable by the relevant Swap Counterparty or, as the case may be, make delivery of the relevant property.

Following a Swap Counterparty Change of Control, the Swap Guarantor may procure to find a Replacement Swap Guarantor and the obligations of the Swap Guarantor under the Swap Guarantee are continuing until the later of (i) 30 (thirty) calendar days following the Swap Counterparty Change of Control, or (ii) a Replacement Swap Guarantor having entered into a Replacement Swap Guarantee (such date being the Swap Guarantee Cut-Off Date). Immediately following the Swap Guarantee Cut-Off Date, the Swap Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) to guarantee the payments of the amounts due by the Swap Counterparties under the Swap Agreements.

In the event that the Swap Guarantor ceases to have the Supported Minimum Counterparty Rating or the Subsequent S&P Required Rating, then it shall use its reasonable efforts (in the case of loss of the Supported Minimum Counterparty Rating) or commercially reasonable efforts (in the case of loss of the Subsequent S&P Required Rating) to procure, within 30 (thirty) calendar days from the loss of the Supported Minimum Counterparty Rating or 90 (ninety) calendar days from the loss of the Subsequent S&P Required Rating, another person that has at least the Supported Minimum Counterparty Rating and the Subsequent S&P Required Rating to become a Replacement Swap Guarantor with any Replacement Swap Guarantee. Immediately following a Replacement Swap Guarantor having entered into a Replacement Swap Guarantee, the Swap Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) to guarantee the payments of the amounts due by the Swap Counterparties under the Swap Agreements.

The Swap Guarantor may terminate the Swap Guarantee by written notice to the Issuer, effective 10 (ten) Business Days following receipt of such written notice by the Issuer or at such later date as may be specified in such written notice. Notwithstanding the foregoing, a termination by the Swap Guarantor will not be effective until a Replacement Swap Guarantor is found by the Swap Guarantor and a Replacement Swap Guarantor has entered into a Replacement Swap Guarantee. Immediately following a Replacement Swap Guarantor having entered into a Replacement Swap Guarantee, the Swap Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) to guarantee the payments of the amounts due by the Swap Counterparties

under the Swap Agreements. The Swap Guarantee shall continue in full force and effect with respect to any payment obligation of the Swap Counterparties under the Swap Agreements prior to the effective termination of the Swap Guarantee pursuant to the aforesaid written notice of termination.

The Swap Guarantee and any non-contractual obligations arising out of or in connection therewith are governed by, and shall be construed in accordance with, French law.

11. THE SET-OFF GUARANTEE

On or about the Issue Date, the Set-Off Guarantor entered into the Set-Off Guarantee, whereby the Set-Off Guarantor has agreed to unconditionally, irrevocably and jointly and severally guarantee to the Issuer by way of continuing guarantee the due and punctual payment of all amounts payable by the Subordinated Loan Provider in respect of the Subordinated Loan Agreement as and when the same shall become due according to the Subordinated Loan Agreement in the following circumstances:

(a) an Insolvency Event has occurred in relation to the Subordinated Loan Provider; or

(b) following the occurrence of a Set-Off Guarantor Downgrade Event, the Subordinated Loan Provider has failed to advance the Set-Off Reserve Proceeds to the Issuer within 3 (three) Business Days following receipt of a notice from the Issuer (or the Representative of the Noteholders on its behalf) of (i) the occurrence of such downgrade event, or (ii) the balance of the Set-Off Reserve being lower than the applicable Set-Off Reserve Required Amount, as the case may be (or in each case, if earlier, actual knowledge by the Subordinated Loan Provider of the relevant event).

Subject to the below, the Set-Off Guarantee is a continuing guarantee and extends to the ultimate balance of sums payable by the Subordinated Loan Provider, regardless of any intermediate payment or discharge in whole or in part on and from the date of the Set-Off Guarantee.

Following a Subordinated Loan Provider Change of Control, the Set-Off Guarantor may procure to find a Replacement Set-Off Guarantor and the obligations of the Set-Off Guarantor under the Set-Off Guarantee are continuing until the later of (i) 30 (thirty) days following a Subordinated Loan Provider Change of Control, or (ii) a Replacement Set-Off Guarantor having entered into a Replacement Set-Off Guarantee (such date being the **Set-Off Guarantee Cut-Off Date**). Immediately following the Set-Off Guarantee Cut-Off Date, the Set-Off Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) to guarantee the payment of the Set-Off Reserve Proceeds by the Subordinated Loan Provider under the Subordinated Loan.

In the event that the Set-Off Guarantor ceases to have the Set-Off Guarantor Minimum Ratings, then it shall procure, within 30 (thirty) calendar days from the loss of the Set-Off Guarantor Minimum Ratings, another person that has at least the Set-Off Guarantor Minimum Ratings to become a Replacement Set-Off Guarantor with any Replacement Set-Off Guarantee. Immediately following a Replacement Set-Off Guarantor having entered into a Replacement Set-Off Guarantee, the Set-Off Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) to guarantee the payments of the Set-Off Reserve Proceeds by the Subordinated Loan Provider under the Subordinated Loan.

The Set-Off Guarantor may terminate the Set-Off Guarantee by written notice to the Issuer, effective 10 (ten) Business Days following receipt of such written notice by the Issuer or at such later date as may be specified in such written notice. Notwithstanding the foregoing, a termination by the Set-Off Guarantor will not be effective until a Replacement Set-Off Guarantor is found by the Set-Off Guarantor and a Replacement Set-Off Guarantor has entered into a Replacement Set-Off Guarantee. Immediately following a Replacement Set-Off Guarantor having entered into a Replacement Set-Off Guarantee, the Set-Off Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) to guarantee the payment of the Set-Off Reserve Proceeds

by the Subordinated Loan Provider under the Subordinated Loan. The Set-Off Guarantee shall continue in full force and effect with respect to any payment obligation of the Subordinated Loan Provider relating to the Set-Off Reserve Proceeds under the Subordinated Loan prior to the effective termination of the Set-Off Guarantee pursuant to the aforesaid written notice of termination.

It is understood that any repayment to be made to the Subordinated Loan Provider under the Subordinated Loan shall be made to the Set-Off Guarantor, to the extent any Set-Off Reserve Proceeds have been advanced by it. It is also understood that, upon substitution of the Set-Off Guarantor with a Replacement Set-Off Guarantor, any Set-Off Reserve Proceeds advanced by the Set-Off Guarantor will be returned to it outside the Priority of Payments and an equivalent amount shall be advanced to the Issuer by the Replacement Set-Off Guarantor.

The Set-Off Guarantee and any non-contractual obligations arising out of or in connection therewith are governed by, and shall be construed in accordance with, French law.

12. THE FRENCH LAW PLEDGE AGREEMENT

On or about the Issue Date, the Issuer and the Representative of the Noteholders entered into the French Law Pledge Agreement under which the Issuer has pledged in favour of the Representative of the Noteholders (acting as *agent des sûretés* (security agent) pursuant to articles 2488-6 et seq. of the French Civil Code in its own name (*en son nom propre*) for the benefit of (*au profit de*) of the Noteholders, the Other Issuer Creditors and their respective successors in title, permitted transferees or permitted assignees and any of their successors in title, permitted transferees or permitted assignees) all the receivables owing or payable to the Issuer pursuant to the Swap Guarantee and the Set-Off Guarantee and all payments due to it thereunder.

The French Law Pledge Agreement is governed by and shall be construed in accordance with, French law.

13. THE SUBORDINATED LOAN AGREEMENT

Under the terms of the Subordinated Loan Agreement, the Subordinated Loan Provider will advance the Liquidity Reserve Proceeds and the Start-up Costs Proceeds to the Issuer in accordance with the provisions of the Subordinated Loan Agreement and the other relevant Transaction Documents.

Following the occurrence of a Set-Off Guarantor Downgrade Event, the Subordinated Loan Provider will also advance the Set-Off Reserve Proceeds to the Issuer in accordance with the provisions of the Subordinated Loan Agreement and the other relevant Transaction Documents.

The Subordinated Loan Agreement, and any non-contractual obligations arising out of or in connection with it, are governed by and shall be construed in accordance with Italian law.

THE ACCOUNTS

The Issuer has opened and, subject to the terms of the Transaction Documents, shall at all times maintain the following accounts:

1. **Collection Account**

   Pursuant to the Servicing Agreement and the Cash Allocation, Management and Payments Agreement, the Servicer shall credit to the Collection Account established in the name of the Issuer with the Account Bank all the amounts received or recovered on the Business Day immediately following the date on which the payment is received or recovered.

   The Collection Account will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

2. **Payments Account**

   All amounts payable on each Payment Date will, 2 (two) Business Days (or one Business Day, for as long as the Paying Agent and the Account Bank are the same entity) prior to such Payment Date, be paid into the Payments Account established in the name of the Issuer with the Account Bank.

   The Payments Account will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

3. **Set-Off Reserve Account**

   The Issuer has established with the Account Bank the Set-Off Reserve Account to which the Set-Off Reserve will be credited.

   The Set-Off Reserve Account will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

4. **Liquidity Reserve Account**

   The Issuer has established with the Account Bank the Liquidity Reserve Account to which the Liquidity Reserve will be credited.

   The Liquidity Reserve Account will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

5. **Securities Account**

   The Issuer has established with the Account Bank the Securities Account into which any Eligible Investments consisting of securities purchased using funds standing to the credit of Accounts (other than the Expenses Account, the Securities Account and the Swap Collateral Accounts) shall be deposited or recorded.

   The Securities Account will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

6. **Swap Cash Collateral Accounts**

   The Issuer has established with the Account Bank the Swap Cash Collateral Accounts, into which any Swap Collateral consisting of cash will be credited.

The Swap Cash Collateral Accounts will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

7. **Swap Securities Collateral Accounts**

The Issuer has established with the Account Bank the Swap Securities Collateral Accounts, into which any Swap Collateral consisting of securities will be credited.

The Swap Securities Collateral Accounts will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

8. **Expenses Account**

The Issuer has established with the Account Bank the Expenses Account into which, on the Issue Date, and, if necessary, on any Payment Date, an amount necessary to bring the balance of the Expenses Account up to (but not exceeding) the Retention Amount will be credited.

9. **Quota Capital Account**

The Issuer has also established with the Account Bank the Quota Capital Account for the deposit of its quota capital.

The Account Bank will be required at all times to be an Eligible Institution. Should it cease to be an Eligible Institution, the Accounts held with the Account Bank will be transferred to another Eligible Institution within 30 calendar days from the date on which the Account Bank ceased to be an Eligible Institution.

ESTIMATED WEIGHTED AVERAGE LIFE OF THE NOTES

The estimated weighted average life of the 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.

General

The yields to maturity on each Class of Notes will be affected by the amount and timing of delinquencies and default on the Receivables. Furthermore, the ability of the Issuer to redeem in full each Class of Notes on the Final Maturity Date will be affected by the delinquencies and defaults on the Receivables.

Estimated Weighted Average Life of the Notes

Weighted average life refers to the average amount of time that will elapse from the date of issuance of the Notes to the date of distribution to the investors of each Euro distributed in reduction of the principal on the Notes. The weighted average life of the Notes will be influenced by the principal payments received on the purchased Receivables purchased by the Issuer. Such principal payments shall be calculated on the basis of the scheduled principal payments, the prepayments and the defaults on any Receivable.

The weighted average life of the Notes shall be affected by the available funds allocated to redeem the Notes.

The estimated weighted average life of the Notes cannot be predicted, as the actual rate at which the Loans will be repaid and a number of other relevant factors are unknown. Calculations as to the estimated weighted average life of the 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 tables show the estimated weighted average life of the Notes and have been, *inter alia*, prepared based on the characteristics of the Receivables included in the Portfolio and on the following additional assumptions:

(a) the Notes are issued on 21 June 2023;

(b) the scheduled monthly payments for the pool of selected Receivables have been based on the aggregate Outstanding Principal of the selected Receivables, the average interest rate and remaining term to maturity;

(c) the Originator does not repurchase any Receivable, except (with respect to the relevant table below) for the exercise of the ten (10) per cent. Clean-up Call, and no Receivable is sold by the Issuer;

(d) there are no delinquencies or losses on the Receivables, and principal payments on the Receivables will be timely received together with prepayments, if any, at the respective constant prepayment rates (**CPRs**) set forth in the table below;

(e) interest payments on the Notes are due, and will be received on each Payment Date commencing on 25 July 2023;

(f) the calculation of the weighted average lives (in years) is made on a 30/360 basis;

(g) zero per cent. investment return is earned on the Accounts;

(h) no debit on the Principal Deficiency Ledger and the Interest Deficiency Ledger has been recorded;

(i) no Revolving Period Termination Event has occurred;

(j) no Issuer Trigger Event has occurred;

(k) the terms of the Loans are not affected by any legal provision authorising the Debtors to suspend payment of the Instalments;

(l) no purchase, sale, indemnity or renegotiation in respect of the Portfolio as a whole or on the single Loans occurs according to the Transaction Documents;

(m) the Revolving Period ends on the Payment Date falling in June 2024 (included); and

(n) no Sequential Redemption Event has occurred except (with respect to the relevant table below) in the scenario upon where the Clean-up Call Condition has occurred but the Clean-up Call has not been exercised.

The actual characteristics and performance of the Portfolio are likely to differ from the assumptions used in constructing the tables set forth below, which is hypothetical in nature and is provided only to give a general sense of how the principal cash-flows might behave. Any difference between such assumptions and the actual characteristics and performance of the Receivables will cause the estimated weighted average life and the expected maturity of the Notes to differ (which difference could be material) from the corresponding information in the following tables

Scenario 1: the Clean-up Call is exercised upon occurrence of the Clean-up Call Condition

	A	B	C	D	E	F
0 CPR	3,03	3,03	3,03	3,03	3,03	3,03
5 CPR	2,87	2,87	2,87	2,87	2,87	2,87
8 CPR	2,78	2,78	2,78	2,78	2,78	2,78
10 CPR	2,73	2,73	2,73	2,73	2,73	2,73
15 CPR	2,59	2,59	2,59	2,59	2,59	2,59
20 CPR	2,47	2,47	2,47	2,47	2,47	2,47
25 CPR	2,36	2,36	2,36	2,36	2,36	2,36

WAL (30/360)

Scenario 2: the Clean-up Call is not exercised upon occurrence of the Clean-up Call Condition

	A	B	C	D	E	F
0 CPR	3,11	3,26	3,29	3,33	3,37	3,33
5 CPR	2,95	3,10	3,13	3,16	3,20	3,16
8 CPR	2,86	3,01	3,03	3,07	3,11	3,08
10 CPR	2,80	2,95	2,97	3,01	3,04	3,02
15 CPR	2,67	2,81	2,84	2,87	2,90	2,88
20 CPR	2,54	2,69	2,71	2,74	2,77	2,75
25 CPR	2,43	2,58	2,60	2,63	2,66	2,63

WAL (30/360)

TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions of the Notes (the **Conditions**). In these Conditions, references to the "holder" of a Note and to the "Noteholders" are to the ultimate owners of the Notes, dematerialised and evidenced by book entries with Euronext Securities Milan in accordance with the provisions of (i) article 83-bis of the Financial Laws Consolidation Act, and (ii) the CONSOB and Bank of Italy Joint Resolution. The Noteholders are deemed to have notice of and are bound by, and shall have the benefit of,* inter alia*, the terms of the Rules of the Organisation of the Noteholders, attached as an Exhibit to, and forming part of, these Conditions.*

The €440,000,000 Class A Asset Backed Floating Rate Notes due December 2046 (the **Class A Notes** or the **Senior Notes**), the €13,500,000 Class B Asset Backed Floating Rate Notes due December 2046 (the **Class B Notes**), the €14,000,000 Class C Asset Backed Floating Rate Notes due December 2046 (the **Class C Notes**), the €9,500,000 Class D Asset Backed Floating Rate Notes due December 2046 (the **Class D Notes**), the €8,000,000 Class E Asset Backed Floating Rate Notes due December 2046 (the **Class E Notes**, and together with the Class B Notes, the Class C Notes and the Class D Notes, the **Mezzanine Notes** and, together with the Senior Notes, the **Rated Notes**) and the €15,000,000 Class F Asset Backed Floating Rate Notes due December 2046 (the **Class F Notes** or the **Unrated Notes** and, together with the Rated Notes, the **Notes**) have been issued by the Issuer on the Issue Date pursuant to the Securitisation Law to finance the purchase by the Issuer of the Initial Portfolio from the Originator pursuant to the Master Receivables Purchase Agreement.

As long as no Revolving Period Termination Notice has been delivered, the Originator may, during the Revolving Period, pursuant to the terms of the Master Receivables Purchase Agreement, offer Subsequent Portfolios for sale to the Issuer, which, subject to certain conditions set out in the Master Receivables Purchase Agreement having been met, shall purchase such Subsequent Portfolios from the Originator. The purchase of Subsequent Portfolios shall be funded by the Issuer applying the Issuer Available Funds on the relevant Payment Date in accordance with the Priority of Payments. The principal source of payment of interest and repayment of principal on the Notes will be the Collections and other amounts received in respect of the Portfolio and the other Transaction Documents.

Any reference below to a **Class** of Notes or a **Class** of Noteholders shall be a reference to the Rated Notes or the Unrated Notes, as the case may be, or to the respective ultimate owners thereof.

1. INTRODUCTION

1.1 *Noteholders deemed to have notice of Transaction Documents*

The Noteholders are entitled to the benefit of, are bound by and are deemed to have notice of, all the provisions of the Transaction Documents (described below).

1.2 *Provisions of Conditions subject to Transaction Documents*

Certain provisions of these Conditions include summaries of, and are subject to, the detailed provisions of the Transaction Documents.

1.3 *Copies of Transaction Documents available for inspection*

Copies of the Transaction Documents (other than the Subscription Agreement) are available for inspection by the Noteholders on the Securitisation Repository.

1.4 *Description of Transaction Documents*

(a) Pursuant to the Subscription Agreement, the Issuer has agreed to issue the Notes and the Lead Manager has agreed to subscribe for the Notes, subject to the terms and conditions set out

thereunder, and has also appointed Zenith, which has accepted, as Representative of the Noteholders.

(b) Pursuant to the Warranty and Indemnity Agreement, the Originator has given certain representations and warranties in favour of the Issuer in relation to the Portfolio and certain other matters and has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer incurred in connection with the purchase and ownership of the Portfolio or repurchase the Receivables which do not comply with such representations and warranties.

(c) Pursuant to the Servicing Agreement, the Servicer has agreed to administer, service and collect amounts in respect of the Portfolio on behalf of the Issuer. The Servicer will be the *soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e di pagamento* pursuant to the Securitisation Law and, in such capacity, shall be responsible for verifying that the operations comply with the law and the Prospectus pursuant to article 2, paragraph 3(c) and article 2, paragraph 6-*bis* of the Securitisation Law.

(d) Pursuant to the Corporate Services Agreement, the Corporate Servicer has agreed to provide to the Issuer certain services in relation to the management of the Issuer.

(e) Pursuant to the Cash Allocation, Management and Payments Agreement, the Calculation Agent, the Paying Agent, the Account Bank and the Cash Manager have agreed to provide the Issuer with certain calculation, notification, reporting and agency services together with account handling, cash management and payment services in relation to moneys and securities from time to time standing to the credit of the Accounts. The Cash Allocation, Management and Payments Agreement also contains provisions relating to, *inter alia*, the payment of principal and interest in respect of the Notes of each Class.

(f) Pursuant to the Euronext Securities Milan Mandate Agreement, Euronext Securities Milan has agreed to provide the Issuer with certain depository and administration services in relation to the Notes.

(g) Pursuant to the Intercreditor Agreement, provision is made as to the order of application of the Issuer Available Funds and the circumstances under which the Representative of the Noteholders will be entitled to exercise certain of the Issuer's rights in respect of the Portfolio and the Transaction Documents.

(h) Pursuant to the Subordinated Loan Agreement, the Subordinated Loan Provider will advance the Liquidity Reserve Proceeds and the Start-up Costs Proceeds to the Issuer in accordance with the provisions of the Subordinated Loan Agreement and the other relevant Transaction Documents. Following the occurrence of a Set-Off Guarantor Downgrade Event, the Subordinated Loan Provider will also advance the Set-Off Reserve Proceeds to the Issuer in accordance with the provisions of the Subordinated Loan Agreement and the other relevant Transaction Documents.

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

(j) Pursuant to the Quotaholder's Agreement, certain rules have been set forth in relation to the corporate management of the Issuer.

(k) Pursuant to the Class A Swap Agreement, the Class A 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.

(l) Pursuant to the Class B, C, D, E and F Swap Agreement, the Class B, C, D, E and F 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 Mezzanine Notes and the Unrated Notes.

(m) Pursuant to the Deed of Charge, the Issuer has assigned 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 Agreements and all payments due to it thereunder.

(n) Pursuant to the Swap Guarantee, the Swap Guarantor (i) has agreed to guarantee to the Issuer by way of continuing guarantee the due and punctual payment of all amounts payable by any Swap Counterparty in respect of the relevant Swap Agreement as and when the same shall become due according to the relevant Swap Agreement; and (ii) has agreed that, if and each time the relevant Swap Counterparty fails to make any payments and/or deliveries when payable or, as the case may be, deliverable under the relevant Swap Agreement, the Swap Guarantor must immediately pay to the Issuer the amounts in the currency in which the amounts are payable by the relevant Swap Counterparty or, as the case may be, make delivery of the relevant property.

(o) Pursuant to the Set-Off Guarantee, the Set-Off Guarantor has agreed to guarantee the due and punctual payment of all amounts payable by the Subordinated Loan Provider in respect of the Subordinated Loan Agreement as and when the same shall become due according to the Subordinated Loan Agreement (including the obligations of the Subordinated Loan Provider to advance the Set-Off Reserve Proceeds) in the following circumstances: (a) an Insolvency Event has occurred in relation to the Subordinated Loan Provider; or (b) following the occurrence of a Set-Off Guarantor Downgrade Event, the Subordinated Loan Provider has failed to advance the Set-Off Reserve Proceeds to the Issuer within 3 (three) Business Days following receipt of a notice from the Issuer (or the Representative of the Noteholders on its behalf) of (i) the occurrence of such downgrade event, or (ii) the balance of the Set-Off Reserve being lower than the applicable Set-Off Reserve Required Amount, as the case may be (or in each case, if earlier, actual knowledge by the Subordinated Loan Provider of the relevant event).

(p) Pursuant to the French Law Pledge Agreement, the Issuer has pledged in favour of the Representative of the Noteholders (acting as *agent des sûretés* (security agent) pursuant to articles 2488-6 et seq. of the French Civil Code in its own name (*en son nom propre*) for the benefit of (*au profit de*) of the Noteholders, the Other Issuer Creditors and their respective successors in title, permitted transferees or permitted assignees and any of their successors in title, permitted transferees or permitted assignees) all the receivables owing or payable to the Issuer pursuant to the Swap Guarantee and the Set-Off Guarantee and all payments due to it thereunder.

(q) Pursuant to the Master Definitions Agreement, the definitions and interpretation of certain terms and expressions used in the Transaction Documents have been agreed by the parties to the Transaction Documents.

1.5 *Acknowledgement*

Each Noteholder, by reason of holding Notes, acknowledges and agrees that the Lead Manager shall not be liable in respect of any loss, liability, claim, expenses or damages suffered or incurred by any of the Noteholders as a result of the performance by Zenith or any successor thereof of its duties as Representative of the Noteholders as provided for in the Transaction Documents.

2. DEFINITIONS AND INTERPRETATION

2.1 *Definitions*

In these Conditions, the following expressions shall, except where the context otherwise requires and save where otherwise defined, have the following meanings:

Account Bank means BNP Paribas, Italian branch, or any other person for the time being acting as Account Bank pursuant to the Cash Allocation, Management and Payments Agreement.

Accounting Servicer's Report Date means the date falling within the 2nd (second) Business Day of each month or the different date agreed between the Servicer and the Issuer pursuant to the Servicing Agreement.

Accounts means, collectively, the Payments Account, the Collection Account, the Expenses Account, the Liquidity Reserve Account, the Set-Off Reserve Account, the Securities Account and the Swap Collateral Accounts and **Account** means any of them.

Advanced Purchase Price means, in respect of the Initial Portfolio and each Subsequent Portfolio, the portion of the purchase price payable by the Issuer to the Originator on the Issue Date and on each Payment Date following the relevant Transfer Date respectively, being equal to the aggregate of the Individual Purchase Prices of the Receivables comprised in the Initial Portfolio or in the relevant Subsequent Portfolio, as the case may be.

Agents means, collectively, the Account Bank, the Paying Agent, the Cash Manager and the Calculation Agent, as the case may be.

Alternative Base Rate has the meaning given to it in Condition 7.5(c).

Amortisation Period means the period commencing on the Payment Date falling immediately after the end of the Revolving Period.

Arranger means BNP Paribas.

Back-up Servicer means any person which will be appointed as back-up servicer pursuant to the Servicing Agreement.

Back-up Servicer Facilitator means Zenith, or any other person for the time being acting as Back-up Servicer Facilitator pursuant to the Intercreditor Agreement.

Base Rate Modification has the meaning given to it in Condition 7.5(a).

BNP Paribas means BNP Paribas S.A., a *société anonyme* incorporated under the laws of France, whose registered office is at 16 Boulevard des Italiens 75009 Paris, registered with the Trade and Companies Registry of Paris (*Registre du commerce et des sociétés de Paris*) under number 662 042 449, licensed as a credit institution in France by the *Autorité de Contrôle Prudentiel et de Résolution*.

BNP Paribas, Italian branch means BNP Paribas, a company incorporated under the laws of France licensed to conduct banking operations, having its registered office at Boulevard des Italiens n. 16,

Paris, France, registered with the Chamber of Commerce of Paris under number 662 042 449, with a fully paid-up share capital of Euro 2,468,663,292, which acts for the purposes hereof through the Securities Services Business Line of its Italian branch, whose offices are located in Piazza Lina Bo Bardi n. 3, Milan, enrolled in the register of the banks held by the Bank of Italy under no. 5482, Fiscal code and VAT code no. 04449690157, REA n. 731270.

Business Day means:

(a) for the purposes of the definitions of Accounting Servicer's Report Date, Cash Manager Report Date, Offer Date, Servicer's Report Date, Set-Off Report Date, Target Report Date and Valuation Date, any day on which commercial banks and foreign exchange markets settle payments and are generally open for business in Firenze; or

(b) for any other purposes, any day on which commercial banks and foreign exchange markets settle payments and are generally open for business in Paris, Luxembourg, Firenze and on which the T2 is open for settlement of payments in euros.

Calculation Agent means Zenith, or any other person for the time being acting as Calculation Agent pursuant to the Cash Allocation, Management and Payments Agreement.

Calculation Date means the date falling 5 (five) Business Days before each Payment Date.

Cancellation Date means the date on which the Notes will be finally and definitively cancelled being:

(a) the earlier of (i) the Final Maturity Date, and (ii) the date on which the Notes are redeemed pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*), Condition 8.4 (*Optional redemption for tax reasons*) or following the delivery of an Issuer Trigger Notice pursuant to Condition 12 (*Issuer Trigger Events*); or

(b) if the Notes cannot be redeemed in full on the Final Maturity Date as a result of the Issuer having insufficient Issuer Available Funds for application in or towards such redemption, the later of (i) the Payment Date immediately following the 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 certified to the Representative of the Noteholders, and the Representative of the Noteholders having given notice to the Noteholders on the basis of such certificate pursuant to the Conditions, that there is no reasonable likelihood, following the application of all the Issuer Available Funds, of there being any further realisations in respect of the Portfolio or the other Issuer's Rights (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay any amount outstanding under the Notes.

Cash Allocation, Management and Payments Agreement means the cash allocation, management and payments agreement entered into on or about the Issue Date between the Issuer, the Servicer, the Originator, the Representative of the Noteholders, the Account Bank, the Corporate Servicer, the Calculation Agent, the Paying Agent and the Cash Manager, 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.

Cash Manager means Findomestic Banca S.p.A., or any other person for the time being acting as Cash Manager pursuant to the Cash Allocation, Management and Payments Agreement.

Cash Manager Report means the monthly report to be prepared and delivered by the Cash Manager on or prior to each Cash Manager Report Date in accordance with the provisions of the Cash Allocation, Management and Payments Agreement.

Cash Manager Report Date means the 3rd (third) calendar day of each month or, if such day is not a Business Day, the immediately following Business Day.

Class shall be a reference to 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 F Notes and **Classes** shall be construed accordingly.

Class A Noteholders means the holders, from time to time, of the Class A Notes.

Class A Notes means the Euro 440,000,000 Class A Asset Backed Floating Rate Notes due December 2046 issued by the Issuer on the Issue Date.

Class A Notes Redemption Amount means:

(a) with respect to each Payment Date during the Revolving Period, 0 (zero);

(b) with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the minimum between:

(i) the Required Notes Redemption Amount in respect of such Payment Date; and

(ii) the positive difference between:

(A) the Principal Amount Outstanding of the Class A Notes on the immediately preceding Payment Date after giving effect to any payment of the Class A Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; and

(B) the Class A Notes Target Principal Balance;

(c) with respect to each Payment Date during the Amortisation Period (A) prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), but (B) after the occurrence of a Sequential Redemption Event, for so long as the Class A Notes are the Most Senior Class of Notes, the minimum between:

(i) the Principal Available Funds remaining after application of items (i) *First* to (iii) *Third* in accordance with the Pre-Acceleration Principal Priority of Payments;

(ii) the Required Notes Redemption Amount in respect of such Payment Date; and

(iii) the Principal Amount Outstanding of the Class A Notes on the immediately preceding Payment Date after giving effect to any payment of the Class A Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; or

(d) with respect to (A) each Payment Date following the delivery of an Issuer Trigger Notice or (B) the Payment Date on which the Notes are redeemed pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Amount Outstanding of the Class A Notes.

Class A Notes Subordination Percentage means 12.00 per cent.

Class A Notes Target Principal Balance means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the positive difference between:

(a) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period; and

(b) the Class A Notes Target Subordination Amount.

Class A Notes Target Subordination Amount means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the product of:

(a) the Class A Notes Subordination Percentage; by

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Class A Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class A Notes.

Class A Swap Agreement means the International Swaps and Derivatives Association Inc 1992 Master Agreement, the schedule thereto, and any credit support annexes or other credit support documents related thereto and the transaction confirmation, each dated on or prior to the Issue Date, between the Issuer and the Class A Swap Counterparty and the transactions effected thereunder in respect of the Senior Notes (or such replacement swap agreement as the Issuer may enter into in accordance with the Transaction Documents).

Class A Swap Cash Collateral Account means the euro denominated account established in the name of the Issuer with the Account Bank with IBAN code: IT 69 T 03479 01600 000802642704 in connection with the Class A Swap Agreement, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Class A Swap Counterparty means Findomestic, or any other entity from time to time acting as Class A Swap Counterparty pursuant to the Class A Swap Agreement.

Class A Swap Securities Collateral Account means the account established in the name of the Issuer with the Account Bank with number 2642800 in connection with the Class A Swap Agreement, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Class B, C, D, E and F Swap Agreement means the International Swaps and Derivatives Association Inc 1992 Master Agreement, the schedule thereto, and any credit support annexes or other credit support documents related thereto and the transaction confirmation, each dated on or prior to the Issue Date, between the Issuer and the Class B, C, D, E and F Swap Counterparty and the transactions effected thereunder in respect of the Mezzanine Notes (or such replacement swap agreement as the Issuer may enter into in accordance with the Transaction Documents).

Class B, C, D, E and F Swap Cash Collateral Account means the euro denominated account established in the name of the Issuer with the Account Bank with IBAN code: IT 97 W 03479 01600 000802642707 in connection with the Class B, C, D, E and F Swap Agreement, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Class B, C, D, E and F Swap Counterparty means Findomestic, or any other entity from time to time acting as Class B, C, D, E and F Swap Counterparty pursuant to the Class B, C, D, E and F Swap Agreement.

Class B, C, D, E and F Swap Securities Collateral Account means the account established in the name of the Issuer with the Account Bank with number 2642900 in connection with the Class B, C, D, E and F Swap Agreement, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Class B Noteholders means the holders, from time to time, of the Class B Notes.

Class B Notes means the Euro 13,500,000 Class B Asset Backed Floating Rate Notes due December 2046 issued by the Issuer on the Issue Date.

Class B Notes Redemption Amount means:

(a) with respect to each Payment Date during the Revolving Period, 0 (zero);

(b) with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the minimum between:

(i) the Required Notes Redemption Amount in respect of such Payment Date; and

(ii) the positive difference between:

(A) the Principal Amount Outstanding of the Class B Notes on the immediately preceding Payment Date after giving effect to any payment of the Class B Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; and

(B) the Class B Notes Target Principal Balance;

(c) with respect to each Payment Date during the Amortisation Period (A) prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), but (B) after the occurrence of a Sequential Redemption Event, for so long as the Class B Notes are the Most Senior Class of Notes, the minimum between:

(i) the Principal Available Funds remaining after application of items (i) *First* to (iv) *Fourth* in accordance with the Pre-Acceleration Principal Priority of Payments;

(ii) the Required Notes Redemption Amount as determined in respect of such Payment Date; and

(iii) the Principal Amount Outstanding of the Class B Notes on the immediately preceding Payment Date after giving effect to any payment of the Class B Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments,

provided that so long as the Class B Notes are not the Most Senior Class of Notes, the Class B Notes Redemption Amount shall be equal to 0 (zero); or

(d) with respect to (A) each Payment Date following the delivery of an Issuer Trigger Notice or (B) the Payment Date on which the Notes are redeemed pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Amount Outstanding of the Class B Notes.

Class B Notes Subordination Percentage means 9.30 per cent.

Class B Notes Target Principal Balance means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the positive difference between:

(a) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period;

(b) the Class A Notes Target Principal Balance; and

(c) the Class B Notes Target Subordination Amount.

Class B Notes Target Subordination Amount means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the product of:

(a) the Class B Notes Subordination Percentage; by

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Class B Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class B Notes.

Class C Noteholders means the holders, from time to time, of the Class C Notes.

Class C Notes means the Euro 14,000,000 Class C Asset Backed Floating Rate Notes due December 2046 issued by the Issuer on the Issue Date.

Class C Notes Redemption Amount means:

(a) with respect to each Payment Date during the Revolving Period, 0 (zero);

(b) with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the minimum between:

(i) the Required Notes Redemption Amount in respect of such Payment Date; and

(ii) the positive difference between:

(A) the Principal Amount Outstanding of the Class C Notes on the immediately preceding Payment Date after giving effect to any payment of the Class C Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; and

(B) the Class C Notes Target Principal Balance;

(c) with respect to each Payment Date during the Amortisation Period (A) prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), but (B) after the occurrence of a Sequential Redemption Event, for so long as the Class C Notes are the Most Senior Class of Notes, the minimum between:

(i) the Principal Available Funds remaining after application of items (i) *First* to (v) *Fifth* in accordance with the Pre-Acceleration Principal Priority of Payments;

(ii) the Required Notes Redemption Amount as determined in respect of such Payment Date; and

(iii) the Principal Amount Outstanding of the Class C Notes on the immediately preceding Payment Date after giving effect to any payment of the Class C Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments,

provided that so long as the Class C Notes are not the Most Senior Class of Notes, the Class C Notes Redemption Amount shall be equal to 0 (zero); or

(d) with respect to (A) each Payment Date following the delivery of an Issuer Trigger Notice or (B) the Payment Date on which the Notes are redeemed pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Amount Outstanding of the Class C Notes.

Class C Notes Subordination Percentage means 6.50 per cent.

Class C Notes Target Principal Balance means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the positive difference between:

(a) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period;

(b) the aggregate of the Class A Notes Target Principal Balance and the Class B Notes Target Principal Balance; and

(c) the Class C Notes Target Subordination Amount.

Class C Notes Target Subordination Amount means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes

pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the product of:

(a) the Class C Notes Subordination Percentage; by

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Class C Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class C Notes.

Class D Noteholders means the holders, from time to time, of the Class D Notes.

Class D Notes means the Euro 9,500,000 Class D Asset Backed Floating Rate Notes due December 2046 issued by the Issuer on the Issue Date.

Class D Notes Redemption Amount means:

(a) with respect to each Payment Date during the Revolving Period, 0 (zero);

(b) with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the minimum between:

(i) the Required Notes Redemption Amount in respect of such Payment Date; and

(ii) the positive difference between:

(A) the Principal Amount Outstanding of the Class D Notes on the immediately preceding Payment Date after giving effect to any payment of the Class D Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; and

(B) the Class D Notes Target Principal Balance;

(c) with respect to each Payment Date during the Amortisation Period (A) prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), but (B) after the occurrence of a Sequential Redemption Event, for so long as the Class D Notes are the Most Senior Class of Notes, the minimum between:

(i) the Principal Available Funds remaining after application of items (i) *First* to (vi) *Sixth* in accordance with the Pre-Acceleration Principal Priority of Payments;

(ii) the Required Notes Redemption Amount as determined in respect of such Payment Date; and

(iii) the Principal Amount Outstanding of the Class D Notes on the immediately preceding Payment Date after giving effect to any payment of the Class D Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments,

provided that so long as the Class D Notes are not the Most Senior Class of Notes, the Class D Notes Redemption Amount shall be equal to 0 (zero); or

(d) with respect to (A) each Payment Date following the delivery of an Issuer Trigger Notice or (B) the Payment Date on which the Notes are redeemed pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Amount Outstanding of the Class D Notes.

Class D Notes Subordination Percentage means 4.60 per cent.

Class D Notes Target Principal Balance means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the positive difference between:

(a) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period;

(b) the aggregate of the Class A Notes Target Principal Balance, the Class B Notes Target Principal Balance and the Class C Notes Target Principal Balance; and

(c) the Class D Notes Target Subordination Amount.

Class D Notes Target Subordination Amount means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the product of:

(a) the Class D Notes Subordination Percentage; by

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Class D Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class D Notes.

Class E Noteholders means the holders, from time to time, of the Class E Notes.

Class E Notes means the Euro 8,000,000 Class E Asset Backed Floating Rate Notes due December 2046 issued by the Issuer on the Issue Date.

Class E Notes Redemption Amount means:

(a) with respect to each Payment Date during the Revolving Period, 0 (zero);

(b) with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the minimum between:

(i) the Required Notes Redemption Amount in respect of such Payment Date; and

(ii) the positive difference between:

(A) the Principal Amount Outstanding of the Class E Notes on the immediately preceding Payment Date after giving effect to any payment of the Class E

Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; and

(B) the Class E Notes Target Principal Balance;

(c) with respect to each Payment Date during the Amortisation Period (A) prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), but (B) after the occurrence of a Sequential Redemption Event, for so long as the Class E Notes are the Most Senior Class of Notes, the minimum between:

(i) the Principal Available Funds remaining after application of items (i) *First* to (vii) *Seventh* in accordance with the Pre-Acceleration Principal Priority of Payments;

(ii) the Required Notes Redemption Amount as determined in respect of such Payment Date; and

(iii) the Principal Amount Outstanding of the Class E Notes on the immediately preceding Payment Date after giving effect to any payment of the Class E Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments,

provided that so long as the Class E Notes are not the Most Senior Class of Notes, the Class E Notes Redemption Amount shall be equal to 0 (zero); or

(d) with respect to (A) each Payment Date following the delivery of an Issuer Trigger Notice or (B) the Payment Date on which the Notes are redeemed pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Amount Outstanding of the Class E Notes.

Class E Notes Subordination Percentage means 3.00 per cent.

Class E Notes Target Principal Balance means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the positive difference between:

(a) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period;

(b) the aggregate of the Class A Notes Target Principal Balance, the Class B Notes Target Principal Balance, the Class C Notes Target Principal Balance and the Class D Notes Target Principal Balance; and

(c) the Class E Notes Target Subordination Amount.

Class E Notes Target Subordination Amount means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the product of:

(a) the Class E Notes Subordination Percentage; by

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Class E Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class E Notes.

Class F Noteholders means the holders, from time to time, of the Class F Notes.

Class F Notes means the Euro 15,000,000 Class F Asset Backed Floating Rate Notes due December 2046 issued by the Issuer on the Issue Date.

Class F Notes Redemption Amount means:

(a) with respect to each Payment Date during the Revolving Period, 0 (zero);

(b) with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the minimum between:

(i) the Required Notes Redemption Amount in respect of such Payment Date; and

(ii) the positive difference between:

(A) the Principal Amount Outstanding of the Class F Notes on the immediately preceding Payment Date after giving effect to any payment of the Class F Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; and

(B) the Class F Notes Target Principal Balance;

(c) with respect to each Payment Date during the Amortisation Period (A) prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), but (B) after the occurrence of a Sequential Redemption Event, the minimum between:

(i) the Principal Available Funds remaining after application of items (i) *First* to (viii) *Eighth* in accordance with the Pre-Acceleration Principal Priority of Payments;

(ii) the Required Notes Redemption Amount as determined in respect of such Payment Date; and

(iii) the Principal Amount Outstanding of the Class F Notes on the immediately preceding Payment Date after giving effect to any payment of the Class F Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; or

(d) with respect to (A) each Payment Date following the delivery of an Issuer Trigger Notice or (B) the Payment Date on which the Notes are redeemed pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Amount Outstanding of the Class F Notes.

Class F Notes Subordination Percentage means 0 (zero) per cent.

Class F Notes Target Principal Balance means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the positive difference between:

(a) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period;

(b) the aggregate of the Class A Notes Target Principal Balance, the Class B Notes Target Principal Balance, the Class C Notes Target Principal Balance, the Class D Notes Target Principal Balance and the Class E Notes Target Principal Balance; and

(c) the Class F Notes Target Subordination Amount.

Class F Notes Target Subordination Amount means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the product of:

(a) the Class F Notes Subordination Percentage; by

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Class F Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class F Notes.

Clean-up Call Condition means the circumstance that the aggregate Outstanding Principal of the Receivables comprised in the Portfolio being equal to, or lower than, 10 per cent. of the aggregate Outstanding Principal of the Receivables comprised in the Initial Portfolio as at the relevant Valuation Date.

Clean-up Call Option means the option granted by the Issuer to the Originator, in accordance with article 1331 of the Italian civil code, pursuant to which upon occurrence of a Clean-up Call Condition the Originator may repurchase, without recourse (*pro soluto*), from the Issuer the outstanding Portfolio in accordance with the provisions of article 58 of the Consolidated Banking Act and subject to the conditions set out in the Master Receivables Purchase Agreement.

Clearstream means Clearstream Banking, Luxembourg with offices at 42 avenue JF Kennedy, L-1855 Luxembourg.

Collection Account means the euro denominated account established in the name of the Issuer with the Account Bank with IBAN code: IT 64 P 03479 01600 000802642700, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Collection Date means the 1st (first) calendar day of a month.

Collection Period means each period commencing on (and including) a Collection Date and ending on (but excluding) the immediately following Collection Date, provided that the first Collection Period will commence on the Valuation Date of the Initial Portfolio (excluded) and will end on the Collection Date falling in July 2023 (excluded).

Collections means, collectively, the Interest Collections and the Principal Collections.

Common Criteria means the objective criteria for the identification of the Receivables specified in schedule 1 to the Master Receivables Purchase Agreement and which shall apply to select the Receivables comprised in the Initial Portfolio and any Subsequent Portfolio.

Conditions means these terms and conditions of the Notes, as from time to time modified in accordance with the provisions herein contained and including any agreement or other document expressed to be supplemental thereto, and **Condition** means a condition of either of them.

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 number 385 of 1 September 1993, as amended and/or supplemented from time to time.

Corporate Servicer means Zenith, or any other person for the time being acting as Corporate Servicer pursuant to the Corporate Services Agreement.

Corporate Services Agreement means the corporate services agreement entered into on or about the Issue Date between the Issuer, 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.

Credit and Collection Policies means the procedures for the collection and recovery of Receivables attached as schedule 1 to the Servicing Agreement.

Criteria means, collectively, the Common Criteria and the Specific Criteria.

Cumulative Gross Default Ratio means the ratio, calculated on each Servicer's Report Date, between:

(a) the aggregate of (i) the Outstanding Principal, as at the relevant Default Date, of all Receivables which were part of the Initial Portfolio and have become Defaulted Receivables from (and excluding) the Valuation Date of the Initial Portfolio up to (and including) the Collection Date immediately preceding such Servicer's Report Date, and (ii) the Outstanding Principal, as at the relevant Default Date, of all Receivables which were part of each Subsequent Portfolio and have become Defaulted Receivables from the relevant Valuation Date of such Subsequent Portfolio up to (and including) the Collection Date immediately preceding such Servicer's Report Date; and

(b) the Outstanding Principal, as at the initial Valuation Date of the Initial Portfolio, of the Receivables comprised in the Initial Portfolio.

Cumulative Gross Default Trigger Level means any of the following levels:

Months 1-2	July 2023 - August 2023	0.25%
Months 3-5	September 2023 - November 2023	0.50%
Months 6-8	December 2023 - February 2024	0.75%
Months 9-12	March 2024 - June 2024	1.00%

Debtor means any individual person who entered into a Loan Agreement as principal debtor or guarantor or who is liable for the payment or repayment of amounts due in respect of a Loan or who has assumed the Debtor's obligation under an *accollo*, or otherwise.

Debtor's Account means any deposit account or bank account established in the name of a Debtor with the Originator.

Decree 239 means Legislative Decree number 239 of 1 April 1996, as amended and/or supplemented from time to time.

Decree 239 Deduction means any withholding or deduction for or on account of "*imposta sostitutiva*" under Decree 239.

Deed of Charge means the English law deed of charge entered into on or prior to the Issue 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 therein contained and including any deed or other document expressed to be supplemental thereto.

Default Amount means an amount equal to the Outstanding Principal, as at the relevant Default Date, of the Receivables which have become Defaulted Receivables.

Default Date means the date on which each relevant Receivable becomes a Defaulted Receivable.

Defaulted Receivables means any Receivable which has been transferred to the CTX by the Servicer in accordance with the Credit and Collection Policies.

Deferred Purchase Price means, in respect of the Initial Portfolio and each Subsequent Portfolio, the portion of the purchase price payable by the Issuer to the Originator on each Payment Date following the relevant Transfer Date, being equal to the Issuer Available Funds remaining after making all payments ranking in priority to the payment of such amount in accordance with the applicable Priority of Payments.

Delinquent Instalment means, (a) for Loans for which the Scheduled Instalment Dates fall on the 5th (fifth) day of each month, an Instalment which remains unpaid by the relevant Debtor for 25 (twenty-five) days or more after the Scheduled Instalment Date, and (b) for the Loans for which the Scheduled Instalment Dates fall on the 20th (twentieth) day of each month, an Instalment which remains unpaid by the relevant Debtor for 10 (ten) days or more after the Scheduled Instalment Date.

Delinquent Receivable means any Receivable, other than a Defaulted Receivable with respect to which there is one or more Delinquent Instalments.

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 pursuant to the EU Securitisation Regulation and named "*Guidelines on the STS criteria for non-ABCP securitisation*".

Eligible Institution means:

(a) any depository institution organised under the laws of any state which is a member of the European Union or the United Kingdom or the United States having the following ratings:

(i) with respect to Fitch, a long-term public rating at least equal to "A" or a short-term public rating at least equal to "F1"; and

(ii) with respect to S&P, at least "A" as a long-term issuer credit rating or such other rating as may comply with S&P's criteria from time to time; or

(b) any depository institution organised under the laws of any state which is a member of the European Union or the United Kingdom or of the United States whose obligations under the Transaction Documents to which it is a party are guaranteed (on the basis of an unconditional, irrevocable, independent first demand guarantee), in compliance with Fitch's and S&P's criteria, by a depository institution organised under the laws of any state which is a member of the European Union or the United Kingdom or the United States of America, having the following ratings (or such other rating being compliant with Fitch's and S&P's published criteria applicable from time to time):

(i) with respect to Fitch, a long-term public rating at least equal to "A" or a short-term public rating at least equal to "F1"; and

(ii) with respect to S&P, at least "A" as a long-term issuer credit rating or such other rating as may comply with S&P's criteria from time to time.

Eligible Investments means certificates of deposit provided that in all cases such investments will only be made such that there is no withholding or deduction for or on account of taxes applicable thereto and such investments (i) have a maturity date within 30 (thirty) days of the relevant investment, or may be broken or demanded by the Issuer (with no reduction in the value of such investment and at no cost to the Issuer) on or before the Eligible Investments Maturity Date, (ii) do not include any contractual provisions that would permit a redemption of such authorised investments in an amount less than the amount paid for such investments by the Issuer and (iii) is issued by an Eligible Institution, provided further that, in any event, none of the Eligible Investments set out above may consist, in whole or in part, actually or potentially, of (i) credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives nor may any amount available to the Issuer in the context of the Securitisation otherwise be invested in any such instruments at any time, or (ii) asset-backed securities, irrespective of their subordination, status or ranking, or (iii) swaps, other derivatives instruments, or synthetic securities, or (iv) any other instrument from time to time specified in the European Central Bank monetary policy regulations as being instruments in which funds underlying asset backed securities eligible as collateral for monetary policy operations sponsored by the European Central Bank may not be invested, or (v) money market funds.

Eligible Investments Maturity Date means the day falling on the Business Day immediately preceding each Calculation Date.

EURIBOR has the meaning given to it in Condition 7.4 (*Rates of interest*).

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).

Euroclear means Euroclear Bank S.A./N.V., as operator of the Euroclear System.

Euronext Securities Milan means Monte Titoli S.p.A., a *società per azioni* having its registered office at Piazza degli Affari 6, 20123 Milan, Italy.

Euronext Securities Milan Account Holders means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Euronext Securities Milan (as *intermediari aderenti*) and includes any depository banks approved by Euroclear and Clearstream.

Euronext Securities Milan Mandate Agreement means the agreement entered into on or about the Issue Date between the Issuer and Euronext Securities Milan, 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.

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 relevant Swap Counterparty's liability (prior to any netting in respect of the Swap Collateral) under the relevant Swap Agreement as at the date of termination of the relevant Swap Agreement or which it is otherwise entitled to have returned to it under the terms of the relevant Swap Agreement.

Expenses means:

(a) any and all documented fees, costs, expenses and taxes required to be paid to any third party creditors (other than the Noteholders and the Other Issuer Creditors) arising in connection with the Securitisation and/or required to be paid (as determined in accordance with the Corporate Services Agreement, by reference to the number of then outstanding securitisation transactions carried out by the Issuer) in order to preserve the existence of the Issuer, to maintain it in good standing or to comply with applicable laws; and

(b) any other documented costs, fees and expenses due to persons who are not parties to the Intercreditor Agreement which have been incurred in or in connection with the preservation or enforcement of the Issuer's Rights.

Expenses Account means the euro denominated account established in the name of the Issuer with the Account Bank, with IBAN code: IT 46 U 03479 01600 000802642705, or such other substitute account opened in accordance with the Cash Allocation, Management and Payments Agreement.

Extraordinary Resolution shall have the meaning ascribed to it 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 a deduction or withholding from a payment under a Transaction Document required by FATCA.

Final Maturity Date means the Payment Date falling in December 2046.

Final Repurchase Price means an amount equal to the sum of:

(a) the Par Value of the Receivables (other than the Defaulted Receivables and the Delinquent Receivables) at the end of the immediately preceding Collection Period; and

(b) for the Defaulted Receivables and the Delinquent Receivables, their Par Value less any IFRS 9 Provisioned Amount allocated with respect to such Defaulted Receivables and Delinquent Receivables matching their book value on the balance sheet of the Originator at the end of the immediately preceding Collection Period.

Financial Laws Consolidation Act means Italian Legislative Decree number 58 of 24 February 1998, as amended and/or supplemented from time to time.

Findomestic means Findomestic Banca 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 at Via Jacopo da Diacceto, 48, 50123 Florence, Italy, share capital of Euro 659,403,400 fully paid up, fiscal code and enrolment with the companies' register of Florence number 03562770481 and enrolled under number 5396 in the register of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act, subject to the activity of direction and coordination (*soggetta all'attività di direzione e coordinamento*) of BNP Paribas Personal Finance S.A. pursuant to articles 2497 and following of the Italian civil code.

First Payment Date means the Payment Date falling on 25 July 2023.

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*) or any successor to this rating activity, and (ii) in any other case, any entity that is part of the Fitch Ratings' group.

French Law Pledge Agreement means the French law pledge agreement entered into on or prior to the Issue Date between the Issuer and the Representative of the Noteholders (acting as *agent des sûretés* (security agent) pursuant to articles 2488-6 et seq. of the French Civil Code its own name (*en son nom propre*) for the benefit of (*au profit de*) the Noteholders, the Other Issuer Creditors and their respective successors in title, permitted transferees or permitted assignees and any of their successors in title, permitted transferees or permitted assignees) as from time to time modified or supplemented by any other security agreement and any further pledge or other security agreement to be entered into in replacement or complement thereof, as the case may be.

Further Securitisations means any further securitisation carried out by the Issuer in accordance with Condition 5.12 (*Further securitisations*).

holder or **Holder** of a Note means the ultimate owner of a Note.

IFRS 9 Provisioned Amount means with respect to Delinquent Receivables and Defaulted Receivables, any amount that constitutes any expected credit loss as determined by the Originator in accordance with International Financial Reporting Standard 9 (IFRS 9) regulation or any such equivalent financial reporting standard promulgated by the International Accounting Standards Board (IASB) to replace IFRS 9.

Individual Purchase Price means, in respect of each Receivable, an amount equal to the aggregate of any Principal Instalments not yet due on the relevant Valuation Date.

Individual Set-Off Exposure means, on the last Business Day of the calendar month immediately preceding the relevant Set-Off Report Date, and with respect to each relevant Debtor, the aggregate of (A) the lower between (i) the Outstanding Principal of all the Loans granted to such Debtor and (ii) the amounts deposited, on such date, on the Debtor's Account of such Debtor in excess of Euro 100,000 or the amount determined, from time to time, by the Bank of Italy in accordance with article 96-*bis*, paragraph 5, of the Consolidated Banking Act and (B) any amount owed to a Debtor in connection with the reduction in the total cost of the credit pursuant to article 125-*sexies* of the Consolidated Banking Act in case of prepayment of the relevant Loan.

Initial Portfolio means the portfolio of Receivables purchased on 1 June 2023 by the Issuer pursuant to the terms and conditions of the Master Receivables Purchase Agreement.

Insolvency Event means in respect of any company or corporation that:

(a) such company or corporation has become subject to any applicable liquidation, administration, insolvency, composition or reorganisation (including, without limitation, judicial liquidation (*liquidazione giudiziale*), compulsory administrative liquidation (*liquidazione coatta*

amministrativa), recovery plans (*piani di risanamento*), debt restructuring agreements (*accordi di ristrutturazione del debito*), extraordinary administration (*amministrazione straordinaria*), negotiated crisis settlement and simplified composition (*composizione negoziata della crisi* and *concordato semplificato*), each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, including the seeking of liquidation, winding-up, reorganisation, dissolution, administration) or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a *pignoramento* or similar procedure having a similar effect (other than, in the case of the Issuer, any portfolio of assets purchased by the Issuer for the purposes of further securitisation transactions), unless, in the opinion of the Representative of the Noteholders (who may in this respect rely on the advice of a lawyer selected by it), such proceedings are not being disputed in good faith with a reasonable prospect of success; or

(b) an application for the commencement of any of the proceedings under (a) above is made in respect of or by such company or corporation or such proceedings are otherwise initiated against such company or corporation and, in the opinion of the Representative of the Noteholders (who may in this respect rely on the advice of a lawyer selected by it), the commencement of such proceedings are not being disputed in good faith with a reasonable prospect of success; or

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

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

(e) such company or corporation becomes subject to any proceedings equivalent or analogous to those above under the law of any jurisdiction in which such company or corporation is deemed to carry on business.

Instalment means, with respect to each Loan Agreement, each instalment due from the relevant Debtor thereunder and which consists of an Interest Instalment and a Principal Instalment.

Insurance Companies means each third party insurance company which is a party to the relevant Insurance Policy.

Insurance Policies means the insurance policies of any kind stipulated by the Originator with the Insurance Companies covering certain risks associated with the relevant Debtor.

Intercreditor Agreement means the intercreditor agreement entered into on or about the Issue Date between the Issuer, the Quotaholder, 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 Available Funds means, in respect of any Payment Date, the aggregate of the following amounts (without double counting):

(a) all Interest Collections received by the Issuer during the immediately preceding Collection Period (other than any undue amount of interest to be returned by the Issuer to the Originator under the Warranty and Indemnity Agreement);

(b) all Recoveries received by the Issuer in respect of the immediately preceding Collection Period;

(c) all amounts of interest accrued and paid on the Accounts (other than the Expenses Account, the Securities Account and the Swap Collateral Accounts) during the immediately preceding Collection Period (net of any applicable withholding or expenses);

(d) 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 Cash Allocation, Management and Payments Agreement using funds standing to the credit of the Accounts (other than the Expenses Account, the Securities Account and the Swap Collateral Accounts);

(e) all amounts to be received by the Issuer under or in relation to any Swap Agreement (including, for the avoidance of doubt, any amount payable by the Swap Guarantor) 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 relevant Swap Cash Collateral Account);

(f) notwithstanding item (e) above, (i) any early termination amount received from any 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 Swap Counterparty in excess of the amount required and applied to pay any outgoing Swap Counterparty;

(g) any amount allocated on such Payment Date under item (x) (*Tenth*) of the Pre-Acceleration Principal Priority of Payments;

(h) any Interest Collections (other than those Interest Collections referred to in item (a) above) that have not been applied on the immediately preceding Payment Date;

(i) any amount (other than any amount on account of principal) received by the Issuer from any Transaction Party during the immediately preceding Collection Period and not already included in any of the other items of this definition of Interest Available Funds,

provided that, prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), if the Calculation Agent does not receive the relevant Servicer's Report, Set-Off Report or Cash Manager Report in accordance with the provisions of the Cash Allocation, Management and Payments Agreement, or any such report is delivered to the Calculation Agent with a delay not enabling the Calculation Agent to timely prepare the Payments Report, but has actual evidence that the amounts standing to the credit of the Accounts are sufficient to make payments of interest on the Class A Notes (or, as long as the Class A Notes are no longer outstanding, Class B Notes or, as long as the Class B Notes are no longer outstanding, Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes) and all the other amounts ranking in priority thereto pursuant to the Pre-Acceleration Interest Priority of Payments, the Interest Available Funds in respect of the relevant Payment Date shall be limited to the amounts necessary to make such payments.

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 Deficiency means, in respect of any Payment Date prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the difference (if positive) between (i) the amounts to be paid on such Payment Date under items from (i) (*First*) to (vii) (*Seventh*), (ix) (*Ninth*), (xi) (*Eleventh*), (xiii) (*Thirteenth*) and (xv) (*Fifteenth*) of the Pre-Acceleration Interest Priority of Payments, and (ii) the Interest Available Funds applicable on such Payment Date.

Interest Deficiency Ledger means the ledger of the same name maintained by the Calculation Agent in accordance with the Cash Allocation, Management and Payments Agreement.

Interest Determination Date means the 2nd (second) Target Business Day immediately preceding the beginning of the relevant Interest Period.

Interest Instalment means the interest component of each Instalment.

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 the Issue Date (included) and end on the Payment Date falling in July 2023 (excluded).

Issue Date means 21 June 2023, or such other date on which the Notes are issued.

Issuer means Autoflorence 3 S.r.l., a company incorporated under the laws of the Republic of Italy as a limited liability company (*società a responsabilità limitata*) with a sole quotaholder, having its registered office at Corso Vittorio Emanuele II, 24-28, 20122 Milan, Italy, quota capital of Euro 10,000 fully paid up, fiscal code and enrolment with the companies' register of Milano - Monza Brianza - Lodi number 12873770965, enrolled with the register of securitisation vehicles (*elenco delle società veicolo*) held by Bank of Italy pursuant to its regulation (*provvedimento della Banca d'Italia*) of 7 June 2017 under number 48421.2.

Issuer Available Funds means, in respect of any Payment Date, the aggregate of the Interest Available Funds and the Principal Available Funds.

Issuer's Rights means the Issuer's rights, title and interest in and to the Portfolio, any monetary claim accrued by the Issuer in the context of the Securitisation, the relevant collections and the financial assets purchased through such collections.

Issuer Trigger Event means any of the events described in Condition 12 (*Issuer Trigger Event*).

Issuer Trigger Notice means the notice served by the Representative of the Noteholders on the Issuer declaring the Notes to be due and payable in full following the occurrence of an Issuer Trigger Event as described in Condition 12 (*Issuer Trigger Event*).

Lead Manager means BNP Paribas.

Liquidity Reserve means, in respect of any Payment Date up to (and including) the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be redeemed in full or cancelled, the amount standing to the credit of the Liquidity Reserve Account (before making the calculations required to be made in respect of such Payment Date).

Liquidity Reserve Account means the euro denominated account established in the name of the Issuer with the Account Bank, with IBAN code: IT 92 S 03479 01600 000802642703, or such other substitute account opened in accordance with the Cash Allocation, Management and Payments Agreement.

Liquidity Reserve Proceeds means the proceeds advanced by the Subordinated Loan Provider to the Issuer in order to establish the Liquidity Reserve in accordance with the provisions of the Subordinated Loan Agreement and the other relevant Transaction Documents.

Liquidity Reserve Required Amount means:

(a) in respect of the Issue Date, an amount equal to Euro 7,275,000; or

(b) in respect of any Payment Date up to (but excluding) the earlier of (A) the Payment Date following the delivery of an Issuer Trigger Notice, and (B) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be redeemed in full or cancelled, an amount equal to the higher of:

(i) 1.5 per cent. of the aggregate of the Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes; and

(ii) 0.75 per cent. of the aggregate of the principal amount of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as at the Issue Date,

it being understood that on the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes are redeemed in full or cancelled, such amount will be equal to 0 (zero).

Loan means each loan granted by the Originator to a Debtor, on the basis of a Loan Agreement pursuant to which the Issuer has title to enforce a Receivable (or portion thereof) against the relevant Debtor.

Loan Agreement means each loan agreement entered into between the Originator and a Debtor.

Luxembourg Stock Exchange means the Luxembourg stock exchange.

Mandate Agreement means the mandate agreement entered into on or about the Issue Date between the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

Master Definitions Agreement means the master definitions agreement entered into on or about the Issue Date between all the parties to each of the Transaction Documents (other than Euronext Securities Milan), 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.

Master Receivables Purchase Agreement means the receivables purchase agreement entered into on 1 June 2023 between the Issuer and the Originator, 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.

Mezzanine Notes means, collectively, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

Moody's means Moody's Investors Service Inc.

Most Senior Class of Noteholders means the holders, from time to time, of the Most Senior Class of Notes.

Most Senior Class of Notes means:

(a) the Class A Notes (for so long as there are Class A Notes outstanding); or

(b) if no Class A Notes are then outstanding, the Class B Notes (for so long as there are Class B Notes outstanding); or

(c) if no Class A Notes or Class B Notes are then outstanding, the Class C Notes (for so long as there are Class C Notes outstanding); or

(d) if no Class A Notes, Class B Notes or Class C Notes are then outstanding, the Class D Notes (for so long as there are Class D Notes outstanding); or

(e) if no Class A Notes, Class B Notes, Class C Notes or Class D Notes are then outstanding, the Class E Notes (for so long as there are Class E Notes outstanding); or

(f) if no Class A Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes are then outstanding, the Class F Notes (for so long as there are Class F Notes outstanding).

Noteholders means, collectively, the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class F Noteholders.

Notes means, collectively, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

Obligations means all the obligations of the Issuer created by or arising under the Notes and the Transaction Documents.

Offer Date means the date falling within the 2nd (second) Business Day of each month during the Revolving Period.

Organisation of the Noteholders means the association of the Noteholders, organised pursuant to the Rules of the Organisation of the Noteholders.

Originator means Findomestic.

Other Issuer Creditors means the Originator, the Servicer, the Back-up Servicer (if any), the Back-up Servicer Facilitator, the Representative of the Noteholders, the Calculation Agent, the Cash Manager, the Corporate Servicer, the Subordinated Loan Provider, the Swap Counterparties, the Paying Agent, the Account Bank, the Arranger, the Lead Manager and any other entity which may, from time to time, become party to the Intercreditor Agreement.

Outstanding Balance means, on any relevant date, in relation to any Receivable, the aggregate of (i) the Outstanding Principal of such Receivable, (ii) any interest, fee and expense due but unpaid thereon, and (iii) any interest accrued but not yet due thereon, as at such date.

Outstanding Principal means, on any relevant date, in relation to any Receivable, the aggregate of (i) all the Principal Instalments due on any subsequent Scheduled Instalment Date (excluding, for the avoidance of doubts, all the Principal Instalments not yet due but prepaid by the relevant Debtor); and (ii) any Principal Instalments due but unpaid as at such date.

Par Value means, at any time, the Outstanding Balance of the Receivables together with all accrued but unpaid amounts thereon at the end of the Collection Period immediately preceding the relevant Payment Date.

Paying Agent means BNP Paribas, Italian branch or any other person for the time being acting as Paying Agent pursuant to the Cash Allocation, Management and Payments Agreement.

Payment Date means (a) prior to the delivery of an Issuer Trigger Notice, the 25th day of each month in each year or, if such day is not a Business Day, the immediately following Business Day or if such immediately following Business Day falls in another month, the immediately preceding Business Day, provided that the First Payment Date will fall on 25 July 2023, and (b) following the delivery of an Issuer Trigger Notice, any day on which any payment is required to be made by the Representative of the Noteholders in accordance with the Post-Acceleration Priority of Payments, the Conditions and the Intercreditor Agreement.

Payments Account means the euro denominated account established in the name of the Issuer with the Account Bank with IBAN code: IT 41 Q 03479 01600 000802642701, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Payments Report means the report setting out all the payments to be made on the following Payment Date under the applicable Priority of Payments, which shall be prepared and delivered by the Calculation Agent in accordance with the Cash Allocation, Management and Payments Agreement.

Portfolio means, collectively, the Initial Portfolio and the Subsequent Portfolios.

Portfolio Principal Balance means, at the end of the relevant Collection Period, the aggregate of the Outstanding Principal of the Receivables comprised in the Portfolio which are not Defaulted Receivables and excluding the Receivables the transfer of which will be terminated on or prior to the relevant Payment Date because such Receivables are Non-Eligible Receivables.

Post-Acceleration Priority of Payments means the order in which the Issuer Available Funds shall be applied in accordance with Condition 6.3 (*Post-Acceleration Priority of Payments*).

Pre-Acceleration Interest Priority of Payments means the order of priority in which the Interest Available Funds shall be applied in accordance with Condition 6.1 (*Pre-Acceleration Interest Priority of Payments*).

Pre-Acceleration Principal Priority of Payments means the order of priority in which the Principal Available Funds shall be applied in accordance with Condition 6.2 (*Pre-Acceleration Principal Priority of Payments*).

Principal Amount Outstanding means, on any date, (i) the principal amount of a Note or a Class of Notes upon issue, minus (ii) the aggregate amount of all principal payments which have been paid prior to such date, in respect of such Note or Class of Notes.

Principal Available Funds means, in respect of any Payment Date, the following amounts (without double counting):

(a) all Principal Collections received by the Issuer during the immediately preceding Collection Period (other than any undue amount of principal to be returned by the Issuer to the Originator under the Warranty and Indemnity Agreement);

(b) the Set-Off Reserve standing to the credit of the Set-Off Reserve Account on the Calculation Date immediately preceding such Payment Date, in an amount equal to the relevant Set-Off

Loss (to the extent that the Originator has not indemnified the Issuer in respect of such Set-Off Loss in accordance with the provisions of the Warranty and Indemnity Agreement);

(c) any amount allocated under items (viii) (*Eighth*), (x) (*Tenth*) and (xii) (*Twelfth*), (xiv) (*Fourteenth*), (xvi) (*Sixteenth*) and (xviii) (*Eighteenth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date;

(d) any amount standing to the credit of the Reinvestment Ledger pursuant to item (iii) (*Third*) of the Pre-Acceleration Principal Priority of Payments on any preceding Payment Date during the Revolving Period;

(e) the proceeds deriving from the sale, if any, of the Portfolio following the delivery of an Issuer Trigger Notice or in case of redemption of the Notes pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*);

(f) any Principal Collections (other than those Principal Collections referred to in item (a) above) that have not been applied on the immediately preceding Payment Date;

(g) any amount on account of principal received by the Issuer from any Transaction Party during the immediately preceding Collection Period and not already included in any of the other items of this definition of Principal Available Funds,

provided that, prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), if the Calculation Agent does not receive the relevant Servicer's Report, Set-Off Report or Cash Manager Report in accordance with the provisions of the Cash Allocation, Management and Payments Agreement, or any such report is delivered to the Calculation Agent with a delay not enabling the Calculation Agent to timely prepare the Payments Report, but has actual evidence that the amounts standing to the credit of the Accounts are sufficient to make payments under item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments, the Principal Available Funds in respect of the relevant Payment Date shall be limited to the amounts necessary to pay such item.

Principal Collections means all amounts on account of principal received in respect of the Receivables (other than the Defaulted Receivables).

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, the Class D Principal Deficiency Sub-Ledger, the Class E Principal Deficiency Sub-Ledger and the Class F Principal Deficiency Sub-Ledger maintained by the Calculation Agent on behalf of the Issuer.

Principal Instalment means the principal component of each Instalment as well as any amount other than the Interest Instalment (including fees, costs, expenses and insurance premia).

Priority of Payments means the Pre-Acceleration Interest Priority of Payments, the Pre-Acceleration Principal Priority of Payments or the Post-Acceleration Priority of Payments, as the case may be.

Prospectus means the prospectus relating to the issuance of the Notes.

Quota Capital Account means the euro denominated account established in the name of the Issuer with the Account Bank with IBAN code: IT 23 V 03479 01600 000802642706.

Quotaholder means Special Purpose Entity Management 2 S.r.l., a limited liability company organised under the laws of Italy, having its registered office in Corso Vittorio Emanuele II, 24-28, 20122 Milan, Italy registered in the companies' register of Milano - Monza Brianza - Lodi, fiscal code and registration number 11068370961.

Quotaholder's Agreement means the agreement entered into on or about the Issue Date between the Issuer, the Originator, the Quotaholder 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.

Rate Determination Agent has the meaning given to it in Condition 7.5(b).

Rated Notes means, collectively, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

Rate of Interest has the meaning given to it in Condition 7.4 (*Rates of Interest*).

Rating Agencies means, collectively, Fitch and S&P.

Receivables means all rights and claims of the Issuer arising out from any Loan Agreement existing on or accruing on the Loans from the relevant Valuation Date (excluded), 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;

(c) all rights and claims in respect of payments of any amount deriving from damages suffered, costs, expenses, taxes and ancillary amounts incurred;

(d) any guarantee and security relating to the relevant Loan Agreement;

(e) all rights and claims under and in respect of the Insurance Policies; and

(f) the privileges and priority rights (*diritti di prelazione*) transferable pursuant to the Securitisation Law supporting the aforesaid rights and claims, as well as any other right, claim and action (including any legal proceeding for the recovery of damages), substantial and procedural actions and defences inherent or otherwise ancillary to the aforesaid rights and claims, including, without limitation, the remedy of termination (*risoluzione contrattuale per inadempimento*) and the declaration of acceleration of the Debtors (*decadenza dal beneficio del termine*),

but excluding (i) the *premia* related to the Insurance Policies not financed by the Originator, and (ii) the amounts due by the Debtors as payment of the "*imposte di bollo*", as indicated in the "*estratti conti trasparenza*" sent from time to time by Findomestic to the Debtors.

Recoveries means any amounts received or recovered by the Servicer in relation to any Defaulted Receivables.

Reference Rate has the meaning given to it in Condition 7.4 (*Rates of interest*).

Regulatory Change Event means the occurrence of any of the following events:

(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 European Central Bank, the Bank of Italy 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 Issue Date; or

(b) a notification by or other communication from the applicable regulatory or supervisory authority is received by the Originator with respect to the transactions contemplated by the Transaction Documents on or after the Issue Date; or

(c) a change in or the adoption of any new law, rule, direction, guidance or regulation which requires the manner in which the Originator is retaining a material net economic interest of not less than five (5) per cent. in the Securitisation described in this Prospectus (the **Retained Exposures**) to be restructured after the Issue Date or which would otherwise result in the manner in which the Retained Exposures to become non-compliant in relation to a Noteholder or which would otherwise have an adverse effect on the ability of the Originator to comply with article 6 of the EU Securitisation Regulation,

which, in the reasonable opinion of the Originator, has the effect of materially adversely affecting the regulatory capital treatment or the rate of return on capital of the Originator pursuant to article 244(2) of the CRR provided that any reference to article 244(2) of the CRR shall be deemed to include any successor or replacement provisions to article 244(2) of the CRR or materially increasing the cost or materially reducing the benefit to the Originator of the transactions contemplated by the Transaction Documents.

For the avoidance of doubt, the declaration of a Regulatory Change Event will not be prevented or excluded by the fact that, prior to the Issue 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 ECB or the Basel Committee), as officially interpreted, implemented or applied by any relevant competent international, European or national body; 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 Issue 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 described in this Prospectus. Accordingly, such proposals, statements, notifications or views will not be taken into account when assessing the regulatory capital treatment or the capital relief afforded by the Notes for the Originator or its affiliates or rate of return on capital pursuant to article 244(2) of the CRR or an increase in the cost or reduction of benefits to the Originator or its affiliates of the Securitisation described in this Prospectus immediately after the Issue Date.

Reinvestment Ledger means the ledger of the same name maintained by the Calculation Agent in accordance with the Cash Allocation, Management and Payments Agreement.

Replacement Swap Premium means an amount received by the Issuer from a replacement Swap Counterparty upon entry by the Issuer into an agreement with such replacement Swap Counterparty to

replace the outgoing Swap Counterparty, which shall be applied by the Issuer in accordance with the Cash Allocation, Management and Payments Agreement and the Deed of Charge.

Reporting Entity means Findomestic 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.

Representative of the Noteholders means Zenith, or any other person for the time being acting as representative of the Noteholders.

Required Notes Redemption Amount means, with respect to each Payment Date during the Amortisation Period prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), an amount equal to the difference between:

(a) the Principal Amount Outstanding of all Class of Notes on the Payment Date immediately preceding such Payment Date after giving effect to any principal repayment on such preceding Payment Date; and

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Retention Amount means an amount equal to Euro 20,000.

Revolving Period means the period commencing on the Issue Date and ending on the earlier of:

(a) the Payment Date (included) falling 12 months following the Issue Date (for the avoidance of doubt being the Payment Date falling in June 2024); and

(b) the date on which the Representative of the Noteholders serves a Revolving Period Termination Notice on the Issuer.

Revolving Period Termination Event means any of the events referred to in Condition 13 (*Revolving Period Termination Events*).

Revolving Period Termination Notice shall have the meaning ascribed to it in Condition 13 (*Revolving Period Termination Events*).

Rules of the Organisation of the Noteholders means the rules of the organisation of the Noteholders attached as Exhibit to the Conditions, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereof.

Scheduled Instalment Date means any date on which an Instalment is due pursuant to each Loan Agreement.

Securities Account means the account established in the name of the Issuer with the Account Bank with number 2642700, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Securitisation means the securitisation of the Receivables made by the Issuer through the issuance of the Notes, pursuant to articles 1 and 5 of the Securitisation Law.

Securitisation Law means Italian Law number 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.

Security means the security created pursuant to the Deed of Charge, the French Law Pledge Agreement and any other security which may be created or purported to be created pursuant to the Transaction Documents.

Security Interest means:

(a) any mortgage, charge, pledge, lien, privilege (*privilegio special*e) or other security interest securing any obligation of any person;

(b) any arrangement under which money or claims to money, or the benefit of, a bank or other account may be applied, set-off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person; or

(c) any other type of preferential arrangement having a similar effect.

Senior Notes means the Class A Notes.

S&P means (i) for the purpose of identifying the S&P Global Ratings' entity which has assigned the credit rating to the Rated Notes, S&P Global Ratings Europe Limited, Italy Branch or any successor to this rating activity, and (ii) in any other case, any relevant entity of S&P Global Ratings' group.

Sequential Redemption Event means, in respect of any Payment Date during the Amortisation Period prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the occurrence of any of the following events:

(a) the amount debited on the Class F Principal Deficiency Sub-Ledger is greater than 0.50 per cent. of the aggregate Outstanding Principal of the Portfolio on such Payment Date after application of the Interest Available Funds in accordance with the Pre-Acceleration Interest Priority of Payments; or

(b) the Cumulative Gross Default Ratio is greater than any of the following levels:

Months 1-2	July 2023 - August 2023	0.25%
Months 3-5	September 2023 - November 2023	0.50%
Months 6-8	December 2023 - February 2024	0.75%
Months 9-11	March 2024 - May 2024	1.00%
Months 12-17	June 2024 - November 2024	1.25%
Months 18-23	December 2024 - May 2025	1.50%
Months 24-29	June 2025 - November 2025	2.00%
Months 30-35	December 2025 - May 2026	3.00%
Months + 36	from June 2026	4.00%

(c) the Clean-up Call Condition has occurred but the Clean-up Call Option has not been exercised.

Servicer means Findomestic, or any other person for the time being acting as Servicer pursuant to the Servicing Agreement.

Servicer Termination Event means any of the events set out in clause 10.1 of the Servicing Agreement.

Servicer's Report means the report delivered by the Servicer on each Servicer's Report Date, in accordance with the provisions of the Servicing Agreement.

Servicer's Report Date means the day falling 8 (eight) Business Days after the end of each Collection Period, provided that the first Servicer's Report Date will be 12 July 2023.

Servicing Agreement means the agreement entered into on 1 June 2023 between the Issuer and the 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.

Set-Off Exposure means, on any Set-Off Report Date, the aggregate of the Individual Set-Off Exposure of all the relevant Debtors included in the Portfolio.

Set-Off Guarantee means the French law guarantee issued on or about the Issue Date by the Set-Off Guarantor in favour of the Issuer, as from time to time modified in accordance with the provisions therein contained and including any deed or other document expressed to be supplemental thereto and any further guarantee to be issued in replacement thereof, as the case may be.

Set-Off Guarantor means BNP Paribas or any other entity from time to time acting as Set-Off Guarantor pursuant to the Set-Off Guarantee.

Set-Off Loss means the aggregate of (A) with respect to any Loan in relation to which the relevant Debtor has exercised a right of set-off between the amounts due by the Debtor under the relevant Loan Agreement and the amounts due by the Originator to the relevant Debtor in relation to any Debtor's Account held by the latter, the amount not paid by the relevant Debtor as a consequence of the exercise of such right and (B) any amount owed to a Debtor in connection with the reduction in the total cost of the credit pursuant to article 125-*sexies* of the Consolidated Banking Act in case of prepayment of the relevant Loan, calculated on the last Business Day of the calendar month immediately preceding the relevant Set-Off Report Date.

Set-Off Report means the monthly report delivered by the Servicer on each Set-Off Report Date in accordance with the provisions of the Servicing Agreement.

Set-Off Report Date means the date falling on the 8th (eighth) Business Day of each calendar month, provided that the first Set-Off Report Date will be 12 July 2023.

Set-Off Reserve means, in respect of any Payment Date up to (and including) the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Rated Notes will be redeemed in full or cancelled, the amount standing to the credit of the Set-Off Reserve Account (before making the calculations required to be made in respect of such Payment Date).

Set-Off Reserve Account means the Euro denominated account established in the name of the Issuer with the Account Bank with IBAN code: IT 18 R 03479 01600 000802642702, or such substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Set-Off Reserve Required Amount means, in respect of any Payment Date up to (but excluding) the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Rated Notes will be redeemed in full or cancelled, the relevant Set-Off Exposure calculated on the last Business Day of the calendar month immediately preceding the relevant Set-Off Report Date, it being understood that on the earlier of (i) the Payment Date following the delivery of

an Issuer Trigger Notice, and (ii) the Payment Date on which the Rated Notes will be redeemed in full or cancelled, such amount will be equal to 0 (zero).

Specific Criteria means the objective criteria for the identification of the Receivables specified in schedule 2 to the Master Receivables Purchase Agreement, which may supplement the Common Criteria.

STS means simple, transparent and standardised within the meaning of article 18 of the EU Securitisation Regulation.

Subordinated Loan Agreement means the subordinated loan agreement entered into on or about the Issue Date between the Issuer and the Subordinated Loan 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.

Subordinated Loan Provider means Findomestic, or any other entity from time to time acting as Subordinated Loan Provider pursuant to the Subordinated Loan Agreement.

Subordinated Swap Amounts means any termination amount payable by the Issuer to each Swap Counterparty under the relevant Swap Agreement as a result of either (a) an Event of Default (as defined in the relevant Swap Agreement) where such Swap Counterparty is the Defaulting Party (as defined in the relevant Swap Agreement); or (b) an Additional Termination Event (as defined in the relevant Swap Agreement) which occurs as a result of the failure of such Swap Counterparty to comply with the requirements of a rating downgrade provision set out under the relevant Swap Agreement.

Subscription Agreement means the subscription agreement relating to the Notes entered into on or about the Issue Date between the Issuer, the Originator, the Arranger, the Lead Manager 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.

Subsequent Portfolio means any portfolio of Receivables (other than the Initial Portfolio) purchased by the Issuer from the Originator from time to time pursuant to the terms and conditions of the Master Receivables Purchase Agreement.

Swap Agreements means, collectively, the Class A Swap Agreement and the Class B, C, D, E and F Swap Agreement, and **Swap Agreement** means, as the case may be, any of them.

Swap Cash Collateral Accounts means, collectively, the Class A Swap Cash Collateral Account and the Class B, C, D, E and F Swap Cash Collateral Account, and **Swap Cash Collateral Account** means, as the case may be, any of them.

Swap Collateral means an amount equal to the value of the collateral (or the applicable part of any collateral) provided by each Swap Counterparty to the Issuer in respect of such Swap Counterparty's obligations to transfer collateral to the Issuer under the relevant Swap Agreement, which, for the avoidance of doubt, shall include any amount of interest credited to the relevant Swap Cash Collateral Account.

Swap Collateral Accounts means, collectively, the Swap Cash Collateral Accounts and the Swap Securities Collateral Accounts, and **Swap Collateral Account** means, as the case may be, any of them.

Swap Counterparties means, collectively, the Class A Swap Counterparty and the Class B, C, D, E and F Swap Counterparty, and **Swap Counterparty** means, as the case may be, any of them.

Swap Guarantee means the French law guarantee issued on or about the Issue Date by the Swap Guarantor in favour of the Issuer, as from time to time modified in accordance with the provisions therein contained and including any deed or other document expressed to be supplemental thereto and any further guarantee to be issued in replacement thereof, as the case may be.

Swap Guarantor means BNP Paribas or any other entity from time to time acting as Swap Guarantor pursuant to the Swap Guarantee.

Swap Securities Collateral Accounts means, collectively, the Class A Swap Securities Collateral Account and the Class B, C, D, E and F Swap Securities Collateral Account, and **Swap Securities Collateral Account** means, as the case may be, any of them.

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 any Swap Counterparty to the Issuer, the amounts of which shall be applied by the Issuer in accordance with the Cash Allocation, Management and Payments Agreement.

Target Business Day means a day on which the real time gross settlement system operated by the Eurosystem (T2) is open for Euro payment.

Target Report Date means, during the Revolving Period, the second-last Business Day of each month of each year.

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 (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

Tax Deduction means any present or future deduction or withholding for or on account of Tax imposed or levied by or on behalf of any tax authority in Italy.

Tax Event means the imposition, at any time after the Issue Date, of:

(a) any Tax Deduction in respect of any payment to be made by the Issuer (other than in respect of a Decree 239 Deduction); or

(b) any changes in the Tax law of Italy (or in the application or official interpretation of such law) which would cause the total amount payable in respect of the Portfolio to cease to be receivable by the Issuer (including as a result of any of the Debtors being obliged to make a Tax Deduction in respect of any payment in relation to any Receivables).

Transaction Documents means, together, the Master Receivables Purchase Agreement, the Servicing Agreement, the Warranty and Indemnity Agreement, the Subscription Agreement, the Euronext Securities Milan Mandate Agreement, the Intercreditor Agreement, the Cash Allocation, Management and Payments Agreement, the Swap Agreements, the Swap Guarantee, the Set-Off Guarantee, the Deed of Charge, the French Law Pledge Agreement, the Mandate Agreement, the Corporate Services Agreement, the Quotaholder's Agreement, the Master Definitions Agreement, the Subordinated Loan Agreement, this Prospectus, the relevant Transfer Agreements (if any) and any other document which may be deemed to be necessary in relation to the Securitisation.

Transaction Party means any party to any Transaction Document (other than the Issuer).

Transfer Agreements means each transfer agreement executed by the Issuer and the Originator in connection with the purchase of each Subsequent Portfolio in accordance with the provisions of the Master Receivables Purchase Agreement.

Transfer Date means (i) in relation to the Initial Portfolio, 1 June 2023, and (ii) in relation to any Subsequent Portfolio, the date on which the Originator receives from the Issuer the acceptance to the relevant Transfer Proposal in accordance with the Master Receivables Purchase Agreement.

Transfer Proposal means the transfer proposal to be executed in relation to the transfer of each Subsequent Portfolio, in the form attached as schedule 3 (*Modello di Proposta di Cessione*) to the Master Receivables Purchase Agreement.

Unrated Notes means the Class F Notes.

Valuation Date means (i) with respect to the Initial Portfolio, 31 May 2023, and (ii) with respect to any Subsequent Portfolio, the date falling no more than 1 (one) Business Day before the relevant Transfer Date in relation to which the Originator has selected any such Subsequent Portfolio on the basis of the Criteria, as indicated in the relevant Transfer Proposal.

VAT means *Imposta sul Valore Aggiunto* (IVA) as defined in Italian D.P.R. number 633 of 26 October 1972, as amended and/or supplemented from time to time.

Warranty and Indemnity Agreement means the agreement entered into on 1 June 2023 between the Issuer and the Originator, 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

2.2 *Interpretation*

(a) *References in Condition*

Any reference in these Conditions to:

holder and **Holder** mean the ultimate holder of a Note and the words **holder**, **Noteholder** and related expressions shall be construed accordingly;

a **law** shall be construed as a reference to any law, statute, constitution, decree, judgment, treaty, regulation, directive, by-law, order or any other legislative measure of any government, supranational, local government, statutory or regulatory body;

person shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state and any association or partnership (whether or not having legal personality) of two or more of the foregoing;

a **successor** of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under any Transaction Document or to which, under such laws, such rights and obligations have been transferred.

(b) *Transaction Documents and other agreements*

Any reference to the Master Definitions Agreement, any other document defined as a **Transaction Document** or any other agreement or document shall be construed as a reference to the Master Definitions Agreement, such other Transaction Document or, as the case may be, such other agreement or document as the same may have been, or may from time to time be amended, varied, novated, supplemented or replaced.

(c) *Transaction parties*

A reference to any person defined as a **Transaction Party** in these Conditions or in any Transaction Document shall be construed so as to include its and any subsequent successors and permitted assignees and transferees in accordance with their respective interests.

(d) *Master Definitions Agreement*

Words and expressions used herein and not otherwise defined shall have the meanings and constructions ascribed to them in the Master Definitions Agreement.

3. FORM, TITLE AND DENOMINATION

3.1 *Denomination*

Each Note is issued in the denomination of Euro 100,000 and integral multiples of Euro 1,000 in excess thereof.

3.2 *Form*

The Notes will be issued in bearer form (*al portatore*) and in dematerialised form (*in forma dematerializzata*) on behalf of the ultimate owner until redemption and/or cancellation thereof, through Euronext Securities Milan for the account of the relevant Euronext Securities Milan Account Holders. Euronext Securities Milan shall act as depository for Clearstream and Euroclear in accordance with article 83-*bis* of the Financial Laws Consolidation Act, through the authorised institutions listed in article 83-*quarter* of the Financial Laws Consolidation Act.

3.3 *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 Financial Laws Consolidation Act; and (ii) the CONSOB and Bank of Italy Joint Resolution. No physical document of title will be issued in respect of the Notes.

3.4 *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.

4. STATUS, PRIORITY AND SEGREGATION

4.1 *Status*

The Notes constitute limited recourse obligations of the Issuer and, accordingly, the obligation of the Issuer to make payments under the Notes is limited to the Issuer Available Funds available to make such payment in accordance with Condition 9 (*Limited recourse and non petition*). The Noteholders acknowledge that the limited recourse nature of the Notes produces the effects of a "*contratto aleatorio*" under Italian law and are deemed to accept the consequences thereof, including, but not limited to, the provisions under article 1469 of the Italian civil code.

4.2 *Segregation by law and security*

The Notes benefit of the provisions of article 3 of the Securitisation Law pursuant to which the Issuer's rights, title and interest in and to the Portfolio and the other Issuer's Rights will be segregated (*costituiscono patrimonio separato*) from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any other creditors of the Issuer in respect of any fees, costs and expenses in relation to the Securitisation. The Notes have also the benefit of the Security.

4.3 *Ranking*

Prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), in respect of the obligation of the Issuer to pay interest 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 F 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 F 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 F 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 F 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 F Notes, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes;

(f) the Class F 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 Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*) and provided that no Sequential Redemption Event has occurred, in respect of the obligation of the Issuer to repay principal on the Notes, the Notes of each Class will rank *pari passu* and *pro rata* without any preference or priority among themselves and with the Notes of all the other Classes.

Prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*) and provided that a Sequential Redemption Event has occurred, in respect of the obligation of the Issuer to 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 F 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 F 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 F 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 F 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 F 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 F 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.

Following the delivery of an Issuer Trigger Notice or in case of redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), in respect of the obligation of the Issuer to pay interest 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 and (i) as to payment of interest, in priority to repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, and (ii) as to repayment of principal, in priority to payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest on the Class A Notes;

(b) the Class B Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and (i) as to payment of interest, in priority to repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes, and (ii) as to repayment of principal, in priority to payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes and payment of interest on the Class B Notes;

(c) the Class C Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and (i) as to payment of interest, in priority to repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes and payment of interest and repayment of principal on the Class B Notes, and (ii) as to repayment of principal, in priority to payment of interest and repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes and payment of interest on the Class C Notes;

(d) the Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and (i) as to payment of interest, in priority to repayment of principal on the Class D Notes, payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes and payment of interest and repayment of principal on the Class C Notes, and (ii) as to repayment of principal, in priority to payment of interest and repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes and payment of interest on the Class D Notes;

(e) the Class E Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and (i) as to payment of interest, in priority to repayment of principal on the Class E Notes and payment of interest and repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes and payment of interest and repayment of principal on the Class D Notes, and (ii) as to repayment of principal, in priority to payment of interest and repayment of principal on the Class F Notes but subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes and payment of interest on the Class E Notes;

(f) the Class F Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and (i) as to payment of interest, in priority to repayment of principal on the Class F Notes, but subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes and payment of interest and repayment of principal on the Class E Notes, and (ii) as to repayment of principal, subordinated to payment of interest and repayment of principal on the Class A Notes, payment of interest and repayment of principal on the Class B Notes, payment of interest and repayment of principal on the Class C Notes, payment of interest and repayment of principal on the Class D Notes, payment of interest and prepayment of principal on the Class E Notes and payment of interest on the Class F Notes.

The rights of the Noteholders in respect of the priority of payment of interest and repayment of principal on the Notes are set out in Condition 6.1 (*Pre-Acceleration Interest Priority of Payments*), Condition 6.2 (*Pre-Acceleration Principal Priority of Payments*) or Condition 6.3 (*Post-Acceleration Priority of Payments*), as the case may be, and are subject to the provisions of these Conditions and

the Intercreditor Agreement and subordinated to certain prior ranking amounts due by the Issuer as set out therein.

4.4 *Obligations of Issuer only*

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

5. COVENANTS

For so long as any amount remains outstanding in respect of the Notes of any Class, the Issuer shall not, save with the prior written consent of the Representative of the Noteholders, or as expressly provided in any of the Transaction Documents:

5.1 *Negative pledge*

create or permit to subsist any Security Interest whatsoever over the Portfolio or any part thereof or over any of its other assets or sell, lend, part with or otherwise dispose of all or any part of the Portfolio or any of its assets, except in connection with further securitisations permitted pursuant to Condition 5.12 (*Further securitisations*) below; or

5.2 *Restrictions on activities*

(a) engage in any activity whatsoever which is not incidental to or necessary in connection with the Securitisation, any further securitisation complying with Condition 5.12 (*Further securitisations*) or with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage; or

(b) have any subsidiary or affiliate (respectively, *società controllata* or *società collegata,* each as defined in article 2359 of the Italian civil code) or any employees or premises; or

(c) at any time approve or agree or consent to any act or thing whatsoever which may be materially prejudicial to the interests of the Noteholders under the Transaction Documents and shall not do, or permit to be done, any act or thing in relation thereto which may be materially prejudicial to the interests of the Noteholders under the Transaction Documents; or

(d) become the owner of any real estate asset; or

5.3 *Dividends or distributions*

pay any dividend or make any other distribution or return or repay any quota capital to its Quotaholder, or increase its capital, save as required by applicable law; or

5.4 *De-registrations*

ask for de-registration from the register of special purpose vehicles held by Bank of Italy pursuant to the regulation issued by the Bank of Italy under article 4 of the Bank of Italy's regulation dated 7 June 2017, unless in order to comply with the provisions of law applicable to it as a financial intermediary; or

5.5 *Borrowings*

incur any indebtedness in respect of borrowed money whatsoever (save for the indebtedness incurred in respect of further securitisations permitted pursuant to Condition 5.12 (*Further securitisations*) below), or give any guarantee, indemnity or security in respect of any indebtedness or in respect of

any other obligation of any person or entity or become liable for the debts of any other person or entity or hold out its credit as being available to satisfy the obligations of others; or

5.6 *Merger*

consolidate or merge with any other person or entity or convey or transfer its properties or assets substantially as an entirety to any other person or entity; or

5.7 *No variation or waiver*

permit any of the Transaction Documents to which it is party to be amended, terminated or discharged, or exercise any powers of consent or waiver pursuant to the terms of any of the Transaction Documents to which it is a party including any power of consent or waiver in respect of the Portfolio, or permit any party to any of the Transaction Documents to which it is a party to be released from such obligations; or

5.8 *Bank accounts*

open or have an interest in any bank account other than the Accounts, the Quota Capital Account or any bank account opened in relation to any further securitisation permitted pursuant to Condition 5.12 (*Further securitisations*) below; or

5.9 *Statutory documents*

amend, supplement or otherwise modify its by-laws (*statuto*) or articles of association (*atto costitutivo*) except where such amendment, supplement or modification is required by a compulsory provision of Italian law or by the competent regulatory authorities; or

5.10 *Corporate records, financial statements and books of account*

cease to maintain corporate records, financial statements and books of account separate from those of the Originator and any other person or entity; or

5.11 *Derivatives*

enter into derivative contracts save as expressly permitted by article 21(2) of the EU Securitisation Regulation; or

5.12 *Further securitisations*

(a) None of the covenants in Condition 5 (*Covenants*) above shall prohibit the Issuer, following the redemption in full and/or cancellation of the Notes, 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 issue 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 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 5(a) (*Covenants - Covenants by the Issuer*) above; and

II. provisions which are the same as or, in the sole discretion of the Representative of the Noteholders, equivalent to this provision;

(D) the Representative of the Noteholders is satisfied that the provisions of paragraphs from (A) to (C) above have been satisfied; and

(E) the Rating Agencies are notified in advance of any Further Securitisation.

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.

(iv) carrying out any activity which is incidental to maintaining its corporate existence and complying with laws and regulations applicable to it.

6. PRIORITY OF PAYMENTS

6.1 *Pre-Acceleration Interest Priority of Payments*

Prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final Redemption*), Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), (a) the Interest Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full), and (b) to the extent there is an Interest Deficiency on any Payment Date, any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and

any amount applied from the Liquidity Reserve shall be used on such Payment Date to pay only the amounts due under items from (i) (*First*) to (vii) (*Seventh*), (ix) (*Ninth*), (xi) (*Eleventh*), (xiii) (*Thirteenth*) and (xv) (*Fifteenth*) in the order that they appear in the following order of priority:

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

(ii) *Second*, to credit to the Expenses Account an amount necessary to bring the balance of the Expenses Account up to (but not exceeding) the Retention Amount;

(iii) *Third*, 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;

(iv) *Fourth*, 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 Servicer, the Back-up Servicer Facilitator, the Back-up Servicer (if any), the Corporate Servicer, the Cash Manager, the Calculation Agent, the Account Bank and the Paying Agent;

(v) *Fifth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all amounts (if any) due and payable to each Swap Counterparty under the relevant Swap Agreement (including termination payments but excluding any Subordinated Swap Amounts);

(vi) *Sixth*, to credit to the Liquidity Reserve Account an amount necessary to bring the balance of the Liquidity Reserve Account up to (but not exceeding) Liquidity Reserve Required Amount;

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

(viii) *Eighth*, to reduce the debit balance of the Class A Principal Deficiency Sub-Ledger to 0 (zero), by allocating the relevant amounts to the Principal Available Funds;

(ix) *Ninth*, to the extent 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 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;

(x) *Tenth*, to reduce the debit balance of the Class B Principal Deficiency Sub-Ledger to 0 (zero), by allocating the relevant amounts to the Principal Available Funds;

(xi) *Eleventh*, to the extent 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 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;

(xii) *Twelfth*, to reduce the debit balance of the Class C Principal Deficiency Sub-Ledger to 0 (zero), by allocating the relevant amounts to the Principal Available Funds;

(xiii) *Thirteenth*, to the extent 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 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;

(xiv) *Fourteenth*, to reduce the debit balance of the Class D Principal Deficiency Sub-Ledger to 0 (zero), by allocating the relevant amounts to the Principal Available Funds;

(xv) *Fifteenth*, to the extent that (I) the Class E Notes are the Most Senior Class of Notes or (II) the amount debited on the Class E Principal Deficiency Sub-Ledger is less than 25 per cent. of the Principal Amount Outstanding of the Class E Notes, to pay, *pari passu* and *pro rata*, interest due and payable on the Class E Notes;

(xvi) *Sixteenth*, to reduce the debit balance of the Class E Principal Deficiency Sub-Ledger to 0 (zero), by allocating the relevant amounts to the Principal Available Funds;

(xvii) *Seventeenth*, to the extent that (I) the Class F Notes are the Most Senior Class of Notes or (II) there is no amount debited on the Class F Principal Deficiency Sub-Ledger, to pay, *pari passu* and *pro rata*, interest due and payable on the Class F Notes;

(xviii) *Eighteenth*, to reduce the debit balance of the Class F Principal Deficiency Sub-Ledger to 0 (zero), by allocating the relevant amounts to the Principal Available Funds;

(xix) *Nineteenth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class B Notes (to the extent not already paid under item (ix) (*Ninth*) above);

(xx) *Twentieth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class C Notes (to the extent not already paid under item (xi) (*Eleventh*) above);

(xxi) *Twenty-first*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class D Notes (to the extent not already paid under item (xiii) (*Thirteenth*) above);

(xxii) *Twenty-second*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class E Notes (to the extent not already paid under item (xv) (*Fifteenth*) above);

(xxiii) *Twenty-third*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class F Notes (to the extent not already paid under item (xvii) (*Seventeenth*) above);

(xxiv) *Twenty-fourth*, to pay any, *pari passu* and *pro rata* according to the respective amounts thereof, Subordinated Swap Amounts due and payable to each Swap Counterparty;

(xxv) *Twenty-fifth*, to pay, *pari passu* and *pro rata*, the Start-up Costs Proceeds due under the Subordinated Loan Agreement;

(xxvi) *Twenty-sixth*, to pay, *pari passu* and *pro rata*, any interest amounts due and payable under the Subordinated Loan Agreement;

(xxvii) *Twenty-seventh*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any indemnities due and payable to the Arranger and the Lead Manager pursuant to the Subscription Agreement;

(xxviii) *Twenty-eighth*, 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 under other items of this Pre-Acceleration Interest Priority of Payments or the Pre-Acceleration Principal Priority of Payments;

(xxix) *Twenty-ninth*, to pay any surplus as Deferred Purchase Price to the Originator pursuant to the Master Receivables Purchase Agreement.

6.2 *Pre-Acceleration Principal Priority of Payments*

Prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional Redemption for clean-up or regulatory*

reasons) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full and provided that the calculations of the Class A Notes Redemption Amount, the Class B Notes Redemption Amount, the Class C Notes Redemption Amount, the Class D Notes Redemption Amount, the Class E Notes Redemption Amount and the Class F Notes Redemption Amount (as respectively referred to in items (iv) (*Fourth*), (v) (*Fifth*), (vi) (*Sixth*), (vii) (*Seventh*), (viii) (*Eighth*) and (ix) (*Ninth*) below) by the Calculation Agent shall take into account whether or not a Sequential Redemption Event has occurred):

(i) *First*, by way of credit to the Interest Deficiency Ledger, to make up any Interest Deficiency;

(ii) *Second*, during the Revolving Period, to pay to the Originator the Advanced Purchase Price for any Subsequent Portfolio purchased prior to such Payment Date;

(iii) *Third*, during the Revolving Period, to credit any remaining Principal Available Funds to the Reinvestment Ledger;

(iv) *Fourth*, during the Amortisation Period, to pay, *pari passu* and *pro rata*, the Class A Notes Redemption Amount;

(v) *Fifth*, during the Amortisation Period, to pay, *pari passu* and *pro rata*, the Class B Notes Redemption Amount;

(vi) *Sixth*, during the Amortisation Period, to pay, *pari passu* and *pro rata*, the Class C Notes Redemption Amount;

(vii) *Seventh*, during the Amortisation Period, to pay, *pari passu* and *pro rata*, the Class D Notes Redemption Amount;

(viii) *Eighth*, during the Amortisation Period, to pay, *pari passu* and *pro rata*, the Class E Notes Redemption Amount;

(ix) *Ninth*, during the Amortisation Period, to pay, *pari passu* and *pro rata*, the Class F Notes Redemption Amount (in the case of all Payment Dates other than the Cancellation Date, up to an amount that makes the aggregate Principal Amount Outstanding of all the Class F Notes not lower than Euro 1,000); and

(x) *Tenth*, to allocate any surplus to the Interest Available Funds.

6.3 *Post-Acceleration Priority of Payments*

Following the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), (a) the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full), and (b) to the extent there is any shortfall in the Issuer Available Funds on the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be redeemed in full or cancelled, any amount applied from the Liquidity Reserve shall be used on such Payment Date to pay only the amounts due under items from (i) (*First*) to (vi) (*Sixth*), (viii) (*Eighth*), (x) (*Tenth*), (xii) (*Twelfth*) and (xiv) (*Fourteenth*) in the order that they appear in the following order of priority:

(i) *First*, if the relevant Issuer Trigger Event is an Insolvency Event, to pay mandatory expenses relating to such Insolvency Event in accordance with the applicable laws or, if the relevant Issuer Trigger Event is not an Insolvency Event, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Expenses (to the extent the amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Interest Period);

(ii) *Second*, if the relevant Issuer Trigger Event is not an Insolvency Event, to credit to the Expenses Account an amount necessary to bring the balance of the Expenses Account up to (but not exceeding) the Retention Amount;

(iii) *Third*, 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;

(iv) *Fourth*, 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 Servicer, the Back-up Servicer Facilitator, the Back-up Servicer (if any), the Corporate Servicer, the Cash Manager, the Calculation Agent, the Account Bank and the Paying Agent;

(v) *Fifth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all amounts (if any) due and payable to each Swap Counterparty under the relevant Swap Agreement (including termination payments but excluding any Subordinated Swap Amounts);

(vi) *Sixth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class A Notes;

(vii) *Seventh*, to pay, *pari passu* and *pro rata*, the Class A Notes Redemption Amount until the Class A Notes are redeemed in full;

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

(ix) *Ninth*, to pay, *pari passu* and *pro rata*, the Class B Notes Redemption Amount until the Class B Notes are redeemed in full;

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

(xi) *Eleventh*, to pay, *pari passu* and *pro rata*, the Class C Notes Redemption Amount until the Class C Notes are redeemed in full;

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

(xiii) *Thirteenth*, to pay, *pari passu* and *pro rata*, the Class D Notes Redemption Amount until the Class D Notes are redeemed in full;

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

(xv) *Fifteenth*, to pay, *pari passu* and *pro rata*, the Class E Notes Redemption Amount until the Class E Notes are redeemed in full;

(xvi) *Sixteenth*, to pay, *pari passu* and *pro rata*, interest due and payable on the Class F Notes;

(xvii) *Seventeenth*, to pay, *pari passu* and *pro rata*, the Class F Notes Redemption Amount (in the case of all Payment Dates other than the Cancellation Date, up to an amount that makes the aggregate Principal Amount Outstanding of all the Class F Notes not lower than Euro 1,000);

(xviii) *Eighteenth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Subordinated Swap Amounts due and payable to each Swap Counterparty;

(xix) *Nineteenth*, to pay, *pari passu* and *pro rata*, the Start-up Costs Proceeds due under the Subordinated Loan Agreement;

(xx) *Twentieth*, to pay, *pari passu* and *pro rata*, any interest amounts due and payable under the Subordinated Loan Agreement;

(xxi) *Twenty-first*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any indemnities due and payable to the Arranger and the Lead Manager pursuant to the Subscription Agreement;

(xxii) *Twenty-second*, 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 under other items of this Post-Acceleration Priority of Payments; and

(xxiii) *Twenty-third*, to pay any surplus as Deferred Purchase Price to the Originator pursuant to the Master Receivables Purchase Agreement.

7. INTEREST

7.1 *Accrual of interest*

Each Note bears interest on its Principal Amount Outstanding from (and including) the Issue Date until final redemption or cancellation as provided for in Condition 8 (*Redemption, purchase and cancellation*) and subject to Condition 7.2 (*Termination of interest*) below.

7.2 *Payment Dates and Interest Periods*

Interest on each Note will accrue on a daily basis and will be payable in Euro in arrear on each Payment Date falling (i) prior to the delivery of an Issuer Trigger Notice, on the 25th calendar day of each month in each year (or, if such day is not a Business Day, the immediately following Business Day or if such immediately following Business Day falls in another month, the immediately preceding Business Day), or (ii) following the delivery of an Issuer Trigger Notice, on any day on which any payment is required to be made by the Representative of the Noteholders in accordance with the Post-Acceleration Priority of Payments, these Conditions and the Intercreditor Agreement. The first Payment Date will fall on 25 July 2023.

7.3 *Termination of interest accrual*

Each Note (or the portion of the Principal Amount Outstanding due for redemption) shall cease to bear interest from (and including) the Final Maturity Date or from (and including) any earlier date fixed for redemption unless payment of the principal due and payable but unpaid is improperly withheld or refused, in which case, each Note (or the relevant portion thereof) will continue to bear interest in accordance with this Condition 7 (both before and after judgment) at the rate applicable to such Note until the day on which either all sums due in respect of such Note up to that day are received by the relevant Noteholder or the Representative of the Noteholders or the Paying Agent receives all amounts due on behalf of all such Noteholders.

7.4 *Rates of interest*

The rate of interest applicable to each Note (the **Rate of Interest**) for each Interest Period shall be:

(a) in relation to the Class A Notes, a floating rate equal to EURIBOR plus a margin of 0.95 per cent. per annum;

(b) in relation to the Class B Notes, a floating rate equal to EURIBOR plus a margin of 2.35 per cent. per annum; and

(c) in relation to the Class C Notes, a floating rate equal to EURIBOR plus a margin of 3.35 per cent. per annum; and

(d) in relation to the Class D Notes, a floating rate equal to EURIBOR plus a margin of 5.35 per cent. per annum; and

(e) in relation to the Class E Notes, a floating rate equal to EURIBOR plus a margin of 7.25 per cent. per annum; and

(f) in relation to the Class F Notes, a floating rate equal to EURIBOR plus a margin of 12 per cent. per annum.

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

For the purposes of this Condition 7.4, **EURIBOR** means:

(a) prior to the delivery of an Issuer Trigger Notice, the Euro-Zone Inter-bank offered rate for 1 month Euro deposits which appears on the display page designated MMCV1 on Bloomberg (except in respect of the initial Interest Period, where an interpolated interest rate based on interest rates for 1 (one) and 3 (three) month deposits in Euro which appears on Bloomberg will be substituted); or

(b) following the delivery of an Issuer Trigger Notice, the Euro-Zone Inter-bank offered rate for Euro deposits applicable to any period in respect of which interest on the Notes is required to be determined which appears on a Bloomberg display page nominated and notified by the Representative of the Noteholders for such purpose or, if necessary, the relevant linear interpolation, as indicated by the Representative of the Noteholders in accordance with the Intercreditor Agreement; or

(c) in the case of (a) and (b), EURIBOR shall be determined by reference to such other page as may replace the relevant Bloomberg page on that service for the purpose of displaying such information; or

(d) in the case of (a) and (b), EURIBOR shall be determined, if the Bloomberg service ceases to display such information, by reference to such page as displays such information on such other service as may be nominated information vendor for the purpose of displaying comparable rates and approved by the Representative of the Noteholders (the rate determined in accordance with paragraphs (a) to (d) being the **Screen Rate** or, in the case of the initial Interest Period, the **Additional Screen Rate**) at or about 11:00 a.m. (Brussels time) on the Interest Determination Date,

provided that, if the Screen Rate (or, in the case of the initial Interest Period, the Additional Screen Rate) is unavailable at such time for Euro deposits for the relevant period, then the rate for any relevant period (the **Reference Rate**) shall be determined in accordance with Condition 7.5 (*Fallback provisions*) below.

7.5 *Fallback provisions*

(a) Notwithstanding anything to the contrary, including Condition 7.4 (*Rates of interest*) above, the following provisions will apply if the Issuer (acting on the advice of the Servicer) determines that any of the following events (each a **Base Rate Modification Event**) has occurred:

(i) a material disruption to EURIBOR, an adverse change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or to be published;

(ii) the insolvency or cessation of business of the EURIBOR administrator (in circumstances where no successor EURIBOR administrator has been appointed);

(iii) a public statement by the EURIBOR administrator that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR or will be changed in an adverse manner);

(iv) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;

(v) a public statement by the supervisor of the EURIBOR administrator which means that EURIBOR may no longer be used or that its use is subject to restrictions or adverse consequences;

(vi) a public announcement of the permanent or indefinite discontinuity of EURIBOR as it applies to the Notes; or

(vii) the reasonable expectation of the Issuer (acting on the advice of the Servicer) that any of the events specified in sub-paragraphs (i), (ii), (iii), (iv), (v) or (vi) will occur or exist within six months of the proposed effective date of such Base Rate Modification.

(b) Following the occurrence of a Base Rate Modification Event, the Issuer (acting on the advice of the Servicer) will inform the Originator and the Representative of the Noteholders of the same and will appoint a rate determination agent to carry out the tasks referred to in this Condition 7.5 (the **Rate Determination Agent**).

(c) The Rate Determination Agent shall determine an alternative base rate (the **Alternative Base Rate**) to be substituted for EURIBOR as the Reference Rate of the Notes and those amendments to these Conditions and the Transaction Documents to be made by the Issuer as are necessary or advisable to facilitate such change (the **Base Rate Modification**), provided that no such Base Rate Modification will be made unless the Rate Determination Agent has determined and confirmed to the Representative of the Noteholders in writing (such certificate, a **Base Rate Modification Certificate**) that:

(i) such Base Rate Modification is being undertaken due to the occurrence of a Base Rate Modification Event and, in each case, such modification is required solely for such purpose and it has been drafted solely to such effect; and

(ii) such Alternative Base Rate is:

(A) a base rate published, endorsed, approved or recognised by the relevant regulatory authority or any stock exchange on which the Notes are listed or

any relevant committee or other body established, sponsored or approved by any of the foregoing;

(B) a base rate utilised in a material number of publicly-listed new issues of Euro denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification;

(C) 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 an affiliate of Findomestic; or

(D) such other base rate as the Rate Determination Agent reasonably determines (and in relation to which the Rate Determination Agent has provided reasonable justification of its determination to the Issuer and the Representative of the Noteholders),

provided that, for the avoidance of doubt (I) in each case, the change to the Alternative Base Rate will not, in the Servicer's opinion, be materially prejudicial to the interest of the Noteholders; and (II) for the avoidance of doubt, the Servicer may propose an Alternative Base Rate on more than one occasion provided that the conditions set out in this Condition 7.5(c) are satisfied.

(d) It is a condition to any such Base Rate Modification that:

(i) the Originator pays (or arranges for the payment of) all fees, costs and expenses (including legal fees) properly incurred by the Issuer and the Servicer and each other applicable party including, without limitation, any of the agents to the Issuer, in connection with such modifications. For the avoidance of doubt, such costs shall not include any amount in respect of any reduction in the interest payable to a Noteholder or any change in the amount due to the Swap Counterparties or any change in the mark-to-market value of the Swap Agreements;

(ii) in relation to the Rated Notes and with respect to each Rating Agency, the Servicer has notified such Rating Agency of the proposed modification and, in the Servicer's reasonable opinion, formed on the basis of due consideration and consultation with such Rating Agency (including, as applicable, upon receipt of oral confirmation from an appropriately authorised person at such Rating Agency), such 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);

(iii) the Swap Counterparties have approved the proposed Alternative Base Rate determined by the Rate Determination Agent on the basis of Condition 7.5(c); and

(iv) the Issuer (or the Servicer on its behalf) provides at least 30 (thirty) days' prior written notice to the holders of the Notes of the proposed Base Rate Modification. If the proposed Alternative Base Rate is determined by the Rate Determination Agent on the basis of Condition 7.5(c) above and if the holders of the Notes representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Notes have notified the Issuer in accordance with the notice provided above and the then current practice of any applicable clearing system through which the Notes may be held within the notification period referred to above that they object to the proposed Base Rate Modification, then such modification will not be made unless a resolution of the holders of the Notes is passed in favour of such modification in accordance with the

Conditions by the holders of the Notes representing at least the majority of the then Principal Amount Outstanding of the Notes.

(e) When implementing any modification pursuant to this Condition 7.5, the Rate Determination Agent, the Issuer and the Servicer, as applicable, shall act in good faith and (in the absence of gross negligence (*colpa grave*) or wilful misconduct (*dolo*)), shall have no responsibility whatsoever to the Issuer, the Noteholders or any other party.

(f) If a Base Rate Modification is not made as a result of the application of Condition 7.5(c) above, and for so long as the Issuer (acting on the advice of the Servicer) considers that a Base Rate Modification Event is continuing, the Servicer may or, upon request of the Originator, must, initiate the procedure for a Base Rate Modification as set out in this Condition 7.5.

(g) Any modification pursuant to this Condition 7.5 must comply with the rules of any stock exchange on which the Notes are from time to time listed or admitted to trading and may be made on more than one occasion.

(h) As long as a Base Rate Modification is not deemed final and binding in accordance with this Condition 7.5, the Reference Rate applicable to the Notes will be equal to the last Reference Rate available on the relevant applicable screen rate pursuant to Condition 7.5(a) above.

(i) This Condition 7.5 shall be without prejudice to the application of any higher interest under applicable mandatory law.

7.6 *Determination of Interest Payment Amounts*

The Issuer shall on each Interest Determination Date determine (or cause the Paying Agent to determine):

(a) the EURIBOR and the Rate of Interest applicable to the Interest Period beginning after such Interest Determination Date (or, in the case of the initial Interest Period, beginning on and including the Issue Date) in respect of the Notes;

(b) the Euro amount (the **Interest Payment Amount**) due and payable as interest on the Notes in respect of such Interest Period calculated by applying the relevant Rate of Interest to the Principal Amount Outstanding of the Notes on the Payment Date at the commencement of such Interest Period (or, in the case of the initial Interest Period, the Issue Date) (after deducting therefrom any payment of principal due and paid on that Payment Date), multiplying the product of such calculation by the actual number of days in the Interest Period and dividing by 360, rounding the resultant figure to the nearest cent (half a cent being rounded up).

7.7 *Publication of the Rate of Interest and the Interest Payment Amount*

The Issuer shall notify (or cause the Paying Agent to notify) the EURIBOR and the Rate of Interest applicable to the Interest Period beginning after the relevant Interest Determination Date (or, in the case of the initial Interest Period, beginning on and including the Issue Date) in respect of the Notes, the Interest Payment Amount payable on the Notes in respect of such Interest Period and the Payment Date in respect of the Interest Payment Amount promptly after determination (and in any event not later than the first day of each relevant Interest Period) to the Issuer, the Servicer, the Representative of the Noteholders, the Account Bank, the Calculation Agent, the Corporate Servicer, Euronext Securities Milan and the Luxembourg Stock Exchange and will cause the same to be published in accordance with Condition 17 (*Notices*) on or as soon as possible after the relevant Interest Determination Date.

7.8 *Determination by the Representative of the Noteholders*

If the Issuer does not at any time for any reason determine (or cause the Paying Agent to determine) the EURIBOR and the Rate of Interest applicable to the Interest Period beginning after the relevant Interest Determination Date (or, in the case of the initial Interest Period, beginning on and including the Issue Date) in respect of the Notes, the Interest Payment Amount payable on the Notes in respect of such Interest Period and the Payment Date in respect of the Interest Payment Amount in accordance with the foregoing provisions of this Condition 7, the Representative of the Noteholders as legal representative of the Organisation of the Noteholders shall (but without incurring, in the absence of wilful misconduct (*dolo*) or gross negligence (*colpa grave*), any liability to any person as a result):

(a) determine the EURIBOR and the Rate of Interest in respect of the Notes at such rate as (having regard to the procedure described above) it shall consider fair and reasonable in all the circumstances; and/or

(b) calculate the Interest Payment Amount for the Notes in the manner specified in Condition 7.6 (*Determination of Interest Payments Amount*) above,

and any such determination and/or calculation shall be deemed to have been made by the Paying Agent.

7.9 *Interest Deferral*

(a) Payment of interest on any Class of Notes (other than the Class A Notes or, as long as the Class A Notes are no longer outstanding, Class B Notes or, as long as the Class B Notes are no longer outstanding, Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes) will be subject to deferral to the extent that the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with, in respect of the Rated Notes, any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) on any Payment Date prior to the Cancellation Date are not sufficient to pay in full the relevant interest amount which would otherwise be due on such Class of Notes. The amount by which the aggregate amount of interest paid on any Class of Notes (other than the Class A Notes or, as long as the Class A Notes are no longer outstanding, Class B Notes or, as long as the Class B Notes are no longer outstanding, Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes) on any Payment Date prior to the Cancellation Date falls short of the aggregate amount of interest which otherwise would be due on such Class of Notes on that Payment Date shall be aggregated with the amount of, and treated as if it were, interest amount due on such Class of Notes on the immediately following Payment Date and will be payable on such Payment Date in accordance with the Pre-Acceleration Interest Priority of Payments. No interest will accrue on any amount so deferred.

(b) To the extent 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 is equal to or higher than 25 per cent. of the Principal Amount Outstanding of the Class B Notes, interest on the Class B Notes will not then fall due under item (ix) (*Ninth*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xix) (*Nineteenth*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class B Notes.

(c) To the extent 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 is equal to or higher than 25 per cent. of the Principal Amount Outstanding of the Class C Notes, interest on the Class C Notes will not then fall due under item (xi) (*Eleventh*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xx) (*Twentieth*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class C Notes.

(d) To the extent 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, interest on the Class D Notes will not then fall due under item (xiii) (*Thirteenth*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xxi) (*Twenty-first*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class D Notes.

(e) To the extent that (i) the Class E Notes are not the Most Senior Class of Notes and (ii) the amount debited on the Class E Principal Deficiency Sub-Ledger is equal to or higher than 25 per cent. of the Principal Amount Outstanding of the Class E Notes, interest on the Class E Notes will not then fall due under item (xv) (*Fifteenth*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xxii) (*Twenty-second*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments (together with any principal amount applied in accordance with item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments and any amount applied from the Liquidity Reserve) are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class E Notes.

(f) To the extent that (i) the Class F Notes are not the Most Senior Class of Notes and (ii) the amount debited on the Class F Principal Deficiency Sub-Ledger is equal to or higher than 0 per cent. of the Principal Amount Outstanding of the Class F Notes, interest on the Class F Notes will not then fall due under item (xvii) (*Seventeenth*) of the Pre-Acceleration Interest Priority of Payments but will instead be paid under item (xxiii) (*Twenty-third*) of the Pre-Acceleration Interest Priority of Payments. Any amounts so subordinated may be deferred to the extent the Interest Available Funds applied in accordance with the Pre-Acceleration Interest Priority of Payments are not sufficient to pay in full the relevant interest amount which would otherwise be due on the Class F Notes.

(g) 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 Issuer Available Funds and, to the extent unpaid, will be cancelled.

(h) Any interest amount due but not payable on the Class A Notes or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes on any Payment Date prior to the Cancellation Date will not be deferred and any failure to pay

such interest amount will constitute an Issuer Trigger Event pursuant to Condition 12 (*Issuer Trigger Events*).

7.10 *Notification of Interest Deferral*

If, on any Calculation Date, the Calculation Agent determines that any deferral of interest in respect of one or more Classes of Notes will arise on the immediately succeeding Payment Date, notice to this effect shall be given or procured to be given by the Issuer to the Representative of the Noteholders, the Paying Agent, Euronext Securities Milan and the Noteholders in accordance with Condition 17 (*Notices*), specifying the amount of interest to be deferred on such following Payment Date in respect of each relevant Class of Notes.

7.11 *Notifications to be final*

All notifications, opinions, determinations, certificates, calculations, decisions and quotations given, expressed, made or obtained for the purposes of this Condition 7 (*Interest*), whether by the Paying Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful default, gross negligence, bad faith or manifest error) be binding on the Paying Agent, the Calculation Agent, the Issuer, the Account Bank, the Representative of the Noteholders and all Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Paying Agent, the Calculation Agent, the Issuer or the Representative of the Noteholders in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretion hereunder.

7.12 *Paying Agent*

The Issuer shall ensure that, so long as any of the Notes remain outstanding, there shall at all times be a Paying Agent. The Paying Agent may not resign until a successor approved in writing by the Representative of the Noteholders has been appointed. If a new Paying Agent is appointed notice of its appointment will be published in accordance with Condition 17 (*Notices*).

7.13 *Unpaid interest with respect to the Notes*

Unpaid interest on the Notes shall accrue no interest.

8. REDEMPTION, PURCHASE AND CANCELLATION

8.1 *Final redemption*

(a) The Issuer shall redeem the Notes at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), in accordance with the Post-Acceleration Priority of Payments, on the Final Maturity Date.

(b) The Issuer may not redeem the Notes in whole or in part prior to the Final Maturity Date except as provided below in Conditions 8.2 (*Mandatory redemption*), 8.3 (*Optional redemption for clean-up or regulatory reasons*) and 8.4 (*Optional redemption for taxation reasons*), but without prejudice to Condition 12 (*Issuer Trigger Event*) and Condition 14 (*Enforcement*).

8.2 *Mandatory redemption*

(a) The Notes of each Class will be subject to mandatory redemption in full (or in part *pro rata* within each Class) on each Payment Date during the Amortisation Period, to the extent that the Issuer has sufficient Principal Available Funds for such purpose in accordance with the Pre-Acceleration Principal Priority of Payments.

(b) Prior to the occurrence of a Sequential Redemption Event, repayments of principal in respect of the Notes shall be made on a *pro rata* basis on each Payment Date in accordance with the Pre-Acceleration Principal Priority of Payments.

(c) After the occurrence of a Sequential Redemption Event, repayments of principal in respect of the Notes shall be made in a sequential order at all times in accordance with the Pre-Acceleration Principal Priority of Payments.

8.3 *Optional redemption for clean-up or regulatory reasons*

Provided that no Issuer Trigger Notice has been served on the Issuer, upon:

(a) the aggregate Outstanding Principal of the Receivables comprised in the Portfolio being equal to, or lower than, 10 per cent. of the aggregate Outstanding Principal of the Receivables comprised in the Initial Portfolio as at the relevant Valuation Date (the **Clean-up Call Condition**); or

(b) the occurrence of any of the following events:

(i) 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 European Central Bank, the Bank of Italy 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 Issue Date; or

(ii) a notification by or other communication from the applicable regulatory or supervisory authority being received by the Originator with respect to the transactions contemplated by the Transaction Documents on or after the Issue Date; or

(iii) a change in or the adoption of any new law, rule, direction, guidance or regulation which requires the manner in which the Originator is retaining a material net economic interest of not less than 5 (five) per cent. in the Securitisation described in this Prospectus (the **Retained Exposures**) to be restructured after the Issue Date or which would otherwise result in the manner in which the Retained Exposures to become non-compliant in relation to a Noteholder or which would otherwise have an adverse effect on the ability of the Originator to comply with article 6 of the EU Securitisation Regulation,

which, in the reasonable opinion of the Originator, has the effect of materially adversely affecting the regulatory capital treatment or the rate of return on capital of the Originator pursuant to article 244(2) of the CRR provided that any reference to article 244(2) of the CRR shall be deemed to include any successor or replacement provisions to article 244(2) of the CRR or materially increasing the cost or materially reducing the benefit to the Originator of the transactions contemplated by the Transaction Documents (each of the events under this paragraph (b), a **Regulatory Change Event**),

then, upon the Originator exercising the option to repurchase the Portfolio as described below, the Issuer shall, on any Payment Date following the occurrence of a Clean-up Call Condition or a Regulatory Change Event, redeem the Notes (in whole but not in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), in accordance with the Post-Acceleration Priority of Payments, subject to the Issuer:

(i) giving not more than 45 (forty-five) days and not less than 10 (ten) days' notice to the Representative of the Noteholders (with copy to the Servicer, the Calculation Agent and the Rating Agencies) and to the Noteholders in accordance with Condition 17 (*Notices*) of its intention to redeem the Notes; and

(ii) delivering, prior to the notice referred to in paragraph (i) above being given, to the Representative of the Noteholders a certificate duly signed by the Issuer to the effect that it will have the necessary funds (free and clear of any Security Interest of any third party) on such Payment Date to discharge all of its outstanding liabilities in respect of the Notes and any other payment in priority to or *pari passu* with the Notes in accordance with the Post-Acceleration Priority of Payments.

For the avoidance of doubt, the declaration of a Regulatory Change Event will not be prevented or excluded by the fact that, prior to the Issue 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 ECB or the Basel Committee), as officially interpreted, implemented or applied by any relevant competent international, European or national body; 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 Issue 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 described in this Prospectus. Accordingly, such proposals, statements, notifications or views will not be taken into account when assessing the regulatory capital treatment or the capital relief afforded by the Notes for the Originator or its affiliates or rate of return on capital pursuant to article 244(2) of the CRR or an increase in the cost or reduction of benefits to the Originator or its affiliates of the Securitisation described in this Prospectus immediately after the Issue Date.

The Issuer may obtain the funds necessary to finance the early redemption of the Notes in accordance with this Condition 8.3 from the sale of the Portfolio to the Originator. Under the Master Receivables Purchase Agreement, the Issuer has granted to the Originator an option, pursuant to article 1331 of the Italian civil code, to repurchase the Portfolio at the Final Repurchase Price pursuant to the terms and subject to the conditions set out therein. If the Originator exercises such option, then the Issuer shall redeem the Notes as described above.

8.4 *Optional redemption for taxation reasons*

Provided that no Issuer Trigger Notice has been served on the Issuer, upon the imposition, at any time after the Issue Date, of:

(a) any Tax Deduction in respect of such payment (other than in respect of a Decree 239 Deduction); or

(b) any change in the Tax law of Italy (or the application or official interpretation of such law) which would cause the total amount payable in respect of the Portfolio to cease to be receivable by the Issuer, including as a result of any of the Debtors being obliged to make a Tax

Deduction in respect of any payment in relation to any Receivables (each of the event under paragraphs 8.4(b) and 8.4(b), a **Tax Event**),

then, upon the Originator exercising the option to repurchase the Portfolio as described below, the Issuer shall, on any Payment Date following the occurrence of a Tax Event, redeem the Rated Notes (in whole but not in part) and the Unrated Notes (in whole or in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), in accordance with the Post-Acceleration Priority of Payments, subject to the Issuer:

(a) giving not more than 45 (forty-five) days' and not less than 10 (ten) days' notice to the Representative of the Noteholders (with copy to the Servicer, the Calculation Agent and the Rating Agencies) and the Noteholders in accordance with Condition 17 (*Notices*) of its intention to redeem the Notes; and

(b) delivering, prior to the notice referred to in paragraph (a) above being given, to the Representative of the Noteholders:

(i) a certificate duly signed by the Issuer to the effect that the obligation to make a Tax Deduction or the imposition resulting in the total amount payable in respect of the Portfolio ceasing to be receivable by the Issuer cannot be avoided by taking measures reasonably available to the Issuer and not prejudicial to its interests as a whole; and

(ii) a certificate duly signed by the Issuer to the effect that it will have the necessary funds (free and clear of any Security Interest of any third party) on such Payment Date to discharge all of its outstanding liabilities in respect of the Rated Notes and any other payment in priority to or *pari passu* with the Rated Notes in accordance with the Post-Acceleration Priority of Payments.

The Issuer may obtain the funds necessary to finance the early redemption of the Notes in accordance with this Condition 8.4 from the sale of the Portfolio to the Originator. Under the Master Receivables Purchase Agreement, the Issuer has granted to the Originator an option, pursuant to article 1331 of the Italian civil code, to repurchase the Portfolio at the Final Repurchase Price pursuant to the terms and subject to the conditions set out therein. If the Originator exercises such option, then the Issuer shall redeem the Notes as described above.

8.5 *Conclusiveness of certificates*

Any certificate given by or on behalf of the Issuer pursuant to Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*) may be relied upon by the Representative of the Noteholders without further investigation and shall be binding on the Noteholders and the Other Issuer Creditors.

8.6 *Calculation of Principal Payment Amount and Principal Amount Outstanding*

(a) On each Calculation Date, the Issuer shall determine (or cause the Calculation Agent to calculate):

(i) the amount of the Issuer Available Funds, the Class A Notes Redemption Amount, the Class B Notes Redemption Amount, the Class C Notes Redemption Amount, the Class D Notes Redemption Amount, the Class E Notes Redemption Amount and the Class F Notes Redemption Amount;

(ii) the principal payment (if any) due on each Note of each Class of Notes on the next following Payment Date and the Principal Payment Amount (if any) due on the Notes of that Class;

(iii) the Principal Amount Outstanding of each Note of each Class of Notes on the next following Payment Date (after deducting any principal payment due to be made on that Payment Date in relation to each such Note); and

(iv) the amount payable as Deferred Purchase Price to the Originator.

(b) The principal amount redeemable in respect of each Note of each Class of Notes (the **Principal Payment Amount**) on any Payment Date shall be a *pro rata* share of the principal payment due in respect of the such Class of Notes, in accordance with the relevant Priority of Payments, on such date. The Principal Payment Amount is calculated by multiplying the Issuer Available Funds available to make the principal payment in respect of a Class of Notes, in accordance with the relevant Priority of Payments, on such date by a fraction, the numerator of which is the then Principal Amount Outstanding of each Note of such Class and the denominator of which is the then Principal Amount Outstanding of all the Notes of the same Class, and rounding down the resultant figures to the nearest cent, provided always that no such Principal Payment Amount may exceed the Principal Amount Outstanding of the relevant Note.

8.7 *Failure by the Servicer or the Cash Manager to deliver the Servicer's Report, the Set-Off Report or the Cash Manager Report to the Calculation Agent*

Prior to the service of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), if the Calculation Agent does not receive the relevant Servicer's Report, Set-Off Report or Cash Manager Report in accordance with the provisions of the Cash Allocation, Management and Payments Agreement, or any of such report is delivered to the Calculation Agent with a delay not enabling the Calculation Agent to timely prepare the Payments Report, but the Calculation Agent has actual evidence that the amounts standing to the credit of the Accounts are sufficient to make payments of interest on the Class A Notes or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes and all the other amounts ranking in priority thereto pursuant to the Pre-Acceleration Interest Priority of Payments and under items (i) (*First*) to (vii) (*Seventh*) (inclusive), (ix) (*Ninth*), (xi) (*Eleventh*), (xiii) (*Thirteenth*) and (xv) (*Fifteenth*) of the Pre-Acceleration Interest Priority of Payments, the Issuer Available Funds in respect of the relevant Payment Date shall be limited to the amounts necessary to make such payments.

8.8 *Calculation by the Representative of the Noteholders*

If the Issuer does not at any time for any reason calculate (or cause the Calculation Agent to calculate) the Issuer Available Funds, the amount thereof available for principal payments in respect of the Notes, the Principal Payment Amount in respect of each Note of each Class of Notes or the Principal Amount Outstanding in relation to each Note in accordance with this Condition 8, such amounts shall be calculated (but without incurring, in the absence of wilful misconduct (*dolo*) or gross neglicence (*colpa grave*), any liability to any person as a result) by (or on behalf of) the Representative of the Noteholders in accordance with this Condition 8 (based on information supplied to it by the Issuer or the Calculation Agent) and each such calculation shall be deemed to have been made by the Calculation Agent.

8.9 *Notice of calculation of Principal Payment Amount and Principal Amount Outstanding*

The Issuer will cause each calculation of the Principal Payment Amount and Principal Amount Outstanding in relation to each Note to be notified immediately after calculation (through the Payments Report) to the Representative of the Noteholders, the Paying Agent and, for so long as the Notes are listed on the official list of the Luxembourg Stock Exchange, the Luxembourg Stock Exchange and will cause notice of each calculation of a Principal Payment Amount and Principal Amount

Outstanding in relation to each Note of each Class of Notes to be given in accordance with Condition 17 (*Notices*) not later than two Business Days prior to each Payment Date.

8.10 *Notice of no Principal Payment Amount*

If no Principal Payment Amount is due to be made in relation to the Notes of the Most Senior Class of Notes on any Payment Date during the Amortisation Period, a notice to this effect will be given to the Noteholders in accordance with Condition 17 (*Notices*) not later than two Business Days prior to such Payment Date.

8.11 *Notice Irrevocable*

Any such notice as is referred to in Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*), Condition 8.4 (*Optional redemption for taxation reasons*) and Condition 8.9 (*Notice of calculation of Principal Payment Amount and Principal Amount Outstanding*) shall be irrevocable and, upon the expiration of notice pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Issuer shall be bound to redeem the Notes at their Principal Amount Outstanding.

8.12 *No purchase by Issuer*

The Issuer is not permitted to purchase any of the Notes at any time.

8.13 *Cancellation*

The Notes will be finally and definitively cancelled on the Cancellation Date, being:

(a) the earlier of (i) the Final Maturity Date, and (ii) the date on which the Notes are redeemed pursuant to Condition 8.4 (*Optional redemption for clean-up or regulatory reasons*), Condition 8.5 (*Redemption for tax reasons*) or following the delivery of an Issuer Trigger Notice pursuant to Condition 12 (*Issuer Trigger Events*); or

(b) if the Notes cannot be redeemed in full on the Final Maturity Date as a result of the Issuer having insufficient Issuer Available Funds for application in or towards such redemption, the later of (i) the Payment Date immediately following the 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 certified to the Representative of the Noteholders, and the Representative of the Noteholders having given notice to the Noteholders on the basis of such certificate pursuant to the Conditions, that there is no reasonable likelihood, following the application of all the Issuer Available Funds, of there being any further realisations in respect of the Portfolio or the other Issuer's Rights (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay any amount outstanding under the Notes.

8.14 *Notice to the Rating Agencies*

Any redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) and 8.4 (*Optional redemption for taxation reasons*) shall be notified by the Issuer to the Rating Agencies.

9. LIMITED RECOURSE AND NON PETITION

9.1 *Noteholders not entitled to proceed directly against Issuer*

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 or enforce the Security and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment of the Obligations or to enforce the Security. In particular,

(a) no Noteholder is entitled, otherwise than as permitted by the Transaction Documents, to direct the Representative of the Noteholders to enforce the Security and no Noteholder (nor any person on its behalf, other than the Representative of the Noteholders, where appropriate) is entitled to take any proceedings against the Issuer to enforce the Security;

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

(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 transaction have been redeemed in full or cancelled in accordance with their terms and conditions, no Noteholder (nor any person on its behalf, other than the Representative of the Noteholders when so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes and only if the representatives of the noteholders of all further securitisation transactions (if any) carried out by the Issuer have been so directed by an extraordinary resolution of the holders of the most senior class of notes under the relevant securitisation transaction) shall initiate or join any person in initiating an Insolvency Event in relation to the Issuer; and

(d) no Noteholder shall be entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step which would result in the Priority of Payments not being complied with.

9.2 *Limited recourse obligations of Issuer*

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

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

(b) sums payable to each Noteholder in respect of the Issuer's obligations to such Noteholder shall be limited to the lesser of (a) the aggregate amount of all sums due and payable to such Noteholder and (b) the Issuer Available Funds, net of any sums which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to or *pari passu* with the sums payable to such Noteholder; and

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

10. PAYMENTS

10.1 *Payments through Euronext Securities Milan*

Payment of principal and interest on the Notes 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, Luxembourg) whose accounts are credited with those Notes will relieve the Issuer *pro tanto* from the corresponding payment obligations under the Notes.

10.2 *Payments subject to fiscal laws*

Payments of principal and interest in respect of the Notes are 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 11 (*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.

10.3 *Payments on Business Days*

If the due date for any payment of principal and/or interest in respect of 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.

10.4 *Change of Paying Agent and appointment of additional paying agent*

The Issuer reserves the right, in accordance with the provisions of the Cash Allocation, Management and Payments Agreement, at any time to vary or terminate the appointment of the Paying Agent (with the prior notice to the Rating Agencies) and to appoint additional or other paying agents provided that, for as long as the Notes are listed on the Luxembourg Stock Exchange and to the extent that the rules of the Luxembourg Stock Exchange so require, the Issuer will at all times maintain a paying agent with a Specified Office in Luxembourg. The Issuer will cause at least 30 days' prior notice of any change in or addition to the Paying Agent or its Specified Offices to be given in accordance with Condition 17 (*Notices*).

11. 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 an account of any present or future taxes, duties or charges of whatsoever nature unless such Tax 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 (including, for the avoidance of doubts, any FATCA Withholding).

12. ISSUER TRIGGER EVENTS

12.1 *Issuer Trigger Events*

Each of the following events is an **Issuer Trigger Event**:

(a) *Non-payment*:

the Issuer defaults in the payment of:

(i) any amount of interest due on the Class A Notes (or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes), provided that such default remains unremedied for 5 (five) Business Days; or

(ii) any amount of principal due on any Class of Notes on the Final Maturity Date (or any date of early redemption pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*)), provided that such default remains unremedied for 5 (five) Business Days; or

(iii) any amount of principal due and payable on the Class A Notes (or, as long as the Class A Notes are no longer outstanding, the Class B Notes or, as long as the Class B Notes are no longer outstanding, the Class C Notes or, as long as the Class C Notes are no longer outstanding, the Class D Notes or, as long as the Class D Notes are no longer outstanding, the Class E Notes) on any Payment Date prior to the Final Maturity Date (or any date of early redemption pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*)), to the extent the Issuer has sufficient Principal Available Funds to make such repayment of principal in accordance with the Pre-Acceleration Principal 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 Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), if the Calculation Agent does not receive the relevant Servicer's Report, Set-Off Report or Cash Manager Report in accordance with the provisions of the Cash Allocation, Management and Payments Agreement, or any such report is delivered to the Calculation Agent with a delay not enabling the Calculation Agent to timely prepare the Payments Report, no amount of principal will be due and payable in respect of the Notes); or

(b) *Breach of other obligations*:

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

(c) *Breach of representations and warranties*:

any of the representations and warranties given by the Issuer under any of the Transaction Documents is, or proves to have been, incorrect or erroneous in any material respect when made and (except where, in the opinion of the Representative of the Noteholders, such breach is not capable of remedy in which case no notice requiring remedy will be required) such breach remains remedied for 30 (thirty) days after the Representative of the Noteholders has given written notice thereof to the Issuer requiring the same to be remedied; or

(d) *Insolvency of the Issuer*:

an Insolvency Event occurs with respect to the Issuer; or

(e) *Unlawfulness*:

it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party.

12.2 *Delivery of an Issuer Trigger Notice*

If an Issuer Trigger Event occurs, subject to Condition 14 (*Enforcement*) the Representative of the Noteholders:

(a) in the case of an Issuer Trigger Event under Condition 12.1(a) (*Non-payment*) or 12.1(d) (*Insolvency of the Issuer*) above, shall; and

(b) in the case of an Issuer Trigger Event under Condition 12.1(b) (*Breach of other obligations*), 12.1(c) (*Breach of representations and warranties*) or 12.1(e) (*Unlawfulness*) above, if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes, shall,

deliver a written notice (an **Issuer Trigger Notice**) to the Issuer (with copy to the Servicer, the Calculation Agent, the Rating Agencies and the Noteholders in accordance with Condition 17 (*Notices*)).

12.3 *Conditions to delivery of an Issuer Trigger Notice*

Notwithstanding Condition 12.2 (*Delivery of an Issuer Trigger Notice*) the Representative of the Noteholders shall not be obliged to deliver an Issuer Trigger Notice unless it shall have been indemnified and/or secured to its satisfaction against all liabilities to which it may thereby become liable or which it may incur by so doing.

12.4 *Consequences of delivery of an Issuer Trigger Notice*

Upon the delivery of an Issuer Trigger Notice, the Notes shall (subject to Condition 9 (*Non Petition and Limited Recourse*)) become immediately due and repayable at their Principal Amount Outstanding, together with any accrued but unpaid interest thereon, without any further action, notice or formality and the Issuer Available Funds shall be applied in accordance with the Post-Acceleration Priority of Payments on such dates as the Representative of the Noteholders may determine as being Payment Dates.

13. REVOLVING PERIOD TERMINATION EVENTS

13.1 *Revolving Period Termination Events*

Each of the following events is a **Revolving Period Termination Event**:

(a) *Breach of obligations by Findomestic*:

Findomestic defaults in the performance or observance of any of its obligations under or in respect of any of the Transaction Documents to which it is a party, provided that, in the reasonable opinion of the Representative of the Noteholders, (a) such default is materially prejudicial to the interest of the Noteholders and (b) (except where such default is not capable of remedy, in which case no notice requiring remedy will be required) such default remains unremedied for 30 (thirty) days after the Representative of the Noteholders has given written notice thereof to Findomestic, with a copy to the Issuer, requiring the same to be remedied; or

(b) *Breach of representations and warranties by Findomestic*:

any of the representations and warranties given by Findomestic under any of the Transaction Documents to which it is party is or proves to have been incorrect or misleading in any material respect when made or repeated and such breach, to the extent is, in the reasonable opinion of the Representative of the Noteholders, prejudicial to the interest of the Noteholders, if capable of remedy is not remedied in accordance with the provisions of the Warranty and Indemnity Agreement; or

(c) *Insolvency of Findomestic*:

(i) 90 (ninety) days have elapsed since an application is made for the commencement of an *amministrazione straordinaria* or *liquidazione coatta amministrativa* or any other applicable insolvency proceedings against Findomestic in any jurisdiction and such application has not been rejected by the relevant court nor has it been withdrawn by the relevant applicant unless a legal opinion or other adequate comfort is given to the Representative of the Noteholders confirming that such application is manifestly without grounds (it being understood that, pending the 90 (ninety)-day or the shorter period necessary for obtaining the aforementioned legal opinion or other adequate comfort, Findomestic will not be able to submit any Transfer Proposal); or

(ii) Findomestic becomes subject to any *amministrazione straordinaria*, *liquidazione coatta amministrativa* or any other applicable insolvency proceedings in any jurisdiction or the whole or any substantial part of the assets Findomestic are subject to a *pignoramento* or similar procedure having a similar effect; or

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

(d) *Winding up of Findomestic*:

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

(e) *Breach of Cumulative Gross Default Ratio*:

the Cumulative Gross Default Ratio, as resulting from the Servicer's Report immediately preceding the relevant Offer Date, has exceeded the Cumulative Gross Default Trigger Level; or

(f) *Termination of Servicer's appointment*:

the Issuer has terminated the appointment of the Servicer following the occurrence of a Servicer Termination Event in accordance with the provisions of the Servicing Agreement (other than the Servicer Termination Event set out in clause 10.1.(f) of the Servicing Agreement);

(g) *Amount of Principal Available Funds credited to the Reinvestment Ledger*:

for 2 (two) consecutive Offer Dates, the amount of Principal Available Funds credited to the Reinvestment Ledger in accordance with item (iii) (*Third*) of the Pre-Acceleration Principal

Priority of Payments is higher than 10 per cent. of the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the Initial Portfolio; or

(h) *Failure to offer for sale Subsequent Portfolios*:

the Originator fails to offer for sale Subsequent Portfolios to the Issuer for 3 (three) consecutive Offer Dates; or

(i) *Liquidity Reserve*:

on any Payment Date during the Revolving Period, there are insufficient Interest Available Funds in order to fund the Liquidity Reserve up to the Liquidity Reserve Required Amount in accordance with the Pre-Acceleration Interest Priority of Payments; or

(j) *Class F Principal Deficiency Sub-Ledger*:

on any Payment Date during the Revolving Period, the amount debited to the Class F Principal Deficiency Sub-Ledger (taking into account the amounts which have been credited to the Class F Principal Deficiency Sub-Ledger on the immediately preceding Payment Date) is greater than 0.50 per cent. of the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the Initial Portfolio; or

(k) *Service of an Issuer Trigger Notice*:

an Issuer Trigger Notice has been served on the Issuer; or

(l) *Service of an early redemption notice for regulatory or taxation reasons*:

the Issuer has served a notice of early redemption of the Notes following the occurrence of a Regulatory Change Event in accordance with Condition 8.3 (*Optional Redemption for clean-up or regulatory reasons*) or a notice of early redemption of the Notes following the occurrence of a Tax Event in accordance with Condition 8.4 (*Optional redemption for taxation reasons*); or

(m) *Swap Agreements*:

an Event of Default or Termination Event has occurred under any Swap Agreement (as defined therein),

13.2 *Consequences of delivery of Revolving Period Termination Notice*

If a Revolving Period Termination Event occurs, then the Representative of the Noteholders:

(a) in the case of a Revolving Period Termination Event under Condition 13.1(a) or 13.1(b) above, may in its absolute discretion, or, shall if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes; and

(b) in the case of the other Revolving Period Termination Events, shall,

deliver a written notice (a **Revolving Period Termination Notice**) to the Issuer, the Originator and the Calculation Agent. After the service of a Revolving Period Termination Notice from the Representative of the Noteholders, the Issuer shall refrain from purchasing any Subsequent Portfolios under the Master Receivables Purchase Agreement.

14. ENFORCEMENT

14.1 *Proceedings*

At any time after the delivery of an Issuer Trigger Notice, 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 Trigger 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-Acceleration 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.

14.2 *Directions to the Representative of the Noteholders*

The Representative of the Noteholders shall not be bound to take any action described in Condition 14.1 (*Proceedings*) and may take such action without having regard to the effect of such action on any individual Noteholder or on any Other Issuer Creditor, provided that the Representative of the Noteholders shall not, and shall not be bound to, act at the request or direction of the Noteholders of any Class other than the Most Senior Class of Notes then outstanding unless:

(a) to do so would not, in its sole opinion, be materially prejudicial to the interests of the Noteholders of the Classes of Notes ranking senior to such Class; or

(b) (if the Representative of the Noteholders is not of that opinion) such action is sanctioned by an Extraordinary Resolution of the Noteholders of each Class ranking senior to such Class.

14.3 *Sale of Portfolio*

Following the delivery of an Issuer Trigger Notice, 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 Extraordinary Resolution of the holders of the Most Senior Class of Notes) dispose of the 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 Portfolio pursuant to article 21(4)(d) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

15. THE REPRESENTATIVE OF THE NOTEHOLDERS

15.1 *The Organisation of the Noteholders*

The Organisation of the Noteholders shall be established upon and by virtue of the issue of the Notes and shall remain in force and in effect until repayment in full or cancellation of the Notes. The provisions relating to the Organisation of the Noteholders and the Representative of the Noteholders are contained in the Rules of the Organisation of the Noteholders.

15.2 *Appointment of the Representative of the Noteholders*

Pursuant to the Rules of the Organisation of the Noteholders there shall at all times be a Representative of the Noteholders.

16. STATUTE OF LIMITATION

Claims against the Issuer for payments in respect of the Notes will be barred and shall become void unless made within 10 (ten) years (in the case of principal) or 5 (five) years (in the case of interest) from Relevant Date in respect thereof. In this Condition 16, **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*).

17. NOTICES

17.1 *Notices given through Euronext Securities Milan*

Any notice regarding the Notes, 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 Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, all notices will be given also through the website of the Luxembourg Stock Exchange (being, as at the date of these Conditions, www.luxse.com).

17.2 *Date of publication*

Any such notice shall be deemed to have been given on the date of such delivery or, if delivered more than once or on different dates, on the first date on which delivery is made in the manner required above.

17.3 *Other method of giving Notice*

The Representative of the Noteholders shall be at liberty to sanction some other method of giving notice to Noteholders if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Notes are then listed and provided that notice of such other method is given to the Noteholders in such manner as the Representative of the Noteholders shall require.

18. NOTIFICATIONS TO BE FINAL

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of these Conditions, whether by the Paying Agent or any paying agent appointed under Condition 10.4 (*Change of Paying Agent and appointment of additional paying agent*), the Calculation Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful default, gross negligence, bad faith or manifest error) be binding on the Paying Agent or any paying agent appointed under Condition 10.4 (*Change of Paying Agent and appointment of additional paying agent*), the Calculation Agent, the Issuer, the Representative of the Noteholders and all Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Paying Agent or any paying agent appointed under Condition 10.4 (*Change of Paying Agent and appointment of additional paying agent*), the Calculation Agent, the Issuer or the Representative of

the Noteholders in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretion hereunder.

19. GOVERNING LAW AND JURISDICTION

19.1 *Governing Law of Notes*

The Notes and any non-contractual obligations arising out of or in connection with them are governed by Italian law.

19.2 *Governing Law of Transaction Documents*

All the Transaction Documents and any non-contractual obligations arising out of or in connection with them are governed by Italian law.

19.3 *Jurisdiction of courts*

The Courts of Milan are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes and any non-contractual obligations arising out thereof or in connection therewith.

19.4 *Jurisdiction of courts in relation to the Transaction Documents*

The Courts of Milan are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with all the Transaction Documents and any non-contractual obligations arising out thereof or in connection therewith.

EXHIBIT TO THE TERMS AND CONDITIONS OF THE NOTES

RULES OF THE ORGANISATION OF THE NOTEHOLDERS

TITLE I
GENERAL PROVISIONS

1. GENERAL

1.1 The Organisation of the Noteholders is created concurrently with the issue of and subscription for the €440,000,000 Class A Asset Backed Floating Rate Notes due December 2046 (the **Class A Notes**), the €13,500,000 Class B Asset Backed Floating Rate Notes due December 2046 (the **Class B Notes**), the €14,000,000 Class C Asset Backed Floating Rate Notes due December 2046 (the **Class C Notes**), the €9,500,000 Class D Asset Backed Floating Rate Notes due December 2046 (the **Class D Notes**), the €8,000,000 Class E Asset Backed Floating Rate Notes due December 2046 (the **Class E Notes**, and, together with the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the **Rated Notes**) and the €15,000,000 Class F Asset Backed Floating Rate Notes due December 2046 (the **Class F Notes** or the **Unrated Notes**, and together with the Rated Notes, the **Notes**), issued by Autoflorence 3 S.r.l. and is governed by the Rules of the Organisation of the Noteholders set out therein (**Rules**).

1.2 The Rules shall remain in force and effect until full repayment or cancellation of all the Notes.

1.3 The contents of the Rules are deemed to be an integral part of each Note issued by the Issuer.

2. DEFINITIONS AND INTERPRETATION

2.1 **Definitions**

(a) In these Rules, the terms set out below have the following meanings:

Affiliates means, in respect of Findomestic, (i) a company controlled directly or indirectly by Findomestic, (ii) a company or natural person controlling directly or indirectly Findomestic, (iii) a company controlled directly or indirectly by a company or a natural person controlling directly or indirectly Findomestic, or (iv) a company in respect of which Findomestic, or any of the companies or natural persons referred to under paragraphs (i), (ii) and (iii) above, can exercise (directly or indirectly, including through any of the entities under paragraphs (i), (ii) and (iii)) a material influence by virtue of contractual arrangements. For the purposes of this definition the concept of control must be construed in accordance with article 2359 of the Italian civil code.

Basic Terms Modification means any proposal:

(i) to change any date fixed for the payment of principal or interest in respect of the Notes of any Class;

(ii) save as provided for in Condition 7.5 (*Fallback provisions*) and Article 34.2 (*Additional modifications*) below, to reduce or cancel the amount of principal or interest due on any date in respect of the Notes of any Class or to alter the method of calculating the amount of any payment of interest or principal in respect of the Notes of any Class;

(iii) to change the quorum required at any Meeting or the majority required to pass any Ordinary Resolution or Extraordinary Resolution;

(iv) to change the currency in which payments due in respect of any Class of Notes are payable;

(v) to alter the priority of payments of interest or principal in respect of any Class of Notes;

(vi) to effect the exchange, conversion or substitution of the Notes of any Class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate, formed or to be formed;

(vii) to resolve on the matter set out in Condition 9.1(c) (*Noteholders not entitled to proceed directly against Issuer*); or

(viii) a change to this definition.

Blocked Notes means Notes which have been blocked in an account with a clearing system or otherwise are held to the order of the Euronext Securities Milan Account Holder for the purpose of releasing a Voting Certificte or obtaining from the Paying Agent a Block Voting Instruction on terms that they will not be released until after the conclusion of the Meeting in respect of which the Voting Certificate or the Block Voting Instruction is required.

Block Voting Instruction means, in relation to a Meeting, a document issued by the Paying Agent:

(i) certifying that certain specified Notes are held to the order of the Euronext Securities Milan Account Holder or have been blocked in an account with a clearing system and will not be released until the earlier of:

(A) a specified date which falls after the conclusion of the Meeting; and

(B) the surrender to the Paying Agent not less than 48 hours before the time fixed for the Meeting (or, if the Meeting has been adjourned, the time fixed for its resumption) of the confirmation that the Notes are Blocked Notes and notification of the release thereof by the Paying Agent to the Issuer and Representative of the Noteholders;

(ii) certifying that the Holder of the relevant Blocked Notes or a duly authorised person on its behalf has notified the Paying Agent that the votes attributable to such Notes 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;

(iii) listing the total number of such specified Blocked Notes, distinguishing between those in respect of which instructions have been given to vote for, and against, each resolution; and

(iv) authorising a named individual to vote in accordance with such instructions.

Chairman means, in relation to a Meeting, the individual who takes the chair in accordance with Article 8 (*Chairman of the Meeting*) of the Rules.

Class A Noteholders means the holders, from time to time, of the Class A Notes.

Class B Noteholders means the holders, from time to time, of the Class B Notes.

Class C Noteholders means the holders, from time to time, of the Class C Notes.

Class D Noteholders means the holders, from time to time, of the Class D Notes.

Class E Noteholders means the holders, from time to time, of the Class E Notes.

Class F Noteholders means the holders, from time to time, of the Class F Notes.

Conditions means the terms and conditions of the Notes, as from time to time modified in accordance with the provisions herein contained and including any agreement or other document expressed to be supplemental thereto, and **Condition** means a condition of either of them.

Disenfranchised Matter means any of the following matters:

(i) the termination of Findomestic as Servicer following the occurrence of a Servicer Termination Event;

(ii) the delivery of an Issuer Trigger Notice in accordance with Condition 12 (*Issuer Trigger Events*);

(iii) the direction of the disposal of the Portfolio and the taking of any enforcement action after the delivery of a Issuer Trigger Notice in accordance with Condition 14 (*Enforcement*); and

(iv) the enforcement of any of the Issuer's claims for breach under the Transaction Documents against Findomestic as Originator and/or Servicer under the Securitisation.

Disenfranchised Noteholders means, with respect to a Class of Notes, Findomestic or any of its Affiliates (other than any asset management entity belonging to the BNP Paribas Group) when acting in a principal capacity, unless it is (or more than one of them together in aggregate are) the holders of 100 per cent. of the Notes of such Class.

Euronext Securities Milan means Monte Titoli S.p.A., a *società per azioni* having its registered office at Piazza degli Affari 6, 20123 Milan, Italy.

Euronext Securities Milan Account Holders means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Euronext Securities Milan (as *intermediari aderenti*) and includes any depository banks approved by Euroclear and Clearstream.

Euronext Securities Milan Mandate Agreement means the agreement entered into on or about the Issue Date between the Issuer and Euronext Securities Milan, 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.

Extraordinary Resolution means a resolution passed at a Meeting, duly convened and held in accordance with the provisions contained in the Rules by a majority of not less than three quarters of the votes cast, provided that any Disenfranchised Noteholder shall not be entitled to vote on any Extraordinary Resolution concerning a Disenfranchised Matter and the Notes held by a Disenfranchised Noteholder shall be treated as if it were not outstanding and shall not be counted in or towards the required quorum set out in this definition.

Holder in respect of a Note means the ultimate owner of such Note.

Issuer Trigger Event means any of the events described in Condition 12 (*Issuer Trigger Events*).

Issuer Trigger Notice means a notice described as such in Condition 12.2 (*Delivery of an Issuer Trigger Notice*).

Meeting means a meeting of Noteholders of any Class or Classes whether originally convened or resumed following an adjournment.

Most Senior Class of Notes means (i) the Class A Notes while they remain outstanding, (ii) thereafter, the Class B Notes while they remain outstanding, (iii) thereafter, the Class C Notes while they remain outstanding, (iv) thereafter, the Class D Notes while they remain outstanding, (v) thereafter, the Class D Notes while they remain outstanding, (vi) thereafter, the Class E Notes while they remain outstanding and (v) thereafter, the Unrated Notes.

Noteholders means the holders, from time to time, of the Notes.

Ordinary Resolution means any resolution passed at a Meeting duly convened and held in accordance with the provisions contained in the Rules by a majority of the votes cast, provided that any Disenfranchised Noteholder shall not be entitled to vote on any Ordinary Resolution concerning a Disenfranchised Matter and the Notes held by a Disenfranchised Noteholder shall be treated as if it were not outstanding and shall not be counted in or towards the required quorum set out in this definition.

Proxy means a person appointed to vote under a Voting Certificate as a proxy or the person appointed to vote under a Block Voting Instruction, in each case, other than:

(i) any person whose appointment has been revoked and in relation to whom the Paying Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for the relevant Meeting; and

(ii) any person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been reappointed to vote at the Meeting when it is resumed.

Resolutions means Ordinary Resolutions and Extraordinary Resolutions collectively.

Specified Office means (i) with respect to the Paying Agent (a) the office specified against its name in clause 21.3 (*Addresses*) of the Cash Allocation, Management and Payments Agreement; or (b) such other office as the Paying Agent may specify in accordance with clause 16.10 (*Change in Specified Offices*) of the Cash Allocation, Management and Payments Agreement and (ii) with respect to any additional or other paying agent appointed pursuant to Condition 10.4 (*Change of Paying Agent and appointment of additional paying agent*) and the provisions of the Cash Allocation, Management and Payments Agreement, the specified office notified to the Noteholders upon notification of the appointment of each such paying agent in accordance with Condition 10.4 (*Change of Paying Agent and appointment of additional paying agent*) and in each such case, such other address as it may specify in accordance with the provisions of the Cash Allocation, Management and Payments Agreement.

Swap Counterparty Entrenched Rights means any of the following matters:

(i) any amendment of the Pre-Acceleration Interest Priority of Payments, the Pre-Acceleration Principal Priority of Payments or the Post-Acceleration Priority of Payments;

(ii) the approval of any proposed Alternative Base Rate determined by the Rate Determination Agent on the basis of Condition 7.5(c);

(iii) any amendment of any Transaction Document if such amendment(s) would have the effect that the relevant Swap Counterparty would be reasonably required to pay more or receive less than would otherwise have been the case immediately prior to such amendment;

(iv) any amendment to Article 10 (*Swap Counterparty Entrenched Rights*) of the Rules of the Organisation of the Noteholders; or

(v) any amendment to this definition.

Transaction Party means any person who is a party to a Transaction Document.

Voter means, in relation to any Meeting, the Holder or a Proxy named in a Voting Certificate, the bearer of a Voting Certificate or a Proxy named in a Block Voting Instruction.

Voting Certificate means, in relation to any Meeting, a certificate issued by a Euronext Securities Milan Account Holder under the Euronext Securities Milan system pursuant to the CONSOB and Bank of Italy Joint Resolution and dated:

(i) 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 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);

(ii) listing the ISIN code or other suffix or identification number of the Blocked Notes;

(iii) specifying the principal outstanding amount of the Blocked Notes; and

(iv) 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 Block Voting Instruction in respect of the Blocked Notes.

Written Resolution means a resolution in writing signed by or on behalf of all Noteholders of the relevant Class or Classes who at any relevant time are entitled to participate in a Meeting in accordance with the provisions of these Rules, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more of such Noteholders.

24 hours means a period of 24 hours including all or part of a day on which banks are open for business both in the place where any relevant Meeting is to be held and in the place where the Paying Agent has its Specified Office.

48 hours means 2 consecutive periods of 24 hours.

(b) Unless otherwise provided in these Rules, or the context requires otherwise, words and expressions used in the Rules shall have the meanings and the constructions ascribed to them in the Conditions.

2.2 **Interpretation**

(a) Any reference herein to an **Article** shall, except where expressly provided to the contrary, be a reference to an article of these Rules.

(b) A **successor** of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under any Transaction Document or to which, under such laws, such rights and obligations have been transferred.

(c) Any reference to any person defined as a **Transaction Party** in these Rules or in any Transaction Document or the Conditions shall be construed so as to include its and any subsequent successors and transferees in accordance with their respective interests.

3. PURPOSE OF THE ORGANISATION

3.1 Each Noteholder is a member of the Organisation of the Noteholders.

3.2 The purpose of the Organisation of the Noteholders is to co-ordinate the exercise of the rights of the Noteholders and, more generally, to take any action necessary or desirable to protect the interest of the Noteholders.

TITLE II

MEETINGS OF THE NOTEHOLDERS

4. VOTING CERTIFICATES AND BLOCK VOTING INSTRUCTIONS

4.1 **Issue**

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 Block Voting Instruction instructing how the vote shall be casted and the appointed Proxy, in each case by arranging for their 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 of Noteholders.

A Voting Certificate or a Block 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 Block 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 Block 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.

4.2 **Mutually exclusive**

A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

4.3 **References to the blocking or release**

Reference to the blocking or release of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of any relevant clearing system.

5. VALIDITY OF BLOCK VOTING INSTRUCTIONS AND VOTING CERTIFICATES

A Block Voting Instruction or a Voting Certificate issued by a Euronext Securities Milan Account Holder shall be valid only if it is deposited at the Specified Office of the Paying Agent, or at any other place approved by the Representative of the Noteholders, at least 24 hours before the time of the relevant Meeting. If such a Block Voting Instruction or Voting Certificate is not deposited before such deadline, it shall not be valid unless the Chairman decides otherwise before the Meeting proceeds to business. If the Representative of the Noteholders so requires, satisfactory evidence of the identity of each Proxy named in a Block Voting Instruction or of each Holder or Proxy named in a Voting Certificate issued by a Euronext Securities Milan Account Holder shall be produced at the Meeting but the Representative of the Noteholders shall not be obliged to investigate the validity of a Block Voting Instruction or Voting Certificate or the identity of any Proxy named in a Voting Certificate or Block Voting Instruction or the identity of any Holder named in a Voting Certificate issued by a Euronext Securities Milan Account Holder.

6. CONVENING A MEETING

6.1 Convening a Meeting

The Representative of the Noteholders or the Issuer may convene separate or combined Meetings of the Noteholders of any Class or Classes at any time and the Representative of the Noteholders shall be obliged to do so upon the request in writing by Noteholders representing at least one-tenth of the aggregate Principal Amount Outstanding of the outstanding Notes of the relevant Class or Classes.

Any Disenfranchised Noteholders shall not be entitled to request to convene a Meeting in respect of the Disenfranchised Matters. It is understood that the Notes held by a Disenfranchised Noteholder shall be treated as if it were not outstanding and shall not be counted in or towards the threshold set out in above.

6.2 Meetings convened by Issuer

Whenever the Issuer is about to convene a Meeting, it shall immediately give notice in writing to the Representative of the Noteholders specifying the proposed day, time and place of the Meeting, and the items to be included in the agenda.

6.3 Time and place of Meetings

Every Meeting will be held on a date and at a time and place (located in the European Union) selected or approved by the Representative of the Noteholders.

6.4 Meetings via audio conference or teleconference

A Meeting may be held where there are Voters located at different places connected via audio-conference or video-conference, provided that:

(a) the Chairman may ascertain and verify the identity and legitimacy of those Voters, monitor the Meeting, acknowledge and announce to those Voters the outcome of the voting process;

(b) the person drawing up the minutes may hear well the meeting events being the subject-matter of the minutes;

(c) each Voter attending via audio-conference or video-conference may follow and intervene in the discussions and vote the items on the agenda in real time;

(d) the notice of the Meeting expressly states, where applicable, how Voters may obtain the necessary to attend the relevant Meeting via audio-conference and/or video-conference equipment; and

(e) for the avoidance of doubt, the Meeting is deemed to take place (located in the European Union) where the Chairman and the person drawing up the minutes will be.

7. NOTICE

7.1 Notice of meeting

At least 21 days' notice (exclusive of the day notice is delivered and of the day on which the relevant Meeting is to be held), specifying the date (falling no later than 30 (thirty) days after the date of delivery of such notice), time and place (located in the European Union) of the Meeting, must be given to the relevant Noteholders and the Paying Agent and any other agent appointed under Condition 10.4 (*Change of Paying Agent and appointment of additional paying agent*), with a copy to the Issuer,

where the Meeting is convened by the Representative of the Noteholders, or with a copy to the Representative of the Noteholders, where the Meeting is convened by the Issuer.

7.2 **Content of notice**

The notice shall set out the full text of any resolution to be proposed at the Meeting unless the Representative of the Noteholders agrees that the notice shall instead specify the nature of the resolution without including the full text and shall state that Voting Certificate for the purpose of such Meeting may be obtained from a Euronext Securities Milan Account Holder in accordance with the provisions of the CONSOB and Bank of Italy Joint Resolution, as amended from time to time and that for the purpose of obtaining Voting Certificates from the Euronext Securities Milan Account Holder or appointing Proxies under a Block Voting Instruction, Notes must (to the satisfaction of the Paying Agent) be held to the order of or placed under the control of the Euronext Securities Milan Account Holder or blocked in an account with a clearing system not later than 48 hours before the relevant Meeting.

7.3 **Validity notwithstanding lack of notice**

A Meeting is valid notwithstanding that the formalities required by this Article 7 are not complied with if the Holders of the Notes constituting the Principal Amount Outstanding of all outstanding Notes, the Holders of which are entitled to attend and vote, are represented at such Meeting and the Issuer and the Representative of the Noteholders are present at the Meeting.

8. CHAIRMAN OF THE MEETING

8.1 **Appointment of Chairman**

An individual (who may, but need not be, a Noteholder), nominated by the Representative of the Noteholders may take the chair at any Meeting, but if:

(a) the Representative of the Noteholders fails to make a nomination; or

(b) the individual nominated declines to act or is not present within 15 minutes after the time fixed for the Meeting,

the Meeting shall be chaired by the person elected by the majority of the Voters present, failing which, the Issuer shall appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was Chairman at the original Meeting.

8.2 **Duties of Chairman**

The Chairman ascertains that the Meeting has been duly convened and validly constituted, manages the business of the Meeting, monitors the fairness of proceedings, leads and moderates the debate, and defines the terms for voting.

8.3 **Assistance to Chairman**

The Chairman may be assisted by outside experts or technical consultants, specifically invited to assist in any given matter, and may appoint one or more vote-counters, who are not required to be Noteholders.

9. QUORUM

The quorum at any Meeting convened to vote on:

(a) an Ordinary Resolution relating to a Meeting of a particular Class or Classes will be two or more persons holding or representing at least 50 per cent of the Principal Amount Outstanding of the Notes then outstanding in that Class or these Classes or, at any adjourned Meeting two or more persons being or representing Noteholders of that Class or these Classes whatever the Principal Amount Outstanding of the Notes then outstanding so held or represented in such Class or Classes;

(b) an Extraordinary Resolution, other than in respect of a Basic Terms Modification, relating to a Meeting of a particular Class or Classes of Notes, will be two or more persons holding or representing at least 50 per cent of the Principal Amount Outstanding of the Notes then outstanding in that Class or those Classes, or at an adjourned Meeting, two or more persons being or representing Noteholders of that Class or those Classes whatever the Principal Amount Outstanding of the Notes then outstanding so held or represented in such Class or Classes;

(c) an Extraordinary Resolution, in respect of a Basic Terms Modification (which must be proposed separately to each Class of Noteholders), will be two or more persons holding or representing at least 75 per cent of the Principal Amount Outstanding of the Notes then outstanding in the relevant Class, or at an adjourned Meeting, two or more persons being or representing Noteholders of that Class whatever the Principal Amount Outstanding of the Notes so held or represented in such Class;

provided that if in respect of any Class of Notes the Paying Agent has received evidence that all the Notes of that Class are held by a single Holder and the Voting Certificates and/or Block Voting Instructions so confirm then a single Voter appointed in relation thereto or being the Holder of the Notes thereby represented shall be deemed to be two Voters for the purpose of forming a quorum.

Any Disenfranchised Noteholder shall not be entitled to participate to a Meeting concerning a Disenfranchised Matter. It is understood that the Notes held by a Disenfranchised Noteholder shall be treated as if it were not outstanding and shall not be counted in or towards the required quorum set out in this Article 9.

10. ADJOURNMENT FOR WANT OF QUORUM

If a quorum is not present within 15 minutes after the time fixed for any Meeting:

(a) if such Meeting was requested by Noteholders, the Meeting shall be dissolved; and

(b) in any other case, the Meeting (unless the Issuer and the Representative of the Noteholders otherwise agree) shall, subject to paragraphs (i) and (ii) below, be adjourned to a new date no earlier than 14 days and no later than 42 days after the original date of such Meeting, and to such place (located in the European Union) as the Chairman determines with the approval of the Representative of the Noteholders provided that:

(i) no Meeting may be adjourned more than once for want of a quorum; and

(ii) the Meeting shall be dissolved if the Issuer and the Representative of the Noteholders together so decide.

11. ADJOURNED MEETING

Except as provided in Article 10 (*Adjournment for want of quorum*), the Chairman may, with the prior consent of any Meeting, and shall if so directed by any Meeting, adjourn such Meeting to a new date no earlier than 14 days and no later than 42 days after the original date of such Meeting, and to such place (located in the European Union) as the Chairman determines with the approval of the Representative of the Noteholders. No business shall be transacted at any adjourned Meeting except business which might have been transacted at the Meeting from which the adjournment took place.

12. NOTICE FOLLOWING ADJOURNMENT

12.1 Notice required

Article 7 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for lack of a quorum except that:

(a) 10-days' notice (exclusive of the day on which the notice is delivered and of the day on which the Meeting is to be resumed) shall be sufficient; and

(b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

12.2 Notice not required

It shall not be necessary to give notice of resumption of any Meeting adjourned for reasons other than those described in Article 10 (*Adjournment for want of a quorum*).

13. PARTICIPATION

The following categories of persons may attend and speak at a Meeting:

(a) Voters;

(b) the directors and the auditors of the Issuer;

(c) representatives of the Issuer and the Representative of the Noteholders;

(d) financial advisers to the Issuer and the Representative of the Noteholders;

(e) legal advisers to the Issuer and the Representative of the Noteholders;

(f) any other person authorised by virtue of a resolution of such Meeting or by the Representative of the Noteholders.

14. VOTING BY SHOW OF HANDS

14.1 Every question submitted to a Meeting shall be decided in the first instance by a vote by a show of hands.

14.2 Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed or passed by a particular majority or rejected, or rejected by a particular majority, shall be conclusive without proof of the number of votes cast for, or against, the resolution.

15. VOTING BY POLL

15.1 Demand for a poll

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Representative of the Noteholders or one or more Voters representing or holding not less than one-fiftieth of the Principal Amount Outstanding of the outstanding Notes conferring the right to vote at the Meeting. A poll may be taken immediately or after such adjournment as is decided by the Chairman but any poll demanded on the election of a Chairman or on any question of adjournment shall be taken immediately. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business.

15.2 The Chairman and a poll

The Chairman sets the conditions for the voting, including for counting and calculating the votes, and may set a time limit by which all votes must be cast. Any vote which is not cast in compliance with the terms specified by the Chairman shall be null. After voting ends, the votes shall be counted and after the counting the Chairman shall announce to the Meeting the outcome of the vote.

16. VOTES

16.1 Voting

Each Voter shall have:

(a) on a show of hands, one vote; and

(b) on a poll, one vote for each €100,000 in aggregate face amount of outstanding Notes represented or held by the Voter.

16.2 Block Voting Instruction

Unless the terms of any Block Voting Instruction or Voting Certificate appointing a Proxy state otherwise, a Voter shall not be obliged to exercise all the votes to which such Voter is entitled or to cast all the votes he exercises the same way.

16.3 Voting tie

In the case of a voting tie, the relevant resolution shall be deemed to have been rejected.

17. VOTING BY PROXY

17.1 Validity

Any vote by a Proxy in accordance with the relevant Block Voting Instruction or Voting Certificate appointing a Proxy shall be valid even if such Block Voting Instruction or any instruction pursuant to which it has been given had been amended or revoked provided that none of the Issuer, the Representative of the Noteholders or the Chairman, has been notified in writing of such amendment or revocation at least 24 hours prior to the time set for the relevant Meeting.

17.2 Adjournment

Unless revoked, the appointment of a Proxy under a Block Voting Instruction or Voting Certificate in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment save that no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any person appointed to vote at such Meeting must be re-appointed under a Block

Voting Instruction or Voting Certificate to vote at the Meeting when it is resumed.

18. ORDINARY RESOLUTIONS

18.1 Powers exercisable by Ordinary Resolution

Subject to Article 19 (*Extraordinary Resolutions*), a Meeting shall have power exercisable by Ordinary Resolution, to:

(a) grant any authority, order or sanction which, under the provisions of these Rules, the Conditions, is required to be the subject of an Ordinary Resolution or required to be the subject of a resolution or determined by a Meeting and not required to be the subject of an Extraordinary Resolution; and

(b) authorise the Representative of the Noteholders or any other person to execute all documents and do all things necessary to give effect to any Ordinary Resolution.

18.2 Ordinary Resolution of a single Class

No Ordinary Resolution of any Class of Noteholders Notes which is not the Most Senior Class of Notes shall be effective unless it is sanctioned by an Ordinary Resolution of the Most Senior Class of Notes.

19. EXTRAORDINARY RESOLUTIONS

A Meeting, in addition to any powers assigned to it in the Conditions, shall have power exercisable by Extraordinary Resolution to:

(a) approve any Basic Terms Modification;

(b) approve any modification, abrogation, variation or compromise of the provisions of these Rules, the Conditions or of any Transaction Document or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes which, in any such case, is not a Basic Terms Modification and which shall be proposed by the Issuer, the Representative of the Noteholders and/or any other party thereto;

(c) in accordance with Article 29 (*Appointment, Removal and Remuneration*), appoint and remove the Representative of the Noteholders;

(d) authorise the Representative of the Noteholders to issue an Issuer Trigger Notice as a result of an Issuer Trigger Event pursuant to Condition 12 (*Issuer Trigger Events*);

(e) discharge or exonerate, including retrospectively, 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 authorisation or approval, which, under the provisions of these Rules or of the Conditions, must be granted by an Extraordinary Resolution;

(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) waive any breach or authorise any proposed breach by the Issuer or (if relevant) any other Transaction Party of its obligations under or in respect of these Rules, the Notes or any other Transaction Document or any act or omission which might otherwise constitute an Issuer

Trigger Event under the Notes or which shall be proposed by the Issuer and/or the Representative of the Noteholders;

(i) appoint any persons as a committee to represent the interests of the Noteholders and confer on any such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution;

(j) authorise the Representative of the Noteholders (subject to its being indemnified and/or secured to its satisfaction) and/or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution.

19.2 **Basic Terms Modification**

No Extraordinary Resolution involving a Basic Terms Modification that is passed by the Holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes then outstanding.

19.3 **Extraordinary Resolution of a single Class**

No Extraordinary Resolution to approve any matter other than a Basic Terms Modification of any Class of Noteholders which is not the Most Senior Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class of Notes.

20. SWAP COUNTERPARTY ENTRENCHED RIGHTS

Notwithstanding any other provision of the Conditions or any other Transaction Documents, no Ordinary Resolution or Extraordinary Resolution may authorise or sanction any Swap Counteparty Entrenched Right, unless the Representative of the Noteholders has received the consent of the relevant Swap Counterparty in relation to it.

21. EFFECT OF RESOLUTIONS

21.1 **Binding Nature**

Subject to Article 18.2 (*Ordinary Resolution of a single Class*), Article 19.2 (*Basic Terms Modification*), Article 19.3 (*Extraordinary Resolution of a single Class*) and Article 20 (*Swap Counterparty Entrenched Rights*) which take priority over the following:

(a) any resolution passed at a Meeting of the Noteholders of one or more Classes of Notes duly convened and held in accordance with these Rules shall be binding upon all Noteholders of such Class or Classes, whether or not present at such Meeting and whether or not voting; and

(b) any resolution passed at a Meeting of the Most Senior Class of Notes duly convened and held as aforesaid shall also be binding upon all the other Classes of Notes irrespective of the effect therof on their interest,

and, in each case, all of the relevant Classes of Noteholders shall be bound to give effect to any such resolutions accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof.

21.2 **Notice of Voting Results**

Notice of the results of every vote on a Resolution duly considered by Noteholders shall be published (at the cost of the Issuer) in accordance with the Conditions and given to the Paying Agent (with a

copy to the Issuer and the Representative of the Noteholders within 14 days of the conclusion of each Meeting).

22. CHALLENGE TO RESOLUTIONS

Any absent or dissenting Noteholder has the right to challenge Resolutions which are not passed in compliance with the provisions of these Rules.

23. MINUTES

Minutes shall be made of all resolutions and proceedings of each Meeting. The minutes shall be signed by the Chairman and shall be *prima facie* evidence of the proceedings therein recorded. Unless and until the contrary is proved, every Meeting in respect of which minutes have been signed by the Chairman shall be regarded as having been duly convened and held and all resolutions passed or proceedings transacted at such Meeting shall be regarded as having been duly passed and transacted. The minutes shall be recorded in the minute book of Meetings of Noteholders maintained by the Issuer (or the Corporate Servicer on behalf of the Issuer).

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 Ordinary Resolution, as if it were an Ordinary Resolution.

25. JOINT MEETINGS

Subject to the provisions of these Rules, the Conditions, joint Meetings of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class F Noteholders may be held to consider the same Ordinary Resolution or Extraordinary Resolution and the provisions of these Rules shall apply *mutatis mutandis* thereto.

26. SEPARATE AND COMBINED MEETINGS OF NOTEHOLDERS

The following provisions shall apply in respect of Meetings where outstanding Notes belong to more than one Class:

(a) business which, in the sole opinion of the Representative of the Noteholders, affects only one Class of Notes shall be transacted at a separate Meeting of the Noteholders of such Class;

(b) business which, in the sole opinion of the Representative of the Noteholders, affects more than one Class of Notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one Class of Notes and the Noteholders of any other Class of Notes shall be transacted either at separate Meetings of the Noteholders of each such Class of Notes or at a single Meeting of the Noteholders of all such Classes of Notes as the Representative of the Noteholders shall determine in its absolute discretion; and

(c) business which, in the sole opinion of the Representative of the Noteholders, affects the Noteholders of more than one Class of Notes and gives rise to an actual or potential conflict of interest between the Noteholders of one such Class of Notes and the Noteholders of any other Class of Notes shall be transacted at separate Meetings of the Noteholders of each such Class.

27. INDIVIDUAL ACTIONS AND REMEDIES

27.1 Each Noteholder has accepted and is bound by the provisions of Condition 9 (*Limited Recourse and Non Petition*) and, accordingly, if any Noteholder is considering bringing individual actions or using

other individual remedies to enforce his/her rights under the Notes, any such action or remedy shall be subject to a Meeting not passing an Extraordinary Resolution objecting to such individual action or other remedy on the grounds that it is not consistent with such Condition. In this respect, the following provisions shall apply:

(a) the Noteholder intending to enforce his/her rights under the Notes will notify the Representative of the Noteholders of his/her intention;

(b) the Representative of the Noteholders will, without delay, call a Meeting in accordance with these Rules;

(c) if the Meeting passes an Extraordinary Resolution objecting to the enforcement of the individual action or remedy, the Noteholder will be prevented from taking such action or remedy (without prejudice to the fact that after a reasonable period of time, the same matter may be resubmitted for review of another Meeting); and

(d) if the Meeting of Noteholders does not object to an individual action or remedy, the Noteholder will not be prohibited from taking such individual action or remedy.

27.2 No Noteholder will be allowed to take any individual action or remedy to enforce his/her rights under the Notes unless a Meeting of the holders of the Most Senior Class of Notes has been held to resolve on such action or remedy in accordance with the provisions of this Article 27.

28. FURTHER REGULATIONS

Subject to all other provisions contained in these Rules, the Representative of the Noteholders may, without the consent of the Issuer, prescribe such further regulations regarding the holding of Meetings and attendance and voting at them and/or the provisions of a Written Resolution as the Representative of the Noteholders in its sole discretion may decide.

TITLE III

THE REPRESENTATIVE OF THE NOTEHOLDERS

29. APPOINTMENT, REMOVAL AND REMUNERATION

29.1 Appointment

The appointment of the Representative of the Noteholders takes place by Extraordinary Resolution of the Most Senior Class of Noteholders in accordance with the provisions of this Article 29, except for the appointment of the first Representative of the Noteholders which will be Zenith.

29.2 Identity of Representative of the Noteholders

The Representative of the Noteholders shall be:

(a) a bank incorporated in any jurisdiction of the European Union, or a bank incorporated in any other jurisdiction acting through an Italian branch; or

(b) a company or financial institution enrolled with the register held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act; or

(c) any other entity which is not prohibited from acting in the capacity of Representative of the Noteholders pursuant to the law.

The directors and auditors of the Issuer and those who fall within the conditions set out in article 2399 of the Italian civil code cannot be appointed as Representative of the Noteholders, and if appointed as such they shall be automatically removed.

29.3 Duration of appointment

Unless the Representative of the Noteholders is removed by Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes pursuant to Article 19 (*Extraordinary Resolutions*) or resigns pursuant to Article 30 (*Resignation of the Representative of the Noteholders*), it shall remain in office until full repayment or cancellation of all the Notes.

29.4 After termination

In the event of a termination of the appointment of the Representative of the Noteholders for any reason whatsoever, such representative shall remain in office until the substitute Representative of the Noteholders, which shall be an entity specified in Article 29.2 (*Identity of Representative of the Noteholders*), accepts its appointment, and the powers and authority of the Representative of the Noteholders the appointment of which has been terminated shall, pending the acceptance of its appointment by the substitute, be limited to those necessary to perform the essential functions required in connection with the Notes.

29.5 Remuneration

The Issuer shall pay to the Representative of the Noteholders an annual fee for its services as Representative of the Noteholders from the Issue Date, as agreed in a separate fee letter. Such fees, other than an initial fee which will be paid on the Issue Date, shall accrue from day to day and shall be payable in accordance with the Priority of Payments up to (and including) the date when the Notes shall have been repaid in full or cancelled in accordance with the Conditions. The Issuer shall also reimburse any reasonable out-of-pocket costs or expenses duly documented and properly incurred by the Representative of the Noteholders in connection with the performance of its services under the

Transaction Documents, including but not limited to cost and expenses related to any advice, certificate, opinion or information obtained from any lawyer, accountant, banker, broker, credit or rating agencies or other expert in accordance with the Transaction Documents.

If the Representative of the Noteholders considers it expedient or necessary or is requested by the Issuer to undertake duties which the Representative of the Noteholders and the Issuer agree to be with a frequency higher than the one requested as at the date of execution of the Subscription Agreement or of an exceptional nature or otherwise objectively outside the scope of the normal duties of the Representative of the Noteholders under the Subscription Agreement, the Mandate Agreement and the Intercreditor Agreement, the Issuer shall pay to the Representative of the Noteholders such additional remuneration as shall be agreed in good faith between them and notified in advance to the Rating Agencies having regard to the average market remuneration for the relevant activities. If the Representative of the Noteholders and the Issuer fail to agree upon whether any duties are with a frequency higher than the one requested as at the date hereof or of an exceptional nature or otherwise objectively outside the scope of the normal duties of the Representative of the Noteholders, or upon such additional remuneration, then such matter shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Representative of the Noteholders and approved by the Issuer or, failing such approval, nominated (on the application of either the Issuer or the Representative of the Noteholders) by a third investment bank (the expenses involved in such nomination and the fees of such investment banks being payable by the Issuer) and the determination of any such investment bank shall be final and binding upon the Representative of the Noteholders and the Issuer.

The above fees and remuneration shall accrue from day to day starting from the Issue Date (inclusive) and shall be payable in accordance with the applicable Priority of Payments up to (and including) the earlier of (i) the date upon which the appointment of the Representative of the Noteholders terminates in accordance with these Rules, (ii) the date on which the Notes have been repaid in full or cancelled, and (iii) the Final Maturity Date.

30. RESIGNATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS

The Representative of the Noteholders may resign at any time by giving at least three calendar months' written notice to the Issuer, without needing to provide any specific reason for the resignation 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 new Representative of the Noteholders has been appointed in accordance with Article 29.1 (*Appointment*) and such new Representative of the Noteholders has accepted its appointment and adhered to the Intercreditor Agreement and the other relevant Transaction Documents, provided that if Noteholders fail to select a new Representative of the Noteholders within three months of written notice of resignation delivered by the Representative of the Noteholders, the Representative of the Noteholders may appoint a successor which is a qualifying entity pursuant to Article 29.2 (*Identity of the Representative of the Noteholders*).

31. DUTIES AND POWERS OF THE REPRESENTATIVE OF THE NOTEHOLDERS

31.1 Representative of the Noteholders is legal representative

The Representative of the Noteholders is the legal representative of the Organisation of the Noteholders and has the power to exercise the rights conferred on it by the Transaction Documents in order to protect the interests of the Noteholders.

Without prejudice to, and in addition to, the above, by subscribing or purchasing any Note, each Noteholder will be deem to have appointed the Representative of the Noteholders to act as agent des sûretés pursuant to articles 2488-6 et seq. of the French Civil Code under and in connection with the French Law Pledge Agreement and on the terms of Title III and of Title IV. The appointment of the

Representative of the Noteholders as *agent des sûretés* ends on the date on which the appointment of the Representative of the Noteholders ends in accordance with, and subject to, the terms and conditions of Article 29.3 or 30 above, as applicable.

In connection with the French Law Pledge Agreement only, it is intended that the Representative of the Noteholders will act as *agent des sûretés* under French law in its relations with any third party, despite the choice of Italian law as the governing law of these Rules.

31.2 **Meetings and Resolutions**

Unless any Resolution provides to the contrary, the Representative of the Noteholders is responsible for implementing all Resolutions of the Noteholders. The Representative of the Noteholders has the right to convene and attend Meetings to propose any course of action which it considers from time to time necessary or desirable.

31.3 **Delegation**

The Representative of the Noteholders may in the exercise of the powers, discretions and authorities vested in it by these Rules and the Transaction Documents:

(a) act by responsible officers or a responsible officer for the time being of the Representative of the Noteholders;

(b) whenever it considers it expedient and in the interest of the Noteholders, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons some, but not all, of the powers, discretions or authorities vested in it as aforesaid.

Any delegation pursuant to Article 31.3.2 may be made upon such conditions and subject to such regulations (including power to sub-delegate) as the Representative of the Noteholders may think fit in the interest of the Noteholders. The Representative of the Noteholders shall not be bound to supervise the acts or proceedings of such delegate or sub-delegate and shall not in any way or to any extent be responsible for any loss incurred by reason of any misconduct, omission or default on the part of such delegate or sub-delegate, provided that the Representative of the Noteholders shall use all reasonable care in the appointment of any such delegate and shall be responsible for the instructions given by it to such delegate. The Representative of the Noteholders shall, as soon as reasonably practicable, give notice to the Issuer and the Rating Agencies of the appointment of any delegate and any renewal, extension and termination of such appointment, and shall procure that any delegate shall give notice to the Issuer of the appointment of any sub-delegate as soon as reasonably practicable.

31.4 **Judicial Proceedings**

The Representative of the Noteholders is authorised to initiate and to represent the Organisation of the Noteholders in any judicial proceedings including insolvency proceedings.

31.5 **Consents given by Representative of the Noteholders**

Any consent or approval given by the Representative of the Noteholders under these Rules and any other Transaction Document may be given on such terms and subject to (i) for so long as the Rated Notes have a rating by the Rating Agencies, a prior written notice being given to the Rating Agencies and (ii) such conditions (if any) as the Representative of the Noteholders deems appropriate and notwithstanding anything to the contrary contained in these Rules or in the Transaction Documents such consent or approval may be given retrospectively.

31.6 **Discretions**

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 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 gross negligence (*colpa grave*) or wilful misconduct (*dolo*).

31.7 **Obtaining instructions**

In connection with matters in respect of which the Representative of the Noteholders is entitled to exercise its discretion hereunder, the Representative of the Noteholders has the right (but not the obligation) to convene a Meeting or Meetings in order to obtain the Noteholders' instructions as to how it should act. Prior to undertaking any action, the Representative of the Noteholders shall be entitled to request that the Noteholders indemnify it and/or provide it with security as specified in Article 32.2 (*Specific limitations*).

31.8 **Issuer Trigger Events and Revolving Period Termination Events**

The Representative of the Noteholders may certify whether or not an Issuer Trigger Event or a Revolving Period Termination Event is in its opinion materially prejudicial to the interests of the Noteholders or any unlawfulness is material and any such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other party to the Transaction Documents.

31.9 **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 these Rules, the Notes or any other Transaction Documents may be remedied, and if the Representative of the Noteholders certifies that any such default is, in its sole opinion, not capable of being remedied, such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other party to the Securitisation.

32. EXONERATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS

32.1 **Limited obligations**

The Representative of the Noteholders shall not assume any obligations or responsibilities in addition to those expressly provided herein and in the Transaction Documents.

32.2 **Specific limitations**

Without limiting the generality of Article 31.1, the Representative of the Noteholders:

(a) shall not be under any obligation to take any steps to ascertain whether an Issuer Trigger Event, a Revolving Period Termination Event or any other event, condition or act, the occurrence of which would cause a right or remedy to become exercisable by the Representative of the Noteholders hereunder or under any other Transaction Document, has occurred and until the Representative of the Noteholders has actual knowledge or express notice to the contrary, it shall be entitled to assume that no Issuer Trigger Event or Revolving Period Termination Event, or such other event, condition or act has occurred;

(b) shall not be under any obligation to monitor or supervise the observance and performance by the Issuer or any other parties of their obligations contained in these Rules, the Transaction Documents or the Conditions and, until it shall have actual knowledge or express notice to the contrary, the Representative of the Noteholders shall be entitled to assume that the Issuer and each other party to the Transaction Documents are duly observing and performing all their respective obligations;

(c) except as expressly required in these Rules or any Transaction Document, shall not be under any obligation to give notice to any person of its activities in performance of the provisions of these Rules or any other Transaction Document;

(d) unless and to the extent ordered so to do by a court of competent jurisdiction, shall not 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, it being understood that in the event that the Representative of the Noteholders discloses any of such information, such information shall have to be disclosed to all the Noteholders and Other Issuer Creditors at the same time;

(e) shall not be responsible for investigating the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules or of any Transaction Document, or of any other document or any obligation or rights created or purported to be created hereby or thereby or pursuant hereto or thereto, and (without prejudice to the generality of the foregoing) it shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:

(i) the nature, status, creditworthiness or solvency of the Issuer;

(ii) the existence, accuracy or sufficiency of any legal or other opinion, search, report, certificate, valuation or investigation delivered or obtained or required to be delivered or obtained at any time in connection with the Notes or the Portfolio;

(iii) the suitability, adequacy or sufficiency of any collection procedure 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 Portfolio; and

(v) any accounts, books, records or files maintained by the Issuer, the Servicer and the Paying Agent or any other person in respect of the Portfolio;

(f) 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) shall have no responsibility for procuring or maintaining any rating or listing of the Notes (where applicable) by any credit or rating agency or any other person;

(h) shall not be responsible for or for investigating any matter which is the subject of any recital, statement, warranty, representation or covenant by any party other than the Representative of the Noteholders contained herein or in any Transaction Document or any certificate, document or agreement relating thereto or produced by any party to the Transaction Documents or for the execution, legality, validity, effectiveness, enforceability or admissibility in evidence thereof;

(i) shall not be liable for any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting these Rules or any Transaction Document;

(j) shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer in relation to the Portfolio or any part thereof, whether such defect or failure was known to the Representative of the Noteholders or might have been discovered upon examination or enquiry or whether capable of being remedied or not;

(k) shall not be under any obligation to guarantee or procure the repayment of the Portfolio or any part thereof;

(l) shall not be responsible for reviewing or investigating any report relating to the Portfolio provided by any person;

(m) shall not be responsible for or have any liability with respect to any loss or damage arising from the realisation of the Portfolio or any part thereof;

(n) shall not be responsible (except as expressly provided in the Conditions) for making or verifying any determination or calculation in respect of the Notes, the Portfolio or any Transaction Document;

(o) shall not be under any obligation to insure the Portfolio or any part thereof.

32.3 **Specific Permissions**

(a) When in these Rules or any Transaction Document the Representative of the Noteholders is required in connection with the exercise of its powers, trusts, authorities or discretions to have regard to the interests of the Noteholders, the Representative of the Noteholders shall have regard to the interests of the Noteholders as a class and shall not be obliged to have regarded to the consequences of such exercise for any individual Noteholder resulting from his or its being for any purpose domiciled, resident in or otherwise connected with or subject to the jurisdiction of any particular territory or taxing authority.

(b) The Representative of the Noteholders shall, as regards the exercise and performance of the powers, authorities, duties and discretions vested in it by the Transaction Documents, except where expressly provided otherwise herein or therein, have regard to the interests of both the Noteholders and the Other Issuer Creditors but if, in the sole opinion of the Representative of the Noteholders, there is a conflict between their interests the Representative of the Noteholders will have regard solely to the interest of the Noteholders (subject to Article 20 (*Swap Counterparty Entrenched Rights*)).

(c) Without prejudice to Article 19.2 (*Basic Terms Modification*), where the Representative of the Noteholders is required to consider the interests of the Noteholders and, in its sole opinion, there is a conflict between the interests of the Holders of different Classes of Notes, the Representative of the Noteholders will consider only the interests of the holders of the Most Senior Class of Notes.

(d) The Representative of the Noteholders may refrain from taking any action or exercising any right, power, authority or discretion vested in it under these Rules or any Transaction Document or any other agreement relating to the transactions herein or therein contemplated until it has been indemnified and/or secured to its satisfaction against any and all actions, proceedings, claims and demands which might be brought or made against it and against all costs, charges, damages, expenses and liabilities which may be suffered, incurred or sustained by it as a result. Nothing contained in the Rules or any of the other Transaction Documents

shall require the Representative of the Noteholders to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

32.4 **Notes held by Issuer**

The Representative of the Noteholders may assume without enquiry that no Notes are, at any given time, held by or for the benefit of the Issuer.

32.5 **Illegality**

No provision of these Rules shall require the Representative of the Noteholders to do anything which may be illegal or contrary to applicable law or regulations or to expend moneys or otherwise take risks in the performance of any of its duties, or in the exercise of any of its powers or discretion. The Representative of the Noteholders may refrain from taking any action which would or might, in its sole opinion, be contrary to any law of any jurisdiction or any regulation or directive of any agency of any state, or if it has reasonable grounds to believe that it will not be reimbursed for any funds it expends, or that it will not be indemnified against any loss or liability which it may incur as a consequence of such action. The Representative of the Noteholders may do anything which, in its sole opinion, is necessary to comply with any such law, regulation or directive as aforesaid.

33. RELIANCE ON INFORMATION

33.1 **Advice**

The Representative of the Noteholders may act on the advice of, a certificate or opinion of or any written information obtained from any lawyer, accountant, banker, broker, credit or rating agency or other expert whether obtained by the Issuer, the Representative of the Noteholders or otherwise and shall not, in the absence of gross negligence (*colpa grave*) or wilful misconduct (*dolo*) on the part of the Representative of the Noteholders, be responsible for any loss incurred by so acting.

33.2 **Transmission of Advice**

Any opinion, advice, certificate or information referred to in Article 32.1 (*Advice*) may be sent or obtained by letter, telegram, e-mail or fax transmission and the Representative of the Noteholders shall not be liable for acting on any opinion, advice, certificate or information purporting to be so conveyed although the same contains some error or is not authentic.

33.3 **Certificates of Issuer**

The Representative of the Noteholders may call for, and shall be at liberty to accept as sufficient evidence:

(a) as to any fact or matter *prima facie* within the Issuer's knowledge, a certificate duly signed by an authorised representative of the Issuer on its behalf;

(b) that such is the case, a certificate of an authorised representative of the Issuer on its behalf to the effect that any particular dealing, transaction, step or thing is expedient; and

(c) as sufficient evidence that such is the case, a certificate signed by an authorised representative of the Issuer on its behalf to the effect that the Issuer has sufficient funds to make an optional redemption under the Conditions.

and the Representative of the Noteholders shall not be bound in any such case to call for further evidence or be responsible for any loss that may be incurred as a result of acting on such certificate unless any of its officers responsible for the administration of the Securitisation shall have actual knowledge or express notice of the untruthfulness of the matters contained in the certificate.

33.4 **Resolution or direction of Noteholders**

The Representative of the Noteholders shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any Meeting in respect whereof minutes have been made and signed or a direction of the requisite percentage of Noteholders, even though it may subsequently be found that there was some defect in the constitution of the Meeting or the passing of the Written Resolution or the giving of such directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the giving of the direction was not valid or binding upon the Noteholders.

33.5 **Certificates of Euronext Securities Milan Account Holders**

The Representative of the Noteholders, in order to ascertain ownership of the Notes, may fully rely on the certificates issued by any Euronext Securities Milan Account Holder in accordance with the CONSOB and Bank of Italy Joint Resolution, as amended from time to time, which certificates are to be conclusive proof of the matters certified therein.

33.6 **Clearing Systems**

The Representative of the Noteholders shall be at liberty to call for and to rely on as sufficient evidence of the facts stated therein, a certificate, letter or confirmation certified as true and accurate and signed on behalf of such clearing system as the Representative of the Noteholders considers appropriate, or any form of record made by any clearing system, to the effect that at any particular time or throughout any particular period any particular person is, or was, or will be, shown its records as entitled to a particular number of Notes.

33.7 **Rating Agencies**

The Representative of the Noteholders shall be entitled to assume, for the purposes of exercising any power, authority, duty or discretion under or in relation to these Rules that such exercise will not be materially prejudicial to the interests of the Noteholders or, as the case may be, the Most Senior Class of Noteholders if the Rating Agencies have confirmed 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 may inform the Issuer, which will then obtain such views at its expense on behalf of the Representative of the Noteholders or the Representative of the Noteholders may seek and obtain such views itself at the cost of the Issuer.

33.8 **Certificates of Parties to Transaction Document**

The Representative of the Noteholders shall have the right to call for or require the Issuer to call for and to rely on written certificates issued by any party (other than the Issuer) to the Intercreditor Agreement or any other Transaction Document,

(a) in respect of every matter and circumstance for which a certificate is expressly provided for under the Conditions or any Transaction Document;

(b) as any matter or fact *prima facie* within the knowledge of such party; or

(c) as to such party's opinion with respect to any issue

and the Representative of the Noteholders shall not be required to seek additional evidence in respect of the relevant fact, matter or circumstances and shall not be held responsible for any loss, liability, cost, damage, expense, or charge incurred as a result of having failed to do so unless any of its officers responsible for the administration of the Securitisation shall have actual knowledge or express notice of the untruthfulness of the matter contained in the certificate.

33.9 **Auditors**

The Representative of the Noteholders shall not be responsible for reviewing or investigating any auditors' report or certificate and may rely on the contents of any such report or certificate.

34. MODIFICATIONS

34.1 **Modifications**

The Representative of the Noteholders may from time to time and without the consent or sanction of the Noteholders and subject to a prior notice to the Rating Agencies concur with the Issuer and any other relevant parties in making:

(a) any modification to these Rules, the Notes or to any of the Transaction Documents in relation to which its consent is required if, in the sole opinion of the Representative of the Noteholders, such modification is of a formal, minor, administrative or technical nature, is made to comply with mandatory provisions of law or is made to correct a manifest error;

(b) any modification to these Rules or any of the Transaction Documents (other than in respect of a Basic Terms Modification or any provision of these Rules or any of the Transaction Documents referred to in the definition of Basic Terms Modification) in relation to which its consent is required which, in the sole opinion the Representative of the Noteholders, is not materially prejudicial to the interests of the Holders of the Most Senior Class of Notes then outstanding; and

(c) any modification to these Rules or the Transaction Documents (other than in respect of a Basic Terms Modification or any provision of these Rules or any of the Transaction Documents referred to in the definition of a Basic Terms Modification) which the Issuer has requested the Representative of the Noteholders to approve in the context of any Further Securitisation referred to in Condition 5.12 (*Further securitisations*) and which, in the sole opinion of the Representative of the Noteholders, will not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes and the fact that the execution of the relevant amendment or modification would not adversely affect the then current ratings of the Rated Notes shall be conclusive evidence that the requested amendment or modification is not materially prejudicial to the interests of the Holders of the Most Senior Class of Notes.

34.2 **Additional modifications**

(a) Notwithstanding the provisions of Article 34.1 (*Modifications*), the Representative of the Noteholders shall be obliged, without any consent or sanction of the Noteholders or any of the Other Issuer Creditors (other than the Swap Counterparties), 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 7.5 (*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 7.5(c)(ii)(D):

(i) the Swap Counterparties have approved the proposed Alternative Base Rate; and

(ii) if, prior to the expiry of the 30 (thirty) day notice period described in Condition 7.5(d)(iv), the Issuer is notified by the holders of the Notes representing at least 10 per cent. of the Principal Amount Outstanding of the Notes that they object to the proposed Alternative Base Rate, 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 Notes representing at least a majority of the Principal Amount Outstanding of the Notes passed in accordance with these Rules.

(b) In addition, notwithstanding the provisions of Article 34.1 (*Modifications*), the Representative of the Noteholders shall be obliged, without any consent or sanction of the Noteholders or any of the Other Issuer Creditors (other than the Swap Counterparties), 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) 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 Servicer, on behalf of 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;

(ii) for the purposes of complying with the EU Securitisation Regulation and/or the UK Securitisation Regulation, provided that the Servicer, on behalf of 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 a firm providing verification services in relation to the Securitisation pursuant to article 28 of the EU Securitisation Regulation, is required solely for such purpose and has been drafted solely to such effect;

(iii) for the purposes of enabling the Issuer and/or the Swap Counterparties to comply with any obligation which applies to it under EMIR, provided that the Servicer on behalf of the Issuer or the Swap Counterparties, 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; and

(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 Servicer on behalf of 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 Servicer on behalf of the Issuer pursuant to any of paragraphs (i) to (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 any of paragraphs (i) to (iv) above if the following conditions have been satisfied (the **Modification Conditions**):

(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, or the Servicer on its behalf, 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 or Servicer (as applicable) formed on the basis of due consideration, a modification in respect of a Basic Terms Modification; and

(vi) either:

(A) the Issuer obtains from each of the Rating Agencies written confirmation that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agency and would not result in any Rating Agency placing the Rated Notes on rating watch negative (or equivalent) and delivers a copy of such confirmation to the Issuer and the Representative of the Noteholders; or

(B) the Servicer, on behalf of the Issuer, certifies in the Modification Certificate that it has notified each of the Rating Agencies of the proposed modification and, in the Servicer's reasonable opinion, 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).

Any modification made in accordance with this Article 34.2.2 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.

34.3 **Binding Notice**

Any such modification referred to in Article 34.1 (*Modifications*) or Article 34.2 (*Additional modifications*) shall be binding on the Noteholders and, unless the Representative of the Noteholders otherwise agrees, the Issuer shall procure that such modification is notified to the Noteholders and the Other Issuer Creditors as soon as practicable thereafter in accordance with provisions of the Conditions relating to notices of Noteholders and the relevant Transaction Documents.

34.4 **Modifications requested by the Noteholders**

The Representative of the Noteholders shall be bound to concur with the Issuer and any other party in making any modifications if it directed to do so by an Extraordinary Resolution of the Most Senior Class of Noteholders or, in the case of any modification which constitutes Basic Terms Modification, of the holders of each Class of the Notes but only if it is indemnified and/or secured to its satisfaction against all liabilities to which it may thereby render itself liable or which it may incur by so doing.

35. WAIVER

35.1 **Waiver of Breach**

The Representative of the Noteholders may at any time and from time to time in its sole direction and subject to a prior notice to the Rating Agencies, without prejudice to its rights in respect of any subsequent breach, condition, event or act, from time to time and at any time, but only if and in so far as in its opinion the interests of the Holders of the Most Senior Class of Notes then outstanding shall not be materially prejudiced thereby:

(a) authorise or waive, on such terms and subject to such conditions (if any) as it may decide, any proposed breach or breach of any of the covenants or provisions contained in the Notes or any of the Transaction Documents; or

(b) determine that any Issuer Trigger Event shall not be treated as such for the purposes of the Transaction Documents,

without any consent or sanction of the Noteholders.

35.2 **Binding Nature**

Any authorisation, waiver or determination referred in Article 34.1 (*Waiver of Breach*) shall be binding on the Noteholders.

35.3 **Restriction on powers**

The Representative of the Noteholders shall not exercise any powers conferred upon it by this Article 35 (*Waiver*) in contravention of any express direction by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or of a request or direction in writing made by the holders of not less than 25 per cent in aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding but so that no such direction or request:

(a) shall affect any authorisation, waiver or determination previously given or made; or

(b) shall authorise or waive any such proposed breach or breach relating to a Basic Terms Modification unless each Class of Notes has, by Extraordinary Resolution, so authorised its exercise.

35.4 **Notice of waiver**

Unless the Representative of the Noteholders agrees otherwise, the Issuer shall cause any such authorisation, waiver or determination to be notified to the Noteholders and the Other Issuer Creditors, as soon as practicable after it has been given or made in accordance with the provisions of the conditions relating to notices and the relevant Transaction Documents.

36. DEED OF CHARGE AND FRENCH LAW PLEDGE AGREEMENT

36.1 Deed of Charge

The Representative of the Noteholders is entitled to enter into the Deed of Charge in its capacity as trustee for the benefit of the Noteholders and Other Issuer Creditors and is entitled to exercise its rights and powers in relation to the Deed of Charge and the security created or purported to be created thereby, in each case on the terms set out in the Deed of Charge and the other Transaction Documents.

36.2 French Law Pledge Agreement

(a) In accordance with the provisions of article 2488-6 of the French Civil Code, the Representative of the Noteholders shall hold:

(i) the French Law Pledge Agreement;

(ii) the proceeds of any Security Interests created pursuant to the French Law Pledge Agreement; and

(iii) any other rights or assets acquired by the Representative of the Noteholders in connection with the French Law Pledge Agreement,

in its own name (*en son nom propre*) for the benefit of (*au profit de*) the Noteholders and the other parties designated as "Secured Parties" in the French Law Pledge Agreement (including the Other Issuer Creditors) (together, the **Secured Parties**) on the terms contained in Title III and Title IV. The Representative of the Noteholders shall hold those rights and assets set out in paragraphs (i) to (iii) above in its capacity as *agent des sûretés* and those rights and assets shall constitute, in accordance with article 2488-6 of the French Civil Code, an estate (*patrimoine affecté*) separate from all the Representative of the Noteholders' own assets.

(b) Each Noteholder, by subscribing or purchasing any Note:

(i) confirms its approval of the French Law Pledge Agreement;

(ii) authorises the Representative of the Noteholders as *agent des sûretés* to enter into, in its own name (*en son nom propre*) for the benefit of (*au profit de*) the Secured Parties, the French Law Pledge Agreement; and

(iii) authorises and directs the Representative of the Noteholders as *agent des sûretés* (either itself or by such person(s) as it may nominate) to exercise the rights, powers, authorities and discretions specifically given to the Representative of the Noteholders under the French Law Pledge Agreement and in particular to:

(A) enforce the French Law Pledge Agreement, and, in connection with any enforcement or any step to be taken in connection with any enforcement, to appoint any expert, to collect any sums, to give good discharge for any amount payable and to make any payment (including any Soulte (as defined in Title IV));

(B) take any action in the interest of the Secured Parties in any proceedings including filing a claim for any debt (*déclarer*) owed to a Noteholder or Other Issuer Creditor; and

(C) exercise any of the rights, powers, authorities and discretions which the Secured Parties would have had, if they had been parties as beneficiaries under the French Law Pledge Agreement including:

(1) giving any instruction to any third party in connection with any Security Interests created pursuant to the French Law Pledge Agreement;

(2) receiving any payment in respect of any Security Interests created pursuant to the French Law Pledge Agreement;

(3) completing any applicable registration requirements in connection with the French Law Pledge Agreement; and

(4) receiving any information which a secured creditor is entitled to receive with respect to the assets pledged under the French Law Pledge Agreement.

(c) In connection with any Security Interest created pursuant to the French Law Pledge Agreement, it is intended that the Representative of the Noteholders shall act as *agent des sûretés* under French law in its relations with any third party, despite the choice of Italian law as the governing law of the other Transaction Documents.

37. INDEMNITY

Pursuant to the Subscription Agreement, the Issuer has covenanted and undertaken to reimburse, pay or discharge (on a full indemnity basis) upon demand, to the extent not already reimbursed, paid or discharged by the Noteholders or any Other Issuer Creditor, all adequately documented costs, liabilities, losses, charges, expenses, damages, actions, proceedings, claims and demands properly incurred, or to be incurred, by or made, or to be made, against the Representative of the Noteholders or any entity to which the Representative of the Noteholders has delegated any power, authority or discretion in relation to the exercise or purported exercise of its powers, authorities and discretions and the performance of its duties under and otherwise in relation to these Rules and the Transaction Documents, including but not limited to all reasonable legal and travelling expenses and any stamp, issue, registration, documentary and other similar indirect taxes or duties paid by the Representative of the Noteholders in connection with any action and/or legal proceedings brought or contemplated by the Representative of the Noteholders pursuant to the Transaction Documents against the Issuer, or any other person to enforce any obligation under these Rules, the Notes or the Transaction Documents, except insofar as the same are incurred as a result of fraud (*frode*), gross negligence (*colpa grave*) or wilful misconduct (*dolo*) of the Representative of the Noteholders.

38. 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 fraud (*frode*), gross negligence (*colpa grave*) or wilful default (*dolo*).

TITLE IV

THE ORGANISATION OF THE NOTEHOLDERS AFTER SERVICE OF AN ENFORCEMENT NOTICE

39. POWERS

39.1 Exercise of rights in respect of the Portfolio

It is hereby acknowledged that, upon service of an Issuer Trigger Notice or prior to the service of an Issuer Trigger Notice, following the failure of the Issuer to exercise any right to which it is entitled, pursuant to the Mandate Agreement, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, shall be entitled (also in the interests of the Other Issuer Creditors) pursuant to articles 1411 and 1723 of the Italian civil code, to exercise certain rights in relation to the Portfolio. Therefore, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, will be authorised, pursuant to the terms of the Mandate Agreement, to exercise, in the name and on behalf of the Issuer and as *mandatario in rem propriam* of the Issuer, any and all of the Issuer's Rights under certain Transaction Documents, including the right to give directions and instructions to the relevant parties to the relevant Transaction Documents.

39.2 Soulte

(a) If the Representative of the Noteholders enforces the French Law Pledge Agreement by way of a transfer of ownership of any asset pledged thereunder, the Representive of the Noteholders shall become, in accordance with the relevant French Law Pledge Agreement and French law, the owner of that asset for the benefit of (*au profit de*) of the Secured Parties (as defined in Title III).

(b) If, after any such enforcement, the estimated value of the pledged assets exceeds the amount of the liabilities secured pursuant to the French Law Pledge Agreement and a soulte (the amount equal to that excess in value) in relation to that pledged assets (the **Soulte**) becomes payable to the Issuer, the Representative of the Noteholders shall:

(a) determine, for each Noteholder and Other Issuer Creditor whose liabilities are secured pursuant to the French Law Pledge Agreement are discharged by that enforcement, the portion of the Soulte which is attributable to that Noteholder and Other Issuer Creditor (its **Soulte Portion**); and

(b) promptly notify each Noteholder and Other Issuer Creditor of its Soulte Portion.

(c) In consideration of the Representative of the Noteholders acting as *agent des sûretés* in connection with the French Law Pledge Agreement and for the purpose of article 2366 of the French Civil Code, the Representative of the Noteholders, the Issuer and each Noteholders agree that each relevant Noteholder and Other Issuer Creditor is liable to pay its Soulte Portion (if any) to the Issuer.

(d) In consideration of the Secured Parties' undertaking to pay any Soulte in Article 39.2.3 above, the Issuer irrevocably and unconditionally:

(i) releases the Representative of the Noteholders from any liability to pay any Soulte to the Issuer in respect of the relevant pledged assets; and

(ii) waives any right it may have to claim payment of any Soulte from the Representative of the Noteholders and agrees not to make any such claim.

(e) Each relevant Noteholder and Other Issuer Creditor shall pay to the Representative of the Noteholders its Soulte Portion (if any) for payment to the Issuer promptly following any request by the Representative of the Noteholders.

(f) The obligations of each Noteholder and Other Issuer Creditor in respect of the payment of any Soulte are several.

(g) Failure by a Noteholder and Other Issuer Creditor to pay its Soulte Portion (if any) under this Article 39.2 does not affect the obligations of any other Noteholder and Other Issuer Creditor to pay its Soulte Portion under this Article 39.2.

(h) No Noteholder and Other Issuer Creditor is responsible for the obligations of any other Noteholder and Other Issuer Creditor under this Article 39.2.

TITLE V

GOVERNING LAW AND JURISDICTION

40. GOVERNING LAW

These Rules and any non-contractual obligations arising out of or in connection with it are governed by, and will be construed in accordance with, the laws of the Republic of Italy.

41. JURISDICTION

The Courts of Milan will have jurisdiction to hear and determine any suit, action or proceedings and to settle any disputes which may arise out of or in connection with these Rules and any non-contractual obligations arising out thereof or in connection therewith.

SELECTED ASPECTS OF ITALIAN LAW

The Securitisation Law

The Securitisation Law was enacted on 30 April 1999 and was conceived to simplify the securitisation process and to facilitate the increased use of securitisation as a financing technique in Italy.

It applies, *inter alia*, to securitisation transactions involving a "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 and all amounts paid by the debtors in respect of the receivables are to be used by the relevant company exclusively to meet its obligations under notes issued to fund the purchase of such claims and all costs and expenses associated with the securitisation transaction.

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 performs the securitisation (including any other asset purchased by such company pursuant to the Securitisation Law). Prior to and on a winding up of such a company such receivables 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 receivables. In addition, the receivables 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.

The assignment

The assignment of the receivables under the Securitisation Law will be governed by article 58 paragraphs 2, 3 and 4 of the Consolidated Banking Act. The prevailing interpretation of this provision, which view has been strengthened by article 4 of the Securitisation Law, is that the assignment can be perfected against the Originator, the debtors in respect of the assigned debts, and third party creditors by way of publication of the relevant notice in the Official Gazette by way of registration of the assignment in the companies' register (*registro delle imprese*) at which the purchaser is registered, so avoiding the need for notification to be served on each debtor.

As from the latest to occur between the date of publication of the notice of the assignment in the Official Gazette and the date of registration of such notice with the companies' register at which the purchaser is registered, the assignment becomes enforceable against:

(a) the debtors and any creditors of the Originator who have not, prior to the date of publication of the notice, commenced enforcement proceedings in respect of the relevant receivables;

(b) the liquidator or any other insolvency officials of the debtors (so that any payments made by a debtor to the special purpose company may not be subject to any claw-back action according to article 166 of the Italian Insolvency Code or declaration of ineffectiveness pursuant to article 164 of the Italian Insolvency Code); and

(c) other permitted assignees of the Originator who have not perfected their assignment prior to the date of publication.

Upon the completion of the formalities referred to above, the benefit of any privilege, guarantee or security interest guaranteeing or securing repayment of the assigned receivables will automatically be transferred to and perfected with the same priority in favour of the purchaser, without the need for any formality or annotation.

As from the latest to occur between the date of publication of the notice of the assignment in the Official Gazette and the date of registration of such notice with the companies' register at which the purchaser is registered, no legal action may be brought in respect of the debt assigned or the sums derived therefrom other than for the purposes of enforcing the rights of the noteholders in relation to the notes issued for the purpose of financing the acquisition of the relevant debts and to meet the costs of the transaction.

Notice of the assignment of the Receivables comprised in the Initial Portfolio pursuant to the Master Receivables Purchase Agreement was published in the *Gazzetta Ufficiale della Repubblica Italiana*, *Parte Seconda*, number 67 of 8 June 2023 and was registered in the companies' register of Milano - Monza Brianza - Lodi on 6 June 2023.

Insolvency laws applicable to the Originator

Findomestic is a credit institution (as defined in article 1.1 of Directive 2000/12/CE) and its "home Member State" (as that term is defined in article 2 of Directive 2001/24/EC on the re-organisation and winding up of credit institutions by reference to article 1.6 of Directive 2000/12/EC) is located within the territory of the Republic of Italy, therefore the Originator would be subject to Italian insolvency laws that do not contain severe clawback provisions within the meaning of articles 20(2) and 20(3) of the EU Securitisation Regulation.

In addition, although as at the date of this Prospectus 100 per cent. of the share capital of Findomestic is owned by BNP Paribas Personal Finance S.A., in case of insolvency of BNP Paribas Personal Finance S.A. the French laws would not *per se* apply to a possible claw back action aimed at the recovery of Findomestic's assets on the basis that Findomestic would be subject to insolvency proceedings only to the extent that it is found to be insolvent.

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.

Consumer credit provisions

(i) *Consumer credit provisions and enactment of Law Decree 141* – The Portfolio includes, *inter alia*, Loans which qualify as "consumer loans", i.e. loans extended to individuals acting outside the scope of their entrepreneurial, commercial, craft or professional activities. In Italy consumer loans are regulated by, amongst others: (i) articles 121 to 126 of the Consolidated Banking Act and (ii) 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.

(ii) *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 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.

(iii) *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 (the inter-ministerial committee for credit and savings), such levels being fixed at €30,987.41 and €154.94 respectively. Current article 122 of the Consolidated Banking Act rules that provisions concerning consumer loans apply to loans granted for amounts from €200 (included) to €75,000 (included); moreover, the same article 122 sets a list of other deeds and agreement which shall not be considered as consumer loans.

(iv) *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

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 7 June 2017.

The enforcement proceedings in general

The enforcement proceedings can be carried out on the basis of final judgments or other legal instruments known collectively as *titoli esecutivi*.

Save where the law provides otherwise, the enforcement must be preceded by service of the order for the execution (*formula esecutiva*) and the notice to comply (*atto di precetto*).

The notice to comply (*atto di precetto*) is a formal notice by a creditor to his debtor advising that the enforcement proceedings will be initiated if the obligation specified in the title is not fulfilled within a given period (not less than ten days but not more than 90 days from the date on which the notice to comply (*atto di precetto*) is served). If delay would be prejudicial, the court may reduce or eliminate this period upon a justified request of the creditor.

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:

- distraint and forced liquidation of mobile goods in possession of the debtor;
- distraint and forced liquidation of debtor's receivables or mobile goods in possession of third parties; and
- 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.

Distraint and forced liquidation of assets are carried out in the following steps:

- first, the debtor's goods are seized;
- second, other creditors may intervene;
- third, the debtor's assets are liquidated; and
- fourth, the creditor is paid, or the proceeds from the liquidation of the debtor's assets are distributed amongst the creditors.

Seizure of assets is the necessary first step in forcing the liquidation of a property, when it is not already held in pledge.

Enforcement proceedings of mobile goods in possession of the debtor

With reference to the seizure and forced liquidation of mobile goods in possession of the debtor, seizure begins with the application of the lawyer to the bailiff to proceed at the debtor's house/office or other place and to seize all the debtor's movable assets he will find there. The bailiff may look for the movables assets to seize in the debtor's house or in other places related to him and he is free to evaluate assets found and keep them seized. However, certain items of personal property cannot be seized.

After the seizure, the bailiff writes a record that contains the injunction to the debtor to refrain from any act that would interfere with the liquidation of the seized property and the description of the movables beings seized. Normally the debtor is named as custodian of the assets since any interference by causing the destruction, deterioration, or removal of seized property is a criminal offence.

After the seizure, the bailiff must deposit the record and the title executed and the notice to comply in the chancery of the execution judge. In this moment the chancellor will open the file of the execution.

After the deposit of the written petition above, the judge fixes 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 fixes 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 that 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 others creditors intervened in the execution, the judge will pay the secured creditor's principal debt and the interests and also the costs of the enforcement proceedings with the sale's proceeds. If there are more than one secured creditor or if there are intervened creditors, they may prepare a project of distribution and propose it to the judge. If the judge is 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.

In addition to securing the creditor's rights, seizure serves the purpose of identifying the property to be liquidated. When movables in the possession of the debtor are seized, the bailiff must draw up a protocol describing the seized assets and indicating their value. When real estates are seized, distraint is recorded in the land registry, and the value should be set by a special technician appointed by the judge.

The seized assets are entrusted to a custodian. Although the debtor himself may be appointed custodian, he normally may neither use seized property nor keep rents, profits, interest, and similar revenues. Seizure also covers rents, profits, interest, and other revenues of the seized property.

The debtor may avoid the seizure by paying the amount due to the 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 seized 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 may select various types of property and may bring proceedings in more than one district. However, if he selects more properties than necessary to satisfy his right, the debtor may apply to have this selection restricted. The creditor who requested the seizure must apply for the sale by auction of the seized assets within a deadline of ninety days, otherwise the seizure lapses.

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. Unless the property is perishable, a motion to sell or assign it may not be made until at least ten days after distraint, but within 90 days.

The creditor who applies for the sale has the duty to anticipate court expenses and the sale fees.

Seized movable property may be sold through acquiring sealed bids (*vendita senza incanto*) or auction (*vendita con incanto*). Seized property may as well be offered for sale in several lots. Once the required amount has been obtained, the sale is discontinued.

Seized 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:

- costs and expenses of the proceeding are paid first;
- preferred creditors are paid in the order of their degree of priority;
- unsecured creditors who commenced or intervened into the proceeding in due time are paid: they share equally, in proportion to the amount of their claims, if there are insufficient funds to satisfy them;
- 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
- any surplus is returned to the debtor.

If there is any dispute concerning the distribution of proceeds, the judge hears the parties and he will decide. In this case distribution of the proceeds is suspended except to the extent to which it can be effected without prejudicing the rights of the claimants.

Subrogation

Legislative 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 mortgage loan market. Legislative Decree 141 repealed article 8 (except for paragraphs 4-*bis*, 4-*ter* and 4-*quater*) of the Bersani Decree, 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 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% 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*), implementing Legislative Decree dated December 27, 1992, No. 87, the accounting information relating to the securitisation of the Receivables are normally included 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.

Legislative Decree no. 87 of 27 December 1992 has been repealed, hence all the relevant regulations issued thereunder, including the Accounting Regulations, should be deemed not to be still effective. However, absent any different provision of law, regulations or interpretation, concerning the accounting treatment of the companies incorporated under the Securitisation Law, the mentioned Accounting Regulations might still be considered applicable.

TAXATION

The statements herein regarding taxation are based on the laws in force and published practice of the Italian tax authorities issued as at the date of this Prospectus and are subject to any changes in law 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 may be subject to special rules.

The following summary will not be updated by the Issuer after the Issue Date to reflect changes in laws after the Issue Date and, if such a change occurs, the information in this summary could become invalid. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes.

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 Notes

Under the current legislation, pursuant to article 6 of the Securitisation Law, and pursuant to Legislative Decree no. 239 of 1 April 1996, as subsequently amended and restated (**Decree 239**), where the holder of the Notes is the beneficial owner of payments of interest, premium and other income (including any difference between the redemption amount and the issue price, hereinafter collectively referred to as **Interest**) 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 *società in accomandita semplice* or similar partnership) or a *de facto* partnership not carrying out commercial activities;

(iii) a non-commercial public or private institution (other than a company), a trust not carrying out mainly or exclusively commercial activities; and

(iv) an investor exempt from Italian corporate income taxation,

Interest payments relating to the Notes are subject to a withholding tax, referred to as *imposta sostitutiva*, levied at the rate of 26 per cent. (either when Interest is paid or when payment thereof is obtained by the holder on a sale of the Notes), unless the relevant holder of the Notes has entrusted the management of his financial assets, including the Notes, to an authorised intermediary and has opted for the so called "*regime del risparmio gestito*" (the **Asset Management Regime**) according to Article 7 of Italian Legislative Decree no. 461 of 21 November 1997, as amended (see "*Capital gains tax*" below).

If the holder of the Notes described under (i) to (iii) above is engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional income 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 deduction from Italian income tax due.

Pursuant to Decree 239, *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare* (so called **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 Department of Revenue of Italian Ministry of Finance 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 and the relevant coupons are not deposited with an Intermediary meeting the requirements under (a) and (b) above, the *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.

Subject to certain conditions (including a minimum holding period requirement) and limitation, 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 from time to time applicable as set forth under Italian law.

Where (a) an Italian resident Noteholder is (i) a company or a similar commercial entity, or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected, and (ii) the beneficial owners of payments of Interest on the Notes and (b) the Notes are deposited with an authorised intermediary, 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 (and, in certain circumstances, depending on the status of such Noteholder, also to regional tax on productive activities - **IRAP**).

Italian resident real estate investment funds and Italian resident real estate investment companies with fixed capital (*società di investimento a capitale fisso*, **Real Estate SICAFs**, and, together with the Italian real estate investment funds, the **Real Estate Funds**) qualifying as such from a legal and regulatory perspective and subject to the regime provided for by, *inter alia*, Law Decree no. 351 of 25 September 2001 (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 Real Estate Fund is the beneficial owner of the Interest payments under the Notes and the Notes, together with the relevant coupons, are timely deposited with an authorised Intermediary. A withholding tax may apply in certain circumstances at the rate of up to 26 per cent. on distributions made by a Real Estate Fund or upon redemption or sale of the units or shares in the Real Estate Fund and, in certain cases, a tax transparency regime may apply in respect of certain categories of investors in a Real Estate Fund owning more than 5 per cent. of the Real Estate Fund's units or shares.

Where an Italian resident Noteholder is an open-ended or a closed-ended investment fund, an investment company with variable capital (*società di investimento a capitale variabile* (**SICAV**)), an investment company with fixed capital (**SICAF**) other than a Real Estate SICAF (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 authorised intermediary, payments of Interest on such Notes beneficially owned by the Fund 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 (the **Collective Investment Fund Withholding Tax**).

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by Article 17 of the Legislative Decree no. 252 of 5 December 2005) and the Notes are deposited with an authorised intermediary, payments of Interest relating to the Notes beneficially owned by the pension fund and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the results of the relevant portfolio accrued at the end of each tax period, subject to a 20 per cent. annual *imposta sostitutiva* (the **Pension Fund 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 Pension Fund Tax if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth under Italian law.

According to Decree 239, payments of Interest in respect of the Notes will not be subject to *imposta sostitutiva* at the rate of 26 per cent. if made to either (a) beneficial owners or (b) certain institutional investors, even if not possessing the status of taxpayers in their own country of incorporation, who in either case are non-Italian resident holders of the Notes with no permanent establishment in Italy to which the Notes are effectively connected provided that:

(i) such beneficial owners or institutional investors are resident for tax purposes in a State or territory which allows for an adequate exchange of information with Italy as listed in the Italian Ministerial Decree of 4 September 1996, as amended and supplemented (lastly by Ministerial Decree of 23 March 2017) and possibly further amended by future decrees to be issued pursuant to Article 11(4)(c), of Decree 239 (the **White List**); and

(ii) 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.

Decree 239 also provides for additional exemptions from *imposta sostitutiva* for payments of Interest in respect of the Notes made to (i) international entities and organisations established in accordance with international agreements ratified in Italy; and (ii) central banks or entities which manage, *inter alia*, the official reserves of a foreign State.

To ensure payment of Interest in respect of the Notes without the application of 26 per cent. *imposta sostitutiva*, non-Italian resident investors indicated above must:

(i) be either (a) the beneficial owners of payments of Interest on the Notes or (b) qualify as one of the above mentioned institutional investors even if not possessing the status of taxpayers in their own country of incorporation;

(ii) deposit the Notes in due time together with the coupons relating to such Notes, directly or indirectly, with a resident bank or SIM, or a permanent establishment in Italy of a non-Italian resident bank or SIM, or with a non-Italian resident entity participating in a centralised securities management system which is in contact via computer with the Ministry of Economy and Finance; and

(iii) file with the relevant depository a statement (*autocertificazione*) in due time stating, *inter alia*, that he or she is resident, for tax purposes, in one of the countries included in the White List. Such statement (*autocertificazione*), which must comply with the requirements set forth by Ministerial Decree of 12 December 2001 (as amended and supplemented), shall be valid until withdrawn or revoked and does not need to be submitted where a certificate, declaration or other similar document meant for equivalent uses was previously submitted to the same depository. The statement (*autocertificazione*) is not required for non-Italian resident investors that are international entities or organisations established in accordance with international agreements ratified in Italy or central banks or entities which manage, *inter alia*, the official reserves of a foreign State.

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 Interests payments to such non-resident holder of the Notes.

Non-Italian resident holders of the Notes who are subject to *imposta sostitutiva* may, nevertheless, be eligible for a total or partial relief under an applicable tax treaty between the Republic of Italy and the country of tax residence of the relevant holder of the Notes, provided all conditions for its application are met.

Capital gain tax

Any gains resulting from the sale or redemption of the Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the status of the Noteholder, also as part of the net value of the production IRAP purposes) if realised by an Italian company or a similar commercial entity, including the permanent establishment of foreign entities in Italy to which the Notes are effectively connected, or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Where an Italian resident Noteholder is (i) an individual holding the Notes not in connection with an entrepreneurial activity, (ii) a partnership (other than a *società in nome collettivo* or *società in accomandita semplice* or similar partnership) or a *de facto* partnership not carrying out commercial activities, or (iii) a 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 *imposta sostitutiva*, levied at the rate of 26 per cent..

Subject to certain conditions (including a minimum holding period requirement) and limitations, capital gains realised upon sale or redemption of 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 all the requirements from time to time applicable as set forth under Italian law.

In respect of the application of *imposta sostitutiva*, taxpayers under (i) to (iii) above may opt for one of the three regimes described below.

1. Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Noteholders under (i) to (iii) above, *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by the 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, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

2. 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). 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 establishment in Italy of foreign intermediaries) and (ii) an 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 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.

3. Any capital gains realised by Italian Noteholders under (i) to (iii) above entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the Asset Management Regime 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 Asset Management Regime, any decrease in the value of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the Asset Management Regime, the Noteholder is not required to declare the capital gains realised in the annual tax declaration.

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. However, a withholding tax may apply in certain circumstances at the rate of up to 26 per cent. on distributions made by a Real Estate Fund or upon redemption or sale of the units or shares in the Real Estate Fund and, in certain cases, a tax transparency regime may apply in respect of certain categories of investors in a Real Estate Fund owning more than 5 per cent. of the Real Estate Fund's units or shares.

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. Such result will not be taxed at the level of the Fund, but income realised by unitholders or shareholders in case of distributions, redemption or sale of the units or shares, may be subject to the Collective Investment Fund Withholding Tax.

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 Pension Fund 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 Pension Fund Tax if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth under Italian law.

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 Notes traded on regulated markets are not subject to *imposta sostitutiva* (subject, in certain cases, to the filing of a self-declaration stating that the relevant Noteholder is not resident from the sale or redemption of Notes traded on regulated markets are not subject to *imposta sostitutiva* (subject, in certain cases, to the filing of a self-declaration stating that the relevant Noteholder is not resident for 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 (i) qualifies as the beneficial owner of the capital gain and is resident for income tax purposes in a country included in the White List; or (ii) is an international entity or body set up in accordance with international agreements ratified in Italy; or (iii) is a central bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or (iv) is an institutional investor which is incorporated in a country included in the White List, even if it does not possess the status of a taxpayer in its own country of incorporation, in any case, to the extent all the requirements, formalities and procedures 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 Asset Management 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 are 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* on any capital gains realised upon the sale or redemption of the Notes; in this case, if the non-Italian resident Noteholders have opted for the *Risparmio Amministrato* regime or the Asset Management 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: (i) public deeds and notarised deeds are subject to a fixed registration tax of €200; (ii) private deeds are subject to registration only in "case of use" (*caso d'uso*) or upon occurrence of an "explicit reference" (*enunciazione*) or voluntary registration (*volontaria registrazione*).

Inheritance and gift taxes

Pursuant to Law Decree no. 262 of 3 October 2006, converted into Law no. 286 of 24 November 2006, as subsequently amended, the transfers of any valuable asset (including shares, notes or other securities) as a result of death or donation are taxed as follows:

(i) when the beneficiary is the spouse or a relative in direct lineage, the value of the Notes transferred to each beneficiary exceeding Euro 1,000,000 is subject to a 4 per cent. rate;

(ii) when the beneficiary is a brother or sister, the value of the Notes exceeding Euro 100,000 for each beneficiary is subject to a 6 per cent. rate;

(iii) when the beneficiary is a relative within the fourth degree or is a relative-in-law in direct and collateral lineage within the third degree, the value of the Notes transferred to each beneficiary is subject to a 6 per cent. rate; and

(iv) in any other case, the value of the Notes transferred to each beneficiary is subject to a 8 per cent. rate.

The transfer of the Notes by donation is subject to gift tax at the same rates as in case of inheritance. If the transfer is made in favour of persons with severe disabilities, the tax is levied at the rates mentioned above on the value exceeding, for each beneficiary, €1,500,000.

The *mortis causa* transfers of financial instruments included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) - that meets the requirements from time to time applicable as set forth under Italian law – are exempt from inheritance taxes.

Stamp duty

Pursuant to Article 13(2-ter) of the First Part of the Tariff attached to Presidential Decree no. 642 of 26 October 1972 (**Stamp Duty Law**), as amended, 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 resident banks and other financial intermediaries 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 a banking, financial or insurance activity in any form within the Italian territory.

Tax monitoring

According to Pursuant to Law Decree no. 167 of 28 June 1990, converted with amendments into Law no. 227 of 4 August 1990, as amended, individuals, non-profit entities and certain partnerships (*società semplici* or similar partnerships in accordance with Article 5 of Presidential Decree no. 917 of 22 December 1986) resident in Italy for tax purposes, who/which at the end of the year hold investments abroad or have financial foreign activities by means of which income of foreign source can be accrued must, in some circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return). The disclosure requirements are not due if the foreign financial investments (including the Notes) are held through an Italian resident intermediary or are only composed by deposits and/or bank accounts having an aggregate value not exceeding an €15,000 threshold throughout the year.

The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the beneficial owner of the instrument.

Furthermore, the above reporting requirement is not required to be complied with in respect to Notes deposited for management or administration with qualified Italian financial intermediaries, with respect to contracts entered into their intervention, on the condition that the items of income derived from the Notes have been subject to tax by the same intermediaries.

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 Presidential Decree no. 917 of 22 December 1986) resident in Italy for tax purposes holding financial products – including the Notes – outside the Italian territory are required to declare in its own annual tax return and pay a wealth tax at the rate of 0.2 per cent. (**IVAFE**). 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 – in the lack of the market value – on the nominal value or redemption value of such financial products held outside of the Italian territory. Taxpayers can generally deduct from the tax a tax credit equivalent to the amount of wealth taxes paid in the State where the financial products are held (up to the amount of to the Italian wealth tax due).

Financial assets held abroad are excluded from the scope of the wealth tax if they are administered by Italian financial intermediaries pursuant to an administration agreement. In this case, the above mentioned stamp duty provided for by Article 13 of the First Part of the Tariff attached to the Stamp Duty Law does apply.

SUBSCRIPTION, SALE AND SELLING RESTRICTIONS

The Subscription Agreement

On or about the Issue Date, the Issuer, the Originator, the Lead Manager, the Arranger and the Representative of the Noteholders have entered into the Subscription Agreement, pursuant to which the Lead Manager has agreed to subscribe for the Notes, subject to the terms and conditions set out thereunder.

The Subscription Agreement is subject to a number of conditions precedent and may be terminated by the Lead Manager in certain circumstances at any time prior to the Notes being issued, subscribed and paid for. The Issuer has agreed to indemnify the Arranger and Lead Manager against certain liabilities in connection with the issue of the Notes.

Under the Subscription Agreement, the Lead Manager shall be entitled to receive an underwriting and placement fee pursuant to the terms set out therein.

The Subscription 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 Subscription 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.

Selling restrictions

Under the Subscription Agreement, each of the Issuer, the Originator and the Lead Manager 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 relevant 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 Originator and the Lead Manager 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 relevant 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 herein provided, each of the Issuer, the Originator and the Lead Manager has undertaken that it will not take any action to obtain permission for public offering of the relevant Notes in any country where action would be required for such purpose.

General

Persons into whose hands this Prospectus comes are required by the Issuer, the Originator and the Lead Manager 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 Issue 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 Originator (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, and in certain circumstances will be required, to have made certain representations and agreements, including that it (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Consent from the Originator, (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 Agreement, each of the Issuer, the Originator and the Lead Manager 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 relevant Notes or distribution or publication of any prospectus, form of application, offering circular (including the Prospectus), advertisement or other offering material in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Unless otherwise provided in the Subscription Agreement, each of the Issuer, the Originator and the Lead Manager has undertaken that it will not take any action to obtain permission for public offering of the relevant Notes in any country where action would be required for such purpose.

Prohibition of sales to EEA Retail Investors

Each of the Issuer, the Originator and the Lead Manager 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**);

  (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; or

  (iii) not a qualified investor as defined in article 2 of the Prospectus Regulation; 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 Originator and the Lead Manager 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 Originator and the Lead Manager 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**);

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the **FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of article 2(1) of Regulation (EU) no. 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in article 2 of the UK Prospectus Regulation; 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 Originator and the Lead Manager 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 Originator and the Lead Manager 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

Under the Subscription Agreement, each of the Issuer, the Originator and the Lead Manager 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 Financial Laws Consolidation 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 Financial Laws Consolidation 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 Originator and the Lead Manager 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 Agreement, each of the Issuer, the Originator and the Lead Manager 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 relevant Notes to the public in the Republic of France;

(b) offers, sales and transfers of the relevant 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 EU Prospectus Regulation and 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 Agreement, each of the Issuer, the Originator and the Lead Manager has represented and agreed that:

(a) *Financial promotion*: (i) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the relevant Notes, as applicable in, from or otherwise involving the United Kingdom; 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.

GENERAL INFORMATION

Authorisation

The issue of the Notes has been authorised by resolution of the quotaholder's meeting of the Issuer passed on 30 May 2023.

The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

In connection with the listing application, the constitutional documents of the Issuer will be available for inspection on the Securitisation Repository.

Funds available to the Issuer

The principal source of funds available to the Issuer for the payment of interest on the Notes, as well as repayment of principal on the Notes, will be from collections and recoveries made in respect of the Portfolio.

Approval, listing and admission to trading

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 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.

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.

No material litigation

Since the date of its incorporation (being 20 March 2023), the Issuer has not been subject to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had in the recent past, significant effects on the Issuer's financial position or profitability.

No material adverse change

Since the date of incorporation of the Issuer (being 20 March 2023), there has been no material adverse change in the financial position or prospects of the Issuer.

Clearing of the Notes

The Notes have been accepted for clearance through Euronext Securities Milan, Euroclear and Clearstream as follows:

Notes	*ISIN code*	*Common code*
Class A Notes	IT0005545709	263984242
Class B Notes	IT0005545717	263984315
Class C Notes	IT0005545725	263984331
Class D Notes	IT0005545733	263984366
Class E Notes	IT0005545741	263984412
Class F Notes	IT0005545758	263984455

Documents available for inspection

As long as the Notes are outstanding, copies of the following documents will be available for inspection on the Securitisation Repository:

(a) the by-laws (*statuto*) and articles of association (*atto costitutivo*) of the Issuer;

(b) the following documents:

(i) Master Receivables Purchase Agreement;

(ii) each Transfer Agreement;

(iii) Servicing Agreement;

(iv) Warranty and Indemnity Agreement;

(v) Euronext Securities Milan Mandate Agreement;

(vi) Intercreditor Agreement;

(vii) Cash Allocation, Management and Payments Agreement;

(viii) Swap Agreements;

(ix) Deed of Charge;

(x) Swap Guarantee;

(xi) Set-Off Guarantee;

(xii) French Law Pledge Agreement;

(xiii) Mandate Agreement;

(xiv) Quotaholder's Agreement;

(xv) Corporate Services Agreement;

(xvi) Subordinated Loan Agreement;

(xvii) Prospectus;

(xviii) Conditions; and

(xix) Master Definitions Agreement;

(c) the financial statements of the Issuer and the relevant auditors' reports; and

(d) 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 (b)(i) to (xix) (included) above constitute all the underlying documents that are essential for understanding the Securitisation and include, but are not limited to, each of the documents referred to in point (b) of article 7(1) of the EU Securitisation Regulation.

Post-issuance reporting

On or prior to each Investors Report Date, the Calculation Agent shall prepare and deliver to the Issuer, the Representative of the Noteholders, the Rating Agencies, the Subordinated Loan Provider, the Servicer, the Back-up Servicer (if any), the Corporate Servicer and each of the Agents the Investors Report, setting out certain information with respect to the Portfolio and the Notes. Such report will be available for inspection on the website of the Calculation Agent (being, as at the date of this Prospectus, https://www.zenithservice.it/it/reserved-area/). The first Investors Report will be available on the Investors Report Date falling in July 2023.

In addition, under the Intercreditor Agreement, each of the Issuer and Originator has acknowledged and agreed that Findomestic is designated as Reporting Entity, pursuant to and for the purposes of article 7(2) of the EU Securitisation Regulation, and it shall fulfil after the Issue Date the information requirements pursuant to article 7(1) of the EU Securitisation Regulation and article 22 of the EU Securitisation Regulation. For further details, see the section headed "*Risk Retention and Transparency Requirements*".

Fees and expenses

The estimated annual fees and expenses payable by the Issuer in connection with the Securitisation amount to approximately Euro 123,000 (excluding servicing fees and any VAT, if applicable).

The total expenses payable in connection with the admission of the Notes to trading on the regulated market "Bourse de Luxembourg" are equal to Euro 64,570.

GLOSSARY

Account Bank means BNP Paribas, Italian branch, or any other person for the time being acting as Account Bank pursuant to the Cash Allocation, Management and Payments Agreement.

Accounting Servicer's Report means the monthly report to be prepared and delivered by the Servicer on each Accounting Servicer's Report Date in accordance with the provisions of the Servicing Agreement.

Accounting Servicer's Report Date means the date falling within the 2nd (second) Business Day of each month or the different date agreed between the Servicer and the Issuer pursuant to the Servicing Agreement.

Accounts means, collectively, the Payments Account, the Collection Account, the Expenses Account, the Liquidity Reserve Account, the Set-Off Reserve Account, the Securities Account and the Swap Collateral Accounts and **Account** means any of them.

Advanced Purchase Price means, in respect of the Initial Portfolio and each Subsequent Portfolio, the portion of the purchase price payable by the Issuer to the Originator on the Issue Date and on each Payment Date following the relevant Transfer Date respectively, being equal to the aggregate of the Individual Purchase Prices of the Receivables comprised in the Initial Portfolio or in the relevant Subsequent Portfolio, as the case may be.

Agents means, collectively, the Account Bank, the Paying Agent, the Cash Manager and the Calculation Agent, as the case may be.

Alternative Base Rate has the meaning given to it in Condition 7.5(c).

Amortisation Period means the period commencing on the Payment Date falling immediately after the end of the Revolving Period.

Arranger means BNP Paribas.

Back-up Servicer means any person which will be appointed as back-up servicer pursuant to the Servicing Agreement.

Back-up Servicer Facilitator means Zenith, or any other person for the time being acting as Back-up Servicer Facilitator pursuant to the Intercreditor Agreement.

Base Rate Modification has the meaning given to it in Condition 7.5(a).

Benchmark Regulation means Regulation (EU) no. 2016/1011, as amended and/or supplemented from time to time.

BNP Paribas means BNP Paribas S.A., a *société anonyme* incorporated under the laws of France, whose registered office is at 16 Boulevard des Italiens 75009 Paris, registered with the Trade and Companies Registry of Paris (*Registre du commerce et des sociétés de Paris*) under number 662 042 449, licensed as a credit institution in France by the *Autorité de Contrôle Prudentiel et de Résolution*.

BNP Paribas Personal Finance or **BNPPPF** means BNP Paribas Personal Finance S.A., a bank incorporated under the laws of the Republic of France as a *société anonyme*, having its registered office at 1, boulevard Haussmann, 75009 Paris, France, registered with the Trade and Companies Registry of Paris with number 542 097 902.

BNP Paribas, Italian branch means BNP Paribas, a company incorporated under the laws of France licensed to conduct banking operations, having its registered office at Boulevard des Italiens n. 16, Paris, France, registered with the Chamber of Commerce of Paris under number 662 042 449, with a fully paid-up share

capital of Euro 2,468,663,292, which acts for the purposes hereof through the Securities Services Business Line of its Italian branch, whose offices are located in Piazza Lina Bo Bardi n. 3, Milan, enrolled in the register of the banks held by the Bank of Italy under no. 5482, Fiscal code and VAT code no. 04449690157, REA n. 731270.

BNPP Downgrade Event means the circumstance that the long-term issuer default ratings of BNP Paribas fall below "BBB" by Fitch or "BBB" by S&P.

Business Day means:

(a) for the purposes of the definitions of Accounting Servicer's Report Date, Cash Manager Report Date, Offer Date, Servicer's Report Date, Set-Off Report Date, Target Report Date and Valuation Date, any day on which commercial banks and foreign exchange markets settle payments and are generally open for business in Firenze; or

(b) for any other purposes, any day on which commercial banks and foreign exchange markets settle payments and are generally open for business in Paris, Luxembourg, Firenze and on which the T2 is open for settlement of payments in euros.

Calculation Agent means Zenith, or any other person for the time being acting as Calculation Agent pursuant to the Cash Allocation, Management and Payments Agreement.

Calculation Date means the date falling 5 (five) Business Days before each Payment Date.

Cancellation Date means the date on which the Notes will be finally and definitively cancelled being:

(a) the earlier of (i) the Final Maturity Date, and (ii) the date on which the Notes are redeemed pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*), Condition 8.4 (*Optional redemption for tax reasons*) or following the delivery of an Issuer Trigger Notice pursuant to Condition 12 (*Issuer Trigger Events*); or

(b) if the Notes cannot be redeemed in full on the Final Maturity Date as a result of the Issuer having insufficient Issuer Available Funds for application in or towards such redemption, the later of (i) the Payment Date immediately following the 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 certified to the Representative of the Noteholders, and the Representative of the Noteholders having given notice to the Noteholders on the basis of such certificate pursuant to the Conditions, that there is no reasonable likelihood, following the application of all the Issuer Available Funds, of there being any further realisations in respect of the Portfolio or the other Issuer's Rights (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay any amount outstanding under the Notes.

Cash Allocation, Management and Payments Agreement means the cash allocation, management and payments agreement entered into on or about the Issue Date between the Issuer, the Servicer, the Originator, the Representative of the Noteholders, the Account Bank, the Corporate Servicer, the Calculation Agent, the Paying Agent and the Cash Manager, 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.

Cash Manager means Findomestic Banca S.p.A., or any other person for the time being acting as Cash Manager pursuant to the Cash Allocation, Management and Payments Agreement.

Cash Manager Report means the monthly report to be prepared and delivered by the Cash Manager on or prior to each Cash Manager Report Date in accordance with the provisions of the Cash Allocation, Management and Payments Agreement.

Cash Manager Report Date means the 3rd (third) calendar day of each month or, if such day is not a Business Day, the immediately following Business Day.

Class shall be a reference to 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 F Notes and **Classes** shall be construed accordingly.

Class A Noteholders means the holders, from time to time, of the Class A Notes.

Class A Notes means the Euro 440,000,000 Class A Asset Backed Floating Rate Notes due December 2046 issued by the Issuer on the Issue Date.

Class A Notes Redemption Amount means:

(a) with respect to each Payment Date during the Revolving Period, 0 (zero);

(b) with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the minimum between:

(i) the Required Notes Redemption Amount in respect of such Payment Date; and

(ii) the positive difference between:

(A) the Principal Amount Outstanding of the Class A Notes on the immediately preceding Payment Date after giving effect to any payment of the Class A Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; and

(B) the Class A Notes Target Principal Balance;

(c) with respect to each Payment Date during the Amortisation Period (A) prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), but (B) after the occurrence of a Sequential Redemption Event, for so long as the Class A Notes are the Most Senior Class of Notes, the minimum between:

(i) the Principal Available Funds remaining after application of items (i) *First* to (iii) *Third* in accordance with the Pre-Acceleration Principal Priority of Payments;

(ii) the Required Notes Redemption Amount in respect of such Payment Date; and

(iii) the Principal Amount Outstanding of the Class A Notes on the immediately preceding Payment Date after giving effect to any payment of the Class A Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; or

(d) with respect to (A) each Payment Date following the delivery of an Issuer Trigger Notice or (B) the Payment Date on which the Notes are redeemed pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Amount Outstanding of the Class A Notes.

Class A Notes Subordination Percentage means 12.00 per cent.

Class A Notes Target Principal Balance means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition

8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the positive difference between:

(a) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period; and

(b) the Class A Notes Target Subordination Amount.

Class A Notes Target Subordination Amount means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the product of:

(a) the Class A Notes Subordination Percentage; by

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Class A Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class A Notes.

Class A Swap Agreement means the International Swaps and Derivatives Association Inc 1992 Master Agreement, the schedule thereto, and any credit support annexes or other credit support documents related thereto and the transaction confirmation, each dated on or prior to the Issue Date, between the Issuer and the Class A Swap Counterparty and the transactions effected thereunder in respect of the Senior Notes (or such replacement swap agreement as the Issuer may enter into in accordance with the Transaction Documents).

Class A Swap Cash Collateral Account means the euro denominated account established in the name of the Issuer with the Account Bank with IBAN code: IT 69 T 03479 01600 000802642704 in connection with the Class A Swap Agreement, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Class A Swap Counterparty means Findomestic, or any other entity from time to time acting as Class A Swap Counterparty pursuant to the Class A Swap Agreement.

Class A Swap Securities Collateral Account means the account established in the name of the Issuer with the Account Bank with number 2642800 in connection with the Class A Swap Agreement, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Class B, C, D, E and F Swap Agreement means the International Swaps and Derivatives Association Inc 1992 Master Agreement, the schedule thereto, and any credit support annexes or other credit support documents related thereto and the transaction confirmation, each dated on or prior to the Issue Date, between the Issuer and the Class B, C, D, E and F Swap Counterparty and the transactions effected thereunder in respect of the Mezzanine Notes (or such replacement swap agreement as the Issuer may enter into in accordance with the Transaction Documents).

Class B, C, D, E and F Swap Cash Collateral Account means the euro denominated account established in the name of the Issuer with the Account Bank with IBAN code: IT 97 W 03479 01600 000802642707 in connection with the Class B, C, D, E and F Swap Agreement, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Class B, C, D, E and F Swap Counterparty means Findomestic, or any other entity from time to time acting as Class B, C, D, E and F Swap Counterparty pursuant to the Class B, C, D, E and F Swap Agreement.

Class B, C, D, E and F Swap Securities Collateral Account means the account established in the name of the Issuer with the Account Bank with number 2642900 in connection with the Class B, C, D, E and F Swap Agreement, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Class B Noteholders means the holders, from time to time, of the Class B Notes.

Class B Notes means the Euro 13,500,000 Class B Asset Backed Floating Rate Notes due December 2046 issued by the Issuer on the Issue Date.

Class B Notes Redemption Amount means:

(a) with respect to each Payment Date during the Revolving Period, 0 (zero);

(b) with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the minimum between:

(i) the Required Notes Redemption Amount in respect of such Payment Date; and

(ii) the positive difference between:

(A) the Principal Amount Outstanding of the Class B Notes on the immediately preceding Payment Date after giving effect to any payment of the Class B Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; and

(B) the Class B Notes Target Principal Balance;

(c) with respect to each Payment Date during the Amortisation Period (A) prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), but (B) after the occurrence of a Sequential Redemption Event, for so long as the Class B Notes are the Most Senior Class of Notes, the minimum between:

(i) the Principal Available Funds remaining after application of items (i) *First* to (iv) *Fourth* in accordance with the Pre-Acceleration Principal Priority of Payments;

(ii) the Required Notes Redemption Amount as determined in respect of such Payment Date; and

(iii) the Principal Amount Outstanding of the Class B Notes on the immediately preceding Payment Date after giving effect to any payment of the Class B Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments,

provided that so long as the Class B Notes are not the Most Senior Class of Notes, the Class B Notes Redemption Amount shall be equal to 0 (zero); or

(d) with respect to (A) each Payment Date following the delivery of an Issuer Trigger Notice or (B) the Payment Date on which the Notes are redeemed pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Amount Outstanding of the Class B Notes.

Class B Notes Subordination Percentage means 9.30 per cent.

Class B Notes Target Principal Balance means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the positive difference between:

(a) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period;

(b) the Class A Notes Target Principal Balance; and

(c) the Class B Notes Target Subordination Amount.

Class B Notes Target Subordination Amount means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the product of:

(a) the Class B Notes Subordination Percentage; by

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Class B Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class B Notes.

Class C Noteholders means the holders, from time to time, of the Class C Notes.

Class C Notes means the Euro 14,000,000 Class C Asset Backed Floating Rate Notes due December 2046 issued by the Issuer on the Issue Date.

Class C Notes Redemption Amount means:

(a) with respect to each Payment Date during the Revolving Period, 0 (zero);

(b) with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the minimum between:

  (i) the Required Notes Redemption Amount in respect of such Payment Date; and

  (ii) the positive difference between:

    (A) the Principal Amount Outstanding of the Class C Notes on the immediately preceding Payment Date after giving effect to any payment of the Class C Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; and

    (B) the Class C Notes Target Principal Balance;

(c) with respect to each Payment Date during the Amortisation Period (A) prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), but (B) after the occurrence of a Sequential Redemption Event, for so long as the Class C Notes are the Most Senior Class of Notes, the minimum between:

(i) the Principal Available Funds remaining after application of items (i) *First* to (v) *Fifth* in accordance with the Pre-Acceleration Principal Priority of Payments;

(ii) the Required Notes Redemption Amount as determined in respect of such Payment Date; and

(iii) the Principal Amount Outstanding of the Class C Notes on the immediately preceding Payment Date after giving effect to any payment of the Class C Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments,

provided that so long as the Class C Notes are not the Most Senior Class of Notes, the Class C Notes Redemption Amount shall be equal to 0 (zero); or

(d) with respect to (A) each Payment Date following the delivery of an Issuer Trigger Notice or (B) the Payment Date on which the Notes are redeemed pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Amount Outstanding of the Class C Notes.

Class C Notes Subordination Percentage means 6.50 per cent.

Class C Notes Target Principal Balance means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the positive difference between:

(a) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period;

(b) the aggregate of the Class A Notes Target Principal Balance and the Class B Notes Target Principal Balance; and

(c) the Class C Notes Target Subordination Amount.

Class C Notes Target Subordination Amount means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the product of:

(a) the Class C Notes Subordination Percentage; by

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Class C Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class C Notes.

Class D Noteholders means the holders, from time to time, of the Class D Notes.

Class D Notes means the Euro 9,500,000 Class D Asset Backed Floating Rate Notes due December 2046 issued by the Issuer on the Issue Date.

Class D Notes Redemption Amount means:

(a) with respect to each Payment Date during the Revolving Period, 0 (zero);

(b) with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition

8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the minimum between:

(i) the Required Notes Redemption Amount in respect of such Payment Date; and

(ii) the positive difference between:

(A) the Principal Amount Outstanding of the Class D Notes on the immediately preceding Payment Date after giving effect to any payment of the Class D Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; and

(B) the Class D Notes Target Principal Balance;

(c) with respect to each Payment Date during the Amortisation Period (A) prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), but (B) after the occurrence of a Sequential Redemption Event, for so long as the Class D Notes are the Most Senior Class of Notes, the minimum between:

(i) the Principal Available Funds remaining after application of items (i) *First* to (vi) *Sixth* in accordance with the Pre-Acceleration Principal Priority of Payments;

(ii) the Required Notes Redemption Amount as determined in respect of such Payment Date; and

(iii) the Principal Amount Outstanding of the Class D Notes on the immediately preceding Payment Date after giving effect to any payment of the Class D Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments,

provided that so long as the Class D Notes are not the Most Senior Class of Notes, the Class D Notes Redemption Amount shall be equal to 0 (zero); or

(d) with respect to (A) each Payment Date following the delivery of an Issuer Trigger Notice or (B) the Payment Date on which the Notes are redeemed pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Amount Outstanding of the Class D Notes.

Class D Notes Subordination Percentage means 4.60 per cent.

Class D Notes Target Principal Balance means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the positive difference between:

(a) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period;

(b) the aggregate of the Class A Notes Target Principal Balance, the Class B Notes Target Principal Balance and the Class C Notes Target Principal Balance; and

(c) the Class D Notes Target Subordination Amount.

Class D Notes Target Subordination Amount means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*)

or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the product of:

(a) the Class D Notes Subordination Percentage; by

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Class D Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class D Notes.

Class E Noteholders means the holders, from time to time, of the Class E Notes.

Class E Notes means the Euro 8,000,000 Class E Asset Backed Floating Rate Notes due December 2046 issued by the Issuer on the Issue Date.

Class E Notes Redemption Amount means:

(a) with respect to each Payment Date during the Revolving Period, 0 (zero);

(b) with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the minimum between:

(i) the Required Notes Redemption Amount in respect of such Payment Date; and

(ii) the positive difference between:

(A) the Principal Amount Outstanding of the Class E Notes on the immediately preceding Payment Date after giving effect to any payment of the Class E Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; and

(B) the Class E Notes Target Principal Balance;

(c) with respect to each Payment Date during the Amortisation Period (A) prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), but (B) after the occurrence of a Sequential Redemption Event, for so long as the Class E Notes are the Most Senior Class of Notes, the minimum between:

(i) the Principal Available Funds remaining after application of items (i) *First* to (vii) *Seventh* in accordance with the Pre-Acceleration Principal Priority of Payments;

(ii) the Required Notes Redemption Amount as determined in respect of such Payment Date; and

(iii) the Principal Amount Outstanding of the Class E Notes on the immediately preceding Payment Date after giving effect to any payment of the Class E Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments,

provided that so long as the Class E Notes are not the Most Senior Class of Notes, the Class E Notes Redemption Amount shall be equal to 0 (zero); or

(d) with respect to (A) each Payment Date following the delivery of an Issuer Trigger Notice or (B) the Payment Date on which the Notes are redeemed pursuant to Condition 8.1 (*Final redemption*),

Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Amount Outstanding of the Class E Notes.

Class E Notes Subordination Percentage means 3.00 per cent.

Class E Notes Target Principal Balance means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the positive difference between:

(a) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period;

(b) the aggregate of the Class A Notes Target Principal Balance, the Class B Notes Target Principal Balance, the Class C Notes Target Principal Balance and the Class D Notes Target Principal Balance; and

(c) the Class E Notes Target Subordination Amount.

Class E Notes Target Subordination Amount means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the product of:

(a) the Class E Notes Subordination Percentage; by

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Class E Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class E Notes.

Class F Noteholders means the holders, from time to time, of the Class F Notes.

Class F Notes means the Euro 15,000,000 Class F Asset Backed Floating Rate Notes due December 2046 issued by the Issuer on the Issue Date.

Class F Notes Redemption Amount means:

(a) with respect to each Payment Date during the Revolving Period, 0 (zero);

(b) with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the minimum between:

(i) the Required Notes Redemption Amount in respect of such Payment Date; and

(ii) the positive difference between:

(A) the Principal Amount Outstanding of the Class F Notes on the immediately preceding Payment Date after giving effect to any payment of the Class F Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; and

(B) the Class F Notes Target Principal Balance;

(c) with respect to each Payment Date during the Amortisation Period (A) prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), but (B) after the occurrence of a Sequential Redemption Event, the minimum between:

(i) the Principal Available Funds remaining after application of items (i) *First* to (viii) *Eighth* in accordance with the Pre-Acceleration Principal Priority of Payments;

(ii) the Required Notes Redemption Amount as determined in respect of such Payment Date; and

(iii) the Principal Amount Outstanding of the Class F Notes on the immediately preceding Payment Date after giving effect to any payment of the Class F Notes Redemption Amount in accordance with the Pre-Acceleration Principal Priority of Payments; or

(d) with respect to (A) each Payment Date following the delivery of an Issuer Trigger Notice or (B) the Payment Date on which the Notes are redeemed pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Amount Outstanding of the Class F Notes.

Class F Notes Subordination Percentage means 0 (zero) per cent.

Class F Notes Target Principal Balance means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the positive difference between:

(a) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period;

(b) the aggregate of the Class A Notes Target Principal Balance, the Class B Notes Target Principal Balance, the Class C Notes Target Principal Balance, the Class D Notes Target Principal Balance and the Class E Notes Target Principal Balance; and

(c) the Class F Notes Target Subordination Amount.

Class F Notes Target Subordination Amount means, with respect to each Payment Date during the Amortisation Period prior to (A) the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), and (B) the occurrence of a Sequential Redemption Event as at the relevant Calculation Date, the product of:

(a) the Class F Notes Subordination Percentage; by

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Class F Principal Deficiency Sub-Ledger means the sub-ledger of the Principal Deficiency Ledger relating to the Class F Notes.

Clean-up Call Condition means the circumstance that the aggregate Outstanding Principal of the Receivables comprised in the Portfolio being equal to, or lower than, 10 per cent. of the aggregate Outstanding Principal of the Receivables comprised in the Initial Portfolio as at the relevant Valuation Date.

Clean-up Call Option means the option granted by the Issuer to the Originator, in accordance with article 1331 of the Italian civil code, pursuant to which upon occurrence of a Clean-up Call Condition the Originator

may repurchase, without recourse (*pro soluto*), from the Issuer the outstanding Portfolio in accordance with the provisions of article 58 of the Consolidated Banking Act and subject to the conditions set out in the Master Receivables Purchase Agreement.

Clearstream means Clearstream Banking, Luxembourg with offices at 42 avenue JF Kennedy, L-1855 Luxembourg.

Collection Account means the euro denominated account established in the name of the Issuer with the Account Bank with IBAN code: IT 64 P 03479 01600 000802642700, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Collection Date means the 1st (first) calendar day of a month.

Collection Period means each period commencing on (and including) a Collection Date and ending on (but excluding) the immediately following Collection Date, provided that the first Collection Period will commence on the Valuation Date of the Initial Portfolio (excluded) and will end on the Collection Date falling in July 2023 (excluded).

Collections means, collectively, the Interest Collections and the Principal Collections.

Common Criteria means the objective criteria for the identification of the Receivables specified in schedule 1 to the Master Receivables Purchase Agreement and which shall apply to select the Receivables comprised in the Initial Portfolio and any Subsequent Portfolio.

Conditions means the terms and conditions of the Notes, as from time to time modified in accordance with the provisions herein contained and including any agreement or other document expressed to be supplemental thereto, and **Condition** means a condition of either of them.

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 number 385 of 1 September 1993, as amended and/or supplemented from time to time.

Corporate Servicer means Zenith, or any other person for the time being acting as Corporate Servicer pursuant to the Corporate Services Agreement.

Corporate Services Agreement means the corporate services agreement entered into on or about the Issue Date between the Issuer, 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.

Credit and Collection Policies means the procedures for the collection and recovery of Receivables attached as schedule 1 to the Servicing Agreement.

Criteria means, collectively, the Common Criteria and the Specific Criteria.

CRR means the 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.

CSSF means the *Commission de Surveillance du secteur financier*.

CTX means the Originator's disputed claims service.

Cumulative Gross Default Ratio means the ratio, calculated on each Servicer's Report Date, between:

(a) the aggregate of (i) the Outstanding Principal, as at the relevant Default Date, of all Receivables which were part of the Initial Portfolio and have become Defaulted Receivables from (and excluding) the Valuation Date of the Initial Portfolio up to (and including) the Collection Date immediately preceding such Servicer's Report Date, and (ii) the Outstanding Principal, as at the relevant Default Date, of all Receivables which were part of each Subsequent Portfolio and have become Defaulted Receivables from the relevant Valuation Date of such Subsequent Portfolio up to (and including) the Collection Date immediately preceding such Servicer's Report Date; and

(b) the Outstanding Principal, as at the initial Valuation Date of the Initial Portfolio, of the Receivables comprised in the Initial Portfolio.

Cumulative Gross Default Trigger Level means any of the following levels:

Months 1-2	July 2023 - August 2023	0.25%
Months 3-5	September 2023 - November 2023	0.50%
Months 6-8	December 2023 - February 2024	0.75%
Months 9-12	March 2024 - June 2024	1.00%

Debtor means any individual person who entered into a Loan Agreement as principal debtor or guarantor or who is liable for the payment or repayment of amounts due in respect of a Loan or who has assumed the Debtor's obligation under an *accollo*, or otherwise.

Debtor's Account means any deposit account or bank account established in the name of a Debtor with the Originator.

Decree 239 means Legislative Decree number 239 of 1 April 1996, as amended and/or supplemented from time to time.

Decree 239 Deduction means any withholding or deduction for or on account of "*imposta sostitutiva*" under Decree 239.

Deed of Charge means the English law deed of charge entered into on or prior to the Issue 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 therein contained and including any deed or other document expressed to be supplemental thereto.

Default Amount means an amount equal to the Outstanding Principal, as at the relevant Default Date, of the Receivables which have become Defaulted Receivables.

Default Date means the date on which each relevant Receivable becomes a Defaulted Receivable.

Defaulted Receivables means any Receivable which has been transferred to the CTX by the Servicer in accordance with the Credit and Collection Policies.

Deferred Purchase Price means, in respect of the Initial Portfolio and each Subsequent Portfolio, the portion of the purchase price payable by the Issuer to the Originator on each Payment Date following the relevant Transfer Date, being equal to the Issuer Available Funds remaining after making all payments ranking in priority to the payment of such amount in accordance with the applicable Priority of Payments.

Delinquent Instalment means, (a) for Loans for which the Scheduled Instalment Dates fall on the 5th (fifth) day of each month, an Instalment which remains unpaid by the relevant Debtor for 25 (twenty-five) days or more after the Scheduled Instalment Date, and (b) for the Loans for which the Scheduled Instalment Dates fall on the 20th (twentieth) day of each month, an Instalment which remains unpaid by the relevant Debtor for 10 (ten) days or more after the Scheduled Instalment Date.

Delinquent Receivable means any Receivable, other than a Defaulted Receivable with respect to which there is one or more Delinquent Instalments.

Dodd-Frank Act means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as amended.

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 pursuant to the EU Securitisation Regulation and named "*Guidelines on the STS criteria for non-ABCP securitisation*".

Eligible Institution means:

(a) any depository institution organised under the laws of any state which is a member of the European Union or the United Kingdom or the United States having the following ratings:

(i) with respect to Fitch, a long-term public rating at least equal to "A" or a short-term public rating at least equal to "F1"; and

(ii) with respect to S&P, at least "A" as a long-term issuer credit rating or such other rating as may comply with S&P's criteria from time to time; or

(b) any depository institution organised under the laws of any state which is a member of the European Union or the United Kingdom or of the United States whose obligations under the Transaction Documents to which it is a party are guaranteed (on the basis of an unconditional, irrevocable, independent first demand guarantee), in compliance with Fitch's and S&P's criteria, by a depository institution organised under the laws of any state which is a member of the European Union or the United Kingdom or the United States of America, having the following ratings (or such other rating being compliant with Fitch's and S&P's published criteria applicable from time to time):

(i) with respect to Fitch, a long-term public rating at least equal to "A" or a short-term public rating at least equal to "F1"; and

(ii) with respect to S&P, at least "A" as a long-term issuer credit rating or such other rating as may comply with S&P's criteria from time to time.

Eligible Investments means certificates of deposit provided that in all cases such investments will only be made such that there is no withholding or deduction for or on account of taxes applicable thereto and such investments (i) have a maturity date within 30 (thirty) days of the relevant investment, or may be broken or demanded by the Issuer (with no reduction in the value of such investment and at no cost to the Issuer) on or before the Eligible Investments Maturity Date, (ii) do not include any contractual provisions that would permit a redemption of such authorised investments in an amount less than the amount paid for such investments by the Issuer and (iii) is issued by an Eligible Institution, provided further that, in any event, none of the Eligible Investments set out above may consist, in whole or in part, actually or potentially, of (i) credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives nor may any amount available to the Issuer in the context of the Securitisation otherwise be invested in any such instruments at any time, or (ii) asset-backed securities, irrespective of their subordination, status or ranking, or (iii) swaps, other derivatives instruments, or synthetic securities, or (iv) any other instrument from time to time specified in the

European Central Bank monetary policy regulations as being instruments in which funds underlying asset backed securities eligible as collateral for monetary policy operations sponsored by the European Central Bank may not be invested, or (v) money market funds.

Eligible Investments Maturity Date means the day falling on the Business Day immediately preceding each Calculation 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 STS Register means the ESMA website on which 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).

EU CRA Regulation means Regulation (EC) no. 1060/2009 on credit rating agencies, as subsequently amended.

EUWA means the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020).

EURIBOR has the meaning given to it in Condition 7.4 (*Rates of interest*).

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).

Euroclear means Euroclear Bank S.A./N.V., as operator of the Euroclear System.

Euronext Securities Milan means Monte Titoli S.p.A., a *società per azioni* having its registered office at Piazza degli Affari 6, 20123 Milan, Italy.

Euronext Securities Milan Account Holders means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Euronext Securities Milan (as *intermediari aderenti*) and includes any depository banks approved by Euroclear and Clearstream.

Euronext Securities Milan Mandate Agreement means the agreement entered into on or about the Issue Date between the Issuer and Euronext Securities Milan, 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.

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.

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 relevant Swap Counterparty's liability (prior to any netting in respect of the Swap Collateral) under the relevant Swap Agreement as at the date of termination of the relevant Swap

Agreement or which it is otherwise entitled to have returned to it under the terms of the relevant Swap Agreement.

Expenses means:

(a) any and all documented fees, costs, expenses and taxes required to be paid to any third party creditors (other than the Noteholders and the Other Issuer Creditors) arising in connection with the Securitisation and/or required to be paid (as determined in accordance with the Corporate Services Agreement, by reference to the number of then outstanding securitisation transactions carried out by the Issuer) in order to preserve the existence of the Issuer, to maintain it in good standing or to comply with applicable laws; and

(b) any other documented costs, fees and expenses due to persons who are not parties to the Intercreditor Agreement which have been incurred in or in connection with the preservation or enforcement of the Issuer's Rights.

Expenses Account means the euro denominated account established in the name of the Issuer with the Account Bank, with IBAN code: IT 46 U 03479 01600 000802642705, or such other substitute account opened in accordance with the Cash Allocation, Management and Payments Agreement.

Extraordinary Resolution shall have the meaning ascribed to it 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 a deduction or withholding from a payment under a Transaction Document required by FATCA.

FCA means the Financial Conduct Authority.

Final Maturity Date means the Payment Date falling in December 2046.

Final Repurchase Price means an amount equal to the sum of:

(a) the Par Value of the Receivables (other than the Defaulted Receivables and the Delinquent Receivables) at the end of the immediately preceding Collection Period; and

(b) for the Defaulted Receivables and the Delinquent Receivables, their Par Value less any IFRS 9 Provisioned Amount allocated with respect to such Defaulted Receivables and Delinquent Receivables matching their book value on the balance sheet of the Originator at the end of the immediately preceding Collection Period.

Financial Laws Consolidation Act means Italian Legislative Decree number 58 of 24 February 1998, as amended and/or supplemented from time to time.

Findomestic means Findomestic Banca 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 at Via Jacopo da Diacceto, 48, 50123 Florence, Italy, share capital of Euro 659,403,400 fully paid up, fiscal code and enrolment with the companies' register of Florence number 03562770481 and enrolled under number 5396 in the register of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act, subject to the activity of direction and coordination (*soggetta all'attività di direzione e coordinamento*) of BNP Paribas Personal Finance S.A. pursuant to articles 2497 and following of the Italian civil code.

First Payment Date means the Payment Date falling on 25 July 2023.

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*) or any successor to this rating activity, and (ii) in any other case, any entity that is part of the Fitch Ratings' group.

French Law Pledge Agreement means the French law pledge agreement entered into on or prior to the Issue Date between the Issuer and the Representative of the Noteholders (acting as *agent des sûretés* (security agent) pursuant to articles 2488-6 et seq. of the French Civil Code in its own name (*en son nom propre*) for the benefit of (*au profit de*) the Noteholders, the Other Issuer Creditors and their respective successors in title, permitted transferees or permitted assignees and any of their successors in title, permitted transferees or permitted assignees) as from time to time modified or supplemented by any other security agreement and any further pledge or other security agreement to be entered into in replacement or complement thereof, as the case may be.

Further Securitisations means any further securitisation carried out by the Issuer in accordance with Condition 5.12 (Further securitisations).

holder or **Holder** of a Note means the ultimate owner of a Note.

IDD means Directive (EU) 2016/97.

IFRS 9 Provisioned Amount means with respect to Delinquent Receivables and Defaulted Receivables, any amount that constitutes any expected credit loss as determined by the Originator in accordance with International Financial Reporting Standard 9 (IFRS 9) regulation or any such equivalent financial reporting standard promulgated by the International Accounting Standards Board (IASB) 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, an amount equal to the aggregate of any Principal Instalments not yet due on the relevant Valuation Date.

Individual Set-Off Exposure means, on the last Business Day of the calendar month immediately preceding the relevant Set-Off Report Date, and with respect to each relevant Debtor, the aggregate of (A) the lower between (i) the Outstanding Principal of all the Loans granted to such Debtor and (ii) the amounts deposited, on such date, on the Debtor's Account of such Debtor in excess of Euro 100,000 or the amount determined, from time to time, by the Bank of Italy in accordance with article 96-*bis*, paragraph 5, of the Consolidated Banking Act and (B) any amount owed to a Debtor in connection with the reduction in the total cost of the credit pursuant to article 125-*sexies* of the Consolidated Banking Act in case of prepayment of the relevant Loan.

Initial Portfolio means the portfolio of Receivables purchased on 1 June 2023 by the Issuer pursuant to the terms and conditions of the Master Receivables Purchase Agreement.

Initial S&P Required Rating has the meaning given to it in the Swap Agreements.

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 of the credit policies relating to the Receivables to be included in any Subsequent Portfolio and the occurrence of any Issuer Trigger Event, Revolving Period Termination Event or Sequential Redemption Event), to be prepared and delivered by the Servicer in accordance with the Servicing Agreement.

Insolvency Event means in respect of any company or corporation that:

(a) such company or corporation has become subject to any applicable liquidation, administration, insolvency, composition or reorganisation (including, without limitation, "*liquidazione giudiziale*", "*liquidazione coatta amministrativa*", "*concordato preventivo*" and "*amministrazione straordinaria*", each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, including the seeking of liquidation, winding-up, reorganisation, dissolution, administration) or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a *pignoramento* or similar procedure having a similar effect (other than, in the case of the Issuer, any portfolio of assets purchased by the Issuer for the purposes of further securitisation transactions), unless, in the opinion of the Representative of the Noteholders (who may in this respect rely on the advice of a lawyer selected by it), such proceedings are not being disputed in good faith with a reasonable prospect of success; or

(b) an application for the commencement of any of the proceedings under (a) above is made in respect of or by such company or corporation or such proceedings are otherwise initiated against such company or corporation and, in the opinion of the Representative of the Noteholders (who may in this respect rely on the advice of a lawyer selected by it), the commencement of such proceedings are not being disputed in good faith with a reasonable prospect of success; or

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

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

(e) such company or corporation becomes subject to any proceedings equivalent or analogous to those above under the law of any jurisdiction in which such company or corporation is deemed to carry on business.

Instalment means, with respect to each Loan Agreement, each instalment due from the relevant Debtor thereunder and which consists of an Interest Instalment and a Principal Instalment.

Insurance Companies means each third party insurance company which is a party to the relevant Insurance Policy.

Insurance Policies means the insurance policies of any kind stipulated by the Originator with the Insurance Companies covering certain risks associated with the relevant Debtor.

Intercreditor Agreement means the intercreditor agreement entered into on or about the Issue Date between the Issuer, the Quotaholder, 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 Available Funds means, in respect of any Payment Date, the aggregate of the following amounts (without double counting):

(a) all Interest Collections received by the Issuer during the immediately preceding Collection Period (other than any undue amount of interest to be returned by the Issuer to the Originator under the Warranty and Indemnity Agreement);

(b) all Recoveries received by the Issuer in respect of the immediately preceding Collection Period;

(c) all amounts of interest accrued and paid on the Accounts (other than the Expenses Account, the Securities Account and the Swap Collateral Accounts) during the immediately preceding Collection Period (net of any applicable withholding or expenses);

(d) 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 Cash Allocation, Management and Payments Agreement using funds standing to the credit of the Accounts (other than the Expenses Account, the Securities Account and the Swap Collateral Accounts);

(e) all amounts to be received by the Issuer under or in relation to any Swap Agreement (including, for the avoidance of doubt, any amount payable by the Swap Guarantor) 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 relevant Swap Cash Collateral Account);

(f) notwithstanding item (e) above, (i) any early termination amount received from any 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 Swap Counterparty in excess of the amount required and applied to pay any outgoing Swap Counterparty;

(g) any amount allocated on such Payment Date under item (x) (*Tenth*) of the Pre-Acceleration Principal Priority of Payments;

(h) any Interest Collections (other than those Interest Collections referred to in item (a) above) that have not been applied on the immediately preceding Payment Date;

(i) any amount (other than any amount on account of principal) received by the Issuer from any Transaction Party during the immediately preceding Collection Period and not already included in any of the other items of this definition of Interest Available Funds,

provided that, prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), if the Calculation Agent does not receive the relevant Servicer's Report, Set-Off Report or Cash Manager Report in accordance with the provisions of the Cash Allocation, Management and Payments Agreement, or any such report is delivered to the Calculation Agent with a delay not enabling the Calculation Agent to timely prepare the Payments Report, but has actual evidence that the amounts standing to the credit of the Accounts are sufficient to make payments of interest on the Most Senior Class of Notes and all the other amounts ranking in priority thereto pursuant to the Pre-Acceleration Interest Priority of Payments, the Interest Available Funds in respect of the relevant Payment Date shall be limited to the amounts necessary to make such payments.

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 Deficiency means, in respect of any Payment Date prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the difference (if positive) between (i) the amounts to be paid on such Payment Date under items from (i) (*First*) to (vii) (*Seventh*), (ix) (*Ninth*), (xi) (*Eleventh*), (xiii) (*Thirteenth*) and (xv) (*Fifteenth*) of the Pre-Acceleration Interest Priority of Payments, and (ii) the Interest Available Funds applicable on such Payment Date.

Interest Deficiency Ledger means the ledger of the same name maintained by the Calculation Agent in accordance with the Cash Allocation, Management and Payments Agreement.

Interest Determination Date means the 2nd (second) Target Business Day immediately preceding the beginning of the relevant Interest Period.

Interest Instalment means the interest component of each Instalment.

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 the Issue Date (included) and end on the Payment Date falling in July 2023 (excluded).

Investors Report means the report to be prepared and delivered by the Calculation Agent on or prior to each Investors Report Date in accordance with the provisions of the Cash Allocation, Management and Payments Agreement.

Investors Report Date means the 3 (third) Business Day following each Payment Date.

Issue Date means 21 June 2023, or such other date on which the Notes are issued.

Issue Price means:

(a) with respect to the Class A Notes, 100 per cent. of their principal amount upon issue;

(b) with respect to the Class B Notes, 100 per cent. of their principal amount upon issue;

(c) with respect to the Class C Notes, 100 per cent. of their principal amount upon issue;

(d) with respect to the Class D Notes, 100 per cent. of their principal amount upon issue;

(e) with respect to the Class E Notes, 100 per cent. of their principal amount upon issue;

(f) with respect to the Class F Notes, 100 per cent. of their principal amount upon issue.

Issuer means Autoflorence 3 S.r.l., a company incorporated under the laws of the Republic of Italy as a limited liability company (*società a responsabilità limitata*) with a sole quotaholder, having its registered office at Corso Vittorio Emanuele II, 24-28, 20122 Milan, Italy, quota capital of Euro 10,000 fully paid up, fiscal code and enrolment with the companies' register of Milano - Monza Brianza - Lodi number 12873770965, enrolled with the register of securitisation vehicles (*elenco delle società veicolo*) held by Bank of Italy pursuant to its regulation (*provvedimento della Banca d'Italia*) of 7 June 2017 under number 48421.2.

Issuer Available Funds means, in respect of any Payment Date, the aggregate of the Interest Available Funds and the Principal Available Funds.

Issuer's Rights means the Issuer's rights, title and interest in and to the Portfolio, any monetary claim accrued by the Issuer in the context of the Securitisation, the relevant collections and the financial assets purchased through such collections.

Issuer Trigger Event means any of the events described in Condition 12 (*Issuer Trigger Event*).

Issuer Trigger Notice means the notice served by the Representative of the Noteholders on the Issuer declaring the Notes to be due and payable in full following the occurrence of an Issuer Trigger Event as described in Condition 12 (*Issuer Trigger Event*).

Italian Insolvency Code means the Italian Legislative Decree No. 14 of 12 January 2019 (*Codice della crisi d'impresa e dell'insolvenza*), as amended, integrated and supplemented from time to time.

Lead Manager means BNP Paribas.

Liquidity Reserve means, in respect of any Payment Date up to (and including) the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be redeemed in full or cancelled, the amount standing to the credit of the Liquidity Reserve Account (before making the calculations required to be made in respect of such Payment Date).

Liquidity Reserve Account means the euro denominated account established in the name of the Issuer with the Account Bank, with IBAN code: IT 92 S 03479 01600 000802642703, or such other substitute account opened in accordance with the Cash Allocation, Management and Payments Agreement.

Liquidity Reserve Proceeds means the proceeds advanced by the Subordinated Loan Provider to the Issuer in order to establish the Liquidity Reserve in accordance with the provisions of the Subordinated Loan Agreement and the other relevant Transaction Documents.

Liquidity Reserve Required Amount means:

(a) in respect of the Issue Date, an amount equal to Euro 7,275,000; or

(b) in respect of any Payment Date up to (but excluding) the earlier of (A) the Payment Date following the delivery of an Issuer Trigger Notice, and (B) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be redeemed in full or cancelled, an amount equal to the higher of:

(i) 1.5 per cent. of the aggregate of the Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes; and

(ii) 0.75 per cent. of the aggregate of the principal amount of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as at the Issue Date,

it being understood that on the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes are redeemed in full or cancelled, such amount will be equal to 0 (zero).

Listing Agent means BNP Paribas, Luxembourg branch, or any other person for the time being acting as Listing Agent.

Loan means each loan granted by the Originator to a Debtor, on the basis of a Loan Agreement pursuant to which the Issuer has title to enforce a Receivable (or portion thereof) against the relevant Debtor.

Loan Agreement means each loan agreement entered into between the Originator and a Debtor.

Loan by Loan Report means the report setting out information relating to each Loan as at the end of the immediately preceding Collection Period (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 Regulatory Technical Standards, to be prepared and delivered by the Servicer in accordance with the Servicing Agreement.

Luxembourg Stock Exchange means the Luxembourg stock exchange.

Mandate Agreement means the mandate agreement entered into on or about the Issue Date between the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

Master Definitions Agreement means the master definitions agreement entered into on or about the Issue Date between all the parties to each of the Transaction Documents (other than Euronext Securities Milan), 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.

Master Receivables Purchase Agreement means the receivables purchase agreement entered into on 1 June 2023 between the Issuer and the Originator, 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.

Mezzanine Notes means, collectively, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

MiFID II means Directive 2014/65/EU, as amended and/or supplemented from time to time.

Moody's means Moody's Investors Service Inc.

Most Senior Class of Noteholders means the holders, from time to time, of the Most Senior Class of Notes.

Most Senior Class of Notes means:

(a) the Class A Notes (for so long as there are Class A Notes outstanding); or

(b) if no Class A Notes are then outstanding, the Class B Notes (for so long as there are Class B Notes outstanding); or

(c) if no Class A Notes or Class B Notes are then outstanding, the Class C Notes (for so long as there are Class C Notes outstanding); or

(d) if no Class A Notes, Class B Notes or Class C Notes are then outstanding, the Class D Notes (for so long as there are Class D Notes outstanding); or

(e) if no Class A Notes, Class B Notes, Class C Notes or Class D Notes are then outstanding, the Class E Notes (for so long as there are Class E Notes outstanding); or

(f) if no Class A Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes are then outstanding, the Class F Notes (for so long as there are Class F Notes outstanding).

Non-Eligible Receivables means any Receivables which do not comply with the Criteria.

Noteholders means, collectively, the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class F Noteholders.

Notes means, collectively, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

Obligations means all the obligations of the Issuer created by or arising under the Notes and the Transaction Documents.

Offer Date means the date falling within the 2nd (second) Business Day of each month during the Revolving Period.

Official Gazette means the *Gazzetta Ufficiale della Repubblica Italiana*.

Organisation of the Noteholders means the association of the Noteholders, organised pursuant to the Rules of the Organisation of the Noteholders.

Originator means Findomestic.

Other Issuer Creditors means the Originator, the Servicer, the Back-up Servicer (if any), the Back-up Servicer Facilitator, the Representative of the Noteholders, the Calculation Agent, the Cash Manager, the Corporate Servicer, the Subordinated Loan Provider, the Swap Counterparties, the Paying Agent, the Account Bank, the Arranger, the Lead Manager and any other entity which may, from time to time, become party to the Intercreditor Agreement.

Outstanding Balance means, on any relevant date, in relation to any Receivable, the aggregate of (i) the Outstanding Principal of such Receivable, (ii) any interest, fee and expense due but unpaid thereon, and (iii) any interest accrued but not yet due thereon, as at such date.

Outstanding Principal means, on any relevant date, in relation to any Receivable, the aggregate of (i) all the Principal Instalments due on any subsequent Scheduled Instalment Date (excluding, for the avoidance of doubts, all the Principal Instalments not yet due but prepaid by the relevant Debtor); and (ii) any Principal Instalments due but unpaid as at such date.

Par Value means, at any time, the Outstanding Balance of the Receivables together with all accrued but unpaid amounts thereon at the end of the Collection Period immediately preceding the relevant Payment Date.

Paying Agent means BNP Paribas, Italian branch or any other person for the time being acting as Paying Agent pursuant to the Cash Allocation, Management and Payments Agreement.

Payment Date means (a) prior to the delivery of an Issuer Trigger Notice, the 25th day of each month in each year or, if such day is not a Business Day, the immediately following Business Day or if such immediately following Business Day falls in another month, the immediately preceding Business Day, provided that the First Payment Date will fall on 25 July 2023 and (b) following the delivery of an Issuer Trigger Notice, any day on which any payment is required to be made by the Representative of the Noteholders in accordance with the Post-Acceleration Priority of Payments, the Conditions and the Intercreditor Agreement.

Payments Account means the euro denominated account established in the name of the Issuer with the Account Bank with IBAN code: IT 41 Q 03479 01600 000802642701, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Payments Report means the report setting out all the payments to be made on the following Payment Date under the applicable Priority of Payments, which shall be prepared and delivered by the Calculation Agent in accordance with the Cash Allocation, Management and Payments Agreement.

PCS means Prime Collateralised Securities (PCS) EU SAS.

Portfolio means, collectively, the Initial Portfolio and the Subsequent Portfolios.

Portfolio Principal Balance means, at the end of the relevant Collection Period, the aggregate of the Outstanding Principal of the Receivables comprised in the Portfolio which are not Defaulted Receivables and excluding the Receivables the transfer of which will be terminated on or prior to the relevant Payment Date because such Receivables are Non-Eligible Receivables.

Post-Acceleration Priority of Payments means the order in which the Issuer Available Funds shall be applied in accordance with Condition 6.3 (*Post-Acceleration Priority of Payments*).

Pre-Acceleration Interest Priority of Payments means the order of priority in which the Interest Available Funds shall be applied in accordance with Condition 6.1 (*Pre-Acceleration Interest Priority of Payments*).

Pre-Acceleration Principal Priority of Payments means the order of priority in which the Principal Available Funds shall be applied in accordance with Condition 6.2 (*Pre-Acceleration Principal Priority of Payments*).

PRIIPs Regulation means Regulation (EU) no. 1286/2014, as amended and/or supplemented from time to time.

Principal Amount Outstanding means, on any date, (i) the principal amount of a Note or a Class of Notes upon issue, minus (ii) the aggregate amount of all principal payments which have been paid prior to such date, in respect of such Note or Class of Notes.

Principal Available Funds means, in respect of any Payment Date, the following amounts (without double counting):

(a) all Principal Collections received by the Issuer during the immediately preceding Collection Period (other than any undue amount of principal to be returned by the Issuer to the Originator under the Warranty and Indemnity Agreement);

(b) the Set-Off Reserve standing to the credit of the Set-Off Reserve Account on the Calculation Date immediately preceding such Payment Date, in an amount equal to the relevant Set-Off Loss (to the extent that the Originator has not indemnified the Issuer in respect of such Set-Off Loss in accordance with the provisions of the Warranty and Indemnity Agreement);

(c) any amount allocated under items (viii) (*Eighth*), (x) (*Tenth*) and (xii) (*Twelfth*), (xiv) (*Fourteenth*), (xvi) (*Sixteenth*) and (xviii) (*Eighteenth*) of the Pre-Acceleration Interest Priority of Payments on such Payment Date;

(d) any amount standing to the credit of the Reinvestment Ledger pursuant to item (iii) (*Third*) of the Pre-Acceleration Principal Priority of Payments on any preceding Payment Date during the Revolving Period;

(e) the proceeds deriving from the sale, if any, of the Portfolio following the delivery of an Issuer Trigger Notice or in case of redemption of the Notes pursuant to Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*);

(f) any Principal Collections (other than those Principal Collections referred to in item (a) above) that have not been applied on the immediately preceding Payment Date;

(g) any amount on account of principal received by the Issuer from any Transaction Party during the immediately preceding Collection Period and not already included in any of the other items of this definition of Principal Available Funds,

provided that, prior to the delivery of an Issuer Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), if the Calculation Agent does not receive the relevant Servicer's Report, Set-Off Report or Cash Manager Report in accordance with the provisions of the Cash Allocation, Management and Payments Agreement, or any such report is delivered to the Calculation Agent with a delay not enabling the Calculation Agent to timely prepare the Payments Report, but has actual evidence that the amounts standing to the credit of the Accounts are sufficient to make payments under item (i) (*First*) of the Pre-Acceleration Principal Priority of Payments, the Principal Available Funds in respect of the relevant Payment Date shall be limited to the amounts necessary to pay such item.

Principal Collections means all amounts on account of principal received in respect of the Receivables (other than the Defaulted Receivables).

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, the Class D Principal Deficiency Sub-Ledger, the Class E Principal Deficiency Sub-Ledger and the Class F Principal Deficiency Sub-Ledger maintained by the Calculation Agent on behalf of the Issuer.

Principal Instalment means the principal component of each Instalment as well as any amount other than the Interest Instalment (including fees, costs, expenses and insurance premia).

Priority of Payments means the Pre-Acceleration Interest Priority of Payments, the Pre-Acceleration Principal Priority of Payments or the Post-Acceleration Priority of Payments, as the case may be.

Prospectus means this prospectus relating to the issuance of the Notes.

Prospectus Regulation means Regulation (EU) 2017/1129.

Provisional Portfolio means an estimated eligible portfolio selected by means of the same criteria used for the selection of the Initial Portfolio and which was in a reasonably final form as at 30 April 2023.

Quota Capital Account means the euro denominated account established in the name of the Issuer with the Account Bank with IBAN code: IT 23 V 03479 01600 000802642706.

Quotaholder means Special Purpose Entity Management 2 S.r.l., a limited liability company organised under the laws of Italy, having its registered office in Corso Vittorio Emanuele II, 24-28, 20122 Milan, Italy registered in the companies' register of Milano - Monza Brianza - Lodi, fiscal code and registration number 11068370961.

Quotaholder's Agreement means the agreement entered into on or about the Issue Date between the Issuer, the Originator, the Quotaholder 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.

Rate Determination Agent has the meaning given to it in Condition 7.5(b).

Rated Notes means, collectively, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

Rate of Interest has the meaning given to it in Condition 7.4 (*Rates of Interest*).

Rating Agencies means, collectively, Fitch and S&P.

Receivables means all rights and claims of the Issuer arising out from any Loan Agreement existing on or accruing on the Loans from the relevant Valuation Date (excluded), 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;

(c) all rights and claims in respect of payments of any amount deriving from damages suffered, costs, expenses, taxes and ancillary amounts incurred;

(d) any guarantee and security relating to the relevant Loan Agreement;

(e) all rights and claims under and in respect of the Insurance Policies; and

(f) the privileges and priority rights (*diritti di prelazione*) transferable pursuant to the Securitisation Law supporting the aforesaid rights and claims, as well as any other right, claim and action (including any legal proceeding for the recovery of damages), substantial and procedural actions and defences inherent or otherwise ancillary to the aforesaid rights and claims, including, without limitation, the remedy of termination (*risoluzione contrattuale per inadempimento*) and the declaration of acceleration of the Debtors (*decadenza dal beneficio del termine*),

but excluding (i) the *premia* related to the Insurance Policies not financed by the Originator, and (ii) the amounts due by the Debtors as payment of the "*imposte di bollo*", as indicated in the "*estratti conti trasparenza*" sent from time to time by Findomestic to the Debtors.

Recoveries means any amounts received or recovered by the Servicer in relation to any Defaulted Receivables.

Reference Rate has the meaning given to it in Condition 7.4 (*Rates of interest*).

Regulatory Change Event means the occurrence of any of the following events:

(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 European Central Bank, the Bank of Italy 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 Issue Date; or

(b) a notification by or other communication from the applicable regulatory or supervisory authority is received by the Originator with respect to the transactions contemplated by the Transaction Documents on or after the Issue Date; or

(c) a change in or the adoption of any new law, rule, direction, guidance or regulation which requires the manner in which the Originator is retaining a material net economic interest of not less than five (5) per cent. in the Securitisation described in this Prospectus (the **Retained Exposures**) to be restructured after the Issue Date or which would otherwise result in the manner in which the Retained Exposures to become non-compliant in relation to a Noteholder or which would otherwise have an adverse effect on the ability of the Originator to comply with article 6 of the EU Securitisation Regulation,

which, in the reasonable opinion of the Originator, has the effect of materially adversely affecting the regulatory capital treatment or the rate of return on capital of the Originator pursuant to article 244(2) of the CRR provided that any reference to article 244(2) of the CRR shall be deemed to include any successor or replacement provisions to article 244(2) of the CRR or materially increasing the cost or materially reducing the benefit to the Originator of the transactions contemplated by the Transaction Documents.

For the avoidance of doubt, the declaration of a Regulatory Change Event will not be prevented or excluded by the fact that, prior to the Issue 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 ECB or the Basel Committee), as officially interpreted, implemented or applied by any relevant competent international, European or national body; 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 Issue 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 described in this Prospectus. Accordingly, such proposals, statements, notifications or views will not be taken into account when assessing the regulatory capital treatment or the capital relief afforded by the Notes for the Originator or its affiliates or rate of return on capital pursuant to article 244(2) of the CRR or an increase in the cost or reduction of benefits to the Originator or its affiliates of the Securitisation described in this Prospectus immediately after the Issue Date.

Reinvestment Ledger means the ledger of the same name maintained by the Calculation Agent in accordance with the Cash Allocation, Management and Payments Agreement.

Regulatory Technical Standards means:

(a) the regulatory and implementing technical standards adopted by EBA or ESMA, as the case may be, pursuant to the EU Securitisation Regulation;

(b) in relation to risk retention requirements, the transitional regulatory technical standards applicable pursuant to article 43 of the EU Securitisation Regulation prior to the entry into force of the regulatory technical standards referred to in paragraph (a) above;

(c) the regulatory or implementing technical standards referred to in paragraphs (a) and (b) above as they forms part of domestic law by virtue of the EUWA, including any relevant legislation, instruments, rules, policy statements, guidance, transitional relief or other implementing measures of the FCA, the Bank of England, the PRA, the Pensions Regulator or other relevant UK regulator (or their successor) in relation thereto.

Replacement Set-Off Guarantee means any guarantee compliant with the Rating Agencies' criteria, pursuant to which the Replacement Set-Off Guarantor will guarantee the due and punctual payment of all amounts payable by the Subordinated Loan Provider in respect of the Subordinated Loan Agreement as and when the same shall become due according to the Subordinated Loan Agreement.

Replacement Set-Off Guarantor means a replacement set-off guarantor having at least the Set-Off Guarantor Minimum Ratings.

Replacement Swap Guarantee means any guarantee compliant with the Rating Agencies' criteria, pursuant to which the Replacement Swap Guarantor will guarantee the due and punctual payment of all amounts payable by the Swap Counterparties in respect of the Swap Agreements as and when the same shall become due according to the Swap Agreements.

Replacement Swap Guarantor means a replacement swap guarantor having at least the Supported Minimum Counterparty Rating and the Subsequent S&P Required Rating.

Replacement Swap Premium means an amount received by the Issuer from a replacement Swap Counterparty upon entry by the Issuer into an agreement with such replacement Swap Counterparty to replace the outgoing Swap Counterparty, which shall be applied by the Issuer in accordance with the Cash Allocation, Management and Payments Agreement and the Deed of Charge.

Reporting Entity means Findomestic 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.

Representative of the Noteholders means Zenith, or any other person for the time being acting as representative of the Noteholders.

Required Notes Redemption Amount means, with respect to each Payment Date during the Amortisation Period prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), an amount equal to the difference between:

(a) the Principal Amount Outstanding of all Class of Notes on the Payment Date immediately preceding such Payment Date after giving effect to any principal repayment on such preceding Payment Date; and

(b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Retention Amount means an amount equal to Euro 20,000.

Revolving Period means the period commencing on the Issue Date and ending on the earlier of:

(a) the Payment Date (included) falling 12 months following the Issue Date (for the avoidance of doubt being the Payment Date falling in June 2024); and

(b) the date on which the Representative of the Noteholders serves a Revolving Period Termination Notice on the Issuer.

Revolving Period Termination Event means any of the events referred to in Condition 13 (*Revolving Period Termination Events*).

Revolving Period Termination Notice shall have the meaning ascribed to it in Condition 13 (*Revolving Period Termination Events*).

Rules of the Organisation of the Noteholders means the rules of the organisation of the Noteholders attached as Exhibit to the Conditions, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereof.

Scheduled Instalment Date means any date on which an Instalment is due pursuant to each Loan Agreement.

Securities Account means the account established in the name of the Issuer with the Account Bank with number 2642700, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Securitisation means the securitisation of the Receivables made by the Issuer through the issuance of the Notes, pursuant to articles 1 and 5 of the Securitisation Law.

Securitisation Law means Italian Law number 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.

Security means the security created pursuant to the Deed of Charge, the French Law Pledge Agreement and any other security which may be created or purported to be created pursuant to the Transaction Documents.

Security Interest means:

(a) any mortgage, charge, pledge, lien, privilege (*privilegio speciale*) or other security interest securing any obligation of any person;

(b) any arrangement under which money or claims to money, or the benefit of, a bank or other account may be applied, set-off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person; or

(c) any other type of preferential arrangement having a similar effect.

Senior Notes means the Class A Notes.

S&P means (i) for the purpose of identifying the S&P Global Ratings' entity which has assigned the credit rating to the Rated Notes, S&P Global Ratings Europe Limited, Italy Branch or any successor to this rating activity, and (ii) in any other case, any relevant entity of S&P Global Ratings' group.

Sequential Redemption Event means, in respect of any Payment Date during the Amortisation Period prior to the delivery of an Issuer Trigger Notice or a redemption of the Notes pursuant to Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up or regulatory reasons*) or Condition 8.4 (*Optional redemption for taxation reasons*), the occurrence of any of the following events:

(a) the amount debited on the Class F Principal Deficiency Sub-Ledger is greater than 0.50 per cent. of the aggregate Outstanding Principal of the Portfolio on such Payment Date after application of the Interest Available Funds in accordance with the Pre-Acceleration Interest Priority of Payments; or

(b) the Cumulative Gross Default Ratio is greater than any of the following levels:

Months 1-2	July 2023 - August 2023	0.25%
Months 3-5	September 2023 - November 2023	0.50%
Months 6-8	December 2023 - February 2024	0.75%
Months 9-11	March 2024 - May 2024	1.00%
Months 12-17	June 2024 - November 2024	1.25%
Months 18-23	December 2024 - May 2025	1.50%
Months 24-29	June 2025 - November 2025	2.00%
Months 30-35	December 2025 - May 2026	3.00%
Months + 36	from June 2026	4.00%

(c) the Clean-up Call Condition has occurred but the Clean-up Call Option has not been exercised.

Servicer means Findomestic, or any other person for the time being acting as Servicer pursuant to the Servicing Agreement.

Servicer Termination Event means any of the events set out in clause 10.1 of the Servicing Agreement.

Servicer's Report means the report delivered by the Servicer on each Servicer's Report Date, in accordance with the provisions of the Servicing Agreement.

Servicer's Report Date means the day falling 8 (eight) Business Days after the end of each Collection Period, provided that the first Servicer's Report Date will be 12 July 2023.

Servicing Agreement means the agreement entered into on 1 June 2023 between the Issuer and the 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.

Set-Off Exposure means, on any Set-Off Report Date, the aggregate of the Individual Set-Off Exposure of all the relevant Debtors included in the Portfolio.

Set-Off Guarantee means the French law guarantee issued on or about the Issue Date by the Set-Off Guarantor in favour of the Issuer, as from time to time modified in accordance with the provisions therein contained and including any deed or other document expressed to be supplemental thereto and any further guarantee to be issued in replacement thereof, as the case may be.

Set-Off Guarantee Cut-Off Date means the later of (i) 30 (thirty) calendar days following the Subordinated Loan Provider Change of Control, or (ii) a Replacement Set-Off Guarantor having entered into a Replacement Set-Off Guarantee.

Set-Off Guarantor means BNP Paribas or any other entity from time to time acting as Set-Off Guarantor pursuant to the Set-Off Guarantee.

Set-Off Guarantor Downgrade Event means the circumstance that the long-term issuer default ratings of BNP Paribas fall below "BBB" by Fitch or "BBB" by S&P.

Set-Off Guarantor Minimum Ratings means the following ratings: (i) with respect to Fitch, at least "BBB" as long-term public rating; or (ii) with respect to S&P, at least "BBB" as a long-term issuer credit rating or such other rating as may comply with S&P's criteria from time to time.

Set-Off Loss means the aggregate of (A) with respect to any Loan in relation to which the relevant Debtor has exercised a right of set-off between the amounts due by the Debtor under the relevant Loan Agreement and the amounts due by the Originator to the relevant Debtor in relation to any Debtor's Account held by the latter, the amount not paid by the relevant Debtor as a consequence of the exercise of such right and (B) any amount owed to a Debtor in connection with the reduction in the total cost of the credit pursuant to article 125-*sexies* of the Consolidated Banking Act in case of prepayment of the relevant Loan, calculated on the last Business Day of the calendar month immediately preceding the relevant Set-Off Report Date.

Set-Off Report means the monthly report delivered by the Servicer on each Set-Off Report Date in accordance with the provisions of the Servicing Agreement.

Set-Off Report Date means the date falling on the 8th (eighth) Business Day of each calendar month, provided that the first Set-Off Report Date will be 12 July 2023.

Set-Off Reserve means, in respect of any Payment Date up to (and including) the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Rated Notes will be redeemed in full or cancelled, the amount standing to the credit of the Set-Off Reserve Account (before making the calculations required to be made in respect of such Payment Date).

Set-Off Reserve Account means the Euro denominated account established in the name of the Issuer with the Account Bank with IBAN code: IT 18 R 03479 01600 000802642702, or such substitute account as may be opened in accordance with the Cash Allocation, Management and Payments Agreement.

Set-Off Reserve Proceeds means the proceeds advanced by the Subordinated Loan Provider to the Issuer in order to establish or replenish, as the case may be, the Set-Off Reserve in accordance with the provisions of the Subordinated Loan Agreement and the other relevant Transaction Documents.

Set-Off Reserve Required Amount means, in respect of any Payment Date up to (but excluding) the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and (ii) the Payment Date on which the Rated Notes will be redeemed in full or cancelled, the relevant Set-Off Exposure calculated on the last Business Day of the calendar month immediately preceding the relevant Set-Off Report Date, it being understood that on the earlier of (i) the Payment Date following the delivery of an Issuer Trigger Notice, and

(ii) the Payment Date on which the Rated Notes will be redeemed in full or cancelled, such amount will be equal to 0 (zero).

Solvency II Amendment Regulation means the Commission Delegated Regulation (EU) no. 1221 of 1 June 2018 amending Delegated Regulation (EU) 2015/35 of 10 October 2014 as regards the calculation of regulatory capital requirements for securitisations and simple, transparent and standardised securitisations held by insurance and reinsurance undertakings.

Solvency II Regulation means Regulation (EU) no. 35/2015, as amended, supplemented and/or replaced from time to time.

Specific Criteria means the objective criteria for the identification of the Receivables specified in schedule 2 to the Master Receivables Purchase Agreement, which may supplement the Common Criteria.

SR Investors Report means the report setting out certain information with respect to the Portfolio and the Notes (including the information referred to in point (e), items (i), (ii) and (iii), of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation), to be prepared and delivered by the Calculation Agent in accordance with the Cash Allocation, Management and Payments Agreement.

SR Report Date means (i) prior to the delivery of an Issuer Trigger Notice, the date falling no later than one month after each Payment Date, provided that the first SR Report Date will fall in 25 August 2023, or (ii) following the delivery of an Issuer Trigger Notice, the date falling no later than one month after each monthly date designated as Payment Date by the Representative of the Noteholders.

Start-up Costs Proceeds means the proceeds advanced by the Subordinated Loan Provider to the Issuer in order to fund (i) a portion of the Advanced Purchase Price for the Initial Portfolio to be paid on the Issue Date and (ii) certain up-front costs and expenses (including the Retention Amount on the Issue Date) incurred by the Issuer in connection with the Securitisation in accordance with the provisions of the Subordinated Loan Agreement and the other relevant Transaction Documents.

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 Originator on or prior to the Issue Date in respect of the Securitisation for the inclusion in the list published by ESMA referred to in article 27(5) of the EU Securitisation Regulation.

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 Loan means the subordinated loan advanced by the Subordinated Loan Provider to the Issuer pursuant to the Subordinated Loan Agreement.

Subordinated Loan Agreement means the subordinated loan agreement entered into on or about the Issue Date between the Issuer and the Subordinated Loan 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.

Subordinated Loan Provider means Findomestic, or any other entity from time to time acting as Subordinated Loan Provider pursuant to the Subordinated Loan Agreement.

Subordinated Loan Provider Change of Control means the circumstance that the Set-Off Guarantor ceases to own more than 50 per cent. of the shareholding of the Subordinated Loan Provider (whether directly or indirectly).

Subordinated Swap Amounts means any termination amount payable by the Issuer to each Swap Counterparty under the relevant Swap Agreement as a result of either (a) an Event of Default (as defined in the relevant Swap Agreement) where such Swap Counterparty is the Defaulting Party (as defined in the relevant Swap Agreement); or (b) an Additional Termination Event (as defined in the relevant Swap Agreement) which occurs as a result of the failure of such Swap Counterparty to comply with the requirements of a rating downgrade provision set out under the relevant Swap Agreement.

Subscription Agreement means the subscription agreement relating to the Notes entered into on or about the Issue Date between the Issuer, the Originator, the Arranger, the Lead Manager 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.

Subsequent Portfolio means any portfolio of Receivables (other than the Initial Portfolio) purchased by the Issuer from the Originator from time to time pursuant to the terms and conditions of the Master Receivables Purchase Agreement.

Subsequent S&P Required Rating has the meaning given to it in the Swap Agreements.

Substitute Servicer means any substitute servicer appointed by the Issuer in accordance with the provisions of the Servicing Agreement.

Supported Minimum Counterparty Rating has the meaning given to it in the Swap Agreements.

Swap Agreements means, collectively, the Class A Swap Agreement and the Class B, C, D, E and F Swap Agreement, and **Swap Agreement** means, as the case may be, any of them.

Swap Cash Collateral Accounts means, collectively, the Class A Swap Cash Collateral Account and the Class B, C, D, E and F Swap Cash Collateral Account, and **Swap Cash Collateral Account** means, as the case may be, any of them.

Swap Collateral means an amount equal to the value of the collateral (or the applicable part of any collateral) provided by each Swap Counterparty to the Issuer in respect of such Swap Counterparty's obligations to transfer collateral to the Issuer under the relevant Swap Agreement, which, for the avoidance of doubt, shall include any amount of interest credited to the relevant Swap Cash Collateral Account.

Swap Collateral Accounts means, collectively, the Swap Cash Collateral Accounts and the Swap Securities Collateral Accounts, and **Swap Collateral Account** means, as the case may be, any of them.

Swap Counterparties means, collectively, the Class A Swap Counterparty and the Class B, C, D, E and F Swap Counterparty, and **Swap Counterparty** means, as the case may be, any of them.

Swap Counterparty Change of Control means the circumstance that the Swap Guarantor ceases to own more than 50 per cent. of the shareholding of a Swap Counterparty (whether directly or indirectly).

Swap Guarantee means the French law guarantee issued on or about the Issue Date by the Swap Guarantor in favour of the Issuer, as from time to time modified in accordance with the provisions therein contained and including any deed or other document expressed to be supplemental thereto and any further guarantee to be issued in replacement thereof, as the case may be.

Swap Guarantee Cut-Off Date means the later of (i) 30 (thirty) calendar days following the Swap Counterparty Change of Control, or (ii) a Replacement Swap Guarantor having entered into a Replacement Swap Guarantee.

Swap Guarantor means BNP Paribas or any other entity from time to time acting as Swap Guarantor pursuant to the Swap Guarantee.

Swap Securities Collateral Accounts means, collectively, the Class A Swap Securities Collateral Account and the Class B, C, D, E and F Swap Securities Collateral Account, and **Swap Securities Collateral Account** means, as the case may be, any of them.

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 any Swap Counterparty to the Issuer, the amounts of which shall be applied by the Issuer in accordance with the Cash Allocation, Management and Payments Agreement.

Target Amount means, on any Target Report Date, the difference (if positive) between (a) the Principal Amount Outstanding of the Notes, and (b) the Portfolio Principal Balance as at the end of the immediately preceding Collection Period.

Target Business Day means a day on which the real time gross settlement system operated by the Eurosystem (T2) is open for Euro payment.

Target Report means the monthly report to be prepared by the Servicer on each Target Report Date in accordance with the provisions of the Servicing Agreement.

Target Report Date means, during the Revolving Period, the second-last Business Day of each month of each year.

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 (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

Tax Deduction means any present or future deduction or withholding for or on account of Tax imposed or levied by or on behalf of any tax authority in Italy.

Tax Event means the imposition, at any time after the Issue Date, of:

(a) any Tax Deduction in respect of any payment to be made by the Issuer (other than in respect of a Decree 239 Deduction); or

(b) any changes in the Tax law of Italy (or in the application or official interpretation of such law) which would cause the total amount payable in respect of the Portfolio to cease to be receivable by the Issuer (including as a result of any of the Debtors being obliged to make a Tax Deduction in respect of any payment in relation to any Receivables).

Transaction Documents means, together, the Master Receivables Purchase Agreement, the Servicing Agreement, the Warranty and Indemnity Agreement, the Subscription Agreement, the Euronext Securities Milan Mandate Agreement, the Intercreditor Agreement, the Cash Allocation, Management and Payments Agreement, the Swap Agreements, the Swap Guarantee, the Set-Off Guarantee, the Deed of Charge, the French Law Pledge Agreement, the Mandate Agreement, the Corporate Services Agreement, the Quotaholder's Agreement, the Master Definitions Agreement, the Subordinated Loan Agreement, this Prospectus, the relevant Transfer Agreements (if any) and any other document which may be deemed to be necessary in relation to the Securitisation.

Transaction Party means any party to any Transaction Document (other than the Issuer).

Transfer Agreements means each transfer agreement executed by the Issuer and the Originator in connection with the purchase of each Subsequent Portfolio in accordance with the provisions of the Master Receivables Purchase Agreement.

Transfer Date means (i) in relation to the Initial Portfolio, 1 June 2023, and (ii) in relation to any Subsequent Portfolio, the date on which the Originator receives from the Issuer the acceptance to the relevant Transfer Proposal in accordance with the Master Receivables Purchase Agreement.

Transfer Proposal means the transfer proposal to be executed in relation to the transfer of each Subsequent Portfolio, in the form attached as schedule 3 (*Modello di Proposta di Cessione*) to the Master Receivables Purchase Agreement.

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 PRIIPs Regulation means Regulation (EU) no. 1286/2014 as it forms part of domestic law by virtue of the EUWA.

UK Prospectus Regulation means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

UK Securitisation Regulation means Regulation (EU) no. 2402 of 12 December 2017 as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

Unrated Notes means the Class F Notes.

U.S. Risk Retention Rules means the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended.

Valuation Date means (i) with respect to the Initial Portfolio, 31 May 2023, and (ii) with respect to any Subsequent Portfolio, the date falling no more than 1 (one) Business Day before the relevant Transfer Date in relation to which the Originator has selected any such Subsequent Portfolio on the basis of the Criteria, as indicated in the relevant Transfer Proposal.

VAT means *Imposta sul Valore Aggiunto* (IVA) as defined in Italian D.P.R. number 633 of 26 October 1972, as amended and/or supplemented from time to time.

Vehicles means motorised vehicle including, without limitation, cars, campers, light quadricycles, three-wheeler vans and registered motorcycle.

Volcker Rule means the restriction adopted under the Dodd-Frank Act and codified as part of the Bank Holding Company Act of 1956 (12 USC § 1851).

Warranty and Indemnity Agreement means the agreement entered into on 1 June 2023 between the Issuer and the Originator, 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.

ISSUER

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