Pursuant to article 2, paragraph 3, of Italian law No 130 of 30 April 1999

BPL Mortgages S.r.l.

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

€2,440,400,000 Class A - 2012 Mortgage-Backed Floating Rate Notes due 2062
Issue price: 100%

€1,148,455,000 Class B - 2012 Mortgage-Backed Notes due 2062
Issue price: 100%

€995,100,000 Class A - 2016 Mortgage-Backed Notes due 2062
Issue price: 100%

€1,504,300,000 Class A - 2019 Mortgage-Backed Notes due 2062
Issue price: 100%

€69,670,000 Class B - 2019 Mortgage-Backed Notes due 2062
Issue price: 100%

€1,365,000,000 Class A - 2024 Mortgage-Backed Floating Rate Notes due 2062
Issue price: 100%

This prospectus (*the* ***Prospectus***) *contains information relating to the issue by BPL Mortgages S.r.l.* (*the* ***Issuer***) *of the Notes* (*as defined below*).

Prior to the date hereof, the Issuer has issued:

1 *on 21 December 2012* (*the* ***Issue Date 2012***), *the Euro 2,440,400,000 Class A - 2012 Mortgage-Backed Floating Rate Notes due 2062* (*the* ***Series A1 Notes***) *and the Euro 1,148,455,000 Class B - 2012 Mortgage-Backed Notes due 2062* (*the* ***Series B1 Notes*** *and, together with the Series A1 Notes, the* ***Series 1 Notes***). *The Series 1 Notes have been subscribed by Banco Popolare - Società Cooperativa* (*before the merger into Banco BPM S.p.A.*) (***Banco Popolare***);

2 *on 28 October 2016* (*the* ***Issue Date 2016***), *the Euro 995,100,000 Class A - 2016 Mortgage-Backed Floating Rate Notes due 2062* (*the* ***Series A2 Notes*** *or the* ***Series 2 Notes***). *The Series 2 Notes have been subscribed by Banco Popolare* (*before the merger into Banco BPM S.p.A.*); *and*

3 *on 14 March 2019* (*the* ***Issue Date 2019***), *the Euro 1,504,300,000 Class A - 2019 Mortgage-Backed Floating Rate Notes due 2062* (*the* ***Series A3 Notes***) *and the Euro 69,670,000 Class B - 2019 Mortgage-Backed Notes due 2062* (*the* ***Series B3 Notes*** *and, together with the Series A3 Notes, the* ***Series 3 Notes***; *and the Series B3 Notes together with the Series B1 Notes, the* ***Junior Notes***). *The Series 3 Notes have been subscribed by Banco BPM S.p.A* (***Banco BPM*** *or the* ***Originator***).

In addition, on 7 August *2024* (*the* ***Issue Date 2024*** *or the* ***New Issue Date***), *the Issuer will issue the Euro 1,365,000,000 Class A 2024 Mortgage Backed Floating Rate Notes due 2062* (*the* ***Series A4 Notes*** *and, together with the Series A1 Notes, the Series A2 Notes and the Series A3 Notes, the* ***Class A Notes*** *or the* ***Senior Notes***), *which will be subscribed by Banco BPM.*

On or about the New Issue Date, pursuant to the terms of the Master Amendment Agreement (as defined below), the Final Maturity of the Series 1 Notes, the Series 2 Notes and the Series 3 Notes has been postponed from October 2058 to January 2062.

The Issuer is a limited liability company incorporated under the laws of the Republic of Italy under article 3 of Italian law No 130 of 30 April 1999 (*Disposizioni sulla cartolarizzazione dei crediti*), *as amended from time to time* (*the* ***Securitisation Law***) *having its registered office at via V. Alfieri, 1, 31015 Conegliano* (*Treviso*), *Italy and registered with the companies' register of Treviso-Belluno under number 04078130269 and with the*

register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy's regulation dated 12 December 2023.

In relation to the Series 1 Notes, a prospectus dated 21 December 2012 has been published by the Issuer in connection with the issue of the Series 1 Notes and which constitute a prospetto informativo for the Series 1 Notes in accordance with the Securitisation Law.

In relation to the Series 2 Notes, a prospectus dated 27 October 2016 has been published by the Issuer in connection with the issue of the Series 2 Notes and which constitute a prospetto informativo for the Series 1 Notes in accordance with the Securitisation Law.

In relation to the Series 3 Notes, a prospectus dated 14 March 2019 has been published by the Issuer in connection with the issue of the Series 3 Notes and which constitute a prospetto informativo for the Series 1 Notes in accordance with the Securitisation Law.

This Prospectus (i) constitutes (A) a prospetto informativo for the Series 4 Notes for the purpose of article 2, paragraph 3 of the Securitisation Law; (B) a prospectus for the purposes of article 7(1)(c) of the EU Securitisation Regulation (as defined below) and (C) also the admission document of the Class A Notes for the admission to trading on the professional segment (***Euronext Access Milan Professional***) *of the multilateral trading facility "Euronext Access Milan"* (***Euronext Access Milan***)*, which is a multilateral system for the purposes of the Market in Financial Instruments Directive 2014/65/UE, managed by Borsa Italiana S.p.A.* (***Borsa Italiana***) *(ii) to the extent required, an amended prospetto informativo for the Series 1 Notes, the Series 2 Notes and the Series 3 Notes.*

The Junior Notes are not being offered pursuant to this Prospectus and no application has been made to list or admit to trading the Junior Notes on any stock exchange.

This Prospectus does not comprise a "prospectus" with regard to the Issuer and the Notes for the purposes of the Regulation (EU) 2017/1129 dated 14 June 2017 of the European Parliament and of the Council (as subsequently amended and supplemented) (the Prospectus Regulation).

NEITHER THE COMMISSIONE NAZIONALE PER LE SOCIETÀ E LA BORSA (CONSOB) NOR BORSA ITALIANA HAVE EXAMINED OR APPROVED THE CONTENT OF THIS PROSPECTUS.

Prior to the New Issue Date, the principal source of funds available to the Issuer for the payment of interest and the repayment of principal on the Series 1 Notes, the Series 2 Notes and the Series 3 Notes, have been collections and recoveries received in respect of a pool of monetary claims and other connected rights arising out of:

1 *portfolios consisting of residential mortgage loans which qualify either as mutui fondiari or as mutui ipotecari owed to Banco Popolare and Credito Bergamasco S.p.A.* (*before the merger into Banco Popolare, which in turn later merged into Banco BPM*) (***Creberg***)*,* (*the* ***Banco Popolare Initial Portfolio*** *and the* ***Creberg Portfolio*** *and, together, the* ***Initial Portfolios***). *The Initial Portfolios have been transferred from, respectively, Banco Popolare* (*before the merger into Banco BPM*) *and Creberg* (*before the merger into Banco Popolare, which in turn later merged in to Banco BPM*) *to the Issuer pursuant to the terms of two transfer agreements entered into on 7 December 2012* (*the* ***Initial Signing Date***) *and 14 March 2013 and two transfer agreements dated the Initial Signing Date and 14 March 2013;*

2 *a pool of monetary claims and other connected rights* (*the* ***Subsequent Claims***) *arising out of a portfolio* (*the* ***First Subsequent Portfolio***) *consisting of residential mortgage loans which qualify either as mutui fondiari or as mutui ipotecari* (*the* ***Subsequent Loans***) *owed to Banco Popolare* (*before the merger into Banco BPM*). *The Subsequent Claims have been transferred to the Issuer pursuant to the terms of a transfer agreement dated 13 October 2016, executed by and between the Issuer and Banco BPM;*

3 *a pool of monetary claims and other connected rights* (*the* ***Further Subsequent Claims***) *arising out of a portfolio* (*the* ***Second Subsequent Portfolio***) *consisting of residential mortgage loans which qualify either as mutui fondiari or as mutui ipotecari* (*the* ***Further Subsequent Loans***) *owed to Banco*

BPM. The Further Subsequent Claims have been transferred to the Issuer pursuant to the terms of a transfer agreement dated 8 February 2019, executed by and between the Issuer and Banco BPM.

The principal source of funds available to the Issuer for the payment of interest and the repayment of principal on the Notes (*including the Series 4 Notes*) *will be, in addition to the Initial Portfolios, the First Subsequent Portfolio and the Second Subsequent Portfolio, an additional pool of monetary claims and other connected rights* (*the* ***Claims 2024***) *arising out of a portfolio* (*the* ***Third Subsequent Portfolio***) *consisting of residential mortgage loans which qualify either as mutui fondiari or as mutui ipotecari* (*the* ***Loans 2024***) *owed to Banco BPM. The Claims 2024 have been transferred to the Issuer pursuant to the terms of a transfer agreement dated* 20 June *2024, executed by and between the Issuer and Banco BPM.*

The Initial Portfolios, the First Subsequent Portfolio, the Second Subsequent Portfolio and the Third Subsequent Portfolio are collectively referred to as the ***Portfolio*** *or the* ***Claims*** *and will constitute as a whole, upon issuance of the Series 4 Notes, the principal source of funds available to the Issuer for the payment of interest and the repayment of principal on the Notes.*

Interest on the Notes is payable by reference to successive interest periods (*each an* ***Interest Period***).

Interest on the Notes will accrue on a daily basis and will be payable in euro quarterly in arrears on 31 July, 30 October, 31 January and 30 April in each year (*in each case, subject to adjustment for non-business days as set out in Condition 6* (*Interest*)).

The first Interest Payment Date of the Series 1 Notes has been the one falling on 30 April 2013, the first Interest Payment Date of the Series 2 Notes has been the one falling on 31 January 2017 and the first Interest Payment Date of the Series 3 Notes has been the one falling on 30 April 2019.

Prior to the service of an Issuer Acceleration Notice, the rate of interest applicable to the Notes for each Interest Period shall be the higher of (*i*) *0%* (*zero per cent*) *and* (*ii*) *the rate offered in the euro-zone inter-bank market* (***EURIBOR***) (*as determined in accordance with Condition 6* (*Interest*)), *plus a margin equal to* (*i*) *0.30% per annum for the Series A1 Notes;* (*ii*) *0.25% per annum for the Series A2 Notes;* (*iii*) *0.25% per annum for the Series A3 Notes; and* (*iv*) 0.80*%% per annum for the Series A4 Notes. In respect of the Series A4 Notes, for the first Interest Period following the Issue Date 2024, the rate will be obtained upon linear interpolation of the EURIBOR for one and three-month deposits in euro* (*as determined in accordance with Condition 6* (*Interest*)), *plus* (*i*) *a margin equal to* 0.80*% per cent per annum.*

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, the Representative of the Noteholders, the Principal Paying Agent, the Agent Bank, the Interim Account Bank, the Transaction Bank, the Additional Transaction Bank, the Corporate Servicer, the Back-up Servicer Facilitator, the Subordinated Loan Provider, the Administrative Servicer, the Computation Agent, the Servicer (*each as defined in "Key features - The principal parties"*), *Banco BPM* (*in any capacity*), *the Initial Notes Subscriber or the quotaholder of the Issuer. Furthermore, none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes.*

The Notes will mature on the Interest Payment Date (*as defined below*) *which falls on 31 January 2062* (*the* ***Maturity Date***), *subject as provided in Condition 8* (*Payments*). *Before the 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 7* (*Redemption, purchase and cancellation*)).

With respect to repayment of principal, the Class A Notes will rank pari passu and without any preference or priority among themselves and will be redeemed in priority to the Junior Notes.

If the Notes cannot be redeemed in full on the Maturity Date as a result of the Issuer having insufficient funds available to it in accordance with the terms and conditions of the Notes (*the* ***Conditions*** *and each, a* ***Condition***) *for application in or towards such redemption, including the proceeds of any sale of Claims or any enforcement of the Note Security* (*as defined below*), *any amount unpaid shall remain outstanding and the Conditions shall continue to apply in full in respect of the Notes until the earlier of* (*i*) *the date on which the Notes are redeemed in full; and* (*ii*) *the Cancellation Date* (*as defined below*), *at which date any amounts remaining outstanding in respect of principal or interest on the Notes shall be reduced to zero and deemed to be released by the holder of the relevant Class of Notes and the relevant Class of Notes shall be cancelled.*

Payments under the Notes may be subject to withholding for or on account of tax, or to a substitute tax, in accordance with Italian legislative decree No 239 of 1 April 1996, as subsequently amended. Upon the occurrence of any withholding for or on account of tax, whether or not in the form of a substitute tax, from any payments under the Notes, neither the Issuer nor any other person shall have any obligation to pay any additional amount to any holder of the Notes of any Class.

***RATING** - Starting from the Issue Date 2012, the Class A1 Notes have been rated A(sf) by DBRS Ratings GmbH, ("**DBRS**") and A1(sf) by Moody's Italia S.r.l. ("**Moody's**"). Starting from the Issue Date 2016, the Class A2 Notes have been rated A(sf) by DBRS and A1(sf) by Moody's. Starting from the Issue Date 2019, the Class A3 Notes have been rated A(sf) by DBRS and A1(sf) by Moody's. The Series A4 Notes are expected, on the Issue Date 2024, to be rated* AA *by DBRS and* AA3 *by Moody's. The Series A1 Notes, the Series A2 Notes, the Series A3 and the Series A4 Notes are expected to have the same rating on or about the Issue Date 2024. As of the date of this Prospectus, each of DBRS and Moody's is established in the European Union and was registered on 31 October 2011 in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No. 513/2011 and Regulation (EC) No. 462/2013 (the **EU CRA Regulation**) and is included in the list of credit rating agencies registered in accordance with the EU CRA Regulation published on the website of the European Securities and Markets Authority (being, as at the date of this Prospectus, www.esma.europa.eu). **A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organization**.*

*The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) or the securities laws of any other jurisdiction. Accordingly, the Notes are being offered and/or sold only outside the United States in accordance with Regulation S under the Securities Act and may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. See the section headed "**Subscription and Sale**". The Originator will subscribe for the Series 4 Notes (and has subscribed for the Series A1 Notes, the Series A2 Notes and the Series A3 Notes on the Issue Date 2012, the Issue Date 2016 and the Issue Date 2019 respectively) and intends to retain the Notes.*

*The Transaction is not intended to involve the retention by a sponsor for purposes of compliance with the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the **U.S. Risk Retention Rules**), in reliance on an exemption provided for in Rule 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Accordingly, and notwithstanding the foregoing, the Notes may not be purchased by, or for the account or benefit of, any Risk Retention U.S. Person. See the section entitled "**Risk Factors - U.S. Risk Retention Requirements**". No assurance can be given as to the availability of the "foreign safe harbor" under the U.S. Risk Retention Rules and investors should consult their own legal and regulatory advisors with respect to such matters.*

Under the Intercreditor Agreement, the Originator has undertaken that it will retain at the origination and maintain on an ongoing basis a material net economic interest of at least 5% of the securitized exposures in the Transaction in accordance with option (3)(d) of article 6 of the Securitisation Regulation. As at the New Issue Date, such interest is comprised of an interest in the first loss tranche (being the Junior Notes).

*The Series 4 Notes will be issued (and the Series 1 Notes, the Series 2 Notes and the Series 3 Notes have been issued on the Issue Date 2012, the Issue Date 2016 and the Issue Date 2019 respectively) in dematerialised form (in forma dematerializzata) on behalf of the ultimate owners, until redemption and/or cancellation thereof, through Monte Titoli S.p.A. (**Euronext Securities Milan**) for the account of the relevant Euronext Securities Milan Account Holders. The expression **Euronext Securities Milan Account Holders** means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Euronext Securities Milan and includes any depository banks appointed by Clearstream Banking S.A. (**Clearstream**) and Euroclear Bank S.A. /N.V., as operator of the Euroclear System (**Euroclear**). Euronext Securities Milan will act as depository for Clearstream and Euroclear in accordance with article 83-bis of Italian Legislative Decree no 58 of 24 February 1998 (as amended, the **Financial Laws Consolidation Act**), through the authorised institutions listed in article 83-quater 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 regulation issued on 13 August 2018 by the Bank of Italy together with CONSOB (the **CONSOB and Bank of Italy Joint Resolution**). No physical document of title will be issued in respect of the Notes.*

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 MiFID II; (ii) a customer within the meaning of Directive (UE) 2016/97, 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. 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 (the* ***UK****). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of article 2 of Regulation (EU) no 2017/565 as it forms part of domestic law by virtue of the 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 the UK Prospectus Regulation. 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 Series 4 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 Directive 2014/65/EU (as amended,* ***MiFID II****); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a* ***distributor****) should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.*

UK 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 European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) (****UK MiFIR****); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a distributor) should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the* ***UK MiFIR Product Governance Rules****) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.*

Benchmark Regulation *(****Regulation*** *(****EU****)* ***2016/1011****) - Interest amounts payable in relation to the Notes will be calculated by reference to the Euribor, which is provided and administered by the European Money Markets Institute (****EMMI****). As at the date of this Prospectus, EMMI is included on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (ESMA) pursuant to article 36 of the benchmark regulation (Regulation (EU) 2016/1011) (the* ***Benchmark Regulation****). 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.*

STS Securitisation - *The Securitisation is intended to qualify as an STS securitisation within the meaning of article 18 of 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 will be notified, on or about the New Issue Date, 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 at 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**). 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 continues to qualify as an STS securitisation under the EU 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, the Originator or any other party to the Transaction Documents makes any representation or accepts any liability for the Securitisation to qualify as an STS securitisation under the EU Securitisation Regulation as at the date of this Prospectus nor at any point in time in the future.*

***Eurosystem Eligibility -** The Senior Notes are intended to be held in a manner which would allow Euro-system eligibility pursuant to and for the purposes of the Guideline (EU) 2015/510 of the European Central Bank of 19 December 2014, as amended (the **Guideline**). This means that the Senior Notes are intended upon issue to be held in dematerialised form, settled and evidenced as book entries with Euronext Securities Milan - acting as depository for Euroclear and Clearstream - that constitutes a securities settlement system which has been positively assessed as eligible pursuant to the Eurosystem User Assessment Framework. However, this does not necessarily mean that the Senior Notes will be recognised as eligible collateral for the purposes of the Guideline by the Euro-system either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of all the Euro-system eligibility criteria provided for by the Guideline.*

The assessment and/or decision as to whether the Senior Notes qualify as eligible collateral for Eurosystem monetary policy and intra-day credit operations rests with the relevant central bank. None of the Issuer, the Originator or any other party to the Transaction Documents gives any representation or warranty as to the eligibility of the Senior Notes for such purpose, nor do they accept any obligation or liability in relation to such eligibility or lack of it of the Senior Notes at any time.

*Each of the Noteholders is required to independently assess and determine the sufficiency of the information described in this Prospectus for the purposes of complying with article 5 of the EU Securitisation Regulation, and none of the Issuer, the Originator or any other party to the Transaction Documents makes any representation that the information described in this Prospectus is sufficient in all circumstances for such purposes. In addition, each prospective Noteholder should ensure that it complies with any implementing provisions in respect of article 5 of the EU Securitisation Regulation. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction should seek guidance from their regulator. Please refer to the section headed "**Risk Factors - Non-compliance with the EU Securitisation Regulation may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes**" for further information.*

The Issuer has no assets other than the Claims and the Issuer's Rights (as defined in the Conditions) as described in this Prospectus as well as the claims purchased by the Issuer and the agreements entered into by the Issuer in relation to the Previous Securitisation (as defined in the Conditions) which, however, do not constitute collateral for the Notes and are not available to the Noteholders for any purpose.

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

The date of this Prospectus is 7 August 2024.

Responsibility Statements

None of the Issuer, the Representative of the Noteholders or any other party to any of the Transaction Documents (*as defined below*)*, other than the Originator, has undertaken or will undertake any investigations, searches or other actions to verify the details of the Claims sold by the Originator to the Issuer, nor have the Issuer, the Representative of the Noteholders or any other party to any of the Transaction Documents, other than the Originator, undertaken, nor will they undertake, any investigations, searches or other actions to establish the creditworthiness of any debtor in respect of the Claims.*

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer (*which has taken all reasonable care to ensure that such is the case*)*, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect the import of such information. The Issuer, having made all reasonable enquiries, confirms that this Prospectus contains or incorporates all information which is material in the context of the issuance and offering of the Notes, that the information contained or incorporated 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.*

*Banco BPM has provided the information under the sections headed "**The Portfolio", "The Originator, the Servicer, the Transaction Bank, the Interim Account Bank, the Subordinated Loan Provider and the Administrative Servicer**", "**The Credit and Collection Policy**" and any other information contained in this Prospectus relating to itself, the collection and underwriting procedures relating to the Portfolio, the relevant Claims, the relevant Mortgage Loans and the relevant Mortgages* (*each as defined below*) *and accepts responsibility for the information contained in those sections. Banco BPM has also provided the historical data used as assumptions to make the calculations contained in the section headed "Estimated weighted average life of the Senior Notes and assumptions" on the basis of which the information and assumptions contained in the same section have been extrapolated and accepts responsibility for such historical data. The Issuer accepts responsibility for the other information and assumptions contained in such section as described above. To the best of the knowledge of Banco BPM* (*having taken all reasonable care to ensure that such is the case*)*, the information and data in relation to which it is responsible as described above are in accordance with the facts and do not contain any omission likely to affect the import of such information and data.*

*BNP Paribas, Italian Branch has provided the information under the section headed "**The Additional Transaction Bank**" and "**Representative of the Noteholders**" and accepts responsibility for the information contained therein, and to the best of the knowledge and belief of BNP Paribas, Italian Branch* (*having taken all reasonable care to ensure that such is the case*)*, such information is in accordance with the facts and contains no omission likely to affect its import. Save as aforesaid, BNP Paribas, Italian Branch has not, however, been involved in the preparation of, and does not accept responsibility for, this Prospectus or any part hereof.*

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 Banco BPM (*in any capacity*)*, the Representative of the Noteholders, the Issuer, the Corporate Servicer, the Administrative Servicer, the Back-up Servicer Facilitator, the Subordinated Loan Provider, the Interim Account Bank, the Transaction Bank, the Additional Transaction Bank, the Quotaholder of the Issuer, or any other person. 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 imply that there has been no change in the affairs of the Issuer or the Originator or in the information contained herein since the date hereof or that the information contained herein is correct as at any time subsequent to the date hereof.*

This Prospectus does not constitute an offer, and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such an offer or solicitation is not authorised or is unlawful.

The Representative of the Noteholders has not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, expressed or implied, is made and no responsibility or liability is accepted by the Representative of the Noteholders as to the accuracy or completeness of the

information contained in this Prospectus or any other information provided by the Issuer and Banco BPM in connection with the Notes or their distribution.

*The Notes constitute limited recourse obligations of the Issuer. Each Note will be secured, in each case, by certain of the assets of the Issuer pursuant to and as more fully described in the section entitled "**Other Transaction Documents**". Furthermore, by operation of Italian law, the Issuers' right, title and interest in and to the Claims and the other Issuers' Rights (as defined in the Conditions) will be segregated from all other assets of the Issuer and amounts deriving therefrom will only be available, both prior to and following a winding-up of the Issuer, to satisfy the obligations of the Issuer to the holders of the Notes, to pay any costs, fees, expenses and other amounts required to be paid to the Representative of the Noteholders, the Principal Paying Agent, the Agent Bank, the Interim Account Bank, the Transaction Bank, the Additional Transaction Bank, the Corporate Servicer, the Back-up Servicer Facilitator, the Subordinated Loan Provider, the Administrative Servicer, the Computation Agent, the Servicer, Banco BPM (in any capacity), the Initial Notes Subscriber or the Quotaholder of the Issuer and to any third-party creditor in respect of any costs, fees, expenses or liabilities incurred by the Issuer to such third-party creditor in relation to the securitisation of the Claims contemplated by this Prospectus (the **Securitisation** or the **Transaction**). Furthermore, none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payments of any amount due on the Notes. Amounts derived from the Claims will not be available to any other creditors of the Issuer and will be applied by the Issuer in accordance with the applicable order of priority for the application of Issuer Available Funds (as defined below).*

The Issuers' rights, title and interest in and to the Portfolio and the other Issuer's Rights (as defined in the Conditions) may not be seized or attached in any form by the creditors of the Issuer other than the Noteholders, the Other Issuer Creditors in accordance with the Transaction Documents and any other third party creditors in respect of any taxes, costs, fees or expenses incurred by the Issuer in relation to the Transaction and to the corporate existence and good standing of the Issuer, until full redemption or cancellation of the Notes and full discharge by the Issuer of its obligations vis-à-vis the Noteholders, the Other Issuer Creditors and any such third party.

The distribution of this Prospectus and the offer, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Initial Notes Subscriber to inform themselves about, and to observe, any such restrictions. Neither this Prospectus nor any part of it constitutes an offer, and may not be used for the purpose of an offer to sell any of the Notes, or 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, Banco BPM (in any capacity), or the Initial Notes Subscriber 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 Claims, the Portfolio and of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

*The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**), are in bearer form and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes 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). For a further description of certain restrictions on the offering and sale of the Notes and on distribution of this Prospectus, see the section headed "**Subscription and sale**".*

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

*Amounts payable on the Senior Notes will be calculated by reference to Euribor, which is provided and administered by the European Money Markets Institute (**EMMI**). As at the date of this Prospectus, EMMI is included in the register of administrators and benchmarks established and maintained by the ESMA pursuant to Article 36 of the Regulation (EU) No 2016/1011 (the **Benchmark Regulation**).*

The Notes may not be offered or sold directly or indirectly, and neither this Prospectus nor any other offering circular nor any prospectus, form of application, advertisement, other offering material nor other information relating to the Issuer or the Notes may be issued, distributed or published in any country or jurisdiction (*including the Republic of Italy, the United Kingdom and the United States*)*, except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations. No action has or will be taken which could allow an offering of the Notes to the public in the Republic of Italy. For a further description of certain restrictions on offers and sales of the Notes and the distribution of this Prospectus, see the section headed "**Subscription and sale**".*

*The Notes Initial Subscriber and each subsequent purchaser of a Note will be deemed, by subscribing and/or acquiring any of the Notes, to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer thereof as described in this Prospectus and, in connection therewith, may be required to provide confirmation of its compliance with such resale or other transfer restrictions in certain cases. See the section headed "**Subscription and sale**".*

This Prospectus contains statements that constitute forward-looking statements. Words such as "believes", "anticipates", "expects", "estimates", "intends", "plans", "will", "may", "should" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. These statements include those regarding the intent, belief or current expectation of the Originator and its officers with respect to, among other things: (a) the financial condition of the Originator and the characteristics of its strategy, products or services; (b) the Originator's plans, objectives or goals, including those related to products or services; (c) statements of future economic performance; and (d) assumptions underlying those statements.

*Forward-looking statements are not guarantees of future performance and involve risks and uncertainties and actual results may differ from those in the forward-looking statements as a result of various factors. Accordingly, prospective purchasers of the Notes should not rely on such forward-looking statements. The information in this Prospectus, including the information set out in the sections headed "**Risk Factors**", "**The Portfolio**" and "**The Originator, the Servicer, the Transaction Bank, the Interim Account Bank, the Subordinated Loan Provider and the Administrative Servicer**" identifies important factors that could cause such differences including, inter alia, a change in the overall economic conditions in Italy, change in the Originator's financial condition and the effect of new legislation or government regulations (or new interpretation of existing legislation or government regulations) in Italy. Such forward-looking statements speak only as at the date of this Prospectus. Accordingly, neither the Issuer, nor any other Transaction Party undertakes any obligation to update or revise any of them whether as a result of new information, future events or otherwise. Neither the Issuer, nor any Transaction Party makes any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved and such forward-looking statements represent, in each case, only one of the many possible scenarios and should not be viewed as the most likely standard scenario. Moreover, no assurance can be given that any of the historical information, trends or practices mentioned and described in the Prospectus are indicative of future results or events.*

*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; and references to **billions** are to thousands of millions.*

*In this Prospectus references to **Euro**, **EUR**, **€** and **cents** are to the single currency introduced in the member states of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957, as amended by, inter alia, the Single European Act 1986 and the Treaty of European Union of 7 February 1992 establishing the European Union and the European Council of Madrid of 16 December 1995.*

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.

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OVERVIEW OF THE TRANSACTION

The following information is a summary of the transactions and assets underlying the Notes. It has to be read as an introduction to this Prospectus and is qualified in its entirety by reference to the detailed information presented elsewhere in this Prospectus and in the Transaction Documents.

Certain terms used in this section, but not defined, may be found in other sections of this Prospectus, unless otherwise stated.

1 THE PRINCIPAL PARTIES

Issuer

BPL Mortgages S.r.l., a limited liability company with sole quotaholder incorporated in the Republic of Italy under article 3 of Italian law No 130 of 30 April 1999 (*Disposizioni sulla cartolarizzazione dei crediti*), (as amended from time to time, the **Securitisation Law**), having its registered office at via Alfieri, 1, 31015 Conegliano (Treviso), Italy, registered with the companies' register of Treviso-Belluno under number 04078130269, fiscal code and VAT number 04078130269, enrolled in the register of the special purpose vehicles held by Bank of Italy pursuant to the Bank of Italy's regulation dated 12 December 2023 with No 33259.3, (the **Issuer**). The issued equity capital of the Issuer is entirely held by SVM Securitisation Vehicles Management S.r.l. and equal to Euro 12,000 (fully paid up).

The Issuer has been established as a special purpose vehicle for the purposes of issuing asset-backed securities. The Issuer may carry out other securitisation transactions in addition to the one contemplated in this Prospectus, subject to certain conditions.

Shareholder

SVM Securitisation Vehicles Management S.r.l., an Italian limited liability company with sole quotaholder (*società a responsabilità limitata con socio unico*), having its registered office at via Alfieri, 1, 31015 Conegliano (Treviso), Italy, registered with the companies' register held in Treviso-Belluno, Italy, under number 03546650262, fiscal code and vat number 03546650262. Quota capital equal to Euro 30,000 (fully paid up).

Originator

Credito Bergamasco S.p.A. (merged into Banco Banco Popolare – Società Cooperativa and subsequently merged into Banco BPM).

Banco Popolare – Società Cooperativa (merged into Banco BPM).

Banco BPM S.p.A., a bank incorporated as a joint stock company (*società per azioni*) organised under the laws of the Republic of Italy, having its registered office at Piazza F. Meda, 4 – 20121 Milan, Italy, registered with the companies' register held in Milano-Monza-Brianza-Lodi, Italy, fiscal code number 09722490969, registered with the register of banks (*albo delle banche*) held by the Bank of Italy pursuant to article 13 of the Banking Act under number 8065, parent company of the **Gruppo Banco BPM** registered with the register of banking groups held by the Bank of Italy pursuant to article 64 of the Banking Act, (**Banco BPM** or the **Originator**).

In the context of a reorganisation plan of the Gruppo Bancario Banco Popolare, effective from 1st June 2014, Credito Bergamasco S.p.A. (**Creberg**) was merged into Banco Popolare - Società Cooperativa (**Banco Popolare**) and therefore Creberg was extinguished and, as expressly acknowledged and agreed between Banco Popolare and the Issuer in the Transaction Documents, Banco Popolare has assumed all the obligations and rights of Creberg arising from the agreements signed in the context of the Securitisation as of the date of such merger.

	In the context of a further reorganisation plan of the Gruppo Banco BPM, effective from 1st January 2017, Banco Popolare and Banca Popolare di Milano - Società Cooperativa a responsabilità limitata have been merged into a new joint stock company named **Banco BPM Società per Azioni**. Therefore, Banco BPM has assumed all the obligations and rights of Banco Popolare arising from the agreements signed in the context of the Securitisation as of the date of such merger. As a consequence, as used in this Prospectus, the terms **Originator** and **Servicer** shall be deemed to be a reference to Banco BPM, in relation to the whole Portfolio (as defined below).
Representative of the Noteholders	**BNP Paribas** a company incorporated under the laws of Republic 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 2.261.621.342, which acts for the purposes hereof through its Italian branch, with offices at Piazza Lina Bo Bardi n. 3, 20124 Milan, Italy, 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**), or any other entity acting as such pursuant to the Intercreditor Agreement.
Administrative Servicer	**Banco BPM**, or any other entity acting as such pursuant to the Administrative Services Agreement.
Corporate Servicer	**Banca Finanziara Internazionale S.p.A.**, a bank incorporated under the laws of Italy as a **società per azioni**, having its registered office in Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, share capital of Euro 91,743,007.00 fully paid up, tax code and enrolment in the Companies' Register of Treviso-Belluno number 04040580963, VAT Group **Gruppo IVA FININT S.P.A**. - VAT number 04977190265, registered in the Register of the Banks under number 5580 pursuant to article 13 of the Consolidated Banking Act and in the Register of the Banking groups as Parent Company of the Banca Finanziaria Internazionale Banking Group, member of the **Fondo Interbancario di Tutela dei Depositi** and of the **Fondo Nazionale di Garanzia** (**Banca Finint**) or any other person for the time being acting as such pursuant to the Corporate Services Agreement.
Servicer	**Banco BPM**, or any other entity who shall act as Servicer from time to time under the Servicing Agreement.
Computation Agent	**BNPP**, or any other entity who shall act as Computation Agent from time to time under the Agency and Accounts Agreement.
Transaction Bank	**Banco BPM**, or any other entity who shall act as Transaction Bank from time to time under the Agency and Accounts Agreement.
Additional Transaction Bank	**BNPP**, or any other entity who shall act as Additional Transaction Bank from time to time under the Agency and Accounts Agreement.
Interim Account Bank	**Banco BPM**, or any other entity who shall act as Interim Account Bank from time to time under the Agency and Accounts Agreement.
Principal Paying Agent	**BNPP**, or any other entity who shall act as Principal Paying Agent from time to time under the Agency and Accounts Agreement
Agent Bank	**BNPP**, or any other entity who shall act as Agent Bank from time to time under the Agency and Accounts Agreement.

Back-up Servicer Facilitator	**Banca Finint**, or any other entity who shall act as Agent Bank from time to time under the Intercreditor Agreement.
Subordinated Loan Provider	**Banco BPM**, or any other entity who shall act as Subordinated Loan Provider from time to time under the relevant Subordinated Loan Agreement.
	As at the date of this Prospectus, there are no relationships of direct or indirect control or ownership among the parties listed above, except for the relationships between the Issuer and the Quotaholder as described in the section headed "*The Issuer*".

2 OVERVIEW OF THE NOTES

The Notes

On 21 December 2012 (the **Issue Date 2012**), the Issuer has issued:

(a) €2,440,400,000 Class A-2012 Mortgage-Backed Floating Rate Notes due 2062 (the **Series A1 Notes**); and

(b) €1,148,455,000 Class B-2012 Mortgage-Backed Notes due 2062 (the **Series B1 Notes** and, together with the Series A1 Notes, the **Series 1 Notes**).

On 28 October 2016 (the **Issue Date 2016**), the Issuer has issued €995,100,000 Class A-2016 Mortgage-Backed Floating Rate Notes due 2062 (the **Series A2 Notes**).

On 14 March 2019 (the **Issue Date 2019**), the Issuer has issued:

(a) €1,504,300,000 Class A-2019 Mortgage-Backed Floating Rate Notes due 2062 (the **Series A3 Notes**); and

(b) €69,670,000 Class B-2019 Mortgage-Backed Notes due 2062 (the **Series B3 Notes** and, together with the Series A3 Notes, the **Series 3 Notes**. The Series B1 Notes and the Series B3 Notes are together referred to as the **Class B Notes** or the **Junior Notes)**.

On 7 August 2024 (the **Issue Date 2024** or the **New Issue Date**), the Issuer will issue the €1,365,000,000.00 Class A-2024 Mortgage-Backed Floating Rate Notes due 2062 (the **Series A4 Notes** and, together with the Series A1 Notes, the Series A2 Notes and the Series A3 Notes, the **Class A Notes** or the **Senior Notes** and the Senior Notes together with the Junior Notes, the **Notes**).

Issue Date means:

(a) in respect of the Series 1 Notes, the Issue Date 2012;

(b) in respect of the Series 2 Notes, the Issue Date 2016;

(c) in respect of the Series 3 Notes, the Issue Date 2019; and

(d) in respect of the Series 4 Notes, the New Issue Date.

The Notes constitute direct, secured, limited recourse obligations of the Issuer. It is not anticipated that the Issuer will make any profits from this transaction. The Notes are governed by Italian law.

Form and denomination of the Notes

The authorised denomination of the Series A1 Notes, the Series A2 Notes and the Class A3 Notes is €100,000 and the denomination of the Series A4 Notes will be €100,000.

The Series 4 Notes will be issued (and the Series 1 Notes, the Series 2 Notes and the Series 3 Notes have been issued on the Issue Date 2012, the Issue Date 2016 and the Issue Date 2019 respectively) in dematerialised form (*in forma dematerializzata*) on behalf of the ultimate owners, until redemption and/or cancellation thereof, through Monte Titoli S.p.A. (**Euronext Securities Milan**) for the account of the relevant Euronext Securities Milan Account Holders. The expression **Euronext Securities Milan Account Holders** means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Euronext Securities Milan and includes any depository banks appointed by Clearstream Banking S.A. (**Clearstream**) and Euroclear Bank S.A. /N.V., as operator of the Euroclear System (**Euroclear**). Euronext Securities Milan will act as depository for Clearstream and Euroclear in accordance with article 83-bis of Italian Legislative Decree no. 58 of 24 February 1998 (as amended, the **Financial Laws Consolidation Act**), through the authorised institutions listed in article 83-*quater* 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:

(a) article 83-*bis* of the Financial Laws Consolidation Act; and

(b) the regulation issued on 13 August 2018 by the Bank of Italy together with CONSOB (the **CONSOB and Bank of Italy Joint Resolution**). No physical document of title will be issued in respect of the Notes.

Ranking

In respect of the obligations of the Issuer to pay interest and repay principal on the Notes, the terms and conditions of the Notes (the **Conditions**) and the Intercreditor Agreement provide that:

(a) in respect of the obligations of the Issuer to pay interest on the Notes prior to the service of an Issuer Acceleration Notice:

  (i) the Class A Notes will rank *pari passu* and without any preference or priority among themselves, but in priority to the Junior Notes; and

  (ii) the Junior Notes will rank *pari passu* and without any preference or priority among themselves, but subordinated to the Class A Notes;

(b) in respect of the obligations of the Issuer to repay principal on the Notes prior to the service of an Issuer Acceleration Notice:

  (i) the Class A Notes will rank *pari passu* and without any preference or priority among themselves, but subordinated to payment of interest in respect of the Class A Notes and in priority to repayment of principal and interest on the Junior Notes; and

(ii) the Junior Notes will rank *pari passu* and without any preference or priority among themselves, but subordinated to:

(i) payment of interest on the Class A Notes; and

(ii) repayment of principal on the Class A Notes; and

(c) in respect of the obligations of the Issuer to pay interest and to repay principal on the Notes following the service of an Issuer Acceleration Notice:

(i) the Class A Notes will rank *pari passu* and without any preference or priority among themselves and in priority to the Junior Notes; and

(ii) the Junior Notes will rank *pari passu* and without any preference or priority among themselves, but subordinated to payment in full of all amounts due under the Class A Notes.

Issue price

The Series A1 Notes, the Series A2 Notes and the Series A3 Notes have been issued at an issue price equal to 100 % of their principal amount outstanding.

The Series A4 Notes will be issued at an issue price equal to 100% of their principal amount outstanding.

Limited recourse nature of the Issuer's obligations under the Notes

The obligations of the Issuer to each of the holders of the Notes will be limited recourse obligations of the Issuer. The Noteholders will have a claim against the Issuer only to the extent of the Issuer Available Funds, in each case subject to and as provided in the Intercreditor Agreement and the other Transaction Documents.

Non-petition

Without prejudice to the right of the Representative of the Noteholders to enforce the Note Security or to exercise any of its other rights, and subject as set out in the Rules of the Organisation of Noteholders, no Class A Noteholder or, as the case may be, Junior Noteholder shall be entitled to institute against the Issuer, or join any other person in instituting against the Issuer, any reorganisation, liquidation, bankruptcy, insolvency or similar proceedings or any legal action which may lead to such proceedings until two year plus one day has elapsed since the day on which any note issued (including the Notes and the Previous Securitisations Notes) or to be issued by the Issuer has been paid in full.

The Organisation of the Noteholders and the Representative of the Noteholders

Pursuant to the Rules of the Organisation of Noteholders, for as long as any Note is outstanding, there will at all times be a Representative of the Noteholders. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of Noteholders, is made by the Noteholders subject to and in accordance with the Rules of the Organisation of Noteholders. However, the initial Representative of the

Noteholders has been appointed at the time of issue of the Notes by the Initial Class A Notes Subscriber and the Initial Junior Notes Subscriber pursuant to the Intercreditor Agreement. Each Noteholder is deemed to accept such appointment.

Costs

The costs of the Transaction (with the exception of certain initial costs of setting up the transaction which have been paid by the Originator pursuant to the Initial Subscription Agreements) including the amounts payable to the various agents of the Issuer appointed in connection with the issue of the Notes, will be funded from the Issuer Available Funds and will therefore be included in the Priority of Payments.

Interest on the Notes

The **Class A Notes** will bear interest on their Principal Amount Outstanding from and including the relevant Issue Date at a rate equal to the higher of:

(a) 0% (zero per cent); and

(b) the EURIBOR (as determined by the Agent Bank in accordance with the Conditions) plus a margin equal to:

(i) 0.30% per annum for the Series A1 Notes;

(ii) 0.25% per annum for the Series A2 Notes;

(c) 0.25% per annum for the Series A3 Notes; and

(d) 0.80% per annum for the Series A4 Notes,

(each of such interest rate, the **Interest Rate**).

In respect of the Series A4 Notes, for the first Interest Period following the Issue Date 2024, the rate will be obtained upon linear interpolation of the EURIBOR for one and three-month deposits in euro (as determined in accordance with Condition 6 (*Interest*)), plus (i) a margin equal to 0.80% per annum.

The **Junior Notes** will bear interest in accordance with Conditions 6(c) (*Rate of interest on the Class A Notes*) and 6(d) (*Interest on the Junior Notes*).

Interest on each Class of Notes will be payable in euro in arrear on each Interest Payment Date subject to the applicable Priority of Payments and subject as provided in Condition 8 (*Payments*).

Interest Payment Date means:

(a) prior to the service of an Issuer Acceleration Notice, 31 January, 30 April, 31 July and 30 October of each year (or, if any such date is not a Business Day, that date will be the first preceeding day that is a Business Day, being the first Interest Payment Date of the Series 1 Notes the one falling on 30 April 2013, the first Interest Payment Date of the Series 2 Notes the one falling on 31 January 2017, the first Interest Payment Date of the Series 3 Notes the one falling on 30 April 2019 and the first Interest Payment Date of the Series 4 Notes the one falling on 30 October 2024); and

(b) following the service of an Issuer Acceleration Notice, the day falling 10 (ten) Business Days after the Accumulation Date (if any) or any other day on which any payment is due to be made in accordance with the Post-Enforcement Priority of Payments, the Conditions and the Intercreditor Agreement.

Business Day means a day on which banks are open for business in Milan and which is a T2 Settlement Day.

Principal Amount Outstanding means, on any day and

(a) in relation to each Class of the Series 1 Notes:

(i) the aggregate of the relevant Notes Initial Instalment Payments and of the relevant Notes Further Instalment Payments made in respect thereof; minus

(ii) the aggregate of all Principal Payments in respect of that Note which have become due and payable (and which have actually been paid) on or prior to that day; and

(b) in relation to each Class of the Series 2 Notes, each Class of the Series 3 Notes and each Class of the Series 4 Notes:

(i) the aggregate principal amount outstanding upon issue of the relevant Class of Notes; minus

(ii) the aggregate amount of all Principal Payments in respect of the relevant Class of Notes which have become due and payable (and which have actually been paid) on or prior to that day.

Principal Payment has the meaning given in Condition 7(e) (*Mandatory redemption of the Notes*).

(a) In relation to the Series A1 Notes, the relevant Notes Initial Instalment Payments means Euro 1,701,300,000 and the relevant Notes Further Instalment Payments means Euro 739,100,000 for an aggregate amount equal to Euro 2,440,400,000.

(b) In relation to the Series B1 Notes, the relevant Notes Initial Instalment Payments means Euro 800,618,000 and the relevant Notes Further Instalment Payments means Euro 347,837,000 for an aggregate amount equal to Euro 1,148,455,000.

Maturity Date

Save as described below and unless previously redeemed in full and cancelled as provided in the Conditions, the Issuer shall redeem the Notes in full at their Principal Amount Outstanding, plus any accrued but unpaid interest, on the Interest Payment Date falling on 31 January 2062 (the **Maturity Date**).

If the Notes cannot be redeemed in full on the Maturity Date, as a result of the Issuer having insufficient funds available to it in accordance with the Conditions for application in or towards such redemption any amount unpaid shall remain outstanding and the Conditions shall continue to apply in full in respect of the Notes until the earlier of:

(a) the date on which the Notes are redeemed in full; and

(b) the Cancellation Date, at which date, in the absence of gross negligence (*colpa grave*) or wilful misconduct (*dolo*) on the part of the Issuer, any amount outstanding, whether in respect of interest, principal or other amounts in respect of the Notes, shall be finally and definitively cancelled. The Issuer has no assets other than those described in this Prospectus.

Cancellation Date means the earlier of:

(a) the last Business Day in January 2062;

(b) the date when the Portfolio Outstanding Amount will have been reduced to zero; and

(c) the date when all the Claims then outstanding will have been entirely written off or sold by the Issuer (and the relevant purchase price is fully paid up), and in each of such circumstances the Issuer Available Funds have been fully applied in accordance with the applicable Priority of Payments).

The Issuer has no assets other than the Claims and the Issuer's Rights as described in this Prospectus as well as the portfolios acquired in the context of the Previous Securitisation (as defined in the Conditions) and the agreements entered into by the Issuer in relation to the Previous Securitisation which, however, do not constitute collateral for the Notes and are not available to the Noteholders for any purpose.

Taxation

Payments under the Notes may, in certain circumstances referred to in the section headed "*Taxation in the Republic of Italy*" of this Prospectus, be subject to a Tax Deduction including, without limitation, a Decree 239 Withholding. In such circumstances, a Noteholder of the Notes will receive interest payments amounts (if any) payable on the Notes, net of such withholding tax.

Upon the occurrence of any deduction or withholding for or on account of tax from any payments under the Notes, neither the Issuer, the Originator, the Representative of the Noteholders, the Paying Agent nor any other person shall have any obligation to pay any additional amount(s) to any Noteholders.

Segregation of the Issuer's Rights

By operation of Italian law, the Issuer's Rights (as defined in the Conditions) are segregated from all other assets of the Issuer and amounts deriving therefrom will only be available, both prior to and following a winding-up of the Issuer, to satisfy the obligations of the Issuer to the holders of the Class A Notes (the **Class A Noteholders** or the **Senior Noteholders**) and the holders of the Junior Notes (the **Junior Noteholders** and, together with the Senior Noteholders, the **Noteholders**) each of the Other Issuer Creditors and any third-party creditor in respect of any taxes, costs, fees or expenses incurred by the Issuer in relation to the securitisation of the Claims (the **Securitisation** or the **Transaction**) (together, the **Issuer Creditors**).

The Issuer's Rights may not be seized or attached in any form by creditors of the Issuer other than the Noteholders, the Other Issuer Creditors and any other third party creditors in respect of any taxes, costs, fees or expenses incurred by the Issuer in relation to the Transaction, until full redemption or cancellation of the Notes and full discharge by the Issuer

	of its obligations *vis-à-vis* the Noteholders, the Other Issuer Creditors and any such third party.
Purchase of the Notes	The Issuer may not purchase any Notes at any time.
Admission to trading	Application has been made for the Notes to be admitted to trading on the professional segment Euronext Access Milan Professional of Euronext Access Milan Market, which is a multilateral trading system for the purposes of the Market in Financial Instruments Directive 2014/65/EU, managed by Borsa Italiana.
Ratings	The Series A1 Notes have been rated, on the Issue Date 2012, respectively, **A2(sf)** by Moody's Italia S.r.l. (**Moody's**) and **A(sf)** by DBRS Ratings GmbH (**DBRS**) and, together with Moody's, the **Rating Agencies**). On or about the Interest Payment Date falling on 28 October 2016, the Series A1 Notes were rated, **A1(sf)** by Moody's and **A(high)(sf)** by DBRS. The Series A2 Notes have been rated, on the Issue Date 2016, respectively **A1(sf)** by Moody's and **A(high)(sf)** by DBRS. The Series A1 Notes and the Series A2 Notes are rated, on or about the Issue Date 2019, "A1(sf)" by Moody's and "A(high)(sf)" by DBRS. The Series A3 Notes have been rated, on or about the Issue Date 2019, respectively **A1(sf)** by Moody's and **A(sf)** by DBRS. The Series A4 Notes are expected, upon issue, to be rated respectively **Aa3** by Moody's and **AA** by DBRS. The Series A1 Notes, the Series A2 Notes, the Series A3 and the Series A4 Notes are expected to have the same rating on or about the Issue Date 2024. As of the date hereof, each of Moody's Italia S.r.l. and DBRS Ratings GmbH is established in the European Union and is registered under the EU CRA Regulation, as evidenced in the latest update of the list published by ESMA on its website (being, as at the date of this Prospectus, www.esma.europa.eu). A credit rating has not been sought for the Junior Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.
STS Securitisation	The Transaction is intended to qualify as a simple, transparent and standardised (**STS**) securitisation within the meaning of article 18 of the EU Securitisation Regulation. Consequently, the Transaction 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 Transaction. 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**).

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 continues to qualify as an STS securitisation under the EU 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, the Originator, the Representative of the Noteholders or any other party to the Transaction Documents makes any representation or accepts any liability for the Securitisation to qualify as an STS-securitisation under the EU Securitisation Regulation as at the date of this Prospectus nor at any point in time in the future.

Euro-system eligibility

The Class A Notes are intended to be held in a manner which would allow Euro-system eligibility pursuant to and for the purposes of the Guideline (EU) 2015/510 of the European Central Bank of 19 December 2014, as amended (the **Guideline**). This means that the Class A Notes are intended upon issue to be held in dematerialised form, settled and evidenced as book entries with Euronext Securities Milan - acting as depository for Euroclear and Clearstream - that constitutes a securities settlement system which has been positively assessed as eligible pursuant to the Eurosystem User Assessment Framework. However, this does not necessarily mean that the Class A Notes will be recognised as eligible collateral for the purposes of the Guideline by the Euro-system either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of all the Euro-system eligibility criteria provided for by the Guideline.

Selling restrictions, Retention Holder and Retention Requirements

There are restrictions on the sale of the Notes and on the distribution of information in respect thereof.

The Originator will retain for the life of the Transaction a material net economic interest of not less than 5 per cent. in the securitisation as required by Article 6(1) of the EU Securitisation Regulation in accordance with Article 6(3)(d) of the EU Securitisation Regulation. As at the Issue Date 2024, the Originator will meet this obligation by retaining an interest in the first loss tranche (being the Junior Notes) as required by Article 6(3)(d) of the EU Securitisation Regulation.

See the section entitled "*Compliance with STS requirements and regulatory capital requirements*" for more information.

Governing law The Notes are governed by, and shall be construed in accordance with, Italian law.

3 THE ACCOUNTS OF THE ISSUER

Account held with the Interim Account Bank Pursuant to the terms of the Agency and Accounts Agreement, the Issuer has opened with the Interim Account Bank:

(a) a euro-denominated current account into which, *inter alia*, the Servicer is required to deposit all the Collections as they are collected in accordance with the Servicing Agreement and all payments paid or advanced to the Issuer by the Originator, including any indemnity payments received by the Issuer, under the relevant Transfer Agreement, the Warranty and Indemnity Agreements and the Letter of Undertaking will be credited (the **Interim Account**); and

(b) a euro-denominated current account into which the Issuer has deposited € 50,000 (the "**Retention Amount**") on the Issue Date 2012 (the **Expenses Account** and, together with the Interim Account, the **Guaranteed Accounts**). The Expenses Account will then be replenished on each Interest Payment Date, in accordance with the Pre-Enforcement Priority of Payments and subject to the availability of sufficient Issuer Available Funds, up to the Retention Amount and such amount will be applied by the Issuer to pay all fees, costs, expenses and taxes required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation.

Account held with the Principal Paying Agent Pursuant to the terms of the Agency and Accounts Agreement, the Issuer has opened with the Principal Paying Agent a euro-denominated current account into which, *inter alia*, on the Business Day immediately preceding each Interest Payment Date, the Issuer is required to transfer from the other Transaction Accounts the amounts necessary to make the payments due in accordance with the applicable Priority of Payments (the **Payments Account**).

Account held with the Additional Transaction Bank Pursuant to the terms of the Agency and Accounts Agreement, the Issuer has opened with the Additional Transaction Bank a euro-denominated account with respect to the Claims (the **Collection Account** and together with a replacement Expenses Account (if opened in accordance with the Agency and Accounts Agreement), the **Transaction Accounts** and, any of them, a **Transaction Account**) into which the Interim Account Bank will be required to transfer, on a daily basis, the balance standing to the credit of the Interim Account.

Account held with the Transaction Bank Pursuant to the terms of the Agency and Accounts Agreement, the Issuer has opened the following accounts with the Transaction Bank a euro-denominated current account into which the Issuer will be required to deposit, *inter alia*,

(a) on the Initial Issue Date, €60,000,000.00 (sixty million), being the amount drawdown by the Issuer under the Initial Subordinated Loan Agreement; plus € 4,000,000.00 (four million), being equal to a portion of the aggregate amounts collected under the Initial Mortgage

Loans between the Initial Valuation Date (included) and the Initial Signing Date (but excluding those collections constituting repayment of principal and prepayments);

(b) on the Second Subsequent Issue Date, € 24,600,000.00, being the amount to be drawdown by the Issuer under the Subsequent Subordinated Loan Agreement; and

(c) on the New Issue Date, € 25,450,000.00, being the amount to be drawdown by the Issuer under the Subordinated Loan Agreement 2024; and

(d) on each Interest Payment Date, in accordance with the Pre-Enforcement Priority of Payments and subject to the availability of sufficient Issuer Available Funds, the Target Cash Reserve Amount (the **Cash Reserve Account** and, together with the **Transaction Accounts**, the Guaranteed Accounts and the Payments Account, the **Accounts** and any one of them, the **Account**).

In accordance with the Securitisation Law, the Issuer is a multi-purpose vehicle and in the context of the issuance of the notes of the Previous Securitisation (as defined in the Conditions) has opened certain bank accounts. The sums standing from time to time to the credit of such bank accounts will not be available to the Issuer Creditors because, pursuant to the Securitisation Law, the assets relating to each securitisation transaction will constitute assets segregated for all purposes from the assets of the Issuer and from the assets relating to other securitisation transactions. The assets relating to a particular securitisation transaction will not be available to the holders of notes issued to finance any other securitisation transaction or to the general creditors of the Issuer.

The Issuer has also opened with Deutsche Bank S.p.A. a euro-denominated account into which the sum representing 100% of the Issuer's equity capital (equal to €12,000) has been deposited. On or about the Second Subsequent Issue Date, all the amounts standing to the credit of such account have been transferred to a new euro-denominated account opened with Banco BPM (the "**Equity Capital Account**") and will remain deposited therein for so long as all notes issued (including those issued in the context of the Previous Securitisation) or to be issued by the Issuer (including the Notes) have been paid in full.

Pursuant to the Agency and Accounts Agreement, the Transaction Bank has agreed to provide the Issuer with certain services in connection with account handling and reporting requirements in relation to the monies and securities, as applicable, from time to time standing to the credit of the Cash Reserve Account.

If the Transaction Bank ceases to be an Eligible Institution for the purposes of the Cash Reserve Account,

(a) the Transaction Bank holding the Cash Reserve Account will notify the Issuer, the Representative of the Noteholders and the Rating Agencies thereof; and will act on a best effort basis in order to, by no later than 20 (twenty) calendar days' from the date on which the relevant downgrading occurs, select a leading bank:

(i) approved by the Representative of the Noteholders and by the Issuer; and

(ii) which is an Eligible Institution, willing to act as successor Transaction Bank thereunder; and

(b) the Issuer will, by no later than 30 (thirty) calendar days' from the date on which the relevant downgrading occurs,

(i) appoint the Additional Transaction Bank where the replacement Collection Account and the replacement Expenses Account (if opened in accordance with the Agency and Accounts Agreement) are (or will be) held as replacement Transaction Bank (and will notify in advance the Representative of the Noteholders and the Rating Agencies thereof also in accordance with the Intercreditor Agreement);

(ii) open a replacement Cash Reserve Account with the replacement Transaction Bank specified in (b)(i) above;

(iii) transfer the balance standing to the credit of the Cash Reserve Account to the credit of the relevant replacement account set out above;

(iv) close the Cash Reserve Account once the steps under items (e)(i)(A), (e)(i)(B) and (e)(ii)(A) are completed; and

(v) terminate the appointment of the Transaction Bank in respect of the Cash Reserve Account (and will notify the Representative of the Noteholders and the Rating Agencies thereof also in accordance with the Intercreditor Agreement) once the steps under items (e)(i)(A), (e)(i)(B), (e)(ii)(A) and (e)(ii)(B) are completed,

provided that the administrative costs incurred with respect to the transfer of funds referred under item (e)(ii) above shall be borne by the replaced Transaction Bank.

Provisions relating to the Additional Transaction Bank

If the Additional Transaction Bank ceases to be an Eligible Institution,

(a) the Additional Transaction Bank will notify the Issuer, the Representative of the Noteholders and the Rating Agencies thereof and will act on a best effort basis in order to, by no later than 20 (twenty) calendar days' from the date on which the relevant downgrading occurs, select a leading bank:

(i) approved by the Representative of the Noteholders and by the Issuer; and
(ii) which is an Eligible Institution, willing to act as successor Principal Paying Agent thereunder; and

(b) the Issuer will, by no later than 30 (thirty) calendar days' from the date on which the relevant downgrading occurs,

(i) appoint that bank specified above as successor Additional Transaction Bank (and will promptly after so doing notify the Representative of the Noteholders and the Rating Agencies thereof) which, on or before the replacement of the Additional Transaction Bank shall agree to become bound

by the provisions of the Agency and Accounts Agreement , the Intercreditor Agreement and of any other relevant agreement providing for, mutatis mutandis, the same obligations contained in in the Agency and Accounts Agreement for the Principal Paying Agent;

(ii) open a replacement Collection Account and a replacement Expenses Account with the successor Additional Transaction Bank specified in (a) above;

(iii) transfer the balance standing to the credit of, respectively, the Collection Account and the Expenses Account to the credit of each of the relevant replacement accounts set out above;

(iv) close the Collection Account and the Expenses Account once the steps under (i), (ii) and (iii) are completed; and

(v) terminate the appointment of the Additional Transaction Bank (and will promptly after so doing notify the Representative of the Noteholders and the Rating Agencies thereof also in accordance with the Intercreditor Agreement) once the steps under (i), (ii), (iii) and (iv) are completed,

provided that:

(a) the administrative costs incurred with respect to the selection of a successor Additional Transaction Bank (which, for the avoidance of doubt, shall not include any fees payable to, or costs and expenses of, the successor Additional Transaction Bank) under (a) above and the transfer of funds referred under (b) above shall be borne by the replaced Additional Transaction Bank; and

(b) in case the successor Additional Transaction Bank is not selected within the term under paragraph (a) above, the Issuer, with the cooperation of the Representative of the Noteholders, will select such successor Additional Transaction Bank being an Eligible Institution

"**Eligible Institution**" means:

I. with respect to any entity (other than Banco BPM acting as Transaction Bank or Additional Transaction Bank):

(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 or (b) any depository institution organized 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 DBRS and Moody's criteria, by a depository institution organized 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

DBRS and Moody's published criteria applicable from time to time):

1. with respect to DBRS:

(i) at least "A(low)", in respect of the greater of (a) the rating one notch below the institution's long-term COR and (b) the institution's long-term senior unsecured debt rating; or

(ii) if the long-term COR is not currently maintained for the institution, at least "A(low)", in respect of the institution's long-term senior unsecured debt rating, or

(iii) if there is no such public rating, at least "A(low)" in respect of the greater of (a) the rating one notch below the institution's private long-term COR supplied by DBRS and (b) the private long-term senior unsecured debt rating of the institution supplied by DBRS

(iv) if neither the private long-term COR nor the private long-term senior unsecured debt rating of the institution is available, the DBRS Minimum Rating of at least A(low);

2. with respect to Moody's:

(i) "A2" in respect of long term deposit rating; or

(ii) in the event of a depository institution which does not have a long term deposit rating by Moody's, "P-1" in respect of short term debt,

II. with respect to Banco BPM acting as Additional Transaction Bank, Banco BPM:

1. for so long as its long-term deposit are rated at least "Ba3" by Moody's; and

2. for so long as the higher of (i) its long-term, unsecured and unsubordinated debt obligations (either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS); or (ii) the rating one notch below the Banco BPM's Critical Obligations Rating (COR) given by DBRS; is at least "BBB(low);

III. with respect to Banco BPM acting as Transaction Bank, Banco BPM:

1. for so long as its long-term deposit are rated at least "Ba3" by Moody's; and

2. for so long as the higher of (i) its long-term, unsecured and unsubordinated debt obligations (either by way of a public rating or, in its absence, by way of a private

rating supplied by DBRS) or (ii) the rating one notch below the Banco BPM's Critical Obligations Rating (COR) given by DBRS; is at least "BBB(low);

or such other rating being compliant with the criteria established by DBRS and Moody's from time to time.

Provisions relating to the Principal Paying Agent

If the Principal Paying Agent ceases to be an Eligible Institution,

(a) the Principal Paying Agent will notify the Issuer, the Representative of the Noteholders and the Rating Agencies thereof and will act on a best effort basis in order to, by no later than 20 (twenty) calendar days' from the date on which the relevant downgrading occurs, select a leading bank:

(i) approved by the Representative of the Noteholders and by the Issuer; and

(ii) which is an Eligible Institution, willing to act as successor Principal Paying Agent thereunder; and

(b) the Issuer will, by no later than 30 (thirty) calendar days' from the date on which the relevant downgrading occurs,

(i) appoint that bank specified above as successor Principal Paying Agent (and will promptly after so doing notify the Representative of the Noteholders and the Rating Agencies thereof) which, on or before the replacement of the Principal Paying Agent shall agree to become bound by the provisions of the Agency and Accounts Agreement , the Intercreditor Agreement and of any other relevant agreement providing for, mutatis mutandis, the same obligations contained in in the Agency and Accounts Agreement for the Principal Paying Agent;

(ii) open a replacement Payments Account with the successor Principal Paying Agent specified in (a) above, and procure that a legal, valid and binding guarantee substantially in the form of the Deed of Pledge is created thereon;

(iii) transfer the balance standing to the credit of the Payments Account to the credit of the relevant replacement account set out above;

(iv) close the Payments Account once the steps under (i), (ii) and (iii) are completed; and

(v) terminate the appointment of the Principal Paying Agent (and will promptly after so doing notify the Representative of the Noteholders and the Rating

Agency thereof) once the steps under (i), (ii), (iii) and (iv) are completed,

provided that:

(a) the administrative costs incurred with respect to the selection of a successor Principal Paying Agent (which, for the avoidance of doubt, shall not include any fees payable to, or costs and expenses of, the successor Principal Paying Agent) under (a) above and the transfer of funds referred under (b) above shall be borne by the replaced Principal Paying Agent; and

(b) in case the successor Principal Paying Agent is not selected within the term under clause (a) above, the Issuer, with the cooperation of the Representative of the Noteholders, will select such successor Principal Paying Agent being an Eligible Institution.

"**Eligible Institution**" means:

I. with respect to any entity (other than Banco BPM acting as Transaction Bank or Additional Transaction Bank):

(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 or (b) any depository institution organized 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 DBRS and Moody's criteria, by a depository institution organized 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 DBRS and Moody's published criteria applicable from time to time):

1. with respect to DBRS:

(i) at least "A(low)", in respect of the greater of (a) the rating one notch below the institution's long-term COR and (b) the institution's long-term senior unsecured debt rating; or

(ii) if the long-term COR is not currently maintained for the institution, at least "A(low)", in respect of the institution's long-term senior unsecured debt rating, or

(iii) if there is no such public rating, at least "A(low)" in respect of the greater of (a) the rating one notch below

the institution's private long-term COR supplied by DBRS and (b) the private long-term senior unsecured debt rating of the institution supplied by DBRS

(iv) if neither the private long-term COR nor the private long-term senior unsecured debt rating of the institution is available, the DBRS Minimum Rating of at least A(low);

2. with respect to Moody's:

(i) "A2" in respect of long term deposit rating; or

(ii) in the event of a depository institution which does not have a long term deposit rating by Moody's, "P-1" in respect of short term debt,

II. with respect to Banco BPM acting as Additional Transaction Bank, Banco BPM:

1. for so long as its long-term deposit are rated at least "Ba3" by Moody's; and

2. for so long as the higher of (i) its long-term, unsecured and unsubordinated debt obligations (either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS); or (ii) the rating one notch below the Banco BPM's Critical Obligations Rating (COR) given by DBRS; is at least "BBB(low);

III. with respect to Banco BPM acting as Transaction Bank, Banco BPM:

1. for so long as its long-term deposit are rated at least "Ba3" by Moody's; and

2. for so long as the higher of (i) its long-term, unsecured and unsubordinated debt obligations (either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS) or (ii) the rating one notch below the Banco BPM's Critical Obligations Rating (COR) given by DBRS; is at least "BBB(low);

or such other rating being compliant with the criteria established by DBRS and Moody's from time to time.

4 PRIORITY OF PAYMENTS

Issuer Available Funds

On each Calculation Date, the Computation Agent will calculate the Issuer Available Funds which will be used by the Issuer to make the payments contained in the Priority of Payments set out below.

"**Issuer Available Funds**" means:

(a) as of each Calculation Date prior to the service of an Issuer Acceleration Notice, an amount equal to the sum of:

(i) the amount standing to the credit of the Collection Account and of the Payments Account as at the end of the Collection Period immediately preceding the relevant Calculation Date consisting of, *inter alia*:

(A) payment of interest and repayment of principal under the Mortgage Loans,

(B) any collections and/or recovery in respect of Defaulted Claims including any disposal proceeds deriving from the sale of any Defaulted Claims,

(C) any amount received by the Issuer under any of the Transaction Documents during the preceding Collection Period,

(D) all amounts of interest accrued in respect of any of the Transaction Accounts and the Cash Reserve Account and paid during the Collection Period immediately preceding such Calculation Date, and

(ii) the Cash Reserve as at the relevant Calculation Date;

(iii) any refund or repayment obtained by the Issuer from any tax authority in respect of the Claims, the Transaction Documents or, otherwise, the Securitisation during the immediately preceding Collection Period;

(iv) on each Calculation Date immediately preceding the Final Redemption Date and on any Calculation Date thereafter, the amount standing to the balance of the Expenses Account, and

(b) as of each Calculation Date following the service of an Issuer Acceleration Notice, the aggregate of the amounts received or recovered by or on behalf of the Issuer or the Representative of the Noteholders in respect of the Claims and the Issuer's Rights under the Transaction Documents.

On any Interest Payment Date, the Issuer will apply the Issuer Available Funds, after making payments ranking in priority thereto, in accordance with the Pre-Enforcement Priority of Payments, in redemption of the Class A Notes up to the relevant Principal Amount Oustanding in accordance with the provisions of the Pre-Enforcement Priority of Payments and the Conditions.

Insurance Premia means the insurance premia paid by the Originator and which are due to the Originator by the Issuer in accordance with the Transfer Agreements.

Rateo Amount has the meaning given to the term **Ratei** in the relevant Transfer Agreement and **Rateo Amounts** means the aggregate of the Rateo Amount of each Transfer Agreement.

Originator's Claims means, collectively, the monetary claims that the Originator may have from time to time against the Issuer under the relevant Transfer Agreements (other than in respect of the relevant Purchase Price) and the Warranty and Indemnity Agreements, and including, without limitation, the relevant Rateo Amounts, the relevant Insurance Premia, the interest on the relevant Purchase Price and all amounts due and payable to the Originator for the repayment of any loan granted to the Issuer under clause 11.4 of the relevant Transfer Agreements and clause 6.4.3 of the relevant Warranty and Indemnity Agreements.

Servicer's Advance means those amounts due to the Servicer under clause 12.5.4 of the Servicing Agreement.

Pre-Enforcement Priority of Payments

Prior to the service of an Issuer Acceleration Notice or the early redemption of the Notes in accordance with Condition 7(c) (*Optional redemption of the Notes*) or Condition 7(d) (*Optional redemption for taxation, legal or regulatory reasons*), the Issuer Available Funds as calculated on each Calculation Date will be applied by the Issuer on the Interest Payment Date immediately following such Calculation Date in making payments or provisions in the following order of priority (the **Pre-Enforcement Priority of Payments**) but, in each case, only if and to the extent that payments or provisions of a higher priority have been made in full:

(a) *first*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of:

(i) any and all outstanding taxes due and payable by the Issuer in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs and to the extent not paid by Banco BPM under the Letter of Undertaking);

(ii) any and all outstanding fees, costs, liabilities and any other expenses to be paid in order to preserve the corporate existence of the Issuer, to maintain it in good standing, to comply with applicable legislation and to fulfil obligations to third parties (not being Other Issuer Creditors) incurred in the course of the Issuer's business in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs and to the extent not paid by Banco BPM under the Letter of Undertaking);

(iii) any and all outstanding fees, costs, expenses and taxes required to be paid in connection with the listing, deposit or ratings of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs);

(b) *second*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of:

(i) any and all outstanding fees, costs and expenses of and all other amounts due and payable to the Representative of the Noteholders, or any appointee thereof; and

(ii) the amount necessary to replenish the Expenses Account up to the Retention Amount;

(c) *third*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding fees, costs and expenses due and payable to, the Principal Paying Agent, the Agent Bank, the Computation Agent, the Back-up Servicer Facilitator, the Servicer (including any amount due to the Servicer as Servicer's Senior Reimbursements), the Corporate Servicer, the Administrative Servicer, the Interim Account Bank, the Transaction Bank and the Additional Transaction Bank each, under the Transaction Document(s) to which it is a party;

(d) *fourth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts of interest due and payable on the Class A Notes;

(e) *fifth,* for so long as there are Class A Notes outstanding, to credit the Cash Reserve Account with the Target Cash Reserve Amount;

(f) *sixth*, on each Interest Payment Date, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class A Notes;

(g) *seventh*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of all amounts due and payable to the Originator in respect of the relevant Rateo Amounts (if any) under the terms of the Transaction Documents;

(h) *eighth*, in or towards satisfaction, *pro rata* and *pari passu,* according to the respective amounts thereof, of all amounts of interest and principal due and payable to the Subordinated Loan Provider under the terms of the Subordinated Loan Agreements;

(i) *ninth*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of:

(i) all amounts due and payable to the Originator in respect of the Originator's Claims (if any) under the terms of the Transaction Documents;

(ii) all amounts due and payable to the Servicer as:

(A) Servicer's Advance (if any); and/or

(B) Servicer's Junior Reimbursements under the terms of the Servicing Agreement; and

(iii) all amounts due and payable to Banco BPM in connection with the granting of a limited recourse loan under the Letter of Undertaking;

(j) *tenth,* in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding fees,

costs, liabilities and any other expenses to be paid to fulfil obligations to any Other Issuer Creditor incurred in the course of the Issuer's business in relation to this Securitisation (other than amounts already provided for in this Pre-Enforcement Priority of Payments);

(k) *eleventh* in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Junior Notes until the Principal Amount Outstanding of the Junior Notes is equal to € 50,000;

(l) *twelfth*, on the Final Redemption Date and on any Interest Payment Date thereafter, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Junior Notes until the Junior Notes are redeemed in full; and

(m)*thirteenth*, up to but excluding the Final Redemption Date, in or towards satisfaction, *pro rata* and *pari passu*, of the Junior Notes Remuneration (if any) due and payable on the Junior Notes.

provided, however, that, should the Computation Agent not receive within five Business Days from the relevant Reporting Date the Servicer Report necessary for it to prepare the Payments Report in respect of any Calculation Date, the Computation Agent shall promptly inform the Issuer, the Rating Agencies and the Representative of the Noteholders (the **Servicer Report Delivery Failure Event**).

On or prior to any such Calculation Date, based on the information available as of such date, the Computation Agent will calculate:

(a) the interest payable in respect of the Class A Notes on the immediately following Interest Payment Date;

(b) the fees payable to the Servicer on the immediately following Interest Payment Date pursuant to item (a)(iii) of the Pre-Enforcement Interest Priority of Payments which shall be assumed to be equal to the amount specified in the last available Servicer Report; and

(c) without duplication of item (b) above, the payments (if any) to be made on the immediately following Interest Payment Date pursuant to items from item (a)(i) to item (a)(iv) of the Pre-Enforcement Interest Priority of Payments,

and, based on the information listed above, will compile a payments report in substantially the form attached as schedule 5 to the Agency and Accounts Agreement (the **Provisional Payments Report**).

Following distribution of the Provisional Payments Report, the Computation Agent will promptly prepare an instruction for the payment of the amounts detailed in the relevant Provisional Payments Report to be submitted to the Issuer for authorisation purposes and to be forwarded to the Principal Paying Agent once signed by the Issuer.

On the Interest Payment Date immediately following the occurrence of a Servicer Report Delivery Failure Event all sums available to the Issuer after payment of all amounts due and payable from item (a)(i) to item (a)(iv) above of the Pre-Enforcement Priority of Payments will be applied by the Issuer:

(a) *first*, to the credit of the Cash Reserve Account the Target Cash Reserve Amount; and

(b) *second*, to the credit of the Collection Account.

On the Calculation Date immediately following the Interest Payment Date on which a Servicer Report Delivery Failure Event has occurred (the **Partial Distribution Interest Payment Date**), subject to receipt of the relevant Servicer Report, the Computation Agent will make any necessary adjustment to take into account any differences and/or discrepancies between:

(a) the amounts paid on the immediately preceding Partial Distribution Interest Payment Date on the basis of the Provisional Payments Report; and

(b) the actual amounts that would have been due on such Interest Payment Date had the relevant Servicer Report been delivered.

From time to time, during an Interest Period, the Issuer shall, in accordance with the Agency and Accounts Agreement, be entitled to apply amounts standing to the credit of the Expenses Account in respect of certain monies which properly belong to third parties, other than the Noteholders and the Other Issuer Creditors, in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation, and in payment of sums due to third parties, other than the Noteholders and the Other Issuer Creditors, under obligations incurred in the course of the Issuer's business.

Post-Enforcement Priority of Payments

Following the service of an Issuer Acceleration Notice, or, in the event that the Issuer opts for the early redemption of the Notes under Condition 7(c) (*Optional redemption of the Notes*) or Condition 7(d) (*Optional redemption for taxation, legal or regulatory reasons*), the Issuer Available Funds as calculated on each Calculation Date will be applied by or on behalf of the Representative of the Noteholders on the Interest Payment Date immediately following such Calculation Date in making payments or provisions in the following order (the **Post-Enforcement Priority of Payments**) but, in each case, only if and to the extent that payments of a higher priority have been made in full:

(a) *first*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of:

(i) any and all outstanding taxes due and payable by the Issuer in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs and to the extent not paid by Banco BPM under the Letter of Undertaking);

(ii) any and all outstanding fees, costs, liabilities and any other expenses to be paid in order to preserve the corporate existence of the Issuer, to maintain it in good standing, to comply with applicable legislation and to fulfil obligations to third parties (not being Other Issuer Creditors) incurred in the course of the Issuer's business in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs and to the extent not paid by Banco BPM under the Letter of Undertaking);

(iii) any and all outstanding fees, costs, expenses and taxes required to be paid in connection with the listing, deposit or ratings of the Notes, or any notice to be given to the

Noteholders or the other parties to the Transaction Documents (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs);

(b) *second*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of:

(i) any and all outstanding fees, costs, expenses and taxes required to be paid in connection with the listing, deposit or ratings of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs); and

(ii) any and all outstanding fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders or any appointee thereof;

(c) *third*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding fees, costs and expenses due and payable to, the Principal Paying Agent, the Agent Bank, the Computation Agent, the Back-up Servicer Facilitator, the Servicer (including any amount due to the Servicer as Servicer's Senior Reimbursements), the Corporate Servicer, the Administrative Servicer, the Interim Account Bank, the Transaction Bank and the Additional Transaction Bank under the Transaction Document(s) to which it is a party;

(d) *fourth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class A Notes at such date;

(e) *fifth*, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class A Notes;

(f) *sixth*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of all amounts due and payable to the Originator in respect of the relevant Rateo Amounts (if any) under the terms of the Transaction Documents;

(g) *seventh*, in or towards satisfaction *pro rata* and *pari passu*, according to the respective amounts thereof:

(i) all amounts due and payable to the Originator in respect of the relevant Originator's Claims (if any) under the terms of the Transaction Documents;

(ii) all amounts due and payable to the Servicer as:

(A) Servicer's Advance (if any); and/or

(B) Servicer's Junior Reimbursements, under the terms of the Servicing Agreement; and

(iii) all amounts due and payable to Banco BPM in connection with the granting of a limited recourse loan under the Letter of Undertaking;

(h) *eighth*, in or towards satisfaction, *pro rata* and *pari passu,* according to the respective amounts thereof, of all amounts of interest and

principal due and payable to the Subordinated Loan Provider under the terms of the Subordinated Loan Agreements;

(i) *ninth*, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Junior Notes until the Principal Amount Outstanding of the Junior Notes is equal to € 50,000;

(j) *tenth,* on the Post-Enforcement Final Redemption Date and on any date thereafter, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Junior Notes until the Junior Notes are redeemed in full; and

(k) *eleventh*, up to but excluding the Post-Enforcement Final Redemption Date, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts due and payable in respect of the Junior Notes Remuneration at such date,

provided, however, that if the amount of the monies at any time available to the Issuer or to the Representative of the Noteholders for the payments above shall be less than 10% (ten per cent.) of the Principal Amount Outstanding of all Classes of Notes, the Representative of the Noteholders may at its discretion invest such monies in some or one of the investments authorised pursuant to the Intercreditor Agreement. The Representative of the Noteholders at its discretion may vary such investments and may accumulate such investments and the resulting income until the immediately following Accumulation Date.

The Issuer is entitled, pursuant to the Intercreditor Agreement, to dispose of the Claims in order to finance the redemption of the Notes following the service of an Issuer Acceleration Notice.

5 EVENTS OF DEFAULT

Events of Default

If any of the following events occurs (each, an "**Event of Default**"):

(a) *Non-payment*:

(i) the Issuer fails to repay any amount of principal due and payable in respect of the Class A Notes on the Maturity Date (provided that a 3 (three) Business Days' grace period shall apply and further provided that non payment of principal on the Notes due to the Servicer not having provided the Servicer Report (as described in Condition 3(d) (*Pre-Enforcement Priority of Payments*) shall not constitute an Event of Default) or fails to pay any Interest Amount within five days of the relevant Interest Payment Date; or

(ii) having enough Issuer Available Funds available and payable on the Class A Notes, the Issuer defaults in the payment of such amount for a period of 3 (three) Business Days from the due date thereof (provided that non payment of principal on the Notes due to the Servicer not having provided the Servicer Report (as described in Condition 3(d) (*Pre-Enforcement Priority of Payments*)) shall not constitute an Event of Default); or

(b) *Breach of other obligations*: the Issuer fails to perform or observe any of its other obligations under or in respect of the Class A Notes (other than any obligation for the payment of principal or interest due and

payable on the Class A Notes), the Intercreditor Agreement or any other Transaction Document to which it is a party and such default is, in the sole opinion of the Representative of the Noteholders:

(i) incapable of remedy; or

(ii) capable of remedy, but remains unremedied for 30 days or such longer period as the Representative of the Noteholders may agree (in its sole discretion) after the Representative of the Noteholders has given written notice of such default to the Issuer, certifying that such default is, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Class A Noteholders and requiring the same to be remedied; or

(c) *Failure to take action*: any action, condition or thing at any time required to be taken, fulfilled or done in order:

(i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Class A Notes and the Transaction Documents to which the Issuer is a party; or

(ii) to ensure that those obligations are legal, valid, binding and enforceable,

is not taken, fulfilled or done at any time and the Representative of the Noteholders has given written notice of such default to the Issuer, certifying that such default is, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Class A Noteholders and requiring the same to be remedied; or

(d) *Insolvency Event*: an Insolvency Event occurs in relation to the Issuer or the Issuer becomes Insolvent; 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 Class A Notes or the Transaction Documents to which the Issuer is a party;

then (subject to Condition 10(b) (*Consequences of service of an Issuer Acceleration Notice*)), the Representative of the Noteholders may, at its sole discretion, and shall:

(a) if so directed in writing by the holders of at least 60% of the Principal Amount Outstanding of the Most Senior Class of Notes; or

(b) if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes,

give written notice (an **Issuer Acceleration Notice**) to the Issuer and to the Servicer declaring the Notes to be due and payable, provided that:

(a) in the case of the occurrence of any of the events mentioned under item (b) above (*Breach of other obligations*) and under item (c) above (*Failure to take action*), the service of an Issuer Acceleration Notice has been approved by an Extraordinary Resolution of the holders of the Most Senior Class of Notes; and

(b) in each case, the Representative of the Noteholders shall have been indemnified and/or secured to its satisfaction against all fees, costs,

expenses and liabilities (provided that supporting documents are delivered) to which it may thereby become liable or which it may incur by so doing.

Consequences of service of an Issuer Acceleration Notice

Upon the service of an Issuer Acceleration Notice:

(a) the Notes of each Class shall become immediately due and repayable at their Principal Amount Outstanding, together with any interest accrued but which has not been paid on any preceding Interest Payment Date in accordance with Condition 6(j) (*Interest Amount Arrears*), without further action, notice or formality;

(b) the Note Security shall become immediately enforceable; and

(c) the Representative of the Noteholders may, subject to Condition 11(b) (*Restrictions on disposal of Issuers' assets*) dispose of the Claims in the name and on behalf of the Issuer by virtue of the power of attorney granted in accordance with the Mandate Agreement.

6 REDEMPTION OF THE NOTES

Optional redemption of the Notes

Prior to the service of an Issuer Acceleration Notice, the Issuer may redeem the Notes of all Classes (in whole but not in part) or the Class A Notes only, if all the Junior Noteholders consent, at their Principal Amount Outstanding (plus any accrued but unpaid interest) in accordance with the Post-Enforcement Priority of Payments and subject to the Issuer having sufficient funds to redeem all the Notes (or the Class A Notes only, if all the Junior Noteholders consent) and to make all payments ranking in priority, or *pari passu*, thereto, on any Interest Payment Date, subject to the Issuer:

(a) giving not more than 60 (sixty) nor less than 30 (thirty) days' notice to the Representative of the Noteholders, the Noteholders and the Rating Agencies, in accordance with Condition 17 (*Notices*), of its intention to redeem all Classes of Notes (in whole but not in part); and

(b) having provided, prior to giving any such notice, to the Representative of the Noteholders a certificate signed by the chairman of the board or the sole director of the Issuer (as applicable) to the effect that it will have the funds on such Interest Payment Date to discharge its obligations under the Notes (or the Class A Notes only, if all the Junior Noteholders consent) and any obligations ranking in priority, or *pari passu*, thereto; and

(c) giving not more than 60 (sixty) nor less than 30 (thirty) days' written notice to the Bank of Italy of its intention to redeem all Classes of Notes (in whole but not in part).

The Issuer is entitled, pursuant to the Intercreditor Agreement, to dispose of the Claims in order to finance the redemption of the Notes in the circumstances described above.

Optional redemption for taxation, legal or regulatory reasons

Prior to the service of an Issuer Acceleration Notice, the Issuer may redeem the Notes of all Classes (in whole but not in part) or the Class A Notes only, if all the Junior Noteholders consent, at their Principal Amount Outstanding (plus any accrued but unpaid interest) in accordance with the

Post-Enforcement Priority of Payments and subject to the Issuer having sufficient funds to redeem all the Notes (or the Class A Notes only, if all the Junior Noteholders consent) and to make all payments ranking in priority, or *pari passu*, thereto (plus any additional taxes payable by the Issuer by reason of such early redemption of the Notes), on any Interest Payment Date if, by reason of a change in law or the interpretation or administration thereof since the Issue Date 2012:

(a) the assets of the Issuer in respect of this Securitisation (including the Claims, the Collections and the other Issuer's Rights) become subject to taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or by any political sub-division thereof or by any authority thereof or therein or by any applicable taxing authority having jurisdiction; or

(b) either the Issuer or any paying agent appointed in respect of the Class A Notes or any custodian of the Class A Notes is required to make a Tax Deduction (other than in respect of a Decree 239 Withholding or a FATCA Withholding) in respect of any Class of Class A Notes, from any payment of principal or interest on such Interest Payment Date for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or by any political sub-division thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction and provided that such deduction or withholding may not be avoided by appointing a replacement paying agent or custodian in respect of the Class A Notes before the Interest Payment Date following the change in law or the interpretation or administration thereof; or

(c) any amounts of interest payable on the Mortgage Loans to the Issuer are required to be deducted or withheld from the Issuer for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or by any political sub-division thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction; or

(d) 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;

subject to the Issuer:

(a) giving not more than 60 (sixty) days' nor less than 30 (thirty) days' written notice (which notice shall be irrevocable) to the Representative of the Noteholders and the Noteholders, pursuant to Condition 17 (*Notices*), of its intention to redeem all (but not some only) the Notes (or the Class A Notes only, if all the Junior Noteholders consent); and

(b) providing to the Representative of the Noteholders:

(i) a legal opinion (in form and substance satisfactory to the Representative of the Noteholders) from a firm of lawyers of international reputation (approved in writing by the

Representative of the Noteholders) opining on the relevant change in law or interpretation or administration thereof;

(ii) a certificate from the chairman of the board of directors or the sole director of the Issuer (as applicable) stating that the obligation to make such deduction or withholding or the suffering by the Issuer of such deduction or withholding cannot be avoided or, as the case may be, the events under under item (d) above will apply on the following Interest Payment Date and cannot be avoided by the Issuer taking reasonable endeavours; and

(iii) a certificate from the chairman of the board of directors or the sole director of the Issuer (as applicable) to the effect that it will have the funds on such Interest Payment Date to discharge its obligations under:

(A) the Notes (or the Class A Notes only, if all the Junior Noteholders consent) and any obligations ranking in priority, or *pari passu*, thereto; and

(B) any additional taxes payable by the Issuer by reason of such early redemption of the Notes.

The Issuer is entitled, pursuant to the Intercreditor Agreement, to dispose of the Claims in order to finance the redemption of the Notes in the circumstances described above.

Mandatory redemption

Prior to the service of an Issuer Acceleration Notice, if on any Calculation Date, there are Issuer Available Funds available for such purpose, the Issuer will apply such Issuer Available Funds on the immediately following Interest Payment Date in or towards the mandatory redemption of the Notes of each Class (in whole or in part) in accordance with the Pre-Enforcement Priority of Payments.

The principal amount redeemable in respect of each Note on any Interest Payment Date (each, a **Principal Payment**) shall be a *pro rata* share of the Issuer Available Funds determined in accordance with the provisions of this Condition and the Pre-Enforcement Priority of Payments available to redeem Notes of the relevant Class on such date, calculated by reference to the ratio borne by the then Principal Amount Outstanding of such Note to the then Principal Amount Outstanding of the Notes of such Class (rounded down to the nearest cent), provided always that no such Principal Payment may exceed the Principal Amount Outstanding of the relevant Note.

Estimated weighted average life of the Class A Notes and assumptions

The actual weighted average life of the Senior Notes cannot be predicted as the actual rate at which the Mortgage Loans will be repaid and a number of other relevant factors are unknown. Calculations of the estimated weighted average life of the Senior Notes have been based on certain assumptions including, *inter alia*, the assumptions that the Mortgage Loans are subject to a constant payment rate as shown in "*Estimated weighted average life of the Notes and assumptions*".

The estimated weighted average life of the Senior Notes, at various assumed constant payment rates for the Mortgage Loans, is set out under "*Estimated weighted average life of the Senior Notes and assumptions*".

7 CREDIT STRUCTURE

Cash Reserve

On the Issue Date 2012, the Issuer has established a reserve fund in the Cash Reserve Account.

Cash Reserve means the monies standing to the credit of the Cash Reserve Account at any given time.

The Cash Reserve Account has been funded on the Issue Date 2012 in an amount equal to € 64,000,000.00 (sixty-four million):

(a) € 60,000,000.00 (sixty million), being the amount drawndown under the Initial Subordinated Loan Agreement, and

(b) € 4,000,000.00 (four million), being equal to a portion of the aggregate amounts collected under the Mortgage Loans between the Initial Valuation Date (included) and the Initial Signing Date (but excluding those collections constituting repayment of principal and prepayments).

On the Interest Payment Date falling on 28 October 2016, the Cash Reserve Account has been credited of Euro 64,000,000.00 pursuant to item (*fifth*) of the Pre-Enforcement Priority of Payments.

On the Issue Date 2019, the Cash Reserve Account has been funded in an amount being equal to € 24,600,000.00, being the amount to be drawn down by the Issuer under the Subsequent Subordinated Loan Agreement.

On the Issue Date 2024, the Cash Reserve Account will be funded in an amount being equal to € 25,450,000.00, being the amount to be drawn down by the Issuer under the Subordinated Loan Agreement 2024.

On each Interest Payment Date, the Cash Reserve will be credited with the Target Cash Reserve Amount out of the Issuer Available Funds and in accordance with the Pre-Enforcement Priority of Payments.

On each Calculation Date, the Cash Reserve (or part of it) will be used to augment the Issuer Available Funds.

Target Cash Reserve Amount means:

(a) on the Issue Date 2024, € 65,448,114.26;

(b) on each Calculation Date thereafter an amount equal to three per cent. of the aggregate Principal Amount Outstanding of the Senior Notes provided that such amount shall not be lower than € 40,000,000.00; and

(c) €0 on the earlier of:

(i) the Maturity Date;

(ii) the Final Redemption Date; and

(iii) the Interest Payment Date on which the Senior Notes are redeemed in full.

Letter of Undertaking

Pursuant to a letter of undertaking in relation to the Issuer (the **Letter of Undertaking**) dated on or about the Issue Date 2012 between the Issuer, the Representative of the Noteholders, Banco Popolare (before the

merger into Banco BPM) and Creberg (before the merger into Banco Popolare, which - in turn – later merged into Banco BPM) (in such capacity, the **Financing Bank**), the Financing Banks have undertaken to provide the Issuer with all necessary monies (in any form of financing deemed appropriate by the Representative of the Noteholders, for example by way of a subordinated loan, the repayment of which is effected in compliance with item (i)(iii) of the Pre-Enforcement Priority of Payments or, as the case may be, item (g)(iii) of the Post-Enforcement Priority of Payments) in order for the Issuer to pay any losses, costs, expenses or liabilities in respect of certain exceptional liabilities set out in the Letter of Undertaking.

8 TRANSFER OF THE PORTFOLIO

The Portfolio

The principal source of funds available to the Issuer for the payment of interest and the repayment of principal on the Notes (including the Series 4 Notes) will be, in addition to the Initial Portfolios, the First Subsequent Portfolio and the Second Subsequent Portfolio, an additional pool of monetary claims and other connected rights (the **Claims 2024**) arising out of a portfolio (the **Third Subsequent Portfolio**) consisting of residential mortgage loans which qualify either as mutui fondiari or as mutui ipotecari (the **Loans 2024**) owed to Banco BPM. The Claims 2024 have been transferred to the Issuer pursuant to the terms of a transfer agreement dated 20 June 2024, executed by and between the Issuer and Banco BPM.

Each Portfolio has been assigned and transferred to the Issuer in block (*in blocco*), without recourse (*pro soluto*) against the Originator, in accordance with the Securitisation Law and subject to the terms and conditions of the relevant Transfer Agreement.

For further details, please see section headed "*Description of the Transaction Documents*", paragraph "*The Transfer Agreements*".

Criteria

For details, please see section headed "*The Portfolio*".

Warranties and Indemnities

Under each Warranty and Indemnity Agreement, entered into on or about the date of execution of the relevant Transfer Agreement, the Originator has made certain representations and warranties to the Issuer in relation to, *inter alia*, the Receivables and, subject to the provisions set forth therein, has agreed to indemnify the Issuer in respect of certain liabilities incurred by the Issuer as a result of the breach of such representations and warranties, repurchase the Receivables which do not comply with the relevant representations and warranties.

For further details, please see section "*Description of the Transaction Documents*", paragraph "*The Transfer Agreements*.

RISK FACTORS

Investing in the Notes involves certain risks. The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may, exclusively or concurrently, occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (*including any documents incorporated by reference herein*) *and reach their own views prior to making any investment decision.*

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

RISK FACTORS IN RELATION TO THE NOTES

Securitisation Law

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 the interpretation thereof, the impact of which cannot be predicted by the Issuer or any other party as at the date of this Prospectus.

Failure to comply with the Securitisation Law, the EU Securitisation Regulation may adversely affect the ability of the Noteholders to sell and/or the price they receive for the Notes in the secondary market suitability

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

Investment in the Notes is only suitable for investors who:

(a) have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Notes;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation;

(c) are capable of bearing the economic risk of an investment in the Notes; and

(d) recognise that it may not be possible to dispose of the Notes for a substantial period of time, if at all.

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

Prospective investors in the Notes should not rely on or construe any communication (written or oral) of the Issuer, the Originator or the Initial Notes Subscriber 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 an investment advice or a recommendation to invest in the Notes.

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

Performance of the Portfolio

The Portfolio comprises residential mortgage loans which qualify either as *mutui fondiari* or as *mutui ipotecari* and which were classified as performing (*crediti in bonis*) by the Originator in accordance with the Bank of Italy's supervisory regulations as at the relevant Valuation Date. The Portfolio has characteristics that show the capacity to produce funds to service payments due on the Notes. However, there can be no guarantee that the Borrowers will not default under such Mortgage Loans or that they will continue to perform they relevant payment obligations. Borrowers may default on their obligations due under the Mortgage Loans for a variety of reasons. Various factors influence delinquency rates, prepayment rates, repossession frequency and the ultimate payment of interest and principal, such as changes in the national or international economic climate, regional economic conditions, changes in tax laws, interest rates, inflation, the availability of financing, yields on alternative investments, political developments and government policies. Certain factors (including general economic conditions and other similar factors) may lead to an increase in default by and insolvency of the Borrowers, and could ultimately have an adverse impact on their ability to repay the Mortgage Loans. Overall economic recession and a further decline in the national and international economic outlook, or a general deterioration of economic conditions in any industry in which the Borrower operate may negatively impact the solvency of the borrowers and therefore the recovery of mortgage loans.

The recovery of overdue amounts in respect of the Mortgage Loans will be affected by the length and by the effectiveness of enforcement proceedings in respect of the Portfolio, which in the Republic of Italy can take a considerable amount of time depending on the type of action required and where such action is taken, as well as depend on several other factors.

These factors, which can have a significant effect on the length of the proceedings, include the following:

(a) certain courts may take longer than the national average to enforce the Mortgage Loans and the Mortgages;

(b) obtaining title deeds from land registries which are in the process of digitising their records can take up to two (2) or three (3) years; and

(c) further time is required for the proceedings if it is necessary first to obtain a payment injunction (*decreto ingiuntivo*) and if the Borrower raises a defence or counterclaim to the proceedings. In the Republic of Italy it takes an average of 6 (six) to 8 (eight) years from the time lawyers commence enforcement proceedings to the time an auction date is set for the forced sale of any assets. In this respect, it is to be taken into account that Italian Law No 302 of 3 August 1998 ("*Norme in tema di espropriazione forzata e di atti affidabili ai notai*") (the **Law No 302**) has allowed notaries to conduct certain stages of the foreclosure procedures in place of the courts and that by means of Law No 80 of 14 May 2005 ("*Conversione in legge, con modificazioni, del decreto-legge 14 marzo 2005, n. 35, recante disposizioni urgenti nell'ambito del Piano di azione per lo sviluppo economico, sociale e territoriale. Deleghe al Governo per la modifica del codice di procedura civile in materia di processo di cassazione e di arbitrato nonché per la riforma organica della disciplina delle procedure concorsuali*") extends such activity to lawyers, certified accountants and fiscal experts enrolled in a special register. The reforms are expected to reduce the length of foreclosure proceedings by between two (2) and three (3) years, although at the date of this Prospectus, the impact which the mentioned laws will have on the Mortgage Loans comprised in the Portfolio cannot be fully assessed. See the section headed "*Selected aspects of Italian law*".

Recovery proceeds may also be affected by, among other things, a decline in property values. No assurance can be given that the values of the mortgaged properties have remained or will remain at the same level as on the dates of origination of the related Mortgage Loans. If the residential and commercial property market in the Republic of Italy experiences an overall decline in property values, such a decline could, in certain circumstances, result in the value of the security created by the Mortgages being significantly reduced and, ultimately, may result in losses to the Noteholders.

No independent investigation in relation to the Portfolio

None of the Issuer, the Initial Notes Subscriber or any other party to the Transaction Documents (other than Banco BPM) has undertaken or will undertake any investigation, search or other action to verify the details of the Claims and the Portfolio, 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 Borrowers or any other debtor thereunder. There can be no assurance that the assumptions used in modelling the cash flows of the Claims and the Portfolio accurately reflect the status of the underlying Mortgage Loans.

None of the Issuer nor any other party to the Transaction Documents (other than Banco BPM) has carried out any due diligence in respect of the Mortgage Loan Agreements in order to, without limitation, ascertain whether or not the Mortgage Loan Agreements contain provisions limiting the transferability of the Claims.

The Issuer will rely instead on the representations and warranties given by the Originator in the Warranty and Indemnity Agreements and in the Transfer Agreements. 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 Claim will be the requirement that the Originator indemnifies the Issuer for the damage deriving therefrom or repurchases the relevant Claim. See the section headed "*Description of the Transaction Documents – Description of the Warranty and Indemnity Agreements*". There can be no assurance that the Originator will have the financial resources to honour such obligations.

The parties to the Warranty and Indemnity Agreements have expressly agreed, pursuant to clause 8.5 thereof, that the Warranty and Indemnity Agreements will expire, save as otherwise provided therein, on the day falling on one year and one day after the earlier of:

(a) the day on which the Notes have been paid in full; and

(b) the Cancellation Date and, therefore, claims for a breach of representation or warranty given by the Originator may be pursued against the Originator until that term. However, there is a possibility that legal actions initiated for breach of some representations or warranties are nonetheless subject to a one year statutory limitation period if article 1495 of the Italian civil code (which regulates ordinary sales contracts (*contratti di compravendita*)) is held to apply to the Warranty and Indemnity Agreements.

Liquidity and credit risk

The Issuer is subject to the risk of delay arising between the receipt of payments due from Borrowers and the scheduled Interest Payment Dates. The Issuer is also subject to the risk of, *inter alia*, default in payments by the Borrowers and failure by the Servicer to collect or recover, as the case may be, sufficient funds in respect of the Claims in order to enable the Issuer to discharge all amounts payable under the Notes. These risks are mitigated by the liquidity and credit support provided in respect of the Class A Notes, by:

(a) the subordination of the Junior Notes; and

(b) the Cash Reserve.

However, in each case, there can be no assurance that the levels of credit support and liquidity support provided will be adequate to ensure punctual and full receipt of amounts due under the Notes.

In each case the performance by the Issuer of its obligations thereunder is dependent on the solvency of the Servicer (or any permitted successors or assignees appointed under the Servicing Agreement) as well as the timely receipt of any amount required to be paid to the Issuer by the various agents and counterparts of the Issuer pursuant to the terms of the Transaction Documents. It is not certain that the Servicer will duly perform at all times its obligations under the Servicing Agreement and that a suitable alternative Servicer could be available to service the Portfolio if Banco BPM become insolvent or its appointment under the Servicing Agreement is otherwise terminated.

In addition, the Issuer is subject to the risk that, in the event of insolvency of the Servicer, the collections then held by the Servicer are lost or temporarily unavailable to the Issuer. It should be noted, however, that such risk has been mitigated by the recent amendments made to the Securitisation Law in respect to the segregation

of the accounts opened in the context of securitisation transactions (please see the risk factor headed "*Claims of unsecured creditors of the Issuer*").

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

In addition, the Issuer's ability to make payments in respect of the Notes may depend to an extent upon the Originator's performance of their obligations under the Warranty and Indemnity Agreements. In particular, in the event that the Originator becomes subject to insolvency or similar proceedings, it would no longer be in a position to meet its indemnification obligations to the Issuer under the Warranty and Indemnity Agreements. In addition, in such case, any payments made by such Originator as indemnity under the Warranty and Indemnity Agreements, or as indemnity for renegotiation of the Claims under the Servicing Agreement or as repurchase price of the Claims under the relevant Transfer Agreement, may be subject to ordinary claw back regime under Italian Law (other than the shorter claw back period that applies to the transfer of the Claims to the Issuer - see the section headed "*Selected Aspects of Italian Law*").

Interest rate risk

The floating rate payments obligations under the Senior Notes are expected to be met primarily from payments received by the Issuer from Collections and recoveries made in respect of the Claims. However, it should be noted that the interest component in respect of the payment of such amount may not be linked to the EURIBOR from time to time applicable in respect of the Senior Notes. The Issuer will also be exposed to potential liquidity risks due to the timing mismatch between payments on the Notes (quarterly) and payments collected on the Portfolio (a mixture of monthly, quarterly and semiannual receipts). A timing mismatch could result in a temporary shortfall, which could lead to the occurrence of an Event of Default. The Issuer has not entered into any interest rate hedging agreement in connection with the Securitisation and the Senior Notes and therefore it will be exposed to the interest rate and timing mismatch between assets and liabilities.

However, it should be noted that, whilst an amount equal to 39.56% of the aggregate Principal Amount Outstanding of the Claims included in the Portfolio as at the Valuation Date derives from Loans with a floating interest rate indexed to one month EURIBOR, three month EURIBOR, six month EURIBOR or ECB rate, 60.44% of the aggregate outstanding principal of the Claims as at the Valuation Date derives from Loans with a fixed interest rate.

With reference to the floating rate Loans included in the Portfolio, the analysis of the historical gap between different Euribor indexes has led to the conclusion that the basis risk of mismatch among three month EURIBOR, six month EURIBOR and one month EURIBOR (being the index to which interest amounts due on the Senior Notes is linked) is limited and not material and would not have a negative impact on the Senior Notes.

With reference to the fixed rate Loans included in the Portfolio, the potential risk due to the increasing interest scenario is appropriately mitigated by:

(i) the analysis of the current interest rate forward curve for one month EURIBOR (being the index to which interest amounts due on the Senior Notes is linked), which suggests that no hedging instrument is required as, despite this index, it will remain above the weighted average of the fixed rate component of the Portfolio during the expected weighted average life of the Senior Notes, even considering some stress scenarios on rising interest rates, is covered by an overcollateralization of the Portfolio (representing 18.60% of the Outstanding Principal of the Portfolio);

(ii) the fact that the remuneration of the Junior Notes (equal to 14.24% of the Principal Amount Outstanding of the Portfolio) is constituted by a Variable Return not linked to any Euribor index nor accruing over time. In other words, payment of interest on the Senior Notes (representing 67,16% of the outstanding principal of the Portfolio as at the Valuation Date) is funded by the Collections relating to the 100% of the principal amount outstanding of the Portfolio;

(iii) only with reference to the Senior Notes, the availability of the Cash Reserve, which shall at all times be an amount equal to three per cent. of the aggregate Principal Amount Outstanding of the Senior Notes, provided that such amount shall not be lower than € 40,000,000.00. The Cash Reserve shall

be applied in order to cover any interest shortfall on the Senior Notes on any Payment Date. If used, the Cash Reserve shall be replenished up to the Target Cash Reserve Amount on the immediately following Payment Date.

Notwithstanding the above, there can be no assurance of the timely and full payment of interest amounts due under the Senior Notes.

In addition, changes or uncertainty in respect of Euribor and/or other interest rate benchmarks may affect the value or payment of interest under the Notes.

The Notes are linked to Euribor. Euribor and other benchmark rates are the subject of recent national and international regulatory guidance and proposals for reform including, without limitation, the Benchmark Regulation and certain other international and national reforms. 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:

(a) 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

(b) 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.

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

For further information, please see the section headed "*Compliance with STS requirements and regulatory capital requirements*", paragraph "*Article 21 (Requirements relating to standardisation) of the EU Securitisation Regulation*".

Limited nature of credit ratings assigned to the Notes

The credit rating assigned to:

(a) the Notes reflects the Rating Agencies' assessment of the likelihood of ultimate repayment of principal and interest on or before the Final Maturity Date; and

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

The ratings do not address the following:

(a) the likelihood that the principal will be redeemed on the Notes, as expected, on the scheduled redemption dates;

(b) possibility of the imposition of Italian or European withholding taxes;

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

(d) whether an investment in the Notes is a suitable investment for a Noteholder.

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

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

Non-compliance with the EU Securitisation Regulation 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 periodic wider review. In this regard it should be noted that ESMA is currently reviewing the EU reporting regime in response to the European Commission's report of October 2022.

Certain European-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 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 the EU Securitisation regulation 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, compliance of that transaction with the EU Securitisation Regulation requirements.

If the relevant European-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 the EU Securitisation Regulation 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 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 (including any changes arising as a result of the reforms) 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, as applicable.

Prospective investors should also 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 will be adequate for any prospective institutional investors to comply with their due diligence obligations under the EU Securitisation Regulation. Prospective investors in the Notes are responsible for analysing their own regulatory position and should consult their own advisers in this respect.

Noteholders should take their own advice on compliance with, and in the application of, the provisions of articles 5 and 6 of the Securitisation Regulation.

The STS designation impacts on regulatory treatment of the Notes

The Securitisation is intended to qualify as an STS securitisation within the meaning of article 18 of 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 2024, 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 Originator has used the service of 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, the 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 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, 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, the Originator 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 the 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 Series 4 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 need to make their own independent assessment and may not solely rely on the STS Assessments, the STS Notification or other disclosed information. No assurance can be provided that the

Securitisation does or will continue to qualify as an STS securitisation under the EU Securitisation Regulation as at the date of this Prospectus or at any point in time in the future. The STS status of a transaction is not static and investors should verify the current status of the Securitisation on the ESMA STS Register which will be updated where the Notes are no longer considered to be STS following a decision of competent authorities or a notification by the Originator. None of the Issuer, the Originator, the Representative of the Noteholders or any other party to the Transaction Documents makes any representation or accepts any liability for the Securitisation to qualify as an STS securitisation under the EU Securitisation Regulation at any point in time in the future.

The STS securitisation designation impacts on the potential ability of the Notes to achieve better or more flexible regulatory treatment under various EU regimes that were amended (or will be amended in due course) to take into account the EU STS framework (such as Type 1 securitisation under Solvency II Regulation, as amended by the Solvency II Amendment Regulation; regulatory capital treatment under the securitisation framework of the CRR, as amended by the CRR Amendment Regulation) and the changes to the EMIR regime that provide for certain exemptions for EU STS securitisation swaps.

Subordination

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

The rights of the Noteholders to receive payments of interest and repayment of principal are subordinated to the payment of certain costs, expenses, fees, taxes and other amounts and to the rights of the Representative of the Noteholders and other parties to receive certain amounts due under the Transaction Documents. This includes in respect of any proceeds of enforcement and collection of the security created by the Issuer which will be applied in accordance with the Post-Enforcement Priority of Payments.

Prospective investors in the Notes should have particular regard to the sections headed "*Key features - Overview of the Notes - Ranking*" and "*Credit structure*" in determining the likelihood or extent of any shortfall of funds available to the Issuer to meet payments of interest and/or repayment of principal due under the Notes.

Limited enforcement rights

The protection and exercise of the Noteholders' rights and the enforcement of the Note Security is one of the duties of the Representative of the Noteholders. The Conditions limit the ability of individual Noteholders to commence proceedings (including proceedings for a declaration of insolvency) against the Issuer by conferring on the Meeting of the Noteholders the power to determine in accordance with the Rules of the Organisation of Noteholders the ability of any Noteholder to commence any such individual actions. Accordingly, individual Noteholders may not, without breaching the Conditions, be able to commence proceedings or take other individual remedies against the Issuer unless the Meeting of the Noteholders has approved such action in accordance with the provisions of the Rules of the Organisation of Noteholders.

Remedies available for the purpose of recovering amounts owed in respect of the Notes shall be limited to actions in respect of the Claims, the Issuer Available Funds and the Note Security. In the event that the amounts recovered pursuant to such actions are insufficient, after payment of all other claims ranking in priority to or *pari passu* with amounts due under the Notes of each Class, to pay in full all principal and interest and other amounts whatsoever due in respect of the Notes, the Noteholders will have no further actions available in respect of any such unpaid amounts.

Relationship among Noteholders and between Noteholders and Other Issuer Creditors

The Intercreditor Agreement contains provisions applicable where, in the opinion of the Representative of the Noteholders, there is a conflict between all or any of the interests of one or more Classes of Noteholders or between one or more Classes of Noteholders and any Other Issuer Creditors, requiring the Representative of the Noteholders to have regard only to the holders of the Most Senior Class (as defined in Condition 1 (*Definitions*)) then outstanding and the Representative of the Noteholders is not required to have regard to the holders of any other Class of Notes then outstanding, nor to the interests of the other Issuer Creditors, except to ensure that the application of the Issuer's funds is in accordance with the applicable Priority of Payments. In addition, the Intercreditor Agreement contains provisions requiring the Representative of the Noteholders to have regard to the interests of each Class of Noteholders as a class and relieves the Representative of the Noteholders from responsibility for any consequence for individual Noteholders as a result of such Noteholders being domiciled or resident in, or otherwise connected in any way with, or subject to the jurisdiction of, a particular territory or taxing jurisdiction.

Under Condition 10 (*Events of Default*), if an Event of Default occurs, then (subject to Condition 10(c) (*Consequences of service of an Issuer Acceleration Notice*)), the Representative of the Noteholders may, at its sole discretion, and shall:

(a) if so directed in writing by the holders of at least 60% of the Principal Amount Outstanding of the Most Senior Class of Notes; or

(b) if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes,

give an Issuer Acceleration Notice to the Issuer and to the Servicer declaring the Notes to be due and payable, provided that:

(a) in the case of the occurrence of any of the events mentioned in Condition 10(a)(ii) (*Breach of other obligations*) and Condition 10(a)(iii) (*Failure to take action*), the service of an Issuer Acceleration Notice has been approved by an Extraordinary Resolution of the holders of the Most Senior Class of Notes; and

(b) in each case, the Representative of the Noteholders shall have been indemnified and/or secured to its satisfaction against all fees, costs, expenses and liabilities (provided that supporting documents are delivered) to which it may thereby become liable or which it may incur by so doing.

The Intercreditor Agreement contains provisions requiring the Representative of the Noteholders to have regard to the interests of the Other Issuer Creditors as regards all powers, trusts, authorities, duties and discretions of the Representative of the Noteholders (except where expressly provided otherwise), but requiring the Representative of the Noteholders, in the event of a conflict between the interests of the holders of any Class of outstanding Notes and any Other Issuer Creditor, to have regard only (except where specifically provided otherwise) to the interests of the holders of such Class of outstanding Notes, except to ensure that the application of the Issuer's funds is in accordance with the applicable Priority of Payments.

Absence of secondary market and limited liquidity

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

Although an application has been made for the Notes to be admitted to trading on the professional segment Euronext Access Milan Professional of Euronext Access Milan Market managed by Borsa Italiana, there can be no assurance that a secondary market for such Notes will develop or, if a secondary market does develop in respect of any of the Notes, that it will provide the holders of such Notes with the liquidity of investments or that it will continue until the final redemption or cancellation of such Notes. Consequently, any purchaser of any of the Notes may be unable to sell the Notes to any third party and it may therefore have to hold the Notes until final redemption and/or cancellation thereof.

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.

Certain material interests

Certain parties to the Transaction, such as the Originator, may perform multiple roles.

Banco BPM is, in addition to being an Originator, also the Servicer, the Transaction Bank and an initial subscriber of the Notes. These parties will have only those duties and responsibilities expressly agreed to by them in the relevant agreement and will not, by virtue of their or any of their affiliates acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided with respect to each agreement to which they are a party.

Accordingly, conflicts of interest may exist or may arise as a result of parties to this transaction:

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

(b) having multiple roles in this transaction; and/or

(c) carrying out other transactions for third parties.

The Originator in particular may hold and/or service claims against the Borrowers other than the Claims. The interests or obligations of the aforementioned parties, in their respective capacities with respect to such other roles may in certain aspects conflict with the interests of the Noteholders. The aforementioned parties may engage in commercial relationships, in particular, be lender, and provide general banking, investment and other financial services to the Borrowers and other parties. In such relationships the aforementioned parties are not obliged to take into account the interests of the Noteholders.

Class A Notes as eligible collateral for ECB liquidity and/or open market transactions

After the Issue Date 2024 an application will be made to a central bank in the Eurozone to record the Class A Notes as eligible collateral, within the meaning of the guidelines issued by the European Central Bank (ECB), as the case may be, in December 2014 (*Guideline* (*EU*) *2015/510 of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework* (*ECB/2014/60*)) and in July 2014 (*Guideline of the European Central Bank of 9 July 2014 on additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral and amending Guideline ECB/2007/9* (*ECB/2014/31*)), as subsequently amended and supplemented, for liquidity and/or open market transactions carried out with a central bank in the Eurozone. In this respect, it should be noted that in accordance with their policies, neither the ECB nor the central banks of the Eurozone will confirm the eligibility of the Class A Notes for the above purpose prior to their issuance and if the Class A Notes are accepted for such purpose, the relevant central bank may amend or withdraw any such approval in relation to the Class A Notes at any time. The assessment and/or decision as to whether the Class A Notes qualify as eligible collateral for liquidity and/or open market transactions rests with the relevant central bank.

In the event that the Class A Notes are not recognised (or cease to be recognised) as an eligible collateral for Eurosystem operations, the holders of the 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.

None of the Issuer, the Originator or any other party to the Transaction Documents gives any representation or warranty as to the eligibility of the Class A Notes for such purpose, nor do they accept any obligation or liability in relation to such eligibility or lack of it of the Class A Notes at any time.

Rights of set-off

Under general principles of Italian law, the debtors under the Mortgage Loans are entitled to exercise rights of set-off in respect of amounts due under any Mortgage Loan to the Issuer against any amounts payable by the Originator to the relevant Borrower.

The assignment of receivables under the Securitisation Law is governed by article 58, paragraphs 2, 3 and 4, of the Consolidated Banking Act. According to the prevailing interpretation of such provision, such assignment becomes enforceable against the relevant debtors as of the later of:

(a) the date of the publication of the notice of assignment in the Official Gazette of the Republic of Italy (*Gazzetta Ufficiale della Repubblica Italiana*); and

(b) the date of registration of the notice of assignment in the competent companies' register. Consequently, the Borrowers shall not be entitled to exercise any set-off right against their claims vis-a-vis each of the Originator which arises after the date of such publication and registration. Under the terms of the Warranty and Indemnity Agreements, the Originator has agreed to indemnify the Issuer in respect of any reduction in amounts received by the Issuer in respect of the Portfolio as a result of the exercise by any Borrower of a right of set-off.

Servicing of the Portfolio

Pursuant to the Servicing Agreement, the Portfolio is serviced by Banco BPM as Servicer. The Servicer will carry out the administration, collection and enforcement of the Portfolio in accordance with the Servicing Agreement and its credit and collection policy. (Please see the section headed "*The Credit and Collection Policy*"). Such Credit and Collection Policy may change over time and no assurance can be given that such changes will not have an adverse effect on the Issuer's ability to make payments on the Notes. In any case, it shall be considered that, under the Servicing Agreement, any material change to the credit and collection policy of the Servicer (proposed by the Servicer) is subject to the prior consent of the Issuer and the Representative of the Noteholders and to the prior notice to the Rating Agencies.

The net cash flows from the Portfolio may be affected by decisions made and actions taken and the collection procedures adopted by the Servicer pursuant to the Servicing Agreement (or any permitted successors or assignees appointed under the Servicing Agreement). In addition, no assurance can be given that the Servicer will promptly forward all amounts collected from Borrowers in respect of the Claims to the Issuer in respect of a particular Collection Period in accordance with the Servicing Agreement (however, it should be noted that the Issuer may in such case terminate the Servicer's appointment - see for further details "*Description of the Transaction Documents - The Servicing Agreement*").

Yield and repayment considerations

The yield to maturity, the amortisation plan and the weighted average life of the Notes will depend upon, *inter alia*, the amount and timing of repayment of principal (including prepayments) on the Mortgage Loans and on the actual date of exercise (if any) of the optional redemption rights of the Issuer pursuant to Condition 7 (c) (*Optional Redemption of the Notes*) or Condition 7 (d) (*Optional Redemption for taxation, legal or regulatory reasons*). Such yield, amortisation plan and 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 Mortgage Loans, the exercise by the Originator of its faculty to partially repurchase the Claims and/or by the Servicer to renegotiate the terms and conditions of the Mortgage Loan Agreements and/or to grant the suspension of payments of the relevant instalments in accordance with the provisions of the Servicing Agreement. See further section headed "*Description of the Transaction Documents - The Transfer Agreements, Description of the Servicing Agreement*".

The level of prepayment, delinquency and default on payment of the relevant instalments or request for suspension or renegotiation under the Mortgage 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 margins offered by the banking system, the availability of alternative financing, local and regional economic conditions as well as special legislation that may affect refinancing terms. Prepayments may also arise in connection with refinancing, repurchases, sales of properties by Borrowers voluntarily or as a result of

enforcement proceedings under the relevant Mortgage Loans, as well as the receipt of proceeds from the insurance policies assisting certain Claims.

The impact of the above on the yield at maturity and weighted average life of the Notes cannot be predicted. Based, *inter alia*, on assumed rates of prepayment, the approximate average lives of the Notes are set out in the section headed "*Estimated Weighted Average Life of the Senior Notes and assumptions*". However, the actual characteristics and performance of the Mortgage Loans will differ from such assumptions and any difference will affect the percentages of the initial amount outstanding of the Notes which are outstanding over time and the weighted average lives of the Notes.

Administration and reliance on third parties

The ability of the Issuer to make payments in respect of the Notes will depend upon the due performance by the parties to the Transaction Documents of their respective various obligations under the Transaction Documents to which they are each a party. In particular, without limitation, the punctual payment of amounts due on the Notes will depend on the ability of the Servicer to service the Portfolio and to recover the amounts relating to the Defaulted Claims (if any). In addition, the ability of the Issuer to make payments under the Notes may depend to an extent upon the due performance by the Originator of its obligations under the Warranty and Indemnity Agreement. The performance by such parties of their respective obligations under the relevant Transaction Documents is dependent on the solvency of each relevant party. In each case, the performance by the Issuer of its obligations under the Transaction Documents is also dependent on the solvency of, amongst others, the Servicer.

In the event of the termination of the appointment of the Servicer under the Servicing Agreement, it would be necessary for the Issuer to appoint one or more substitute servicer(s) (acceptable to the Representative of the Noteholders). Such substitute servicer(s) would be required to assume responsibility for the services required to be performed under the Servicing Agreement for the Mortgage Loans. The ability of a substitute servicer to fully perform the required services would depend, *inter alia*, on the information, software and records available at the time of the relevant appointment. There can be no assurance that a substitute servicer will be found or that any substitute servicer will be willing to accept such appointment or that a substitute servicer will be able to assume and/or perform the duties of the Servicer pursuant to the Servicing Agreement. In such circumstances, the Issuer could attempt to sell all, or part of, the Claims, but there is no assurance that the amount received on such a sale would be sufficient to repay in full all amounts due to the Noteholders. The Representative of the Noteholders has no obligation to assume the role or responsibilities of the Servicer or to appoint a substitute servicer.

However, it is to be noted that according to each Transfer Agreement, the Originator has provided the Issuer in respect of the relevant Portfolio with:

(a) a solvency certificate in the form attached to the relevant Transfer Agreement; an

(b) a certificate of the competent companies' register, stating that no insolvency proceeding is pending against the Originator.

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

Italian Law no 108 of 7 March 1996, amended and supplemented from time to time (the **Usury Law**) introduced legislation preventing lenders from applying interest rates equal to or higher than rates (the **Usury Rates**) set every 3 (three) months on the basis of a decree issued by the Italian Treasury (the last such decree having been issued on 24 June 2024 published in the Official Gazette No. 151 of 29 June 2024). Such rates are applicable without retroactive effect (*ex nunc*), as confirmed by the Italian Supreme Court ("*Corte di Cassazione*") decision number 46669 of 23 November 2011. In particular the Italian Supreme Court ("*Corte di Cassazione*"), with two aligned decisions, number 12028 of 19 February 2010 and number 28743 of 14 May 2010, has clarified that in the calculation of the interest rate for the assessment of its compliance with the Usury Law, any costs and/or expenses, including overdraft ("*commissione di massimo scoperto*"), related to the relevant agreement (other than taxes and fees) shall also be considered. In addition, the Sezioni Unite of the Italian Supreme Court, with the decision number 16303 of 20 June 2018, have clarified the necessity to make the comparison between omogeneous elements taking into account for the commissione di massimo scoperto the portion of Usury Rate corresponding to the commissione di massimo scoperto. With reference to the loan agreements, the Italian Supreme Court ("*Corte di Cassazione*"), with the decision number 350 of

9 January 2013 has further clarified that, for the purpose of such calculation, also default interests ("*interessi moratori*") shall be taken into account. 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.

On 29 December 2000, the Italian Government issued law decree No. 394 ("*Interpretazione autentica della legge 7 marzo 1996, n. 108*") (the **Decree 394/2000** and, together with the Usury Law, the **Usury Regulations**), turned into Law No 24 of 28 February 2001 ("*Conversione in legge, con modificazioni, del decreto-legge 29 dicembre 2000, n. 394, concernente interpretazione autentica della legge 7 marzo 1996, n. 108, recante disposizioni in materia di usura*"), which clarified 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 was supported by the Italian Supreme Court (decisions numbers 602 and 603 of 11 January 2013), 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. However, a recent decision by the Sezioni Unite of the Italian Supreme Court (Cass. Sez. Un., 19 October 2017, number 24675) has finally clarified that the principle of the so called *usura sopravvenuta* may not apply and therefore 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 would not need to be reduced to the then applicable usury limit.

The Usury Law Decree also provides that, as an extraordinary measure due to the exceptional fall in interest rates in the years 1998 and 1999, interest rates due on instalments payable after 2 January 2001 on loans already entered into on the date on which the Usury Law Decree came into force (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 25 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 number 350/2013, as recently 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. Such interpretation is in contradiction with the current methodology for determining the Usury Rates, considering that the relevant surveys aimed at calculating the applicable average rate never took into account the default interest rates.

Prospective Noteholders should note that under the terms of the Warranty and Indemnity Agreements, the Originator has represented and warranted to the Issuer, *inter alia,* that the terms and conditions of each Mortgage Loan are, and the exercise by the Originator of its rights thereunder is, in each case, in compliance with all applicable laws and regulations including, without limitation, all laws and regulations relating to banking activity, *credito fondiario,* usury and personal data protection provisions in force at the time, as well as in

compliance with the internal procedures from time to time adopted by the Originator. See the section headed "*Description of the Transaction Documents – The Warranty and Indemnity Agreements*".

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

According to Article 1283 of the Italian civil code, in respect of a monetary claim or receivable, accrued interest can be capitalised after a period of not less than 6 (six) months provided that the capitalisation has been agreed after the date on which it has become due and payable or from the date when the relevant legal proceedings are commenced in respect of that monetary claim or receivable. According to Article 1283 of the Italian civil code, such provision may be derogated from only in the event that there are recognised customary practices (*usi*) to the contrary. Traditionally, capitalisation of interest (including the capitalisation of interest on bonds and other debt instruments) in the Republic of Italy was a common market practice on the grounds that such practice could be characterised as a customary rule (*uso normativo*). However, according to certain judgements from Italian courts (including judgements no 2374/99, no 2593/03, no 21095/2004 and 24418/2010 of the Italian Supreme Court (*Corte di Cassazione*)), such practice has been re-characterised as an agreed clause (*uso negoziale*) and, as such, has been deemed not to permit derogation from the aforementioned provisions of the Italian civil code.

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

Pursuant to the Warranty and Indemnity Agreements, Banco BPM has undertaken to indemnify the Issuer in respect of any losses, costs and expenses that may be incurred by the Issuer in connection with any non-compliance of one or more of the Claim(s) with the provisions of Article 1283 of the Italian Civil Code or the Resolution.

Borrowers 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:

(a) consumers, professionals, small enterprises who/which are in a situation of crisis or insolvency; and

(b) any other debtor which cannot 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 (twelve) months; insolvency is the inability to repay debts as they fall due.

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 (twenty) 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 (ten) 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 (thirty) days.

The OCC supervises the execution of the plan, and any sale and/or dismissal is carried out through a tender procedure. Once the plan is fully executed, the OCC delivers a 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 (eg 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:

(a) appoints the designated judge;

(b) appoints a liquidator; and

(c) 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.

The impact thereof on the cashflows deriving from the Portfolio and, as a consequence, on the amortisation of the Notes may not be predicted as at the date of this Prospectus.

Legal proceedings

The Banco BPM and, more in general, the entities of the Gruppo Banco BPM are subject to a variety of claims and are party to a large number of legal proceedings arising in the ordinary course of business. Although the outcome of such claims is inherently uncertain and several litigants claim relatively large sums in damages, Banco BPM has represented and warranted that, as of the date of the Warranty and Indemnity Agreements, to its knowledge, it is not involved in any litigation the outcome of which might jeopardise, its ability to perform the obligations under the Transaction Documents to which it is a party.

Risk of losses associated with Borrowers

General economic conditions and other factors have an impact on the ability of Borrowers to repay Mortgage Loans. Loss of earnings, illness, divorce, decrease in turnover, increase in operating or in financial costs and other similar factors may lead to an increase in delinquencies and bankruptcy filings by Borrowers, which may

lead to a reduction in Mortgage Loans payments by such Borrowers and could reduce the Issuer's ability to service payments on the Notes.

In the event of insolvency of a Borrower (to the extent the same is subject to the Italian Insolvency Code), the relevant payments or prepayments under a Loan Agreement may be declared ineffective pursuant to article 166 of the Italian Insolvency Code.

In this respect, it should be noted that the Securitisation Law, as recently amended, provides that:

(a) the claw-back provisions set forth in Article 166 of the Italian Insolvency Code do not apply to payments made by Borrowers to the Issuer in respect of the securitised Claims; and

(b) prepayments made by Borrowers under securitised Claims are not subject to the declaration of ineffectiveness pursuant to Article 166 of the Italian Insolvency Code. For further details, please see the section headed "*Selected aspects of Italian Law - The Securitisation Law*".

Article 120-ter of the Consolidated Banking Act

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

The Italian banking association (**ABI**) and the main national consumer associations have reached an agreement (the **Prepayment Penalty Agreement**) regarding the equitable renegotiation of prepayment penalties with certain maximum limits calculated on the outstanding amount of the loans (the **Substitutive Prepayment Penalty**) containing the following main provisions:

(a) with respect to variable rate loan agreements, the Substitutive Prepayment Penalty should not exceed 0.50% and should be further reduced to:

  (i) 0.20% in case of early redemption of the loan carried out within the third year from the final maturity date; and

  (ii) zero, in case of early redemption of the loan carried out within two years from the final maturity date;

(b) with respect to fixed rate loan agreements entered into before 1 January 2001, the Substitutive Prepayment Penalty should not exceed 0.50%, and should be further reduced to:

  (i) 0.20%, in case of early redemption of the loan carried out within the third year from the final maturity date; and

  (ii) zero, in case of early redemption of the loan carried out within two years from the final maturity date;

(c) with respect to fixed rate loan agreements entered into after 31 December 2000, the Substitutive Prepayment Penalty should be equal to:

  (i) 1.90% if the relevant early redemption is carried out in the first half of loan's agreed duration;

  (ii) 1.50% if the relevant early redemption is carried out following the first half of loan's agreed duration, provided however that the Substitutive Prepayment Penalty should be further reduced to:

    (A) 0.20%, in case of early redemption of the loan carried out within three years from the final maturity date; and

    (B) zero, in case of early redemption of the loan carried out within two years from the final maturity date.

The Prepayment Penalty Agreement introduces a further protection for borrowers under a **safeguard** equitable clause (the "*Clausola di Salvaguardia*") in relation to those loan agreements which already provide for a prepayment penalty in an amount which is compliant with the thresholds described above. In respect of such loans, the Clausola di Salvaguardia provides that:

(a) if the relevant loan is either:

  (i) a variable rate loan agreement; or

  (ii) a fixed rate loan agreement entered into before 1 January 2001 the amount of the relevant prepayment penalty shall be reduced by 0.20%;

(b) if the relevant loan is a fixed rate loan agreement entered into after 31 December 2000, the amount of the relevant prepayment penalty shall be reduced by:

  (i) 0.25% if the agreed amount of the prepayment penalty was equal or higher than 1.25%; or

  (ii) 0.15%, if the agreed amount of the prepayment penalty was lower than 1.25%.

Finally the Prepayment Penalty Agreement sets out specific solutions with respect to hybrid rate loans which are meant to apply to the hybrid rates the provisions, as more appropriate, relating respectively to fixed rate and variable rate loans. Prospective Noteholders' attention is drawn to the fact that, as a result of the entry into force of the Prepayment Penalty Agreement, the rate of prepayment in respect of Mortgage Loans can be higher than the one traditionally experienced by the Originator for mortgage loans and that the Issuer may not be able to recover the prepayment fees in the amount originally agreed with the Borrowers.

Article 120-quater of the Consolidated Banking Act

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

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

As a result of the Subrogation, the rate of prepayment of the Mortgage Loan Agreements might materially increase; such event might have an impact on the yield to maturity of the Notes.

Borrower's right to suspend payments under a Mortgage Loan

Italian Law No 244 of 24 December 2007, the Italian budget law for year 2008 (the **2008 Budget Law**), provides, *inter alia*, that borrowers of loans granted for the purchase of real estate property to be used as the borrower's main residence (*abitazione principale*) may request that payment of instalments thereunder be suspended at the terms specified therein.

The 2008 Budget Law provided for the establishment of a fund ("*Fondo di solidarietà per I mutui per l'acquisto della prima casa*") (the **Fund**) created for the purpose of bearing certain costs deriving from the suspension of payments by the borrowers and referred to an implementing regulation to be issued by the Ministry of the Economy and Finance ("*Ministro dell'economia e delle finanze*") in conjunction with the Ministry of the Social

Solidarity ("*Ministro della solidarietà sociale*"). Pursuant to the decree of the General Director of Treasury Department of the Ministry of Economy and Finance issued on 14 September 2010, CONSAP ("*Concessionaria Servizi Assicurativi S.p.A.*") was selected as managing company of the Fund.

On 21 June 2010, Ministerial Decree number 132 issued by the Ministry of Economy and Finance and published in the Official Gazette of the Republic of Italy on 18 August 2010 (the **Decree 132**), as amended by Decree number 37 of 22 February 2013 (the **Decree 37**), set out the requirements to be complied with by borrowers in order to have the right to the aforementioned suspension and the subsequent aid from the Fund.

The 2008 Budget Law has been supplemented by Law No 92 of 28 June 2012 (the **Law 92**), which has modified the requirements to be met by borrowers to benefit of the aids provided for by the Fund. In particular, Law 92 provides that the suspension of the payment of mortgage loans instalments can be granted for a period of 18 (eighteen) months upon the occurrence of at least one of the following events with respect to the relevant borrower:

(a) termination of an employment contract of indeterminate duration;

(b) termination of a fixed term employment contract;

(c) termination of one of the employment relationships provided for by Article 409, No 3) of the Italian civil procedure code; or

(d) death or declaration of handicap or disability for at least 80%.

Decree 132 has been supplemented by the Decree 37, entered into force on 27 April 2013, which has been enacted for the purpose of making Decree 132 compliant with the new provisions of Law 92.

Starting from 27 April 2013, new requests to access to the aids granted by the Fund shall be submitted (in accordance with the requirements and the conditions provided for by Law 92) by using the documentation published on the CONSAP official website http://www.consap.it/ or on the Ministry of Economy and Finance website (www.dt.tesoro.it) (for the avoidance of doubt, such websites does not constitute part of this Prospectus). As to regard, the requests submitted to CONSAP before 17 July 2012, such requests shall be regulated by the provisions of the Decree 132.

As specified in Law 92, the suspension of payments of the instalments can be granted also in favour of mortgage loans which have been object of securitisation transactions.

Any Borrower who will comply with the requirements set out in Law 92 might have the right to suspend the payment of the instalments of its Mortgage Loan and therefore there is the risk that the Issuer will experience a consequential delay in the collection of the relevant instalments. A significant number of applications by Borrowers concentrated over a specific period will have an adverse impact on the Issuer's cash flow of that period, although it should be considered that the aforementioned aids will be granted to the borrowers within the limits of the budget available to the Fund. Pursuant to the Italian Law Decree No 102 of 31 August 2013, converted into Italian Law No 124 of 28 October 2013, the budget of the Fund is increased of Euro 20,000,000 for each of 2014 and 2015 years.

Moreover, Decree number 73 of 25 May 2021 (the **Decree 73**), extended until 31 December 2021 the term regarding the validity of the extraordinary measures adopted with respect to self-employed and liberated professionals and indivisible-ownership housing cooperatives, which, therefore, have continued to have access to have access to the benefits of the Fund.

In addition, pursuant Law No 234 of 30 December 2021 (the **2022 Budget Law**) the suspension of mortgage instalments referred above was extended until 31 December 2022.

Claw-back of the transfer of the Claims

Assignments of receivables 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*).

The Securitisation Law states that payments made by the assigned debtors to the Issuer may not be subject to any claw-back action or ineffectiveness according to, respectively, article 166 and article 164 paragraph 1 of the Italian Insolvency Code. All other payments made to the Issuer by any Transaction Party in the one year/six 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 under 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.

Mutui fondiari

Pursuant to the Warranty and Indemnity Agreements, the Originator has represented that a portion of the Mortgage Loans qualify as *mutui fondiari*, as defined in article 38 of the Banking Act. Pursuant to article 39, paragraph 5, of the Banking Act, upon repayment of each fifth of the original debt, the borrowers under *mutui fondiari* loans are entitled to a proportional reduction of any mortgage related to the loan. Accordingly, the underlying value of the Mortgages comprised in the Portfolio may decrease from time to time in connection with the partial repayment of the Mortgage Loans. In addition, the borrowers have the right to obtain that part of the real estate assets originally constituting security for the Mortgage Loans are freed from the mortgage, it being understood that, as *mutui fondiari*, the principal amount of each Mortgage Loan shall not be permitted to exceed 80% of the value of the real estate assets constituting security for such Mortgage Loan.

In relation to *mutui fondiari*, the right to prepay the loan is provided for by article 40 of the Banking Act and the prepayment fee is pre-set under the relevant loan agreement.

Moreover, in relation to *mutui fondiari*, special enforcement and foreclosure provisions apply. Pursuant to article 40, paragraph 2 of the Banking Act, a mortgage lender is entitled to terminate a loan agreement and accelerate the mortgage loan (*diritto di risoluzione contrattuale*) if the borrower has delayed an instalment payment at least seven times whether consecutively or otherwise. For this purpose, a payment is considered delayed if it is made between 30 (thirty) and 180 (one hundred and eighty) days after the payment due date. Accordingly, the commencement of enforcement proceedings in relation to *mutui fondiari* may take longer than usual. Article 40 of the Banking Act, therefore, prevents the Servicer from commencing proceedings to recover amounts in relation to *mutui fondiari* until the relevant Borrowers have defaulted on at least seven payments.

Withholding tax under the Notes

Payments of interest and other proceeds under the Notes may in certain circumstances, described in the section headed "*Taxation in the Republic of Italy*" of this Prospectus, be subject to a Decree 239 Withholding. In such circumstance, any beneficial owner of an interest payment relating to the Notes will receive amounts of interest payable on the Notes net of a Decree 239 Withholding. Decree 239 Withholding, if applicable, is levied at the rate of 26%, 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 in the Republic of Italy*".

Projections, forecasts and estimates

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

Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements. Prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Prospectus and are based on assumptions that may prove to be inaccurate. None of the Issuer, the Originator or any other party to the Transaction Documents 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.

The Families Plan

On 31 March 2015, the Italian Banking Association (**ABI**) and some consumers associations signed a convention (the **ABI Convention**) concerning the temporary suspension of payments of the principal quota of instalments due by individuals to the banking system in order to help those families stricken by the financial crisis (**Families Plan**).

The Families Plan is in addition to the Fund ("*Fondo di solidarietà per i mutui per l'acquisto della prima casa*" - please see the section headed "*Consideration relating to the Portfolio*").

The Families Plan provides the possibility for individuals (upon certain conditions have been met) to request, within 31 December 2017, the suspension (only for one time and for a period not longer than 12 (twelve) months) of the principal component of the instalments (the **Suspension**).

The granting of the Suspension does not cause the application of any fees or default interest for the suspension period, except when the relevant borrower is in breach of its obligation to pay the interest component of the loan instalments at their original scheduled due dates.

As a consequence of the Suspension, the reimbursement plan will be extended for a period equal to the Suspension. The borrower shall, in any case, continue to pay, at their original scheduled due dates, the interest component of the loan instalments.

The Suspension applies to:

(a) loans granted for the purchase of real estate property to be used as the borrower's main residence ("*abitazione principale*"), only upon the occurrence of the event listed in point 3 (c) of ABI Convention (eg suspension of the working relationship or reduction of the working time for a period of at least 30 (thirty) days); and

(b) consumer's loans granted to individuals in accordance with the provision of article 121 of the Consolidated Banking Act, having a duration higher than 24 (twenty four) months and a so-called **French** amortisation plan, regardless of the type of contractual interest rate.

In particular, it should be noted that, pursuant to the ABI Convention, also the loans which have been securitised in accordance with the provisions of the Securitisation Law may benefit of the Suspension.

In addition, the ABI Convention specifically set out the case in which the Suspension shall not be granted (eg loans having late instalments for more than 90 (ninety) days or loans which have already benefited of other suspensions for a period of 12 (twelve) months).

The Suspension can be granted upon the occurrence, in the 24 (twenty four) months preceding the request of such Suspension, of one of the following events:

(a) closing down of a permanent employment relationship (*rapporto di lavoro subordinato*), other than in the event of consensual termination (*risoluzione consensuale*) of such employment relationship or in the events in which the termination is due to the bypass of the age limit, with the consequent right to benefit of an old-age pension (*pensione di anzianità*), or in the events of resignation not for *giusta causa* or in the events of termination of the employment relationship for *giusta causa* or *giustificato motivo soggettivo*;

(b) closing down of the employment relationships under article 409, paragraph 3, of the Italian civil procedure code, other than the cases of consensual termination, withdrawal of the employer for *giusta causa* or withdrawal of the employee not for *giusta causa*;

(c) suspension of the employment relationship or reduction of the working time for a period of at least 30 (thirty) days, also before the issuing of the relevant measures authorizing an income support (*sostegno al reddito*);

(d) death or cases of loss of self - sufficiency (*condizioni di non autosufficienza*).

In any case, it should be noted that banks and the financial intermediaries may, at their discretion, grant to their customers suspensions at more favorable conditions than the ones provided under the Families Plan.

Banks and financial intermediaries shall bring into effect the ABI Convention within 60 (sixty) days from its execution.

On 21 November 2017, ABI and the associations of the representative of the consumers agreed to extend the validity of the Families Plan up to 31 July 2018.

In addition, on 16 December 2020, the possibility to apply for the Families Plan was extended until 31 March 2021.

Measures for the territory affected by the earthquakes of August 2016, October 2016 and January 2017

On 24 August 2016 the central Italy area was affected by an earthquake, as a consequence of which certain areas in the central Italy (ie, certain municipalities located in the regions of Abruzzo, Lazio, Marche and Umbria) were largely damaged.

With the view of providing urgent measures in favour of the areas hit by the earthquake, several measures have been adopted.

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

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

Moreover, the Italian Government has also enacted Law Decree No 189 of 17 October 2016 headed "*Interventi urgenti in favore delle popolazioni colpite dal sisma del 24 agosto 2016*", published in the Official Gazette

No 244 of 18 October 2016, as subsequently converted with modifications into Law No 229 of 15 December 2016 (the **Decree No 189**). Article 48, paragraph 1, letter (g) of Decree No 189 has provided for the suspension, until 31 December 2016, of payment of instalments arising under loan agreements of whatever nature (not only residential mortgage agreement) granted in favour of:

(a) individuals having their place of residence; and

(b) enterprises having their registered office or carrying out their activities in the areas affected by the earthquake, being those 62 (sixty two) municipalities listed in the schedule 1, and 69 (sixty nine) municipalities listed in the schedule 2 (included by Law No 229 of 15 December 2016 after the below mentioned earthquakes occurred on 26 October 2016 and 30 October 2016) both attached to the Decree No 189. Article 48, paragraph 1, letter (g) of the Decree No 189 has been amended by article 14, paragraph 6, of Law Decree No. 244 of 30 December 2016, as subsequently converted with modifications into Law No 19 of 27 February 2017 (the **Decree No. 244**), which has extended the suspension originally provided under the Decree No 189 (ie, 31 December 2016) until 31 December 2017 only in respect of, *inter alia*, mortgage loans entered into for main residences (*abitazioni principali*) and business activities. Subsequently, the Italian Government has enacted Law Decree No 148 of 16 October 2017 headed "*Disposizioni urgenti in materia finanziaria e per esigenze indifferibili*", published in the Official Gazette No 242 of 16 October 2017, as subsequently converted with modifications into Law No 172 of 4 December 2017 (the **Decree No 148**). Article 2-bis, paragraph 21 of the Decree No 148 has modified article 14, paragraph 6, of Decree No 244 providing for:

    (i) the extension until 31 December 2018 of the suspension period originally provided under the Decree No. 189 (ie, 31 December 2016), already extended until 31 December 2017 by Decree No 244, without prejudice to the limits provided for by the Decree No 244 (ie, only in respect of, *inter alia*, mortgage loans entered into for main residences (*abitazioni principali*) and business activities) (the **Suspension Period**); and

    (ii) the extension until 31 December 2020 of the Suspension Period only in respect of mortgage loans entered into for the purchase of the primary residential property (*acquisto prima casa*) and business activities, destroyed or declared unsafe, which are located in an area (*zona rossa*) set up by a municipality's major specific order during the period from 24 August 2016 and the date on which the Decree 148 has entered into force (being 16 October 2016).

Following two other earthquakes occurred on 26 October 2016 and 30 October 2016 in the central Italy area (ie, certain municipalities located in the regions of Abruzzo, Lazio, Marche and Umbria), the Italian Government has enacted the Law Decree No 205 of 11 November 2016 headed "*Nuovi interventi urgenti in favore delle popolazioni e dei territori interessati dagli eventi sismici del 2016*", published in the Official Gazette of 11 November 2016 (the **Decree No 205**), providing the extension of the measures under the Decree No 189 to individuals having their place of residence and enterprises having their registered office or carrying out their activities in the area affected by such second earthquake. The Decree No 205 has been repealed by Law No 229 of 15 December 2016 but without prejudice for the effects and legal relationships deriving from the Decree No 205. Law No 229 of 15 December 2016 has added the schedule 2 to Decree 189 including the list of 69 (sixty nine) municipalities affected by the earthquakes and to which Article 48, paragraph 1, letter (g) of the Decree No 189 applies.

Moreover, in the central Italy area:

(i) another earthquake occurred on 18 January 2017; and

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

Article 1*bis* of Law Decree No. 55 of 29 May 2018, as converted into law by Law No 89 of 24 July 2018, provides for:

(a) the extension until 31 December 2020 of the Suspension Period provided under the Decree No 244, as amended by Decree No 148, (ie 31 December 2018) in respect of loan agreements in favour of enterprises, as defined under Decree No 189, and in favour of individuals in respect of mortgage loans entered into for the purchase of the primary residential property (*acquisto prima casa*) destroyed or declared unsafe; and

(b) the extension until 31 December 2021 of the Suspension Period provided under Decree No 244, as amended by Decree No 148, (ie 31 December 2020) in respect of loan agreements entered into by enterprises, as defined under Decree No 189, for the purchase of the primary residential property (*acquisto prima casa*), destroyed or declared unsafe, which are located in an area (*zona rossa*) set up by a municipality's major specific order.

Furthermore, pursuanto to article 1 paragraph 946 of Law No 178 of 30 December 2020 (the **2021 Budget Law**), as published in the Official Gazette No 322 of 30 December 2020, the Suspension Period was extended until 31 December 2022.

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

Mortgage Credit Directive

Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010 (the **Mortgage Credit Directive**) sets out a common framework for certain aspects of the laws, regulations and administrative provisions of the Member States concerning agreements covering credit for consumers secured by a mortgage or otherwise relating to residential immovable property. The Mortgage Credit Directive provides for, amongst other things:

(a) standard information in advertising, and standard pre-contractual information;

(b) adequate explanations to the borrower on the proposed credit agreement and any ancillary service;

(c) calculation of the annual percentage rate of charge in accordance with a prescribed formula;

(d) assessment of creditworthiness of the borrower;

(e) a right of the borrower to make early repayment of the credit agreement; and

(f) prudential and supervisory requirements for credit intermediaries and non-bank lenders.

The Mortgage Credit Directive came into effect on 20 March 2014 and was required to be implemented in Member States by 21 March 2016.

On 1 June 2015, in accordance with Article 18, Article 20(1) and Article 28 of the Mortgage Credit Directive, the EBA published its final Guidelines on creditworthiness assessment, as well as its final Guidelines on arrears and foreclosure, that support the national implementation by Member States of the Mortgage Credit Directive.

In Italy the Government approved the Legislative Decree No 72 of 21 April 2016, implementing the Mortgage Credit Directive and published it on the Official Gazette of the Republic of Italy on 20 May 2016 (the **Mortgage Legislative Decree**). The Mortgage Legislative Decree clarifies that the new legal framework shall apply, *inter alia*, to (i) residential mortgage loans and (ii) loans relating to the purchase or preservation of the property rights on a residential immovable. Moreover such decree sets forth certain rules of correctness, diligence and transparency and information undertakings applicable to the lenders and intermediaries which offer loans to the consumers and provides that the parties may agree under the loan agreements that in case of breach of the borrower's payment obligations under the agreement (ie, non-payment of at least eighteen loan instalments

due and payable by the debtor) the transfer or the sale of the mortgaged assets has as a consequence that the entire debt is settled even if the value of the assets or the proceeds deriving from the sale of the assets is lower than the remaining amount due by the debtor in relation to the loan. Otherwise if the estimated value of the assets or the proceeds deriving from the sale of the assets is higher than the remaining amount due by the debtor, the excess amount shall be returned to the consumer. The value of the property shall be determined by an independent expert (*perito*) chosen by the parties, or, if an agreement on the appointment of the expert is not reached between them, by the president of the competent court (*Presidente del Tribunale competente*).

The "anti-deprivation" principle

The validity of contractual priorities of payments (such as the Order of Priorities contemplated in this Prospectus) was challenged in the English and U.S. courts. The hearings arose due to the insolvency of a secured creditor (in that case a hedging counterparty) and considered whether such priorities of payments breach the *anti-deprivation* principle under English and U.S. insolvency law. This principle prevents a party from agreeing to a provision that deprives its creditors of an asset upon its insolvency. It was argued that, where a secured creditor subordinates itself to noteholders in the event of its insolvency, that secured creditor effectively deprives its own creditors. The Court of Appeal in Perpetual Trustee Co Ltd v BNY Corporate Trustee Services Ltd 2009 EWCA Civ 1160 dismissed this argument and upheld the validity of similar priorities of payments, stating that the anti-deprivation principle was not breached by such provisions. In Belmont Park Investments PTY Limited v BNY Corporate Trustee Services Ltd and Lehman Brothers Special Financing Inc (2011) UKSC 38, the Supreme Court of the United Kingdom unanimously upheld the decision of the Court of Appeal in Perpetual and stated that, provided that such priority provisions were part of a complex commercial transaction entered into in good faith without any intention to evade insolvency law in which the changing priority of payments by the parties thereto was an essential part of the transaction understood by the parties, these provisions did not contravene the anti-deprivation principle.

In parallel proceedings, the U.S. Bankruptcy Court for the Southern District of New York has granted Lehman Brothers Special Financing Inc (**LBSF**)'s motion for summary judgement to the effect that the provisions do infringe the anti-deprivation principle in a U.S. insolvency. The Court acknowledged that this has resulted in the U.S. courts coming to a decision "*directly at odds with the judgement of the English Courts*". BNY Mellon Corporate Trustee Services Ltd was granted leave to appeal but the case subsequently settled out of court. The decision of the U.S. Bankruptcy Court remains inconsistent with the decision reached by the Supreme Court of the United Kingdom in the Belmont case as referred to above and there is uncertainty as to how a conflict of the type referred to above would be resolved by the courts. In February 2012, Belmont Park Investments PTY Limited and others commenced proceedings in the U.S. Bankruptcy Court in relation to LBSF seeking an order recognising and enforcing the English judgment on noteholder priority and seeking the withdrawal of the reference from the U.S. Bankruptcy Court, requesting that the complaint be heard instead by the U.S. District Court. However, bankruptcy proceedings in relation to LBSF were closed by the U.S. Bankruptcy Court in June 2013 and there has been no further action in relation to the district court proceedings. Given the current state of U.S. and English law, this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies. Additionally, there can be no assurance as to how such subordination provisions would be viewed in other jurisdictions such as Italy or whether they would be upheld under the insolvency laws of any such relevant jurisdiction. If a subordination provision included in the Transaction Documents was successfully challenged under the insolvency laws of any relevant jurisdiction and any relevant foreign judgement or order was recognised by the Italian courts, there can be no assurance that these actions would not adversely affect the rights of the Noteholders, the rating of the Notes, the market value of the Notes and/or the ability of the Issuer to satisfy all or any of its obligations under the Notes.

Change of law

The structure of the transaction and, *inter alia*, the issue of the Series 4 Notes and the rating assigned to the Notes are based on Italian and English law, on tax and administrative practice in effect at the date hereof and having due regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to any possible change to Italian or English law, tax or administrative practice after

the Issue Date 2024 or that any such change will not adversely impact the structure of the transaction and the treatment of the Notes.

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 or any other party to the Transaction Documents 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 2024 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 frameworks in Europe and the UK, both of which are under review and subject to further reforms. 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.

Economic conditions in the Eurozone

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

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

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

Risks connected with the disruption and volatility in the global financial markets may affect the performance of the Transaction

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 11:00pm, and the transition period ended on 31 December 2020 at 11:00pm. 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 Transaction.

The severity and duration of the conflict and its impact on global economic and market conditions as well as continued tensions in the Middle East, including those related to the conflict between Israel and the Palestinian territory of Gaza which began on 7 October 2023 and is still ongoing as at the date of this Prospectus, are impossible to predict, and as a result, present material uncertainty and risk with respect to the performance of the Transaction.

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

Bank Recovery and Resolution Directive

Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 (collectively with secondary and implementing EU rules, and national implementing legislation, the **Bank Recovery and Resolution Directive** or **BRRD**) established a framework for the recovery and resolution of credit institutions and investment firms. The aim of the BRRD is to provide national authorities in EU Member States (the **Resolution Authorities**) with common tools and powers for preparatory and preventive measures, early supervisory intervention and resolution of credit institutions and significant investment firms to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers' exposure to losses. The BRRD applies, inter alia, to credit institutions, investments firms and financial institutions that are established in the European Union (when the financial institution is a subsidiary of a credit institution or investment firm and is covered by the supervision of the parent undertaking on a consolidated basis) (collectively, the **relevant institutions**). The BRRD entered into force on 2 July 2014 and had to be transposed by the Member States of the European Union into national law by 31 December 2014. The Republic of Italy has implemented the BRRD by Legislative Decrees no 180 and no 181 of 16 November 2015.

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

In addition to the above, it should be noted that due to the fact that Banco BPM is a credit institution established in the European Union, it is subject to the BRRD. Therefore, in case of failure by Banco BPM to comply with the prudential requirements applicable to it, or upon occurrence of certain other circumstances set forth in the BRRD, it may be subject to the BRRD resolution procedure. In such circumstances, Banco BPM may not be

in a position to meet its obligations under the Transaction Documents, including its obligations as Servicer and as indemnity provider under the Warranty and Indemnity Agreements.

U.S. Foreign Account Tax Compliance Act Withholding

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (**FATCA**) generally impose a new reporting regime and potentially a 30% U.S. withholding tax with respect to certain payments to certain non-U.S. financial institutions (including entities such as the Issuer) that do not:

(a) enter into and comply with an agreement with the U.S. Internal Revenue Service (**IRS**) to provide certain information about the holders of its debt or equity; or

(b) comply with legislation implementing an intergovernmental agreement, if any, between the United States and the applicable residence jurisdiction (an **IGA**). The FATCA rules may also affect other non-U.S. entities that are not considered financial institutions for these purposes, but in this case different rules apply. Furthermore, in accordance with a grandfathering rule, even if the payments on the Notes are otherwise potentially subject to FATCA withholding, the Notes, so long as they are characterised as indebtedness for U.S. federal income tax purposes, should only become subject to the FATCA regime if the Notes are issued (or materially modified) after the date that is six months after the date final regulations defining the term **foreign passthru payment** are published. No such final regulations have been published yet. In particular, a FATCA withholding tax may be triggered if:

    (i) the issuer is a foreign financial institution (**FFI**) (as defined by FATCA), which enters into and complies with an agreement with the IRS to provide certain information on its account holders (a term which includes the holders of its debt or equity interests that are not regularly traded on an established securities market) (making the issuer a **participating FFI**);

    (ii) any payment by the issuer is considered to be attributable to any U.S. source **withholdable payment** to the issuer; and

    (iii) an investor does not provide information sufficient for the participating FFI to determine whether the investor is a U.S. person or should otherwise be treated as holding a United States account of such issuer; or

    (iv) any FFI through which payment on the notes or other payments are made is not a participating FFI.

The United States has entered into IGAs to implement FATCA with a number of jurisdictions. Different rules than those described above may apply if the Issuer or an investor is resident in a jurisdiction that has entered into an IGA. Italy and the United States have entered into a so-called Model 1 IGA under which information regarding certain direct and indirect holders of the Notes may be provided to the Italian tax authorities, which would provide such information to the U.S. tax authorities. Under the Italian IGA, the Issuer would not be required to enter into an agreement with the IRS or withhold under FATCA from payments it makes on the Notes if it complies with the terms of the Italian IGA. However if:

(a) the placement of the Series A4 Notes is not performed by a Reporting Italian Financial Institution (**RIFI**); or

    (i) the Series A4 Notes are not sold by the Issuer to a RIFI; or

    (ii) the Series A4 Notes are not subscribed for by the Issuer and are held among its assets ("*mantenute nel proprio attivo dello stato patrimoniale*"), the Issuer may be required to register with the IRS and comply with legislation implemented to give effect to such IGA.

Because many aspects of the application of FATCA to the Issuer are uncertain and will have to be addressed in future legislation or regulatory guidance, it is not clear at this time how the FATCA reporting and withholding regime may affect interest, principal or other amounts due under the Notes or any payment to be made by any paying agent or any other Party to this Transaction, or what actions, if any, will be required to minimise the impact of FATCA on the Issuer and the Noteholders. No assurance can be given that the Issuer will take any actions or that, if actions are taken, they will be successful in minimising the new FATCA withholding tax. If an

amount in respect of U.S. withholding tax (including under FATCA) were to be deducted or withheld from interest or principal on the Notes or other payments from a Party to this Transaction as a result of a holder's failure to comply with these rules or as a result of the presence in the payment chain of a non-participating FFI, none of the Issuer, any paying agent or any other person would, pursuant to the Conditions or any other Transaction Documents, be required to pay additional amounts as a result of the deduction or withholding of such tax.

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

U.S. risk retention requirements

The credit risk retention regulations implemented by U.S. Federal regulatory agencies including the SEC pursuant to Section 15G of the Exchange Act of 1934 (as amended), as added by section 941 of the Dodd-Frank Act (the **U.S. Risk Retention Rules**) came into effect with respect to residential mortgage backed securities on 24 December 2015 and other classes of asset backed securities on 24 December 2016 and generally require the sponsor of a securitization transaction to retain at least 5% of the credit risk of securitized assets, as such terms are defined for purposes of that statute, and generally prohibit a sponsor from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the sponsor is required to retain. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The Originator, as sponsor, does not intend to retain at least 5% of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that:

(a) the securitization transaction is not required to be and is not registered under the Securities Act;

(b) no more than 10% of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitisation transaction are sold or transferred to U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules and referred to herein as **Risk Retention U.S. Persons**);

(c) neither the sponsor nor the Issuer is organised under U.S. law, is a branch organized under U.S. law, or is a branch located in the United States of a non-U.S. entity; and

(d) no more than 25% of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer that is organised or located in the United States.

The Issuer and the Originator have made representations and warranties as to satisfaction of the requirements of the exemptions set forth in Section 20 of the U.S. Risk Retention Rules.

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

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

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

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

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

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

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

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

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

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

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

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

Consequently, the Notes may not be purchased by any person except for persons that are not Risk Retention U.S. Persons. Each holder of a Note or a beneficial interest therein, by its acquisition of a Note or a beneficial interest in a Note, will be deemed to represent to the Issuer and the Originator that it:

(a) is not a Risk Retention U.S. Person;

(b) is acquiring such Note or a beneficial interest therein for its own account and not the account or benefit of a Risk Retention U.S. Person; and

(c) 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.

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

There can be no assurance that the exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. Failure on the part of the 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 Seller 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 Issuer nor any of the other transaction parties or any of their respective affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transaction described in this Prospectus complies with the U.S. Risk Retention Rules on the Second Subsequent Issue Date or at any time in the future. Investors should consult their own advisers as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Volcker Rule

Under the Subscription Agreement 2024, the Issuer has represented that:

(a) it is not, and after giving effect to the offer and sale of the Series 4 Notes and the application of the proceeds thereof as described in the Prospectus, will not be an **investment company** as such term is defined in the Investment Company Act of 1940, as amended (the **Investment Company Act**), as a result of its reliance on the exemption from the definition of **investment company** set forth in Section 3(c)(5)(C) of the Investment Company Act. As a result, it is not, and after giving effect to the offer and sale of the Series A4 Notes and the application of the proceeds thereof as described in the Prospectus, will not be a **covered fund** within the meaning of the regulations adopted to implement

Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (such statutory provision together with such implementing regulations, the **Volcker Rule**). The Volcker Rule generally prohibits **banking entities** (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates) from;

(b) engaging in proprietary trading;

(c) acquiring or retaining an ownership interest in or sponsoring a **covered fund**; and

(d) entering into certain relationships with such funds. The Volcker Rule became effective on 21 July, and final regulations implementing the Volcker Rule were adopted on 10 December 2013 and became effective on 1 April 2014. Conformance with the Volcker Rule and its implementing regulations is required by 21 July 2015 (or by 21 July 2017 in respects of investments in and relationships with covered funds that were in place prior to 31 December 2013). Under the Volcker Rule, unless otherwise jointly determined by specified federal regulators, a **covered fund** does not include an issuer that may rely on an exclusion or exemption from the definition of **investment company** under the Investment Company Act other than the exclusions contained in Section 3(c)(1) and Section 3(c)(7) of the Investment Company Act. Any prospective investor in the certificates, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisors regarding such matters and other effects of the Volcker Rule.

RISK FACTORS IN RELATION TO THE ISSUER

Source of payments to Noteholders

The Notes will be limited recourse obligations solely of the Issuer and will not be the responsibility of, or be guaranteed by, any other entity. In particular, the Notes will not be obligations or responsibilities of, or be guaranteed by, Banco BPM (in any capacity), the Representative of the Noteholders, the Principal Paying Agent, the Agent Bank, the Interim Account Bank, the Transaction Bank, the Additional Transaction Bank, the Corporate Servicer, the Administrative Servicer, the Computation Agent, the Servicer, the Back-Up Servicer Facilitator, the Initial Notes Subscriber, the quotaholder(s) of the Issuer or any other person. None of the aforementioned parties accepts any liability whatsoever in respect of any failure by the Issuer to make any payment of any amount due on the Notes.

As at the date hereof, the Issuer's principal assets in respect of the Securitisation are the Claims. For a description of the Claims and the Criteria, see the sections headed "*The Portfolio*" and "*Description of the Transaction Documents - The Transfer Agreements*".

The Issuer will not have any significant assets, for the purpose of meeting its obligations under this Securitisation, other than the Claims, any amounts and/or securities standing to the credit of the Accounts and its rights under the Transaction Documents to which it is a party.

Consequently, there is no assurance that, over the life of the Notes or at the redemption date of any Notes (whether on maturity, on the Cancellation Date, or upon redemption by acceleration of maturity following service of an Issuer Acceleration Notice or otherwise), there will be sufficient funds to enable the Issuer to pay interest when due on the Notes and/or to repay the outstanding principal on the Notes in full.

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent on, *inter alia*, the timely payment of amounts due under the Mortgage Loans by the Borrowers, the receipt by the Issuer of Collections received on its behalf by the Servicer in respect of the Mortgage Loans from time to time in the Portfolio and the receipt of any other amounts required to be paid to the Issuer by the various agents and counterparts of the Issuer pursuant to the terms of the relevant Transaction Documents. The performance by such parties of their respective obligations under the relevant Transaction Documents is dependent on the solvency of each relevant party. See the section headed "*Risk factors - Administration and reliance on third parties*".

The Notes will be limited recourse obligations solely of the Issuer. If there are not sufficient funds available to the Issuer to pay in full all principal and interest and other amounts due in respect of the Notes, then the Noteholders will have no further claims against the Issuer in respect of any such unpaid amounts. Following

the service of an Issuer Acceleration 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.

Upon enforcement of the Note Security, the Representative of the Noteholders will have recourse only to the Claims and to the assets pledged pursuant to the Italian Deed of Pledge. Other than as provided in the Warranty and Indemnity Agreements, the Transfer Agreements, the Servicing Agreement and the Letter of Undertaking, the Issuer and the Representative of the Noteholders will have no recourse to Banco BPM (in any capacity) or to any other entity including, but not limited to, in circumstances where the proceeds received by the Issuer from the enforcement of any particular Mortgage Loan are insufficient to repay in full the Claim in respect of such Mortgage Loan.

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

If, upon default by one or more Borrowers under the Mortgage Loans and after the exercise by the Servicer of all usual remedies in respect of such Mortgage Loans, the Issuer does not receive the full amount due from those Borrowers, then the Noteholders may receive by way of principal repayment an amount less than the face value of the Notes held by them and the Issuer may be unable to pay in full interest due on the Senior Notes.

Claims of unsecured creditors of the Issuer

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

In order to ensure such segregation:

(a) the Issuer is obligated pursuant to the Bank of Italy regulations to open and to keep separate accounts in relation to each securitisation transaction;

(b) the Servicer shall be able to identify at any time, pursuant to the Bank of Italy regulations, specific funds and transactions relating to each securitisation and shall keep appropriate information and accounting systems to this purpose; and

(c) the parties to the Transaction have undertaken not to credit to the Accounts amounts other than those set out in the Agency and Accounts Agreement.

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

It should be noted that the recent amendments made to the Securitisation Law, provide, among others, that the amounts credited into the accounts opened by companies incorporated as special purpose vehicles pursuant to article 3 of the Securitisation Law with the servicers or with the depositary bank of securitisation transactions, on which the amounts paid by the assigned debtors as well as any other amount due to the

relevant special purpose vehicle under the securitisation may be credited, may be utilized only to fulfil the obligations of the relevant special purpose vehicle against the noteholders and the other creditors under the securitisation, and to pay the expenses to be borne in connection with the securitisation. Should any insolvency or administrative proceeding under Title IV of the Consolidated Banking Act, or any other insolvency procedure apply to the relevant servicer or depositary bank, the amounts credited on such accounts and the sums deposited during the course of the relevant insolvency procedure:

(a) will not be subject to the suspension of payments; and

(b) will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need to for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan.

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

Prospective Noteholders should be aware that, as at the date of this Prospectus, these new provisions of the Securitisation Law have not been tested in any case law nor specified in any further regulation.

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

In any case, the corporate purpose of the Issuer as contained in its by-laws is limited and the Issuer has also agreed to certain covenants in the Intercreditor Agreement and the Conditions restricting the activities that may be carried out by the Issuer and has furthermore covenanted not to enter into any transaction that is not contemplated in the Transaction Documents. To the extent that the Issuer has creditors not being party to the Transaction Documents, the Issuer has established the Expenses Account and the funds therein may be used for the purposes of paying the ongoing fees, costs, expenses and taxes of the Issuer to third parties, excluding the Other Issuer Creditors, in respect of the Securitisation, to the extent that payment of such fees, costs, expenses and taxes is not deferrable to the immediately succeeding Payment Date.

Previous Securitisation and Further Securitisations

The Issuer's principal assets are the Claims and the portfolio of claims acquired in the context of the Previous Securitisation (the **Previous Portfolio**).

On the Issue Date 2024, the Issuer has no assets other than the Claims and the Issuer's Rights as described in this Prospectus as well as the Previous Portfolio and the agreements entered into by the Issuer in relation to the Previous Securitisation which, however, do not constitute collateral for the Notes and are not available to the Noteholders for any purpose.

The Issuer may, by way of a separate transaction, purchase (or finance pursuant to article 7 of the Securitisation Law) and securitise further portfolios of monetary claims in addition to the Claims (each, a **Further Securitisation**). Before entering into any Further Securitisation, the Issuer is required, *inter alia*, to obtain the written confirmation of the Representative of the Noteholders and to obtain confirmation from the Rating Agencies that the then current ratings of the Notes will not be adversely affected by such Further Securitisation.

Under the terms of article 3 of the Securitisation Law, the assets relating to each securitisation transaction carried out by a company are stated to be segregated from all other assets of the company and from those related to each other securitisation transaction, and, therefore, on a winding-up of such a company, such assets will only be available to holders of the notes issued to finance the acquisition of the relevant receivables

and to certain creditors claiming payment of debts incurred by the company in connection with the securitisation. Accordingly, the right, title and interest of the Issuer in and to the Claims should be segregated from all other assets of the Issuer (including, for the avoidance of doubt, any other portfolio purchased by the Issuer pursuant to any Further Securitisation) and amounts deriving therefrom should be available on a winding-up of the Issuer only to satisfy the obligations of the Issuer to the Noteholders and the payment of any amounts due and payable to the other Issuer Creditors.

Although the Securitisation Law provides for the assets relating to a securitisation transaction carried out by the Issuer to be segregated and separated from those of the Issuer or of other securitisation transactions carried out by the Issuer, such as the Previous Securitisation or any Further Securitisation, this segregation principle will not extend to the tax treatment of the Issuer and should not affect the applicable methods of calculation of the net taxable income of the Issuer.

Tax treatment of the Issuer

Taxable income of the Issuer is determined in accordance with Italian Presidential Decree No 917 of 22 December 1986. The assets, liabilities, costs and revenues of the Issuer in relation to the securitisation of the Portfolio are treated as off-balance sheet assets, liabilities, costs and revenues, to be reported in the notes to the financial statements. Based on the general rules applicable to the calculation of the net taxable income of a company, such taxable income should be calculated on the basis of accounting, ie on-balance sheet, earnings, subject to such adjustments as are specifically provided for by applicable income tax rules and regulations. On this basis, no taxable income should accrue to the Issuer in the context of the transfer to the Issuer of the Portfolio and the securitisation until the satisfaction of the obligations of the Issuer to the holders 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 opinion has been expressed by scholars and tax specialists and has been confirmed by the tax authority (Circular No 8/E of 6 February 2003, 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, issued by the Italian tax authority) 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 the Ministry of Economy and Finance or another competent authority may issue further regulations, letters or rulings relating to Securitisation Law which might alter or affect the tax position of the Issuer as described above in respect of all or certain of its revenues and/or items of income also through the non-deduction of costs and expenses.

A transfer of claims falls within the scope of VAT if it can be characterised as a supply of services rendered by the purchaser. In this respect, a transfer of claims entails a supply of services in the event and to the extent that:

(a) it has a financial purpose pursuant to Article 3, paragraph 2, item 3) of Presidential Decree of 26 October 1972, No 633; and

(b) it is effected for consideration pursuant to Article 3, paragraph 1 of the above mentioned Presidential Decree. In such a case, the transfer of the claims is subject to VAT at the zero percent. rate (VAT exempt transaction) provided that it could not be qualified as credit recovery (attività di recupero crediti) subject to VAT rate of 22%. As far as the transfer of claims for a consideration is concerned, it must be pointed out that this matter has been analysed by the EU Court of Justice and *Agenzia delle Entrate*

in cases dealing with the VAT analysis of the transfer of claims within the context of a factoring transaction and without specifically considering a securitisation transaction (among others EU Court of Justice judgment of June 26, 2003 on case C-305/01 and Resolution No 32/E of 11 March 2011 issued by Agenzia delle Entrate). However it is also to be mentioned that since both factoring and securitisation transaction share similar **financial purposes**, the general consensus in the tax doctrine is that the transfer of claims must be treated similarly within the context of both transactions. According to the above-mentioned judgments and resolutions, the remuneration of the **financial transaction** executed through the assignment of claims would be represented by any existing positive difference between the face value of the claims and the purchase price paid by the purchaser for the purchase of the same claims (ie the so-called ***Discount***) as well as by any commission paid by the transferor with the purpose to remunerate the transferee for the payment in advance made before the expiration of the claim, which in substance constitutes a financing. In such a case, the transfer of the claims is subject to VAT at the 0%. rate (VAT exempt transaction). In the absence of a remuneration for the financing granted through the transfer of claims, such transfer cannot result in the supply of a **financial transaction** for VAT purposes. In a judgment (Judgment of October 27, 2011 on case C-93/10), the EU Court of Justice took an even more restrictive view on this matter, by stating, with specific reference to non-performing claims, as follows "*an operator who, at his own risk, purchases defaulted debts at a price below their face value does not effect a supply of services for consideration and does not carry out an economic activity falling within the scope of that directive when the difference between the face value of those debts and their purchase price reflects the actual economic value of the debts at the time of their assignment*". On the basis of a cross interpretation of principles embodied in Resolution No 32/E of 2011 and EU Court of Justice C-93/10, it can be summarised that, with specific reference to non-performing claims, whenever the amount paid by a purchaser in exchange for the acquisition of the claims reflects the actual economic value of the claims, no financial service for VAT purposes would be rendered by the purchaser. According to the above in a context of a securitisation transaction, as the one at stake, if:

(i) a portfolio of performing claims is not transferred either for a consideration due by the transferor to the transferee or for a discount below the face value of the claims; or

(ii) a portfolio of non-performing claims is transferred for a price not below the actual economic value of the claims at the time of their assignment, the relevant transfer could be treated not as a financial transaction rendered by the Issuer and therefore the transaction could not qualify for VAT purposes as *operazione esente* (VAT exempt subject to VAT at the 0% rate) and could qualify instead as *operazione fuori campo* (out of the scope of VAT and not subject to VAT). In this respect, if a transaction does not fall within the scope of VAT, VAT is not due and proportional registration tax will be applicable. Should for any reason the Transfer Agreements be subject, either voluntarily or in case of use or enunciation, to registration, 0.5% registration tax will be payable by the relevant parties thereto on the nominal value of the transferred claims.

The Issuer believes that the risks described above are the principal risks inherent in the Securitisation for holders of the Notes but the inability of the Issuer to pay interest or repay principal on the Notes of any such Class of Notes may occur for other reasons and the Issuer does not represent that the above statements of the risks of holding the Notes are exhaustive. While the various structural elements described in this Prospectus are intended to lessen some of these risks for holders of the Notes, there can be no assurance that these measures will be sufficient or effective to ensure payment to the holders of the Notes of such Notes of interest or principal on such Notes on a timely basis or at all.

COMPLIANCE WITH STS REQUIREMENTS AND REGULATORY CAPITAL REQUIREMENTS

Compliance with STS Requirements

Pursuant to article 18 (*Use of the designation "simple, transparent and standardised securitisation"*) of the EU Securitisation Regulation, a number of requirements must be met if the Originator and the Issuer wish to use the designation "*STS*" or "*simple, transparent and standardised*" for securitisation transactions initiated by them.

The Transaction is intended to qualify as a simple, transparent and standardised securitisation (**STS-securitisation**) within the meaning of article 18 (*Use of the designation "simple, transparent and standardised securitisation"*) of the EU Securitisation Regulation. Consequently, the Transaction is intended to meet, as at the date of this Prospectus, the requirements of articles 19 to 22 of the EU Securitisation Regulation and the Originator intends to submit on or about the New Issue Date a notification to ESMA for the Securitisation to be included in the list published by ESMA as referred to in article 27(5) of the EU Securitisation Regulation (the **STS Notification**). Pursuant to article 27, paragraph 2, of the EU Securitisation Regulation, the STS Notification will include an explanation by the Originator of how each of the STS criteria set out in articles 19 to 22 has been complied with in the Securitisation. The STS Notification will be available for download on ESMA's website at https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation.

The Originator and the Issuer have used the service of Prime Collateralised Securities (PCS) EU SAS (**PCS**), a third party authorised pursuant to article 28 (*Third party verifying STS compliance*) of the EU Securitisation Regulation, to verify whether the Transaction complies with the requirements of articles 19 to 22 of the EU Securitisation Regulation (the **STS Verification**) and to verify compliance of the Notes with the relevant provisions of article 243 of the Regulation (EU) No 575 of 26 June 2013, as amended from time to time (the **CRR** and the **CRR Assessment**) and the compliance with such requirements is expected to be verified by PCS on the Issue Date 2024. When performing a CRR Assessment, PCS is not confirming or indicating that the securitisation subject to such assessment will be allowed to have lower capital allocated to it under the CRR. PCS is merely addressing the specific CRR criteria and determining whether, in PCS' opinion, these criteria have been met; therefore, no investor should rely on such CRR Assessment in determining the status of any securitisation in relation to capital requirements and must make its own determination. It is expected that the STS Verification and the CRR Assessment prepared by PCS will be available on the PCS website (https://www.pcsmarket.org/sts-verification-transactions/) together with a detailed explanation of its scope at https://pcsmarket.org/disclaimer/. For the avoidance of doubt, these PCS websites and the contents thereof do not form part of this Prospectus.

The STS status of a transaction is not static and under the EU Securitisation Regulation. ESMA is entitled to update the list should the Securitisation be no longer considered to be STS-compliant following a decision of the competent Authority or a notification by the Originator. The investors should verify the current status of the Securitisation on ESMA's website from time to time.

As at the date of this Prospectus, no assurance can however be provided that the Securitisation:

(i) does or continues to comply with the EU Securitisation Regulation and/or the CRR;

(ii) does or will at any point in time qualify as an STS-securitisation under the EU Securitisation Regulation or that, if it qualifies as a STS-securitisation under the EU Securitisation Regulation, it will at all times continue to so qualify and remain an STS-securitisation under the EU Securitisation Regulation in the future; and

(iii) will actually be, and will remain at all times in the future, included in the list published by ESMA as referred to in Article 27(5) of the EU Securitisation Regulation.

None of the Issuer, the Originator or any other party to the Transaction Documents makes any representation or accepts any liability in that respect.

Without prejudice to the above, the below set out elements of information in relation to each criteria set out in articles 19 to 22 of the EU Securitisation Regulation, on the basis of the information available with respect to the EU Securitisation Regulation and related regulations and interpretations (including, without limitation, the EBA Guidelines on STS Criteria) and regulations and interpretations in draft form at the time of this Prospectus (including, without limitation, with regard to the risk retention requirements under article 6 of the EU Securitisation Regulation and the transparency obligations imposed under article 7 of the EU Securitisation Regulation), and are subject to any changes made therein after the date of this Prospectus. Prospective investors should conduct their own due diligence and analysis to determine whether the elements set out below are sufficient to satisfy the criteria of Articles 20 to 22 of the EU Securitisation Regulation. The purpose of this section is not to assert or confirm the compliance of the Securitisation with the STS criteria, but only to facilitate the own reading and analysis by such prospective investors:

1. Article 20 (Requirements relating to simplicity) of the EU Securitisation Regulation

(a) for the purpose of compliance with article 20(1) of the EU Securitisation Regulation, pursuant to the relevant Transfer Agreements the Originator has assigned and transferred without recourse (*pro soluto*) to the Issuer, which has purchased, in accordance with articles 1 and 4 of the Securitisation Law, all of its right, title and interest in and to the Portfolio. The transfer of the Claims has been rendered enforceable against the Borrowers and any third party creditors of the Originator (including any insolvency receiver of the same) through:

(i) with reference to the Initial Claims:

(A) the publication of a notice of transfer in the Italian Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*) no 145, Part II of 13 December 2012;

(B) the publication of a notice of transfer in the Italian Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*) no 34, Part II of 21 March 2013;

(C) the registration of the transfer in the companies' register of Treviso-Belluno on 11 December 2012; and

(D) the registration of the transfer notice in the companies' register of Treviso-Belluno on 18 March 2013;

(ii) with reference to the First Subsequent Portfolio:

(A) the publication of a notice of transfer in the Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*) No 125, Part II of 20 October 2016; and

(B) the registration of the transfer in the companies' register of Treviso-Belluno on 17 October 2016;

(iii) with reference to the Second Subsequent Portfolio:

(A) the publication of a notice of transfer in the Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*) No 20, Part II of 16 February 2019; and

(B) registered in the companies' register of Treviso-Belluno on 12 February 2019;

(iv) with reference to the Third Subsequent Portfolio:

(A) the publication of a notice of transfer in the Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*) No 75, Part II of 27 June 2024; and

(B) the registration of the transfer in the companies' register of Treviso-Belluno on 11 July 2024.

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

The true sale nature of the transfer of the Claims and the validity and enforceability of the same is covered by the legal opinion issued by the legal counsel to the Originator, which may be disclosed to any relevant competent authority referred to in article 29 of the Securitisation Regulation. Furthermore, the Italian insolvency laws do not contain severe clawback provisions within the meaning of articles 20(2) and 20(3) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

(b) for the purpose of compliance with articles 20(2) and 20(3) of the EU Securitisation Regulation, under the Master Amendment Agreement the Originator has represented that, it is a credit institution and its "home Member State" (as that term is defined in article 2 of Directive 2001/24/EC on the reorganisation and winding up of credit institutions) is located within the territory of the Republic of Italy;

(c) with respect to article 20(4) of the EU Securitisation Regulation, the Claims arise from Loans granted by:

(i) with reference the Initial Portfolios:

(A) Creberg (which merged by incorporation in Banco Popolare after the granting of the relevant Mortgage Loan); or

(B) Banco Popolare (which merged by incorporation in Banco BPM after the granting of the relevant Mortgage Loan); or

(C) other banks which were subsequently transferred to the Banco Popolare or Creberg, as applicable, either by way of merger (*fusione*), de-merger (*scissione*), contribution of going concern (*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*),

as lender;

(ii) with reference to the First Subsequent Portfolio.

(A) Banco Popolare (which merged by incorporation in Banco BPM after the granting of the relevant Mortgage Loan) or

(B) by other banks which were subsequently transferred to the Banco Popolare, either by way of merger (*fusione*), de-merger (*scissione*), contribution of going concern (*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*),

as lender;

(iii) with reference to the Second Subsequent Portfolio, by:

(A) Banco BPMor

(B) by other banks which were subsequently transferred to the Originator, either by way of merger (*fusione*), de-merger (*scissione*), contribution of going concern

(*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*),

as lender;

(iv) with reference to the Second Subsequent Portfolio, by:

(A) Banco BPM or

(B) by other banks which were subsequently transferred to the Originator, either by way of merger (*fusione*), de-merger (*scissione*), contribution of going concern (*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*),

as lender.

Consequently, the requirement provided for under article 20(4) of the EU Securitisation Regulation is met.

Under the Master Amendment the Originator has represented and warranted to the Issuer that no litigation is in place in respect of the occurred mergers, de-mergers, contributions of going concern or transfers of going concern, which may adversely affect the ownership of the Claims included in the Portfolio (as the New Issue Date).

(d) with respect to article 20(5) of the EU Securitisation Regulation, the transfer of the Claims has been rendered enforceable against the Borrowers and any third-party creditors of the Originator (including any insolvency receiver of the same) through:

(i) with reference to the Initial Claims:

(A) the publication of a notice of transfer in the Italian Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*) no 145, Part II of 13 December 2012;

(B) the publication of a notice of transfer in the Italian Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*) no 34, Part II of 21 March 2013;

(C) the registration of the transfer in the companies' register of Treviso-Belluno on 11 December 2012; and

(D) the registration of the transfer notice in the companies' register of Treviso-Belluno on 18 March 2013;

(ii) with reference to the First Subsequent Portfolio:

(A) the publication of a notice of transfer in the Official Gazette No 125, Part II of 20 October 2016; and

(B) the registration of the transfer in the companies' register of Treviso-Belluno on 17 October 2016;

(iii) with reference to the Second Subsequent Portfolio:

(A) the publication of a notice of transfer in the Official Gazette (Gazzetta Ufficiale della Repubblica Italiana) No 20, Part II of 16 February 2019 and registered in the companies' register of Treviso-Belluno on 12 February 2019;

(iv) with reference to the Third Subsequent Portfolio:

(A) the publication of a notice of transfer in the Official Gazette (Gazzetta Ufficiale della Repubblica Italiana) No 75 , Part II of 27 June 2024; and

(B) the registration of the transfer in the companies' register of Treviso-Belluno on 11 July 2024.

(for further details, see the section headed "*Description of the Transaction Documents – The Transfer Agreements*"); therefore, the requirements of article 20(5) of the EU Securitisation Regulation are not applicable;

(e) with respect to article 20(6) of the EU Securitisation Regulation:

(i) under the Initial Warranty and Indemnity Agreement, the First Subsequent Warranty and Indemnity Agreement, the Second Subsequent Warranty and Indemnity Agreement; and

(ii) the Third Subsequent Warranty and Indemnity Agreement,

(each as amended prior to the New Issue Date by the Master Amendment Agreement),

the Originator has represented and warranted on the New Issue Date that, as at the relevant transfer date, each relevant Claim was or is fully and unconditionally legally owned by the Originator and each Claim is not subject to, *inter alia*, any lien (*pignoramento*), seizure (*sequestro*) or other charge in favour of any third party or otherwise and is freely transferable to the Issuer. The Originator has the sole and unencumbered title to all Mortgages Loan and Claims. The Originator has not assigned (whether outright or by way of security), communitarised (*a dare in comunione*), transferred or otherwise disposed of any of the Mortgage Loans or Claims or created or permitted any lien, pledge, encumbrance or other right, claim or any right in rem or individual rights (*diritto reale o personale*) in favour of any third party in respect of any of the Mortgage Loans or Claims. No Mortgage Loan, Guarantee, or any other document relating thereto and no internal policy or directive of the Originator contains any provision, covenant or provision (i) which would prevent the Originator, or limit the ability of the Originator, from transferring, assigning or otherwise disposing of the Claims in whole or in part or (ii) which would conflict with, and would otherwise impair or limit the terms and conditions of the Transaction Documents, including without limitation:

(i) the assignment to the SPV of the Claims, the Mortgage Loans, the Guarantees and the benefits of the Insurance Policies; and

(ii) the management of the Claims, Mortgage Loans, Guarantees and Insurance Policies by the Transferor Bank or its delegate or the appointment of a new Servicer pursuant to the Servicing Agreement.

(For further details, see the section headed "*The Portfolio*");

In addition, under the Initial Warranty and Indemnity Agreement, the First Subsequent Warranty and Indemnity Agreement, the Second Subsequent Warranty and Indemnity Agreement and the Third Subsequent Warranty and Indemnity Agreement (each as amended prior to the New Issue Date by the Master Amendment Agreement), the Originator has represented and warranted that, to the knowledge of the Originator, each relevant Claim is not in a condition that can be foreseen to adversely affect the enforceability of the transfer of the Claims under the relevant Transfer Agreement and, therefore, is freely transferable to the Issuer.

(f) for the purpose of compliance with article 20(7) of the EU Securitisation Regulation, the disposal of Claims from the Issuer is permitted solely in the following circumstances:

(i) prior to the service of an Issuer Acceleration Notice, in case of optional redemption of the Notes pursuant to Condition 7(c)(*Optional redemption of the Notes*) or in case of optional redemption of the Notes pursuant to Condition 7(d)(*Optional redemption for taxation, legal or*

regulatory reasons) or in case of mandatory redemption pursuant to Condition 7(e)(*Mandatory redemption of the Notes*); and

(ii) following the delivery of an Issuer Acceleration Notice, to finance the redemption of the Notes pursuant to Condition 10(b) (*Consequences of service of an Issuer Acceleration Notice*), provided that, in any case, the Originator under:

(A) the Warranty and Indemnity Agreements may re-purchase the Claims from the Issuer in respect of which the representations and warranties are false, incorrect or misleading to the terms and conditions provided under the relevant Warranty and Indemnity Agreement and

(B) the Transaction Documents (in particular the Transfer Agreements and the Servicing Agreement) have certain option rights connected with the purchase of single Claims or, as the case may be, the Portfolio which in any case cannot be exercised for speculative purposes aiming at achieving a better performance of the Securitisation. Therefore, none of the Transaction Documents provide for (i) a portfolio management which makes the performance of the Transaction dependent both on the performance of the Claims and on the performance of the portfolio management of the Transaction, thereby preventing any investor in the Notes from modelling the credit risk of the Claims without considering the portfolio management strategy of the Servicer; or (ii) a portfolio management which is performed for speculative purposes aiming to achieve better performance, increased yield, overall financial returns or other purely financial or economic benefit. In addition, (i) there are no exposures that can be sold to the Issuer after the Issue Date 2024, (ii) the Claims included in the Portfolio have been selected on the basis of objective Criteria as at the relevant Valuation Date (or the different date specified in respect of the relevant criterion), in order to ensure that the Claims have the same legal and financial characteristics (for further details, see the sections headed "*Description of the Transaction Documents*", "*The Portfolio – Selection Criteria of the Initial Portfolios*". "*The Portfolio – Selection Criteria of the First Subsequent Portfolio*", "*The Portfolio – Selection Criteria of the Second Subsequent Portfolio*", "*The Portfolio – Selection Criteria of the Third Subsequent Portfolio*" and "*Terms and Conditions of the Notes*");

(g) for the purpose of compliance with article 20(8) of the EU Securitisation Regulation,

(i) under the Initial Warranty and Indemnity Agreement, the First Subsequent Warranty and Indemnity Agreement, the Second Subsequent Warranty and Indemnity Agreement and

(ii) the Third Subsequent Warranty and Indemnity Agreement,

(each as amended or rectified prior to the New Issue Date by the Master Amendment Agreement)

the Originator has represented and warranted that, as at the Issue Date 2024, the relevant Claims are homogeneous in terms of asset type, taking into account the specific characteristics to the cash flows of the asset type including their contractual, credit-risk and prepayment characteristics, given that:

(i) the Claims have been originated by the Originator or by other banks which were subsequently transferred to the Originator, either by way of merger (*fusione*), de-merger (*scissione*), contribution of going concern (*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*) , as the case may be as lender, in accordance with loan disbursement policies which apply similar approaches to the assessment of credit risk associated with the Claims;

(ii) the Claims have been serviced by the Originator according to similar servicing procedures;

(iii) the Claims arise from Mortgage Loans secured by mortgages on residential real estate assets and therefore fall in the asset type named "*residential loans that are either secured by one or more mortgages on residential immovable property*" provided under article 1(a)(i) of the Commission Delegated Regulation (EU) 2019/1851 (the **Commission Delegated Regulation**

on Homogeneity) and meet the homogeneity factors set out under article 2(1)(a)(i), 2(1)(b)(ii) and 2(1)(c) of the Commission Delegated Regulation on Homogeneity (given that (i) the Mortgage Loans are secured by first ranking security rights on a residential immovable property, (ii) the Real Estate Assets are non-income producing properties and (iii) the Real Estate Assets are located in the Italian territory). Furthermore, the Mortgage Loans provide for a repayment (A) according to a French amortisation plan or (B) through constant instalments (with variable duration) as determined in the relevant Mortgage Loan (for further details, see the sections headed "*The Portfolio,* paragraphs "*Selection Criteria of the Initial Portfolios*"; "*Selection Criteria of the First Subsequent Portfolio*"; "*Selection Criteria of the Second Subsequent Portfolio*" and " *Selection Criteria of the Third Subsequent Portfolio*").

In addition, under each Warranty and Indemnity Agreement the Originator has represented and warranted that (i) as at, *inter alia*, the relevant Transfer Date, each Loan Agreement, Mortgage Loan, Mortgage, the Security Interest and each agreement, deed or document related to them, was valid and effective in accordance to the relevant provisions, create valid and effective obligations which are contractually binding for each party and validly constitute the relevant security interest and, where applicable, the relevant guarantee by a third party guarantor; (ii) as at, *inter alia*, the New Issue Date, the Portfolio does not comprise any transferable securities, as defined in point (44) of article 4(1) of Directive 2014/65/EU and (iii) as at the New Issue Date, the Claims contain obligations that are contractually binding and enforceable with full recourse to debtors and, where applicable, guarantors (for further details, see the sections headed "*The Portfolio*").

(h) for the purpose of compliance with article 20(9) of the EU Securitisation Regulation, under each Warranty and Indemnity Agreement, the Originator has represented and warranted, as at the New Issue Date, that the Portfolio does not comprise any exposure to securitisation positions (for further details, see the section headed "*The Portfolio*");

(i) for the purpose of compliance with article 20(10) of the EU Securitisation Regulation, under each Warranty and Indemnity Agreement the Originator has represented and warranted that:

(i) the Claims have been originated:

1) with reference the Initial Portfolios:

(A) Creberg (which merged by incorporation in Banco Popolare after the granting of the relevant Mortgage Loan); or

(B) Banco Popolare (which merged by incorporation in Banco BPM after the granting of the relevant Mortgage Loan); or

(C) other banks which were subsequently transferred to the Banco Popolare or Creberg, as applicable, either by way of merger (*fusione*), de-merger (*scissione*), contribution of going concern (*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*),

as lender;

2) with reference to the First Subsequent Portfolio:

(A) Banco Popolare (which merged by incorporation in Banco BPM after the granting of the relevant Mortgage Loan) or

(B) by other banks which were subsequently transferred to Banco Popolare, either by way of merger (*fusione*), de-merger (*scissione*), contribution of going

concern (*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*),

as lender;

3) with reference to the Second Subsequent Portfolio and the Third Subsequent Portfolio, by:

(A) Banco BPM or

(B) by other banks which were subsequently transferred to the Originator, either by way of merger (*fusione*), de-merger (*scissione*), contribution of going concern (*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*),

as lender

in the ordinary course of its business;

(ii) as at, *inter alia*, the New Issue Date, the Claims comprised in the Portfolio have been originated by the Originator (or the bank which has originated the relevant Claims), in accordance with credit policies that are not less stringent than the credit policies applied by the Originator (or the bank which has originated the relevant Claims) at the time of origination to similar exposures that are not assigned under the Securitisation;

(iii) the Originator (or the bank which has originated the relevant Claims) has assessed the Borrowers' creditworthiness in compliance with the requirements set out in article 8 of Directive 2008/48/EC or in article 18, paragraphs from 1 to 4, paragraph 5, letter (a), and paragraph 6 of Directive 2014/17/UE and point 33 of the EBA Guidelines on the STS Criteria, to the extent applicable taking into consideration the nature of the Mortgage Loans; and

(iv) the Originator has more than 5 (five) year-expertise in originating exposures of a similar nature to the Claims. In addition, since no exposure will be sold to the Issuer after the Issue Date 2024, the Originator shall not be held to disclose without undue delay any material changes from prior underwriting standards (for further details, see the section headed "*The Portfolio*");

(v) as at the New Issue Date each Portfolio does not include any Mortgage Loan that was marketed and underwritten on the premise that the loan applicant or, where applicable, intermediaries were made aware that the information provided might not be verified by the Originator (or the bank which has originated the relevant Claims);

(j) for the purpose of compliance with article 20(11) of the EU Securitisation Regulation, the Portfolio has been selected on the relevant Valuation Date and transferred to the Issuer on the relevant Transfer Date. Under the Warranty and Indemnity Agreements the Originator has represented and warranted that, as at the Issue Date 2024, the relevant Portfolio does not include Claims qualified as exposures in default within the meaning of article 178, paragraph 1, of Regulation (EU) No 575/2013 or as exposures to a credit-impaired debtor or guarantor, who, to the Originator's knowledge:

(i) has been declared insolvent or in respect of which its creditors were granted 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; or

(ii) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history available to the Originator (or the other bank which has originated the Loan); 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 under the Transaction (for further details, see the section headed "*The Portfolio*").

It should be considered that any Claims not meeting the above requirements have been repurchased by the Originator pursuant to the Repurchase Agreement.

(k) for the purpose of compliance with article 20(12) of the EU Securitisation Regulation, under the Warranty and Indemnity Agreements, the Originator has represented and warranted that, as at the New Issue Date, the Claims arise from Mortgage Loans in respect of which, at the relevant Transfer Date, at least one Instalment (including repayment of principal) has been paid by the relevant Borrower. It should be considered that any Claims not meeting the above requirement have been repurchased by the Originator pursuant to the Repurchase Agreement.

(l) for the purpose of compliance with article 20(13) of the EU Securitisation Regulation, under the Warranty and Indemnity Agreements, the Originator has represented and warranted that, in order to approve the disbursement of the relevant Mortgage Loan to the relevant Debtor, the Originator (or the other bank which has originated the Loan) the assessment on the value of the Real Estate Assets was not predominant; therefore, the repayment of the Notes has not been structured to depend predominantly on the sale of the Real Estate Assets. In this respect the Originator confirms that:

(i) 100% of the Outstanding Principal of the Portfolio is composed by secured receivables;

(ii) all the Mortgage Loans comprised in the Portfolio are amortising, so that the relevant principal amount outstanding as at the Final Maturity Date it is expected to be equal to 0 (zero). The Portfolio does not comprise Mortgage Loans with bullet payment of principal or payment of a large final instalment so called "*maxi rata finale*"; and

(iii) the pool of exposures has a high granularity (for further details, see the section headed the "*The Portfolio*").

2. Article 21 (Requirements relating to standardisation) of the EU Securitisation Regulation

(a) For the purpose of compliance with article 21(1) of the EU Securitisation Regulation, under the Intercreditor Agreement (as amended in accordance with the Master Amendment Agreement) the Originator has undertaken to retain at the origination and maintain, on an on-going basis, a material net economic interest of not less than 5 (five) per cent in the Securitisation, in accordance with paragraph (d) of article 6(3) of the Securitisation Regulation and the applicable Regulatory Technical Standards (for further details, see the paragraph below headed "*Regulatory Disclosure and Retention Undertaking*");

(b) for the purpose of compliance with article 21(2) of the EU Securitisation Regulation, in order to mitigate any interest rate risk connected with the Class A Notes the following factor should be considered: (i) the credit enhancement due to the subordination of the different Classes of Notes (in fact the Securitisation benefits from a single priority of payments that combines interest and principal proceeds: the principal proceeds generated by the amortisation of the portfolio can be used to cover also the interest payments due on the Senior Notes) and (ii) a Cash Reserve has been set-aside in order to cover, *inter alia*, interest shortfall on the Class A Notes and, if used, can be replenished on the subsequent Payment Date. In addition, under the Warranty and Indemnity Agreements, the Originator has represented and warranted that, as at the New Issue Date, the Portfolio does not comprise any derivatives, and (ii) under the Conditions, the Issuer has undertaken that, for so long as any amount remains outstanding in respect of the Notes of any Class, it shall not enter into derivative contracts save as expressly permitted by article 21(2) of the EU Securitisation Regulation (for further details, see Condition 5 (*Covenants*)). Finally, there is no currency risk since:

(i) in accordance with the Criteria, the Claims arise from Mortgage Loans which are denominated in Euro; and

(ii) pursuant to the Conditions, the Notes are denominated in Euro (for further details, see the sections headed "*Transaction Overview*" and "*Terms and Conditions of the Notes*");

(c) for the purpose of compliance with article 21(3) of the EU Securitisation Regulation:

(i) under the Warranty and Indemnity Agreements, the Originator has represented and warranted that pursuant to the Loan Agreements, the interest calculation methodologies related to the Loans are based on or generally used sectoral rates reflective of the cost of funds, and do not refer to complex formulae or derivatives; and

(ii) the Interest Rate applicable to the Notes is calculated by reference to EURIBOR (for further details, see Condition 6 (*Interest - Rate of Interest on the Class A Notes*)); therefore, any referenced interest payments under the Claims and the Notes are based on generally used market interest rates and do not reference complex formulae or derivatives;

(d) for the purpose of compliance with article 21(4) of the EU Securitisation Regulation:

(i) following the service of an Issuer Acceleration Notice,

(A) no amount of cash shall be trapped in the Issuer beyond what is necessary to ensure the operational functioning of the Issuer or the orderly payments of the amounts due under the Notes in accordance with the Post-Enforcement Priority of Payments and pursuant to the terms of the Transaction Documents;

(B) as to repayment of principal, the Class A Notes will rank *pari passu* and without preference or priority amongst themselves, but subordinated as to payment of interest in respect of the Class A Notes and in priority to the repayment of the Junior Notes;

(C) the Junior Notes will rank *pari passu* and without any preference or priority among themselves, but subordinated to:

(1) payment of interest on the Class A Notes; and

(2) repayment of principal on the Class A Notes (for further details, see Condition 3 (*Status, Priority, Ranking and Segregation*); and

(ii) following the service of an Issuer Acceleration Notice, the Representative of the Noteholders will be entitled, until the Notes have been repaid in full or cancelled in accordance with the Conditions, *inter alia*, to take possession, as an agent of the Issuer and to the extent permitted by applicable laws, of all Collections (by way of a power of attorney granted hereunder in respect of the relevant Accounts) and of the Claims and to sell or otherwise dispose of the Claims or any of them in such manner and upon such terms and at such price and such time or times as the Representative of the Noteholders shall, in its discretion, deem appropriate and to apply the proceeds in accordance with the Post-Enforcement Priority of Payments provided however that if the amount of the monies at any time available to the Issuer or to the Representative of the Noteholders for the payments above shall be less than 10 per cent of the Principal Amount Outstanding of all Classes of Notes the Representative of the Noteholders may at its discretion invest such monies (or cause such monies to be invested) in some or one of the investments authorised pursuant to the Intercreditor Agreement, it being understood that no provisions shall require the automatic liquidation of the Portfolio (for further details, see Condition 11(b) and the section headed "*Description of the Transaction Documents – The Intercreditor Agreement*");

(e) for the purpose of compliance with article 21(5) of the EU Securitisation Regulation, the Securitisation features sequential priority of payments (for further details, see Condition 3 (*Status, ranking and priority*);

(f) there are no exposures that can be sold to the Issuer after the Issue Date 2024 (for further details, see the section headed "*Description of the Transaction Documents – The Transfer Agreements*"); therefore, the requirements of article 21(6) of the EU Securitisation Regulation are not applicable;

(g) for the purpose of compliance with article 21(7) of the EU Securitisation Regulation, the contractual obligations, duties and responsibilities of the Servicer, the Representative of the Noteholders and the

other service providers are set out in the relevant Transaction Documents (for further details, see the sections headed "*Description of the Transaction Documents*", *paragraph* "*Description of the Servicing Agreement*", "Description of *the Agency and Accounts Agreement*" and "*Terms and Conditions of the Notes*"). In addition, the Servicing Agreement contains provisions aimed at ensuring that a default by or an insolvency of any of the Servicer does not result in a termination of the servicing activities, including provisions regulating the replacement of the defaulted or insolvent Servicer with any successor Servicer. In addition, in case of termination of appointment of the Servicer, pursuant to the Servicing Agreement, the Back-up Servicer Facilitator has undertaken to cooperate with the Issuer for the appointment of a substitute servicer (for further details, see the section headed "*Description of the Transaction Documents – Description of the Servicing Agreement*"). Finally, the Agency and Accounts Agreement contains provisions aimed at ensuring the replacement of any Agent (including the Principal Paying Agent, the Interim Account Bank, the Transaction Bank and the Additional Transaction Bank) in case of its default, insolvency or other specified events (for further details, see the section headed "*Description of the Agency and Accounts Agreement*" and section "*Overview of theTransaction*");

(h) for the purpose of compliance with article 21(8) of the EU Securitisation Regulation, under the Servicing Agreement (as amended from time to time), the Servicer has represented and warranted that it has experience in managing exposures of similar nature to the Claims and has established well-documented and adequate risk management policies, procedures and controls relating to the management of such exposures pursuant to Article 21(8) of the EU Securitisation Regulation and in accordance with the EBA Guidelines. In addition, pursuant to the Servicing Agreement, any substitute servicer shall be an entity which, *inter alia*, has all the requirements provided by, *inter alia*, the Securitisation Law, the EU Securitisation Regulation, the Regulatory Technical Standards and the EBA Guidelines, for carrying out the servicer activity and which management has at least 5 years of experience in managing exposure of similar nature to the Claims (for further details, see the section headed "*Description of the Transaction Documents – Description of the Servicing Agreement*");

(i) for the purpose of compliance with article 21(9) of the EU Securitisation Regulation, the Servicing Agreement and the Credit and Collection Policy attached thereto set out in clear and consistent terms definitions, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies (for further details, see the section headed "*Description of the Transaction Documents – Description of the Servicing Agreement*" and "*The Credit and Collection Policy*"). In addition, the Transaction Documents clearly specify the applicable Priority of Payments and the events which trigger changes in such Priorities of Payments. Pursuant to the Agency and Accounts Agreement, for the purpose of compliance by the Originator in its capacity as Reporting Entity with the disclosure requirements pursuant to points (f) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulation, each of the Issuer, the Servicer and the Originator have undertaken to the Representative of the Noteholders, the Reporting Entity and the Computation Agent, in case any of the events under article 7, paragraph 1, letters (f) and (g) of the EU Securitisation Regulation has occurred, to promptly provide the Computation Agent (and, in the case of the Issuer, also the Reporting Entity) with the necessary information (of which each of them is aware of) in order to allow the Computation Agent to prepare the Inside Information and Significant Event Report in compliance with article 7 of the EU Securitisation Regulation and the applicable Regulatory Technical Standards and in a timely manner in order for the Reporting Entity to make available to the entities referred to under article 7(1) of the EU Securitisation Regulation by means of the Securitisation Repository, the Inside Information and Significant Event Report (A) without undue delay after the occurrence of the relevant event or the Inside Information is to be disclosed and (B) by no later than 1 (one) month after each Payment Date; (for further details, see the section headed "*Description of the Agency and Accounts Agreement*"). Furthermore, pursuant to the Agency and Accounts Agreement and the Intercreditor Agreement:

(i) the Computation Agent has undertaken to prepare, on each Investor Report Date, the Investor Report which shall be prepared in compliance with the provisions of the Securitisation Regulation and the applicable Regulatory Technical Standards and including all the required information to be provided pursuant to point (e) of the first subparagraph of article 7(1) of the EU Securitisation Regulation and shall be prepared in compliance with the EU Securitisation Regulation and the templates set out under the applicable Regulatory Technical Standards

(including the Commission Delegated Regulation (EU) 2020/1224 and the Commission Implementing Regulation (EU) 2020/1225 of 29 October 2019); and

(ii) the Computation Agent has been authorized by the Originator in its capacity as Reporting Entity in respect of the Transaction to make available each Investors Report to the Noteholders, the competent authorities pursuant to Article 29 of the Securitisation Regulation and, upon request, prospective Noteholders no later than one month after each Payment Date by uploading the Investor Report on the Securitisation Repository (for further details, see the sections headed "*Description of the Agency and Accounts Agreement*" and *Description of the Transaction Documents*", paragraph "*The Intercreditor Agreement*");

(j) for the purposes of compliance with article 21(10) of the EU Securitisation Regulation, the Conditions (including the Rules of the Organisation of the Noteholders attached thereto) contain clear provisions that facilitate the timely resolution of conflicts between Noteholders of different Classes, clearly define and allocate voting rights to Noteholders and clearly identify the responsibilities of the Representative of the Noteholders (for further details, see the section headed "*Terms and Conditions of the Notes*");

3. Article 22 (Requirements relating to transparency) of the EU Securitisation Regulation

(a) for the purposes of compliance with article 22(1) of the EU Securitisation Regulation, under the Intercreditor Agreement, the Originator:

(i) has confirmed that, as initial holder of the Notes, it has been in possession, before pricing in relation to the New Issue Date, of data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, provided that such data covers a period of at least 5 (five) years; and

(ii) in case of transfer of any Notes by the Originator to third party investors after the Issue Date 2024, has undertaken to make available to such investors before the relevant pricing on the Securitisation Repository, data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, provided that such data shall cover a period of at least 5 (five) years, pursuant to article 22(1) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria (for further details, see the section headed "*Description of the Transaction Documents – The Intercreditor Agreement*");

(b) for the purposes of compliance with article 22(2) of the Securitisation Regulation, an external verification (including verification that the data disclosed in this Prospectus in respect of the Claims is accurate) has been made in respect of the Portfolio prior to the Issue Date 2024 by an appropriate and independent party and no significant adverse findings have been found (for further details, see the section headed "*Main Characteristics of the Portfolio - Pool Audit Reports*");

(c) for the purposes of compliance with article 22(3) of the Securitisation Regulation, under the Intercreditor Agreement the Originator:

(i) has confirmed that, as initial holder of the Notes, it has been in possession, before pricing in relation to the New Issue Date, of a liability cash flow model which precisely represents the contractual relationship between the Claims and the payments flowing between the Originator, the investors in the Notes, other third parties and the Issuer: and

(ii) in case of transfer of any Notes by the Originator to third party investors after the Issue Date 2024, has undertaken to make available to such investors before the relevant pricing through the Securitisation Repository, a liability cash flow model which precisely represents the contractual relationship between the Claims and the payments flowing between the Originator, the investors in the Notes, other third parties and the Issuer. In addition, under the Intercreditor Agreement, the Originator has undertaken to:

(A) make available to investors in the Notes on an ongoing basis and to potential investors in the Notes, upon request, through the Securitisation Repository, a liability cash flow

model which precisely represents the contractual relationship between the Claims and the payments flowing between the Originator, the investors in the Notes, other third parties and the Issuer; and

(B) update such cash flow model, in case there will be significant changes in the cash flows;

(d) for the purposes of compliance with article 22(4) of the EU Securitisation Regulation, pursuant to the Servicing Agreement and the Intercreditor Agreement, the Servicer has undertaken to prepare the Loan by Loan Report in accordance with the EU Securitisation Regulation and the applicable Regulatory Technical Standards in order to include all information requested in order to prepare the reports under article 7(1) of the EU Securitisation Regulation and the application of the applicable Regulatory Technical Standards (including Commission Delegated Regulation (EU) 2020/1224 and Commission Delegated Regulation (EU) 2020/1225) (for further details, see the section headed "*Description of the Transaction Documents – Description of the Servicing Agreement*");

(e) for the purposes of compliance with article 22(5) of the Securitisation Regulation, under the Intercreditor Agreement, the Originator and the Issuer have designated among themselves the Originator as the reporting entity pursuant to article 7(2) of the Securitisation Regulation (the **Reporting Entity**) and have agreed, and the other parties thereto have acknowledged, that the Reporting Entity shall be responsible for compliance with article 7 of the Securitisation Regulation, pursuant to the Transaction Documents. In that respect, the Originator, in its capacity as Reporting Entity, will fulfil the information requirements pursuant to points (a), (b), (c), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulation by making available the relevant information through the Securitisation Repository.

Under the Intercreditor Agreement, the Reporting Entity:

(i) has confirmed that it has appointed European DataWarehouse as Securitisation Repository; and

(ii) has undertaken to inform the potential investors in the Notes in accordance with Condition 17 (Notices) in case of replacement of the Securitisation Repository.

(f) As to pre-pricing disclosure requirements set out under articles 7 and 22 of the EU Securitisation Regulation, under the Intercreditor Agreement:

(i) the Originator, as initial holder of the Notes, has confirmed that it has been, before pricing in relation to the New Issue Date, in possession of:

(A) data relating to each Mortgage Loan (and therefore it has not requested to receive the information under point (a) of the first subparagraph of article 7(1) of the EU Securitisation Regulation, including, to the extent required by any applicable law or regulation, data on the environmental performance of the Real Estate Assets (where available)) and the information under points (b), (c) and (d) of the first subparagraph of article 7(1) of the EU Securitisation Regulation;

(B) data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, provided that such data covers a period of at least 5 (five) years, pursuant to article 22(1) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria; and

(C) a liability cash flow model which precisely represents the contractual relationship between the Claims 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;

(ii) in case of transfer of any Notes by the Originator to third party investors after the Issue Date 2024, the Originator has undertaken to make available to such investors before the relevant pricing through the Securitisation Repository:

(A) the information under point (a) of the first subparagraph of article 7(1) of the EU Securitisation Regulation (including, to the extent required by any applicable law or regulation, data on the environmental performance of the Real Estate Assets (where available)) upon request, as well as the information under points (b), (c) and (d) of the first subparagraph of article 7(1) of the EU Securitisation Regulation;

(B) data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, provided that such data shall cover a period of at least 5 (five) years, pursuant to article 22(1) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria; and

(C) a liability cash flow model which precisely represents the contractual relationship between the Claims 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; and

(iii) the Reporting Entity has made available to investors in the Notes a draft of the STS Notification (as defined under the EU Securitisation Regulation).

(g) As to post-closing disclosure requirements set out under articles 7 and 22 of the EU Securitisation Regulation, under the Intercreditor Agreement, the relevant parties have acknowledged and agreed as follows:

(i) pursuant to the Servicing Agreement, the Servicer will prepare the Loan by Loan Report (which includes all information requested in order to prepare the reports under article 7(1) of the EU Securitisation Regulation and the application of the applicable Regulatory Technical Standards (including Commission Delegated Regulation (EU) 2020/1224 and Commission Delegated Regulation (EU) 2020/1225 including the information under and article 22(4) 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 to the entities referred to under article 7(1) of the EU Securitisation Regulation by means of the Securitisation Repository, as the case may be, the Loan by Loan Report (simultaneously with the Investor Report) by no later than one month after the relevant Payment Date;

(ii) pursuant to the Agency and Accounts Agreement, the Computation Agent will prepare the Investor Report (which includes all the information set out under point (e) of the first subparagraph 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 Computation Agent as authorised to do so in accordance with the Agency and Accounts Agreement) the Investor Report to the entities referred to under article 7(1) of the EU Securitisation Regulation by means of the Securitisation Repository the Investor Report (simultaneously with the Loan by Loan Report) by no later than one month after the relevant Payment Date;

(iii) pursuant to the Agency and Accounts Agreement, the Computation Agent will prepare the Inside Information and Significant Event Report (setting out all the required information to be provided pursuant to point (f) of the first subparagraph of article 7(1) of the EU Securitisation Regulation that has been provided by the Issuer, the Servicer and/or the Originator to the Computation Agent for such purpose; and/or the occurrence of any event set out under point (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation that has been notified by the Issuer, the Servicer and/or the Originator to the Computation Agent for such purpose) and will deliver it to the Reporting Entity that will make available to the entities referred to under article 7(1) of the Securitisation Regulation by means of the Securitisation Repository:

(A) without delay, after the occurrence of the relevant event or the Inside Information is to be disclosed; and

(B) by no later than one month after each Payment Date;

it being understood that, in accordance with the Agency and Accounts Agreement, each of the Issuer, the Servicer and the Originator have undertaken to the Representative of the Noteholder, the Reporting Entity and the Computation Agent, in case any of the events listed above has occurred, to promptly provide the Computation Agent (and, in the case of the Issuer, also the Reporting Entity) with the necessary information (of which each of them is aware of) in order to allow the Computation Agent to prepare the Inside Information and Significant Event Report in compliance with article 7 of the EU Securitisation Regulation and the applicable Regulatory Technical Standards and in a timely manner in order for the Reporting Entity to make available to the entities referred to under article 7(1) of the EU Securitisation Regulation by means of the Data Repository, the Inside Information and Significant Event Report:

(1) without undue delay after the occurrence of the relevant event or the Inside Information is to be disclosed; and

(2) by no later than 1 (one) month after each Payment Date;

(iv) the Issuer will deliver to the Reporting Entity:

(A) a copy of the final Prospectus and the other final Transaction Documents in a timely manner in order for the Reporting Entity to make available such documents to the investors in the Notes by no later than 15 (fifteen) days after the Issue Date 2024; and

(B) any other document or information that may be required to be disclosed to the investors or potential investors in the Notes pursuant to the EU Securitisation Regulation and the applicable Regulatory Technical Standards in a timely manner (to the extent not already in its possession),

it being understood that the above-mentioned information will be also made available to the competent authorities pursuant to article 29 of the EU Securitisation Regulation and, upon request, to potential investors,

(v) the Reporting Entity shall make available to the investors in the Notes the STS Notification (as defined under the EU Securitisation Regulation) by not later than 15 (fifteen) days after the Issue Date 2024,

in each case in accordance with the requirements provided by the EU Securitisation Regulation (or in the case of paragraph (e) above, the EU Securitisation Regulation) and the applicable Regulatory Technical Standards.

In addition, under the Intercreditor Agreement the Originator has undertaken to:

(a) make available to investors in the Notes on an ongoing basis and to potential investors in the Notes upon request, through the Securitisation Repository, a liability cash flow model which precisely represents the contractual relationship between the Claims 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; and

(b) to update such cash flow model, in case there will be significant changes in the cash flows.

Under the Intercreditor Agreement, the Reporting Entity has undertaken to the Issuer and the Representative of the Noteholders:

(a) to ensure that Noteholders and potential investors have readily available access to:

(i) all information necessary to conduct comprehensive and well informed stress tests and to fulfil their monitoring and due diligence duties under article 5 of the EU Securitisation Regulation, which does not form part of the Prospectus as at the Issue Date 2024, but may be of assistance to potential investors before investing; and

(ii) any other information which is required to be disclosed to Noteholders and to prospective investors (if any) pursuant to the EU Securitisation Regulation and the applicable Regulatory Technical Standards;

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

Under the Intercreditor Agreement, each of the relevant parties (in any capacity) has undertaken to notify promptly to the Reporting Entity and the Computation Agent any information set out under point (f) of the first subparagraph of article 7(1) of the EU Securitisation Regulation or the occurrence of any event set out under point (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation (as the case may be), in order to allow the Computation Agent to prepare and deliver to the Reporting Entity the Inside Information and Significant Event Report in a timely manner in order for the Reporting Entity to make it available:

(a) without undue delay after the occurrence of the relevant event or the Inside Information is to be disclosed; and

(b) by no later than one month after the relevant Payment Date in accordance with the provisions above and the Intercreditor Agreement and the Agency and Accounts Agreement.

In addition, in order to ensure that the disclosure requirements set out under article 7 and 22 of the EU Securitisation Regulation are fulfilled by the Reporting Entity, under the Intercreditor Agreement, each party thereto has undertaken to provide the Reporting Entity with any further information that is not covered under such Intercreditor Agreement and which from time to time is required under the EU Securitisation Regulation.

Under the Intercreditor Agreement:

(a) the relevant parties agreed that any costs, expenses and taxes deriving from compliance with the provisions of the EU Securitisation Regulation and any applicable Regulatory Technical Standards in relation to the transparency requirements shall be borne by the Originator; and

(b) the Originator (in its capacity as the Originator and the Reporting Entity) has undertaken to comply with the obligations provided under article 6, 7 and 9 and all other obligations of the EU Securitisation Regulation applicable to it.

4. Criteria for credit-granting

With reference to Article 9 of the EU Securitisation Regulation, under the relevant Warranty and Indemnity Agreement the Originator (or the bank which has originated the relevant Claims, ie Creberg or Banco Popolare which have been merged into Banco BPM) complies or has complied, as the case may with, in respect of the relevant Claims, the credit-granting criteria and procedures and all other obligations and provisions set out under article 9 of the EU Securitisation Regulation.

5. First contact point

Banco BPM will be the first contact point for investors in the Notes and competent authorities pursuant to and for the purposes of third sub-paragraph of article 27(1) of the EU Securitisation Regulation.

The designation of the Securitisation as an STS-securitisation is not a recommendation to buy, sell or hold securities. It is not investment advice whether generally or as defined under MiFID II and UK MIFIR and it is not a credit rating whether generally or as defined under the CRA Regulation or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended).

By designating the Securitisation as an STS-securitisation, no views are expressed about the creditworthiness of the Notes or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for the Notes. No assurance can be provided that the Securitisation does or continues to qualify as an STS-securitisation under the EU Securitisation Regulation.

REGULATORY CAPITAL REQUIREMENTS

In the Intercreditor Agreement, the Originator has undertaken to, *inter alios*, the Issuer and the Representative of the Noteholders for the purposes of the EU Securitisation Regulation (including but not limited to article 5 to 7 thereof) that it will:

(a) retain at the origination and maintain (on an ongoing basis) a material net economic interest of not less than 5% in the Transaction in accordance with paragraph (d) of article 6(3) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards (the **Retained Interest**). As at the Issue Date 2024, such interest will be comprised of an interest in the first loss tranche (being the Class B Notes);

(b) ensure that the Retained Interest held by it in its capacity as "*originator*" (within the meaning of such term under the EU Securitisation Regulation) is not and will not be subject to any credit risk mitigation or any hedge, as and to extent required by article 6 of the Securitisation Regulation and the applicable Regulatory Technical Standards;

(c) comply with the disclosure obligations imposed on it as "*originator*" (within the meaning of such term under the EU Securitisation Regulation) under article 7(1)(e)(iii) of the EU Securitisation Regulation and any applicable Regulatory Technical Standards, subject always to any requirement of law.

In the Intercreditor Agreement (as amended by the General Amendment Agreement) and in the Subscription Agreements, the Originator has also undertaken to, *inter alios*, the Issuer and the Representative of the Noteholders that Retained Interest held by it in its capacity as "*originator*" (within the meaning of such term under the EU Securitisation Regulation) is not and will not be subject to any credit risk mitigation or any hedge, as and to extent required by article 6 of the EU Securitisation Regulation and the applicable Regulatory Technical Standards.

Prospective Noteholders are required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with the provisions of Chapter 2 of the EU Securitisation Regulation and any corresponding national measure which may be relevant and none of the Issuer, the Originator, the Servicer or any other party to the Transaction Documents or any other person makes any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes.

Prospective investors should be aware that under the Securitisation it has not been contractually agreed to comply with the transparency requirements of the UK Securitisation Regulation. Prospective investors should also note that there can be no assurance that the information described below or in this Prospectus or to be made available to investors in accordance with article 7 of the EU Securitisation Regulation will be adequate for any prospective institutional investors to comply with their due diligence obligations under the EU Securitisation Regulation or the UK Securitisation Regulation. None of the Issuer, the Originator, the Servicer 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.

PCS Services

Application has been made to Prime Collateralised Securities (PCS) EU SAS (**PCS**) to assess compliance of the Notes with the criteria set forth in the CRR regarding STS-securitisations (the **CRR Assessment**). There can be no assurance that the Notes will receive the CRR Assessment (either before issuance or at any time thereafter) and that CRR is complied with.

In addition, an application has been made to PCS for the Securitisation to receive a report from PCS verifying compliance with the criteria stemming from Article 18, 19, 20, 21 and 22 of the EU Securitisation Regulation (the **STS Verification**). There can be no assurance that the Securitisation will receive the STS Verification

(either before issuance or at any time thereafter) and if the Securitisation does receive the STS Verification, this shall not, under any circumstances, affect the liability of the Originator and the Issuer in respect of their legal obligations under the EU Securitisation Regulation, nor shall it affect the obligations imposed on institutional investors as set out in article 5 (*Due-diligence requirements for institutional investors*) of the EU Securitisation Regulation.

The STS Verification and the CRR Assessments (the **PCS Services**) are provided by PCS. No PCS Service is a recommendation to buy, sell or hold securities. None are investment advice whether generally or as defined under the Markets in Financial Instruments Directive (2004/39/EC) and none are a credit rating whether generally or as defined under the Credit Rating Agency Regulation (1060/2009/EC) or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended). PCS is not an "*expert*" as defined in the Securities Act.

PCS is not a law firm and nothing in any PCS Service constitutes legal advice in any jurisdiction. PCS is authorised by the *Autorité des Marchés Financiers* as a third-party verification agent, pursuant to article 28 (*Third party verifying STS compliance*) of the EU Securitisation Regulation, to act as a third party verifying STS compliance. This authorisation covers STS Verifications in the European Union. Other than as specifically set out above, none of the activities involved in providing the PCS Services are endorsed or regulated by any regulatory and/or supervisory authority nor is PCS regulated by any other regulator.

By providing any PCS Service in respect of any securities PCS does not express any views about the creditworthiness of these securities or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for these securities or financings. Investors should conduct their own research regarding the nature of the CRR Assessment and the STS Verification. It is expected that the PCS Services prepared by PCS will be available on the PCS website (https://www.pcsmarket.org/sts-verification-transactions/) together with detailed explanations of its scope at https://pcsmarket.org/disclaimer/ on and from the Issue Date 2024. For the avoidance of doubt, this PCS websites and the contents thereof do not form part of this Prospectus and the Noteholders and any potential investor must read the information set out in http://pcsmarket.org. In the provision of any PCS Service, PCS has based its decision on information provided directly and indirectly by the Originator. PCS does not undertake its own direct verification of the underlying facts stated in the prospectus, deal sheet, documentation or certificates for the relevant instruments and the completion of any PCS Service is not a confirmation or implication that the information provided by or on behalf of the Originator as part of the relevant PCS Service is accurate or complete.

In completing an STS Verification, PCS bases its analysis on the STS criteria appearing in Articles 20 to 26 of the EU Securitisation Regulation together with, if relevant, the appropriate provisions of Article 43, (together, the **STS Criteria**). Unless specifically mentioned in the STS Verification, PCS relies on the English version of the EU Securitisation Regulation. In addition, Article 19(2) of the EU Securitisation Regulation requires the EBA, from time to time, to issue guidelines and recommendations interpreting the STS criteria.

The EBA has issued the EBA Guidelines on STS Criteria. The task of interpreting individual STS criteria rests with national competent authorities (**NCAs**). Any NCA may publish or otherwise publicly disseminate from time to time interpretations of specific criteria (**NCA Interpretations**). The STS criteria, as drafted in the EU Securitisation Regulation, are subject to a potentially wide variety of interpretations. In compiling an STS Verification, PCS uses its discretion to interpret the STS criteria based on:

(a) the text of the EU Securitisation Regulation;

(b) any relevant guidelines issued by EBA; and

(c) any relevant NCA Interpretation.

There can be no guarantees that any regulatory authority or any court of law interpreting the STS criteria will agree with the interpretation of PCS. There can be no guarantees that any future guidelines issued by the EBA or any NCA Interpretations may not differ in their approach from those used by PCS in interpreting any STS criterion prior to the issuance of such new guideline or interpretation. In particular, guidelines issued by EBA are not binding on any NCA. There can be no guarantees that any interpretation by any NCA will be the same as that set out in the EBA Guidelines and therefore used, prior to the publication of such NCA interpretation, by PCS in completing an STS Verification. Although PCS will use all reasonable endeavours to ascertain the

position of any relevant NCA as to STS criteria interpretation, PCS cannot guarantee that it will have been made aware of any NCA interpretation in cases where such interpretation has not been officially published by the relevant NCA.

Accordingly, the provision of an STS Verification is only an opinion by PCS and not a statement of fact. It is not a guarantee or warranty that any national competent authority, court, investor or any other person will accept the STS status of the relevant securitisation.

The task of interpreting individual CRR criteria as well as the final determination of the capital required by a bank to allocate for any investment rests with prudential authorities (PRAs) supervising any European bank. The CRR criteria, as drafted in the CRR, are subject to a potentially wide variety of interpretations. In compiling a CRR Assessment, PCS uses its discretion to interpret the CRR criteria based on the text of the CRR, and any relevant and public interpretation by the European Banking Authority. Although PCS believes its interpretations reflect a reasonable approach, there can be no guarantees that any prudential authority or any court of law interpreting the CRR criteria will agree with the PCS interpretation. PCS also draws attention to the fact that, in assessing capital requirements, prudential regulators possess wide discretions.

Accordingly, when performing a CRR Assessment, PCS is not confirming or indicating that the securitisation the subject of such assessment will be allowed to have lower capital allocated to it under the CRR Regulation. PCS is merely addressing the specific CRR criteria and determining whether, in PCS' opinion, these criteria have been met.

Therefore, no bank should rely on a CRR Assessment in determining the status of any securitisation in relation to capital requirements and must make its own determination. All PCS Services speak only as of the date on which they are issued. PCS has no obligation to monitor (nor any intention to monitor) any securitisation the subject of any PCS Service. PCS has no obligation and does not undertake to update any PCS Service to account for:

(a) any change of law or regulatory interpretation; or

(b) any act or failure to act by any person relating to those STS criteria that speak to actions taking place following the close of any transaction such as - without limitation - the obligation to continue to provide certain mandated information.

CREDIT STRUCTURE

Ratings of the Class A Notes

Starting from the Issue Date 2012, the Class A1 Notes have been rated A(sf) by DBRS Ratings GmbH, ("**DBRS**") and A1(sf) by Moody's Italia S.r.l. ("**Moody's**"). Starting from the Issue Date 2016, the Class A2 Notes have been rated A(sf) by DBRS and A1(sf) by Moody's. Starting from the Issue Date 2019, the Class A3 Notes have been rated A(sf) by DBRS and A1(sf) by Moody's.

It is a condition precedent to the issue of the Series 4 Notes that the Series A4 Notes will be rated AA(sf) by DBRS Ratings GmbH and Aa3(sf) by Moody's Italia S.r.l.. The Series A1 Notes, the Series A2 Notes, the Series A3 and the Series A4 Notes are expected to have the same rating on or about the Issue Date 2024.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by DBRS Ratings GmbH and Moody's Italia S.r.l..

Cash flow through the Accounts

Collections in respect of the Mortgage Loans will be paid by the Borrowers to the Servicer. Under the Servicing Agreement, the Servicer is required to transfer the Collections into the Interim Account by no later than the receipt date, for value as at the relevant receipt date, provided that, in the case of exceptional circumstances causing an operational delay in the transfer, the Collections are required to be transferred to the Interim Account by no later than the day on which the operational delay in the transfer has been resolved.

In particular, payments made:

(a) through the direct debit mechanism will automatically pass from the current account of the relevant Borrower to the Interim Account; and

(b) by, respectively, cash, inter-banking direct debit of the Borrowers' bank account opened with a bank other than the Originator (*R.I.D. - rimessa interbancaria diretta*) and SEPA direct debit (SDD) will be credited by the Servicer on the Interim Account through an automatic process.

The Interim Account Bank is then required to transfer by 1 p.m. (Milan time) on each Business Day, so long as Banco BPM acts as Interim Account Bank in accordance to the Agency and Accounts Agreement, all amounts standing to the credit of the Interim Account into the Collection Account which is held with the Additional Transaction Bank.

Under the Agency and Accounts Agreement, the Additional Transaction Bank has agreed to pay interest on funds on deposit from time to time in the Transaction Accounts at a rate agreed between the Issuer and the Additional Transaction Bank.

Monies standing to the credit of the Equity Capital Account, including interest accruing thereon from time to time, will not constitute Issuer Available Funds and will not be used to pay interest or repay principal on the Notes.

Cash Reserve

On the Initial Issue Date, the Issuer has established a reserve fund in the Cash Reserve Account.

Cash Reserve means the monies standing to the credit of the Cash Reserve Account at any given time.

The Cash Reserve Account has been funded on the Issue Date 2012 in an amount equal to €64,000,000:

(a) €60,000,000, being the amount drawdown under the Initial Subordinated Loan Agreement; and

(b) €4,000,000, being equal to a portion of the aggregate amounts collected under the Initial Mortgage Loans between the Initial Valuation Date (included) and the Initial Closing Date (but excluding those collections constituting repayment of principal and prepayments). On the Interest Payment Date falling

on 28 October 2016, the Cash Reserve Account has been credited of Euro 64,000,000 pursuant to item (*fifth*) of the Pre-Enforcement Priority of Payments.

On the Issue Date 2019, the Cash Reserve Account has been funded in an amount being equal to €24,600,000, being the amount to be drawn down by the Issuer under the Subsequent Subordinated Loan Agreement.

On the Issue Date 2024, the Cash Reserve Account will be funded in an amount equal to €25,450,000.00, being the amount to be drawn down by the Issuer under the Subordinated Loan Agreement 2024.

On each Interest Payment Date, the Cash Reserve will be credited with the Target Cash Reserve Amount out of the Issuer Available Funds and in accordance with the Pre-Enforcement Priority of Payments.

On each Calculation Date, the Cash Reserve (or part of it) will be used to augment the Issuer Available Funds.

Subordination

Payments of interest and repayment of principal under the Notes are subject to certain subordination and ranking provisions. For a more detailed description of the ranking among the various Classes of Notes and the relative subordination provisions see "*Key features - Summary of the Notes - Ranking*" and Condition 3(b) (*Ranking*).

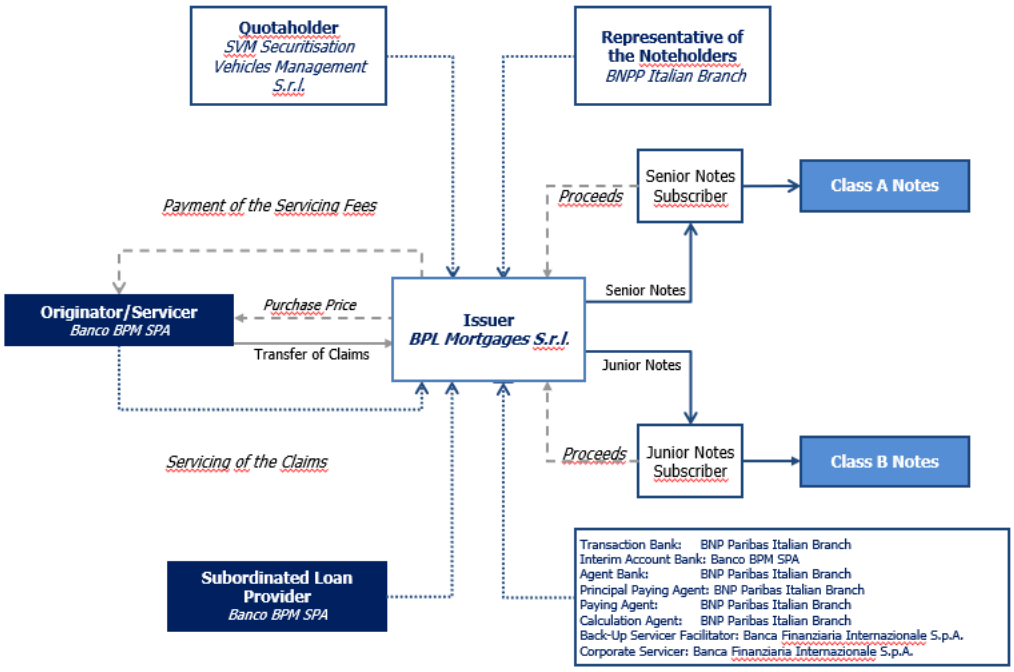
See "*Key features - Priority of Payments*", "*Risk factors - Subordination*" and "*Terms and Conditions of the Series 4 Notes*".

Note Security

The Notes will be secured by the Note Security, being the Italian Deed of Pledge. In light of the opening of the replacement Collection Account with BNP Paribas, Italian Branch (being an Eligible Institution), and the closing of the previous Collection Account, the Issuer and the Representative of the Noteholders have entered into a deed of termination of the English Deed of Charge and Assignment.

STRUCTURE DIAGRAM

The following is a diagram showing the structure of the Securitisation as at the Issue Date. It is intended to illustrate to prospective noteholders a scheme of the principal transactions contemplated in the context of the Securitisation on the New Issue Date.



DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated by reference in, and form part of, this Prospectus:

(a) the audited financial statements of the Issuer as at 31 December 2023;

(b) the audited financial statements of the Issuer as at 31 December 2022,

and shall be made available by the Issuer as further set out in section "General *Information - Documents*" below.

The audited financial statements of the Issuer as at 31 December 2023 incorporated by reference listed above can be viewed on Banco BPM's web-site at the following link: https://gruppo.bancobpm.it/media/dlm_uploads/BPL-Mortgages_Financial-Statements-as-at-31-December-2023-complete.pdf.

The audited financial statements of the Issuer as at 31 December 2022 incorporated by reference listed above can be viewed on the Banco BPM's web-site at the following link: https://gruppo.bancobpm.it/media/dlm_uploads/BPL-Mortgages_Financial-Statements-as-at-31-December-2022-complete.pdf.

The following documents which have previously been published or are published simultaneously with this Prospectus shall be deemed to be incorporated in, and to form part of, this Prospectus. Any information not listed in the cross reference lists below but included in the document incorporated by reference is given for information purposes only.

This Prospectus will be available on the Banco BPM's web site.

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THE PORTFOLIO

The Claims

The Claims comprised in the Portfolio arise out of residential mortgage loans which qualify either as *mutui fondiari* or as *mutui ipotecari* as detailed below.

All the Claims from time to time comprised in the Portfolio and all amounts derived therefrom will be available to satisfy the obligations of the Issuer under the Notes outstanding under the Securitisation pursuant to the Conditions.

Initial Transfer Agreements

Pursuant to the terms of two transfer agreements dated the Initial Signing Date and 14 March 2013 and two transfer agreements dated the Initial Signing Date and 14 March 2013 between, respectively, the Issuer and Banco Popolare (before the merger into Banco BPM) (the **Banco Popolare Initial Transfer Agreements**) and between the Issuer and Creberg (before the merger into Banco Popolare, which - in turn - later merged into Banco BPM) (the **Creberg Transfer Agreements** and, together with the Banco Popolare Initial Transfer Agreements, the **Initial Transfer Agreements**), the Issuer acquired from Banco Popolare (before the merger into Banco BPM, which - in turn - later merged into Banco BPM) and Creberg (before the merger into Banco Popolare), respectively, without recourse (*pro soluto*):

(a) the monetary claims (the **Banco Popolare Initial Claims**) and other connected rights arising out of two portfolios consisting of residential mortgage loans which qualify either as *mutui fondiari* or as *mutui ipotecari* (the **Banco Popolare Initial Mortgage Loans**) owed to Banco Popolare (before the merger into Banco BPM) (the **Banco Popolare Initial Portfolio**); and

(b) the monetary claims (the **Creberg Claims**) and other connected rights arising out of two portfolios consisting of residential mortgage loans which qualify either as *mutui fondiari* or as *mutui ipotecari* (the **Creberg Mortgage Loans**) owed to Creberg (before the merger into Banco Popolare, which - in turn - later merged into Banco BPM) (the **Creberg Portfolio** and, together with the Banco Popolare Initial Mortgage Loans, the **Initial Mortgage Loans**).

The Banco Popolare Initial Claims and the Creberg Claims are, collectively, referred to as the **Initial Claims** and the Banco Popolare Initial Portfolio and the Creberg Portfolio are, collectively, referred to as the **Initial Portfolios**.

The payment of the purchase price of the Initial Claims has been paid by the Issuer through the proceeds coming from the issuance of the Series 1 Notes.

First Subsequent Portfolio

On 13 October 2016, the Issuer acquired from the Originator, without recourse (*pro soluto*), in accordance with the Securitisation Law, an additional pool of monetary claims and other connected rights (the **Subsequent Claims**) arising out of a portfolio (the **First Subsequent Portfolio**) consisting of residential mortgage loans which qualify either as *mutui fondiari* or as *mutui ipotecari* the **Subsequent Loans**) owed to Banco Popolare (before the merger into Banco BPM). The Subsequent Claims have been transferred to the Issuer pursuant to the terms of a transfer agreement dated 13 October 2016, executed by and between the Issuer and Banco Popolare (before the merger into Banco BPM).

Second Subsequent Portfolio

On 8 February 2019, the Issuer acquired from the Originator, without recourse (*pro soluto*), in accordance with the Securitisation Law, an additional pool of monetary claims and other connected rights (the **Further Subsequent Claims**) arising out of a portfolio (the **Second Subsequent Portfolio**) consisting of residential mortgage loans which qualify either as *mutui fondiari* or as *mutui ipotecari* the **Further Subsequent Loans**) owed to Banco BPM. The Further Subsequent Claims have been transferred to the Issuer pursuant to the terms of a transfer agreement dated 8 February 2019, executed by and between the Issuer and Banco BPM.

Third Subsequent Portfolio

On 20 June 2024, the Issuer acquired from the Originator, without recourse (*pro soluto*), in accordance with the Securitisation Law, an additional pool of monetary claims and other connected rights (the **Claims 2024**) arising out of a portfolio (the **Third Subsequent Portfolio**) consisting of residential mortgage loans which qualify either as *mutui fondiari* or as *mutui ipotecari* (the **Loans 2024**) owed to Banco BPM. The Claims 2024 have been transferred to the Issuer pursuant to the terms of a transfer agreement dated 20 June 2024, executed by and between the Issuer and Banco BPM.

The Initial Claims, the Subsequent Claims, the Further Subsequent Claims and the Claims 2024 are collectively referred to as the **Claims** and the Initial Portfolios, the First Subsequent Portfolio, the Second Subsequent Portfolio and the Third Subsequent Portfolio are collectively referred to as the **Portfolio**. The Initial Loans, the Subsequent Loans, the Further Subsequent Loans and the Loans 2024 are collectively referred to as the **Loans**.

In the context of the Third Restructuring of the Transaction the Originator, pursuant to a repurchase agreement entered into on 20 June 2024 with the Issuer, has repurchased the Initial Claims, the Subsequent Claims and the Further Subsequent Claims (the **Repurchase Agreement**):

(a) which, as at the date of issuance of the New Notes, will be classified as *non performing loans*; and/or

(b) not having the characteristics required by the ECB regulations on Eurosystem refinancing operations in order for the New Notes to be eligible collateral for ECB liquidity and/or open market transactions; and/or

(c) not having the characteristics required by the EU Securitisation Regulation in order for the Transaction to be labelled as "*STS compliant*"; and/or

(d) not having the characteristics required by article 243 of the CRR in order for the Transaction to be qualified as eligible for the treatment set out in articles 260, 262 and 264 of the CRR.

In particular, with reference to criterion above, all Claims secured by a mortgage having a priority ranking lower than the first legal priority or by a formal and substantial second ranking mortgage (ie, economic) have been repurchased before the Issue Date 2024, pursuant to the Repurchase Agreement.

Pursuant to the Master Amendment Agreement, the Originator has represented and warranted to the Issuer that, for the purposes of article 243 of CRR,:

(a) at the New Issue Date, the aggregate value of all exposures to a single obligor in the Portfolio does not exceed 2% of the exposure values of the aggregate outstanding exposure values of the Portfolio;

(b) at the New Issue Date, the Claims included in the Portfolio meet the conditions for being assigned, under the Standardised Approach (as defined in the CRR) and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than: 40% on an exposure value-weighted average basis for the Portfolio, such Claims arising only from loans secured by residential mortgages, for the purposes of Article 243(2)(b)(i) of the CRR; and

(c) no Mortgage Loan in the Portfolio shall have a loan-to-value ratio higher than 100%, at the New Issue Date (also in light of the repurchase by the Originator of the Re-Transferred Claims), measured in accordance with point (d)(i) of article 129(1) and article 229(1) of the CRR, it being understood that the calculation of the value of the relevant mortgaged real estate asset is made taking account indexed values.

In addition, pursuant to the Master Amendment Agreement, the Originator confirmed that a portion of Mortgages Loans, when originally included in the Portfolio had a loan-to-value ratio that was in excess of the required threshold pursuant to article 243 of CRR. However, as at the date hereof and on the New Issue Date, each single Mortgages Loans contained in the Portfolio that had a loan-to-value ratio in excess of 100% was repurchased by the Originator (such loan to value ration having being calculated in accordance with the principles set out in Article 229 of the CRR and based on indexation) pursuant to the Repurchase Agreement.

The payment of part of the purchase price of the Claims 2024 to Banco BPM will be financed by, and will be limited recourse to, the proceeds of the issue of the Series 4 Notes on the Issue Date 2024. The remaining

part of the purchase price of the Claims 2024 will be paid by way of set off against the corresponding amount of the purchase price to be paid by Banco BPM for certain Initial Claims, Subsequent Claims and Further Subsequent Claims repurchased from the Issuer on 20 June 2024.

The Initial Portfolios, the First Subsequent Portfolio, the Second Subsequent Portfolio and the Third Subsequent Portfolio have been selected on the basis of the criteria set out below.

An amount equal to 39.56% of the aggregate Principal Amount Outstanding of the Claims included in the Portfolio as at the Valuation Date derives from Loans with a floating interest rate indexed to one month EURIBOR, three month EURIBOR, six month EURIBOR or ECB rate, whilst the 60.44% of the aggregate outstanding principal of the Claims as at the Valuation Date derives from Loans with a fixed interest rate.

Selection Criteria of the Initial Portfolios

The Initial Claims included in the Banco Popolare Initial Portfolio and in the Creberg Portfolio as at the relevant Valuation Date (or the different date specified in the relevant criteria) meet the following criteria as set out in each relevant Transfer Agreement, in order to ensure that the Claims have the same legal and financial characteristics:

(a) Mortgage Loans disbursed by each of the Originator and Creberg, as applicable, or by other banks which were subsequently transferred to the Originator or Creberg, as applicable, either by way of merger (*fusione*), de-merger (*scissione*), contribution of going concern (*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*);

(b) Mortgage Loans whose relevant Borrower (also following split-up (*frazionamento*) or take-over (*accollo*)):

  (i) in compliance with the selection criteria set forth by the circular letter of the Bank of Italy No. 140 of 11 February 1991 (as subsequently amended), falls within the SAE activity sectors ("*settore di attività economica*") No. 600 ("*famiglie consumatrici*"), No. 614 ("*artigiani*") or No. 615 ("*famiglie produttrici*"); and

  (ii) are resident in Italy (if they are a natural person) or whose registered office is in Italy (if they are incorporated as *società semplici*);

(c) Mortgage Loans which have been fully disbursed and for which there is no obligation to, neither is possible to, disburse any further amount;

(d) Mortgage Loans denominated in Euro;

(e) Mortgage Loans in relation to which the ratio between:

  (i) the residual principal amount outstanding of the Loan as at relevant the Valuation Date; and

  (ii) the value of the reassessed real estate asset as assessed before the Initial Signing Date is lower than or equal to 130%. For the purposes of this Criterion, "*value of the reassessed real estate asset*" means the estimated value of the real estate asset, determined on the basis of technical and economical parameters applied by the Originator and Creberg, as applicable, in the monitoring process of the value of the real estate assets. In order to determine whether his Loan falls within this Criterion, each Borrower may, if he hasn't been provided yet with such information, ask for the value of the relevant real estate asset at the branch (*filiale*) of the Originator or Creberg, as applicable, where his payments of the Instalments of the Loans are domiciled;

(f) Mortgage Loans deriving from Mortgage Loan Agreements governed by Italian law;

(g) with reference to Mortgage Loans whose relevant Borrower, in compliance with the selection criteria set forth by the circular letter of the Bank of Italy No. 140 of 11 February 1991 (as subsequently amended), falls within the SAE activity sectors ("*settore di attività economica*") No. 600 ("*famiglie consumatrici*"), No. 614 ("*artigiani*") or No. 615 ("*famiglie produttrici*"): Mortgage Loans secured by a

Mortgage on one or more real estate assets located in Italy, in respect of which the mortgaged real estate asset is a residential real estate asset (meaning that its cadastral category (*categoria catastale*), as at the date on which the Mortgage Loan has been granted, falls within at least of one the following cadastral categories: A-1, A.2, A-3, A-4, A-5, A-6, A-7, A-8, A-9, A11);

(h) Mortgage Loans which fall in one of the following categories:

(i) fixed rate Mortgage Loans, being those Mortgage Loans whose interest rate is not subject to any variation throughout the remaining duration of the loan;

(ii) floating rate Mortgage Loans (including Mortgage Loans which provide for a cap on the applicable interest rate), being those Mortgage Loans whose applicable interest rate is linked to an index provided by the Mortgage Loan Agreement with reference to all the remaining duration of the loan;

(iii) "*mixed*" rate Mortgage Loans, being Mortgage Loans in respect of which interest accrues at a fixed rate for a specified period of time determined by the Mortgage Loan Agreement and at a floating rate thereafter, or *vice versa*; or

(iv) "*modular*" rate Mortgage Loans, being those Mortgage Loans which provide for the right, that can be exercised one or more times during the life of the Mortgage Loan, of the relevant Borrower to switch from:

(A) a floating rate; to

(B) a fixed rate equal to the sum of:

(1) the swap interest rate for the relevant period (IRS), determined as at the date on which the right to switch has been exercised by the relevant Borrower, up to the expiry of the period during which the fixed rate chosen by the relevant Borrower is applicable; and

(2) the spread, provided by the Mortgage Loan Agreement, over the index determined pursuant to point (i) above;

(i) Mortgage Loans:

(i) different from Mortgage Loans which qualify as *mutui fondiari* disbursed pursuant to Mortgage Loan Agreements entered into between 28 June 1996 (included) and 18 May 2012 (included);

(ii) disbursed pursuant to Mortgage Loan Agreements entered into pursuant to art. 38 *et seq.* of the Banking Act between 1 August 1998 (included) and 25 October 2012 (included);

(j) Mortgage Loans which do not hold due and unpaid Instalments as at 19 October 2012;

(k) Mortgage Loans with reference to which at least an Instalment is due and has been paid, except for Mortgage Loans identified by the following category number, which are expressly included:

(i) 542943;

(ii) 570309;

(l) Mortgage Loans which provide for monthly, bi-monthly, quarterly, semi-annually or annually Instalments;

(m) Mortgage Loans whose residual principal amount outstanding is higher than, or equal to, Euro 10,000;

(n) Mortgage Loans whose residual principal amount outstanding is lower than, or equal to, Euro 10,000,000;

(o) Mortgage Loans whose relevant Borrower, also in its capacity as co-holder (*cointestatario*) of the relevant Mortgage Loan, as at the Valuation Date, were not employees of the Originator or Creberg, as applicable, or of another entity of the Banco Popolare Banking Group;

(p) Mortgage Loans deriving from Mortgage Loan Agreements which have not been entered into pursuant to any law, rule or regulation providing for interest or principal quota financial facilitations of any kind, granted by a third party in favour of the relevant Borrower (so-called "*mutui agevolati*" or "*mutui convenzionati*");

(q) Mortgages Loans which have not been granted to ecclesiastic entities;

(r) Mortgage Loans deriving from Mortgage Loan Agreements which do not qualify as "*agricultural credit*" (*credito agrario*) pursuant to article 43, 44 and 45 of the Banking Act, except for Mortgage Loans identified by the following category number, which are expressly included:

(i) 67911;

(ii) 73840;

(iii) 117726;

(iv) 117747;

(v) 2042111;

(vi) 2042115;

(vii) 2046938;

(viii) 2049986;

(ix) 3022181;

(x) 3029781;

(xi) 5020257;

(xii) 5021343;

(xiii) 7044025;

(xiv) 7048293;

(xv) 7049302;

(xvi) 7051037;

(xvii) 7051665;

(xviii) 7054199;

(xix) 7058054;

(xx) 7058612;

(xxi) 7058613;

(s) Mortgages Loans which have not been granted to public entities;

(t) Mortgage Loans which do not hold any Instalment not yet due but paid, fully or partially, as at the Valuation Date;

(u) Mortgage Loans in relation to which, as at 19 November 2012, the Originator or Creberg, as applicable, and the relevant Borrower do not have in force a moratorium agreement which provide for the suspension of payment of the Instalments (either entirely or only for its principal quota);

(v) Mortgage Loans secured by a Mortgage on real estate assets located in Italy;

(w) Mortgage Loans in relation to which the period during which the relevant Mortgage is subject to claw-back pursuant to article 67 of the Bankruptcy Law has elapsed.

The claims which, as at 19 November 2012, fall within the scope of the abovementioned Criteria, but fall also within the scope of the criteria listed in paragraphs from (a) to (o) below and do not have any of the characteristics listed in paragraphs from (a) to (g) below, are excluded:

(a) mortgage loans disbursed by the Originator or Creberg, as applicable, or by other banks which were subsequently transferred to the Originator or Creberg either by way of merger (*fusione*), de-merger (*scissione*), contribution of going concern (*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*);

(b) mortgage loans whose relevant borrowers (also following split-up (*frazionamento*) or take-over (*accollo*)) are one or more natural person and are all resident in Italy;

(c) mortgage loans which have been fully disbursed and for which there is no obligation to, neither is possible to, disburse any further amount;

(d) mortgage loans denominated in Euro;

(e) mortgage loans with reference to which at least one instalment (including a principal component) is due and has been paid;

(f) mortgage loans in relation to which the ratio between:

(i) the residual principal amount outstanding as at 19 November 2012; and

(ii) the value of the reassessed real estate asset, referred to in the following criterion number (vii), as assessed before the date on which the mortgage loan has been granted, is lower than or equal to 80%;

(g) mortgage loans in relation to which the ratio between:

(i) the residual principal amount outstanding as at 19 November 2012; and

(ii) the value of the reassessed real estate asset as assessed before 19 November 2012 is lower than or equal to 80%. For the purposes of Criterion (vi) before, "*value of the reassessed real estate asset*" means the estimated value of the real estate asset, determined on the basis of technical and economical parameters applied by the Originator and Creberg, as applicable, in the monitoring process of the value of the real estate assets. In order to determine whether his Loan falls within this Criteria, each Borrower may, if he hasn't been provided yet with such information, ask for the value of the relevant real estate asset at the branch (*filiale*) of the Originator or Creberg, as applicable, where his payments of the Instalments of the Loans are domiciled;

(h) mortgage loans deriving from mortgage loan agreements governed by Italian law;

(i) mortgage loans secured by a mortgage on one or more real estate assets located in Italy, in respect of which the mortgaged real estate asset is a residential real estate asset (meaning that its cadastral category (*categoria catastale*), as at the date on which the mortgage loan has been granted, falls within the cadastral categories A-1, A.2, A-3, A-4, A-5, A-6, A-7, A-8, A-9, A-11);

(j) mortgage loans which fall in one of the following categories:

(i) fixed rate mortgage loans whose interest rate is not lower than 1% on an annual basis and not higher than 8.5% on an annual basis. "*Fixed rate mortgage loans*" means mortgage loans whose applicable interest rate is not subject to any variation throughout the remaining duration of the loan;

(ii) floating rate mortgage loans:

(A) whose spread over the relevant index is higher than 0% on an annual basis and lower than or equal to 4% on an annual basis; or

(B) which provide for a cap to the applicable interest rate.

"*Floating rate mortgage loans*" means mortgage loans whose applicable interest rate is indexed to euribor;

(C) so-called mixed rate mortgage loans. "*Mixed rate mortgage loans*" means mortgage loans in respect of which interest accrues at a fixed rate for a specified period of time determined by the mortgage loan agreement and at a floating rate indexed to euribor thereafter;

(D) so-called modular rate mortgage loans. "*Modular rate mortgage loans*" means mortgage loans which provide for the right, that can be exercised one or more times during the life of the mortgage loan, of the relevant borrower to switch from:

(i) a floating rate indexed to euribor; to

(ii) a fixed rate equal to the sum of (i) the swap interest rate for the relevant period (IRS), determined as at the date on which the right to switch has been exercised by the relevant borrower, up to the expiry of the period during which the fixed rate chosen by the relevant borrower is applicable; and (ii) the spread, provided by the mortgage loan agreement, over the index determined pursuant to point (i) above;

(k) mortgage loans with reference to which any instalment due as at 19 November 2012 has been paid;

(l) mortgage loans which provide for monthly, quarterly or semi-annually instalments;

(m) mortgage loans whose residual principal amount outstanding is higher than, or equal to, Euro 40,000;

(n) mortgage loans whose residual principal amount outstanding is lower than, or equal to, Euro 1,500,000;

(o) mortgage loans secured by a first economic priority mortgage, meaning:

(i) a first legal priority mortgage; or

(ii) a mortgage having a priority ranking lower than first legal priority provided that all obligations secured by mortgage/mortgages with prevailing priority, have been fully satisfied.

* *

(a) mortgage loans which hold one or more due and not fully paid instalments as at 19 November 2012;

(b) mortgage loans deriving from mortgage loan agreements which qualify, as at the date on which the mortgage loan has been granted, as "*agricultural credit*" (*credito agrario*) pursuant to article 43, 44 and 45 of the Banking Act;

(c) mortgage loans granted to one or more companies incorporated as società semplici;

(d) mortgage loans secured by a mortgage on real estate assets located in Abruzzo Region;

(e) mortgage loans in relation to which the period during which the relevant mortgage is subject to claw-back pursuant to article 67 of the Bankruptcy Law has not elapsed yet;

(f) mortgage loans which do not comply with the requirements of the circular letter of the Bank of Italy of 27 December 2006 (Title II, Chapter 1, Part I, Section IV). In order to determine whether his mortgage loan falls within this Criterion, each borrower may, if he hasn't been provided yet with such information, ask for such information at the branch (filiale) of the Originator or Creberg, as applicable, where his payments of the instalments of the loans are domiciled;

(g) mortgage loans in relation to which:

(i) the relevant borrower has sent to the Originator or Creberg, as applicable, the notice of acceptance of the renegotiation offer, by mail or delivering such offer at a branch (filiale) of the Originator or Creberg, as applicable, accepting the renegotiation offer, made pursuant to law decree No. 93 of 27 May 2008, as amended by law No. 126 of 24 July 2008, and the agreement entered into between ABI and Ministero dell'Economia e delle Finanze; and

(ii) such renegotiation is effective as at 19 November 2012.

Selection Criteria of the First Subsequent Portfolio

The Claims included in the First Subsequent Portfolio as at 10 October 2016 (the **First Subsequent Valuation Date**) (or the different date specified in the relevant criteria) meet the following criteria:

(a) Mortgage Loans disbursed by the Originator or by other banks which were subsequently transferred to the Originator, either by way of merger (*fusione*), de-merger (*scissione*), contribution of going concern (*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*);

(b) Mortgage Loans whose relevant Borrower (also following split-up (*frazionamento*) or take-over (*accollo*)):

(i) in compliance with the selection criteria set forth by the circular letter of the Bank of Italy No. 140 of 11 February 1991 (as subsequently amended), falls within the SAE activity sectors ("*settore di attività economica*") No. 600 ("*famiglie consumatrici*"), No. 614 ("*artigiani*") or No. 615 ("*famiglie produttrici*"); and

(ii) are resident in Italy (if they are a natural person) or whose registered office is in Italy (if they are incorporated as *società semplici*);

(c) Mortgage Loans which have been fully disbursed and for which there is no obligation to, neither is possible to, disburse any further amount;

(d) Mortgage Loans denominated in Euro;

(e) Mortgage Loans in relation to which the ratio between:

(i) the residual principal amount outstanding of the Loan as at relevant the Valuation Date; and

(ii) the value of the reassessed real estate asset as assessed before the Initial Signing Date is lower than or equal to 130%. For the purposes of this Criterion, "*value of the reassessed real estate asset*" means the estimated value of the real estate asset, determined on the basis of technical and economical parameters applied by the Originator in the monitoring process of the value of the real estate assets. In order to determine whether his Loan falls within this Criterion, each Borrower may, if he hasn't been provided yet with such information, ask for the value of the relevant real estate asset at the branch (*filiale*) of the Originator, where his payments of the Instalments of the Loans are domiciled;

(f) Mortgage Loans deriving from Mortgage Loan Agreements governed by Italian law;

(g) with reference to Mortgage Loans whose relevant Borrower, in compliance with the selection criteria set forth by the circular letter of the Bank of Italy No. 140 of 11 February 1991 (as subsequently amended), falls within the SAE activity sectors ("*settore di attività economica*") No. 600 ("*famiglie consumatrici*"), No. 614 ("*artigiani*") or No. 615 ("*famiglie produttrici*"): Mortgage Loans secured by a Mortgage on one or more real estate assets located in Italy, in respect of which the mortgaged real estate asset is a residential real estate asset (meaning that its cadastral category (*categoria catastale*), as at the date on which the Mortgage Loan has been granted, falls within at least of one the following cadastral categories: A-1, A.2, A-3, A-4, A-5, A-6, A-7, A-8, A-9, A11);

(h) Mortgage Loans which fall in one of the following categories:

(i) fixed rate Mortgage Loans, being those Mortgage Loans whose interest rate is not subject to any variation throughout the remaining duration of the loan;

(ii) floating rate Mortgage Loans (including Mortgage Loans which provide for a cap on the applicable interest rate), being those Mortgage Loans whose applicable interest rate is linked to an index provided by the Mortgage Loan Agreement with reference to all the remaining duration of the loan;

(iii) "*mixed*" rate Mortgage Loans, being Mortgage Loans in respect of which interest accrues at a fixed rate for a specified period of time determined by the Mortgage Loan Agreement and at a floating rate thereafter, or *vice versa*; or

(iv) "*modular*" rate Mortgage Loans, being those Mortgage Loans which provide for the right, that can be exercised one or more times during the life of the Mortgage Loan, of the relevant Borrower to switch from (A) a floating rate, to (B) a fixed rate equal to the sum of (i) the swap interest rate for the relevant period (IRS), determined as at the date on which the right to switch has been exercised by the relevant Borrower, up to the expiry of the period during which the fixed rate chosen by the relevant Borrower is applicable, and (ii) the spread, provided by the Mortgage Loan Agreement, over the index determined pursuant to point (i) above;

(i) Mortgage Loans:

(i) different from Mortgage Loans which qualify as *mutui fondiari* disbursed pursuant to Mortgage Loan Agreements entered into between 24 July 1998 (included) and 8 April 2016 (included);

(ii) disbursed pursuant to Mortgage Loan Agreements entered into pursuant to art. 38 *et seq.* of the Banking Act between 14 August 1998 (included) and 30 June 2016 (included);

(j) Mortgage Loans which do not hold due and unpaid Instalments as at 9 September 2016;

(k) Mortgage Loans with reference to which at least an Instalment is due and has been paid;

(l) Mortgage Loans which provide for monthly, bi-monthly, quarterly, semi-annually or annually Instalments;

(m) Mortgage Loans whose residual principal amount outstanding is higher than, or equal to, Euro 10,000;

(n) Mortgage Loans whose residual principal amount outstanding is lower than, or equal to, Euro 10,000,000;

(o) Mortgage Loans whose relevant Borrower, also in its capacity as co-holder (*cointestatario*) of the relevant Mortgage Loan, as at the Valuation Date, were not employees of the Originator or of another entity of the Banco Popolare Banking Group;

(p) Mortgage Loans deriving from Mortgage Loan Agreements which have not been entered into pursuant to any law, rule or regulation providing for interest or principal quota financial facilitations of any kind,

granted by a third party in favour of the relevant Borrower (so-called "*mutui agevolati*" or "*mutui convenzionati*");

(q) Mortgages Loans which have not been granted to ecclesiastic entities;

(r) Mortgages Loans which have not been granted to public entities;

(s) Mortgage Loans which do not hold any Instalment not yet due but paid, fully or partially, as at the Valuation Date;

(t) Mortgage Loans in relation to which, as at 10 October 2016, the Originator or Creberg, as applicable, and the relevant Borrower do not have in force a moratorium agreement which provide for the suspension of payment of the Instalments (either entirely or only for its principal quota);

(u) Mortgage Loans secured by a Mortgage on real estate assets located in Italy;

(v) Mortgage Loans in relation to which the period during which the relevant Mortgage is subject to claw-back pursuant to article 67 of the Bankruptcy Law has elapsed.

The claims which, as at 10 October 2016, fall within the scope of the abovementioned Criteria, but fall also within the scope of the criteria listed in paragraphs from (a) to (o) below and do not have any of the characteristics listed in paragraphs from (a) to (g) below, are excluded:

(a) mortgage loans disbursed by the Originator or by other banks which were subsequently transferred to the Originator or Creberg either by way of merger (*fusione*), de-merger (*scissione*), contribution of going concern (*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*);

(b) mortgage loans whose relevant borrowers (also following split-up (*frazionamento*) or take-over (*accollo*)) are one or more natural person and are all resident in Italy;

(c) mortgage loans which have been fully disbursed and for which there is no obligation to, neither is possible to, disburse any further amount;

(d) mortgage loans denominated in Euro;

(e) mortgage loans with reference to which at least one instalment (including a principal component) is due and has been paid;

(f) mortgage loans in relation to which the ratio between:

  (i) the residual principal amount outstanding as at 10 October 2016; and

  (ii) the value of the reassessed real estate asset, referred to in the following criterion number (vii), as assessed before the date on which the mortgage loan has been granted, is lower than or equal to 80%;

(g) mortgage loans in relation to which the ratio between:

  (i) the residual principal amount outstanding as at 10 October 2016; and

  (ii) the value of the reassessed real estate asset as assessed before 10 October 2016 is lower than or equal to 80%.

For the purposes of Criterion (f) before, "*value of the reassessed real estate asset*" means the estimated value of the real estate asset, determined on the basis of technical and economical parameters applied by the Originator in the monitoring process of the value of the real estate assets. In order to determine whether his Loan falls within this Criteria, each Borrower may, if he hasn't been provided yet with such information, ask for the value of the relevant real estate asset at the branch (*filiale*) of the Originator where his payments of the Instalments of the Loans are domiciled;

(h) mortgage loans deriving from mortgage loan agreements governed by Italian law;

(i) mortgage loans secured by a mortgage on one or more real estate assets located in Italy, in respect of which the mortgaged real estate asset is a residential real estate asset (meaning that its cadastral category (*categoria catastale*), as at the date on which the mortgage loan has been granted, falls within the cadastral categories A-1, A.2, A-3, A-4, A-5, A-6, A-7, A-8, A-9, A-11), including mortgage loans whose mortgage is on real estate assets falling in the preceding categories with regard to the so-called appliances (*pertinenze*) which fall into the following cadastral categories: C2, C6 and C7;

(j) mortgage loans which fall in one of the following categories:

(i) fixed rate mortgage loans whose interest rate is not lower than 1% on an annual basis and not higher than 8.5% on an annual basis. "*Fixed rate mortgage loans*" means mortgage loans whose applicable interest rate is not subject to any variation throughout the remaining duration of the loan;

(ii) floating rate mortgage loans:

(A) whose spread over the relevant index is higher than 0% on an annual basis and lower than or equal to 4% on an annual basis; or

(B) which provide for a cap to the applicable interest rate.

"*Floating rate mortgage loans*" means mortgage loans whose applicable interest rate is indexed to euribor;

(iii) so-called mixed rate mortgage loans. "*Mixed rate mortgage loans*" means mortgage loans in respect of which interest accrues at a fixed rate for a specified period of time determined by the mortgage loan agreement and at a floating rate indexed to euribor thereafter;

(iv) so-called modular rate mortgage loans. "*Modular rate mortgage loans*" means mortgage loans which provide for the right, that can be exercised one or more times during the life of the mortgage loan, of the relevant borrower to switch from:

(A) a floating rate indexed to euribor; to

(B) a fixed rate equal to the sum of:

1. the swap interest rate for the relevant period (IRS), determined as at the date on which the right to switch has been exercised by the relevant borrower, up to the expiry of the period during which the fixed rate chosen by the relevant borrower is applicable; and

2. the spread, provided by the mortgage loan agreement, over the index determined pursuant to point (i) above;

(k) mortgage loans with reference to which any instalment due as at 10 October 2016 has been paid;

(l) mortgage loans which provide for monthly, quarterly or semi-annually instalments;

(m) mortgage loans whose residual principal amount outstanding is higher than, or equal to, Euro 10,000;

(n) mortgage loans whose residual principal amount outstanding is lower than, or equal to, Euro 1,500,000;

(o) mortgage loans secured by a first economic priority mortgage, meaning:

(i) a first legal priority mortgage; or

(ii) a mortgage having a priority ranking lower than first legal priority provided that all obligations secured by mortgage/mortgages with prevailing priority, have been fully satisfied.

* *

(a) mortgage loans which hold one or more due and not fully paid instalments as at 10 October 2016;

(b) mortgage loans deriving from mortgage loan agreements which qualify, as at the date on which the mortgage loan has been granted, as "*agricultural credit*" (*credito agrario*) pursuant to article 43, 44 and 45 of the Banking Act;

(c) mortgage loans granted to one or more companies incorporated as *società semplici*;

(d) mortgage loans secured by a mortgage on real estate assets located in Abruzzo Region;

(e) mortgage loans in relation to which the period during which the relevant mortgage is subject to claw-back pursuant to article 67 of the Bankruptcy Law has not elapsed yet;

(f) mortgage loans which do not comply with the requirements of the EU Regulation No. 575/2013 of the European Parliament and the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms: Part Three, Title II, Chapter 2, Section 2, Articles 124, 125, 126 and Part Three, Title II, Chapter 4, Section 3, Sub-Section 1, Article 208. In order to determine whether his mortgage loan falls within this Criterion, each borrower may, if he hasn't been provided yet with such information, ask for such information at the branch (*filiale*) of the Originator or Creberg, as applicable, where his payments of the instalments of the loans are domiciled;

(g) mortgage loans in relation to which:

(i) the relevant borrower has sent to the Originator the notice of acceptance of the renegotiation offer, by mail or delivering such offer at a branch (*filiale*) of the Originator, accepting the renegotiation offer, made pursuant to law decree No. 93 of 27 May 2008, as amended by law No. 126 of 24 July 2008, and the agreement entered into between ABI and *Ministero dell'Economia e delle Finanze*; and

(ii) such renegotiation is effective as at 10 October 2016.

Selection Criteria of the Second Subsequent Portfolio

The Claims included in the Second Subsequent Portfolio as at 28 January 2019 (the **Second Subsequent Valuation Date**) (or the different date specified in the relevant criteria) meet the following criteria:

(a) Mortgage Loans disbursed by the Originator or by other banks which were subsequently transferred to the Originator, either by way of merger (*fusione*), de-merger (*scissione*), contribution of going concern (*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*);

(b) Mortgage Loans whose relevant Borrower (also following split-up (*frazionamento*) or take-over (*accollo*)):

(i) in compliance with the selection criteria set forth by the circular letter of the Bank of Italy No. 140 of 11 February 1991 (as subsequently amended), falls within the SAE activity sectors ("*settore di attività economica*") No. 600 ("*famiglie consumatrici*"), No. 614 ("*artigiani*") or No. 615 ("*famiglie produttrici*"); and

(ii) are resident in Italy (if they are a natural person) or whose registered office is in Italy (if they are incorporated as *società semplici*);

(c) Mortgage Loans which have been fully disbursed and for which there is no obligation to, neither is possible to, disburse any further amount;

(d) Mortgage Loans denominated in Euro;

(e) Mortgage Loans in relation to which the ratio between:

(i) the residual principal amount outstanding of the Loan as at the Second Subsequent Valuation Date; and

(ii) the value of the reassessed real estate asset as assessed before the Second Subsequent Signing Date is lower than or equal to 130%. For the purposes of this Criterion, "*value of the reassessed real estate asset*" means the estimated value of the real estate asset, determined on the basis of technical and economical parameters applied by the Originator in the monitoring process of the value of the real estate assets. In order to determine whether his Loan falls within this Criterion, each Borrower may, if he hasn't been provided yet with such information, ask for the value of the relevant real estate asset at the branch (*filiale*) of the Originator, where payments of the Instalments of his Loans are domiciled;

(f) Mortgage Loans deriving from Mortgage Loan Agreements governed by Italian law;

(g) with reference to Mortgage Loans whose relevant Borrower, in compliance with the selection criteria set forth by the circular letter of the Bank of Italy No. 140 of 11 February 1991 (as subsequently amended), falls within the SAE activity sectors ("*settore di attività economica*") No. 600 ("*famiglie consumatrici*"), No. 614 ("*artigiani*") or No. 615 ("*famiglie produttrici*"): Mortgage Loans secured by a Mortgage on one or more real estate assets located in Italy, in respect of which the mortgaged real estate asset is a residential real estate asset (meaning that its cadastral category (*categoria catastale*), as at the date on which the Mortgage Loan has been granted, falls within at least of one the following cadastral categories: A-1, A-2, A-3, A-4, A-5, A-6, A-7, A-8, A-9, A11);

(h) Mortgage Loans which fall in one of the following categories:

(i) fixed rate Mortgage Loans, being those Mortgage Loans whose interest rate is not subject to any variation throughout the remaining duration of the loan;

(ii) floating rate Mortgage Loans (including Mortgage Loans which provide for a cap on the applicable interest rate), being those Mortgage Loans whose applicable interest rate is linked to an index provided by the Mortgage Loan Agreement with reference to all the remaining duration of the loan;

(iii) "*mixed*" rate Mortgage Loans, being Mortgage Loans in respect of which interest accrues at a fixed rate for a specified period of time determined by the Mortgage Loan Agreement and at a floating rate thereafter, or *vice versa*; or

(iv) "*modular*" rate Mortgage Loans, being those Mortgage Loans which provide for the right, that can be exercised one or more times during the life of the Mortgage Loan, of the relevant Borrower to switch from:

(1) a floating rate; to

(2) a fixed rate equal to the sum of:

1. the swap interest rate for the relevant period (IRS), determined as at the date on which the right to switch has been exercised by the relevant Borrower, up to the expiry of the period during which the fixed rate chosen by the relevant Borrower is applicable; and

2. the spread, provided by the Mortgage Loan Agreement, over the index determined pursuant to point (i) above;

(i) Mortgage Loans:

(i) different from Mortgage Loans which qualify as mutui fondiari disbursed pursuant to Mortgage Loan Agreements entered into between 20 December 1996 (included) and 27 July 2018 (included);

(ii) disbursed pursuant to Mortgage Loan Agreements entered into pursuant to art. 38 *et seq.* of the Banking Act between 1 February 2000 (included) and 28 September 2018 (included);

(j) Mortgage Loans which do not hold due and unpaid Instalments as at 28 December 2018;

(k) Mortgage Loans with reference to which at least an Instalment is due and has been paid;

(l) Mortgage Loans which provide for monthly, bi-monthly, quarterly, semi-annually or annually Instalments;

(m) Mortgage Loans whose residual principal amount outstanding is higher than, or equal to, Euro 10,000;

(n) Mortgage Loans whose residual principal amount outstanding is lower than, or equal to, Euro 3,500,000;

(o) Mortgage Loans whose relevant Borrower, also in its capacity as co-holder (*cointestatario*) of the relevant Mortgage Loan, as at the Second Subsequent Valuation Date, were not employees of the Originator or of another entity of the Banco BPM Banking Group;

(p) Mortgage Loans deriving from Mortgage Loan Agreements which have not been entered into pursuant to any law, rule or regulation providing for interest or principal quota financial facilitations of any kind, granted by a third party in favour of the relevant Borrower (so-called "*mutui agevolati*" or "*mutui convenzionati*");

(q) Mortgages Loans which have not been granted to ecclesiastic entities;

(r) Mortgages Loans which have not been granted to public entities;

(s) Mortgage Loans which do not hold any Instalment not yet due but paid, fully or partially, as at the Second Subsequent Valuation Date;

(t) Mortgage Loans in relation to which, as at the Second Subsequent Valuation Date, the Originator, and the relevant Borrower do not have in force a moratorium agreement which provide for the suspension of payment of the Instalments (either entirely or only for its principal quota);

(u) Mortgage Loans secured by a Mortgage on real estate assets located in Italy;

(v) Mortgage Loans in relation to which the period during which the relevant Mortgage is subject to claw-back pursuant to article 67 of the Bankruptcy Law has elapsed.

The claims which, as at the Second Subsequent Valuation Date, fall within the scope of the abovementioned Criteria, but fall also within the scope of the criteria listed in paragraphs from (a) to (x) below are excluded:

(a) mortgage loans which are residential mortgages in relation to which the ratio between:

(i) the residual principal amount outstanding; and

(ii) the value of the real estate asset is equal to or lower than 85%;

(b) mortgage loans which comply with the requirements of the EU Regulation No. 575/2013 of the European Parliament and the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms;

(c) mortgage loans deriving from mortgage loan agreements which have not been entered into pursuant to any law, rule or regulation providing for interest or principal quota financial facilitations of any kind, granted by a third party in favour of the relevant borrower (so-called "*mutui agevolati*");

(d) mortgage loans which are not granted to public entities, ecclesiastical entities or public consortiums;

(e) mortgage loans which are not consumer credit (*credito al consumo*);

(f) mortgage loans which do not qualify as "*agricultural credit*" (*credito agrario*) pursuant to article 43, 44 and 45 of the Banking Act;

(g) mortgage loans which are granted by mortgages established under laws and regulations applicable on real estate assets located in Italy;

(h) mortgage loans whose payment is guaranteed by a first economic ranking mortgage. This term means:

(i) a first legal ranking mortgage; or

(ii)

(A) a mortgage ranking lower than first legal, with reference to which the creditor, having mortgages with a prevailing priority, is Banco BPM and to which all the obligations, secured by a mortgage with a prevailing priority, have been fully satisfied; or

(B) a mortgage ranking lower than first legal, with reference to which the obligations secured by a mortgage with a prevailing priority, have been fully satisfied, and the creditor with the prevailing priority has formally consented to the cancellation of the mortgage or mortgages with the prevailing priority;

(i) mortgage loans in relation to which the consolidation period applicable to mortgages has elapsed and the related mortgage is not subject to claw-back pursuant to article 67 of the R.D. 246 of March 16, 1942 and, where applicable, of article 39, paragraph 4 of the Banking Act mortgage loans which have been fully disbursed and for which there is no obligation to, neither is possible to, disburse any further amount ;

(j) mortgage loans which have been fully disbursed and for which there is no obligation to, neither is possible to, disburse any further amount

(k) mortgage loans for which at least one instalment including principal amount has been paid;

(l) mortgage loans which do not have due and unpaid instalments;

(m) mortgage loans which are governed by the law of the Republic of Italy;

(n) mortgage loans granted to borrowers who, as at the relevant disbursement date, were not employee of any entity of the Banco BPM Group (including mortgage loans granted to two or more individuals where one of them is an employee or manager of any entity of the Banco BPM Group on the Second Subsequent Valuation Date);

(o) mortgage loans which are denominated in Euro or have been disbursed in a different currency and have been subsequently redenominated in Euro;

(p) mortgage loans in respect of which neither a precept nor an injunctive decree has been notified by Banco BPM to any of the relevant debtors or obligors nor debtors or obligors have signed an out-of-court settlement agreement further to the non-payment of the relevant obligations;

(q) mortgage loans which are not classified as "*non-performing*" pursuant to Bank of Italy's regulation of dated 30 July 2008 number 272 and Article 178 of Regulation (EU) no. 575/2013;

(r) mortgage loans whose relevant debtor is included in the category SAE 600 (consumer families);

(s) mortgage loans in relation to which the disbursement date is on or before 27 July 2018 for mortgage loans and 30 September 2018 for mortgage loans which qualify as *mutui fondiari*;

(t) mortgage loans in relation to which the relevant debtor is not an employee of the Banco BPM Group who on the Second Subsequent Valuation Date is retired (retired ex employees);

(u) mortage loans in relation to which the payment of the loan instalment takes place through (i) direct debit on the current account of the relative debtor; (ii) SSD (Sepa Direct Debit); (iii) MAV (Payment By Notice); or (iv) by cash;

(v) mortgage loans in relation to which a suspension of payments is not in progress (payment holiday);

(w) mortgage loans which, on the Second Subsequent Valuation Date, do not have instalments that are not due but which have been already paid in full or in part;

(x) mortgage loans that have not been disbursed by Banca Italease S.p.A. and subsequently merged into Banco Popolare Società Cooperativa (now Banco BPM) following merger (*fusione*), demerger (*scissione*), contribution of company branch (s) (*conferimento di ramo d'azienda*) or transfer of company branch (s) (*cessione di rami d'azienda*).

Selection Criteria of the Third Subsequent Portfolio

The Claims included in the Third Subsequent Portfolio as at 9 June 2024 (the **Third Subsequent Valuation Date**) (or the different date specified in the relevant criteria) meet the following criteria:

(a) Mortgage Loans disbursed by Banco BPM or by other banks which were subsequently transferred to Banco BPM either by way of a merger (*fusione*), de-merger (*scissione*), contribution of going concern (*conferimento di ramo d'azienda*) or transfer of going concern (*cessione di ramo d'azienda*);

(b) Mortgage Loans whose Borrower (also following split-up (*frazionamento*) or take-over (*accollo*)) are:

(i) in compliance with the selection criteria set forth by the Circular No. 140 of 11 February 1991 of the Bank of Italy No.140 (as subsequently amended) and fall within the SAE activity sectors ("*settore di attività economica*") No. 600 ("*famiglie consumatrici*"), No. 614 ("*artigiani*") or No. 615 ("*famiglie produttrici*"); and

(ii) are resident in Italy (if they are natural persons) or whose registered office is in Italy (if they are incorporated as *società semplici*);

(c) Mortgage Loans which have been fully disbursed and for which there is no obligation to, neither is possible to, disburse any further amount;

(d) Mortgage Loans denominated in Euro;

(e) Mortgage Loans in relation to which the ratio between:

(i) the residual principal amount outstanding of the Loan as at the Valuation Date; and

(ii) the value of the reassessed real estate asset as assessed on or about the Transfer Date is lower than or equal to 100%. For the purposes of this Criterion, "*value of the reassessed real estate asset*" means the estimated value of the real estate asset, determined on the basis of technical and economical parameters applied by the Originator in the monitoring process of the value of the real estate assets. In order to determine whether his Loan falls within this Criterion, each Borrower may, if he hasn't been provided yet with such information, ask for the value of the relevant real estate asset at the branch (*filiale*) of the Originator where his payments of the Instalments of the Loans are domiciled;

(f) Mortgage Loans deriving from Mortgage Loan Agreements governed by Italian law;

(g) with reference to Mortgage Loans whose relevant Borrower, in compliance with the selection criteria set forth by the circular letter of the Bank of Italy No. 140 of 11 February 1991 (as subsequently amended), fall within the SAE activity sectors ("*settore di attività economica*") No. 600 ("*famiglie*

consumatrici"), No. 614 ("*artigiani*") or No. 615 ("*famiglie produttrici*"): Mortgage Loans secured by a first economic ranking mortgage on one or more real estate assets located in Italy;

(h) Mortgage Loans:

(i) which qualify as *mutui ipotecari non fondiari* disbursed pursuant to a Mortgage Loan Agreement entered into before 31 December 2021; or

(ii) disbursed pursuant to Mortgage Loan Agreements entered into pursuant to art. 38 *et seq.* of the Banking Act entered into before 31 December 2021;

(i) Mortgage Loans whose Instalments are no more than 30 days past due as at the relevant Valuation Date;

(j) Mortgage Loans with reference to which at least an Instalment is due and has been paid;

(k) Mortgage Loans which provide for monthly, bi-monthly, quarterly, semi-annual or annual Instalment;

(l) Mortgage Loans whose residual principal amount outstanding is higher than, or equal to, Euro 10,000;

(m) Mortgage Loans whose residual principal amount outstanding is lower than, or equal to, Euro 10,000,000;

(n) Mortgage Loans whose relevant Borrower, also in its capacity as co-holder (*cointestatario*) of the relevant Mortgage Loan, as at the Valuation Date, were not employees of the Originator or of another entity of the Banco BPM Group;

(o) Mortgage Loans deriving from Mortgage Loan Agreements which have not been entered into pursuant to any law, rule or regulation providing for interest or principal quota financial facilitations of any kind (so-called "*mutui agevolati*" or "*mutui convenzionati*");

(p) Mortgages Loans which have not been granted to ecclesiastic entities;

(q) Mortgages Loans which have not been granted to public entities;

(r) Mortgage Loans which do not hold any Instalment not yet due but paid, fully or partially, as at the Valuation Date;

(s) Mortgage Loans in relation to which, as at the Valuation Date, the Originator and the relevant Borrower do not have in force a moratorium agreement which provide for the suspension of payment of the Instalments (either entirely or only for its principal quota);

(t) Mortgage Loans secured by a Mortgage on real estate assets located in Italy;

(u) Mortgage Loans in relation to which the period during which the relevant Mortgage is subject to claw-back pursuant to article 67 of Royal Decree No. 267 of 16 March 1942 (or Article 166 of Legislative Decree No. 14 of 12 January 2019 (where applicable)) has elapsed;

(v) Mortgage Loans that do not have a maturity date of the Mortgage falling on or before 31 December 2024;

(w) Mortgage Loans for which it is not possible for the relevant Borrower to set-off interest against certain income deriving from bank accounts detained with Banco BPM;

(x) Mortgage Loans whose payment is guaranteed by a first economic ranking mortgage, meaning:

(i) a first legal ranking mortgage; or

(ii)

(A) a mortgage ranking lower than first legal, with reference to which the creditor, having mortgages with a prevailing priority, is Banco BPM and to which all the obligations, secured by a mortgage with a prevailing priority, have been fully satisfied; or

(B) a mortgage ranking lower than first legal, with reference to which the obligations secured by a mortgage with a prevailing priority, have been fully satisfied, and the creditor with the prevailing priority has formally consented to the cancellation of the mortgage or mortgages with the prevailing priority.

The Claims that, while complying with the above Criteria as at the Valuation Date (*or as at the different date specified in the relevant Criterion*)*, are individually listed* (*with identification code of the relevant Mortgage Loan Agreement*) *in a PDF file called "**BPL Mortgages 2024 - Elenco dei crediti da escludere**" available for consultation at the website https://gruppo.bancobpm.it/BPL-Mortgages-5/ and at the registered office of Banco BPM S.p.A. in Piazza Meda, 4 - 20121 Milan, as "transferable assets" pursuant to Article 7-quinquies et seq. of Law No. 130 of 30 April 1999 and related detailed regulations* (*including, in particular, Chapter 2, Part Three of Bank of Italy Circular No. 285 of 17 December 2013*) *are excluded.*

MAIN CHARACTERISTICS OF THE PORTFOLIO

All information and statistical data contained below in this section are representative of the characteristics of the Portfolio as at the 9 June 2024 (the **Reference Date**). Accordingly, the information in relation to the Portfolio set out below does not necessarily reflect the composition of the Portfolio on the Issue Date 2024.

Certain monetary amounts and percentages included in this section 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.

Current Loan Outstanding			Number of Loans	% of Total Number of Loans	Original Balance (€)	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)
-	<=	20.000,00	137	0,39%	2.209.978	1.180.954	0,04%
20.000,00	<=	40.000,00	883	2,52%	29.793.006	14.248.903	0,44%
40.000,00	<=	60.000,00	2.379	6,79%	124.041.984	66.043.640	2,02%
60.000,00	<=	80.000,00	3.298	9,42%	237.025.617	136.170.961	4,16%
80.000,00	<=	100.000,00	4.235	12,10%	394.112.966	224.589.281	6,86%
100.000,00	<=	300.000,00	22.340	63,81%	3.677.481.661	2.310.174.262	70,53%
300.000,00	<=	400.000,00	966	2,76%	336.572.163	222.210.766	6,78%
400.000,00	<=	500.000,00	364	1,04%	165.260.748	106.094.822	3,24%
500.000,00	<=	600.000,00	145	0,41%	80.619.081	53.536.940	1,63%
600.000,00	<=	700.000,00	71	0,20%	47.039.977	28.790.918	0,88%
700.000,00	<=	800.000,00	55	0,16%	41.953.134	23.385.896	0,71%
800.000,00	<=	900.000,00	25	0,07%	21.694.424	12.567.258	0,38%
900.000,00	<=	1.000.000,00	27	0,08%	26.418.019	11.794.647	0,36%
1.000.000,00	<=	2.000.000,00	72	0,21%	100.429.811	47.913.625	1,46%
2.000.000,00	<=	3.000.000,00	12	0,03%	29.037.500	13.668.833	0,42%
3.000.000,00	<=	4.000.000,00	2	0,01%	6.895.000	1.174.035	0,04%
4.000.000,00	<=	5.000.000,00	-	0,00%	-	-	0,00%
5.000.000,00			1	0,00%	6.000.000	2.019.421	0,06%
Total			35.012	100,00%	5.326.585.070	3.275.565.160	100,00%

Outstanding Loan Amount			Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)
-	<=	20.000,00	3.390	9,68%	38.344.127	1,17%
20.000,00	<=	40.000,00	4.552	13,00%	137.115.743	4,19%
40.000,00	<=	60.000,00	5.160	14,74%	255.954.402	7,81%
60.000,00	<=	80.000,00	5.274	15,06%	369.782.693	11,29%
80.000,00	<=	100.000,00	4.516	12,90%	407.276.678	12,43%
100.000,00	<=	300.000,00	11.423	32,63%	1.741.911.632	53,18%
300.000,00	<=	400.000,00	383	1,09%	131.407.613	4,01%
400.000,00	<=	500.000,00	146	0,42%	63.825.257	1,95%
500.000,00	<=	600.000,00	64	0,18%	35.594.540	1,09%
600.000,00	<=	700.000,00	39	0,11%	25.102.437	0,77%
700.000,00	<=	800.000,00	15	0,04%	11.223.557	0,34%
800.000,00	<=	900.000,00	15	0,04%	12.712.014	0,39%
900.000,00	<=	1.000.000,00	5	0,01%	4.764.137	0,15%
1.000.000,00	<=	2.000.000,00	26	0,07%	31.881.727	0,97%
2.000.000,00	<=	3.000.000,00	4	0,01%	8.668.603	0,26%
3.000.000,00	<=	4.000.000,00	-	0,00%	-	0,00%
4.000.000,00	<=	5.000.000,00	-	0,00%	-	0,00%
5.000.000,00			-	0,00%	-	0,00%
Total			35.012	100,00%	3.275.565.160	100,00%

Interest rate - % (Fixed and floated loans)			Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)	Weighted Average Interest Rate
	<=	2	11.698	33,41%	1.445.874.569	44,14%	1,31
2	<=	3	3.806	10,87%	337.659.567	10,31%	2,44
3	<=	4	1.660	4,74%	125.147.935	3,82%	3,63
4	<=	5	4.337	12,39%	348.720.031	10,65%	4,76
5	<=	6	11.650	33,27%	899.530.211	27,46%	5,42
6	<=	7	1.380	3,94%	92.762.852	2,83%	6,45
7	<=	8	334	0,95%	20.557.861	0,63%	7,47
8			147	0,42%	5.312.134	0,16%	8,53
Total			35.012	100,00%	3.275.565.160	100,00%	3,21

Current Rate type		Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)	Weighted Average Interest Rate	Weighted Average Spread
Fixed	F	18.276	52,20%	1.979.699.511	60,44%	1,86%	0,625%
Floating	V	16.736	47,80%	1.295.865.649	39,56%	5,26%	1,301%
Total		35.012	100,00%	3.275.565.160	100,00%	3,21%	

Base index type	Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)
other	1	0,00%	4.495	0,00%
BCE	1.090	3,11%	89.304.732	2,73%
Eur 1m	4.904	14,01%	375.844.915	11,47%
Eur 3m	10.366	29,61%	807.492.597	24,65%
Eur 6m	397	1,13%	24.761.879	0,76%
irs	11.395	32,55%	1.278.098.678	39,02%
Tasso Esplicito	6.859	19,59%	700.057.864	21,37%
Total	35.012	100,00%	3.275.565.160	100,00%

Spread on Floating rate - %			Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)	Weighted Average Spread
-5	<=	-0,5	690	4,28%	60.039.764	4,63%	- 2,54
-0,5	<=	0	256	1,59%	18.276.451	1,41%	- 0,02
0	<=	0,05	-	0,00%	-	0,00%	
0,05	<=	0,1	1	0,01%	55.251	0,00%	0,10
0,1	<=	0,5	67	0,42%	3.555.521	0,27%	0,49
0,5	<=	1	2.775	17,20%	222.025.695	17,13%	0,92
1	<=	1,5	7.071	43,82%	562.633.610	43,42%	1,32
1,5	<=	2	4.127	25,57%	314.040.277	24,23%	1,79
2	<=	3	1.150	7,13%	84.788.825	6,54%	2,52
3			599	0,00%	30.450.255	2,35%	3,72
Total			16.736	100,00%	1.295.865.649	100,00%	1,30

Payment Frequency	Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)
Monthly	34.104	97,41%	3.193.760.275	97,50%
Quarterly	458	1,31%	44.853.891	1,37%
Semi annual	446	1,27%	36.921.510	1,13%
(other)	4	0,01%	29.483	0,00%
Total	35.012	100,00%	3.275.565.160	100,00%

Date of Origination		Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)	Weighted Average Seasoning (Years)
<=	31/12/2015	19.218	54,89%	1.372.715.875	41,91%	14,41
01/01/2016 <=	30/06/2016	724	2,07%	59.860.712	1,83%	8,16
01/07/2016 <=	31/12/2016	1.240	3,54%	112.243.276	3,43%	7,67
01/01/2017 <=	30/06/2017	1.510	4,31%	141.937.173	4,33%	7,17
01/07/2017 <=	31/12/2017	1.444	4,12%	144.082.306	4,40%	6,70
01/01/2018 <=	30/06/2018	1.548	4,42%	158.872.182	4,85%	6,17
01/07/2018 <=	31/12/2018	1.344	3,84%	150.774.301	4,60%	5,69
01/01/2019 <=	30/06/2019	1.044	2,98%	129.452.721	3,95%	5,19
01/07/2019 <=	31/12/2019	1.336	3,82%	166.313.762	5,08%	4,67
01/01/2020 <=	30/06/2020	848	2,42%	120.938.144	3,69%	4,17
01/07/2020 <=	31/12/2020	1.426	4,07%	214.234.082	6,54%	3,67
01/01/2021 <=	30/06/2021	1.719	4,91%	244.241.763	7,46%	3,18
01/07/2021 <=	31/12/2021	1.609	4,60%	259.685.264	7,93%	2,67
01/01/2022 <=	30/06/2022	-	0,00%	-	0,00%	
01/07/2022 <=	31/12/2022	-	0,00%	-	0,00%	
01/01/2023 <=	30/06/2023	-	0,00%	-	0,00%	
01/07/2023 <=	31/12/2023	-	0,00%	-	0,00%	
01/01/2024		2	0,01%	213.599	0,01%	0,36
Total		35.012	100,00%	3.275.565.160	100,00%	8,90

Maturity date		Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)	Weighted Average Remaining Term (Years)
<=	31/12/2025	1.172	3,35%	10.905.205	0,33%	1,12
01/01/2026 <=	31/12/2027	2.232	6,37%	55.382.625	1,69%	2,73
01/01/2028 <=	31/12/2030	3.152	9,00%	137.578.402	4,20%	5,31
01/01/2031 <=	31/12/2033	3.990	11,40%	242.962.802	7,42%	8,13
01/01/2034 <=	31/12/2036	4.387	12,53%	337.490.113	10,30%	11,45
01/01/2037 <=	31/12/2039	5.976	17,07%	565.949.334	17,28%	14,05
01/01/2040 <=	31/12/2042	5.464	15,61%	622.411.523	19,00%	17,04
01/01/2043 <=	31/12/2045	2.746	7,84%	352.785.047	10,77%	20,18
01/01/2046 <=	31/12/2048	2.926	8,36%	431.715.744	13,18%	23,00
01/01/2049 <=	31/12/2051	2.810	8,03%	494.473.202	15,10%	26,34
01/01/2052		157	0,45%	23.911.163	0,73%	32,80
Total		35.012	100,00%	3.275.565.160	100,00%	17,14

Loan to Value		Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)	Weighted Average Current LTV
0 <=	0,1	2.734	7,81%	50.208.050	1,53%	0,07
0,1 <=	0,2	3.798	10,85%	166.707.161	5,09%	0,16
0,2 <=	0,3	3.968	11,33%	265.074.860	8,09%	0,25
0,3 <=	0,4	4.102	11,72%	361.652.470	11,04%	0,35
0,4 <=	0,5	4.075	11,64%	429.442.343	13,11%	0,45
0,5 <=	0,6	5.053	14,43%	607.277.181	18,54%	0,55
0,6 <=	0,7	5.645	16,12%	722.777.907	22,07%	0,65
0,7 <=	0,8	3.427	9,79%	414.294.945	12,65%	0,74
0,8 <=	0,9	1.678	4,79%	197.544.658	6,03%	0,84
0,9 <=	1	531	1,52%	60.464.487	1,85%	0,94
1 >		1	0,00%	121.100	0,00%	
Total		35.012	100,00%	3.275.565.160	100,00%	0,54

Payment type	Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)
Conto corrente	32.401	92,54%	3.040.578.620	92,83%
SEPA (SDD)	2.461	7,03%	225.063.171	6,87%
SPORTELLO	148	0,42%	9.835.170	0,30%
MAV	2	0,01%	88.199	0,00%
Total	35.012	100,00%	3.275.565.160	100,00%

Arrears			Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)
	<=	0	34.009	97,14%	3.183.610.481	97,19%
	0 <=	30	1.002	2,86%	91.775.547	2,80%
	30 <=	60	1	0,00%	179.132	0,01%
	60 <=		-	0,00%	-	0,00%
Total			35.012	100,00%	3.275.565.160	100,00%

Property Region	Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)
ABRUZZO	96	0,27%	6.410.503	0,20%
BASILICATA	10	0,03%	722.272	0,02%
CALABRIA	48	0,14%	3.094.763	0,09%
CAMPANIA	870	2,48%	69.681.809	2,13%
EMILIA ROMAGNA	3.085	8,81%	279.952.166	8,55%
FRIULI VENEZIA GIULIA	217	0,62%	15.444.935	0,47%
LAZIO	3.127	8,93%	338.129.046	10,32%
LIGURIA	1.657	4,73%	141.847.853	4,33%
LOMBARDIA	13.208	37,72%	1.316.768.456	40,20%
MARCHE	56	0,16%	4.149.443	0,13%
MOLISE	87	0,25%	5.222.317	0,16%
PIEMONTE	3.927	11,22%	303.752.301	9,27%
PUGLIA	574	1,64%	42.108.726	1,29%
SARDEGNA	94	0,27%	9.255.077	0,28%
SICILIA	1.515	4,33%	120.413.280	3,68%
TOSCANA	2.460	7,03%	228.276.955	6,97%
TRENTINO ALTO ADIGE	169	0,48%	21.221.803	0,65%
UMBRIA	133	0,38%	10.851.209	0,33%
VALLE D'AOSTA	116	0,33%	16.234.875	0,50%
VENETO	3.563	10,18%	342.027.372	10,44%
Total	35.012	100,00%	3.275.565.160	100,00%

Degree of mortgage	Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)
0	-	0,00%	-	0,00%
1	35.012	100,00%	3.275.565.160	100,00%
2	-	0,00%	-	0,00%
3	-	0,00%	-	0,00%
4	-	0,00%	-	0,00%
5	-	0,00%	-	0,00%
Total	35.012	100,00%	3.275.565.160	100,00%

Cadastral category	Number of Loans	% of Total Number of Loans	Outstanding Principal Amount (€)	Outstanding Principal Amount (%)
A-1	34	0,10%	10.869.129	0,33%
A-10	357	1,02%	27.902.140	0,85%
A-11	2	0,01%	548.360	0,02%
A-2	15.103	43,14%	1.505.627.531	45,97%
A-3	10.535	30,09%	885.092.409	27,02%
A-4	2.421	6,91%	169.573.888	5,18%
A-5	118	0,34%	6.270.223	0,19%
A-6	44	0,13%	3.167.388	0,10%
A-7	3.994	11,41%	523.641.167	15,99%
A-8	22	0,06%	5.961.424	0,18%
C-1	657	1,88%	33.639.227	1,03%
C-2	305	0,87%	13.390.223	0,41%
C-3	151	0,43%	8.465.939	0,26%
C-6	341	0,97%	8.250.639	0,25%
C-7	1	0,00%	25.321	0,00%
D-10	11	0,03%	624.012	0,02%
D-2	15	0,04%	2.119.114	0,06%
D-8	24	0,07%	1.883.740	0,06%
F-3	321	0,92%	17.367.923	0,53%
F-4	41	0,12%	2.524.462	0,08%
SAL	435	1,24%	43.607.301	1,33%
TE	1	0,00%	23.362	0,00%
(other)	79	0,23%	4.990.239	0,15%
Total	35.012	100,00%	3.275.565.160	100,00%

Pool Audit Reports

Pursuant to article 22(2) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria, the Pool Audit Reports have been prepared in respect of the Portfolio prior to the New Issue Date and no significant adverse findings have been found.

Capacity to produce funds

The Claims included in the Portfolio have the characteristics that demonstrate capacity to produce funds to service payments due and payable on the Notes. However, neither the Originator nor the Issuer warrant the solvency (credit standing) of any or all of the Borrower(s) and/or Guarantors.

THE ORIGINATOR, THE SERVICER, THE TRANSACTION BANK, THE INTERIM ACCOUNT BANK, THE SUBORDINATED LOAN PROVIDER AND THE ADMINISTRATIVE SERVICER

Introduction

Banco BPM S.p.A. (the **Issuer** or the **Bank** and together with its subsidiaries, the **Group** or the **Banco BPM Group**) was incorporated on 13 December 2016 and is one of the largest banking groups in Italy as at 31 December 2023, based on revenues, assets and net income, with 19,011 employees, 1,436 branches. Banco BPM's duration has been set to 23 December 2114, however it may be extended.

The Group is the product of the combination between Banco Popolare Società Cooperativa (**Banco Popolare**) and Banca Popolare di Milano S.c.a.r.l. (**BPM**).

The Group's core activities are divided into the following business segments: (i) Retail, (ii) Corporate, (iii) Institutional, (iv) Private, (v) Investment Banking, (vi) Insurance, (vii) Strategic Partnerships and (viii) the Corporate Centre.

The majority of the Group's activities are based in Italy. Outside of Italy, the Group has foreign operations in Switzerland, China and India.

History of the Group

BPM

BPM was incorporated as a limited liability co-operative company in 1865 to facilitate access to credit for merchants, small businessmen and industrialists. In 1876, BPM became part of the "*Associazione nazionale delle Banche Popolari*" and in the early 1900s it increased its business through the establishment of new branches in northern Italy. From the 1950s onwards, BPM grew considerably through the acquisition of interests in other lending institutions and the incorporation of several banks such as Banca Popolare di Roma, Banca Briantea, Banca Agricola Milanese, Banca Popolare Cooperativa Vogherese, Banca Popolare di Bologna e Ferrara, Banca Popolare di Apricena, INA Banca, Cassa di Risparmio di Alessandria, Banca di Legnano and Banca Popolare di Mantova. The late 1980s saw the establishment of the Bipiemme – Banca Popolare di Milano group (the **BPM Group**), of which BPM was the parent company, performing, in addition to banking activities, strategic guidance, governance and supervision of its financial and instrumental subsidiaries. The BPM Group operated mainly in Lombardy (where 63% of its branches were situated), but also in Piedmont, Lazio, Puglia and Emilia Romagna, predominantly providing commercial banking services to retail and small-medium sized enterprises (SMEs) as well as to corporates, through a dedicated internal structure. In addition, BPM offered its customers capital market services, brokerage services, debt and equity underwriting, asset management, insurance underwriting and sales, factoring services and consumer credit. From 1999 onwards, BPM operated an online banking service called WeBank.

Banco Popolare

Banco Popolare was incorporated on 1 July 2007 following the merger between Banco Popolare di Verona e Novara Società Cooperativa a Responsabilità Limitata (**BPVN**) and Banca Popolare Italiana – Banca Popolare di Lodi Società Cooperativa (**BPI**). Banco Popolare, together with its subsidiaries, formed the Banco Popolare group (the **Banco Popolare Group**).

In turn, BPVN was incorporated in 2002 as a result of the merger between Banca Popolare di Verona – Banco S. Geminiano and S. Prospero Società cooperativa di credito a responsabilità limitata.

BPI was incorporated in 1864 and was the first cooperative bank established in Italy. It was formed to promote savings by local customers and to provide banking services to support their business activities. BPI was listed

on the *Mercato Ristretto* of the Italian Stock Exchange in 1981 and was listed on the MTA from 1998 onwards. In June 2005, BPI changed its name from Banca Popolare di Lodi S.c. a r.l. to Banca Popolare Italiana – Banca Popolare di Lodi Società Cooperativa.

Banco Popolare operated abroad through an international network made up of banks, representative offices and international desks. It also had relationships with around 3,000 correspondent banks. The Group's foreign operations included a subsidiary company, Banca Aletti Suisse, and representative offices in China (Hong Kong and Shanghai), India (Mumbai) and Russia (Moscow). In 2014, following a merger by incorporation of Credito Bergamasco, Banco Popolare further simplified its organisational model by rationalising Credito Bergamasco's local management. On 16 March 2015, Banca Italease S.p.A. was merged into Banco Popolare with effect for accounting and tax purposes as of 1 January 2015.

Banco BPM

Banco BPM carries out the functions of a bank and holding company, which involve operating functions as well as coordination and unified management functions in respect of all the companies included within the Banco BPM Group.

Structure of the Group

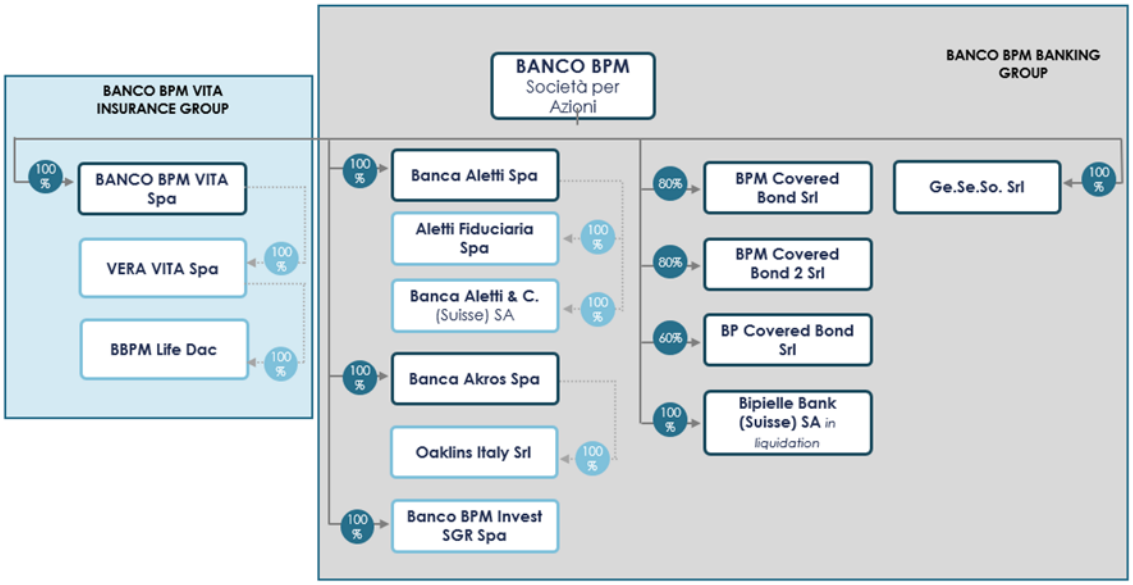
During 2023, the Group completed the below detailed initiatives with the aim of streamlining its corporate and organisational structure, simplifying its structure, optimizing and enhancing resources and reducing costs.

In particular, the partial demerger of Tecmarket Servizi to Banco BPM was finalised; it regarded the assignment of a business unit relating to the activities carried out by the subsidiary on the technology platform for the You Business Web service, intended for entities and companies that are customers of Banco BPM, as well as technological services, functional to specific businesses of Banco BPM for its customers. The activities related to the management of terminals and technical assistance to customers for POS and Mobile POS services, which were subsequently the subject of the project to enhance the e-money business, as described in the paragraph "*Strategy*" below, were excluded from the scope of sale. The partial demerger, carried out with a simplified procedure pursuant to Articles 2505 and 2506-ter of the Italian Civil Code, is effective, also for accounting and tax purposes, from 1 January 2023.

Furthermore, on 29 May 2023, the Boards of Directors of the Parent Company and the subsidiary Banca Akros approved the project for the partial demerger, pursuant to Arts. 2506 bis and 2501 ter of the Italian Civil Code, which envisages the assignment by Banca Akros to Banco BPM of the business unit consisting of the set of assets and resources organised for the performance of the "Proprietary Finance" activities of Banca Akros and includes the related financial assets and liabilities, of a 20% equity interest in Vorvel SIM, relations with custodian banks, brokers and counterparties, in addition to employment contracts with 60 employees.

Since the share capital of Banca Akros is, at the effective date, entirely held by Banco BPM, the Demerger was implemented in a simplified form, pursuant to the combined provisions of Articles 2506 - ter, fifth paragraph, and 2505, first paragraph, of the Italian Civil Code and, therefore, without determining any exchange ratio. Following the issue on 22 September 2023 of the ECB's authorisation pursuant to Art. 57 of Italian Legislative Decree no. 385/1993, the next stages of the corporate demerger process were carried out, the last of which was the signature of the demerger deed on 18 December 2023. The demerger took effect from 1 January 2024.

The structure of the Banco BPM Group, as at the date of this Prospectus, is as follows:


BANCO BPM VITA INSURANCE GROUP
BANCO BPM Società per Azioni
BANCO BPM BANKING GROUP
100 %
BANCO BPM VITA Spa
VERA VITA Spa
BBPM Life Dac
Banca Aletti Spa
Aletti Fiduciaria Spa
Banca Aletti & C. (Suisse) SA
Banca Akros Spa
Oaklins Italy Srl
Banco BPM Invest SGR Spa
80%
BPM Covered Bond Srl
BPM Covered Bond 2 Srl
60%
BP Covered Bond Srl
Bipielle Bank (Suisse) SA in liquidation
Ge.Se.So. Srl

Term of Banco Bpm

The Banco BPM's term, pursuant to the provision of Article 2 of the Banco BPM's Articles of Association (the "**By-laws**"), ends on 23 December 2114, and may be extended.

Corporate purpose

The purpose of Banco BPM, according to Article 4 of the By-laws, is to collect savings and provide loans in various forms, both directly and through subsidiaries. In compliance with applicable regulations and after obtaining the necessary authorisations, Banco BPM may carry out, directly or through controlled companies, all banking, financial and insurance transactions and services, including the setting up and management of open or closed-end pension schemes, and other activities that may be performed by lending institutions, including issuance of bonds, the exercise of financing activity regulated by special laws and the sale and purchase of company receivables.

Banco BPM may carry out any other transaction that is instrumental to or in any way related to the achievement of its corporate purpose. To pursue its objectives, Banco BPM may adhere to associations and consortia of the banking system, both in Italy and abroad.

Banco BPM, in its capacity as Parent Company of the Banking Group Banco BPM, pursuant to the laws from time to time in force, including Article 61, Paragraph 4, of the Legislative Decree 385 of 1 September 1993, in exercising the activity of direction and coordination, issues guidelines to Group members, also for the purpose of executing instructions issued by the Regulatory Authorities and in the interest of the stability of the Group.

Principal Shareholders

Pursuant to Article 120 of Italian Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Laws Consolidation Act**), shareholders who hold more than 3% of the share capital of a listed company are obliged to notify that company and the Italian regulator Consob of their holding.

As at the date of this Prospectus the significant shareholders of Banco BPM are the following (source Consob):

	% of Ordinary Shares
Crédit Agricole SA	9.178
Blackrock Inc.	5.238
Capital Research And Management Company	4.988
Fondazione Enasarco.....	3.010

Corporate Governance System

The corporate governance of the Issuer is based on a traditional corporate governance system with a Board of Directors and a Board of Statutory Auditors.

The Board of Directors is responsible for the strategic supervision and management of the Issuer and carries out all of the ordinary or extraordinary transactions that prove necessary, useful or in any way appropriate for achieving the Issuer's corporate purpose, with the assistance of the Intra-Board Committees and the Co-General Managers.

The Board of Statutory Auditors is appointed by the shareholders' meeting based on a list of nominees. The nomination mechanism requires that the Chairman of the Board of Statutory Auditors be drawn from the minority list (in accordance with Article 35 of the By-laws).

Board of Directors

Pursuant to Article 24.1 of the By-laws, the Board of Directors is responsible for the strategic supervision and management of the Issuer.

The Board of Directors is composed of at least 15 directors, of whom at least eight must meet the independence requirements set out under Article 20.1.6 of the By-laws, without prejudice to any further requirement provided under applicable law.

The composition of the Board of Directors ensures, in accordance with applicable laws, including regulations, in force, the gender balance.

The members of the Board of Directors must be suitable for the performance of their duties, in accordance with the provisions of the legislation in force at the time and the By-laws and, in particular, they must possess the requirements of professionalism, honorability and independence and comply with criteria of competence, correctness and commitment of time and the specific limits on the accumulation of positions prescribed by the legislation in force at the time and by the By-laws.

Without prejudice to the provisions of Article 20.1, persons who fall under the cases of ineligibility or cessation from office under Article 2383 of the Italian Civil Code or do not meet the honorability and professionalism requirements set out in the applicable laws, including applicable regulatory provisions, may not be appointed to the office of Board member, and if appointed shall fall from office.

Without prejudice to any other causes of incompatibility provided for by the legislation in force at the time, persons who are or become members of administrative bodies or employees of companies that perform or belong to groups that perform activities in competition with those of the Issuer or its Group may not be appointed to the office, and if appointed, they shall forfeit their assignment, unless they are central institutions of the category or companies in which the Issuer has direct or indirect holdings. The above prohibition does not apply when participation in administrative bodies in other banks is taken on behalf of organizations or trade associations of the banking system.

The Board of Directors is appointed in accordance with the list voting system, in accordance with the provisions of Article 20.4 and following of the By-laws.

The Board of Directors appoints amongst its members a Chief Executive Officer, entrusted with certain attributions and powers of the Board of Directors in accordance with Article 2381, paragraph 2, of the Italian Civil Code.

Within the Board of Directors the following committees are also established: the Nomination Committee (composed of three members), the Remunerations Committee (composed of three members), the Internal Control, Risk and Sustainability Committee (composed of five members) and the Related Parties Committee (composed of three members), each comprising members entrusted with the necessary functions and roles, in accordance with Supervisory Provisions and the Code of Corporate Governance of Borsa Italiana S.p.A.

Board of Statutory Auditors

The Board of Statutory Auditors carries out the tasks and exercises the functions set out in the relevant laws and regulations and by the company By-laws.

The Board of Statutory Auditors is composed of 5 standing and 3 alternate auditors who remain in office for three financial years. The term of office of the present members of the Board of Statutory Auditors is scheduled to expire on the date of the Shareholders' Meeting convened to approve the financial statements relating to the last financial year of their office and they may be re-appointed. Statutory Auditors must meet the eligibility, independence, professional and integrity requirements established by the laws and regulations in force at any given time.

The composition of the Board of Statutory Auditors ensures pursuant to applicable law and regulations, in force the balance between the genders.

The Board of Statutory Auditors is appointed by the Shareholders' Meeting based on list voting. The nomination mechanism requires that the Chairman of the Board of Statutory Auditors be drawn from the minority list.

The limits on the number of management and control positions held by members of the Board of Statutory Auditors, as established by Consob regulations and any other applicable provisions, shall apply to the members of the Board of Statutory Auditors.

Moreover: (i) Statutory Auditors may not hold offices in bodies other than those with control functions in other Group companies or in companies in which the Issuer holds, even indirectly, a strategic shareholding (even if not belonging to the Group); and (ii) candidates who hold the office of Director, manager or officer in companies or entities directly or indirectly engaged in banking activities in competition with those of the Issuer or the relative Group may not be elected, and if elected, they shall forfeit their assignment, unless they are professional bodies.

THE CREDIT AND COLLECTION POLICY

Set out below is a summary of the main features of the credit and collection policy adopted by the Servicer for the granting and servicing of the Mortgage Loans. Prospective Noteholders may inspect a copy of the credit and collection policy upon request at the registered office of the Issuer, the Representative of the Noteholders and at the Specified Offices of the Principal Paying Agent. For a description of the Portfolio, see "The Portfolio". For a description of the obligations undertaken by the Servicer under the Servicing Agreement, see "The Servicing Agreement". For a description of the representations and warranties given and the obligations undertaken by Banco BPM under the Warranty and Indemnity Agreements, see "The Warranty and Indemnity Agreements".

The description of the credit and collection policies set out below is a detailed summary of certain features of the credit and collection adopted the Originator and is qualified by reference to the detailed contents of the collection policies enclosed under annex 1 to the Servicing Agreement, which is in the Italian language and which represents the procedure agreed and effected by the Issuer and the Servicer for, inter alia, the collection and recovery of the Claims. Prospective Noteholders may inspect copies of the Transaction Documents (including the Servicing Agreement and the annexes thereof) on the Securitisation Repository.

Credit policies

Mortgage Loans are entered into by the Originator as *mutui fondiari* and *mutui ordinari ipotecari*.

The Borrowers pay either a monthly, quarterly and semi-annually loan instalment by direct debit from their accounts, or by cash payment or by MAV.

The decision to enter into and advance a Mortgage Loan is taken at the appropriate decision-making level in the Originator in according with limits defined in the Credit Policy

The analysis and credit-decision process is supported by a preliminary investigation of the loan which takes into account multiple risk factors and fully covers the grant from the "*request*" to the fund "*allocation*". The main criteria adopted are as follows:

(a) The credit worthiness of each single debtor is ascertained through an internal rating process to be attributed to the debtor, automatically updated from time to time upon occurrence of certain circumstances.

(b) In addition to the internal rating process, in determining the credit worthiness of a debtor, evaluations are being made as to the past performance of such debtor and any of its related entities and/or guarantors.

(c) Loan to value ratios do not exceed 80%.

(d) Mortgage over real estate properties (which is first ranking in an economic sense) is 150% than the loan amount.

The main documents the customer has to provide for a loan procedure are:

(a) Certificates from the registry office regarding the applicant and the other parties involved in the signature of the loan agreement;

(b) income documentation and any other documentation proving the ability to repay;

(c) technical documentation for the assets offered as guarantee (e.g. title deeds and land registry certificates); and

(d) a Notary's report.

The same documentation described in points (a) and (b) is requested also for the guarantors.

Moreover, apart from the above documentation, additional documentation shall be requested, depending on the type of debtor:

(a) if the applicant is the owner of an individual firm or is an independent professional:

  (i) registration in the Professional Register and/or Chamber of Commerce;

  (ii) accounts and tax documentation linked to the business in question;

  (iii) useful information on the business in question (e.g. sector performance, corporate development programme, etc.).

(b) if the applicant is a company:

  (i) articles of Association and last available copy of these for the company;

  (ii) updated Chamber of Commerce certificate, from which can be proved, for the company and its directors, the non-existence of bankruptcy proceedings and the validity of the appointments;

  (iii) statement on the assignment of proxy powers (if necessary);

  (iv) balance sheet with income statement for the current financial period;

  (v) financial statements for the last two financial periods (if belonging to a group with consolidated financial statements and financial statements for the most important companies in the group);

  (vi) updated report on bank guarantees and how they are used.

The approval level is automatically defined by PEF procedure, according to the managerial Risk Weighted Assets (RWA) metric[1].

After the approval, the preparation of the documentation and the conclusion of the Mortgage Loans are delegated to the Back Offices Department (BO) which:

(a) enter the transaction in the internal mortgage procedure;

(b) appoint a surveyor to evaluate the property;

(c) verify that the property insurance is in favour of the Originator;

(d) prepare the minutes of the mortgage loan;

(e) check property documentation received by the notary; and

(f) upon successful completion of the previous activity checks, update the mortgage loan status to “payable”;

(g) upon request of the agency send the minutes to the notary for the mortgage contract signature.

Once the bank and the customer stipuled the contract and the notary registered the mortgage, relevant documents are sent to the Back Office that stores them.

[1] The metric measures risk for deliberative purposed and is developed with a methodology consistent with the provisions of EU Regulation No. 575/2013.

The Back Office Department, based on the necessary feasibility analyses and in compliance with the applicable credit/authorization decision, is also responsible for:

(a) on economic conditions: verifying the coherence between the single operation and the internal credit decision and the internal regulations and verifying the mortgage validity;

(b) issuance of specific certifications requested by the borrowers, in particular the certifications concerning the amount of interest to be paid/expenses sustained;

(c) pre-payment of the Mortgage Loans, which involves the reduction to nil of the outstanding balance of the loan and is often accompanied by a request for the release of the Mortgage;

(d) preparation of amendments and other acts ancillary to the Mortgage Loans Agreements, such as:

  (i) the extension of the Mortgage Loan, following a restructuring of the transaction or an extension of payments;

  (ii) the taking over (accollo) of the loan, customarily requested by the purchaser of the Real Estate Asset, as a method to pay part of the purchase price;

  (iii) the reduction/cancellation of the Mortgage, or the partial or total release of the Mortgage; and

  (iv) any request made to the insurance companies for the release of the vincolo on the insurance policies.

Collection policies

The monitoring of credit risk is carried out also by mean of processes for monitoring and managing performing loans as well as loans included in the watch list and non-performing loans.

For each of these processes, Banco BPM Group uses IT procedures in support of the activities of the position Managers.

The Collection Policies described below are consistent with the credit status of each borrower position.

Monitoring and managing loans classified as performing

The Customer Relationship Manager, who is the responsible for managing the relationship with customers included in his portfolio, plays a crucial role in the monitoring process.

The Customer Relationship Manager is responsible for handling relationships with customers as well as acting in order to maintain and improve credit quality by closely monitoring the evolution of relationships.

The process of monitoring and managing performing loans consists of a set of activities carried out by the Customer Relationship Manager and by other internal departments which are responsible for credit monitoring and controls in order to guarantee that the credit relationship with the counterparty remains in performing status and to promptly detect any signs of delay and/or irregularity.

In particular, with reference to mortgages, the systematic examination of the evidences reported by the automatic performance assessment tools and the monitoring of compliance with the commitments allow the rapid activation of the Customer Relationship Manager for a concrete solution of the problems detected, facilitating the timely recruitment of measures to maintain the relationship performing (alias "*in bonis*").

Referring to the latter, an IT system of "credit warnings" is put in place, within which, in the section "detection of overruns", all the daily overrides on credit lines and overdue instalments are reported every day. In these situations, the Relationship Manager contacts the customer to verify the reasons for the failure or partial payment and, consequently, to propose the most appropriate actions (accept the delay because the payment will take place in a short period of time, propose a renegotiation to decrease the instalments amount, propose

a suspension of payments for a specific period of time, etc.). A specific IT system called “ELISE” (), dedicated to the management of loans and used both by the Back Office department and by the entire Branch network, sends communications to debtors on regular basis, at each unpaid instalment at due date. The automatic alerts are sent on the last working day of the month in which the instalment is due when the due date is at least three working days before the end of the month. Otherwise, the alerts are sent on the last working day of the following month.

For performing positions (“*in bonis*”), the Bank grants a few days within which the payment can be made without any consequences. For all payments made in this period, default interests are not applied and the value date of the payment of the instalment is the original due date.

After that date, default interests contractually agreed start to be applied up to the maximum limit set by provisions on usury. The “usurious” interest rate is defined by a decree of the Ministry of Economy and Finance on quarterly basis (the current legislation envisages that the verification of non-usury of default rates is carried out, as for the corresponding interest payments, at the agreement and not at the payment).

Irrespectively of the Relationship Manager’s behavior, the IT system automatically intercepts (i.e. in a way which is independent from elements of discretion of the Relationship Manager) the positions that show the first signals of anomaly. Thus, the IT system will insert these positions in a specific “watch list”.

Monitoring and managing “watch list loans”

For all the positions classified as performing, where anomalies are detected through trend risk indicators - the valuation is expressed by the counterparty’s internal rating and other particularly serious events concerning the credit quality - are included in a “watch list” properly supported by an IT procedure.

The “Monitoring of performing credit” process consists of a set of activities carried out by the Relationship Manager along with other people responsible for credit monitoring and control; these activities are aimed at promptly identify any signals of tensions and/or irregularity as well as to carry out any interventions required to restore the position to a performing status or, when this is not possible, to take the necessary actions to protect the Bank’s credit claims.

According to the process, the Relationship Manager maintains the responsibility to manage the customers belonging to his own portfolio with the aim to put in place the necessary management actions to bring the relationship back to regular conditions. Assessment objectivity is ensured through a system of rules aimed at guaranteeing, both during the internal classification and during the identification of the related management actions, the put into place of adequate mechanisms of organizational interaction between the roles responsible for the relationship management (Relationship Manager) and the credit quality control roles (“*Monitoring and default prevention*” structure and “*Credit governance*” of the parent company).

The phases of the abovementioned process, with the support of the PMG IT procedure, involve:

(a) on daily basis, the automatic identification of positions with irregularities that requires the adoption of dedicated management interventions;

(b) the Relationship Manager’s analysis in order to properly evaluate the risk, considering any participation in Groups of linked borrowers as well as relationships in place with other companies within the Banking Group;

(c) analysis of consistency of the calculated rating and assessment of the need to activate a potential rating override process;

(d) classification, within the process, in an “management category” consistent with the type of irregularity found and with the timing of recovery of regular operations;

(e) the definition of behavior and actions, within the pre-determined period of time, whose outcome is subject to measurement;

(f) the maintenance of the performing classification and the automatic exclusion from the watch list either when the interception causes are no longer verified or through a specific decision taken by the decision

making bodies (Organi della Banca) when it has been verified the absence of the financial difficulty of the customer and there are no exposures that benefit from an active measure of tolerance;

(g) the classification with a higher level of risk is realized automatically either when all the conditions for the classification under Past Due or Unlikely to Pay have been found or through an automatic or manual request and then approved by the decision making bodies defined in the “Regulations of the limits of autonomy and powers for loan granting and management”.

To support the recovery of exposures against “Private” and “Business” customers up to 300k of exposure, the “watch list loan reminder” process has been put in place and it is triggered when the first delay occurs in the payment of the loan periodical installment or for negative bank account balance .

This process pursues the objective of promptly implementing the actions necessary to collect exposure of the the position, avoiding customer’s default and simultaneously maintaining the relationship with the customer.

The process is supported by the IT procedure named “Recupera” integrated into the PMG system, which governs a series of actions, starting from the written reminder to the borrower, to the telephone contact and the assignment of debt recovery to different external recovery companies according the persistence of the unpaid positions.

The management of the positions within the “watch list loan reminder” process is highlighted to the Relationship Manager to avoid any overlap of the actions taken by the external recovery companies with those taken internally by the Bank. Furthermore, the IT procedure permits to identify in any moment the list of the position under management along with their level of insolvency, updated accounting data, the plaintiff and the action underway as well as the results of solicit actions that have been already carried out.

Exposures with unpaid amounts are in any case subject to monitoring activities set by another IT procedure Definition of Default (DOD) with the aim to verify the achievement of time and materiality thresholds for the automatic classification as non-performing loan (Past due) defined by art 178 of L. 675/2013 .

Monitoring and managing “Forbearance positions”

Banco BPM has defined the criteria for the identification and management of “Forbearance” or “Forborne loan”.

The renegotiation of contractual agreements of a loan, granted to the customer in order to allow him to meet his requirements despite the situation of financial difficulty that he is going through, constitutes a measure of forbearance by the Bank.

The situation of financial difficulty of the borrower is automatically carried out by the PEF procedure that, according to customer type, type of credit facilities undergoing a renegotiation, etc, propose a short list of possible intervention aimed to cure the position itself and thus prevent default.

After the choice the relationship manager is requested a susteneability analysis of the customer, supporting the proposal of the forbearance measure; only in case of positive results it is possible to submit the file to the decision maker body.

Once classified as “forborne”, exposures are managed as part of the referred processes (“*Monitoring and managing non-performing loans*” for “*Impaired forbearance exposures*” and “*Performing loan monitoring and management*” for “*Other forborne exposures*”).

Following the concession of forbearance, the exposure is monitored in order to:

(a) ensure the regular performance of the relationships with customers and the persistence of conditions for (i) the ceasing of the forborne status with reference to customers classified as performing (“*in bonis*”) or for (ii) the reclassification as performing, by maintaining the forbearance measure (under probation) for customers that have been already classified as “*Impaired forbearance exposures*”;

(b) identify and evaluate the events that may anticipate the ineffectiveness of the forbearance concession, referable to (i) the failure to comply with any new deadlines agreed, (ii) to the onset of an overdraft or

(iii) to the downgrade of creditworthiness consequently to events that may compromise the full recovery of the exposure.

With reference to points (a) and (b), the following two cases are observed:

1. The position respects the forbearance agreements

Termination of the forborne loan condition for performing positions

The Customer Relationship Manager verifies the persistence of the following conditions in order to declare the end of the condition of forborne loan and consequently activates the process of reclassification as performing ("*in bonis*") of the exposure already identified as "Other forborne exposures":

(a) at least 24 months must have elapsed from the granting of forbearance or since the classification of the position as performing;

(b) the debtor must not have positions about to become past due (considering the tangible thresholds currently into force) for more than 30 days;

(c) the payment of the amount due, as indicated by the forbearance concession, must have been made on a regular basis in the past 12 months and must have involved a "more than insignificant" portion of the principal or interest;

(d) no elements should lead to classify the position as non-performing loans.

The decision concerning the end of the forborne loan condition and the subsequent reclassification as performing of the exposure already identified as "Other forborne exposures" is made by the "Monitoring and Prevention Default department" of the BBPM through a process procedurally verified, which allows to check the objective elements of regularity of the position as well as the Monitoring Manager's declaration about the absence of subjective elements (including any valuation of "non insignificance" of the repaid loan).

Reclassification as performing of "Impaired forbearance exposures" maintaining the condition of forborne loan

Positions classified as Past Due or Unlikely to Pay, which are beneficiaries of a forbearance measure, for which (i) at least 12 months have elapsed from the granting of forbearance or the end of payment holidays schema and (ii) do not show any past due or overdraft, are automatically recognized on daily basis.

To initiate the proposal for the classification as "performing", the Manager of the non-performing position verifies the absence of concerns regarding the full payment of the due amount when one of the following conditions is met:

(a) the amount of the exposure, that at the time of the forbearance concession was classified as past due or overdraft, has been fully paid;

(b) the amount paid is equal to the credit that may have been written off as part of the credit restructuring agreement or;

(c) the customer's ability to comply with terms and conditions indicated by the forbearance concession has been demonstrated.

Following a valuation of the financial situation of the borrower by mean of a specific "return to bonis" check list, the decision concerning the reclassification as performing ("*in bonis*") of the "Impaired forbearance exposures" (non-performing positions) is taken through the approval of the authorized Body as defined by the "Regulations of the limits of autonomy and powers for loan granting and management".

Following the resolution of reclassification as performing, the position maintains the forbearance condition (forbearance under probation) and the identification as "Other forborne exposures". This condition can be declared as terminated only when all the above mentioned conditions exist with reference to the "termination of the forborne loan condition for performing positions".

2. The position doesn't respects the forbearance agreements

If the position has registered a past due after the grant of the forbearance status, the process provides the immediate solicitation to the customer in order to settle the position.

Once the necessary time for the solicitation to the client and for the verification of the causes that determined the past due has expired, the Customer Relationship Manager for the position identified as "Other forborne exposures" or the Manager responsible for the non-performing position for "Impaired forbearance exposures" will evaluate whether the events, that may also be independent of the granted forbearance, require the consideration of a more precautionary measure to protect the loan. Furthermore, this valuation takes into consideration the proposal to attribute a higher risk to the position and, in particular:

(a) as "Unlikely to Pay", for positions classified as "performing" or past due;

(b) as "Unlikely to Pay" with management class "revoked", with closure of credit lines and immediate notice to pay sent to the borrower for the positions classified as "Past Due" or already classified as "Unlikely to Pay".

The decision on the classification as "Unlikely to Pay" is taken through resolution of the authorized Body, on the proposal of a proponent (see the section "*Classification in non-performing loans categories*"). The classification as "Unlikely to Pay" is automatic in case of detrimental events the like of bankruptcy law procedures.

If an exposure, already reclassified from "non-performing" ("*Impaired forbearance exposures*") to "performing loans" or "in bonis" ("*Other forborne exposures*"), has had positions that are about to be classified as Past Due (considering the tangible thresholds currently into force) for more than 30 days or benefits from a further forbearance concession, it is automatically classified as unlikely to pay.

Classification in non-performing loans categories

The process of "Classification of positions in non-performing loans categories" lays down the rules and responsibilities of the Relationship Manager and those of the Manager of the Non-performing Position aimed at ensuring the consistency of the operational status of the position with the deterioration of the risk profile of the customer and compliance with the Supervisory provisions.

Futhermore, the process is designed to ensure the return of the position to a performing status when the causes that determined the classification within the non-performing loans categories no longer exist, coherently with the rules established by the European Banking Authority (EBA) on forbearance and non-performing exposures, by art. 178 of the European Regulation 675/15 and by the Bank of Italy on the new "classification in non-performing loans categories" (see update of Circular n.272 "Accounts Matrix", Chap. II "Credit Quality").

The expected classifications are: "Past due and/or overdue non-performing exposures" (Past Due), "Unlikely to Pay" and "Bad Loans".

The classification as Past Due is carried out automatically for the positions that reach the thresholds envisaged by the ECB Default Guidelines.

Exposures to parties experiencing temporary financial hardship are defined Unlikely to Pay whereby the debtor is assessed by the Bank as unlikely to pay its credit obligations in full (for the principal and interest) without collateral enforcement.

This valuation is carried out by the Manager regardless of the presence of any overdue or installments past due and not paid. Therefore, it is not necessary to wait for any explicit sign of irregularity (failure to repay or non-redemption) if there are elements or indicators that may imply the risk of default of the borrower (for example, even a crisis of the industrial sector in which the debtor operates).

In order to guarantee the promptness of the credit recovery process, some automatic methods for the proposed classification as Unlikely to Pay have been provided for those positions that:

(a) persist as non-performing Past Due for more than 180 days;

(b) are in performing or past due non-performing status with credit facilities or overdrafts exceeding 1,500.00 euro, which are classified as “Sofferenze” by Centrale dei Rischi;

(c) showing one of the following states: bankruptcy, “concordato preventivo”, “liquidazione coatta amministrativa” or “pregiudizievoli gravi” (in case of banckrupcy events and similia there’s an automatic classification to UTP);

(d) following a forbearance concession, have undergone a loss of more than 1% (in this case, there’s an automatic classification);

(e) have received one forbearance measure and the loss is equal or less than 1%;

(f) if the positon is part of a group of connected companies and a) the head company is classified into bad loans (sofferenze) or b) the total exposure of the group is more of 70% defaulted.

These events require an UTP assessment by the competent Customer Relationship Manager a) with the validation of the Branch Manager if the position exposure is <=100k€, b) with the support of central Default Preventing office for exposure > 100k.

The UTP assessment is then subject to an approval process, managed through IT system LAWEB, which requires the review of intermediate Bodies (“parere intermedio”) responsible for providing a non binding opinion, and the final decision by decision-making Body based on the amount of the exposure to be classified.

Finally, exposures to insolvent customers (even if they have not yet been legally acknowledged as such) or customers in similar positions, regardless of any anticipated loss formulated by the Bank, are to be classified as Bad Loans. In this cases the existence of any (real or personal) personal guarantee to protect the loans is not considered.

The classification to bad loans is managed through IT system LAWEB, requires the review of intermediate Bodies (“parere intermedio”) responsible for providing a non binding opinion, and the final decision by decision-making Body based on the amount of the exposure to be classified.

If a position is defined OMR (Relevant) or OS (significant) according to internal policy, the classification process could be subject to a mandatory review of a Risk Management structure.

Monitoring and managing non-performing loans

The management of non-performing loans in Banco BPM Group is primarily based on a model that assigns the management of a defined non-performing portfolio to specialized managers (Non-Performing Exposure managers).

Positions are assigned to individual Managers using an automatic process based on the geographic location of the loan, identified according to the Branch, Business Area and Area Office to which the customer is associated and on the total exposure of the position. However, it is possible to manage exceptions, through a controlled process, to assign a position to a different Manager from the one identified automatically, as well as for temporary situations.

Processes for monitoring and managing non-performing loans are differentiated based on:

(a) the exposure’s classification status, which distinguishes between customers with Bad Loans positions and customers with other non-performing loan statuses:

(b) the amount of the exposure, based on its size (at the customer’s Economic Group level);

(c) the product, distinguishing between “leasing” exposures and other types of exposure;

Past Due and Unlikely to pay:

With reference to the amount of the exposure and the type of the counterparty, the responsibility for the management of positions, at the time of classification:

(a) up to euro 30,000, remains attributed to the Head of the Branch (Branches),

(b) over euro 30,000 and up to 5 million, is assigned to specialized personnel of the “UTP Retail” unit

(c) over 5 million or in presence of specific bankruptcy law procedures is assigned to “Strategic Positions and restructuring” office;

With reference to smaller positions, which remain under the responsibility of the Branches, the management is supported by a very detailed and guided process, with time limits defined beforehand and with minimal discretion.

The process of monitoring and managing larger positions, which is always assigned to specialized managers, allows more flexible and customized solutions.

The processes are designed to govern the actions of the manager and to detect any inaction.

For positions classified as Past Due or Unlikely to Pay, the non-performing loan Managers are responsible for management decisions regarding the positions assigned to their respective portfolios, in compliance with established decision-making powers, but they are supported in administrative management by the managers (Client Relationship Manager) of the Network in which portfolio the relationship as well as the economic results achieved are still attributed.

For legal requirements, the Managers of non-performing loans receive support from an internal legal structure, which belongs to the Legal Department and Regulatory Affairs. It is structured in order to carry out in the best way possible its advisory activities to the central office structures and the Branch Network.

To ensure an efficient loan management, powers are assigned to the Decision-Making bodies of the Branch and to the Headquarter competent units in proportion with the above-mentioned operational limits and with the associated operational needs

The system of levels of autonomy and operational powers is structured to protect the Bank from conflicts of interest through the attribution of decision-making responsibilities in the matter of classification to higher or lower risk classes, value adjustments (provisioning) or the waiver of loans, to Bodies higher than those that manage the positions.

The bank has in place a servicing agreement with external specialized companies for “Non performing portfolio” who manage the process of solicitation of unpaid amount and or negative exposure. Servicing activity is supported by a specific workflow integrated into LAWEB procedure.

All positions classified as Unlikely to Pay in exceeding 30,000 euro are subject to a six-monthly review by the Manager of the non-performing position in order to verify the progress of the relationship with the customer and his financial position, as well as to define the consistency of expected losses with respect to such assessments. The review may be required in advance if the IT system automatically detects the occurrence of certain pre-codified detrimental conditions.

Within the review activities, as regards the determination of the expected losses, we distinguish two cases:

(a) within the relevant threshold of euro 1,000,000 the loss provisions are automatically set by the IT procedure (collective approach);

(b) beyond the relevant threshold: the manager of the non-performing position must perform an analytical assessment within 30 days from the classification of the position as Unlikely to Pay, meanwhile (and as a precautionary measure) the loss forecasts automatically assigned to the position are calculated as for positions under threshold. In the assessment, the Manager must explicitly specify the methodology adopted for the identification of the cash flows (Going or Gone Concern).

In case of real estate collateral, the Manager of the non-performing position must consider the market value “with assumption” of the guarantee in the assessment. The value is determined taking into consideration the fire sale value1 (SRV) of the asset. In case of individual guarantee positions, with gross exposure:

(a) greater than the relevant threshold of euro 300,000: the value of the asset must be certified by an appraisal. Considering this valuation, the Manager of the non-performing position must renew the appraisal during the classification of the exposure as Unlikely to Pay and, subsequently, every 12 months. If the value of the real estate collateral of the individual position has already been estimated and it is lower than euro 300,000, the update of the appraisal is evaluated on the basis of the incidence of the value of the real estate collateral on the gross exposure;

(b) lower than the relevant threshold of euro 300,000: the value of the real estate property is automatically updated every six months through the use of price changes provided by a specialized third party company that uses methodologies based on the revision of the data provided by the Italian Internal Revenue Agency (Real Estate Market Observatory).

In order to prudently consider any depreciation of real estate properties provided as collateral and to correctly quantify the effective value, the Manager must use “fire sale value” and, when the position is classified as back-to-bonis the market value with assumption.

(c) In the credit analytical assessment, if the value of the real estate collateral refers to an out-of-date appraisal, a reduction (haircut) is applied based on the vintage and the type of debtor. If the market value with assumption is not available, the non-performing loan Manager must use the market value applying specific reductions (haircuts).

The non-performing loan Manager may propose additional provisions against the perception of an increase in the perceived risk. These proposals to revise provisions are automatically subject to a resolution procedure, managed through the LAWEB procedure. It requires the intervention of intermediary Bodies that must express a non binding opinion and of the competent deliberating body as defined in the “Regulations of the limits of autonomy and powers for loan granting and management”.

Furthermore, the LAWEB procedure historicizes all the information and evaluation expressed on the position for decision tracking purposes.

Bad loans (Sofferenze)

The Bad Loans management model is based on the specialization of management competences between internal structures of Banco BPM and external ones, envisaging that positions with higher relevance and complexity are internally managed. This model envisages:

(a) the assignment to the “NPE Management” unit of the coordination of all the activities for the recovery or sale of Bad Loans and the direct management of customers who are not assigned to the external management mandate in terms of size and reputational impact;

(b) the assignment to an external Servicer of the direct management – through a specific mandate and with predefined limits – of clients classified as non-performing not internally managed;

(c) the possibility, in particular circumstances, to call back from the Servicer any positions previously assigned.

The Servicer's activity is always monitored by the unit “Performance Management NPE”.

The internal management responsibility is assigned to specialized managers, all of whom report directly to the NPE management unit. They are identified among the resources with legal skills.

For internally managed positions, the Manager, after a first attempt to contact the borrower and guarantors, defines, on a case by case basis, whether it is possible to collect the debt out of court, or to activate legal actions, such as the registration of a lien on real estate assets of the borrower or guarantors.

In case of legal actions, the process involves external law firms for executive activities; they are contacted by internal managers. They coordinate actions relating to the borrower and guarantors and send proposals to the competent decision-making Bodies.

(a) Bad Loans with exposure within the relevant threshold of Euro 1,000,000 are automatically assigned loss forecasts.

(b) Bad Loans with exposure exceeding the relevant threshold must be subject to a periodic review by the Manager of the Bad Loan in order to verify the consistency of loss forecasts. When analytically assessing bad loans, the Manager of the Bad Loan must apply – consistently with the Guidelines regarding management of loans classified as bad loans– the "gone concern" approach which envisages, as the main source of repayment, the amount obtained from the sale of the assets subject to any secured guarantee (pledge or appraisal). In addition to this source of repayment, potential repayment flows from the asset of the debtor or guarantors must be assessed as well as any liquidity or other sources of income, other than real estate assets of the debtor or guarantors.

(c) With secured guarantees on real estate assets, the Manager of the Bad Loan must consider the effective value of the guarantee in the appraisal, as specified below.

(d) To quantify the coverage of the exposure provided by the real estate asset, "market value with assumption (MVWA)"[2] – must be acquired. The MVWA must be certified through a monitoring appraisal, drawn down according to the method-related indications approved by the Bank. The value of the technical consultancy (CTU) or the value formulated at the auction by the competent Court if there are active judicial procedures are considered like a MVWA.

(e) For individual guaranteed positions, with gross exposure:

  (i) greater than euro 300,000: the market value and the MVWA of the asset must be certified by an appraisal that must be renewed once the position is classified as Bad Loan and, subsequently, every 12 months. If the value of the asset of the single position has already been estimated and it is lower than the threshold of euro 300,000, the update of the appraisal is evaluated on the basis of the incidence of the value of the real estate collateral on the gross exposure;

  (ii) lower than euro 300,000: the value of the real estate property is automatically updated every six months through the use of price changes provided by a specialized third party company that uses methodologies based on the revision of the data provided by the Italian Internal Revenue Agency (Real Estate Market Observatory;

(f) for secured positions where the sum of the gross exposure is higher than the euro 300,000 euro threshold, the market value and the MVWA of the asset must refer to the value of the asset as reported by an expert appraisal. The appraisal must be renewed once the position is classified as Bad Loans and, then, every 12 months;

(g) in order to prudently taken into account the depreciation of properties provided as collateral and to quantify their expected value, the Bad Loan Manager must use the MVWA. If the value of the real estate collateral refers to an out-of-date appraisal, a reduction (haircut) is applied based on the vintage and the type of debtor in relation to specific tables indicated in the internal Guidelines for the management of Bad Loans.

The Manager of the Bad Loan must periodically review the provisions of positions over the relevant threshold according to the frequency criteria set out in the internal "Guidelines for the management of bad loans".

In particular, the receivables valuation must be continuously updated and when any new elements that may generate a significant change either in recoverable cash flows or in the expected loss arise.

The minimum revision frequency shall be differentiated according to (i) the size of the estimated recovery forecasts, (ii) the presence of real guarantees that are supporting the loan and (iii) the expected loss.

[2] "The market value with assumption" is determined according to the definition set out in Regulation (EU) 575/2013 article 4 paragraph 1 point 76, considering that all the conditions set out in the explanation cannot be satisfied. For further information on the concept of 'assumption', please refer to the ABI 2018 (3.1), TEGoVA (EVS 2016 - EVS.1) and RICS 2017 (VPS 4.8) guidelines.

The 12 months periodical review is required for position with an exposure > 1 million euro with the exception for those with a predicted recovery lower or equal to the 5% of the total exposure.

If necessary, the expected loss may also be revised before the periodical review of the position.

For positions with an exposure over the relevant threshold, the expected loss review must be anticipated with respect to the periodical review in case there has been an automatic detection of a relevant reduction of the market value of the guarantees, (ii) in case of a new bidding for the collateral or (iii) in case of serious adverse events.

The above rules also apply to Bad Loans under external management.

Proposals to revise provisions are automatically subject to a decision-making process managed through the IT Procedure LAWEB, which requires the intervention of intermediary Bodies, responsible for providing an opinion, and the competent decision-making body as defined in the “Regulations of the limits of autonomy and powers for loan granting and management”.

Furthermore, the LAWEB procedure historicizes all the information and evaluation expressed on the position for decision tracking purposes.

Structure of the control system

The general structure of the control system includes:

(a) line controls (level I)

(b) controls on risks and on compliance (level II).

Line controls (level I)

First-level line controls are aimed at ensuring proper execution of transactions and are carried out directly by operating structures because they are first in charge of the process of risk management.

In compliance with this responsibility, during daily operations, operating structures must identify, measure or evaluate, monitor and mitigate the risks deriving from the normal course of the business in compliance with the risk management process.

First-level line controls can be either “automatic” controls, i.e. carried out directly by application procedures, or hierarchical controls, implemented as part of the same chain of responsibility.

The second-level line controls include those carried out by the “Monitoring and Default Prevention” and “Credit Governance” departments “, or by other structures that carry out the operations.

Through the second-level line controls, the above departments exercise their overall responsibility on the results of the loan processes, preserving the autonomous ability to guide and control them. In particular, these checks envisage the intervention on the operational structures to press for corrective actions, either directly or by means of the central structures of the Area Offices and of the Companies of the Banking Group.

The line controls (of first and second level) can be implemented either systematically or by sampling.

These controls are defined in the regulations on loans issued with reference to each process, according to criteria and methods able to guarantee that all exposures arising from irregularities or inaction are highlighted and examined.

Controls on risks and on compliance (level II)

Controls on risks and on compliance are aimed at ensuring the correct implementation of the risk management processes put in place by the operational structures, the compliance with the operating limits assigned to various functions and the compliance of business operations with regulations, including self-regulation.

The essential element which characterizes the level II controls concerns the fact that they are carried out by a risk control unit separate from the production one. Consequently, the level II controls include the goal to ensure that level I controls are effectively performed as well.

The level II controls regarding loans are assigned to the Risks unit through the “Credit risk controls” unit.

This unit is responsible for the verification of the correct implementation of the lending processes by the business units, respecting the already established rules and, more specifically, with reference to:

(a) the monitoring of the performance of exposures classified as performing;

(b) the monitoring of the performance of exposures classified as non-performing loans;

(c) the consistency of the classification in the operational statuses of the “Loan management and monitoring: watch list” process, among the exposures subject to concessions of “tolerance” (forbearance), in the statuses of the non-performing loan;

(d) the appropriateness of the provisions;

(e) the effectiveness of the real estate collateral management and valuation process;

(f) the suitability of the debt recovery process.

Control activities are conducted on credit exposures, in particular Non-Performing and Performing exposures with performance anomalies, belonging to risk areas defined on the basis of experience or through the monitoring of anomaly indicators. In this context, the number of positions to be subjected to analytical verification is not defined a priori, since it is conditioned by the complexity of the verifications to be performed and the resources dedicated to the analysis.

The files to be analysed are selected using sampling techniques of a statistical nature or on the basis of their risk profile, also determined through the results produced by the system of Key Risk Indicators developed internally by the functions reporting to the Chief Risk Officer. CREDIT RISK CONTROLS explains in its reports which selection methods are usedThe controls envisage the systematic application of indicators of anomaly to the loan portfolio, the assessment of the deviations detected from time to time, the in-depth analysis of the individual positions and, if necessary, adaptation measures on the same to time.

THE ISSUER'S BANK ACCOUNTS

Pursuant to the terms of the Agency and Accounts Agreement, the Issuer has opened with:

(a) the Interim Account Bank, the following accounts:

(i) a euro-denominated current account into which, *inter alia*, the Servicer is required to deposit all the Collections as they are collected in accordance with the Servicing Agreement and all payments paid or advanced to the Issuer by the Originator, including any indemnity payments received by the Issuer, under the relevant Transfer Agreement, the Warranty and Indemnity Agreements and the Letter of Undertaking shall be credited (the **Interim Account**);

(ii) a euro-denominated current account into which the Issuer has deposited €50,000 (the **Retention Amount**) on the Initial Issue Date (the **Expenses Account** and, together with the Interim Account, the **Guaranteed Accounts**). The Expenses Account will then be replenished on each Interest Payment Date, in accordance with the Pre-Enforcement Priority of Payments and subject to the availability of sufficient Issuer Available Funds, up to the Retention Amount and such amount will be applied by the Issuer to pay all fees, costs, expenses and taxes required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation;

(b) the Principal Paying Agent, a euro-denominated current account into which, *inter alia*, on the Business Day immediately preceding each Interest Payment Date, the Issuer is required to transfer from the other Transaction Accounts the amounts necessary to make the payments due in accordance with the applicable Priority of Payments (the **Payments Account**);

(c) the Additional Transaction Bank, a euro-denominated account with respect to the Claims (the replacement **Collection Account** and, together with a replacement Expenses Account (if opened in accordance with the Agency and Accounts Agreement), the **Transaction Accounts** and, any of them, a **Transaction Account**) into which the Interim Account Bank will be required to transfer, on a daily basis, the balance standing to the credit of the Interim Account.

(d) the Transaction Bank, a euro-denominated current account into which the Issuer:

(i) on the Initial Issue Date, has deposited an amount equal to €64,000,000:

(A) 60,000,000, being the amount to be drawn down under the Initial Subordinated Loan Agreement, and

(B) €4,000,000, being equal to a portion of the aggregate amounts collected under the Mortgage Loans between the Initial Valuation Date (included) and the Initial Signing Date (but excluding those collections constituting repayment of principal and prepayments);

(ii) on the Second Subsequent Issue Date, has deposited an amount equal to €24,600,000, being the amount to be drawn down by the Issuer under the Subsequent Subordinated Loan Agreement;

(iii) on the Issue Date 2024, has deposited an amount equal to €25,450,000, being the amount to be drawn down by the Issuer under the Subordinated Loan Agreement 2024; and

(iv) on each Interest Payment Date, in accordance with the Pre-Enforcement Priority of Payments and subject to the availability of sufficient Issuer Available Funds, the Target Cash Reserve Amount (the **Cash Reserve Account** and, together with the Transaction Accounts, the Guaranteed Accounts and the Payments Account, the **Accounts** and any one of them, the **Account**).

In accordance with the Securitisation Law, the Issuer has been established as a special purpose vehicle for the purposes of issuing asset-backed securities. The sums standing from time to time to the credit of such

bank accounts will not be available to the Issuer Creditors because, pursuant to the Securitisation Law, the assets relating to each securitisation transaction will constitute assets segregated for all purposes from the assets of the Issuer and from the assets relating to other securitisation transactions. The assets relating to a particular securitisation transaction will not be available to the holders of notes issued to finance any other securitisation transaction or to the general creditors of the Issuer.

The Issuer has also opened with Deutsche Bank S.p.A. a euro-denominated account into which the sum representing 100 per cent. of the Issuer's equity capital (equal to €12,000) has been deposited. On or about the Second Subsequent Issue Date, all the amounts standing to the credit of such account have been transferred to a new euro-denominated account opened with Banco BPM IBAN IT11A0503411701000000002409 (the **Equity Capital Account**) and will remain deposited therein for so long as all notes issued (including those issued in the context of the Previous Securitisation) or to be issued by the Issuer (including the Notes) have been paid in full.

TERMS AND CONDITIONS OF THE NOTES

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" or to the "Noteholder" of a Class A Note and a Class B Note or to a Class A Noteholder and a Class B Noteholder are to the ultimate owners of the Class A Notes and the Class B Notes, as the case may be, issued in dematerialised form and evidenced as book entries with Monte Titoli S.p.A. ("**Euronext Securities Milan**") in accordance with the provisions of (i) article 83-bis of Italian Legislative Decree number 58 of 24 February 1998 and (ii) Regulation jointly issued on 13 August 2018 by the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") and the Bank of Italy as subsequently amended and supplemented. The Noteholders are deemed to have notice of and are bound by, and shall have the benefit of, inter alia, the terms of the Rules of the Organisation of Noteholders (as defined below).*

In these Conditions, references to (i) any agreement or other document shall include such agreement or another document as may be modified from time to time in accordance with the provisions contained therein and any deed or other document expressed to be supplemental thereto, as modified from time to time; and (ii) any laws or regulation shall be interpreted and construed to include any amendments and implementation thereof as of the date of these Conditions.

The € 2,440,400,000.00 Class A - 2012 Mortgage-Backed Floating Rate Notes due 2058 (the "**Series A1 Notes**") and the € 1,148,455,000.00 Class B – 2012 Mortgage-Backed Notes due 2058 (the "**Series B1 Notes**" and, together with the Series A1 Notes, the "**Series 1 Notes**") have been issued by BPL Mortgages S.r.l. (the "**Issuer**") on 21 December 2012 (the "**Initial Issue Date**" or the "**Issue Date 2012**") in order to finance the purchase of the Initial Claims (as defined below) in the context of the securitisation transaction (the "**Transaction**" or the "**Securitisation**"). The Issuer has published to prospective Noteholders of the Series 1 Notes the *prospetto informativo* related to the Series 1 Notes required by article 2 of Italian law No. 130 of 30 April 1999 (*disposizioni sulla cartolarizzazione dei crediti*), as amended from time to time (the "**Securitisation Law**").

In the context of a first restructuring of the Transaction (the "**First Restructuring**"), the € 995,100,000.00 Class A-2016 Mortgage-Backed Floating Rate Notes due 2058 (the "**Series A2 Notes**" or the "**Series 2 Notes**") have been issued by the Issuer on 28 October 2016 (the "**First Subsequent Issue Date**" or the "**Issue Date 2016**") in order to finance the purchase of the Subsequent Claims (as defined below). The Issuer has published to prospective Noteholders of the Series 2 Notes the *prospetto informativo* related to the Series 2 Notes required by article 2 of the Securitisation Law.

In the context of a second restructuring of the Transaction (the "**Second Restructuring**"), the € 1,504,300,000.00 Class A-2019 Mortgage-Backed Floating Rate Notes due 2058 (the "**Series A3 Notes**"and the € 69,670,000.00 Class B – 2019 Mortgage-Backed Notes due 2058 have been issued by the Issuer (the "**Series B3 Notes**" and, together with the Series A3 Notes, the "**Series 3 Notes**" and the Series B3 Notes together with the Series B1 Notes, the "**Junior Notes**") have been issued on 14 March 2019 (the "**Second Subsequent Issue Date**" or the "**Issue Date 2019**") in order to finance the purchase of the Further Subsequent Claims (as defined below). The Issuer has published to prospective Noteholders of the Series 3 Notes the *prospetto informativo* related to the Series 3 Notes required by article 2 of the Securitisation law.

In the context of a third restructuring of the Transaction of the Transaction occurred in August 2024 (the "**Third Restructuring**" or the "**Restructuring 2024**"), the € 1,365,000,000.00 Class A-2024 Mortgage-

Backed Floating Rate Notes due 2062 (the "**Series A4 Notes**" and, together with the Series A1 Notes, the Series A2 Notes and the Series A3 Notes, the "**Class A Notes**" or the "**Senior Notes**") will be issued by the Issuer on 7 August or such other date as set out in the Prospectus relating to the Notes (the "**Issue Date 2024**" or the "**New Issue Date**") in order to finance, *inter alia*, the purchase of the Third Subsequent Claims (as defined below). The Senior Notes and the Junior Notes are together the "**Notes**".

The Issuer is a company incorporated with limited liability under the laws of the Republic of Italy in accordance with the Securitisation Law, having its registered office at via Alfieri, 1, 31015 Conegliano (Treviso), Italy. The Issuer is enrolled in the register of the special purpose vehicles held by Bank of Italy pursuant to the Bank of Italy's regulation dated 12 December 2023 with No. 33259.3 and in the companies' register held in Treviso-Belluno under number 04078130269.

In the context of the Restructuring 2024, the Maturity Date has been postponed in respect of the Series 1 Notes, the Series 2 Notes and the Series 3 Notes to the Payment Date falling in January 2062.

The Banco Popolare First Portfolio and the Banco Popolare Second Portfolio have been purchased by the Issuer pursuant to two transfer agreement entered into on, respectively, 7 December 2012 and 14 March 2013 as subsequently amended on or prior to the Issue Date 2024, between the Issuer and Banco Popolare (respectively the "**First Banco Popolare Transfer Agreement**" and the "**Second Banco Popolare Transfer Agreement**"). Representations and warranties in respect of the Banco Popolare First Portfolio and Banco Popolare Second Portfolio have been made by Banco Popolare in favour of the Issuer under a warranty and indemnity agreement entered into between the Issuer, Creberg and Banco Popolare on 7 December 2012, as further amended also in accordance with the Master Amendment Agreement 2024 (the "**Initial Warranty and Indemnity Agreement**").

The Creberg First Portfolio and the Creberg Second Portfolio have been purchased by the Issuer pursuant to two transfer agreement entered into on, respectively, 7 December 2012 and 14 March 2013 as subsequently amended on or prior to the Issue Date 2024, between the Issuer and Creberg (respectively the "**First Creberg Transfer Agreement**" and the "**Second Creberg Transfer Agreement**"). Representations and warranties in respect of the Creberg First Portfolio and Creberg Second Portfolio have been made by Creberg in favour of the Issuer under the Initial Warranty and Indemnity Agreement.

The Banco Popolare Third Portfolio has been purchased by the Issuer pursuant to one transfer agreement entered into on 16 October 2016 as subsequently amended on or prior to the Issue Date 2024, between the Issuer and Banco Popolare (respectively the "**Third Banco Popolare Transfer Agreement**"). Representations and warranties in respect of the Banco Popolare Third Portfolio have been made by Banco Popolare in favour of the Issuer under a warranty and indemnity agreement entered into between the Issuer and Banco Popolare on 16 October 2016, as further amended also in accordance with the Master Amendment Agreement 2024 (the "**First Subsequent Warranty and Indemnity Agreement**").

The First Banco BPM Portfolio has been purchased by the Issuer pursuant to one transfer agreement entered into on 8 March 2019 as subsequently amended on or prior to the Issue Date 2024, between the Issuer and Banco BPM (the "**First Banco BPM Transfer Agreement**"). Representations and warranties in respect of the Banco BPM First Portfolio have been made by Banco BPM in favour of the Issuer under a warranty and indemnity agreement entered into between the Issuer and Banco BPM on 8 March 2019, as further amended also in accordance with the Master Amendment Agreement 2024 (the "**Second Subsequent Warranty and Indemnity Agreement**").

The Second Banco BPM Portfolio has been purchased by the Issuer pursuant to one transfer agreement entered into on 20 June 2024, between the Issuer and Banco BPM (the "**Second Banco BPM Transfer**

Agreement"). Representations and warranties in respect of the Second Banco BPM Portfolio have been made by Banco BPM in favour of the Issuer under a warranty and indemnity agreement entered into between the Issuer and Banco BPM on 20 June 2024, as further amended also in accordance with the Master Amendment Agreement 2024 (the "**Third Subsequent Warranty and Indemnity Agreement**").

Under a servicing agreement entered into on the Initial Signing Date , as amended from time to time on or prior to the Issue Date 2024 (the "**Servicing Agreement**") between the Issuer and Banco BPM as servicer the Servicer has agreed to provide the Issuer with administration, collection and recovery services in respect of the Claims and to carry out supervising activities with respect to the transaction in order to ensure compliance with the laws to protect the investors, pursuant to article 2, paragraph 6-bis of Securitisation Law. In particular, pursuant to the Servicing Agreement, the Servicer shall ensure the proper segregation of the Issuer's accounting and property from its own activities and the Servicer, as "*soggetto incaricato della riscossione dei crediti e dei servizi di cassa e pagamento*" pursuant to article 2, paragraph 3 (c) and paragraph 6-*bis* of the Securitisation Law, shall be responsible for verifying that the transactions to be carried out in connection with the Securitisation comply with applicable laws and are consistent with the contents of the Prospectus (as defined below).

Under a corporate services agreement entered into or about the Issue Date 2012 (as amended from time to time, the "**Corporate Services Agreement**") between the Issuer and the Corporate Services Provider, the Corporate Services Provider has agreed to provide the Issuer with certain corporate administration services.

Under an administrative services agreement entered into or about the Issue Date 2012 (as amended from time to time, the "**Administrative Services Agreement**") between the Issuer and the Administrative Services Provider, the Administrative Services Provider has agreed to provide the Issuer with certain accounting services.

Under a mandate agreement entered into on or about the Issue Date 2012 (as amended from time to time, the "**Mandate Agreement**") between the Issuer and the Representative of the Noteholders, the Representative of the Noteholders has been empowered to take such action in the name of the Issuer, *inter alia*, following the service of an Issuer Acceleration Notice, as the Representative of the Noteholders may deem necessary to protect the interests of the Noteholders and the Other Issuer Creditors.

Under a quotaholders' commitment entered into on or about the Issue Date 2012 (as amended from time to time, the "**Quotaholder's Commitment**") between the Issuer, the Representative of the Noteholders and SVM Securitisation Vehicles Management S.r.l., certain rules have been set out in relation to the corporate management of the Issuer.

Under a letter of undertaking dated on or about the Issue Date 2012 between the Issuer, the Representative of the Noteholders and the Financing Bank, as amended from time to time (the "**Letter of Undertaking**"), the Financing Bank has undertaken to provide the Issuer with all necessary monies in order for the Issuer to pay certain lossess, costs, expenses or liabilities.

Under to a limited recourse loan agreement executed on or about to the Issue Date 2012 between Banco Popolare as a Subordinated Loan Provider, the Issuer and the Representative of the Noteholders (as amended and supplemented from time to time, the "**Initial Subordinated Loan Agreement**"), the Subordinated Loan Provider granted to the Issuer a limited recourse loan in the aggregate amount of Euro 60,000,000.00 (the "**Subordinated Loan**").

Under to a further limited recourse loan agreement executed on or about to the Issue Date 2019 between the Subordinated Loan Provider, the Issuer and the Representative of the Noteholders (as amended and

supplemented from time to time, the "**Subsequent Subordinated Loan Agreement**"), the Subordinated Loan Provider granted to the Issuer a limited recourse loan in the aggregate amount of Euro 24,600,000.00 (the "**Subsequent Subordinated Loan**").

Under to a further limited recourse loan agreement executed on or about to the Issue Date 2024 between the Subordinated Loan Provider, the Issuer and the Representative of the Noteholders (as amended and supplemented from time to time, the "**Subordinated Loan Agreement 2024**"), the Subordinated Loan Provider granted to the Issuer a limited recourse loan in the aggregate amount of Euro 25,450,000.00 (the "**Subordinated Loan 2024**").

Under a deed of pledge (the "**Italian Deed of Pledge**") executed on or about the Issue Date 2012 between the Issuer and the Representative of the Noteholders (acting on its own behalf and on behalf of the other Issuer Secured Creditors), the Issuer has created in favour of the Representative of the Noteholders for itself and on behalf of the Noteholders and the other Issuer Secured Creditors, concurrently with the issue of the Series 1 Notes, a pledge (i) over all monetary claims and rights and all the amounts (including payment for claims, indemnities, damages, penalties, credits and guarantees) to which the Issuer is entitled from time to time pursuant to the Transaction Documents (other than the Conditions, the Rules of the Organisation of Noteholders, the Italian Deed of Pledge and the Mandate Agreement) and (ii) over the positive balance of the Interim Account, the Payments Account and the Expenses Account.

Under an intercreditor agreement entered into on or prior to the Issue Date 2012 (as amended from time to time including on or prior to the Issue Date 2024, the "**Intercreditor Agreement**") between the Issuer, the Representative of the Noteholders on its own behalf and on behalf of the Noteholders, the Principal Paying Agent, the Agent Bank, the Computation Agent, the Interim Account Bank, the Transaction Bank, the Additional Transaction Bank, Banco BPM (in any capacity), the Corporate Servicer, the Back-up Servicer Facilitator, the Administrative Servicer, the Servicer, the Subordinated Loan Provider, the Initial Notes Subscribers, the application of the Issuer Available Funds (as defined below) has been set out.

The Notes are subject to and with the benefit of an agency and accounts agreement, as amended and supplemented from time to time (as subsequently the "**Agency and Accounts Agreement**") dated on or about the Issue Date 2012 between the Issuer, Banco Popolare (before the merger into Banco BPM) as interim account bank (in such capacity, the "**Interim Account Bank**", which expression includes any successor interim account bank appointed from time to time in respect of the Notes) and as transaction bank (in such capacity, the "**Transaction Bank**", which expression includes any successor transaction bank appointed from time to time in respect of the Notes), BNP Paribas, Italian Branch, as principal paying agent, computation agent, agent bank and representative of the holders of the Notes (in such capacities, respectively, the "**Principal Paying Agent**", the "**Computation Agent**", the "**Agent Bank**", which expressions include any successor principal paying agent, computation agent and agent bank respectively appointed from time to time in respect of the Notes, and the "**Representative of the Noteholders**", which expression includes any successor or additional representative of the Noteholders appointed from time to time) and BNP Paribas, Italian Branch, as additional transaction bank (in such capacity, the "**Additional Transaction Bank**", which expression includes any successor additional transaction bank appointed from time to time in respect of the Notes and, together with the Principal Paying Agent, the Agent Bank, the Interim Account Bank, the Computation Agent, and the Transaction Bank the "**Agents**").

Under a subscription agreement entered into on or prior to the Issue Date 2012, among, *inter alios*, the Issuer, the Initial Series A1 Notes Subscriber and the Representative of the Noteholders (the "**Series A1**

Notes Subscription Agreement"), the Initial Series A1 Notes Subscriber has subscribed and paid for the Series A1 Notes upon the terms and subject to the conditions thereof. Under a subscription agreement entered into on or prior to the Issue Date 2012, among, *inter alios*, the Issuer, the Initial Series B1 Notes Subscriber and the Representative of the Noteholders (the "**Series B1 Notes Subscription Agreement**"), the Initial Series B1 Notes Subscriber has subscribed and paid for the Series B1 Notes upon the terms and subject to the conditions thereof.

Under a subscription agreement entered into on or prior to the Issue Date 2016, among, *inter alios*, the Issuer, the Initial Series A2 Notes Subscriber and the Representative of the Noteholders (the "**Series A2 Notes Subscription Agreement**"), the Initial Series A2 Notes Subscriber has subscribed and paid for the Series A2 Notes upon the terms and subject to the conditions thereof.

Under a subscription agreement entered into on or prior to the Issue Date 2019, among, *inter alios*, the Issuer, the Initial Series A3 Notes Subscriber and the Representative of the Noteholders (the "**Series A3 Notes Subscription Agreement**"), the Initial Series A3 Notes Subscriber has subscribed and paid for the Series A3 Notes upon the terms and subject to the conditions thereof.

Under a subscription agreement entered into on or prior to the Issue Date 2019, among, *inter alios*, the Issuer, the Initial Series B3 Notes Subscriber and the Representative of the Noteholders (the "**Series B3 Notes Subscription Agreement**"), the Initial Series B3 Notes Subscriber has subscribed and paid for the Series A1 Notes upon the terms and subject to the conditions thereof.

Under a subscription agreement entered into on or prior to the Issue Date 2024, among, *inter alios*, the Issuer, the Initial Series A4 Notes Subscriber and the Representative of the Noteholders (the "**Series A4 Notes Subscription Agreement**"), the Initial Series A4 Notes Subscriber has subscribed and paid for the Series A4 Notes upon the terms and subject to the conditions thereof.

The Noteholders are deemed to have notice of and are bound by and shall have the benefit of, *inter alia*, the terms of the rules of the organisation of Noteholders (the "**Rules of the Organisation of Noteholders**") which constitute an integral and essential part of these Conditions. The Rules of the Organisation of Noteholders are attached hereto as a schedule. The rights and powers of the Representative of the Noteholders and the Noteholders may be exercised only in accordance with, these Conditions, the Interecreditor Agreement (as defined below) and the Rules of the Organisation of Noteholders.

Under a master amendment agreement entered into on or prior to the Issue Date 2024 in the context of the Third Restrutucting (the "**Master Amendment Agreement 2024**") between, *inter alios*, the Issuer, the Originator, the Representative of the Noteholders, Banco BPM (in all its capacities under the Securitisation), the Corporate Services Provider and the Agents, the parties thereto have, *inter alia*, amended the Transaction Documents in order to: (i) qualify the Securitisation as an STS-Securitisation; and (ii) extend the Final Maturity Date of the Notes from the Interest Payment Date falling in October 2058 to the Interest Payment Date falling in January 2062.

Certain of the statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Transaction Documents. Any reference in these Conditions to a particular Transaction Document is a reference to such Transaction Document as from time to time created and/or modified and/or supplemented in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time so amended and/or modified and/or supplemented.

The holders of the Class A Notes (the "**Class A Noteholders**") and the holders of the Junior Notes (the "**Junior Noteholders**" and, together with the Class A Noteholders, the "**Noteholders**" and each a

"**Noteholder**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Agency and Accounts Agreement, the Rules of the Organisation of Noteholders, the Intercreditor Agreement and the other Transaction Documents applicable to them. Copies of the Agency and Accounts Agreement, the Rules of the Organisation of Noteholders, the Intercreditor Agreement and the other Transaction Documents (including copies of all the *prospetti informativi*) (i) are available for inspection of the Noteholders during normal business hours at the Specified Offices of the Representative of the Noteholders and the Principal Paying Agent; and (ii) withinh 15 days from the New Issue Date, are made available to the Noteholders by the Reporting Entity on the Securitisation Repository.

Any references to a "**Class**" of Notes or a "**Class**" of Noteholders will be a reference to the Class A Notes or the Junior Notes, as the case may be, or to the respective holders thereof, respectively. References to "**Noteholders**" or to the "**holders**" of Notes are to the beneficial owners of the Notes.

The principal source of funds available to the Issuer for the payment of amounts due on the Notes will be collections and recoveries made in respect of the Claims (as defined below) (including, for the avoidance of doubts, the Claims included in the Initial Portfolios, the First Subsequent Portfolio, the Second Subsequent Portfolio and the Third Subsequent Portfolio).

The Claims and the other Issuer's Rights will be segregated from all other assets of the Issuer by operation of the Securitisation Law and amounts deriving therefrom will be available, both before and after a winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, to pay costs, fees and expenses due to the Other Issuer Creditors under the Transaction Documents and to pay any other creditor of the Issuer in respect of any taxes, costs, fees or expenses incurred by the Issuer in relation to the securitisation of the Claims by the Issuer through the issuance of the Notes.

The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Transaction Documents applicable to them. In particular, each Noteholder, by reason of holding one or more Notes, recognises the Representative of the Noteholders as its representative, acting in its name and on its behalf, and agrees to be bound by the terms of the Transaction Documents to which the Representative of the Noteholders is a party as if such Noteholder was itself a signatory thereto.

1. DEFINITIONS

(a) In these Conditions:

"**Accounts**" means, collectively, the Guaranteed Accounts, the Payments Account, the Cash Reserve Account and the Transaction Accounts and "**Account**" means any one of them;

"**Accumulation Date**" means, following the service of an Issuer Acceleration Notice, the earlier of: (i) each date on which the amount of the monies at any time available to the Issuer or to the Representative of the Noteholders for the payments to be made in accordance with the Post-Enforcement Priority of Payments shall be equal to at least 10 per cent. of the aggregate Principal Amount Outstanding of all Classes of Notes and (ii) each day falling 10 Business Days before the day that, but for the service of an Issuer Acceleration Notice, would have been an Interest Payment Date;

"**Additional Transaction Bank**" means BNP Paribas, Italian Branch, and any successor additional transaction bank appointed from time to time.

"**Administrative Servicer**" means Banco BPM, or any successor corporate servicer appointed from time to time in respect of this Securitisation;

"**Administrative Services Agreement**" means the agreement dated on or about the Initial Issue

Date between the Administrative Servicer, the Representative of the Noteholders and the Issuer, as amended and supplemented from time to time;

"**Agents**" means, collectively, the Principal Paying Agent, the Agent Bank, the Interim Account Bank, the Computation Agent, the Transaction Bank and the Additional Transaction Bank and "**Agent**" means any one of them.

"**Applicable Privacy Legislation**" shall indicate the Privacy Code, the GDPR, the national implementing legislation and any other legislation or order of an administrative or regulatory nature – adopted by the Italian Data Protection Authority and/or by another competent authority – in force from time to time.

"**Arrear Claims**" means those Claims (A) under which there is at least one Unpaid Instalment and (B) which are not classified as Defaulted Claims yet;

"**Banco BPM Collection Policies**" means the servicing and collection policies of Banco BPM set out in schedule 1 to the Servicing Agreement;

"**Banco BPM**" means Banco BPM S.p.A., or any permitted successor or assignee thereof;

"**Banco Popolare**" means Banco Popolare Soc. Coop., (before the merger into Banco BPM);

"**Banco Popolare First Portfolio**" means the aggregate of all First Banco Popolare Mortgage Loans.

"**Banco Popolare Initial Claims**" has the meaning given to the term "*Crediti*" in the Banco Popolare Initial Transfer Agreements, which term identifies the debt claims arising from the Banco Popolare Initial Mortgage Loans comprised in the Banco Popolare Initial Portfolio (being, with reference to the First Banco Popolare Transfer Agreement, the "**First Banco Popolare Claims**" and with reference to the Second Banco Popolare Transfer Agreement, the "**Second Banco Popolare Claims**");

"**Banco Popolare Initial Mortgage Loans**" means, from time to time, the aggregate of the residential mortgage loans comprised in the Banco Popolare Initial Portfolio, the Banco Popolare Initial Claims in respect of which have been transferred to the Issuer in accordance with the Banco Popolare Initial Transfer Agreements and "**Banco Popolare Initial Mortgage Loan**" means any one of these;

"**Banco Popolare Initial Portfolio**" means the aggregate of all Banco Popolare Initial Mortgage Loans (being the aggregate of the Banco Popolare First Portfolio and the Banco Popolare Second Portfolio);

"**Banco Popolare Initial Transfer Agreements**" means the transfer agreements executed between the Issuer and Banco Popolare in relation to the transfer of the Banco Popolare Initial Portfolio (respectively, with reference to the transfer agreement entered into on 7 December 2012, the "**First Banco Popolare Transfer Agreement**" and, with reference to the transfer agreement entered into on 14 March 2013, the "**Second Banco Popolare Transfer Agreement**");

"**Banco Popolare Second Portfolio**" means the aggregate of all Second Banco Popolare Mortgage Loans.

"**Banco Popolare Third Portfolio**" means the aggregate of all Third Banco Popolare Mortgage Loans.

"**Basic Terms Modification**" has the meaning given to it in the Rules of the Organisation of Noteholders;

"**BNPP** " or "**BNP Paribas, Italian Branch**" means **BNP Paribas**, a company incorporated under the laws of Republic 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 2,294,954,818, which acts for the purposes hereof through its Italian branch, with offices at Piazza Lina Bo Bardi n. 3, 20124 Milan, Italy, 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;

"**Borrowers**" means, collectively, the borrowers under the Mortgage Loans and "**Borrower**" means any one of them;

"**Borsa Italiana**" means Borsa Italiana S.p.A., with registered office at Piazza degli Affari 6, 20123 Milan, (MI) Italy.

"**Business Day**" means any day (excluding Saturdays and Sundays) which is not a public holiday or a bank holiday in Milan, Dublin and London and the real time gross settlement system operated by the Eurosystem (T2) (or any successor thereto) is open;

"**Calculation Date**" means three Business Days prior to each Interest Payment Date;

"**Cancellation Date**" means the earlier of (i) the last Business Day falling in January 2062; (ii) the date when the Portfolio Outstanding Amount will have been reduced to zero; and (iii) the date when all the Claims then outstanding will have been entirely written off or sold by the Issuer (and the relevant purchase price is fully paid up), and in each of such circumstances the Issuer Available Funds have been fully applied in accordance with the applicable Priority of Payments);

"**Cash Reserve Account**" means a euro-denominated account opened by the Issuer with the Transaction Bank, as better identified in the Agency and Accounts Agreement;

"**Cash Reserve**" means the monies standing to the credit of the Cash Reserve Account at any given time;

"**Claims**" means, collectively, the Banco Popolare Initial Claims, the Creberg Claims, the Subsequent Claims, the Further Subsequent Claims and the Claims 2024 and "**Claim**" means any one of these;

"**Claims 2024**" has the meaning given to the term "*Crediti*" in the Third Subsequent Transfer Agreement, which term identifies the debt claims arising from the Loans 2024 comprised in the Third Subsequent Portfolio;

"**Class A Notes**" means collectively, the Series A1 Notes, the Series A2 Notes, the Series A3 Notes and the Series A4 Notes;

"**Class A Noteholders**" means the holders of the Class A Notes;

"**Class A Rate of Interest**" has the meaning given in Condition 6(c) (*Rate of interest on the Class A Notes*);

"**Clearstream, Luxembourg**" means Clearstream Banking, *société anonyme*;

"**Collection Account**" means a euro-denominated current account opened by the Issuer with the Additional Transaction Bank, as better identified in the Agency and Accounts Agreement;

"**Collection Date**" means the 31 March, 30 June, 30 September and 31 December of each year;

"**Collection Period**" means (a) prior to the service of an Issuer Acceleration Notice, each quarter commencing on the first calendar day of January, April, July and October (included) of each

year and ending on, respectively, the last calendar day of March, June, September and December (included) of each year until the full reimbursement of the Notes, being the first Collection Period related to the Initial Portfolio, the period commencing on the Initial Valuation Date (included) and ending on 31 March 2013 (included), being the first Collection Period related to the First Subsequent Portfolio, the period commencing on the First Subsequent Valuation Date (included) and ending on 31 December 2016 (included), being the first Collection Period related to the Second Subsequent Portfolio, the period commencing on the Second Subsequent Valuation Date (included) and ending on 31 March 2019 (included) and being the first Collection Period related to the Third Subsequent Portfolio, the period commencing on the Third Subsequent Valuation Date (included) and ending on 30 June 2024 (included), and (b) following the service of an Issuer Acceleration Notice, each period commencing on (but excluding) the last day of the preceding Collection Period and ending on (and including) the immediately following Accumulation Date;

"**Collection Policies**" means the Banco BPM Collection Policies;

"**Collections**" means the Claims;

"**CONSOB**" means the *Commissione Nazionale per le Società e la Borsa*;

"**Corporate Servicer**" means Securitisation Services S.p.A. or any successor corporate servicer appointed from time to time in respect of this Securitisation;

"**Corporate Services Agreement**" means the agreement dated on or about the Initial Issue Date between the Corporate Servicer, the Representative of the Noteholders and the Issuer;

"**Creberg Claims**" has the meaning given to the term "*Crediti*" in the Creberg Transfer Agreements, which term identifies the debt claims arising from the Creberg Mortgage Loans comprised in the Creberg Portfolios (being, with reference to the First Creberg Transfer Agreement, the "**First Creberg Claims**" and with reference to the Second Banco Popolare Transfer Agreement, the "**Second Creberg Claims**");

"**Creberg First Portfolio**" means the aggregate of all First Creberg Mortgage Loans.

"**Creberg Mortgage Loans**" means, from time to time, the aggregate of the residential mortgage loans comprised in the Creberg Portfolios, the Creberg Claims in respect of which have been transferred to the Issuer in accordance with the Creberg Transfer Agreements and "**Creberg Mortgage Loan**" means any one of these;

"**Creberg Portfolio**" means the aggregate of all Creberg Mortgage Loans (being the aggregate of the Creberg First Portfolio and the Creberg Second Portfolio);

"**Creberg Second Portfolio**" means the aggregate of all Second Creberg Mortgage Loans.

"**Creberg Transfer Agreements**" means the transfer agreements executed between the Issuer and Creberg in relation to the transfer of the Creberg Portfolio (respectively, with reference to the transfer agreement entered into on 7 December 2012, the "**First Creberg Transfer Agreement**" and, with reference to the transfer agreement entered into on 14 March 2013, the "**Second Creberg Transfer Agreement**");

"**Creberg**" means Credito Bergamasco S.p.A. (before the merger into Banco Popolare, which - in turn - later merged into Banco BPM);

"***Crediti ad Incaglio***" means:

(a) "*Crediti Scaduti e/o Deteriorati*", being Claims (A) classified as "*Esposizioni scadute e/o sconfinanti deteriorate*" by the Servicer on behalf of the Issuer in accordance with

the Collection Policies (*Pratiche Concordate*) after the Third Subsequent Valuation Date and (B) for which 90 days have elapsed from the expiry of the first instalment which has become Unpaid Instalment (*Rata Insoluta*). For the purposes of this definition, "*Esposizioni scadute e/o sconfinanti deteriorate*" indicates the corresponding category under Chapter "*Avvertenze Generali*", paragraph "*Dati Statistici – Regole riguardanti specifiche tipologie di operazioni*", Sub-Paragraph No. 2) "*Qualità del Credito*" of the Circular of the Bank of Italy No. 272 of 30 July 2008, as amended and supplemented from time to time by relevant provisions issued by the Bank of Italy; or

(b) "*Unlikely to Pay Claims*", being Claims (A) classified as "*Inadempienze probabili (unlikely to pay)*" by the Servicer on behalf of the Issuer in accordance with the Collection Policies (*Pratiche Concordate*) after the Third Subsequent Valuation Date and (B) for which 180 days have elapsed from the expiry of the first instalment which has become Unpaid Instalment (*Rata Insoluta*). For the purposes of this definition, "*Inadempienze probabili* (unlikely to pay)" indicates the corresponding category under Chapter "*Avvertenze Generali*", Paragraph "*Dati Statistici – Regole riguardanti specifiche tipologie di operazioni*", Sub-Paragraph No. 2) "*Qualità del Credito*" of the Circular of the Bank of Italy No. 272 of 30 July 2008, as amended and supplemented from time to time by relevant provisions issued by the Bank of Italy;

"**Critical Obligations Rating**" or "**COR**" means the long-term rating assigned by DBRS to address the risk of default of particular obligations and/or exposures of certain banks that have a higher probability of being excluded from bail-in and remaining in a continuing bank in the event of the resolution of a troubled bank than other senior unsecured obligations.

"**Cumulative Default Rate**" means the fraction, expressed as a percentage:

(a) the numerator of which is represented by the Cumulative Defaults as at each Calculation Date; and

(b) the denominator of which is represented by the Initial Portfolio Outstanding Amount;

"**Cumulative Defaults**" means, as at each Calculation Date, the sum of the Outstanding Principal of all Claims which have become Defaulted Claims as at the date on which they have become Defaulted Claims;

"**DBRS**" means (i) for the purpose of identifying which DBRS entity which has assigned the credit rating to the Series A4 Notes, DBRS Ratings Limited or DBRS Ratings GmbH, and in each case, any successor to this rating activity, and (ii) in any other case, any entity that is part of DBRS, which is either registered or not under the CRA Regulation, as it appears from the last available list published by European Securities and Markets Authority (ESMA) on the ESMA website, or any other applicable regulation;

"**DBRS Equivalent Rating**" means the DBRS rating equivalent of any of the below ratings by Fitch, Moody's or S&P:

DBRS		**Moody's**		**S&P**		**Fitch**	
Long	**Short Term**	**Long Term**	**Short Term**	**Long Term**	**Short Term**	**Long Term**	**Short**
AAA	R-1 (high)	Aaa	P-1	AAA	A-1+	AAA	F1+
AA(high		Aa1		AA+		AA+	

AA	R-1 (middle)	Aa2		AA		AA	
AA(low)		Aa3		AA-		AA-	
A(high)	R-1 (low)	A1		A+	A-1	A+	F1
A		A2		A		A	
A(low)		A3	P-2	A-	A-2	A-	F2
BBB(hig	R-2 (high)	Baa1		BBB+		BBB+	
BBB	R-2 (middle)	Baa2	P-3	BBB	A-3	BBB	F3
BBB(lo	R-2 (low) R-	Baa3		BBB-		BBB-	
BB(high)	R-4	Ba1		BB+		BB+	B
BB		Ba2		BB		BB	
BB(low)		Ba3		BB-		BB-	
B(high)		B1		B+		B+	
B	R-5	B2		B		B	
B(low)		B3		B-		B-	
CCC		Caa1		CCC+		CCC+	C
		Caa2		CCC		CCC	
		Caa3		CCC-		CCC-	
CC		Ca		CC		CC	
C		C		D		D	

"**DBRS Minimum Rating**" means:

(a) if a Fitch long term public senior debt rating, a Moody's long term public senior debt rating and an S&P long term public senior debt rating (each, a Public Long Term Rating) are all available at such date, the DBRS Minimum Rating will be the DBRS Equivalent Rating of such Public Long Term Rating remaining after disregarding the highest and lowest of such Public Long Term Ratings from such rating agencies (provided that if such Public Long Term Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below) (for this purpose, if more than one Public Long Term Rating has the same highest DBRS Equivalent Rating or the same lowest DBRS Equivalent Rating, then in each case one of such Public Long Term Ratings shall be so disregarded); and

(b) if the DBRS Minimum Rating cannot be determined under (a) above, but Public Long Term Ratings by any two of Fitch, Moody's and S&P are available at such date, the DBRS Minimum Rating will be the DBRS Equivalent Rating of the lower of such Public Long Term Rating (provided that if such Public Long Term Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below); and

(c) if the DBRS Minimum Rating cannot be determined under (a) and (b) above, but Public Long Term Ratings by any one of Fitch, Moody's and S&P are available at such date, then the DBRS Minimum Rating will be the DBRS Equivalent Rating of such Public Long Term Rating (provided that if such Public Long Term Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below).

If at any time the DBRS Minimum Rating cannot be determined under subparagraphs (a) to (c) above, then a DBRS Minimum Rating of "C" shall apply at such time.

ng of “C” shall apply at such time.

“**Decree 239 Withholding**” means any withholding or deduction for or on account of “*imposta sostitutiva*” under Decree 239;

“**Decree 239**” means Italian legislative decree No. 239 of 1 April 1996, as subsequently amended;

“**Defaulted Claims**” means those Claims (A) classified as “*Sofferenze*” by the Servicer on behalf of the Issuer in accordance with the Collection Policies (*Pratiche Concordate*) as of the Third Subsequent Valuation Date and (B) for which 180 days have elapsed from the expiry of the first instalment which has become Unpaid Instalment (*Rata Insoluta*). For the purpose of the present definition, "*Sofferenze*" means the corresponding category as defined in chapter "*Avvertenze Generali*", paragraph "*Dati Statistici – Regole riguardanti specifiche tipologie di operazioni*", sub-paragraph no. 2) "*Qualità del Credito*" of the Circular of the Bank of Italy No. 272 of 30 July 2008, as subsequently amended and supplemented by the relevant provisions issued by the Bank of Italy;

“**ECB**” means the European Central Bank;

“**Eligible Institution**” means:

I. with respect to any entity (other than Banco BPM acting as Transaction Bank or Additional Transaction Bank):

(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 or (b) any depository institution organized 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 DBRS and Moody’s criteria, by a depository institution organized 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 DBRS and Moody’s published criteria applicable from time to time):

1. with respect to DBRS:

(i) at least “A(low)”, in respect of the greater of (a) the rating one notch below the institution’s long-term COR and (b) the institution’s long-term senior unsecured debt rating; or

(ii) if the long-term COR is not currently maintained for the institution, at least “A(low)”, in respect of the institution’s long-term senior unsecured debt rating, or

(iii) if there is no such public rating, at least “A(low)” in respect of the greater of (a) the rating one notch below the institution’s private long-term COR supplied by DBRS and (b) the private long-term senior unsecured debt rating of the institution supplied by DBRS

(iv)if neither the private long-term COR nor the private long-term senior unsecured debt rating of the institution is available, the DBRS Minimum Rating of at least A(low);

2. with respect to Moody's:

(i) "A2" in respect of long term deposit rating; or

(ii) in the event of a depository institution which does not have a long term deposit rating by Moody's, "P-1" in respect of short term debt,

II. with respect to Banco BPM acting as Additional Transaction Bank, Banco BPM:

1. for so long as its long-term deposit are rated at least "Ba3" by Moody's; and
2. for so long as the higher of (i) its long-term, unsecured and unsubordinated debt obligations (either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS); or (ii) the rating one notch below the Banco BPM's Critical Obligations Rating (COR) given by DBRS; is at least "BBB(low);

III. with respect to Banco BPM acting as Transaction Bank, Banco BPM:

1. for so long as its long-term deposit are rated at least "Ba3" by Moody's; and
2. for so long as the higher of (i) its long-term, unsecured and unsubordinated debt obligations (either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS) or (ii) the rating one notch below the Banco BPM's Critical Obligations Rating (COR) given by DBRS; is at least "BBB(low);

or such other rating being compliant with the criteria established by DBRS and Moody's from time to time;

"**Equity Capital Account**" means a euro-denominated deposit account opened with Banco BPM or any other account as may replace it in accordance with the Agency and Accounts Agreement into which the sum representing 100 per cent. of the Issuer's equity capital (equal to €12,000) has been deposited and will remain deposited therein for so long as all notes issued or to be issued by the Issuer have been paid in full;

"**EU Securitisation Regulation**" or the "**Securitisation Regulation**" means the Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017, together with any relevant delegated regulation and/or regulatory technical standards thereof, and/or implementing measures or official guidance in relation thereto (including without limitation any opinion and/or Q&A document from time to time issued by the European Securities Market Authority (ESMA) and/or the European Banking Authority (EBA)), in each case, as amended, varied and supplemented from time to time;

"**EURIBOR**" means:

(i) prior to the service of an Issuer Acceleration Notice and in respect of each Interest Period, the rate offered in the euro-zone inter-bank market for one-month deposits in euro (save that for the first Interest Period related to the Series 1 Notes the rate obtained upon linear interpolation of the EURIBOR for five and six month deposits in euro) which appears on the Reuters-EuriborØ1 page or (A) such other page as may replace the Reuters-EuriborØ1 page on that service for the purpose of displaying such information or (B) if that service ceases to display such information, such page as displays such information on such equivalent service (or, if more than one, that one which is approved by the Representative of the Noteholders) as may replace the Reuters-EuriborØ1 page (the "**Screen Rate**") at or about 11.00 a.m. (Brussels time) on the Interest Determination Date falling immediately before the beginning of such Interest Period; or

(ii) following the service of an Issuer Acceleration Notice and in respect of each Interest Period, the rate offered in the euro-zone inter-bank market for deposits in euro applicable in respect of such Interest Period which appears on the Screen Rate nominated and notified by the Agent Bank for such purpose or, if necessary, the relevant linear interpolation, as determined by the Agent Bank in accordance with the Agency and Accounts Agreement at or about 11.00 a.m. (Brussels time) on the Interest Determination Date which falls immediately before the end of the relevant Interest Period; or

(iii) if the Screen Rate is unavailable at such time for deposits in euro in respect of the relevant period, then the rate for any relevant period shall be the arithmetic mean (rounded to four decimal places with the mid-point rounded upwards) of the rates notified to the Agent Bank at its request by each of the Reference Banks as the rate at which deposits in euro in respect of the relevant period in a representative amount are offered by that Reference Bank to leading banks in the euro-zone inter-bank market at or about 11.00 a.m. (Brussels time) on the relevant Interest Determination Date; or

(iv) if, at that time, the Screen Rate is unavailable and only two or three of the Reference Banks provide such offered quotations to the Agent Bank, the relevant rate shall be determined, as aforesaid, on the basis of the offered quotations of those Reference Banks providing such quotations; or

(v) if, at that time, the Screen Rate is unavailable and only one or none of the Reference Banks provides the Agent Bank with such an offered quotation, the relevant rate shall be the rate in effect for the immediately preceding period to which one of sub-paragraphs (i) or (ii) above shall have applied;

"**Euro**" or "**euro**" or "**€**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended;

"**Euroclear**" means Euroclear Bank S.A./N.V. as operator of the Euroclear System;

Euronext Access Milan Market means the multilateral trading facility "Euronext Access Milan" managed by Borsa Italiana.

Euronext Access Milan Market Regulation means the regulation related to the management and functioning of the Euronext Access Milan Market issued by Borsa Italiana and in force since 11 September 2023 (as amended and/or supplemented from time to time).

"**Euronext Access Milan Professional**" means the professional segment of Euronext Access Milan Market managed by Borsa Italiana on which financial instruments are traded and accessible only to professional investors (as defined the Euronext Access Milan Market Regulation)..

"**Euronext Securities Milan**" means Monte Titoli S.p.A..

"**Euronext Securities Milan Account Holder**" means any authorised institution entitled to hold accounts on behalf of their customers with Euronext Securities Milan (and includes any Relevant Clearing System which holds account with Euronext Securities Milan or any depository banks appointed by the Relevant Clearing System);

"**Euro-zone**" means the region comprised of member states of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community (signed

in Rome on 25 March 1957) as subsequently amended.

"**Event of Default**" has the meaning given to it in Condition 10 (*Events of Default*);

"**Expenses Account**" means the euro-denominated current account opened by the Issuer with the Interim Account Bank, as better identified in the Agency and Accounts Agreement, or any other account as may replace it in accordance with the Agency and Accounts Agreement;

"**Extraordinary Resolution**" has the meaning given to it in the Rules of the Organisation of Noteholders;

"**FATCA**" means:

(a) sections 1471 to 1474 of the Code, any related regulation and any official interpretation;

(b) any treaty, law or regulation of any other jurisdiction or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or

(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"**FATCA Withholding**" means a deduction or withholding from a payment under the Notes required by FATCA.

"**Final Redemption Date**" means the Interest Payment Date immediately following the earlier of: (i) the date when the Portfolio Outstanding Amount will have been reduced to zero; and (ii) the date when all the Claims then outstanding will have been entirely written off by the Issuer;

"**Financial Institution**" means a bank, broker/dealer, insurance company, structured investment vehicle (SIV), or derivative product company;

"**Financing Bank**" means Banco BPM in its capacity as financing bank under the Letter of Undertaking or any permitted successor or assignee thereof;

"**First Banco Popolare Mortgage Loans**" means, from time to time, the aggregate of the residential mortgage loans comprised in the Banco Popolare First Portfolio, the First Banco Popolare Claims in respect of which have been transferred to the Issuer in accordance with the First Banco Popolare Transfer Agreement;

"**First Creberg Mortgage Loans**" means, from time to time, the aggregate of the residential mortgage loans comprised in the Creberg First Portfolio, the First Creberg Claims in respect of which have been transferred to the Issuer in accordance with the First Creberg Transfer Agreement;

"**First Subsequent Issue Date**" or "**Issue Date 2016**" means 28 October 2016;

"**First Subsequent Portfolio Outstanding Amount**" means the aggregate Outstanding Principal of all the Subsequent Claims as at the First Subsequent Valuation Date, being equal to € 1,078,471,626.04;

"**First Subsequent Portfolio**" or the "**Banco Popolare Third Portfolio**" means the aggregate of all Subsequent Mortgage Loans;

"**First Subsequent Signing Date**" means 13 October 2016;

"**First Subsequent Subscription Agreement**" means the Series A2 Notes Subscription Agreement

"**First Subsequent Transfer Agreement**" or the "**Third Banco Popolare Transfer Agreement**" means the transfer agreement executed on 13 October 2016 betweeen the Issuer and Banco Popolare (before the merger into Banco BPM) in relation to the transfer of the First Subsequent Portfolio;

"**First Subsequent Warranty and Indemnity Agreement**" means the warranty and indemnity agreement executed on or about 13 October 2016 by and between the Issuer and Banco Popolare (before the merger into Banco BPM);

"**Further Subsequent Claims**" or the "**First Banco BPM Claims**" has the meaning given to the term "*Crediti*" in the Second Subsequent Transfer Agreement, which term identifies the debt claims arising from the Further Subsequent Loans comprised in the Second Subsequent Portfolio;

"**Further Subsequent Collections**" means any monies from time to time paid, as of the relevant Valuation Date (included), in respect of the Further Subsequent Mortgage Loans and the related Further Subsequent Claims;

"**Further Subsequent Mortgage Loans**" or the "**First Banco BPM Mortgage Loans**" means, from time to time, the residential mortgage loans which have been transferred to the Issuer in accordance with the Second Subsequent Transfer Agreement and "**Subsequent Mortgage Loan**" means any one of these;

"**Further Subsequent Portfolio Outstanding Amount**" means the aggregate Outstanding Principal of all the Further Subsequent Claims as at the Second Subsequent Valuation Date, being equal to € 1,886,363,482.20;

"**Guaranteed Accounts**" means the Interim Account and the Expenses Account and any one of them, the "**Guaranteed Account**";

"**GDPR**" means the Regulation (EU) No 2016/679 of the European Parliament and of the Council of 27 April 2016 (on the protection of natural persons with regard to the processing of personal data and on the free movement of such data) and the relevant implementing legislation.

"**Initial Class A Notes Subscriber**" means, collectively, the Initial Series A1 Notes Subscriber, the Initial Series A2 Notes Subscriber, the Initial Series A3 Notes Subscriber and the Initial Series A4 Notes Subscriber;

"**Initial Closing Date**" means 20 December 2012;

"**Initial Issue Date**" or the "**Issue Date 2012**" means 21 December 2012;

"**Initial Junior Notes Subscriber**" means, collectively, the Initial Series B1 Notes Subscriber and the Initial Series B3 Notes Subscriber;

"**Initial Mortgage Loans**" means, collectively, the Banco Popolare Initial Mortgage Loans and the Creberg Mortgage Loans and "**Initial Mortgage Loan**" means any one of these;

"**Initial Notes Subscribers**" means, collectively, the Initial Class A Notes Subscriber and the Initial Junior Notes Subscriber;

"**Initial Portfolio Outstanding Amount**" means the aggregate Outstanding Principal of all the Claims as at the relevant Valuation Date, being equal to € 2,501,656,108.93;

"**Initial Portfolio**" means, collectively, the Banco Popolare Initial Portfolio and the Creberg Portfolio;

"**Initial Series A1 Notes Subscriber**" means Banco BPM.

"**Initial Series A2 Notes Subscriber**" means Banco BPM.

"**Initial Series A3 Notes Subscriber**" means Banco BPM.

"**Initial Series A4 Notes Subscriber**" means Banco BPM.

"**Initial Series B1 Notes Subscriber**" means Banco BPM.

"**Initial Series B3 Notes Subscriber**" means Banco BPM.

"**Initial Signing Date**" means 7 December 2012;

"**Initial Subordinated Loan Agreement**" means the subordinated loan agreement executed on or about the Initial Issue Date between the Subordinated Loan Provider (including Creberg before the merger into Banco BPM), the Representative of the Noteholders and the Issuer;

"**Initial Subordinated Loan**" means the subordinated loan granted by the Subordinated Loan Provider in connection with the Initial Subordinated Loan Agreement;

"**Initial Subscription Agreements**" means the Series A1 Notes Subscription Agreement and the Series B1 Notes Subscription Agreement and "Initial Subscription Agreement" means any of them;

"**Initial Transfer Agreements**" means, collectively, the Banco Popolare Initial Transfer Agreements and the Creberg Transfer Agreements;

"**Initial Valuation Date**" means 19 November 2012;

"**Initial Warranty and Indemnity Agreement**" means the warranty and indemnity agreement, dated 7 December 2012, and executed by and between the Issuer, Banco Popolare (before the merger into Banco BPM) and Creberg (before the merger into Banco Popolare, which – in turn – later merged into Banco BPM);

Inside Information and Significant Event Report means the report containing the information set out in points (f) (if applicable) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation, to be prepared and made available through publication on the Securitisation Repository in accordance with the Transaction Documents.

"**Insolvent**" means, in respect of the Issuer, that:

(a) the Issuer ceases or threatens to cease to carry on its business or a substantial part of its business;

(b) the Issuer is deemed unable to pay its debts pursuant to or for the purposes of any applicable law; or

(c) the Issuer becomes unable to pay its debts as they fall due;

"**Insurance Premia**" means the insurance premia paid by the Originator and which are due to the Originator by the Issuer in accordance with the relevant Transfer Agreements;

"**Intercreditor Agreement**" means an intercreditor agreement dated on or about the Initial Issue Date, as amended and supplemented from time to time (including in accordance with the Master Amendment Agreement 2024), between the Issuer, the Noteholders (represented by the Representative of the Noteholders) and the Other Issuer Creditors;

"**Interest Amount**" has the meaning given to it in Condition 6(e) (*Calculation of Interest Amounts*);

"**Interest Amount Arrears**" means the portion of the relevant Interest Amount for the Class A Notes, calculated pursuant to Condition 6(e) (*Calculation of Interest Amounts*), which remains

unpaid on the relevant Interest Payment Date;

"**Interest Determination Date**" means:

(a) prior to the service of an Issuer Acceleration Notice, in respect of each Interest Period, the date falling two TARGET Settlement Days prior to the Interest Payment Date at the beginning of such Interest Period;

(b) following the service of an Issuer Acceleration Notice, in respect of each Interest Period, the Calculation Date immediately prior to the Interest Payment Date at the end of such Interest Period;

"**Interest Payment Date**" means (a) prior to the service of an Issuer Acceleration Notice, the 31 January, 30 April, 31 July and 30 October of each year (or, if any such date is not a Business Day, that date will be the first preceeding day that is a Business Day, being the first Interest Payment Date of the Series 1 Notes the one falling on 30 April 2013, the first Interest Payment Date of the Series 2 Notes the one falling on 31 January 2017, the first Interest Payment Date of the Series 3 Notes the one falling on 30 April 2019, and the first Interest Payment Date of the Series 4 Notes the one falling on 30 October 2024) and (b) following the service of an Issuer Acceleration Notice, the day falling 10 Business Days after the Accumulation Date (if any) or any other day on which any payment is due to be made in accordance with the Post-Enforcement Priority of Payments, the Conditions and the Intercreditor Agreement;

"**Interest Period**" has the meaning given to it in Condition 6(a) (*Interest Payment Dates and Interest Periods*);

"**Interim Account**" means a euro-denominated current account opened by the Issuer with the Interim Account Bank, as better identified in the Agency and Accounts Agreement, or any other account as may replace it in accordance with the Agency and Accounts Agreement;

"**Investor Report**" means the report to be prepared and delivered in accordance with the Agency and Accounts Agreement.

"**Investor Report Date**" means the date on which the Investor Report shall be delivered in accordance with the Agency and Accounts Agreement.

"**Issue Date**" means in respect of the Series 1 Notes the Initial Issue Date, in respect of the Series 2 Notes the First Subsequent Issue Date, in respect of the Series 3 Notes the Second Subsequent Issue Date and in respect of the Series 4 Notes the Issue Date 2024;

"**Issue Date 2024**" or the "**New Issue Date**" means 7 August 2024.

"**Issuer**" means BPL Mortgages S.r.l..

"**Issuer Acceleration Notice**" has the meaning given to it in Condition 10(b) (*Consequence of service of an Issuer Acceleration Notice*).

"**Issuer Available Funds**" means:

1) as of each Calculation Date prior to the service of an Issuer Acceleration Notice, an amount equal to the sum of:

   a) the amount standing to the credit of the Collection Account and of the Payments Account as at the end of the Collection Period immediately preceding the relevant Calculation Date consisting of, *inter alia*:

      i) payment of interest and repayment of principal under the Mortgage Loans,

ii) any collections and/or recovery in respect of Defaulted Claims including any disposal proceeds deriving from the sale of any Defaulted Claims,

iii) any amount received by the Issuer under any of the Transaction Documents during the preceding Collection Period,

iv) all amounts of interest accrued in respect of any of the Transaction Accounts and the Cash Reserve Account and paid during the Collection Period immediately preceding such Calculation Date, and

b) the Cash Reserve as at the relevant Calculation Date;

c) any refund or repayment obtained by the Issuer from any tax authority in respect of the Claims, the Transaction Documents or, otherwise, the Securitisation during the immediately preceding Collection Period;

d) on each Calculation Date immediately preceding the Final Redemption Date and on any Calculation Date thereafter, the amount standing to the balance of the Expenses Account, and

2) as of each Calculation Date following the service of an Issuer Acceleration Notice, the aggregate of the amounts received or recovered by or on behalf of the Issuer or the Representative of the Noteholders in respect of the Claims, the Note Security and the Issuer's Rights under the Transaction Documents.

"**Issuer Creditors**" means (i) the Noteholders (represented, as the case may be, by the Representative of the Noteholders); (ii) the Other Issuer Creditors; and (iii) any other third-party creditors in respect of any taxes, costs, fees, liabilities or expenses incurred by the Issuer in relation to the Securitisation;

"**Issuer Secured Creditors**" means the Noteholders, the Representative of the Noteholders, the Computation Agent, the Servicer, the Principal Paying Agent, the Agent Bank, the Interim Account Bank, the Transaction Bank, the Additional Transaction Bank, the Initial Notes Subscribers, the Corporate Servicer, the Administrative Servicer, the Back-Up Servicer Facilitator, the Subordinated Loan Provider, Banco BPM (in respect of any monetary obligation due to them by the Issuer under the Letter of Undertaking, the Transfer Agreements and the Warranty and Indemnity Agreements);

"**Issuer's Rights**" means any monetary right arising out in favour of the Issuer against the Borrowers and any other monetary right arising out in favour of the Issuer in the context of the Transaction, including the Collections and the eventual eligible investments purchased with the Collections.

"**Italian Deed of Pledge**" means a deed of pledge under Italian law executed on or about the Initial Issue Date between the Issuer and the Representative of the Noteholders acting on its own behalf and on behalf of the other Issuer Secured Creditors;

"**Junior Notes**" means, collectively, the Series B1 Notes and the Series B3 Notes;

"**Junior Noteholders**" means the holders of the Junior Notes;

"**Junior Notes Remuneration**" means, on each Interest Payment Date:

(a) prior to the service of an Issuer Acceleration Notice, the Issuer Available Funds to be applied on such Interest Payment Date minus all payments or provisions to be made under the Pre-Enforcement Priority of Payments under items (i) to (xii); or

(b) following the service of an Issuer Acceleration Notice or in the event the Issuer opts for

the early redemption of the Notes under Condition 7(c) (*Optional redemption of the Notes*) or Condition 7(d) (*Optional redemption for taxation, legal or regulatory reasons*), the Issuer Available Funds to be applied on such Interest Payment Date minus all payments or provisions to be made under the Post-Enforcement Priority of Payments under items (i) to (x);

"**Letter of Undertaking**" means a letter of undertaking dated on or about the Initial Issue Date between the Issuer, the Representative of the Noteholders and the Financing Bank, as amended from time to time;

"**Local Business Day**" has the meaning given to it in Condition 8(c) (*Payments on Business Days*);

"**Mandate Agreement**" means a mandate agreement dated on or about the Initial Issue Date between the Issuer and the Representative of the Noteholders, as amended and supplemented from time to time;

"**Master Amendment Agreement 2024**" means the master amendment agreement dated on or about the Issue Date 2024 between the Issuer and other parties of the Securitisation.

"**Maturity Date**" has the meaning given to it in Condition 7(a) (*Final redemption*);

"**Meeting**" has the meaning given to it in the Rules of the Organisation of Noteholders;

"**Moody's**" means Moody's Investors Service Inc. and/or Moody's Investors Service Ltd and/or Moody's Italia S.r.l., as the case may be. In particular:

1) Moody's Investors Service Inc. is not established in the European Union. The use in the European Union of credit ratings issued in the United States of America has been endorsed according to a decision by ESMA pursuant to Article 4(3) of the CRA Regulation; and

2) Moody's Investors Service Ltd and Moody's Italia S.r.l. are established in the European Union, have been registered in compliance with the requirements of the CRA Regulation, and are included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the ESMA Website (for the avoidance of doubt, such website does not constitute part of this Prospectus);

"**Mortgage Loans**" means, collectively, the Banco Popolare Initial Mortgage Loans, the Creberg Mortgage Loans, the Subsequent Mortgage Loans and the Further Subsequent Mortgage Loans and the Mortgage Loans 2024, and "**Mortgage Loan**" means any one of these;

"**Mortgage Loans 2024**" means, from time to time, the residential mortgage loans which have been transferred to the Issuer in accordance with the Third Subsequent Transfer Agreement and "**Mortgage Loan 2024**" means any one of these;

"**Most Senior Class**" means, at any point in time:

(a) the Class A Notes; or

if no Class A Notes are then outstanding, the Junior Notes;"**Note Security**" has the meaning given thereto in Condition 4 (*Note Security*);

"**Notes**" means, collectively, the Senior Notes and the Junior Notes.

"**Notes Further Instalment Payments**" means in relation to the Series A1 Notes, Euro 739,100,000.00 and in relation to the Series B1 Notes, Euro 347,837,000.00;

"**Notes Initial Instalment Payments**"means in relation to the Series A1 Notes Euro

1,701,300,000.00 and in relation to the Series B1 Notes, Euro 800,618,000.00;

"**Organisation of Noteholders**" means the organisation of the Noteholders created by the issue and subscription of the Notes and regulated by the Rules of the Organisation of Noteholders attached hereto as a schedule;

"**Originator**" means Banco BPM or any permitted successor or assignee thereof;

"**Originator's Claims**" means, collectively, the monetary claims that the Originator may have from time to time against the Issuer under the relevant Transfer Agreements (other than in respect of the relevant Purchase Price) and the Warranty and Indemnity Agreements, and including, without limitation, the relevant Rateo Amounts, the relevant Insurance Premia, the interest on the relevant Purchase Price and all amounts due and payable to the Originator for the repayment of any loan extended to the Issuer under clause 12.4 of the relevant Transfer Agreements and clause 6.4.3 of the Warranty and Indemnity Agreements;

"**Other Issuer Creditors**" means, collectively, the Representative of the Noteholders, Banco BPM (in any capacity), the Servicer, the Back-up Servicer Facilitator, the Transaction Bank, the Additional Transaction Bank, the Initial Class A Notes Subscriber, the Corporate Servicer, the Administrative Servicer, the Interim Account Bank, the Computation Agent, the Principal Paying Agent, the Agent Bank, the Initial Junior Notes Subscriber and the Subordinated Loan Provider;

"**Outstanding Principal**" means, in respect of a Claim, the aggregate of the principal amount of the relevant Mortgage Loan from time to time;

"**Payments Account**" means a euro-denominated current account opened by the Issuer with the Principal Paying Agent, as better identified in the Agency and Accounts Agreement, or any other account as may replace it in accordance with the Agency and Accounts Agreement;

"**Pool Audit Reports**" means the reports prepared by an appropriate and independent party pursuant to article 22, paragraph 2, of the EU Securitisation Regulation and the relevant EBA Guidelines on STS Criteria, in order to verify:

i) that the data disclosed in the Prospectus of the Series 4 in respect of the Claims is accurate;

ii) 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 the sample portfolio; and

iii) that the data of the Claims included in the Portfolio contained in the loan-by-loan data tape prepared by Banco BPM are compliant with the Criteria that are able to be tested prior to the Issue Date 2024;

"**Portfolio**" means, collectively, the Banco Popolare Initial Portfolio, the Creberg Portfolio, the First Subsequent Portfolio, the Second Subsequent Portfolio and the Third Subsequent Portfolio;

"**Portfolio Outstanding Amount**" means, on each Interest Payment Date, the aggregate Outstanding Principal of all the Claims as at the end of the immediately preceding Collection Period;

"**Post-Enforcement Final Redemption Date**" means the earlier to occur between: (i) the date when the Notes are due for payment under Condition 7(c) (*Optional redemption of the Notes*) or Condition 7(d) (*Optional redemption for taxation, legal or regulatory reasons*) in the event that the Issuer opts for the early redemption of the Notes in accordance therewith, (ii) the date when

the Portfolio Outstanding Amount will have been reduced to zero, and (iii) the date when all the Claims then outstanding will have been entirely written off by the Issuer;

"**Post-Enforcement Priority of Payments**" means the provisions relating to the order of priority of payments as set out in Condition 3(e) (*Post-Enforcement Priority of Payments*);

"**Pre-Enforcement Priority of Payments**" means the provisions relating to the order of priority of payments as set out in Condition 3(d) (*Pre-Enforcement Priority of Payments*);

"**Previous Securitisation**" means the securitisation transactions carried out by the Issuer in accordance with the Securitisation Law completed in April 2022;

"**Previous Securitisation Notes**" means the notes issued in the context of the Previous Securitisation;

"**Previous Transaction Documents**" means the documents, deeds and agreements defined as "Transaction Documents" in the prospectus related to the relevant Previous Securitisation;

"**Principal Amount Outstanding**" means, on any day and

(A) in relation to each Class of the Series 1 Notes:

  (i) the aggregate of the relevant Notes Initial Instalment Payments and of the relevant Notes Further Instalment Payments made in respect thereof, minus

  (ii) the aggregate of all Principal Payments in respect of that Note which have become due and payable (and which have actually been paid) on or prior to that day; and

(B) in relation to each Class of the Series 2 Notes, each Class of the Series 3 Notes and each Class of the Series 4 Notes:

  (i) the aggregate principal amount outstanding upon issue of the relevant Class of Notes, minus

  (ii) the aggregate amount of all Principal Payments in respect of that Class of Notes which have become due and payable (and which have actually been paid) on or prior to that day;

"**Principal Payments**" has the meaning given in Condition 7(e) (*Mandatory redemption of the Notes*);

"**Priority of Payments**" means, as the case may be, any of the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments;

"**Privacy Code**" means the "*Codice per la protezione dei dati personali*", provided under Legislative Decree No. 196 of 30 June 2003, as from time to time amended, supplemented or replaced.

"**Prospectus**" means the Prospectus of the Series 1 Notes and/or the Prospectus of the Series 2 Notes and/or the Prospectus of the Series 3 Notes and/or the Prospectus 2024, as the case may be.

"**Prospectus of the Series 1 Notes**" means the prospectus for the Series 1 Notes dated 21 December 2012 and published by the Issuer in connection with the issue of the Series 1 Notes and which constitute a *prospetto informativo* for the Series 1 Notes in accordance with the Securitisation Law;

"**Prospectus of the Series 2 Notes**" means the prospectus for the Series 2 Notes dated 27 October 2016 and published by the Issuer in connection with the issue of the Series 2 Notes and which constitute a *prospetto informativo* for the Series 2 Notes in accordance with the

Securitisation Law;

"**Prospectus of the Series 3 Notes**" means the prospectus for the Serie 3 Notes dated on or about the Second Subsequent Issue Date and published by the Issuer in connection with the issue of the Serie 3 Notes and which constitute a *prospetto informativo* for the Series 3 Notes in accordance with the Securitisation Law;

"**Prospectus 2024**" means the prospectus dated 7 August 2024 which contains information relating to the issue by Issuer of the Notes and which constitute (A) a *prospetto informativo* for the Series 4 Notes for the purpose of article 2, paragraph 3 of the Securitisation Law; (B) a prospectus for the purposes of article 7(1)(c) of the EU Securitisation Regulation (as defined below) and (C) also the admission document of the Class A Notes for the admission to trading on Euronext Access Milan Professional of Euronext Access Milan, which is a multilateral system for the purposes of the Market in Financial Instruments Directive 2014/65/UE, managed by Borsa Italiana S.p.A. (*Borsa Italiana*) (ii) to the extent required, an amended *prospetto informativo* for the Series 1 Notes, the Series 2 Notes and the Series 3 Notes;

"**Prospectus Regulation**" means Regulation (EU) 2017/1129, as amended from time to time;

"**Purchase Price**" has the meaning given to the term "*Prezzo di Acquisto*" in the relevant Transfer Agreement and "**Purchase Prices**" means the aggregate of the Purchase Price of each Transfer Agreement;

"**Rateo Amount**" has the meaning given to the term "*Ratei*" in the relevant Transfer Agreement and "**Rateo Amounts**" means the aggregate of the Rateo Amount of each Transfer Agreement;

"**Rating Agencies**" means Moody's and DBRS;

"**Reference Banks**" means, initially, Barclays Bank PLC, Lloyds TSB Bank plc and HSBC Bank plc, each acting through its principal London office and, if the principal London office of any such bank is unable or unwilling to continue to act as a Reference Bank, the principal London office of such other bank as the Issuer shall appoint and as may be approved in writing by the Representative of the Noteholders to act in its place;

"**Regulatory Technical Standards**" means any delegated regulatory technical standards in force specifying the information and the details of a securitisation to be made available by a reporting entity pursuant to the EU Securitisation Regulation;

"**Relevant Clearing System**" means Euroclear and/or Clearstream, Luxembourg;

"**Relevant Date**" means, in respect of any payment in relation to the Notes, whichever is the later of:

(a) the date on which the payment in question first becomes due; and

(b) if the full amount payable has not been received by the Principal Paying Agent or the Representative of the Noteholders on or prior to such date, the date on which, the full amount having been so received, notice to that effect has been given to the Noteholders in accordance with Condition 17 (*Notices*);

"**Reporting Date**" means the date falling no later than seven Business Days immediately following the end of each preceding Collection Period, provided that the first Reporting Date is (i) 10 April 2013 with reference to the Initial Portfolio; (ii) 10 January 2017 with reference to the First Subsequent Portfolio; (iii) 10 April 2019 with reference to the Second Subsequent Portfolio and (iii) 9 July 2024 with reference to the Third Subsequent Portfolio.

"**Reporting Entity**" means the Originator in its capacity as the reporting entity pursuant to

article 7 of the EU Securitisation Regulation;

"**Retention Amount**" means the amount of € 50,000;

"**Second Banco Popolare Mortgage Loans**" means, from time to time, the aggregate of the residential mortgage loans comprised in the Banco Popolare Second Portfolio, the Second Banco Popolare Claims in respect of which have been transferred to the Issuer in accordance with the Second Banco Popolare Transfer Agreement;

"**Second Creberg Mortgage Loans**" means, from time to time, the aggregate of the residential mortgage loans comprised in the Creberg Second Portfolio, the Second Creberg Claims in respect of which have been transferred to the Issuer in accordance with the Second Creberg Transfer Agreement;

"Second Subsequent Issue Date" or the "**Issue Date 2019**" means 14 March 2019 or such other date as set out in the Prospectus of the Series 3 Notes;

"**Second Subsequent Portfolio**" or the "**Banco BPM First Portfolio**" means the aggregate of all Further Subsequent Mortgage Loans;

"**Second Subsequent Signing Date**" means 8 February 2019;

"**Second Subsequent Subscription Agreements**" means the Series A3 Notes Subscription Agreement and the Series B3 Notes Subscription Agreement and "**Second Subsequent Subscription Agreement**" means any of them;

"**Second Subsequent Transfer Agreement**" or the "**First Banco BPM Transfer Agreement**" means the transfer agreement executed on 8 March 2019 betweeen the Issuer and Banco BPM in relation to the transfer of the Second Subsequent Portfolio;

"**Second Subsequent Valuation Date**" means 00.01 of the 28 January 2019;

"**Second Subsequent Warranty and Indemnity Agreement**" means the warranty and indemnity agreement executed on 8 February 2019 by and between the Issuer and Banco BPM;

"**Secured Amounts**" means all the amounts due, owing or payable by the Issuer, whether present or future, actual or contingent, to the Noteholders under the Notes and the other Issuer Secured Creditors pursuant to the relevant Transaction Documents;

"**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 to the investors in the Notes.

"**Security Interest**" means any mortgage, charge, pledge, lien, right of set-off, special privilege (*privilegio speciale*), assignment by way of security, retention of title or any other security interest whatsoever or any other agreement or arrangement having the effect of conferring security;

"**Senior Notes**" means, collectively, the Class A1 Notes, the Class A2 Notes, the Class A3 Notes and the Class A4 Notes;

"**Senior Noteholders**" means the holders of the Senior Notes;

"**Series A1 Notes Subscription Agreement**" means the subscription agreement in respect of the Series A1 Notes dated on or about the Initial Issue Date between the Initial Series A1 Notes Subscriber, the Issuer and the Representative of the Noteholders;

"**Series A2 Notes Subscription Agreement**" means the subscription agreement in respect of the Series A2 Notes dated on or about the First Subsequent Issue Date between the Initial Series A2 Notes Subscriber, the Issuer and the Representative of the Noteholders;

"**Series A3 Notes Subscription Agreement**" means the subscription agreement in respect of the Series A3 Notes dated on or about the Second Subsequent Issue Date between the Initial Series A3 Notes Subscriber, the Issuer and the Representative of the Noteholders;

"**Series A4 Notes Subscription Agreement**" means the subscription agreement in respect of the Series A4 Notes dated on or about the Issue Date 2024 between the Initial Series A4 Notes Subscriber, the Issuer and the Representative of the Noteholders;

"**Series B1 Notes Subscription Agreement**" means the subscription agreement in respect of the Series B1 Notes dated on or about the Initial Issue Date between the Initial Series B1 Notes Subscriber, the Issuer and the Representative of the Noteholders;

"**Series B3 Notes Subscription Agreement**" means the subscription agreement in respect of the Series B3 Notes dated on or about the Second Subsequent Issue Date between the Initial Series B3 Notes Subscriber, the Issuer and the Representative of the Noteholders;

"**Servicer Report**" means the report prepared and submitted by the Servicer to on each Reporting Date in the form set out in the Servicing Agreement and containing information as to the Portfolio and the Collections in respect of the preceding Collection Period;

"**Servicer's Advance**" means those amounts due to the Servicer under clauses 3.8 and 12.5.4 of the Servicing Agreement;

"**Servicer's Junior Reimbursements**" has the meaning ascribed to the term *Restituzioni Servicer Junior* in the Servicing Agreement;

"**Servicer's Senior Reimbursements**" has the meaning ascribed to the term *Restituzioni Servicer Senior* in the Servicing Agreement;

"**Servicer**" means Banco BPM;

"**Servicing Agreement**" means the servicing agreement dated the Initial Signing Date between the Issuer and the Servicer, as amended and supplemented from time to time;

"**Shareholder's Commitment**" means the shareholder's commitment in relation to the Issuer dated the Issue Date, between the Issuer, SVM Securitisation Vehicles Management S.r.l. and the Representative of the Noteholders;

"**Specified Offices**" has the meaning given in Condition 17(d) (*Initial Specified Offices*);

"**Subordinated Loan Agreement 2024**" means the subordinated loan agreement executed on or about the Issue Date 2024 between the Subordinated Loan Provider (including Creberg before the merger into Banco BPM), the Representative of the Noteholders and the Issuer;

"**Subordinated Loan Agreements**" means the Initial Subordinated Loan Agreement, the Subsequent Subordinated Loan Agreement and the Subordinated Loan Agreement 2024, as the case may be.

"**Subordinated Loan Provider**" means Banco BPM or any permitted successor or assignee thereof;

"**Subscription Agreements**" means the Initial Subscription Agreements, the First Subsequent Subscription Agreement and/or the Second Subsequent Subscription Agreements and/or the

Series A4 Notest Subscription Agreement, as the case may be;

"**Subsequent Claims**" or the "**Third Banco Popolare Claims**" has the meaning given to the term "*Crediti*" in the First Subsequent Transfer Agreement, which term identifies the debt claims arising from the Subsequent Loans comprised in the First Subsequent Portfolio;

"**Subsequent Collections**" means any monies from time to time paid, as of the relevant Valuation Date (included), in respect of the Subsequent Mortgage Loans and the related Subsequent Claims;

"**Subsequent Mortgage Loans**" or the "**Third Banco Popolare Mortgage Loans**" means, from time to time, the residential mortgage loans which have been transferred to the Issuer in accordance with the First Subsequent Transfer Agreement and "**Subsequent Mortgage Loan**" means any one of these;

"**Subsequent Subordinated Loan Agreement**" means the subordinated loan agreement executed on or about the Second Subsequent Issue Date between the Subordinated Loan Provider, the Representative of the Noteholders and the Issuer;

"**Subsequent Subordinated Loan**" means the subordinated loan granted by the Subordinated Loan Provider in connection with the Subsequent Subordinated Loan Agreement;

"**STS Verification**" means a report from Prime Collateralised Securities (PCS) EU SAS which verifies compliance of the Securitisation with the criteria stemming from articles 18, 19, 20, 21 and 22 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;

"**Target Cash Reserve Amount**" means (i) on the Issue Date 2024, € 65,448,114.26; (ii) on each Calculation Date thereafter an amount equal to three per cent. of the aggregate Principal Amount Outstanding of the Senior Notes provided that such amount shall not be lower than € 40,000,000.00; and (iii) €0 on the earlier of (A) the Maturity Date; (B) the Final Redemption Date; and (C) the Interest Payment Date on which the Senior Notes are redeemed in full.

"**TARGET Settlement Day**" means any day on which the TARGET system is open;

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto;

"**Tax**" or "**tax**" means any present or future taxes, levies, imposts, 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 or any applicable authority of a Taxing Jurisdiction (including any related interest and penalties) and **Taxes, taxation, taxable** and comparable expressions shall be construed accordingly.

"**Tax Deduction**" means any withholding or deduction for or on account of Tax.

"**Third Subsequent Portfolio**" or the "**Second Banco BPM Portfolio**" means the aggregate of all Mortgage Loans 2024;

"**Third Subsequent Portfolio Outstanding Amount**" means the aggregate Outstanding Principal of all the Claims 2024 as at the Third Subsequent Valuation Date, being equal to € 3,275,565,159.87;

"**Third Subsequent Portfolio Signing Date**" means 20 June 2024;

"**Third Subsequent Portfolio Valuation Date**" means 9 June 2024;

"**Third Subsequent Transfer Agreement**" or the "**Second Banco BPM Transfer Agreement**" means the transfer agreement executed on 20 June 2024 betweeen the Issuer and Banco BPM in relation to the transfer of the Third Subsequent Portfolio;

"**Third Subsequent Warranty and Indemnity Agreement**" means the warranty and indemnity agreement executed on 20 June 2024 by and between the Issuer and Banco BPM;

"**Transaction Accounts**" means the Collection Account, the replacement Expenses Account (if opened with the Transaction Bank in accordance with the Agency and Accounts Agreement) and "**Transaction Account**" means any one of them;

"**Transaction Documents**" means the Transfer Agreements, the Servicing Agreement, the Warranty and Indemnity Agreements, the Corporate Services Agreement, the Administrative Services Agreement, the Intercreditor Agreement, the Agency and Accounts Agreement, the Mandate Agreement, the Shareholder's Commitment, the Letter of Undertaking, the Subscription Agreements, the Master Amendment Agreement 2024, these Conditions, the Rules of the Organisation of Noteholders and the Subordinated Loan Agreements and any other document which may be entered into by the Issuer, from time to time in connection with the Securitisation;

"**Transfer Agreements**" means, collectively, the Banco Popolare Initial Transfer Agreements, the Creberg Transfer Agreements, the First Subsequent Transfer Agreement, the Second Subsequent Transfer Agreement and the Third Subsequent Transfer Agreement and "**Transfer Agreement**" means any one of these;

"**Transfer Date**" means, with reference to:

(a) the Initial Portfolios, 7 December 2012;

(b) to the First Subsequent Portfolio, 13 October 2016;

(c) to the Second Subsequent Portfolio, 8 February 2019; and

(d) to the Third Subsequent Portfolio, 20 June 2024.

"**U.S. Risk Retention**" means Section 15G of the Securities Exchange Act of 1934, as amended;

"**Unpaid Instalment**" means an instalment which, at a given date, is due but not fully paid and remains such for at least 30 calendar days, following the date on which it should have been paid under the terms of the relevant Mortgage Loan;

"**Valuation Date**" has the meaning ascribed to the term "*Data di Valutazione*" in each Transfer Agreement;

"**Warranty and Indemnity Agreements**" means, collectively, the Initial Warranty and Indemnity Agreement, the First Subsequent Warranty and Indemnity Agreement, the Second Subsequent Warranty and Indemnity Agreement and the Third Subsequent Warranty and Indemnity Agreement; and

"**Written Resolution**" means a resolution in writing signed by or on behalf of all holders of Notes who for the time being are entitled to receive notice of a Meeting of such holders of Notes in accordance with the Rules of the Organisation of Noteholders, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of Notes.

(b) In these Conditions, the following events are deemed to have occurred as set out below:

an "**Insolvency Event**" will have occurred in respect of the Issuer if:

(i) the Issuer becomes subject to any applicable bankruptcy, liquidation, administration, receivership, insolvency, composition or reorganisation (among which, without limitation, *fallimento*, *liquidazione coatta amministrativa*, *concordato preventivo*, *accordi di ristrutturazione* and *amministrazione straordinaria*, each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, and including also any equivalent or analogous proceedings under the law of the jurisdiction in which the Issuer is deemed to carry on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, receivership, arrangement, adjustment, protection or relief of debtors) or similar proceedings or the whole or any substantial part of the undertaking or assets of the Issuer are subject to a *pignoramento* or similar procedure having a similar effect (other than 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 being disputed by the Issuer in good faith with a reasonable prospect of success;

(ii) an application for the commencement of any of the proceedings under (a) above is made in respect of or by the Issuer or the same proceedings are otherwise initiated against the Issuer or notice is given of intention to appoint an administrator in relation to the Issuer 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;

(iii) the Issuer 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 the Issuer Secured Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it or applies for suspension of payments; or

(iv) an order is made or an effective resolution is passed for the winding-up, liquidation, administration or dissolution in any form of the Issuer (except a winding-up for the purposes of or pursuant to a solvent amalgamation or reconstruction, the terms of which have been previously approved in writing by the Representative of the Noteholders) or any of the events under article 2484 of the Italian civil code occurs with respect to the Issuer;

2. FORM, DENOMINATION AND TITLE

(a) **Form**

The Notes will be issued in dematerialised form (in forma dematerializzata) on behalf of the ultimate owners, until redemption and/or cancellation thereof, by Monte Titoli S.p.A. ("**Euronext Securities Milan**") for the account of the relevant Euronext Securities Milan Account Holders. The expression "Euronext Securities Milan Account Holders" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Euronext Securities Milan and includes any depository banks appointed by Clearstream Banking S.A. ("**Clearstream**") and Euroclear Bank S.A. /N.V., as operator of the Euroclear System ("**Euroclear**").

Euronext Securities Milan will act as depository for Clearstream and Euroclear in accordance with article 83-bis of Italian Legislative Decree no. 58 of 24 February 1998 (as amended, the "**Financial Laws Consolidation Act**"), through the authorised institutions listed in article 83-quater of the Financial Laws Consolidation Act

(b) **Denomination**

The Senior Notes are issued in the denomination of € 100,000. The Junior Notes are issued in the denomination of € 1,000.

(c) **Title**

Title on the Notes will at all times be evidenced in book entry form and title to the Notes will be evidenced by book entries in accordance with: (i) article 83-bis of the Financial Laws Consolidation Act and (ii) regulation jointly issued on 13 August 2018 by the Bank of Italy together with CONSOB (the as subsequently amended and supplemented ("**CONSOB and Bank of Italy Joint Resolution**")..No physical document of title will be issued in respect of the Notes.

(d) **Holder Absolute Owner**

Except as ordered by a court of competent jurisdiction or as required by law, the Issuer, the Representative of the Noteholders and the Principal 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 the purposes of payments to be made to the holder of such Note (whether or not the Note is 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.

3. STATUS, RANKING AND PRIORITY

(a) **Status**

The Notes constitute direct and unconditional obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 16 (*Limited recourse and non-petition*). The Notes are secured over certain assets of the Issuer pursuant to the Note Security. The Noteholders acknowledge that the limited-recourse nature of the Notes produces the effects of a *contratto aleatorio* under Italian law and they accept the consequences thereof, including but not limited to, the provisions of article 1469 of the Italian civil code. The rights arising from the Note Security are included in each Note.

(b) **Ranking**

(i) In respect of the obligations of the Issuer to pay interest on the Notes prior to the service of an Issuer Acceleration Notice:

(A) the Class A Notes will rank *pari passu* and without any preference or priority among themselves, but in priority to the Junior Notes;

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

(ii) In respect of the obligations of the Issuer to repay principal on the Notes, prior to the service of an Issuer Acceleration Notice:

(A) the Class A Notes will rank *pari passu* and without any preference or priority among themselves, but subordinate to payment of interest in

respect of the Class A Notes and in priority to repayment of principal and interest on the Junior Notes;

(B) the Junior Notes will rank *pari passu* and without any preference or priority among themselves, but subordinated to (A) payment of interest on the Class A Notes and (B), repayment of principal on the Class A Notes.

(iii) In respect of the obligations of the Issuer (a) to pay interest and (b) to repay principal on the Notes following the service of an Issuer Acceleration Notice:

(A) the Class A Notes will rank *pari passu* and without any preference or priority among themselves and in priority to the Junior Notes;

(B) the Junior Notes will rank *pari passu* and without any preference or priority among themselves, but subordinated to payment in full of all amounts due under the Class A Notes.

(iv) The Intercreditor Agreement and the Rules of the Organisation of Noteholders provide that the Representative of the Noteholders shall have regard to the respective interests of all Noteholders in connection with the exercise of the powers, authorities, rights, duties and discretions of the Representative of the Noteholders under or in relation to the Notes or any of the Transaction Documents. If, however, in the opinion of the Representative of the Noteholders, there is a conflict between the interests of the Class A Noteholders and the interests of the Junior Noteholders, the Representative of the Noteholders is required under the Intercreditor Agreement and the Rules of the Organisation of Noteholders to have regard only to the interests of the Class A Noteholders, until the Class A Notes have been entirely redeemed.

(c) **Sole obligations**

The Notes are obligations solely of the Issuer and are not obligations of, or guaranteed by, any other parties to the Transaction Documents.

(d) **Pre-Enforcement Priority of Payments**

Prior to the service of an Issuer Acceleration Notice or the early redemption of the Notes in accordance with Condition 7(c) (Optional redemption of the Notes) or Condition 7(d) (Optional redemption for taxation, legal or regulatory reasons), the Issuer Available Funds as calculated on each Calculation Date will be applied by the Issuer on the Interest Payment Date immediately following such Calculation Date in making payments or provisions in the following order of priority (the "**Pre-Enforcement Priority of Payments**") but, in each case, only if and to the extent that payments or provisions of a higher priority have been made in full:

(i) *first*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of:

(A) any and all outstanding taxes due and payable by the Issuer in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs and to the extent not paid by Banco BPM under the Letter of Undertaking);

(B) any and all outstanding fees, costs, liabilities and any other expenses to be

paid in order to preserve the corporate existence of the Issuer, to maintain it in good standing, to comply with applicable legislation and to fulfil obligations to third parties (not being Other Issuer Creditors) incurred in the course of the Issuer's business in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs and to the extent not paid by Banco BPM under the Letter of Undertaking);

(C) any and all outstanding fees, costs, expenses and taxes required to be paid in connection with the listing, deposit or ratings of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs);

(ii) *second*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of:

(A) any and all outstanding fees, costs and expenses of and all other amounts due and payable to the Representative of the Noteholders, or any appointee thereof; and

(B) the amount necessary to replenish the Expenses Account up to the Retention Amount;

(iii) *third*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding fees, costs and expenses due and payable to, the Principal Paying Agent, the Agent Bank, the Computation Agent, the Back-up Servicer Facilitator, the Servicer (including any amount due to the Servicer as Servicer's Senior Reimbursements), the Corporate Servicer, the Administrative Servicer, the Interim Account Bank, the Transaction Bank and the Additional Transaction Bank each, under the Transaction Document(s) to which it is a party;

(iv) *fourth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts of interest due and payable on the Class A Notes;

(v) *fifth*, for so long as there are Class A Notes outstanding, to credit the Cash Reserve Account with the Target Cash Reserve Amount;

(vi) *sixth*, on each Interest Payment Date, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class A Notes;

(vii) *seventh*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of all amounts due and payable to the Originator in respect of the relevant Rateo Amounts (if any) under the terms of the Transaction Documents;

(viii) *eighth*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of all amounts of interest and principal due and payable to the Subordinated Loan Provider under the terms of the Subordinated Loan Agreements;

(ix) *ninth*, in or towards satisfaction, *pro rata* and *pari passu*, according to the

respective amounts thereof, of:

(A) all amounts due and payable to the Originator in respect of the Originator's Claims (if any) under the terms of the Transaction Documents;

(B) all amounts due and payable to the Servicer as (i) Servicer's Advance (if any) and/or (ii) Servicer's Junior Reimbursements, under the terms of the Servicing Agreement; and

(C) all amounts due and payable to Banco BPM in connection with the granting of a limited recourse loan under the Letter of Undertaking;

(x) *tenth*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding fees, costs, liabilities and any other expenses to be paid to fulfil obligations to any Other Issuer Creditor incurred in the course of the Issuer's business in relation to this Securitisation (other than amounts already provided for in this Pre-Enforcement Priority of Payments);

(xi) *eleventh* in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Junior Notes until the Principal Amount Outstanding of the Junior Notes is equal to € 50,000;

(xii) *twelfth*, on the Final Redemption Date and on any Interest Payment Date thereafter, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Junior Notes until the Junior Notes are redeemed in full; and

(xiii) *thirteenth*, up to but excluding the Final Redemption Date, in or towards satisfaction, *pro rata* and *pari passu*, of the Junior Notes Remuneration (if any) due and payable on the Junior Notes;

provided, however, that, should the Computation Agent not receive within five Business Days from the relevant Reporting Date the Servicer Report necessary for it to prepare the Payments Report in respect of any Calculation Date, the Computation Agent shall promptly inform the Issuer, the Rating Agencies and the Representative of the Noteholders (the "**Servicer Report Delivery Failure Event**").

On or prior to any such Calculation Date, based on the information available as of such date, the Computation Agent will calculate:

(I) the interest payable in respect of the Class A Notes on the immediately following Interest Payment Date;

(II) the fees payable to the Servicer on the immediately following Interest Payment Date pursuant to item (iii) of the Pre-Enforcement Interest Priority of Payments which shall be assumed to be equal to the amount specified in the last available Servicer Report; and

(III) without duplication of (b) above, the payments (if any) to be made on the immediately following Interest Payment Date pursuant to items from (i) to (iv) of the Pre-Enforcement Interest Priority of Payments,

and, based on the information listed above, will compile a payments report in substantially the form attached hereto as schedule 5 to the Agency and Accounts Agreement (the "**Provisional Payments Report**").

Following distribution of the Provisional Payments Report, the Computation Agent will promptly prepare an instruction for the payment of the amounts detailed in the relevant Provisional Payments Report to be submitted to the Issuer for authorisation purposes and to be forwarded to the Principal Paying Agent once signed by the Issuer.

On the Interest Payment Date immediately following the occurrence of a Servicer Report Delivery Failure Event all sums available to the Issuer after payment of all amounts due and payable from (i) to (iv) of the Pre-Enforcement Priority of Payments will be applied by the Issuer:

(i) *first*, to the credit of the Cash Reserve Account the Target Cash Reserve Amount; and

(ii) *second*, to the credit of the Collection Account.

On the Calculation Date immediately following the Interest Payment Date on which a Servicer Report Delivery Failure Event has occurred (the "**Partial Distribution Interest Payment Date**"), subject to receipt of the relevant Servicer Report, the Computation Agent will make any necessary adjustment to take into account any differences and/or discrepancies between (i) the amounts paid on the immediately preceding Partial Distribution Interest Payment Date on the basis of the Provisional Payments Report and (ii) the actual amounts that would have been due on such Interest Payment Date had the relevant Servicer Report been delivered.

(e) **Post-Enforcement Priority of Payments**

Following the service of an Issuer Acceleration Notice, or, in the event that the Issuer opts for the early redemption of the Notes under Condition 7(c) (*Optional redemption of the Notes*) or Condition 7(d) (*Optional redemption for taxation, legal or regulatory reasons*), the Issuer Available Funds as calculated on each Calculation Date will be applied by or on behalf of the Representative of the Noteholders on the Interest Payment Date immediately following such Calculation Date in making payments or provisions in the following order (the "**Post-Enforcement Priority of Payments**") but, in each case, only if and to the extent that payments of a higher priority have been made in full:

(i) *first*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of:

(A) any and all outstanding taxes due and payable by the Issuer in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs and to the extent not paid by Banco BPM under the Letter of Undertaking);

(B) any and all outstanding fees, costs, liabilities and any other expenses to be paid in order to preserve the corporate existence of the Issuer, to maintain it in good standing, to comply with applicable legislation and to fulfil obligations to third parties (not being Other Issuer Creditors) incurred in the course of the Issuer's business in relation to this Securitisation (to the extent that amounts standing to the credit of the

Expenses Account are insufficient to pay such costs and to the extent not paid by Banco BPM under the Letter of Undertaking);

(C) any and all outstanding fees, costs, expenses and taxes required to be paid in connection with the listing, deposit or ratings of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs);

(ii) *second*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of:

(A) any and all outstanding fees, costs, expenses and taxes required to be paid in connection with the listing, deposit or ratings of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs); and

(B) any and all outstanding fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders or any appointee thereof;

(iii) *third*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding fees, costs and expenses due and payable to, the Principal Paying Agent, the Agent Bank, the Computation Agent, the Back-up Servicer Facilitator, the Servicer (including any amount due to the Servicer as Servicer's Senior Reimbursements), the Corporate Servicer, the Administrative Servicer, the Interim Account Bank, the Transaction Bank and the Additional Transaction Bank each, under the Transaction Document(s) to which it is a party;

(iv) *fourth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class A Notes at such date;

(v) *fifth*, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class A Notes;

(vi) *sixth*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of all amounts due and payable to the Originator in respect of the relevant Rateo Amounts (if any) under the terms of the Transaction Documents;

(vii) *seventh*, in or towards satisfaction *pro rata* and *pari passu*, according to the respective amounts thereof:

(A) all amounts due and payable to the Originator in respect of the relevant Originator's Claims (if any) under the terms of the Transaction Documents;

(B) all amounts due and payable to the Servicer as (i) Servicer's Advance (if any) and/or (ii) Servicer's Junior Reimbursements, under the terms of the Servicing Agreement; and

(C) all amounts due and payable to Banco BPM in connection with the granting of a limited recourse loan under the Letter of Undertaking;

(viii) *eighth*, in or towards satisfaction, *pro rata* and *pari passu*,according to the respective amounts thereof, of all amounts of interest and principal due and payable to the Subordinated Loan Provider under the terms of the Subordinated Loan Agreements;

(ix) *ninth*, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Junior Notes until the Principal Amount Outstanding of the Junior Notes is equal to € 50,000;

(x) *tenth*, on the Post-Enforcement Final Redemption Date and on any date thereafter, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Junior Notes until the Junior Notes are redeemed in full; and

(xi) *eleventh*, up to but excluding the Post-Enforcement Final Redemption Date, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts due and payable in respect of the Junior Notes Remuneration at such date,

provided, however, that if the amount of the monies at any time available to the Issuer or to the Representative of the Noteholders for the payments above shall be less than 10% (ten per cent.) of the Principal Amount Outstanding of all Classes of Notes, the Representative of the Noteholders may at its discretion invest such monies in some or one of the investments authorised pursuant to the Intercreditor Agreement. The Representative of the Noteholders at its discretion may vary such investments and may accumulate such investments and the resulting income until the immediately following Accumulation Date.

The Issuer or the Representative of the Noteholders on the Issuer's behalf is entitled, pursuant to the Intercreditor Agreement, to dispose of the Claims in order to finance the redemption of the Notes following the service of an Issuer Acceleration Notice.

(f) **Expenses**

From time to time, during an Interest Period, the Issuer shall, in accordance with the Agency and Accounts Agreement, be entitled to apply amounts standing to the credit of the Expenses Account in respect of certain monies which properly belong to third parties, other than the Noteholders and the Other Issuer Creditors in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with applicable legislation, and in payment of sums due to third parties, other than the Noteholders and the Other Issuer Creditors, under obligations incurred in the course of the Issuer's business.

4. NOTE SECURITY

As security for the discharge of the Secured Amounts, the Issuer has created and will create the following security (together, the "**Note Security**") concurrently with the issue of the Series 1 Notes, in favour of the Representative of the Noteholders for itself and on behalf of the Noteholders and the other Issuer Secured Creditors an Italian law pledge over all monetary claims and rights and all the amounts (including payment for claims, indemnities, damages, penalties, credits and guarantees) to which the Issuer is entitled from time to time pursuant to the

Transaction Documents (other than the Conditions, the Rules of the Organisation of Noteholders, the Italian Deed of Pledge, and the Mandate Agreement).

The rights arising from the Note Security in favour of the Noteholders which are incorporated in each of the relevant Notes are transferred together with the transfer of any relevant Note at the time of transfer of such Note. Each holder of any of such Notes from time to time will have the benefit of such rights.

By operation of Italian law, the Issuer's rights, title and interest in and to the Portfolio and the other Issuer's Rights will be segregated from all other assets of the Issuer and amounts deriving therefrom will be available both prior and following a winding-up of the Issuer only to satisfy the Issuer's obligations to the Noteholders, the Other Issuer Creditors and any other third party creditors in respect of any taxes, costs, fees or expenses incurred by the Issuer in relation to the Securitisation.

5. COVENANTS

(a) **Covenants by the Issuer**

For so long as any Note remains outstanding, the Issuer, save with the prior written consent of the Representative of the Noteholders or as provided in or envisaged by these Conditions or any of the Transaction Documents, shall not, nor shall cause or permit (to the extent permitted by Italian law), shareholders' meetings to be convened in order to:

(b) **Negative pledge**

create or permit to subsist any Security Interest whatsoever upon, or with respect to the Claims, or any part thereof or any of its present or future business, undertaking, assets or revenues relating to this Securitisation or undertakings (other than under the Note Security) or sell, lend, part with or otherwise dispose of all or any part of the Claims, or any part thereof or any of its present or future business, undertaking, assets or revenues relating to this Securitisation whether in one transaction or in a series of transactions;

(c) **Restrictions on activities**

(A) without prejudice to Condition 5(n) (*Further Securitisations and corporate existence*) below, engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage;

(B) have any subsidiary (*societá controllata*) or affiliate company (*societá collegata*) (as defined in article 2359 of the Italian civil code) or any employees or premises;

(C) at any time approve or agree or consent to any act or thing whatsoever which is materially prejudicial to the interests of the Noteholders under the Transaction Documents or do, or permit to be done, any act or thing in relation thereto which is materially prejudicial to the interests of the Noteholders under the Transaction Documents; or

(D) become the owner of any real estate asset;

(d) **Dividends or distributions**

pay any dividend or make any other distribution or return or repay any equity capital to its shareholder or increase its equity capital;

(e) **Borrowings**

without prejudice to Condition 5(n) (*Further Securitisations and corporate existence*) below, incur any indebtedness in respect of borrowed money whatsoever or give any guarantee in respect of any indebtedness or of any obligation of any person other than for the purposes of the Securitisation;

(f) **Merger**

consolidate or merge with any other person or convey or transfer any of its properties or assets substantially as an entirety to any other person;

(g) **Waiver or consent**

permit any of the Transaction Documents (i) to be amended, terminated or discharged, if such amendment, termination or discharge may negatively affect the interests of the holders of the Notes of the Most Senior Class or (ii) to become invalid or ineffective or the priority of the Security Interests created thereby to be reduced or consent to any variation thereof or exercise any powers of consent, direction or waiver pursuant to the terms of any of the Transaction Documents or permit any party to the Transaction Documents or any other person whose obligations form part of the Note Security to be released from its respective obligations in a way which may negatively affect the interests of the holders of the Notes of the Most Senior Class;

(h) **Mortgage Loans**

agree to any request by the Servicer to change the rate of interest on any Mortgage Loan or to waive any of its rights under any Mortgage Loan;

(i) **Bank accounts**

with the exception of the Equity Capital Account and such other accounts that the Issuer may have opened in the context of the Previous Securitisation or may open in the future in the context of securitisation transactions other than this Securitisation and without prejudice to Condition 5(n) (*Further Securitisations and corporate existence*), have an interest in any bank account other than the Accounts, without the prior consent of the Representative of the Noteholders and provided that the opening of any such account will not prejudice any of the ratings of the Class A Notes and that the net interest or other return on any such new account is not lower than that which is then applicable on the Accounts;

(j) **Statutory documents**

amend, supplement or otherwise modify its by-laws (*statuto*), except where such amendment, supplement or modification is required by any compulsory provision of Italian law or by the competent regulatory authorities;

(k) **Corporate records, financial statements and books of account**

permit or consent to any of the following occurring:

(i) its books and records being maintained with or co-mingled with those of any other person or entity or those of any other securitisation transaction other than this Securitisation;

(ii) its bank accounts and the debts represented thereby being co-mingled with those of any other person or entity; or

(iii) its assets or revenues being co-mingled with those of any other person or entity;

and, in addition and without limitation to the above, the Issuer shall or shall procure that, with respect to itself:

(A) separate financial statements in relation to its financial affairs are maintained;

(B) all corporate formalities with respect to its affairs are observed;

(C) separate stationery, invoices and cheques are used;

(D) it always holds itself out as a separate entity; and

(E) any known misunderstandings regarding its separate identity are corrected as soon as possible; or

(l) **Residency and centre of main interests**

become resident, including without limitation for tax purposes, in any country outside Italy or cease to be managed and administered in Italy or cease to have its centre of main interests in Italy; or

(m) **Compliance with corporate formalities**

cease to comply with all necessary corporate formalities.

None of the covenants in this Condition 5(a) (*Covenants by the Issuer*) shall prohibit the Issuer from (i) performing its obligations under the Previous Transactions Documents in accordance with their terms or (ii) carrying out any activity which is incidental to maintaining its corporate existence and complying with laws and regulations applicable to it.

(n) **De-registrations**

ask for de-registration/suspension from the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy regulation dated 12 December 20213, for as long as the Securitisation Law, or any other applicable law or regulation requires the company incorporated pursuant to the Securitisation Law to be registered therewith;

(o) **Derivatives**

enter into derivative contracts save as expressly permitted by article 21, paragraph 2, of the EU Securitisation Regulation;

(p) **Further Securitisations and corporate existence**

None of the covenants in Condition 5(a) (*Covenants by the Issuer*) shall prohibit the Issuer from:

(a) acquiring, or financing pursuant to article 7 of the Securitisation Law, by way of separate transactions unrelated to this Securitisation, further portfolios of monetary claims in addition to the Claims either from the Originator or from any other entity (the "**Further Portfolios**") or entering into one or more bridge loans for the purposes of purchasing Further Portfolios provided that such bridge loans are repaid through, and limited recourse to, the proceeds arising from the Further Notes (as defined below);

(b) securitising such Further Portfolios (each, a "**Further Securitisation**") through the issue of further debt securities additional to the Notes (the "**Further Notes**");

(c) entering into agreements and transactions, with the Originator or any other entity, that are incidental to or necessary in connection with such Further Securitisation including, *inter alia*, the ring-fencing or the granting of security

over such Further Portfolios and any right, benefit, agreement, instrument, document or other asset of the Issuer relating thereto to secure such Further Notes (the "**Further Security**"),

provided that:

A. the Issuer confirms in writing to the Representative of the Noteholders that such Further Security does not comprise or extend over any of the Claims or any of the other Issuer's Rights;

B. the Issuer confirms in writing to the Representative of the Noteholders that the terms and conditions of the Further Notes contain provisions to the effect that the obligations of the Issuer whether in respect of interest, principal, premium or other amounts in respect of such Further Notes, are limited recourse obligations of the Issuer, limited to some or all of the assets comprised in such Further Security;

C. the Issuer confirms in writing to the Representative of the Noteholders that each party to such Further Securitisation agrees and acknowledges that the obligations of the Issuer to such party in connection with such Further Securitisation are limited recourse obligations of the Issuer, limited to some or all of the assets comprised in such Further Security and that each creditor in respect of such Further Securitisation or the representative of the holders of such Further Notes has agreed to limitations on its ability to take action against the Issuer, including in respect of insolvency proceedings relating to the Issuer, on terms in all significant respects equivalent to those contained in the Intercreditor Agreement;

D. the Issuer has notified in writing the Rating Agencies of its intention to carry out a Further Securitisation and provided that any such Further Securitisation would not adversely affect the then current rating of any of the Class A Notes;

E. the Issuer confirms in writing to the Representative of the Noteholders that the terms and conditions of such Further Notes will include:

   (I) covenants by the Issuer in all significant respects equivalent to those covenants provided in paragraphs (A) to (D) above; and

   (II) provisions which are the same as or, in the sole discretion of the Representative of the Noteholders, equivalent to this provision; and

F. such Further Securitisation shall not affect the qualification of the Class A Notes as eligible collateral (if applicable), within the meaning of, as applicable, the guidelines issued by the European Central Bank (ECB) in December 2014 (*Guideline (EU) 2015/510 of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60)*) and in July 2014 *(Guideline of the European Central Bank of 9 July 2014 on additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral and amending Guideline ECB/2007/9 (ECB/2014/31))*, as subsequently amended and supplemented, for liquidity and/or open market transactions carried out with a central bank in the Eurozone; and

G. the Representative of the Noteholders is satisfied that conditions (A) to (F) of

this provision have been satisfied.

Banco BPM will cooperate with the Issuer in carrying – out all the activities above mentioned where necessary and the Representative of the Noteholders, in confirming that Conditions (A) to (F) of this provision have been satisfied, 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.

6. INTEREST

(a) Interest Payment Dates and Interest Periods

Each Class A Note bears interest on its Principal Amount Outstanding from (and including) the relevant Issue Date at the applicable rate determined in accordance with this Condition, payable in euro in arrear on each Interest Payment Date subject to the applicable Priority of Payments and subject as provided in Condition 8 (*Payments*). The Junior Notes will accrue interest in an amount equal to the Junior Notes Remuneration (if any) calculated in accordance with paragraph (f) of this Condition, payable in euro in arrear on each Interest Payment Date subject to the applicable Priority of Payments and subject as provided in Condition 8 (*Payments*). Each period beginning on (and including) an Interest Payment Date (or, in the case of the first Interest Period, the relevant Issue Date) and ending on (but excluding) the next (or, in the case of the first Interest Period, the first) Interest Payment Date is herein called an "**Interest Period**".

(b) Termination of interest

Each Note shall cease to bear interest from and including its due date for final redemption, unless payment of principal due is improperly withheld or refused or default is otherwise made in respect of payment thereof, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of:

(a) the date on which all amounts due in respect of such Note up to that date are received by or on behalf of the relevant Noteholder; and

(b) the Cancellation Date.

(c) Rate of interest on the Class A Notes

The rate of interest applicable to the Class A Notes for each Interest Period will be determined by the Agent Bank on each Interest Determination Date preceding the relevant Interest Period, and will be equal to the higher of:

(1) 0% (*zero per cent*); and

(2) the sum of:

(a) the EURIBOR as defined in Condition 1 (*Definitions*); and

(b) 0.30 per cent. per annum for the Series A1 Notes, 0.25 per cent. per annum for the Series A2 Notes, 0.25 per cent. per annum for the Series A3 Notes and 0.80 per cent. per annum for the Series A4 Notes (the "**Class A Rate of Interest**").

In respect of the Series A4 Notes, for the first Interest Period following the Issue Date 2024 the rate will be obtained upon linear interpolation of the EURIBOR for one and three-month deposits in euro (as determined in accordance with Condition 6 (Interest)), plus (i) a margin equal to 0.80 per cent per annum.

For the avoidance of doubts, should the Euribor no longer be calculated or administered, should occur a material change in the methodology of calculating it or it becomes illegal for the Paying Agent to determine any amounts due to be paid, as at the relevant Payment Date, the applicable benchmark shall be such alternative rate which has replaced the Euribor in customary market usage for the purposes of determining floating rates of interest in respect of Euro denominated securities, as identified by the Servicer in consultation with an independent financial advisor (the "**IFA**"), appointed by the Issuer, provided however that if the IFA determines that there is no clear market consensus as to whether any rate has replaced Euribor in customary market usage, the IFA shall determine an appropriate alternative rate, and the decision of the IFA will be binding on the Issuer, the Representative of the Noteholders, the Paying Agent and the Noteholders.

(d) **Interest on the Junior Notes**

The Junior Noteholders shall be entitled, for each Interest Period, to the payment of an amount equal to the Junior Notes Remuneration calculated on each Calculation Date and which will be payable on the next Interest Payment Date.

(e) **Calculation of Interest Amounts**

The Agent Bank will, as soon as practicable after 11.00 a.m. (Brussels time) on each Interest Determination Date in relation to each Interest Period, but in no event later than the third Business Day thereafter, determine the amount of interest payable in respect of the Class A Notes for the relevant Interest Period (each such amount, the "**Interest Amount**"). The Interest Amount shall be determined by applying the Class A Rate of Interest for such Interest Period to the Principal Amount Outstanding of the Class A Notes during such Interest Period, multiplying the product of such calculation by the actual number of days in the Interest Period concerned divided by 360, and rounding the resultant figure to the nearest cent (half a cent being rounded upwards).

(f) **Calculation of Junior Notes Remuneration**

The Computation Agent will, on the Calculation Date immediately preceding the Interest Payment Date, in relation to each Interest Period, calculate and communicate to the Principal Paying Agent and the Junior Noteholders any Junior Notes Remuneration that may be payable in respect of the Junior Notes on such Interest Payment Date.

(g) **Publication of Rate of Interest and Interest Amount**

The Agent Bank will cause the Class A Rate of Interest and each Interest Amount for each Interest Period and the relative Interest Payment Date, to be notified to the Issuer, the Principal Paying Agent, the Computation Agent, the Representative of the Noteholders, Euronext Securities Milan to be published in accordance with Condition 17 (*Notices*) as soon as practicable after their determination, but in any event not later than the second Business Day thereafter.

In addition, as long as the Class A Notes are admitted to trading on the professional

segment Euronext Access Milan Professional of Euronext Access Milan Market, the Issuer shall forthwith notify on the basis of the information received from the Calculation Agent, the Principal Paying Agent and Agent Bank (as the case may be) and with the cooperation of the Agent Bank which will draft the notice on behalf of the Issuer, any such determination to Borsa Italiana. **Amendments to publications**

The Agent Bank will be entitled to recalculate the Class A Rate of Interest or Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.

(h) **Determination or calculation by the Representative of the Noteholders**

If the Agent Bank does not at any time for any reason determine the Class A Rate of Interest or the Interest Amount in accordance with this Condition, the Representative of the Noteholders shall (but without incurring, in the absence of wilful misconduct (*dolo*) or gross negligence (*colpa grave*), any liability to any person as a result):

(a) determine the Class A Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the procedures described in this Condition), it shall deem fair and reasonable in all the circumstances; and/or (as the case may be);

(b) calculate the relevant Interest Amount in the manner specified in this Condition,

and any determination and/or calculation shall be deemed to have been made by the Agent Bank.

(i) **Interest Amount Arrears**

Without prejudice to the right of the Representative of the Noteholders to serve to the Issuer an Issuer Acceleration Notice pursuant to Condition 10(a)(i) (*Non-payment*), prior to the service of an Issuer Acceleration Notice, in the event that on any Interest Payment Date there are any Interest Amount Arrears, such Interest Amount Arrears shall be deferred on the following Interest Payment Date or on the day an Issuer Acceleration Notice is served to the Issuer, whichever comes first. Any such Interest Amount Arrears shall not accrue additional interest. A *pro rata* share of such Interest Amount Arrears shall be aggregated with the amount of, and treated for the purpose of this Condition as if it were, interest due, subject to this paragraph, on each Class A Note on the next succeeding Interest Payment Date.

(j) **Notification of Interest Amount Arrears**

If, on any Calculation Date, the Computation Agent determines that any Interest Amount Arrears in respect of the Class A Notes will arise on the immediately succeeding Interest Payment Date, notice to this effect shall be given or procured to be given by the Issuer to the Representative of the Noteholders, the Principal Paying Agent, Euronext Securities Milan, Borsa Italiana (as long as the Class A Notes are admitted to trading on the professional segment Euronext Access Milan Professional of Euronext Access Milan Market) , and (if so required by the rules of the relevant stock exchange) to the Noteholders in accordance with Condition 17 (*Notices*), specifying the amount of the Interest Amount Arrears to be deferred on such following Interest Payment Date in respect of the Class A Notes.

7. REDEMPTION, PURCHASE AND CANCELLATION

(a) **Final redemption**

Unless previously redeemed in full and cancelled as provided in this Condition, the Issuer shall redeem the Notes in full at their Principal Amount Outstanding, plus any accrued but unpaid interest, on the Interest Payment Date falling in January 2062 (the "**Maturity Date**"), subject as provided in Condition 8 (*Payments*).

(b) **Cancellation Date**

If the Notes cannot be redeemed in full on the Maturity Date, as a result of the Issuer having insufficient funds for application in or towards such redemption, any amount unpaid shall remain outstanding and these Conditions shall continue to apply in full in respect of the Notes until the earlier of (i) the date on which the Notes are redeemed in full and (ii) the Cancellation Date, at which date, in the absence of gross negligence (*colpa grave*) or wilful misconduct (*dolo*) on the part of the Issuer, any amount outstanding, whether in respect of interest, principal or other amounts in respect of the Notes, shall be finally and definitively cancelled.

(c) **Optional redemption of the Notes**

Prior to the service of an Issuer Acceleration Notice, the Issuer may redeem the Notes of all Classes (in whole but not in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest) in accordance with the Post-Enforcement Priority of Payments and subject to the Issuer having sufficient funds to redeem all the Notes (or the Class A Notes only, if all the Junior Noteholders consent) and to make all payments ranking in priority, or *pari passu*, thereto, on any Interest Payment Date, subject to the Issuer:

(a) giving not more than 60 nor less than 30 days' notice to the Representative of the Noteholders and the Noteholders, in accordance with Condition 17 (*Notices*), of its intention to redeem all Classes of Notes (in whole but not in part); and

(b) having provided, prior to giving any such notice, to the Representative of the Noteholders a certificate signed by the chairman of the board or the sole director of the Issuer (as applicable) to the effect that it will have the funds on such Interest Payment Date to discharge its obligations under the Notes (or the Class A Notes only, if all the Junior Noteholders consent) and any obligations ranking in priority, or *pari passu*, thereto; and

(c) giving not more than 60 nor less than 30 days' written notice to the Bank of Italy of its intention to redeem all Classes of Notes (in whole but not in part).

The Issuer is entitled, pursuant to the Intercreditor Agreement, to dispose of the Claims in order to finance the redemption of the Notes in the circumstances described above.

The transfer of the Claims pursuant to this Condition shall be construed as a "*vendita a rischio e pericolo del compratore*" pursuant to article 1488, second paragraph, of the Italian civil code with express derogation by the relevant parties of article 1266 of the Italian civil code with reference to the guarantee, granted by the transferor, of the existence of the claims and article 1448 of the Italian civil code shall not apply. The transfer of the Claims shall be subject to payments to the Issuer of the relevant purchase price.

The sale of the Clains shall be conditional upon the delivery by the purchaser to the Issuer and to the Representative of the Noteholders of: (i) a certificate of good standing

of the Chamber of Commerce (*certificato di vigenza della* Camera *di Commercio*) to be dated not prior than 15 (fifteen) days before the date of the sale of the Claims; (ii) a solvency certificate signed by a legal representative duly authorized by the purchaser to be dated the date of the sale of the Claims and (iii) except where the issuance of such certificate is not permitted by the internal rules applied by the relevant court, also a certificate of the bankruptcy court ("*Tribunale civile – sezione fallimentare*") confirming that the purchaser is not subject to any insolvency or similar proceedings to be dated not prior than 15 (fifteen) days before the date of the sale of the Portfolio.

Any cost and expense related to the transfer of the Claims shall be borne by the purchaser.

For so long as (i) any of the Class A Notes are listed on the Euronext Dublin, the Issuer will give notice of any optional redemption of the Notes in accordance with this Condition 7(c) (*Optional redemption of the Notes*) to the Euronext Dublin and (ii) any of the Series A4 Notes are admitted to the trading on the Euronext Access Milan Professional, the Issuer will give notice of any optional redemption of the Notes in accordance with this Condition 7(c) (*Optional redemption of the Notes*) to Borsa Italiana in accordance with the rules of such multilateral trading facility.

(d) **Optional redemption for taxation, legal or regulatory reasons**

Prior to the service of an Issuer Acceleration Notice, the Issuer may redeem the Notes of all Classes (in whole but not in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest) in accordance with the Post-Enforcement Priority of Payments and subject to the Issuer having sufficient funds to redeem all the Notes (or the Class A Notes only, if all the Junior Noteholders consent) and to make all payments ranking in priority, or *pari passu*, thereto, on any Interest Payment Date if, by reason of a change in law or the interpretation or administration thereof since the Issue Date:

(a) the assets of the Issuer in respect of this Securitisation (including the Claims, the Collections and the other Issuer's Rights) become subject to taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or by any political sub-division thereof or by any authority thereof or therein or by any applicable taxing authority having jurisdiction; or

(b) either the Issuer or any paying agent appointed in respect of the Class A Notes or any custodian of the Class A Notes is required to make a Tax Deduction on any amount (other than in respect of a Decree 239 Withholding or a FATCA Witholding) in respect of any Class of Class A Notes, from any payment of principal or interest on such Interest Payment Date for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or by any political sub-division thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction and provided that such deduction or withholding may not be avoided by appointing a replacement paying agent or custodian in respect of the Class A Notes before the Interest Payment Date following the change in law or the interpretation or administration thereof; or

(c) any amounts of interest payable on the Mortgage Loans to the Issuer are required to be deducted or withheld from the Issuer for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or by any political sub-division thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction; or

(d) 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;

subject to the Issuer:

(a) giving not more than 60 days' nor less than 30 days' written notice (which notice shall be irrevocable) to the Representative of the Noteholders and the Noteholders, pursuant to Condition 17 (*Notices*), of its intention to redeem all (but not some only) the Notes; and

(b) providing to the Representative of the Noteholders:

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

(B) a certificate from the chairman of the board of directors or the sole director of the Issuer (as applicable) stating that the obligation to make such deduction or withholding or the suffering by the Issuer of such deduction or withholding cannot be avoided or, as the case may be, the events under paragraph (d) above will apply on the next Interest Payment Date and cannot be avoided by the Issuer taking reasonable endeavours; and

(C) a certificate from the chairman of the board of directors or the sole director of the Issuer (as applicable) to the effect that it will have the funds on such Interest Payment Date to discharge its obligations under: (i) the Notes (or the Class A Notes only, if all the Junior Noteholders consent) and any obligations ranking in priority, or *pari passu*, thereto; and (ii) any additional taxes payable by the Issuer by reason of such early redemption of the Notes.

The Issuer is entitled, pursuant to the Intercreditor Agreement, to dispose of the Claims in order to finance the redemption of the Notes in the circumstances described above.

The transfer of the Claims pursuant to this Condition shall be construed as a "*vendita a rischio e pericolo del compratore*" pursuant to article 1488, second paragraph, of the Italian civil code with express derogation by the relevant parties of article 1266 of the Italian civil code with reference to the guarantee, granted by the transferor, of the existence of the claims and article 1448 of the Italian civil code shall not apply. The transfer of the Claims shall be subject to payments to the Issuer of the relevant purchase price.

The sale of the Clains shall be conditional upon the delivery by the purchaser to the Issuer and to the Representative of the Noteholders of: (i) a certificate of good standing

of the Chamber of Commerce (*certificato di vigenza della* Camera *di Commercio*) to be dated not prior than 15 (fifteen) days before the date of the sale of the Claims; (ii) a solvency certificate signed by a legal representative duly authorized by the purchaser to be dated the date of the sale of the Claims and (iii) except where the issuance of such certificate is not permitted by the internal rules applied by the relevant court, also a certificate of the bankruptcy court ("*Tribunale civile – sezione fallimentare*") confirming that the purchaser is not subject to any insolvency or similar proceedings to be dated not prior than 15 (fifteen) days before the date of the sale of the Portfolio.

Any cost and expense related to the transfer of the Claims shall be borne by the purchaser.

For so long as (i) any of the Class A Notes are listed on the Euronext Dublin, the Issuer will give notice of any optional redemption of the Notes in accordance with this Condition 7(d) (*Optional redemption for taxation, legal or regulatory reasons*) to the Euronext Dublin and (ii) any of the Series A4 Notes are admitted to the trading on the Euronext Access Milan Professional, the Issuer will give notice of any optional redemption of the Notes in accordance with this Condition 7(d) (*Optional redemption for taxation, legal or regulatory reasons*) to Borsa Italiana in accordance with the rules of such multilateral trading facility..

(e) **Mandatory redemption of the Notes**

(a) Prior to the service of an Issuer Acceleration Notice, if, on any Calculation Date, there are Issuer Available Funds, the Issuer will apply such Issuer Available Funds on the immediately following Interest Payment Date in or towards the mandatory redemption of the Notes of each Class (in whole or in part) in accordance with the Pre-Enforcement Priority of Payments.

(b) The principal amount redeemable in respect of each Note on any Interest Payment Date (each, a "**Principal Payment**") shall be a *pro rata* share of the Issuer Available Funds determined in accordance with the provisions of this Condition and the Pre-Enforcement Priority of Payments to be available to redeem Notes of the relevant Class on such date, calculated by reference to the ratio borne by the then Principal Amount Outstanding of such Note to the then Principal Amount Outstanding of the Notes of such Class (rounded down to the nearest cent), provided always that no such Principal Payment may exceed the Principal Amount Outstanding of the relevant Note.

(f) **Calculation of Issuer Available Funds, principal payments, interest payments and Principal Amount Outstanding**

On each Calculation Date, the Issuer will procure that the Computation Agent determines, in accordance (where applicable) with Condition 3 (*Status, ranking and priority*):

(i) the Issuer Available Funds;

(ii) the Principal Payments (if any) due on the Notes of each Class on the next following Interest Payment Date;

(iii) the Interest Amounts (if any) due on the Notes of each Class on the next following Interest Payment Date;

(iv) the Junior Notes Remuneration (if any);

(v) the Principal Amount Outstanding of each Class of Notes on the next following Interest Payment Date;

(vi) the Principal Amount Outstanding of the Notes of all Classes on the next following Interest Payment Date;

(vii) the interest payable (if any) in respect of the Class A Notes on the next following Interest Payment Date;

(viii) the amount of the Cash Reserve after draw-down and replenishment on the immediately following Interest Payment Date;

(ix) the Interest Amount Arrears, if any, that will arise in respect of the Class A Notes on the immediately following Interest Payment Date;

(x) the amount to be credited to the Cash Reserve Account in accordance with the Pre-Enforcement Priority of Payments;

(xi) the Target Cash Reserve Amount;

(xii) the payments (if any) to be made to each of the parties to the Intercreditor Agreement under the relevant Transaction Document; and

(xiii) the amounts payable to the Subordinated Loan Provider under the Subordinated Loan Agreements;

and will determine how the Issuer's funds available for distribution pursuant to these Conditions shall be applied, on the immediately following Interest Payment Date, pursuant to the applicable Priority of Payments, and will deliver to the Principal Paying Agent and the Interim Account Bank a report setting forth such determinations and amounts."

(g) **Calculations final and binding**

Each determination by or on behalf of the Issuer under Condition 7(f) (*Calculation of Issuer Available Funds, principal payments, interest payments and Principal Amount Outstanding*) will in each case (in the absence of wilful misconduct, bad faith or manifest error) be final and binding on all persons.

(h) **Notice of determination and redemption**

The Issuer will cause each determination of any Interest Amounts, Principal Payments (if any) and Principal Amount Outstanding to each Class of Notes to be notified immediately after the calculation to the Representative of the Noteholders, the Agents, Euronext Securities Milan and (for so long as any Class A Notes are listed on any stock exchange) each stock exchange on which any Class of Notes is then listed or admitted to trading and will immediately cause details of each determination of any Interest Amounts, Principal Payments (if any) and Principal Amount Outstanding to each Class of Notes to be published in accordance with Condition 17 (*Notices*) by no later than one Business Day prior to such Interest Payment Date if required by the rules of the Euronext Dublin.

(i) **Notice irrevocable**

Any such notice as is referred to in Condition 7(h) (*Notice of determination and redemption*) shall be irrevocable and the Issuer shall, in the case of a notice under Condition 7(h) (*Notice of determination and redemption*), be bound to redeem the relevant Notes to which such notice refers (in whole or in part, as applicable) in

accordance with this Condition.

(j) **Determinations by the Representative of the Noteholders**

If the Issuer does not at any time for any reason determine or cause to be determined a Principal Payment or the Principal Amount Outstanding in accordance with the preceding provisions of this Condition, such Principal Payment and/or, as applicable, Principal Amount Outstanding shall be determined by the Representative of the Noteholders in accordance with this Condition (but without the Representative of the Noteholders incurring any liability to any person as a result) and each such determination shall be deemed to have been made by the Issuer.

(k) **No purchase by the Issuer**

The Issuer will not purchase any of the Notes.

(l) **Cancellation**

All Notes redeemed in full will forthwith be cancelled upon redemption and accordingly may not be reissued or resold.

8. PAYMENTS

(a) **Payments through Euronext Securities Milan, Euroclear and Clearstream, Luxembourg**

Payments of principal and interest in respect of the Notes deposited with Euronext Securities Milan will be credited, according to the instructions of Euronext Securities Milan, by or on behalf of the Issuer to the accounts with Euronext Securities Milan of the banks and authorised brokers whose accounts are credited with those Notes, and thereafter credited by such banks and authorised brokers from such aforementioned accounts to the accounts of the beneficial owners of those Notes. Payments made by or on behalf of the Issuer according to the instructions of Euronext Securities Milan to the accounts with Euronext Securities Milan of the banks and authorised brokers whose accounts are credited with those Notes will relieve the Issuer *pro tanto* from the corresponding payment obligations under the Notes.

Alternatively, the Principal Paying Agent may arrange for payments of principal and interest in respect of the Notes to be made to the Noteholders through Euroclear and Clearstream, Luxembourg to be credited to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of the Notes, in accordance with the rules and procedures of Euroclear or, as the case may be, Clearstream, Luxembourg. Payments made by or on behalf of the Issuer to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of the Notes, in accordance with the rules and procedures of Euroclear or, as the case may be, Clearstream, Luxembourg will relieve the Issuer *pro tanto* from the corresponding payment obligations under the Notes.

(b) **Payments subject to tax laws**

Payments of principal and interest in respect of the Notes are subject in all cases to any fiscal or other applicable laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation in the Republic of Italy*).

(c) **Payments on Business Days**

If the due date for any payment of principal and/or interest in respect of any Note is not

a day on which banks are open for general business (including dealings in foreign currencies) in the place in which the relevant Euronext Securities Milan Account Holder is located (in each case, the "**Local Business Day**"), the holder of the relevant Note will not be entitled to payment of the relevant amount until the immediately succeeding Local Business Day and will not be entitled to any further interest or other payment in consequence of any such delay.

(d) **Notification to be final**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Condition 6 (*Interest*) or Condition 7 (*Redemption, purchase and cancellation*), whether by the Reference Banks (or any of them), the Principal Paying Agent, the Agent Bank, the Computation Agent or the Representative of the Noteholders, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agents, all Noteholders and all Other Issuer Creditors and (in the absence of wilful default, bad faith or manifest error) no liability to the Representative of the Noteholders, the Noteholders or the Other Issuer Creditors shall attach to the Reference Banks, the Principal Paying Agent, the Agent Bank, the Computation Agent or the Representative of the Noteholders in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under Condition 6 (*Interest*) or Condition 7 (*Redemption, purchase and cancellation*).

9. TAXATION IN THE REPUBLIC OF ITALY

All payments in respect of the Series A4 Notes will be made free and clear and without a Tax Deduction for or on account of any present or future taxes, duties or charges of whatsoever nature other than a Decree 239 Withholding or any other withholding or deduction required to be made by applicable law (including, for the avoidance of doubt, any FATCA Withholding).

None of the Issuer, the Originator, the Representative of the Noteholders, the Paying Agent or any other person will be obliged to pay any additional amount to any Noteholder on account of a Tax Deduction, including Decree 239 Withholding and/or FATCA Withholding or any other Tax Deduction required to be made by applicable law.. If the Issuer at any time becomes subject to taxation in a jurisdiction other than the Republic of Italy (such jurisdiction a "**Taxing Jurisdiction**"), references in these Conditions to the Republic of Italy will be construed as references to the Republic of Italy and/or such other Taxing Jurisdiction. Any such deduction shall not constitute an Event of Default under Condition 10 (*Events of Default*).

10. EVENTS OF DEFAULT

(a) **Events of Default**

Subject to the other provisions of this Condition, each of the following events shall be treated as an "**Event of Default**":

(i) *Non-payment*:

(a) the Issuer fails to repay any amount of principal due and payable in respect of the Class A Notes on the Maturity Date (provided that a 3 (three) Business Days' grace period shall apply and further provided that non payment of principal on the Notes due to the Servicer not having provided the Servicer Report (as described in Condition 3(d) (*Pre-Enforcement Priority of Payments*) shall not constitute an Event of Default) or fails to pay any Interest Amount within five days of the

relevant Interest Payment Date; or

(b) having enough Issuer Available Funds available in accordance with the applicable Priority of Payments to pay the amount of principal then due and payable on the Class A Notes, the Issuer defaults in the payment of such amount for a period of 3 (three) Business Days from the due date thereof (provided that non payment of principal on the Notes due to the Servicer not having provided the Servicer Report (as described in Condition 3(d) (*Pre-Enforcement Priority of Payments*)) shall not constitute an Event of Default); or

(ii) *Breach of other obligations*: the Issuer fails to perform or observe any of its other obligations under or in respect of the Class A Notes (other than any obligation for the payment of principal and interest due and payable on the Class A Notes), the Intercreditor Agreement or any other Transaction Document to which it is a party and such default is, in the sole opinion of the Representative of the Noteholders, (A) incapable of remedy or (B) capable of remedy, but remains unremedied for 30 days after the Representative of the Noteholders has given written notice of such default to the Issuer, certifying that such default is, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Class A Noteholders and requiring the same to be remedied; or

(iii) *Failure to take action*: any action, condition or thing at any time required to be taken, fulfilled or done in order:

(A) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Class A Notes and the Transaction Documents to which the Issuer is a party; or

(B) to ensure that those obligations are legal, valid, binding and enforceable,

is not taken, fulfilled or done at any time and the Representative of the Noteholders has given written notice of such default to the Issuer, certifying that such default is, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Class A Noteholders and requiring the same to be remedied; or

(iv) *Insolvency Event*: an Insolvency Event occurs in relation to the Issuer or the Issuer becomes Insolvent; or

(v) *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 Class A Notes or the Transaction Documents to which the Issuer is a party.

(vi) *Service of an Issuer Acceleration Notice*

If an Event of Default occurs, then (subject to Condition 10(b) (*Consequences of service of an Issuer Acceleration Notice*)), the Representative of the Noteholders may, at its sole discretion, and shall:

(a) if so directed in writing by the holders of at least 60 per cent. of the Principal Amount Outstanding of the Most Senior Class of Notes; or

(b) if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes,

give written notice (an "**Issuer Acceleration Notice**") to the Issuer and to the Servicer declaring the Notes to be due and payable, provided that:

(a) in the case of the occurrence of any of the events mentioned in Condition 10(a)(ii) (*Breach of other obligations*) and Condition 10(a)(iii) (*Failure to take action*), the service of an Issuer Acceleration Notice has been approved by an Extraordinary Resolution of the holders of the Most Senior Class of Notes; and

(b) in each case, the Representative of the Noteholders shall have been indemnified and/or secured to its satisfaction against all fees, costs, expenses and liabilities (provided that supporting documents are delivered) to which it may thereby become liable or which it may incur by so doing,

it being understood that any Trigger Notice will be made available on the Securitisation Repository pursuant to the Inside Information and Significant Event Report. Under the Intercreditor Agreement, the parties thereto undertook to notify promptly to the Reporting Entity and the Computation Agent any Event of Default in order to allow the Computation Agent to prepare and deliver to the Reporting Entity the Inside Information and Significant Event Report in a timely manner in order for the Reporting Entity to make it available (A) without undue delay after the occurrence of the relevant event or the Inside Information is to be disclosed and (B) by no later than 1 (one) month after each Payment Date in accordance with clauses above.

(b) **Consequences of service of an Issuer Acceleration Notice**

Upon the service of an Issuer Acceleration Notice as described in this Condition, (i) the Notes of each Class shall become immediately due and repayable at their Principal Amount Outstanding, together with any interest accrued but which has not been paid on any preceding Interest Payment Date in accordance with Condition 6(j) (*Interest Amount Arrears*), without further action, notice or formality; (ii) the Note Security shall become immediately enforceable; and (iii) the Representative of the Noteholders may, subject to Condition 11(b) (*Restrictions on disposal of Issuer's assets*) dispose of the Claims in the name and on behalf of the Issuer by virtue of the power of attorney granted in accordance with the Mandate Agreement. The Noteholders hereby irrevocably appoint, as from the date hereof and with effect on and from the date on which the Notes shall become due and payable following the service of an Issuer Acceleration Notice, the Representative of the Noteholders as their exclusive agent (*mandatario esclusivo*) to receive on their behalf from the Issuer any and all monies payable by the Issuer to the Noteholders and the Other Issuer Creditors from and including the date on which the Notes shall become due and payable, such monies to be applied in accordance with the Post-Enforcement Priority of Payments.

11. ENFORCEMENT

(a) **Proceedings**

The Representative of the Noteholders may, at its discretion and without further notice, institute such proceedings as it thinks fit at any time after the service of an Issuer Acceleration Notice 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:

(i) so requested in writing by the holders of at least 25 per cent. of the Principal Amount Outstanding of the Most Senior Class of Notes; or

(ii) 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 (provided that supporting documents are delivered) to which it may thereby become liable or which it may incur by so doing.

In addition, the Rules of the Organisation of the Noteholders and the Intercreditor Agreement contains (i) provisions limiting the powers of the Noteholders, *inter alia*, to bring individual actions or take other individual remedies to enforce their rights under the Notes and (ii) provisions limiting the powers of the Noteholders, *inter alia*, to institute against or join any person in instituting against, the Issuer, any bankruptcy, insolvency or compulsory liquidation and similar proceedings, that shall be deemed to be included in this Conditions and shall be binding on all the Noteholders.

(b) **Restrictions on disposal of Issuer's assets**

If an Issuer Acceleration Notice has been served by the Representative of the Noteholders other than by reason of non-payment of any amount due in respect of the Notes, the Representative of the Noteholders will not be entitled to dispose of the assets of the Issuer or any part thereof unless either:

(i) a sufficient amount would be realised to allow payment in full of all amounts owing to the holders of each Class of the Class A Notes after payment of all other claims ranking in priority to the Class A Notes in accordance with the Post-Enforcement Priority of Payments; or

(ii) the Representative of the Noteholders is of the opinion, which shall be binding on the Noteholders and the other Issuer Secured Creditors, reached after considering at any time and from time to time the advice of a merchant or investment bank or other financial adviser selected by the Representative of the Noteholders (and if the Representative of the Noteholders is unable to obtain such advice having made reasonable efforts to do so, this Condition 11(b)(ii) shall not apply), that the cash flow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts due in respect of the Class A Notes of each Class after payment of all other claims ranking in priority to the Class A Notes in accordance with the Post-Enforcement Priority of Payments; and

the Representative of the Noteholders shall not be bound to make the determination contained in Condition 11(b)(ii) unless the Representative of the Noteholders shall have been indemnified and/or secured to its satisfaction against all fees, costs, expenses and liabilities (provided that supporting documents are delivered) to which it may thereby become liable or which it may incur by so doing.

12. REPRESENTATIVE OF THE NOTEHOLDERS

(a) **Legal representative**

The Representative of the Noteholders is BNP Paribas, Italian Branch at its offices at Piazza Lina Bo Bardi, 3, 20124 Milan, and is the legal representative (*rappresentante legale*) of the Noteholders in accordance with these Conditions, the Rules of the Organisation of Noteholders and the other Transaction Documents.

(b) **Powers of the Representative of the Noteholders**

The duties and powers of the Representative of the Noteholders are set forth in the Rules of the Organisation of Noteholders.

(c) **Meetings of Noteholders**

The Rules of the Organisation of Noteholders contain provisions for convening Meetings of Noteholders as well as the subject matter of the Meetings and the relevant quorums.

(d) **Individual action**

The Rules of the Organisation of Noteholders contain provisions limiting the powers of the Noteholders, *inter alia*, to bring individual actions or take other individual remedies to enforce their rights under the Notes. In particular, such actions will be subject to the Meeting of the Noteholders approving by way of Extraordinary Resolution such individual action or other remedy. No individual action or remedy can be taken or sought by a Noteholder to enforce his or her rights under the Notes before the Meeting of the Noteholders has approved such action or remedy in accordance with the provisions of the Rules of the Organisation of Noteholders.

(e) **Resolutions binding**

The resolutions passed at any Meeting of the Noteholders under the Rules of the Organisation of Noteholders will be binding on all Noteholders whether or not they are absent or dissenting and whether or not voting at the Meeting.

(f) **Written Resolutions**

A Written Resolution will take effect as if it were an Extraordinary Resolution passed at a Meeting of the Noteholders.

13. MODIFICATION AND WAIVER

(a) **Modification**

The Representative of the Noteholders may, without the consent of the Noteholders or any Other Issuer Creditors and subject to the Representative of the Noteholders giving prior written notice thereof to the Rating Agencies, concur with the Issuer and any other relevant parties in making:

(i) any amendment or modification to these Conditions (other than in respect of a Basic Terms Modification as defined in the Rules of the Organisation of Noteholders) or any of the Transaction Documents which, in the opinion of the Representative of the Noteholders, it may be proper to make and will not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes; and

(ii) any amendment or modification to these Conditions or to any of the Transaction Documents, if, in the opinion of the Representative of the Noteholders, such amendment or modification is expedient to make, is of a formal, minor or

technical nature, is made to correct a manifest error or an error which, in the opinion of the Representative of the Noteholders, is proven or is necessary or desirable for the purposes of clarification,

provided that no Transaction Document may be amended without the express consent of all the parties to the relevant Transaction Document (other than the Noteholders which are represented by the Representative of the Noteholders) and in accordance with the provisions set out therein (if any).

(b) **Waiver**

In addition, the Representative of the Noteholders may, without the consent of the Noteholders or any Other Issuer Creditor (other than those which are a party to the relevant Transaction Document) and subject to the Representative of the Noteholders giving prior written notice thereof to the Rating Agencies, authorise or waive any proposed breach or breach of the Notes (including an Event of Default) or of the Intercreditor Agreement or of any other Transaction Document, if, in the opinion of the Representative of the Noteholders, the interests of the holders of the Most Senior Class of Notes will not be materially prejudiced by such authorisation or waiver.

(c) **Restriction on power of waiver**

The Representative of the Noteholders shall not exercise any powers conferred upon it by Condition 13(b) (*Waiver*) in contravention of any express direction by an Extraordinary Resolution (as defined in the Rules of the Organisation of Noteholders) or of a request 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 (but so that no such direction or request shall affect any authorisation, waiver or determination previously given or made) or so as to authorise or waive any proposed breach or breach relating to a Basic Terms Modification.

(d) **Notification**

Unless the Representative of the Noteholders agrees otherwise, any such authorisation, waiver, modification or determination shall be notified to the Noteholders, in accordance with Condition 17 (*Notices*), as soon as practicable after it has been made.

14. REPRESENTATIVE OF THE NOTEHOLDERS AND AGENTS

(a) **Organisation of Noteholders**

The Organisation of Noteholders is created by the issue and subscription of the Notes and will remain in force and effect until full repayment and cancellation of the Notes.

(b) **Appointment of Representative of the Noteholders**

Pursuant to the Rules of the Organisation of Noteholders, for as long as any Note is outstanding, there will at all times be a Representative of the Noteholders. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of Noteholders, is made by the Noteholders subject to and in accordance with the Rules of the Organisation of Noteholders. However, the initial Representative of the Noteholders has been appointed at the time of issue of the Notes by the Initial Class A Notes Subscriber and the Initial Junior Notes Subscriber pursuant to the Intercreditor Agreement. Each Noteholder is deemed to accept such appointment.

(c) **Representative of the Noteholders**

The Representative of the Noteholders shall not be deemed to be a person responsible for the collection, cash and payment services (*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento*) for the purposes of article 2, paragraph 3, letter c) and paragraph 6-*bis* of the Securitisation Law and the relevant implementing regulations from time to time in force including, without limitation, the relevant guidelines of the Bank of Italy.

(d) **Principal Paying Agent, Agent Bank, Computation Agent, Transaction Bank and Interim Account Bank sole agent of Issuer**

In acting under the Agency and Accounts Agreement and in connection with the Notes, the Principal Paying Agent, the Computation Agent, the Transaction Bank, the Additional Transaction Bank, the Interim Account Bank and the Agent Bank act as agents solely of the Issuer and (to the extent provided therein) the Representative of the Noteholders and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

(e) **Initial Agents**

The initial Principal Paying Agent, the Computation Agent, the Transaction Bank, the Additional Transaction Bank, the Interim Account Bank and the Agent Bank and their Specified Offices are listed in Condition 17 (*Notices*) below. The Issuer reserves the right (with the prior written approval of the Representative of the Noteholders) at any time to vary or terminate the appointment of the Principal Paying Agent, the Computation Agent, the Transaction Bank, the Additional Transaction Bank, the Interim Account Bank and the Agent Bank and to appoint a successor principal paying agent, computation agent, transaction bank, interim account bank or agent bank and additional or successor paying agents at any time, in accordance with the terms of the Agency and Accounts Agreement and these Conditions.

(f) **Maintenance of Agents**

The Issuer undertakes that it will ensure that it maintains:

(a) at least one paying agent having its specified office in a European city, a computation agent, an interim account bank (acting through an office or branch located in the Republic of Italy), a transaction bank and an agent bank; and

(b) a paying agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

Notice of any termination or appointment change in the Principal Paying Agent, the Agent Bank, the Computation Agent, the Interim Account Bank, the Transaction Bank and the Additional Transaction Bank of any changes in the Specified Offices shall promptly be given to the Noteholders by the Issuer in accordance with Condition 17 (*Notices*).

15. STATUTE OF LIMITATION

Claims against the Issuer for payments in respect of the Notes will be barred and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the Relevant Date in respect thereof.

16. LIMITED RECOURSE AND NON-PETITION

(a) **Limited recourse**

Notwithstanding any other provision of these Conditions, the obligation of the Issuer to make any payment, at any given time, under the Class A Notes or the Junior Notes shall be equal to the lesser of (i) the nominal amount of such payment which, but for the operation of this Condition and the applicable Priority of Payments, would be due and payable at such time; and (ii) the Issuer Available Funds which the Issuer or the Representative of the Noteholders is entitled, at such time, to apply in accordance with the applicable Priority of Payments and the terms of the Intercreditor Agreement, in satisfaction of such payment.

(b) **Non-petition**

Without prejudice to the right of the Representative of the Noteholders to enforce the Note Security or to exercise any of its other rights, and subject as set out in the Rules of the Organisation of Noteholders, no Class A Noteholder or, as the case may be, Junior Noteholder shall be entitled to institute against the Issuer, or join any other person in instituting against the Issuer, any reorganisation, liquidation, bankruptcy, insolvency or similar proceedings or any legal action which may lead to such proceedings until two year plus one day has elapsed since the day on which any note issued (including the Notes and the Previous Securitisations Notes) or to be issued by the Issuer has been paid in full.

17. NOTICES

(a) **Valid notices**

All notices to the Noteholders, as long as the Notes are held through Euronext Securities Milan and/or by a common depository for Euroclear and/or Clearstream, Luxembourg, shall be deemed to have been validly given if delivered to Euronext Securities Milan and/or Euroclear and/or Clearstream, Luxembourg for communication by them to the entitled accountholders and any such notice shall be deemed to have been given on the date on which it was delivered to Euronext Securities Milan, Clearstream, Luxembourg and Euroclear, as applicable.

In addition, as long as the Class A Notes are admitted to trading on the professional segment Euronext Access Milan Professional of Euronext Access Milan Market, all notices will be given also in accordance with the rules of such multilateral trading facility. The Representative of the Noteholders may sanction some other method of giving notice to the Noteholders of the relevant Class if, in its and absolute opinion, such other method is reasonable having regard to market practices then prevailing and to the rules of the stock exchange on which the Class A Notes are listed and provided that notice of such other method is given to the Noteholders of the relevant Class in such manner as the Representative of the Noteholders shall require.

The Issuer shall also ensure, through the Principal Paying Agent, that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed.

(b) **Date of publication**

Any notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication.

(c) **Other methods**

The Representative of the Noteholders shall be at liberty to sanction some other method of giving notice to the Noteholders or to a Class or category of them, if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the stock exchange on which any of 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.

(d) **Initial Specified Offices**

The Specified Offices of the Interim Account Bank, the Principal Paying Agent, the Agent Bank, the Computation Agent, the Transaction Bank and the Representative of the Noteholders, are as follows:

(i) in relation to the Transaction Bank and the Interim Account Bank: Banco BPM piazza F. Meda 4, 20121 Milan, Italy;

(ii) in relation to the Computation Agent, the Additional Transaction Bank, the Agent Bank, the Principal Paying Agent and the Representative of the Noteholders: BNP Paribas, Italian Branch, Piazza Lina Bo Bardi 3, Milan, Italy.

18. GOVERNING LAW AND JURISDICTION

(a) **Governing law**

The Notes, these Conditions, the Rules of the Organisation of Noteholders and the Transaction Documents and any non-contractual obligations arising out of, or in connection with, them are governed by, and shall be construed in accordance with, Italian law.

(b) **Jurisdiction**

The Courts of Milan are to have exclusive jurisdiction to settle any disputes that may arise out of, or in connection with, the Notes, these Conditions, the Rules of the Organisation of Noteholders and (with the exception of certain disputes under the Warranty and Indemnity Agreements which are resolved through arbitration) the Transaction Documents (including a dispute relating to non-contractual obligations arising out of or in connection with any Transaction Document or a dispute regarding the existence, validity or termination of any Transaction Document) and, accordingly, any legal action or proceedings arising out of, or in connection with, any Notes, these Conditions, the Rules of the Organisation of Noteholders or any Transaction Document may be brought in such courts. The Issuer has, in each of the Transaction Documents (other than the Warranty and Indemnity Agreements with regard to certain disputes), irrevocably submitted to the jurisdiction of such courts.

SCHEDULE - RULES OF THE ORGANISATION OF NOTEHOLDERS

TITLE I
GENERAL PROVISIONS

Article 1

General

The Organisation of Noteholders is created by the issue and by the subscription of the Notes, and shall remain in force and in effect until full repayment and cancellation of the Notes.

The contents of these rules are deemed to form part of each Note issued by the Issuer.

Article 2

Definitions

In these rules, the following terms shall have the following meanings:

"**24 Hours**" means a period of 24 hours including all or part of a day upon which banks are open for business in the place where the Meeting of the Relevant Class Noteholders is to be held and in the place where the Principal Paying Agent has its Specified Office (disregarding for this purpose the day upon which such Meeting is to be held) and such period shall be extended by one or, to the extent necessary, more periods of 24 Hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid;

"**48 Hours**" means two consecutive periods of 24 Hours;

"**Basic Terms Modification**" means:

(a) a modification of the date of maturity of one or more relevant Classes of Notes;

(b) a modification which would have the effect of cancelling or postponing any date for payment of interest in respect of one or more relevant Classes of Notes, provided that an amendment of the fees, costs and expenses of the Paying Agent, the Agent Bank, the Computation Agent, the Servicer, the Back-up Servicer Facilitator, the Corporate Servicer, the Administrative Servicer, the Interim Account Bank, the Transaction Bank and the Additional Transaction Bank in accordance with the terms of the relevant Transaction Documents will not constitute a Basic Term Modification;

(c) a modification which would have the effect of altering the method of calculating the amount of interest or such other amounts payable to the relevant Class of Notes;

(d) a modification which would have the effect of altering the majority required to pass a specific resolution or the quorum required at any Meeting;

(e) a modification which would have the effect of altering the currency of payment of one or more relevant Classes of Notes or any alteration of the date or priority of payment or redemption of one or more relevant Classes of Notes;

(f) a modification which would have the effect of altering the authorisation or consent by the Noteholders, as pledgees, to applications of funds as provided for in the Transaction Documents;

(g) the appointment and removal of the Representative of the Noteholders; and

(h) an amendment of this definition;

"**Blocked Notes**" means the Notes which have been blocked in an account with the Relevant Clearing System, the Euronext Securities Milan Account Holder or the relevant custodian for the purposes of

obtaining a Voting Certificate or a Block Voting Instruction and will not be released until the conclusion of the Meeting;

"**Block Voting Instruction**" means, in relation to any Meeting, a document issued by the Principal Paying Agent:

(a) certifying that the Blocked Notes have been blocked in an account with the Relevant Clearing System, the Euronext Securities Milan Account Holder or the relevant custodian and will not be released until the conclusion of the Meeting;

(b) certifying that the holder of each Blocked Note or a duly authorised person on its behalf has instructed the Principal Paying Agent that the votes attributable to such Blocked Note are to be cast in a particular way on each resolution to be put to the Meeting and that, during the period of 48 Hours before the time fixed for the Meeting, such instructions may not be amended or revoked;

(c) listing the total number of the Blocked Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and

(d) appointing one or more Proxies to vote in respect of the Blocked Notes in accordance with such instructions;

"**Chairman**" means, in relation to any Meeting, the individual who takes the chair in accordance with Article 9 (*Chairman of the Meeting*);

"**Extraordinary Resolution**" means a resolution of a Meeting of the Relevant Class Noteholders, duly convened and held in accordance with the provisions contained in these rules on any of the subjects covered by Article 21 (*Powers exercisable by Extraordinary Resolution*);

"**Euronext Securities Milan Account Holder**" means any authorised institution entitled to hold accounts on behalf of their customers with Euronext Securities Milan (and includes any Relevant Clearing System which holds account with Euronext Securities Milan or any depository banks appointed by the Relevant Clearing System);

"**Meeting**" means a meeting of the Relevant Class Noteholders (whether originally convened or resumed following an adjournment);

"**Proxy**" means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction;

"**Relevant Class Noteholders**" means (i) the Class A Noteholders; and/or (ii) the Junior Noteholders or a combination of the Class A Noteholders and/or the Junior Noteholders, as the context requires;

"**Relevant Fraction**" means:

(a) for all business other than voting on an Extraordinary Resolution, one-tenth of the Principal Amount Outstanding of that Class of Notes (in case of a meeting of a particular Class of Notes), or one-tenth of the Principal Amount Outstanding of all relevant Classes of Notes (in case of a joint Meeting of a combination of Classes of Notes);

(b) for voting on any Extraordinary Resolution other than one relating to a Basic Terms Modification, two-thirds of the Principal Amount Outstanding of that Class of Notes (in case of a meeting of a particular Class of Notes), or two-thirds of the Principal Amount Outstanding of all relevant Classes of Notes (in case of a joint Meeting of a combination of Classes of Notes); and

(c) for voting on any Extraordinary Resolution relating to a Basic Terms Modification (which must be proposed separately to each Class of Noteholders), three-quarters of the Principal Amount Outstanding of the Notes of the relevant Class of Notes;

provided, however, that, in the case of a Meeting which has resumed after adjournment for want of a quorum, it means:

(a) for all business other than voting on an Extraordinary Resolution relating to a Basic Terms Modification, the fraction of the Principal Amount Outstanding of the Notes of that Class of Notes represented or held by the Voters actually present at the Meeting (in case of a Meeting of a particular Class of Notes), or the fraction of the Principal Amount Outstanding of the Notes of all relevant Classes represented or held by the Voters actually present at the Meeting (in case of a joint Meeting of a combination of Classes of Notes); and

(b) for voting on any Extraordinary Resolution relating to a Basic Terms Modification (which must be proposed separately to each Class of Noteholders), one-third of the Principal Amount Outstanding of the Notes of the relevant Class of Notes represented or held by the Voters actually present at the Meeting;

"**Voter**" means, in relation to any Meeting, the holder of Voting Certificate or a Proxy;

"**Voting Certificate**" means, in relation to any Meeting, a certificate requested by the Noteholder and issued by the Euronext Securities Milan Account Holder or the relevant custodian, as the case may be, and dated, stating:

(a) that the Blocked Notes have been blocked in an account with the Euronext Securities Milan Account Holder or the relevant custodian and will not be released until the earlier of (i) the conclusion of the Meeting; and (ii) the surrender of the certificate to the clearing system or the Euronext Securities Milan Account Holder or the relevant custodian who issued the same;

(b) detail of the Meeting concerned and the number of the Blocked Notes; and

(c) that the bearer of such certificate is entitled to attend and vote at the Meeting in respect of the Blocked Notes.

Capitalised terms not defined herein shall have the meanings attributed to them in the Conditions.

Article 3

Organisation purpose

Each holder of the Notes is a member of the Organisation of Noteholders.

The purpose of the Organisation of Noteholders is to co-ordinate the exercise of the rights of the Noteholders and the taking of any action for the protection of their interests.

In these rules, any reference to Noteholders shall be considered as a reference to the Class A Noteholders and/or the Junior Noteholders, as the case may be.

TITLE II

THE MEETING OF NOTEHOLDERS

Article 4

General

Any resolution passed at a Meeting of the Relevant Class Noteholders, duly convened and held in accordance with these rules, shall be binding upon all the Noteholders of such Class of Notes, whether or not present at such Meeting and whether or not voting.

Subject to the provision of Article 21 (*Powers exercisable by Extraordinary Resolution*):

(a) any resolution passed at a Meeting of the Class A Noteholders, duly convened and held as aforesaid, shall also be binding upon all the Junior Noteholders;

(b) and, in each case, all the Noteholders of the relevant Class of Notes, whether or not absent or dissenting, shall be bound by such resolution irrespective of its effect upon such Noteholders and such Noteholders shall be bound to give effect to any such resolution accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof.

provided however that no resolution of the Junior Noteholders shall be effective unless (A) the Representative of the Noteholders is of the opinion that it will not be materially prejudicial to the interests of the Class A Noteholders (to the extent that the Class A Notes are then outstanding) or (B) (to the extent that the Representative of the Noteholders is not of that opinion) it is sanctioned by a resolution of the Class A Noteholders (to the extent that the Class A Notes are then outstanding).

Notice of the result of every vote on a resolution duly passed by the Noteholders shall be published by and at the expense of the Issuer, in accordance with the Conditions and given to the Principal Paying Agent (with a copy to the Issuer and the Representative of the Noteholders) within 14 days of the conclusion of the Meeting.

Subject to the provisions of these rules and the Conditions, joint Meetings of the Class A Noteholders and the Junior Noteholders may be held to consider the same resolution and/or, as the case may be, the same Extraordinary Resolution and the provisions of these rules shall apply *mutatis mutandis* thereto.

The following provisions shall apply while Notes of two or more Classes of Notes are outstanding:

(a) business which involves the passing of an Extraordinary Resolution involving a Basic Terms Modification shall be transacted at a separate Meeting of the holders of each relevant Class of Notes;

(b) business which, in the opinion of the Representative of the Noteholders, affects only one Class of Notes shall be transacted at a separate Meeting of the holders of Notes of such Class of Notes;

(c) business which, in the opinion of the Representative of the Noteholders, affects more than one Class of Notes but does not give rise to an actual or potential conflict of interest between the holders of one such Class of Notes and the holders of any other Class of Notes shall be transacted either at separate Meetings of the holders of each such Class of Notes or at a joint Meeting of the holders of each of such Classes of Notes as the Representative of the Noteholders shall determine in its absolute discretion;

(d) business which, in the opinion of the Representative of the Noteholders, affects more than one Class of Notes and gives rise to an actual or potential conflict of interest between the holders of one such Class of Notes and the holders of any other Class of Notes shall be transacted at separate Meetings of the holders of each Class of Notes; and

(e) in the case of separate Meetings of the holders of each Class of Notes, these rules shall be applied as if references to the Notes and the Noteholders were to the Notes of the relevant Class of Notes and to the holders of such Notes and, in the case of joint Meetings, as if references to the Notes and the Noteholders were to the Notes of each of the Classes of Notes and to the respective holders of the Notes.

In this paragraph "business" includes (without limitation) the passing or rejection of any resolution.

Article 5

Issue of Voting Certificates and Block Voting Instructions

Noteholders may obtain a Voting Certificate from the Euronext Securities Milan Account Holder or the relevant custodian, as the case may be, or require the Principal Paying Agent to issue a Block Voting

Instruction by arranging for their Notes to be blocked in an account with the Euronext Securities Milan Account Holder or the relevant custodian at least 48 Hours before the time fixed for the Meeting of the Relevant Class Noteholders, providing to the Principal Paying Agent, where appropriate, evidence that the Notes are so blocked. The Noteholders may obtain such evidence by, inter alia, requesting the Euronext Securities Milan Account Holder or the relevant custodian to release a certificate in accordance with, as the case may be: (i) the practices and procedures of the Relevant Clearing System; or (ii) articles 21 and 22 of the regulation issued by the Bank of Italy and CONSOB on 22 February 2008, as subsequently supplemented and amended. A Voting Certificate or Block Voting Instruction shall be valid until the release of the Blocked Notes to which it relates. So long as a Voting Certificate or Block Voting Instruction is valid, the bearer thereof (in the case of a Voting Certificate) or any Proxy named therein (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. A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

Article 6

Validity of Block Voting Instructions

A Block Voting Instruction shall be valid only if it is deposited at the Specified Office of the Representative of the Noteholders, or at some other place approved by the Representative of the Noteholders, at least 24 Hours before the time fixed for the Meeting of the Relevant Class Noteholders and, if not deposited before such deadline, the Block Voting Instruction shall not be valid unless the Chairman decides otherwise before the Meeting proceeds to business. If the Representative of the Noteholders so requires, a notarised copy of each Block Voting Instruction and satisfactory proof of the identity of each Proxy named therein shall be produced at the Meeting, but the Representative of the Noteholders shall not be obliged to investigate the validity of any Block Voting Instruction or the authority of any Proxy.

Article 7

Convening of Meeting

The Issuer or the Representative of the Noteholders may convene a Meeting at any time, and the Representative of the Noteholders shall be obliged to do so upon the request in writing of Noteholders holding not less than one-tenth of the Principal Amount Outstanding of the relevant Class of Notes.

Whenever the Issuer is about to convene any such Meeting, it shall immediately give notice in writing to the Representative of the Noteholders of the date thereof and of the nature of the business to be transacted thereat. Every Meeting shall be held at such time and place as the Representative of the Noteholders may designate or approve, provided that it is in a EU Member State.

Unless the Representative of the Noteholders decides otherwise pursuant to Article 4 (*General*), each Meeting shall be attended by Noteholders of the relevant Class of Notes.

Article 8

Notice

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be held) specifying the date (falling no later than 30 (thirty) days after the date of delivery of such notice), time and place (being in the European Union) of the Meeting shall be given to the Noteholders and the Principal Paying Agent (with a copy to the Issuer and to the Representative of the Noteholders). Any notice to Noteholders shall be given in accordance with Condition 17 (*Notices*).

The notice shall specify the nature of the resolutions to be proposed and shall explain how Noteholders may appoint Proxies, obtain Voting Certificates and use Block Voting Instructions and the details of the relevant time limits applicable.

Article 9

Chairman of the Meeting

Any individual (who may, but need not, be a Voter) nominated in writing by the Representative of the Noteholders may take the chair at any Meeting but if: (i) no such nomination is made; or (ii) the individual nominated is not present within 15 minutes after the time fixed for the Meeting; then, the Voters shall elect one of themselves to take the chair, failing which the Issuer may appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as the Chairman of the original Meeting.

The Chairman co-ordinates matters to be transacted at the Meeting and monitors the fairness of the Meeting's proceedings.

Article 10

Quorum

The quorum at any Meeting shall be at least one Voter representing or holding not less than the Relevant Fraction relative to (i) that Class of Notes (in case of a Meeting of one Class of Notes) or (ii) all relevant Classes of Notes (in case of a joint Meeting). No business (except choosing a Chairman, if requested) shall be transacted at a Meeting unless quorum is present at the commencement of business.

Article 11

Adjournment for want of quorum

If within 15 minutes after the time fixed for any Meeting a quorum is not present, then:

(a) in the case of a Meeting requested by Noteholders, it shall be dissolved; and

(b) in the case of any other Meeting, it shall be adjourned (i) until such date (which shall be not less than 14 days and not more than 42 days later) and to such place (being in the European Union) as the Chairman determines or (ii) on the date and at the place indicated in the notice convening the Meeting (if such notice sets out the date and place of any adjourned Meeting) provided, however, that, in any case:

  (i) the Meeting shall be dissolved if the Issuer and the Representative of the Noteholders so decides; and

  (ii) no Meeting may be adjourned by resolution of a Meeting that represents less than the Relevant Fraction applicable in the case of Meetings which have been resumed after adjournment for want of quorum.

Article 12

Adjourned Meeting

Without prejudice to Article 11 (*Adjournment for want of quorum*), the Chairman may, with the consent of (and shall if directed by) any Meeting, adjourn such Meeting from time to time (which shall fall not less than 14 (fourteen) days and not more than 42 (forty-two) days after the original date of such Meeting) and from place to place e (being in the European Union), but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

Article 13

Notice following adjournment

Article 8 (*Notice*) shall apply to any Meeting adjourned for want of quorum save that:

(a) at least 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be given; and

(b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes; and

(c) it shall not be necessary to give notice of the convening of an adjourned Meeting (i) if the notice given in respect of the first Meeting already sets the time and place for an adjourned Meeting and specifies the quorum requirements which will apply when the Meeting resumes; or (ii) if the Meeting which has been adjourned for any other reason.

Article 14

Participation

The following may attend and speak at a Meeting:

(a) Voters;

(b) the Issuer or its representative and the Principal Paying Agent;

(c) the financial advisers to the Issuer;

(d) the Representative of the Noteholders;

(e) the legal counsel to each of the Issuer, the Representative of the Noteholders and the Principal Paying Agent;

(f) the Representative of the Noteholders; and

(g) such other person as may be resolved by the Meeting and as may be approved by the Representative of the Noteholders.

Article 15

Passing of resolution

A resolution is validly passed when (i) in respect of an Extraordinary Resolution only, ¾ of votes cast by the Voters attending the relevant Meeting have been cast in favour of it or (ii) in respect of any resolution other than an Extraordinary Resolution, the majority of votes cast by the Voters attending the relevant Meeting have been cast in favour of it.

Article 16

Show of hands

Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result of the show of hands is declared, the Chairman’s declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution.

Article 17

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 holding or representing at least 2 per cent. of (i) the Principal Amount Outstanding of that relevant Class of Notes (in case of a Meeting of a particular Class of Notes), or (ii) the Principal Amount Outstanding of the aggregate relevant Classes of Notes (in case of a joint

Meeting). The poll may be taken immediately or after such adjournment as the Chairman directs, but any poll demanded on the election of the Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the Meeting for any other business.

Article 18

Votes

Every Voter shall have:

(a) on a show of hands, one vote; and

(b) on a poll, one vote in respect of each €1,000 in principal amount of Note(s) represented by the Voting Certificate produced by such Voter or in respect of which he is a Proxy.

In the case of equality of votes, the Chairman shall, both on a show of hands and on a poll, have a casting vote in addition to the votes (if any) to which he may be entitled as a Voter.

Unless the terms of any Block Voting Instruction state otherwise, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same manner.

Article 19

Vote by Proxies

Any vote cast by a Proxy in accordance with the relevant Block Voting Instruction shall be valid even if such Block Voting Instruction or any instruction pursuant to which it was given has been amended or revoked, provided that the Representative of the Noteholders or the Issuer has not been notified by the Principal Paying Agent in writing of such amendment or revocation by the time being 24 Hours before the time fixed for the Meeting. Unless revoked, any appointment of a Proxy under a Block Voting Instruction in relation to a Meeting shall remain in force in relation to any Meeting resumed following an adjournment.

Article 20

Exclusive powers of the Meeting

The Meeting shall have exclusive powers on the following matters:

(a) to approve any Basic Terms Modification;

(b) to approve any proposal by the Issuer for any alteration, abrogation, variation or compromise of the rights of the Representative of the Noteholders or the Noteholders under any Transaction Document, the Notes or the Conditions or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;

(c) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes;

(d) to direct the Representative of the Noteholders to serve an Issuer Acceleration Notice under Condition 10(b) (*Consequence of service of an Issuer Acceleration Notice*);

(e) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Notes or any Transaction Document or any act or omission which might otherwise constitute an Event of Default;

(f) to direct the Representative of the Noteholders to concur in and execute and do all such documents, acts and things as may be necessary to carry out and give effect to any resolution of the Noteholders;

(g) to exercise, enforce or dispose of any right and power on payment and application of funds deriving from any claims on which a pledge or other security interest is created in favour of the Noteholders, other than in accordance with the Transaction Documents; and

(h) to appoint and remove the Representative of the Noteholders.

Article 21

Powers exercisable by Extraordinary Resolution

Without limitation to the exclusive powers of the Meeting listed in Article 20 (*Exclusive powers of the Meeting*), each Meeting shall have the following powers exercisable only by way of an Extraordinary Resolution:

(a) approval of any Basic Terms Modification;

(b) approval of any proposal by the Issuer for any alteration, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Representative of the Noteholders or the Noteholders against the Issuer or against any of its property or against any other person whether such rights shall arise under these rules, the Notes, the Conditions or otherwise;

(c) approval of any scheme or proposal for the exchange or substitution of any of the Notes for, or the conversion of the Notes into, or the cancellation of the Notes in consideration of, shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or of any other body corporate formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash;

(d) appointment and removal of the Representative of the Noteholders;

(e) approval of the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes;

(f) without prejudice to the Conditions, approval of any alteration of the provisions contained in these rules, the Notes, the Conditions, the Intercreditor Agreement or any other Transaction Document which shall be proposed by the Issuer and/or the Representative of the Noteholders or any other party thereto;

(g) discharge or exoneration of the Representative of the Noteholders from any liability in respect of any act or omission for which the Representative of the Noteholders may have become responsible under or in relation to these rules, the Notes, the Conditions or any other Transaction Document;

(h) giving any direction or granting any authority or sanction which, under the provisions of these rules, the Conditions or the Notes, is required to be given by Extraordinary Resolution;

(i) authorisation and sanctioning of actions of the Representative of the Noteholders under these rules, the Notes, the Conditions, the terms of the Intercreditor Agreement or any other Transaction Documents and in particular power to sanction the release of the Issuer by the Representative of the Noteholders;

(j) authorisation and direction to the Representative of the Noteholders to concur in and execute and do all such documents, acts and things as may be necessary to carry out and give effect to any Extraordinary Resolution;

(k) if the maintenance of the listing or admission to trading of the Class A Notes on the Euronext Access Milan Professional is unduly onerous, approve any change of the stock exchange on which the Senior Notes are listed;

provided however that:

(a) no Extraordinary Resolution involving a Basic Terms Modification passed by the Relevant Class of Noteholders shall be effective unless it is sanctioned by an Extraordinary Resolution of the Noteholders of each of the other Classes of Notes (to the extent that Notes of each such Classes of Notes are then outstanding);

(b) no Extraordinary Resolution of the Junior Noteholders shall be effective unless (A) the Representative of the Noteholders is of the opinion that it will not be materially prejudicial to the interests of the Class A Noteholders (to the extent that the Class A Notes are then, respectively, outstanding) or (B) (to the extent that the Representative of the Noteholders is not of that opinion) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders (to the extent that the Class A Notes are then, respectively, outstanding).

Article 22

Challenge of resolution

Any Noteholder can challenge a resolution which is not passed in conformity with the provisions of these rules.

Article 23

Minutes

Minutes shall be made of all resolutions and proceedings at each Meeting. The Chairman shall sign the minutes, which shall be conclusive evidence of the resolutions and proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at such meeting shall be deemed to have been duly passed or transacted.

Article 24

Written Resolution

A Written Resolution shall take effect as if it were an Extraordinary Resolution passed at a Meeting of the Noteholders.

Article 25

Individual actions and remedies

The right of each Noteholder to bring individual actions or seek other individual remedies to enforce his or her rights under the Notes will be subject to the Meeting passing an Extraordinary Resolution authorising such individual action or other remedy. In this respect, the following provisions shall apply:

(a) the Noteholder intending to enforce his or her rights under the Notes will notify the Representative of the Noteholders in writing of his or her intention;

(b) the Representative of the Noteholders will, within 30 days of receiving such notification, convene a Meeting of the Noteholders of the relevant Class(es) in accordance with these rules at the expense of such Noteholder;

(c) if the Meeting does not pass an Extraordinary Resolution authorising the individual enforcement or remedy, the Noteholder will be prevented from seeking such enforcement or remedy

(provided that the same matter can be submitted again to a further Meeting after a reasonable period of time has elapsed); and

(d) if the Meeting does pass an Extraordinary Resolution authorising the individual enforcement or remedy, the Noteholder will be permitted to seek such individual enforcement or remedy in accordance with the terms of the Extraordinary Resolution.

No individual action or remedy can be sought by a Noteholder to enforce his or her rights under the Notes unless a Meeting of Noteholders has been held to resolve on such action or remedy and in accordance with the provisions of this Article 25.

TITLE III

THE REPRESENTATIVE OF THE NOTEHOLDERS

Article 26

Appointment, removal and remuneration

Each appointment of a Representative of the Noteholders must be approved by an Extraordinary Resolution of the holders of each Class of Notes in accordance with the provisions of this Article 26, save in respect of the appointment of the first Representative of the Noteholders which will be BNP Paribas, Italian Branch.

Save for BNP Paribas, Italian Branch, as first Representative of the Noteholders, the Representative of the Noteholders shall be:

(a) a bank incorporated in any jurisdiction of the European Union or a bank incorporated in any other jurisdiction, in either case provided it is licensed to conduct banking business in Italy; or

(b) a financial institution registered under article 106 of the Banking Act; or

(c) any other entity which may be permitted to act in such capacity by any specific provisions of Italian law applicable to the securitisation of monetary rights and/or by any regulations, instructions, guidelines and/or specific approvals issued by the competent Italian supervising authorities.

It is further understood and agreed that directors, auditors, employees (if any) of the Issuer and those who fall in any of the conditions set out in article 2399 of the Italian civil code cannot be appointed as the Representative of the Noteholders.

The Representative of the Noteholders shall be appointed for an unlimited term and can be removed by way of an Extraordinary Resolution of the holders of each Class of Notes at any time.

In the event of a termination of the appointment of the Representative of the Noteholders for any reason whatsoever, such Representative of the Noteholders shall remain in office until (i) acceptance of the appointment by the Issuer of a substitute Representative of the Noteholders designated among the entities indicated in (a), (b) or (c) above and (ii) acceptance by such substitute Representative of the Noteholders of the provisions of the Intercreditor Agreement and of any other Transaction Documents to which the Representative of the Noteholders is party; and, provided that a Meeting of the holders of each Class of Notes has not appointed such a substitute within 60 days of such termination, such Representative of the Noteholders may appoint such a substitute. The powers and authority of the Representative of the Noteholders whose appointment has been terminated shall be limited to those necessary for the performance of the essential functions which are required to be complied with in connection with the Notes.

Each of the Noteholders, by reason of holding the relevant Note(s), will recognise the power of the Representative of the Noteholders, hereby granted, to appoint its own successor and recognise the Representative of the Noteholders so appointed as its representative.

The Issuer shall pay to the Representative of the Noteholders an annual fee for its services as Representative of the Noteholders as from the date hereof. Such remuneration shall be payable in accordance with the Intercreditor Agreement and the Priority of Payments up to (and including) the date when the Notes have been repaid in full and cancelled in accordance with the Conditions.

Article 27

Duties and powers

The Representative of the Noteholders is the legal representative of the Organisation of Noteholders subject to and in accordance with the Conditions, these rules, the Intercreditor Agreement and the other Transaction Documents to which it is a party (together, the "**Relevant Provisions**").

Subject to the Relevant Provisions, the Representative of the Noteholders is responsible for implementing the directions of a Meeting of Noteholders and for representing the interests of the Noteholders as a class *vis-à-vis* the Issuer. The Representative of the Noteholders has the right to attend Meetings. The Representative of the Noteholders may convene a Meeting in order to obtain the authorisation or directions of the Meeting in respect of any action proposed to be taken by the Representative of the Noteholders.

All actions taken by the Representative of the Noteholders in the execution and exercise of its powers and authorities and of the discretions vested in it shall be taken by duly authorised officer(s) for the time being of the Representative of the Noteholders. The Representative of the Noteholders may also, whenever it considers it expedient, whether by power of attorney or otherwise, delegate to any person(s) all or any of its duties, powers, authorities or discretions vested in it as aforesaid. Any such delegation may be made upon such terms and conditions, and subject to such regulations (including power to sub-delegate), as the Representative of the Noteholders may think fit in the interests of the Noteholders. The Representative of the Noteholders shall not be bound to supervise the proceedings of any such delegate or sub-delegate and shall not in any way or to any extent be responsible for any loss incurred by any misconduct or default on the part of such delegate or sub-delegate. The Representative of the Noteholders shall, as soon as reasonably practicable, give notice to the Issuer and to the Rating Agencies of the appointment of any delegate and of any renewal, extension or termination of such appointment, and shall make it a condition of any such delegation that any delegate shall also, as soon as reasonably practicable, give notice to the Issuer and to the Rating Agencies of any sub-delegate.

The Representative of the Noteholders shall be authorised to represent the Organisation of Noteholders in judicial proceedings, including proceedings involving the Issuer in any Insolvency Proceeding.

The Representative of the Noteholders shall have regard to the interests of all the Issuer Secured Creditors as regards the exercise and performance of all powers, authorities, duties and discretions of the Representative of the Noteholders under these rules, the Intercreditor Agreement or under the Mandate Agreement (except where expressly provided otherwise), but, notwithstanding the foregoing, the Representative of the Noteholders shall have regard to the interests only: (i) of the Most Senior Class outstanding, and (ii) subject to item (i), of whichever Issuer Creditor ranks higher in the Priority of Payments hereof for the payment of the amounts therein specified if, in its opinion, there is or may be a conflict between all or any of the interests of one or more Classes of Noteholders or between one or more Classes of Noteholders and any other Issuer Secured Creditors. The foregoing provision shall not affect the payment order set forth in the applicable Priority of Payments.

Each Noteholder, by acquiring title to a Note is deemed to agree and acknowledge that:

(i) the Representative of the Noteholders has entered into the Italian Deed of Pledge for itself and as agent in the name of and on behalf of each Noteholder from time to time and each of the other Issuer Secured Creditors thereunder;

by virtue of the transfer to it of the relevant Note, each Noteholder shall be deemed to have granted to the Representative of the Noteholders, as its agent, the right to exercise in such manner as the Representative of the Noteholders in its sole opinion deems appropriate, on behalf of such Noteholder, all of that Noteholder's rights under the Securitisation Law in respect of the Portfolio and all amounts and/or other assets of the Issuer arising from the Portfolio and the Transaction Documentsnot subject to the Note Security and (b) to enforce its rights as an Issuer Secured Creditor for and on its behalf under the Italian Deed of Pledge and in relation to the Note Security;

(i) the Representative of the Noteholders, in its capacity as agent in the name of and on behalf of the Noteholders of each Class, shall be the only person entitled under the Conditions and under the Transaction Documents to institute proceedings against the Issuer and/or to enforce or to exercise any rights in connection with the Note Security or to take any steps against the Issuer or any of the other parties to the Transaction Documents for the purposes of enforcing the rights of the holders of each relevant Class of Notes with respect to the other Transaction Documents and recovering any amounts owing under the Notes or under the Transaction Documents;

(ii) (iv) the Representative of the Noteholders shall have exclusive rights under the Italian Deed of Pledge to make demands, give notices, exercise or refrain from exercising any rights and to take or refrain from taking any action (including, without limitation, the release or substitution of security) in respect of the Note Security;

(iii) no Noteholder shall be entitled to proceed directly against the Issuer nor take any steps or pursue any action whatsoever for the purpose of recovering any debts due or owing to it by the Issuer or take, or join in taking, steps for the purpose of obtaining payment of any amount expressed to be payable by the Issuer or the performance of any of the Issuer's obligations under these Conditions and/or the Transaction Documents or petition for or procure the commencement of insolvency proceedings or the winding-up, insolvency, extraordinary administration or compulsory administrative liquidation of the Issuer or the appointment of any kind of insolvency official, administrator, liquidator, trustee, custodian, receiver or other similar official in respect of the Issuer for any, all, or substantially all the assets of the Issuer or in connection with any reorganisation or arrangement or composition in respect of the Issuer, pursuant to the Banking Act or otherwise, unless (in each case under (ii), (iii) and (iv) above) an Issuer Acceleration Notice shall have been served or an Insolvency Event shall have occurred and the Representative of the Noteholders, having become bound so to do, fails to do so within a reasonable period and such failure shall be continuing, (provided that any such failure shall not be conclusive *per se* of a default or breach of duty by the Representative of the Noteholders), provided that the Noteholder may then only proceed subject to the provisions of the Conditions and provided that this proviso shall not prejudice the right of any Noteholder to prove a claim in the insolvency of the Issuer where such insolvency follows the institution of an insolvency proceedings by a third party;

(iv) no Noteholder shall at any time exercise any right of netting, set-off or counterclaim in respect of its rights against the Issuer such rights being expressly waived or exercise any right of claim

of the Issuer by way of a subrogation action (*azione surrogatoria*) pursuant to article 2900 of the Italian civil code; and

(v) the provisions of this Article 27 shall survive and shall not be extinguished by the redemption (in whole or in part) and/or cancellation of the Notes and each Noteholder waives to the greatest extent permitted by law any rights directly to enforce its rights against the Issuer.

Article 28

Resignation of the Representative of the Noteholders

The Representative of the Noteholders may resign at any time upon giving not less than three calendar months' notice in writing to the Issuer and the Rating Agencies without assigning any reason therefor and without being responsible for any costs incurred as a result of such resignation (except for the administrative costs incurred with respect to the selection of a successor Representative of the Noteholder). The resignation of the Representative of the Noteholders shall not become effective until a Meeting of the holders of each Class of Notes has appointed a new Representative of the Noteholders and such new representative of the Noteholders has accepted (i) the relevant appointment; and (ii) the provisions of the Intercreditor Agreement and of any other Trasnaction Documents to which the Representative of the Noteholders is party. If a new Representative of the Noteholders has not been so appointed within 60 days of the date of such notice of resignation, the resigning Representative of the Noteholders will be entitled to appoint its own successor, in the name and on behalf of the Issuer and convening a fee not higher than the fee that the resigning Representative of the Noteholders agreed with the Issuer, *provided that* any such successor shall satisfy with the conditions of Article 26 herein.

Article 29

Exoneration of the Representative of the Noteholders

The Representative of the Noteholders shall not assume any other obligations in addition to those expressly provided herein and in the other Transaction Documents to which it is a party.

Without limiting the generality of the foregoing, the Representative of the Noteholders:

(a) shall not be under any obligation to take any steps to ascertain whether an Event of Default or any other event, condition or act, the occurrence of which would cause a right or remedy to become exercisable by the Representative of the Noteholders or any Noteholder hereunder or under any of the other Transaction Documents has happened and, until it shall have actual knowledge or express notice to the contrary, the Representative of the Noteholders shall be entitled to assume that no Event of Default or such other event, condition or act has occurred;

(b) shall not be under any obligation to monitor or supervise the observance or performance by the Issuer or any other party to the Transaction Documents of the provisions of, and its obligations under, these rules, the Notes, the Conditions or any other Transaction Document, and, until it shall have actual knowledge or express notice to the contrary, it shall be entitled to assume that the Issuer and each such other party is observing and performing all such provisions and obligations;

(c) shall not be under any obligation to give notice to any person of the execution of these rules, the Notes, the Conditions or any of the Transaction Documents or any transaction contemplated hereby or thereby;

(d) shall not be responsible for, or for investigating, the legality, validity, effectiveness, adequacy, suitability or genuineness of these rules, the Notes, the Conditions, any Transaction Document, or any other document, or any obligation or rights created or purported to be created hereby or

thereby or pursuant hereto or thereto, and (without prejudice to the generality of the foregoing) it shall not have any responsibility for, or have any duty to make any investigation in respect of, or in any way be liable whatsoever for: (i) the nature, status, creditworthiness or solvency of the Issuer or any other party to the Transaction Documents; (ii) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection herewith or with any Transaction Document; (iii) the suitability, adequacy or sufficiency of any collection or recovery procedures operated by the Servicer or compliance therewith; (iv) the failure by the Issuer to obtain or comply with any licence, consent or other authority in connection with the purchase or administration of the Claims; or (v) any accounts, books, records or files maintained by the Issuer, the Servicer, the Principal Paying Agent or any other person in respect of the Claims;

(e) 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;

(f) shall have no responsibility for the maintenance of any rating of the Class A Notes by the Rating Agencies or any other credit or rating agency or any other person;

(g) shall not be responsible for, or for investigating, any matter which is the subject of any recitals, statements, warranties or representations of any party, other than the Representative of the Noteholders contained herein or in any Transaction Document;

(h) shall not be bound or concerned to examine, or enquire into, or be liable for any defect or failure in the right or title of the Issuer to the Claims or any part thereof, whether such defect or failure was known to the Representative of the Noteholders or might have been discovered upon examination or enquiry, or whether capable of remedy or not;

(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, the Notes or any Transaction Document;

(j) shall not be under any obligation to insure the Mortgage Loans and the Claims or any part thereof;

(k) shall not be responsible for (except as otherwise provided in the Conditions or in the Transaction Documents) making or verifying any determination or calculation in respect of the Claims, the Notes and any other payment to be made in accordance with the Priority of Payments;

(l) shall not have regard to the consequences of any modification or waiver of these rules, the Notes, the Conditions or any of the Transaction Documents for individual Noteholders or any relevant persons resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to, the jurisdiction of any particular territory; and

(m) shall not (unless and to the extent ordered so to do by a court of competent jurisdiction) be under any obligation to disclose to any Noteholder, any Other Issuer Creditor or any other person any confidential, financial, price sensitive or other information made available to the Representative of the Noteholders by the Issuer or any other person in connection with these rules, the Notes or any other Transaction Document, and none of the Noteholders, Other Issuer Creditors nor any other person shall be entitled to take any action to obtain from the Representative of the Noteholders any such information.

The Representative of the Noteholders, notwithstanding anything to the contrary contained in these rules:

(a) may, without the consent of the Noteholders or any Other Issuer Creditors and subject to the Representative of the Noteholders giving prior written notice thereof to the Rating Agencies, concur with the Issuer and any other relevant parties in making any amendment or modification to these rules, the Conditions (other than a Basic Terms Modification) or to any of the Transaction Documents which, in the opinion of the Representative of the Noteholders, it is expedient to make or, is of a formal, minor or technical nature, to correct a manifest error or an error which is, in the opinion of the Representative of the Noteholders, proven or is necessary or desirable for the purposes of clarification or is made to comply with a mandatory provision of law. Any such amendment or modification shall be binding on the Noteholders and, unless the Representative of the Noteholders otherwise agrees, the Issuer shall cause such amendment or modification to be notified to the Noteholders as soon as practicable thereafter;

(b) may, without the consent of the Noteholders, concur with the Issuer and any other relevant parties in making any amendment or modification (other than in respect of a Basic Terms Modification) to these rules, the Conditions or to any of the Transaction Documents, which, in the opinion of the Representative of the Noteholders, it may be proper to make, provided that the Representative of the Noteholders is of the opinion that such amendment or modification will not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes;

(c) may, without the consent of the Noteholders or any Other Issuer Creditor, authorise or waive any proposed breach or breach of the Notes (including an Event of Default) or of the Intercreditor Agreement or any other Transaction Document if, in the opinion of the Representative of the Noteholders, the interests of the Most Senior Class will not be materially prejudiced by such authorisation or waiver; provided that the Representative of the Noteholders shall not exercise any of such powers in contravention of any express direction by an Extraordinary Resolution or of a request in writing made by the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class (but so that no such direction or request shall affect any authorisation, waiver or determination previously given or made) or so as to authorise or waive any proposed breach or breach relating to a Basic Terms Modification;

(d) may act on the advice, certificate, opinion or information (whether or not addressed to the Representative of the Noteholders) 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. Any such advice, certificate, opinion or information may be sent or obtained by letter, telex, telegram, facsimile transmission or cable and, in the absence of gross negligence (*colpa grave*) or wilful misconduct (*dolo*) on the part of the Representative of the Noteholders, the Representative of the Noteholders shall not be liable for acting on any advice, certificate, opinion or information contained in, or purported to be conveyed by, any such letter, telex, telegram, facsimile transmission or cable, notwithstanding any error contained therein or the non-authenticity of the same;

(e) may call for, and shall be at liberty to accept as sufficient evidence of any fact or matter or as to the expediency of any dealing, transaction, step or thing, a certificate duly signed by or on behalf of the sole director or the chairman of the board of directors of the Issuer, as the case may be, and the Representative of the Noteholders shall not be bound, in any such case, to call for further evidence or be responsible for any loss that may be occasioned as a result of acting on such certificate;

(f) 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*);

(g) shall be at liberty to leave in custody these rules, the Transaction Documents and any other documents relating thereto or to the Notes in any part of the world with any bank, financial institution or company whose business includes undertaking the safe custody of documents, or with any lawyer or firm of lawyers considered by the Representative of the Noteholders to be of good reputation, and the Representative of the Noteholders shall not be responsible for, or required to insure against, any loss incurred in connection with any such custody and may pay all sums required to be paid on account of, or in respect of, any such custody;

(h) in connection with matters in respect of which the Representative of the Noteholders is entitled to exercise its discretion hereunder, is entitled to convene a Meeting of the Noteholders of any or all Classes of Notes in order to obtain instructions as to how the Representative of the Noteholders should exercise such discretion provided that nothing herein shall be construed so as to oblige the Representative of the Noteholders to convene such a Meeting. The Representative of the Noteholders shall not be obliged to take any action in respect of these rules, the Notes, the Conditions or any Transaction Document unless it is indemnified and/or provided with security to its satisfaction against all actions, proceedings, claims and demands which may be brought against it and against all costs, charges, damages, expenses and liabilities (provided that supporting documents are delivered) which it may incur by taking such action;

(i) in connection with matters in respect of which the Noteholders are entitled to direct the Representative of the Noteholders, shall not be liable for acting upon any resolution purported to have been passed at any Meeting of holders of any Class of Notes in respect of which minutes have been drawn up and signed notwithstanding that subsequent to so acting, it transpires that the Meeting was not duly convened or constituted, such resolution was not duly passed or that the resolution was otherwise not valid or binding upon the relevant Noteholders;

(j) may call for, and shall be at liberty to accept and place full reliance on as sufficient evidence of the facts stated therein, a certificate or letter of confirmation certified as true and accurate and signed on behalf of any common depository as the Representative of the Noteholders considers appropriate, or any form of record made by any such depository, to the effect that at any particular time or throughout any particular period any particular person is, was, or will be shown in its records as entitled to a particular principal amount of Notes;

(k) may certify whether or not an Event of Default is, in its opinion, materially prejudicial to the interests of the Noteholders or the holders of the Most Senior Class and any such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other relevant person;

(l) may determine whether or not a default in the performance by the Issuer of any obligation under the provisions of these rules, the Notes, the Conditions or any other Transaction Document is capable of remedy and, if the Representative of the Noteholders certifies that any such default is, in its opinion, not capable of remedy, such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any relevant person;

(m) may assume, without enquiry, that no Notes are for the time being held by, or for the benefit of, the Issuer;

(n) shall be entitled to call for, and to rely upon, a certificate or any letter of confirmation or explanation reasonably believed by it to be genuine of any party to the Intercreditor Agreement, any Other Issuer Creditor or the Rating Agencies in respect of any matter and circumstance for which a certificate is expressly provided for hereunder or under any Transaction Document or in respect of the ratings of the Notes and it shall not be bound, in any such case, to call for further evidence or be responsible for any loss, liability, costs, damages, expenses or inconvenience that may be incurred by its failing to do so; and

(o) may, in determining whether the exercise of any power, authority, duty or discretion under or in relation hereto or to the Notes, the Conditions or any Transaction Document, is materially prejudicial to the interests of the Noteholders, have regard to any confirmation which it considers, in its sole and absolute discretion, as necessary and/or appropriate, including a rating agency confirmation by Moody's.

Any consent or approval given by the Representative of the Noteholders under these rules, the Notes, the Conditions or any other Transaction Document may be given on such terms and subject to such conditions (if any) as the Representative of the Noteholders thinks fit and, notwithstanding anything to the contrary contained herein, in the Conditions or in any Transaction Document, such consent or approval may be given retrospectively.

No provision of these rules, the Notes, the Conditions or any Transaction Document shall require the Representative of the Noteholders to do anything which may be illegal or contrary to applicable law or regulations, or expend or risk its own funds, or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its powers or discretions, and the Representative of the Noteholders may refrain from taking any action if it has reasonable grounds to believe that it will not be reimbursed for any funds, or that it will not be indemnified against any loss or liability which it may incur as a result of such action.

Article 30

Note Security

The Representative of the Noteholders shall be entitled to exercise all the rights granted by the Issuer in favour of the Representative of the Noteholders on behalf of the Noteholders and the other Issuer Secured Creditors under the Note Security.

The Representative of the Noteholders, acting on behalf of the Issuer Secured Creditors, is entitled to:

(a) prior to enforcement of the Note Security, appoint and entrust the Issuer to collect, in the interest of the Issuer Secured Creditors and on their behalf, any amounts deriving from the Note Security and may instruct, jointly with the Issuer, the obligors whose obligations form part of the Note Security to make any payments to be made thereunder to an Account of the Issuer;

(b) agree that the Accounts shall be operated in compliance with the provisions of the Agency and Accounts Agreement and the Intercreditor Agreement;

(c) agree that all funds credited to the Accounts from time to time shall be applied prior to the enforcement of the Note Security, in accordance with the Conditions and the Intercreditor Agreement;

(d) agree that cash deriving from time to time from the Note Security and the amounts standing to the credit of the Accounts shall be applied prior to enforcement of the Note Security, in and

towards satisfaction not only of amounts due to the Issuer Secured Creditors, but also of such amounts due and payable to the other Issuer Creditors that rank *pari passu* with, or higher than, the Issuer Secured Creditors, according to the applicable Priority of Payments and, to the extent that all amounts due and payable to the Issuer Secured Creditors have been paid in full, also towards satisfaction of amounts due to the other Issuer Creditors that rank below the Issuer Secured Creditors. The Issuer Secured Creditors irrevocably waive any right which they may have hereunder in respect of cash deriving from time to time from the Note Security and amounts standing to the credit of the Accounts which is not in accordance with the foregoing. The Representative of the Noteholders shall not be entitled to collect, withdraw or apply, or issue instructions for the collection, withdrawal or application of, cash deriving from time to time from the Note Security, under the Note Security, except in accordance with the foregoing, the Conditions and the Intercreditor Agreement; and

Article 31

Indemnity

It is hereby acknowledged that the Issuer has covenanted and undertaken under the Intercreditor Agreement to reimburse, pay or discharge (on a full indemnity basis) all costs, liabilities, losses, charges, expenses (provided, in each case, that supporting documents are delivered), damages, actions, proceedings, claims and demands (including, without limitation, legal fees and any applicable value added tax or similar tax) properly incurred by or made against the Representative of the Noteholders or by any person to whom the Representative of the Noteholders has delegated any power, authority or discretion or any appointee thereof, in relation to the preparation and execution of, the exercise or the purported exercise of, its powers, authority and discretion and performance of its duties under and in any other manner in relation to these rules, the Notes, the Conditions, the Intercreditor Agreement or any other Transaction Document, including but not limited to legal and travelling expenses (properly incurred and duly documented) and any stamp, issue, registration, documentary and other taxes or duties paid by the Representative of the Noteholders in connection with any action and/or legal proceedings brought or contemplated by the Representative of the Noteholders pursuant to these rules, the Notes, the Conditions or any Transaction Document, against the Issuer or any other person for enforcing any obligations under these rules, the Notes or the Transaction Documents, except insofar as the same are incurred as a result of gross negligence (*colpa grave*) or wilful misconduct (*dolo*) on the part of the Representative of the Noteholders.

TITLE IV

THE ORGANISATION OF NOTEHOLDERS UPON SERVICE OF AN ISSUER ACCELERATION NOTICE

Article 32

Powers

It is hereby acknowledged that, upon service of an Issuer Acceleration Notice and/or failure by the Issuer to exercise its rights, the Representative of the Noteholders shall, pursuant to the Mandate Agreement, be entitled, in its capacity as legal representative of the Organisation of Noteholders, also in the interest and for the benefit of the Other Issuer Creditors, pursuant to articles 1411 and 1723 of the Italian civil code, to exercise certain rights in relation to the Claims. Therefore, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of 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, all and any of the Issuer's Rights, including the right to give directions and instructions to the relevant parties to the Transaction Documents.

In particular and without limiting the generality of the foregoing, following the service of an Issuer Acceleration Notice, the Representative of the Noteholders will be entitled, until the Notes have been repaid in full or cancelled in accordance with the Conditions:

(a) to request the Interim Account Bank to transfer all monies standing to the credit of the Banco BPM Interim Account and the Creberg Interim Account and the Expenses Account to, respectively, the Collection Account and a replacement Expenses Account opened for such purpose by the Representative of the Noteholders with the Additional Transaction Bank;

(b) to request the Additional Transaction Bank to transfer all monies standing to the credit of the Collection Account and the replacement Expenses Account (if opened with the Transaction Bank in accordance with the Agency and Accounts Agreement) to, respectively, a replacement Collection Account and a replacement Expenses Account opened for such purpose by the Representative of the Noteholders with a replacement Additional Transaction Bank which is an Eligible Institution;

(c) to request the Transaction Bank holding the Cash Reserve Account to transfer all monies standing to the credit of the Cash Reserve Account to a replacement Cash Reserve Account opened for such purpose by the Representative of the Noteholders with the Transaction Bank holding (or which will hold) the Collection Account which is an Eligible Institution for the purpose of the Cash Reserve Account;

(d) to request the Principal Paying Agent to transfer all monies standing to the credit of the Payments Account to a replacement Payments Account opened for such purpose by the Representative of the Noteholders with a replacement Principal Paying Agent which is an Eligible Institution;

(e) to require performance by any Issuer Creditor of its obligations under the relevant Transaction Document to which such Issuer Creditor is a party, to bring any legal actions and exercise any remedies in the name and on behalf of the Issuer that are available to the Issuer under the relevant Transaction Document against such Issuer Creditor in case of failure to perform and generally to take such action in the name and on behalf of the Issuer as the Representative of the Noteholders may deem necessary to protect the interests of the Issuer, the Noteholders and the Other Issuer Creditors in respect of the Portfolio, the Claims and the Issuer's Rights;

(f) to instruct the Servicer in respect of the recovery of the Issuer's Rights;

(g) to take possession, as an agent of the Issuer and to the extent permitted by applicable laws, of all Collections (by way of a power of attorney granted hereunder in respect of the relevant Accounts) and of the Claims and to sell or otherwise dispose of the Claims or any of them in such manner and upon such terms and at such price and such time or times as the Representative of the Noteholders shall, in its discretion, deem appropriate and to apply the proceeds in accordance with the Post-Enforcement Priority of Payments provided however that if the amount of the monies at any time available to the Issuer or to the Representative of the Noteholders for the payments above shall be less than 10 per cent. of the Principal Amount Outstanding of all Classes of Notes the Representative of the Noteholders may at its discretion invest such monies (or cause such monies to be invested) in some or one of the investments authorised pursuant to the Intercreditor Agreement. The Representative of the Noteholders at its discretion may vary such investments (or cause such investments to be varied) and may

accumulate such investments and the resulting income until the immediately following Accumulation Date. Any monies, which under the Intercreditor Agreement or the Conditions may be invested, may be invested, or caused to be invested, by the Representative of the Noteholders in the name or under the control of the Representative of the Noteholders in any investments or other assets in any part of the world whether or not they produce income or by placing the same on deposit in the name or under the control of the Representative of the Noteholders at such bank or other financial institution and in such currency as the Representative of the Noteholders may think fit. The Representative of the Noteholders may at any time vary any such investments, or cause any such investments to be varied, for or into other investments or convert any monies so deposited, or cause any such investments to be converted, into any other currency and shall not be responsible for any loss resulting from any such investments or deposits, whether due to depreciation in value, fluctuations in exchange rates or otherwise, except insofar as such loss is incurred as a result of its gross negligence (*colpa grave*) or wilful misconduct (*dolo*); and

(h) (i) to distribute the monies from time to time standing to the credit of the Accounts and such other accounts as may be opened by the Representative of the Noteholders pursuant to paragraph (a), (b) and/or (c) above to the Noteholders and the Other Issuer Creditors in accordance with the applicable Priority of Payments. For the purposes of this Article 32, all the Noteholders and the Other Issuer Creditors irrevocably appoint, as from the date hereof and with effect on the date on which the Notes will become due and payable following the service of an Issuer Acceleration Notice, the Representative of the Noteholders as their exclusive agent (*mandatario esclusivo*) to receive on their behalf from the Issuer any and all monies payable by the Issuer to the Noteholders and the Other Issuer Creditors from and including the date on which the Notes will become due and payable and to apply such monies in accordance with the applicable Priority of Payments.

TITLE V
GOVERNING LAW AND JURISDICTION

Article 32

Governing law and jurisdiction

These rules and any non-contractual obligations arising out of, or in connection with, them are governed by, and will be construed in accordance with, the laws of Italy.

All disputes arising out of or in connection with these rules and any non-contractual obligations arising out of, or in connection with, including those concerning their validity, interpretation, performance and termination, shall be exclusively settled by the Courts of Milan.

USE OF PROCEEDS

The net proceeds from the issue of the Series 1 Notes at the Issue Date 2012, being Euro 2,501,918,000.00 of which Euro 1,701,300,000.00 of the Class A Notes and Euro 800,618,000.00 of the Junior Notes have been applied by the Issuer on the Issue Date 2012 to finance the Purchase Price of the First Portfolios.

The net proceeds from the issue of the Series 2 Notes at the Subsequent Issue Date, being Euro 995,100,000.00 have been applied by the Issuer on the Subsequent Issue Date to finance the net Purchase Price of the Subsequent Portfolio.

The net proceeds from the issue of the Series 3 Notes at the Second Subsequent Issue Date, being Euro 1,573,970,000.00 have been applied by the Issuer on the Second Subsequent Issue Date to finance the net Purchase Price of the Second Subsequent Portfolio.

The net proceeds from the issue of the Series 4 Notes at the Issue Date 2024, being Euro 1,365,000,000.00 will be applied by the Issuer on the Issue Date 2024 to finance the net Purchase Price of the Third Subsequent Portfolio.

THE ISSUER

Introduction

BPL Mortgages S.r.l. (the **Issuer**) is a limited liability company with sole quotaholder (*società a responsabilità limitata con socio unico*) incorporated in the Republic of Italy under article 3 of Italian law No. 130 of 30 April 1999 (*Disposizioni sulla cartolarizzazione dei crediti*), as amended from time to time (the **Securitisation Law**), on 30 June 2006 with the name of "*Giano Finance S.r.l.*". By way of an extraordinary quotaholder's resolution held on 11 May 2007, the corporate name of the Issuer was changed from "*Giano Finance S.r.l.*" into "*BPL Mortgages S.r.l.*".

In accordance with the Issuer's by-laws (*statuto*) as amended by way of an extraordinary quotaholder's resolution held on 12 December 2008, the corporate duration of the Issuer is limited to 31 December 2060 and may be extended by quotaholders' resolution. The Issuer is registered with the companies' register of Treviso-Belluno under number 04078130269, and its tax identification number (*codice fiscale*) and VAT number is 04078130269. The Issuer is also enrolled in the register of the special purpose vehicles held by the Bank of Italy pursuant to article 2 of the Bank of Italy's regulation dated 12 December 2023 under the number 33259.3. The registered office of the Issuer is at Via V. Alfieri, 1, 31015 Conegliano (Treviso), Italy. The telephone number of the registered office is +39 0438 360 926. The Issuer has no employees and no subsidiaries.

The Issuer's LEI number is 815600851E9427206817.

Previous securitisation

The Issuer has already been engaged in the securitisation transaction carried out in accordance with the Securitisation Law in April 2022 and involving:

(a) the acquisition of monetary claims and other connected rights arising from a portfolio of secured and unsecured loans disbursed to entities that are small and medium enterprises as defined in the European Commission Recommendation of 6 May 2003 No. 2003/361/CE in various technical forms (such as *mutui fondiari*, *mutui ipotecari*, *mutui agrari* or "*altri prestiti*") acquired from Banco BPM (the **Previous Portfolio**); and

(b) the issue of asset-backed notes in a principal amount outstanding, on or about the Second Subsequent Issue Date, equal to €2,433,252,981.88 (the **Previous Securitisation Notes**) (April 2022, the **Previous Securitisation**).

Pursuant to the Securitisation Law, the assets relating to each securitisation transaction will constitute assets segregated for all purposes from assets of the Issuer and from the assets relating to other securitisation transactions. The assets relating to a particular securitisation transaction will not be available to the holders of notes issued to finance any other securitisation transaction or to the general creditors of the Issuer.

Quotaholding

The authorised equity capital of the Issuer is €12,000. The issued and paid-up equity capital of the Issuer is €12,000 entirely held by SVM Securitisation Vehicles Management S.r.l.. No other amount of equity capital has been agreed to be issued.

Pursuant to a quotaholder's commitment dated the Initial Signing Date between the Issuer, the Representative of the Noteholders and SVM Securitisation Vehicles Management S.r.l. (the **Quotaholder's Commitment**), SVM Securitisation Vehicles Management S.r.l. has agreed certain provisions in relation to the management of the Issuer. The Quotaholder's Commitment also provides that SVM Securitisation Vehicles Management S.r.l., in its capacity as sole quotaholder of the Issuer, will not approve the payment of any dividends or any repayment or return of capital by the Issuer prior to the date on which all amounts of principal and interest on the Notes have been paid in full. The Quotaholder's Commitment is governed by Italian law.

Italian company law combined with the holding structure of the Issuer, the covenants made by the Issuer and SVM Securitisation Vehicles Management S.r.l. in the Quotaholder's Commitment and the role of the Representative of the Noteholders are together intended to prevent any abuse of control of the Issuer. To the

best of its knowledge, the Issuer is not aware of indirect ownership or control apart from SVM Securitisation Vehicles Management S.r.l..

Special purpose vehicle

The Issuer has been established as a special purpose vehicle for the purposes of issuing asset-backed securities. The Issuer may carry out other securitisation transactions in addition to the one contemplated in this Prospectus, subject to certain conditions.

Accounting treatment of the Portfolio

Pursuant to the Bank of Italy's regulations, the accounting information relating to the securitisation of the Claims will be contained in the explanatory notes to the Issuer's accounts (*nota integrativa*). The explanatory notes, together with the balance sheet and the profit and loss statements, form part of the financial statements of Italian limited liability companies (*società a responsabilità limitata*).

Accounts of the Issuer

The fiscal year of the Issuer begins on 1 January of each calendar year and ends on 31 December of the same calendar year with the exception of the first fiscal year which started on 30 June 2006 and ended on 31 December 2006. Consequently, the first financial statements of the Issuer of the Issuer are those relating to the fiscal year ended in December 2006 and approved on 14 March 2007.

Principal activities

The principal corporate objectives of the Issuer, as set out in article 3 of its by-laws (*statuto*), include the acquisition of monetary receivables for the purposes of securitisation transactions and the issuance of asset-backed securities.

So long as any of the Notes remains outstanding, the Issuer shall not, without the consent of the Representative of the Noteholders and as provided in the Conditions and the Transaction Documents, incur any other indebtedness for borrowed monies, engage in any activities except pursuant to the Transaction Documents, pay any dividends, repay or otherwise return any equity capital, have any subsidiaries, employees or premises, consolidate or merge with any other person, convey or transfer its property or assets to any person, or increase its equity capital.

The Issuer will covenant to observe, *inter alia*, those restrictions which are detailed in Condition 5 (*Covenants*).

Sole director of the Issuer

The Sole Director of the Issuer is Igor Rizzetto, having her address for the purposes of his title at via V. Alfieri, 1, 31015 Conegliano (TV).

The Sole Director of the Issuer has the requisite experience and expertise for the management of its business.

As at the date of this Prospectus, no board of statutory auditors is appointed.

The Sole Director is not aware of any conflicts of interests or potential conflicts of interests between his duties as a director of the Issuer and his respective private interests or principal outside activities. There are no persons or entities, including the Originator or any of the other transaction parties connected with the Notes (except for what specified in the previous paragraph), who can exercise control over the Sole Director.

Capitalisation and indebtedness statement

The capitalisation and indebtedness of the Issuer as at the date of this Prospectus, adjusted for the issue of the Notes on the Second Subsequent Issue Date:

	€
Issued equity capital	
€12,000 fully paid up	12,000
	12,000
Borrowings	
€2,440,400,000 Class A - 2012 Mortgage-Backed Floating Rate Notes due	775,172,316.60
€1,148,455,000 Class B - 2012 Mortgage-Backed Notes due 2058	392,765,000.00
€60,000,000 subordinated loan	60,000,000.00
€995,100,000 Class A - 2016 Mortgage-Backed Floating Rate Notes due 2058	673,026,133.02
€31,049,900,000 Class A - 2014 Asset Backed Floating Rate Notes due November 2054	1,673,874,648.09
€325,700,000 Class B - 2014 Asset Backed Floating Rate Notes due November 2054	325,700,000.00
€737,403,000 Class C - 2014 Asset Backed Notes due November 2054	737,403,000.00
€76,900,000 subordinated loan	76,900,000.00
€91,400,000 subordinated loan	91,400,000.00
€1,936,000,000 Class A - 2016 Asset Backed Floating Rate Notes due November 2054	361,647,858.88
€1,000,000 Class B - 2016 Asset Backed Floating Rate Notes due November 2054	1,000,000.00
€448,072,000 Class C - 2016 Asset Backed Notes due November 2054	448,072,000.00
€85,598,000 subordinated loan	85,598,000.00
€1,504,300,000 Class A-2019 Mortgage-Backed Floating Rate Notes due 2058	1,504,300,000.00
€69,670,000 Class B-2019 Mortgage-Backed Notes due 2058	69,670,000.00
€24,600,000 subordinated loan	24,600,000.00
Total Notes	6,962,630,956.59

Save for the foregoing, at the New Issue Date the Issuer will not have borrowings or indebtedness in the nature of borrowings (including loan capital issued or created but unissued), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees, or other contingent liabilities.

THE ADDITIONAL TRANSACTION BANK

About Securities Services at BNP Paribas

The Securities Services business of BNP Paribas is a multi-asset servicing specialist with local expertise in 35 markets around the world and a global reach covering 90+ markets. This extensive network enables BNP Paribas to provide its institutional investor clients with the connectivity and local knowledge they need to navigate change in a fast-moving world.

As of 31 December 2023, Securities Services had USD 13.7 trillion in assets under custody, USD 2.7 trillion in assets under administration and 9,208 funds administered.

At the date of this Prospectus (i) 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; and (ii) BNP Paribas, Italian Branch is rated privately by DBRS.

Fitch	Moody's	S&P
Short term F1+	Short term Prime-1	Short-term A-1
Long term senior debt AA-	Long term senior debt Aa3	Long term senior debt A+
Outlook Stable	Outlook Stable	Outlook Stable

The information contained in paragraphs above relates to BNP Paribas, Italian Branch and has been obtained from it. This information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by BNP Paribas, Italian Branch, no facts have been omitted which would render the reproduced information inaccurate or misleading. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of BNP Paribas, Italian Branch since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE CORPORATE SERVICER AND THE BACK-UP SERVICER FACILITATOR

Banca Finanziaria Internazionale S.p.A., breviter Banca Finint S.p.A. (previously Securitisation Services S.p.A.), is a bank incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office in Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, share capital of Euro 91,743,007.00 fully paid up, tax code and enrolment in the companies' register of Treviso-Belluno no. 04040580963, VAT Group "Gruppo IVA FININT S.P.A." - VAT no. 04977190265, registered in the banks' register held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act under no. 5580 and in the register of the banking group held by the Bank of Italy as parent company of the Banca Finanziaria Internazionale Banking Group, member of the "*Fondo Interbancario di Tutela dei Depositi*" and of the "*Fondo Nazionale di Garanzia*".

Under the Securitisation, Banca Finint S.p.A. will act as Corporate Servicer and Back-up Servicer facilitator.

The information contained in paragraphs above relates to Banca Finanziaria Internazionale S.p.A. and has been obtained from it. This information has been accurately reproduced and, as far as the SPV is aware and is able to ascertain from the information published by Banca Finanziaria Internazionale S.p.A., no facts have been omitted which would render the reproduced information inaccurate or misleading. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Banca Finanziaria Internazionale S.p.A. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

SELECTED ASPECTS OF ITALIAN LAW

The following is a description of certain aspects of Italian Law that are relevant to the transactions described in this Prospectus and of which prospective Noteholders should be aware. It is not intended to be exhaustive and prospective Noteholders should also read the detailed information set out elsewhere in this Prospectus.

The Securitisation Law

The Securitisation Law was enacted on 30 April 1999 and was conceived to simplify the securitisation process and to facilitate the increased use of securitisation as a financing technique in the Republic of Italy. It applies to securitisation transactions involving the "*true*" sale (by way of non-gratuitous assignment) of claims, where the sale is to a company created in accordance with Article 3 of the Securitisation Law and all amounts paid by the assigned debtors in respect of the claims are to be used by the relevant company exclusively to meet its obligations under the notes issued to fund the purchase of such claims and all costs and expenses associated with the securitisation transaction.

As at the date of this Prospectus, only limited interpretation of the application of the Securitisation Law has been issued by any Italian court or governmental or regulatory authority, except for limited regulations issued by the Bank of Italy concerning, *inter alia*, the accounting treatment of securitisation transactions by special purpose companies incorporated under the Securitisation Law, such as the Issuer, and the duties of the companies which carry out collection and recovery activities in the context of a securitisation transaction. Consequently, it is possible that such or different authorities may issue further regulations relating to the Securitisation Law or the interpretation thereof, the impact of which cannot be predicted by the Issuer, or any other party to the Transaction Documents as at the date of this Prospectus.

Ring Fencing of the Assets

In accordance with the provisions of Article 3 of the Securitisation Law, the assets relating to each securitisation transaction are segregated, by operation of law, for all purposes from all other assets of the company which purchases the claims (including, for the avoidance of doubt, any other portfolio purchased by the company pursuant to the Securitisation Law). Prior to and on a winding up of such a company, such assets (for so long as such amounts are credited to one of the Issuer's accounts under the Transaction and not commingled with other sums) will only be available to holders of the notes issued to finance the acquisition of the relevant claims and to certain creditors claiming payment of debts incurred by the company in connection with the securitisation of the relevant assets. In addition, the assets relating to a particular transaction will not be available to the holders of notes issued to finance any other securitisation transaction or to general creditors of the Issuer. However, under Italian law, any other creditor of the Issuer would be able to commence insolvency or winding up proceedings against the Issuer in respect of any unpaid debt.

In addition to the above, it should be noted that, pursuant to the amendments introduced to the Securitisation Law by Law 9/2014 and Law 116/2014, it has been provided for that *inter alia*:

(a) the amounts credited into the accounts opened by companies incorporated as special purpose vehicles pursuant to article 3 of the Securitisation Law with the servicers or with the depositary bank of securitisation transactions, on which the amounts paid by the assigned debtors as well as any other amount due to the relevant special purpose vehicle under the securitisation may be credited, may be utilized only to fulfil the obligations of the relevant special purpose vehicle against the noteholders and the other creditors under the securitisation and to pay the expenses to be borne in connection with the securitisation. Should any proceeding under Title IV of the Consolidated Banking Act, or any other insolvency procedure apply to the relevant servicer or depositary bank, the amounts credited on such accounts and the sums deposited during the course of the relevant insolvency procedure:

    (i) will not be subject to the suspension of payments; and

    (ii) will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need to for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan; and

(b) in respect of the accounts opened by the servicers and the sub-servicers with banks, and into which the amounts paid by the assigned debtors may be credited, the creditors of the relevant servicer or

sub-servicer may exercise claims only in respect of the amounts credited on such accounts that exceed the amounts due to the relevant special purpose vehicle. Should any insolvency procedure apply to the relevant servicer or sub-servicer, the amounts credited on such segregated accounts and the sums deposited during the course of the relevant insolvency procedure will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need to for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan. Under Italian law, however, any creditor of the Issuer would be able to commence insolvency or winding-up proceedings against the Issuer in respect of any unpaid debt.

The Assignment

The assignment of the claims under the Securitisation Law is governed by Article 58, paragraphs 2, 3 and 4, of the Consolidated Banking Act. According to the prevailing interpretation of such provisions, which has been strengthened by Article 4 of the Securitisation Law, the assignment can be perfected against the originator, assigned debtors and third party creditors by way of publication of the relevant notice in the Italian Official Gazette of the Republic of Italy (*Gazzetta Ufficiale della Repubblica Italiana*) and registration of the transfer in the companies' register where the Issuer is enrolled, so avoiding the need for notification to be served on each assigned debtor.

Upon compliance with the formalities set forth by the Securitisation Law, the assignment becomes enforceable against:

(a) the assigned debtors and any creditors of the originator who have not, prior to the date of publication of the notice of assignment in the Official Gazette and registration of the assignment in the companies' register where the assignee is enrolled, commenced enforcement proceedings in respect of the relevant claims;

(b) the liquidator or any other bankruptcy officials of the assigned debtors (so that any payments made by an assigned debtor to the purchasing company may not be subject to any claw-back action according to article 164 or 166 of the Italian Insolvency Code; and (ii) the liquidator of the originator (provided that the originator has not been subjected to insolvency proceeding prior to the date of publication of the notice of assignment in the Official Gazette and the registration of the assignment in the register of companies where the assignee is enrolled); and

(c) other permitted assignees of the originator who have not perfected their assignment prior to the date of publication of the notice of assignment in the Official Gazette and the registration of the assignment in the companies' register where the assignee is enrolled.

The benefit of any privilege, guarantee or security interest guaranteeing or securing repayment of the assigned claims will automatically be transferred to and perfected with the same priority in favour of the company which has purchased the claims, without the need for any formality or annotation.

As from the later date of:

(a) the date of publication of the notice of the assignment in the Italian Official Gazette of the Republic of Italy (*Gazzetta Ufficiale della Repubblica Italiana*); and

(b) the date of registration (*iscrizione*) of such notice in the companies' register where the Issuer is enrolled,

no legal action may be brought against the claims assigned or the sums derived therefrom other than for the purposes of enforcing the rights of the holders of the notes issued for the purpose of financing the acquisition of the relevant claims and to meet the costs of the transaction.

Notice of the assignments of the Initial Claims by Banco Popolare (before the merger into Banco BPM) and Credito Bergamasco S.p.A. (before the merger into Banco Popolare, which in turn later merged into Banco BPM) (**Creberg**), pursuant to the relevant Initial Transfer Agreements were published:

(a) in the Italian Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*) No. 145 Parte II on 13 December 2012 and registered (iscritto) in the companies' register of Treviso-Belluno on 11 December 2012; and

(b) in the Italian Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*) No. 34 Parte II on 21 March 2013 and registered (*iscritto*) in the companies' register of Treviso-Belluno on 18 March 2013.

Notice of the assignment of the Subsequent Claims arising out from the First Subsequent Portfolio pursuant to the First Subsequent Transfer Agreement were published in the Italian Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*) No. 125, Part II on 20 October 2016 and registered in the companies' register of Treviso-Belluno on 17 October 2016.

Notice of the assignment of the Further Subsequent Claims arising out from the Second Subsequent Portfolio pursuant to the Second Subsequent Transfer Agreement were published in the Italian Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*) No. 20, Part II of 16 February 2019 and registered in the companies' register of Treviso-Belluno on 12 February 2019.

Notice of the assignment of the Claims 2024 arising out from the Third Subsequent Portfolio pursuant to the Third Subsequent Transfer Agreement were published in the Italian Official Gazette (*Gazzetta Ufficiale della Repubblica Italiana*) No. 75, Part II of 27 June 2024 and registered in the companies' register of Treviso-Belluno on 11 July 2024.

Assignments executed under the Securitisation Law are subject to revocation upon bankruptcy under Article 166 of the Italian Insolvency Code but only in the event that the securitisation transaction is entered into within three months of the adjudication of bankruptcy of the relevant party or, in cases where paragraph 1 of Article 166 of the Italian Insolvency Code applies, within six months of the adjudication of the insolvency proceeding.

Claw-Back of the sale of the Claims

Assignments of receivables 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*).

Recoveries under the Mortgage Loans

Following default by a Borrower under a Loan, the Servicer will be required to take steps to recover the sums due under the Loan in accordance with its servicing and collection policies and the Servicing Agreement. See "*The Servicing Agreement*" and "*The Credit and Collection Policy*".

The Servicer may take steps to recover the deficiency from the Borrower. Such steps could include an out-of-court settlement; however, legal proceedings may be taken against the Borrower if the Servicer is of the view that the potential recovery would exceed the costs of the enforcement measures. In such event, due to the complexity of and the time involved in carrying out legal or insolvency proceedings against the Borrower and the possibility for challenges, defences and appeals by the Borrower, there can be no assurance that any such proceedings would result in the payment in full of outstanding amounts under the relevant Mortgage Loan.

In the Republic of Italy, a lender which has received a judgment against a debtor in default may enforce the judgment through a forced sale of the debtor's (or guarantor's) goods (*pignoramento mobiliare*) or real estate assets (*pignoramento immobiliare*), if the lender has previously been granted a court order or injunction to pay amounts in respect of any outstanding debt or unperformed obligation.

Forced sale proceedings are directed against the debtor's properties following notification of an *atto di precetto* to the relevant debtor together with a *titolo esecutivo*, ie an instrument evidencing the nature of the claims and having certain characteristics.

The average length of time for a forced sale of a debtor's goods, from the court order or injunction of payment to the final sharing-out, is about three years. The average length of time for a forced sale of a debtor's real estate asset, from the court order or injunction of payment to the final sharing-out, is between six and seven years. In the medium-sized central and northern Italian cities it can be significantly less whereas in major cities or in southern Italy the duration of the procedure can significantly exceed the average.

Attachment of debtor's credits

Attachment proceedings may be commenced also on due and payable debts of a borrower (such as bank accounts, salary etc) or on a borrower's moveable property which is located on a third party's premises.

Insolvency proceedings

According to the Italian code of civil procedure, the enforcement of an obligation to pay a sum of money (*esecuzione forzata in forma generica*) is carried out through the attachment (*pignoramento*) and forced liquidation of assets belonging to the relevant debtor.

Save where the law provides otherwise, enforcement proceedings shall be commenced with the service of the title to enforcement (*titolo esecutivo*) and the formal demand of payment (*atto di precetto*).

A good title to enforcement (*titolo esecutivo*) would be:

(a) a public deed (*atto pubblico*) or authenticated private deed (*scrittura privata autenticata*), both of which, in order to amount to title to enforcement title as per the new article 475 of the Italian code of civil procedure shall be certified as conform to the original (*copia attestata conforme all'originale*); or

(b) a copy of an injunction order (*decreto ingiuntivo*) or an enforceable court decision (*sentenza esecutiva*) issued by the competent Court, ordering the debtor to pay its debt. In order to amount to a title to enforcement, the injunction order (*decreto ingiuntivo*) or the enforceable court decision shall certified as conform to the original (*copia attestata conforme*).

The formal demand of payment (*atto di precetto*) consists of an order to perform the obligation indicated in the title to enforcement (*titolo esecutivo*) by a term no shorter than 10 (ten) days, warning the debtor that, if it fails to perform such obligations within such term, the creditor will start the foreclosure proceedings. Pursuant to article 480 of the Italian code of civil procedure, the formal demand of payment (*atto di precetto*) must contain a number of information (eg, indication of the parties, date of service of the title to enforcement, the declaration of residence or election of domicile by the claimant in the same district of the competent Court) and it would be considered void if it fails to contain all the information required by operation of law. The formal demand of payment (*atto di precetto*) ceases to be effective if enforcement proceeding is not commenced within 90 (ninety) days after its service as per article 481 of the Italian code of civil procedure.

Enforcement of an obligation to pay an amount of money is performed in different ways, according to the kind of the debtor's assets the creditor wants to seize. Therefore and mentioning the most important only, the Italian code of civil procedure provides for different rules concerning respectively:

(a) distraint and forced liquidation of movable goods in possession of the debtor;

(b) distraint and forced liquidation of debtor's receivables or mobile goods in possession of third parties; and

(c) distraint and forced liquidation of real estate properties.

The Italian code of civil procedure provides for some common provisions applicable to any form of enforcement of an obligation to pay an amount of money and specific rules applicable to each form of enforcement.

The attachment (*pignoramento*) and forced liquidation of assets are carried out in several steps as summarised below:

(a) the debtor's assets are attached (pignorati) (article 491 - 497 of the Italian code of civil procedure);

(b) other creditors may intervene (article 498 - 500 of the Italian code of civil procedure);

(c) the debtor's assets are liquidated (article 501 - 508 of the Italian code of civil procedure); and

(d) the proceeds from the liquidation of the debtor's assets are distributed amongst the creditors (article 509 - 512 of Italian code of civil procedure).

The attachment (*pignoramento*), pursuant to article 491 of the Italian code of civil procedure, has the effect of seizing the asset to be liquidated and prohibits the debtor from selling or disposing or otherwise interfering with the liquidation of the relevant asset and is the necessary first step in forcing the liquidation of a property, when it is not already held in pledge.

Exemption of claw-back of prepayments

The Securitisation Law states that payments made by the assigned debtors to the Issuer may not be subject to any claw-back action or ineffectiveness according to, respectively, article 166 and article 164 paragraph 1 of the Italian Insolvency Code. All other payments made to the Issuer by any party to the Transaction Documents in the one year/six 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 under 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.

Mutui Fondiari

The Mortgage Loans include *inter alia* mortgage loans qualifying as *mutui fondiari*. In addition to the general legislation commonly applicable to mortgage lending, mortgage loans which qualify as *mutui fondiari* are regulated by specific legislation (*credito fondiario*) which provides for a number of rights in favour of the mortgage lender that are not provided for by general legislation.

Agreements relating to *mutui fondiari* executed before 1 January 1994 are regulated by the Italian legislation on *credito fondiario* in force prior to that date, which permitted only credit institutions having special license to grant *mutui fondiari*. All other credit institutions were not permitted to conduct mortgage lending business. As of 1 January 1994, under the new legislative framework under the Consolidated Banking Act, all banks having a general banking license became qualified to enter into *mutui fondiari* agreements. The new legislation applies only to *mutui fondiari* agreements executed, and foreclosure proceedings commenced, on or after 1 January 1994.

With respect to the legislative framework under the Consolidated Banking Act, certain provisions under the *mutuo fondiario*'s legislation entitle the lender to commence or continue foreclosure proceedings also after the declaration of insolvency of the affected debtor, to receive repayment from the price paid for a mortgaged property at auction up to the price corresponding to the *mutui fondiari* debt directly from the purchaser (without having to await disbursement by the court) and to an assignment of any rentals earned by the mortgaged property, net of administration expenses and taxes.

With respect to the borrowers, such *mutuo fondiario*'s legislation provides that:

(a) the borrower is entitled to a thirty calendar day grace period on payments of instalments; delays in payment of instalments of not over one hundred and eighty days may justify termination of the mortgage loan only starting from the eighth (also non consecutive) unpaid instalment; and

(b) each time the borrower has repaid one fifth of its original debt, it is entitled to a corresponding reduction of the amount covered by the mortgage; to the extent that a mortgage loan is secured by mortgages on more than one asset, the borrower is entitled to the release of one or more assets from the mortgage to the extent it is able to prove that the remaining assets would be sufficient to ensure a loan to value of at least 120% (or, according to an interpretation, the original loan to value, if higher).

Foreclosure Proceedings

Mortgages may be "*voluntary*" ("*ipoteche volontarie"*) if granted by a borrower or a third party guarantor by way of a deed or "*judicial*" ("*ipoteche giudiziarie"*) if registered in the appropriate land registry ("*Conservatoria dei Registri Immobiliari"*) following a court order or injunction to pay amounts in respect of any outstanding debt or unperformed obligation.

A mortgage lender (whose claim is secured by a mortgage whether "*voluntary*" or "*judicial*") may commence foreclosure proceedings by seeking a court order or injunction for payment in the form of an enforcement order ("*titolo esecutivo*") from the court in whose jurisdiction the mortgaged property is located. This court order or injunction must be served on the debtor.

If the mortgage loan was executed in the form of a public deed, a mortgage lender can serve a copy of the mortgage loan agreement, stamped by a notary public with an order for the execution thereof (*formula esecutiva*) directly on the debtor without the need to obtain an enforcement order (*titolo esecutivo*) from the court. A writ of execution ("*atto di precetto*") is notified to the debtor together with either the enforcement order ("*titolo esecutivo*") or the loan agreement, as the case may be.

Within ten days of filing, but not later than ninety days from the date on which notice of the writ of execution ("*atto di precetto*") is served, the mortgage lender may request the attachment of the mortgaged property.

The property will be attached by a court order, which must then be filed with the appropriate land registry ("*Conservatoria dei Registri Immobiliari*"). The court will, at the request of the mortgage lender, appoint a custodian to manage the mortgaged property in the interest of the mortgage lender. If the mortgage lender does not make such a request, the debtor will automatically become the custodian of such property.

The mortgage lender is required to search the land registry to ascertain the identity of the current owner of the property and must then serve notice of the request for attachment on the current owner, even if no transfer of the property from the original borrower or mortgagor to a third party purchaser has been previously notified to the mortgage lender. Not earlier than ten days and not later than ninety days after serving the attachment order, the mortgage lender may request the court to sell the mortgaged property. The court may delay its decision in respect of the mortgage lender's request in order to hear any challenge by the debtor to the attachment.

Technical delays may be caused by the need to append to the mortgage lender's request for attachment copies of the relevant mortgage and cadastral (ie land registry) certificates ("*certificati catastali*"), which usually take some time to obtain. Law No. 302 should reduce the duration of the foreclosure proceedings by allowing the mortgage lender to substitute such cadastral certificates with certificates obtained from public notaries and by allowing public notaries to conduct various activities which were before exclusively within the powers of the courts.

If the court decides to proceed with an auction ("*vendita con incanto*") of the mortgaged property, it will usually appoint an expert to value the property. The court will then order the sale by auction. The court determines on the basis of the expert's appraisal the minimum bid price for the property at the auction. If an auction fails to result in the sale of the property, the court will arrange a new auction with a lower minimum bid price. The courts have discretion to decide whether, and to what extent, the bid price should be reduced (the maximum permitted reduction being one-fifth of the minimum bid price of the previous auction). In practice, the courts tend to apply the one-fifth reduction. In the event that no offer is made during an auction, the mortgage lender may apply to the court for a direct assignment of the mortgaged property to the mortgage lender itself. In practice, however, the courts tend to hold auctions until the mortgaged property is sold.

The sale proceeds, after deduction of the expenses of the foreclosure proceedings and any expenses for the deregistration of the mortgages, will be applied in satisfaction of the claims of the mortgage lender in priority to the claims of any other creditor of the debtor (except for the claims for taxes due in relation to the mortgaged property and for which the collector of taxes participates in the foreclosure proceedings).

Upon payment in full of the purchase price by the purchaser within the specified time period, title to the property will be transferred after the court issues an official decree ordering the transfer. In the event that proceedings have been commenced by creditors other than the mortgage lender, the mortgage lender will have priority over

such other creditors in having recourse to the assets of the borrower during such proceedings, such recourse being limited to the value of the mortgaged property.

The average length of foreclosure proceedings beginning with the court order or injunction of payment until the final sharing out is between six and seven years. In the medium-sized central and northern Italian cities, it can be significantly less whereas in major cities or in southern Italy, the duration of the procedure can significantly exceed the average.

Mutui fondiari foreclosure proceedings

Almost all the Mortgage Loans comprised in the Portfolio are "*mutui fondiari*". Enforcement proceedings in respect of "*mutui fondiari*" commenced after 1 January 1994 are currently regulated by Article 38 et seq. of the Consolidated Banking Act in which several exceptions to the rules applying to enforcement proceedings in general are provided for. In particular, there is no requirement to serve a copy of the loan agreement directly on the borrower and the mortgage lender of "*mutui fondiari*" is entitled to commence or continue enforcement proceedings after the debtor is declared insolvent or insolvency proceedings have been commenced.

Moreover, the custodian appointed to manage the mortgaged property in the interest of the *fondiario* lender pays directly to the lender the revenues recovered on the mortgaged property (net of administration expenses and taxes). After the sale of the mortgaged property, the court orders the purchaser (or the assignee in the case of an assignment) to pay that part of the price corresponding to the *mutui fondiari* lender's debt directly to the lender.

Pursuant to Article 58 of the Consolidated Banking Act, the Issuer will be entitled to benefit from such procedural advantages which apply in favour of a lender of a "*mutuo fondiario*" loan.

Enforcement proceedings for "*mutui fondiari*" commenced on or before 31 December 1993 are regulated by the Royal Decree No. 646 of 16 July 1905, which confers on the "*mutuo fondiario*" lender rights and privileges that are not provided for by the Consolidated Banking Act with respect to enforcement proceedings on "*mutui fondiari*" commenced on or after 1 January 1994. Such additional rights and privileges include the right of the bank to commence enforcement proceedings against the borrower even after the real estate has been sold to a third party who has taken the place of the borrower as debtor under the "*mutuo fondiario*" provided that the name of such third party has not been notified to the lender. Further rights include the right of the bank to apply for the real estate to be valued by the court after commencement of enforcement proceedings, at the value indicated in the "*mutuo fondiario*" agreement without having to have a further expert appraisal.

The impact of Law No. 302

Italian Law No. 302 of 3 August 1998, Italian Law No. 80 of 15 May 2005, Italian Law No. 263 of 28 December 2005 and the Italian Code of Civil Procedure as amended thereby have introduced certain rules according to which some of the activities to be carried on in a foreclosure procedure may be entrusted to a notary public, lawyers or chartered accountants duly registered with the relevant register as kept and updated from time to time by the chairman of the competent court (*Presidente del Tribunale*).

In particular, if requested by a creditor, the notary public may issue a notarial certificate attesting the results of the searches with the "*catasto*" and with the appropriate land registry (*Conservatoria dei Registri Immobiliari*). Such notarial certificate replaces several documents that are usually required to be attached to the motion for the auction and reduces the timing normally required to obtain the documentation from the relevant public offices. Moreover, if appointed by the foreclosure judge, the notary public may execute the sale by auction by:

(a) determining the value of the property;

(b) deciding on the offers received after the auction and concerning the payment of the relevant price;

(c) initiating further auctions or transfer;

(d) executing certain formal documents relating to the registration and filing with the land registry of the transfer decree prepared by the same notary public and issued by the foreclosure judge; and

(e) preparing the proceeds' distribution plan and forwarding the same to the foreclosure judge.

With regard to the above, the involvement of a notary public by the foreclosure judge is permitted when:

(a) the foreclosure judge has not yet decided on the motion for an auction;

(b) a sale without auction has not been performed successfully and the foreclosure judge after consultation with the creditors decides to proceed with an auction; and

(c) a possible receivership has ceased and the foreclosure judge decides to proceed with a sale by auction.

On the other hand, the involvement of a notary public does not seem to be possible both when a decree providing for the sale without auction has already been issued and when an auction before the foreclosure judge has already been fixed. If the auction is concluded without a sale, it is possible that the foreclosure judge may delegate the power to execute further auctions to the notary public.

Priority of Interest Claims

Pursuant to Article 2855 of the Italian Civil Code, the claims of a mortgage lender in respect of interest may be satisfied in priority to the claims of all other unsecured creditors in an amount equal to the aggregate of:

(a) the interest accrued at the contractual rate in the calendar year in which the initial stage of the enforcement proceedings are taken and in the two preceding calendar years; and

(b) the interest accrued at the legal rate (currently 0.5%) from the end of the calendar year in which the initial stage of the enforcement proceeding is commenced to the date on which the mortgaged property is sold.

Any amount recovered in excess of this will be applied to satisfy the claims of any other creditor participating in the enforcement proceedings. The mortgage lender will be entitled to participate in the distribution of any such excess as an unsecured creditor. The balance, if any, will then be paid to the debtor.

Cancellation of mortgages

Art. 40-*bis* of the Consolidated Banking Act and Law decree No. 7 of 31 January 2007 (the **Bersani Decree**) as converted into law by Law No. 40 of 2 April 2007, as applicable, set out certain provisions relating to mortgage loans which include, *inter alia*, simplified procedures meant to allow a more prompt cancellation of mortgages securing loans granted by banks or financial intermediaries in the event of a documented repayment in full by the debtors of the amounts due under the loans. While such provisions do not impact on the monetary rights of the lenders under the loans (lenders retain the right to oppose the cancellation of a mortgage), the impact on the servicing procedures in relation to the applicable loan agreements cannot be entirely assessed at this time.

Article 120-ter of the Banking Act

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

The Italian banking association (**ABI**) and the main national consumer associations have reached an agreement (the **Prepayment Penalty Agreement**) regarding the equitable renegotiation of prepayment penalties with certain maximum limits calculated on the outstanding amount of the loans (the **Substitutive Prepayment Penalty**) containing the following main provisions:

(a) with respect to variable rate loan agreements, the Substitutive Prepayment Penalty should not exceed 0.50% and should be further reduced to:

    (i) 0.20% in case of early redemption of the loan carried out within the third year from the final maturity date; and

(ii) zero, in case of early redemption of the loan carried out within two years from the final maturity date;

(b) with respect to fixed rate loan agreements entered into before 1 January 2001, the Substitutive Prepayment Penalty should not exceed 0.50%, and should be further reduced to:

(i) 0.20%, in case of early redemption of the loan carried out within the third year from the final maturity date; and

(ii) zero, in case of early redemption of the loan carried out within two years from the final maturity date;

(c) with respect to fixed rate loan agreements entered into after 31 December 2000, the Substitutive Prepayment Penalty should be equal to:

(i) 1.90% if the relevant early redemption is carried out in the first half of loan's agreed duration;

(ii) 1.50% if the relevant early redemption is carried out following the first half of loan's agreed duration, provided however that the Substitutive Prepayment Penalty should be further reduced to:

(1) 0.20%, in case of early redemption of the loan carried out within three years from the final maturity date; and

(2) zero, in case of early redemption of the loan carried out within two years from the final maturity date.

The Prepayment Penalty Agreement introduces a further protection for borrowers under a "*safeguard*" equitable clause (the ***Clausola di Salvaguardia***) in relation to those loan agreements which already provide for a prepayment penalty in an amount which is compliant with the thresholds described above. In respect of such loans, the *Clausola di Salvaguardia* provides that:

(a) if the relevant loan is either:

(i) a variable rate loan agreement; or

(ii) a fixed rate loan agreement entered into before 1 January 2001,

the amount of the relevant prepayment penalty shall be reduced by 0.20%;

(b) if the relevant loan is a fixed rate loan agreement entered into after 31 December 2000, the amount of the relevant prepayment penalty shall be reduced by

(i) 0.25% if the agreed amount of the prepayment penalty was equal or higher than 1.25%; or

(ii) 0.15%, if the agreed amount of the prepayment penalty was lower than 1.25%.

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

Prospective Noteholders' attention is drawn to the fact that, as a result of the above-mentioned provision and the entering into force of the Prepayment Penalty Agreement, the rate of prepayment in respect of Mortgage Loans qualifying as *mutui fondiari, mutui ipotecari* and/or *mutui agrari* can be higher than the one traditionally

experienced by the Originator for mortgage loans and that the Issuer may not be able to recover the prepayment fees in the amount originally agreed with the Borrowers.

Article 120-quater of the Banking Act

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

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

Suspension of mortgage instalments

Italian Law No. 244 of 24 December 2007, the Italian budget law for year 2008 (the **2008 Budget Law**), provides, *inter alia*, that borrowers of loans granted for the purchase of real estate property to be used as the borrower's main residence (*abitazione principale*) may request that payment of instalments thereunder be suspended at the terms specified therein.

The 2008 Budget Law provide for the establishment of a fund ("*Fondo di solidarietà per i mutui per l'acquisto della prima casa*") (the **Fund**) created for the purpose of bearing certain costs deriving from the suspension of payments by the borrowers and referred to an implementing regulation to be issued by the Ministry of the Economy and Finance ("*Ministro dell'economia e delle finanze*") in conjunction with the Ministry of the Social Solidarity ("*Ministro della solidarietà sociale*"). Pursuant to the decree of the General Director of Treasury Department of the Ministry of Economy and Finance issued on 14 September 2010, CONSAP ("*Concessionaria Servizi Assicurativi S.p.A*") was selected as managing company of the Fund.

On 21 June 2010, Ministerial Decree number 132 issued by the Ministry of Economy and Finance and published in the Official Gazette of the Republic of Italy on 18 August 2010 (the **Decree 132**), as amended by Decree number 37 of 22 February 2013 (the **Decree 37**), set out the requirements to be complied with by borrowers in order to have the right to the aforementioned suspension and the subsequent aid from the Fund.

The 2008 Budget Law has been supplemented by Law No. 92 of 28 June 2012 (the **Law 92**), which has modified the requirements to be met by borrowers to benefit of the aids provided for by the Fund. In particular, Law 92 provides that the suspension of the payment of mortgage loans instalments can be granted for a period of 18 (eighteen) months upon the occurrence of at least one of the following events with respect to the relevant borrower:

(a) termination of an employment contract of indeterminate duration;

(b) termination of a fixed term employment contract;

(c) termination of one of the employment relationships provided for by Article 409, No. 3) of the Italian civil procedure code; or

(d) death or declaration of handicap or disability for at least 80%.

Decree 132 has been supplemented by the Decree 37, entered into force on 27 April 2013, which has been enacted for the purpose of making Decree 132 compliant with the new provisions of Law 92.

Starting from 27 April 2013, new requests to access to the aids granted by the Fund shall be submitted (in accordance with the requirements and the conditions provided for by Law 92) by using the documentation published on the CONSAP official website http://www.consap.it/ or on the Ministry of Economy and Finance web-site (www.dt.tesoro.it) (for the avoidance of doubt, such websites does not constitute part of this Prospectus). As to regard, the requests submitted to CONSAP before 17 July 2012, such requests shall be regulated by the provisions of the Decree 132.

As specified in Law 92, the suspension of payments of the instalments can be granted also in favour of mortgage loans assigned in the context of securitisation transactions.

Any Borrower who will comply with the requirements set out in Law 92 might have the right to suspend the payment of the instalments of its Mortgage Loan and therefore there is the risk that the Issuer will experience a consequential delay in the collection of the relevant instalments. A significant number of applications by Borrowers concentrated over a specific period will have an adverse impact on the Issuer's cash flow of that period, although it should be considered that the aforementioned aids will be granted to the borrowers within the limits of the budget available to the Fund. Pursuant to the Italian Law Decree No. 102 of 31 August 2013, converted into Italian Law No. 124 of 28 October 2013, the budget of the Fund is increased of Euro 20,000,000 for each of 2014 and 2015 years.

Moreover, Decree number 73 of 25 May 2021 (the **Decree 73**), extended until 31 December 2021 the term regarding the validity of the extraordinary measures adopted with respect to self-employed and liberated professionals and indivisible-ownership housing cooperatives, which, therefore, have continued to have access to have access to the benefits of the Fund.

In addition, pursuant Law No. 234 of 30 December 2021 (the **2022 Budget Law**) the suspension of mortgage instalments referred above was extended until 31 December 2022.

The Families Plan

On 31 March 2015, the Italian Banking Association (**ABI**) and some consumers associations signed a convention (the **ABI Convention**) concerning the temporary suspension of payments of the principal quota of instalments due by individuals to the banking system in order to help those families stricken by the financial crisis (**Families Plan**).

The Families Plan is in addiction to the Fund ("*Fondo di solidarietà per i mutui per l'acquisto della prima casa*" - please see the section headed "*Considerations relating to the Portfolio*")

The Families Plan provides the possibility for individuals (upon certain conditions have been met) to request, within 31 December 2017, the suspension (only for one time and for a period not longer than 12 months) of the principal component of the instalments (the **Suspension**).

The granting of the Suspension does not cause the application of any fees or default interest for the suspension period, except when the relevant borrower is in breach of its obligation to pay the interest component of the loan instalments at their original scheduled due dates.

As a consequence of the Suspension, the reimbursement plan will be extended for a period equal to the Suspension. The borrower shall, in any case, continue to pay, at their original scheduled due dates, the interest component of the loan instalments.

The Suspension applies to:

(a) loans granted for the purchase of real estate property to be used as the borrower's main residence ("*abitazione principale*"), only upon the occurrence of the event listed in point 3(c) of ABI Convention (eg suspension of the working relationship or reduction of the working time for a period of at least 30 (thirty) days); and

(b) consumer's loans granted to individuals in accordance with the provision of article 121 of the Consolidated Banking Act, having a duration higher than 24 (twenty four) months and a so-called **French** amortisation plan, regardless of the type of contractual interest rate.

In particular, it should be noted that, pursuant to the ABI Convention, also the loans which have been securitised in accordance with the provisions of the Securitisation Law may benefit of the Suspension.

In addition, the ABI Convention specifically set out the case in which the Suspension shall not be granted (eg loans having late instalments for more than 90 days or loans which have already benefited of other suspensions for a period of 12 months).

The Suspension can be granted upon the occurrence, in the 24 months preceding the request of such Suspension, of one of the following events:

(a) closing down of a permanent employment relationship (*rapporto di lavoro subordinato*), other than in the event of consensual termination (*risoluzione consensuale*) of such employment relationship or in the events in which the termination is due to the bypass of the age limit, with the consequent right to benefit of an old-age pension (*pensione di anzianità*), or in the events of resignation not for "*giusta causa*" or in the events of termination of the employment relationship for "*giusta causa*" or "*giustificato motivo soggettivo*";

(b) closing down of the employment relationships under article 409, paragraph 3, of the Italian civil procedure code, other than the cases of consensual termination, withdrawal of the employer for "*giusta causa*" or withdrawal of the employee not for "*giusta causa*";

(c) suspension of the employment relationship or reduction of the working time for a period of at least 30 days, also before the issuing of the relevant measures authorizing an income support (*sostegno al reddito*);

(d) death or cases of loss of self - sufficiency (*condizioni di non autosufficienza*).

In any case, it should be noted that banks and the financial intermediaries may, at their discretion, grant to their customers suspensions at more favorable conditions than the ones provided under the Families Plan.

Finally, banks and financial intermediaries shall bring into effect the ABI Convention within 60 days from its execution.

On 21 November 2017, ABI and the associations of the representative of the consumers agreed to extend the validity of the Families Plan within 31 July 2018.

In addition, on 16 December 2020, the possibility to apply for the Families Plan was extended until 31 March 2021.

Italian Usury law

Italian Law no. 108 of 7 March 1996, amended and supplemented from time to time (the **Usury Law**) introduced legislation preventing lenders from applying interest rates equal to or higher than rates (the **Usury Rates**) set every 3 (three) months on the basis of a decree issued by the Italian Treasury (the last such decree having been issued on 24 June 2024 published in the Official Gazette No. 151 of 29 June 2024). Such rates are applicable without retroactive effect (*ex nunc*), as confirmed by the Italian Supreme Court ("*Corte di Cassazione*") decision number 46669 of 23 November 2011. In particular the Italian Supreme Court ("*Corte di Cassazione*"), with two aligned decisions, number 12028 of 19 February 2010 and number 28743 of 14 May 2010, has clarified that in the calculation of the interest rate for the assessment of its compliance with the Usury Law, any costs and/or expenses, including overdraft ("*commissione di massimo scoperto*"), related to the relevant agreement (other than taxes and fees) shall also be considered. In addition, the *Sezioni Unite* of the Italian Supreme Court, with the decision number 16303 of 20 June 2018, have clarified the necessity to make the comparison between omogeneous elements taking into account for *the commissione di massimo scoperto* the portion of Usury Rate corresponding to the *commissione di massimo scoperto*. With reference to the loan agreements, the Italian Supreme Court ("*Corte di Cassazione*"), with the decision number 350 of 9 January 2013 has further clarified that, for the purpose of such calculation, also default interests ("*interessi*

moratori") shall be taken into account. 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.

On 29 December 2000, the Italian Government issued law decree No. 394 ("*Interpretazione autentica della legge 7 marzo 1996, n. 108*") (the **Decree 394/2000** and, together with the Usury Law, the **Usury Regulations**), turned into Law No. 24 of 28 February 2001 ("*Conversione in legge, con modificazioni, del decreto-legge 29 dicembre 2000, n. 394, concernente interpretazione autentica della legge 7 marzo 1996, n. 108, recante disposizioni in materia di usura*"), which clarified 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 was supported by the Italian Supreme Court (decisions numbers 602 and 603 of 11 January 2013), 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. However, a decision by the *Sezioni Unite* of the Italian Supreme Court (Cass. Sez. Un., 19 October 2017, number 24675) has finally clarified that the principle of the so called "*usura sopravvenuta*" may not apply and therefore 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 would not need to be reduced to the then applicable usury limit.

The Usury Law Decree also provides that, as an extraordinary measure due to the exceptional fall in interest rates in the years 1998 and 1999, interest rates due on instalments payable after 2 January 2001 on loans already entered into on the date on which the Usury Law Decree came into force (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 25 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.

Prospective Noteholders should note that under the terms of the Warranty and Indemnity Agreements, the Originator has represented and warranted to the Issuer, *inter alia,* that the terms and conditions of each Mortgage Loan are, and the exercise by the Originator of its rights thereunder is, in each case, in compliance with all applicable laws and regulations including, without limitation, all laws and regulations relating to banking activity, *credito fondiario,* usury and personal data protection provisions in force at the time, as well as in compliance with the internal procedures from time to time adopted by the Originator. See the section headed "*Description of the Transaction Documents - The Warranty and Indemnity Agreements*".

No severe clawback provisions

The Italian insolvency laws do not contain severe claw-back provisions within the meaning of articles 20(2) and 20(3) of the Securitisation Regulation and the EBA Guidelines on STS Criteria.

DESCRIPTION OF THE AGENCY AND ACCOUNTS AGREEMENT

The description of the Agency and Accounts Agreement set out below is a summary of certain features of such Transaction Document and is qualified in its entirety by reference to the detailed provisions of such Agency and Accounts Agreement. Prospective Noteholders may inspect a copy of the Agency and Accounts Agreement upon request at the Specified Offices of, respectively, the Representative of the Noteholders and the Principal Paying Agent.

Pursuant to the Agency and Accounts Agreement (as amended from time to time, including under the Master Amendment Agreement), the Issuer has appointed:

(a) BNP Paribas, Italian Branch, as:

  (i) the Principal Paying Agent, for the purpose of, *inter alia*, making payment of interest and the repayment of principal in respect of the Notes and of establishing and maintaining the Payments Account;

  (ii) the Agent Bank, for the purpose of, *inter alia*, determining the rate of interest payable in respect of the Notes; and

  (iii) the Computation Agent, for the purpose of, *inter alia*, determining certain of the Issuer's liabilities and the funds available to pay the same (subject to the receipt of certain information and in reliance thereon as set forth herein);

(b) Banco BPM as:

  (a) the Interim Account Bank, for the purposes of establishing and maintaining the Guaranteed Accounts (being, as at the New Issue Date, the Collection Account); and

  (b) as the Transaction Bank, for the purposes of, *inter alia*, establishing and maintaining the Cash Reserve Account; and

(c) BNP Paribas, Italian branch, as the Additional Transaction Bank, for the purposes of, *inter alia*, establishing and maintaining the Transaction Accounts and managing certain payment services.

Duties of the Interim Account Bank

Pursuant to the Agency and Accounts Agreement, the Issuer has opened and will maintain with the Interim Account Bank the Guaranteed Accounts.

The Interim Account Bank will operate each of the Guaranteed Accounts in the name of, and on behalf of, the Issuer under a power of attorney given to it by the Issuer.

For a description of the operation of the Guaranteed Accounts and the cash flows through the Guaranteed Accounts, see "*Credit structure - Cash flow through the Accounts*" and "*The Issuers' bank accounts*".

Duties of the Transaction Bank

Pursuant to the Agency and Accounts Agreement, the Issuer has opened and will maintain with the Transaction Bank the Cash Reserve Account.

The Transaction Bank and the Computation Agent will operate the Cash Reserve Account in the name of, and on behalf of, the Issuer.

For a description of the operation of the Cash Reserve Account and the cash flows through the Cash Reserve Account, see "*Credit structure - Cash flow through the Accounts*" and "*The Issuers' bank accounts*".

In performing its obligations, the Transaction Bank may rely on the instructions and determinations of the Issuer, Monte Titoli, the Representative of the Noteholders and the Computation Agent and will not be liable

for any omission or error in so doing, except in case of its own gross negligence (*colpa grave*) or wilful misconduct (*dolo*).

The Transaction Bank has agreed to establish and maintain the Cash Reserve Account whilst the Computation Agent will manage certain payment services in relation to the Cash Reserve Account.

Duties of the Additional Transaction Bank

Pursuant to the Agency and Accounts Agreement, the Issuer has opened and will maintain with the Additional Transaction Bank the replacement Collection Account.

For a description of the operation of the Collection Account and the cash flows through the Collection Account, see "*Credit structure - Cash flow through the Accounts*" and "*The Issuers' bank accounts*".

Duties of the Computation Agent

The duties of the Computation Agent include the making of certain calculations in respect of the Securitisation. The Computation Agent will make such calculations based on, *inter alia*:

(a) the Statement of the Guaranteed Accounts prepared by the Interim Account Bank on the Reporting Dates;

(b) the Statement of the Cash Reserve Account prepared by the Transaction Bank on the Reporting Dates;

(c) the Statement of the Transaction Accounts prepared by the Additional Transaction Bank on the Reporting Dates;

(d) the Statement of the Payments Account prepared by the Principal Paying Agent on the Reporting Dates;

(e) the Servicer Reports prepared by the Servicer, by the Reporting Dates;

(f) the determinations received from the Agent Bank concerning the Rate of Interest, the Interest Amount and the Interest Payment Date; and

(g) the instructions and determinations of the Issuer, Monte Titoli and the Corporate Servicer,

and the Computation Agent will not be liable for any omission or error in so doing, save as to the extent caused by its own gross negligence (*colpa grave*) or wilful misconduct (*dolo*).

The Computation Agent will calculate, *inter alia*, on each Calculation Date:

(a) the Issuer Available Funds;

(b) the Principal Payments (if any) due on the Notes of each Class on the next following Interest Payment Date;

(c) the Interest Amounts (if any) due on the Notes of each Class on the next following Interest Payment Date;

(d) the Junior Notes Remuneration (if any);

(e) the Principal Amount Outstanding of each Class of Notes on the next following Interest Payment Date;

(f) the Principal Amount Outstanding of the Notes of all Classes on the next following Interest Payment Date;

(g) the interest payable (if any) in respect of the Class A Notes on the next following Interest Payment Date;

(h) the amount of the Cash Reserve after draw-down and replenishment on the immediately following Interest Payment Date;

(i) the Interest Amount Arrears, if any, that will arise in respect of the Class A Notes on the immediately following Interest Payment Date;

(j) the amount to be credited to the Cash Reserve Account in accordance with the Pre-Enforcement Priority of Payments;

(k) the Target Cash Reserve Amount;

(l) the payments (if any) to be made to each of the parties to the Intercreditor Agreement under the relevant Transaction Document,

(m) the amounts payable to each Subordinated Loan Provider under the Subordinated Loan Agreement,

and will determine how the Issuer's funds available for distribution pursuant to the Agency and Account's Agreement shall be applied, on the immediately following Interest Payment Date, pursuant to the Pre-Enforcement Priority of Payments, and will deliver to the Principal Paying Agent and the Account Bank a report setting forth such determinations and amounts.

On each Calculation Date, the Computation Agent will calculate the amounts to be disbursed on the following Interest Payment Date pursuant to the priority of payments as set forth in Condition 3(d) (*Pre-Enforcement Priority of Payments*) and will compile a payments report (the **Payments Report**). The Computation Agent will distribute by electronic means and/or fax the Payments Report to the Issuer, the Servicer, the Initial Notes Subscribers, the Corporate Servicer, the Rating Agencies, the Principal Paying Agent, the Interim Account Bank, the Transaction Bank, the Additional Transaction Bank and the Representative of the Noteholders by no later than 6.00 p.m. (London time) on each Calculation Date.

Following the delivery of an Issuer Acceleration Notice and upon request by the Representative of the Noteholders, the Computation Agent will calculate the amounts to be disbursed pursuant to the priority of payments as set forth in Condition 3(e) (*Post-Enforcement Priority of Payments*) and will compile the relevant Payments Report.

In addition, the Computation Agent will prepare and deliver by no later than five Business Days following each Interest Payment Date (or, if such day is not a Business Day, on the immediately preceding Business Day) to the Issuer, the Servicer, the Initial Notes Subscribers, the Corporate Servicer, the Rating Agencies, the Principal Paying Agent, the Interim Account Bank, the Transaction Bank, the Additional Transaction the Representative of the Noteholders, any stock exchange on which the Notes are listed, a report containing details of, *inter alia*, the Claims, amounts received by the Issuer from any source during the preceding Collection Period and amounts paid by the Issuer during such Collection Period as well as on the immediately preceding Interest Payment Date, which shall be prepared in compliance with the provisions of the Securitisation Regulation and the applicable Regulatory Technical Standards and including all the required information to be provided pursuant to point (e) of the first subparagraph of article 7(1) of the Securitisation Regulation and shall be prepared in compliance with the Securitisation Regulation and the templates set out under the applicable Regulatory Technical Standards (including the Commission Delegated Regulation (EU) 2020/1224 and the Commission Implementing Regulation (EU) 2020/1225 of 29 October 2019) (the **Investor Report**).

The Investor Report will be made available to the Noteholders, the Issuer Secured Creditors and the Rating Agencies on a quarterly basis via the Computation's internet website currently located at https://gctabsreporting.bnpparibas.com/index.jsp.

In addition, the Computation Agent will prepare the Inside Information and Significant Event Report (which includes all the information set out under points (f) and (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation, including, inter alia, the events which trigger changes in the Priorities of Payments) and will deliver it to the Reporting Entity that will make it available without delay to the entities referred to under article 7(1) of the EU Securitisation Regulation by means of the Securitisation Repository, (A) without delay, upon occurrence of any significant event relating to the Securitisation and (B) by no later than 1 (one) month after each Payment Date; it being understood that, in accordance with the Agency andAND Accounts

Agreement, the Computation Agent shall without delay: (y) prepare an ad hoc Inside Information and Significant Event Report on the basis of all the information provided under points (f) and (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation notified to the Computation Agent or of the information that the Computation Agent is in any case aware of; and (z) deliver it to the Reporting Entity in order to make it available to the entities referred to under article 7(1) of the EU Securitisation Regulation by means of the Securitisation Repository (the **Inside Information and Significant Event Report**).

Duties of the Principal Paying Agent

Pursuant to the Agency and Accounts Agreement, the Issuer has opened and will maintain with the Principal Paying Agent the Payments Account.

For a description of the operation of the Payments Account and the cash flows through the Payments Account, see "*Credit structure - Cash flow through the Accounts*" and "*The Issuers' bank accounts*".

The Principal Paying Agent will, on each Interest Payment Date, receive from the Additional Transaction Bank, acting in the name and on behalf of the Issuer, the monies necessary to make the payments due on the Notes on the same Interest Payment Date and will apply such funds in or towards such payments as specified in the Payments Report. The Principal Paying Agent will provide the Issuer and the Corporate Servicer with the data necessary to maintain and update the Noteholders' register (*registro degli obbligazionisti*) in accordance with Italian law and any other applicable law.

The Principal Paying Agent will act as intermediary between the Noteholders and the Issuer for certain purposes and make available for inspection during normal business hours at its Specified Office such documents as may from time to time be required by the rules of the Euronext Dublin and, upon reasonable request, will allow copies of such documents to be taken.

The Principal Paying Agent will keep a record of all Notes and of their redemption, purchase, cancellation and repayment and will make such records available for inspection, and copies thereof obtainable, during normal business hours by the Issuer, the Representative of the Noteholders and the Computation Agent.

In performing their obligations, the Principal Paying Agent may rely on the instructions and determinations of the Issuer, Monte Titoli and the Computation Agent, and will not be liable for any omission or error in so doing, except in case of their own gross negligence (*colpa grave*) or wilful misconduct (*dolo*).

Pursuant to the Agency and Accounts Agreement, the Issuer has opened and will maintain with the Principal Paying Agent the Payments Account.

Duties of the Agent Bank

On each Interest Determination Date, the Agent Bank will, in accordance with Condition 6 (*Interest*), determine EURIBOR and the Rate of Interest applicable to the Series A4 Notes during the following Interest Period, as well as the Interest Amount and the Interest Payment Date in respect of such following Interest Period, all subject to and in accordance with the Conditions, and will notify such amounts to the Issuer, the Representative of the Noteholders, the Corporate Servicer, the Principal Paying Agent, the Initial Series 4 Notes Subscribers, the Computation Agent, the Servicer and, with exclusive regard to the Class A Notes and the Euronext Dublin.

General provisions

Each of the Agents will act as agents solely of the Issuer and will not assume any obligation towards, or relationship of agency or trust for or with, any of the Noteholders. Each of the Issuer and the Representative of the Noteholders has agreed that it will not consent to any amendment to the Conditions that materially affects the obligations of any of the Agents without such Agent's prior written consent (such consent not to be unreasonably withheld).

The Issuer has undertaken to indemnify each of the Agents and its respective directors, officers, employees and controlling persons against all losses, liabilities, costs, claims, actions, damages, expenses or demands which any of them may incur or which may be made against any of them as a result of or in connection with the appointment of or the exercise of the powers and duties by any Agent, except as may result from its gross

negligence (*colpa grave*) or wilful misconduct (*dolo*), or that of its directors, officers, employees or controlling persons or any of them, or breach by it of the terms of the Agency and Accounts Agreement.

In return for the services so provided, the Agents will receive commissions in respect of the services of such Agents agreed on or about the relevant Issue Date between the Issuer and the Agents, payable by the Issuer in accordance with the Priority of Payments, except that certain fees have been paid up-front on or around the relevant Issue Date.

The appointment of any Agent may be terminated by the Issuer (with the prior written approval of the Representative of the Noteholders) upon 30 days' written notice or upon the occurrence of certain events of default or insolvency or of similar events occurring in relation to such Agent.

If any of the Agents resigns, the Issuer will promptly and in any event within 30 days appoint a successor approved by the Representative of the Noteholders. If the Issuer fails to appoint a successor within such period, the resigning Agent may select a leading bank approved by the Representative of the Noteholders to act as the relevant Agent and the Issuer will appoint that bank as the successor Agent.

The Agency and Accounts Agreement is governed by Italian law.

DESCRIPTION OF THE TRANSACTION DOCUMENTS

The description of the Transaction Documents set out below is a summary of certain features of such Transaction Documents and is qualified in its entirety by reference to the detailed provisions of the relevant agreements. Prospective Noteholders may inspect copies of the Transaction Documents upon request (*i*) *at the Specified Offices of each of the Representative of the Noteholders and the Principal Paying Agent; and* (*ii*) *through the Securitisation Repository.*

THE TRANSFER AGREEMENTS

The First Banco Popolare Transfer Agreement

Pursuant to a transfer agreement entered into between the Issuer and Banco Popolare (before the merger into Banco BPM) on 7 December 2012 (the **Initial Signing Date**) (as amended pursuant to the Master Amendment Agreement, the **First Banco Popolare Transfer Agreement**), Banco Popolare sold for consideration to the Issuer without recourse (*pro soluto*) and as a pool (*in blocco*) a portfolio of monetary claims (the **Banco Popolare First Portfolio**) and connected rights arising out of the relevant mortgage loans (the **First Banco Popolare Claims** and **First Banco Popolare Mortgage Loans** respectively) granted by Banco Popolare (before the merger into Banco BPM) to its customers (the **Borrowers**), with economic effect as of the Valuation Date of the Banco Popolare First Portfolio.

As consideration for the acquisition of the First Banco Popolare Claims pursuant to the First Banco Popolare Transfer Agreement, the Issuer has paid to Banco Popolare (before the merger into Banco BPM) a purchase price calculated as the aggregate of the Individual Purchase Price of each First Banco Popolare Claim, being equal to Euro 2,050,686,974.56 plus the Rateo Amounts relating to First Banco Popolare Claims, being equal to Euro 2,804,810.68 (together, the **First Banco Popolare Purchase Price**).

Pursuant to the First Banco Popolare Transfer Agreement, Banco Popolare (before the merger into Banco BPM) has represented and warranted that the First Banco Popolare Claims have been selected on the basis of the Criteria set out in the First Banco Popolare Transfer Agreement in order to ensure that the First Banco Popolare Claims have the same legal and financial characteristics. For further information, see the section headed "*The Portfolio*".

The First Banco Popolare Transfer Agreement provides that if at any time after the date of execution of the First Banco Popolare Transfer Agreement, it transpires that:

(a) any First Banco Popolare Mortgage Loan from which a First Banco Popolare Claim arises does not meet the Criteria set out in the First Banco Popolare Transfer Agreement and was therefore erroneously transferred to the Issuer, then the relevant First Banco Popolare Claim relating to such First Banco Popolare Mortgage Loan (the **Excluded First Banco Popolare Claim**) will be deemed not to have been assigned and transferred to the Issuer pursuant to the First Banco Popolare Transfer Agreement, and Banco Popolare (before the merger into Banco BPM) will pay to the Issuer an amount equal to the sum of:

(i) the Individual Purchase Price of the First Banco Popolare Claim relating to such First Banco Popolare Mortgage Loan (as specified in schedule 1 of the First Banco Popolare Transfer Agreement); *plus*

(ii) the interest accrued on such Individual Purchase Price from the relevant Valuation Date to the Interest Payment Date on which principal on the Notes may be paid immediately succeeding the day on which the parties agree on the existence of such Excluded First Banco Popolare Claim at a rate equal to interest rate applicable to such Excluded First Banco Popolare Claim; *minus*

(iii) an amount equal to the aggregate of all the Collections recovered or collected by the Issuer (also through Banco Popolare (before the merger into Banco BPM) after the Valuation Date in relation to such Excluded First Banco Popolare Claims; *minus*

(iv) an amount equal to the interests accrued on the amount set out in (iii) above from the relevant collection date to the date on which those amounts related to the relevant Excluded First Banco

Popolare Claim are paid to the Issuer at a rate equal to the rate of interest from time to time applicable to the Interim Account, net of any withholding provided by any applicable law;

(b) a mortgage loan which met the Criteria set out in the First Banco Popolare Transfer Agreement was not included in the Banco Popolare First Portfolio, then the claims under such mortgage loan (the **Additional First Banco Popolare Claim**) shall be deemed to have been assigned and transferred to the Issuer by Banco Popolare (before the merger into Banco BPM) on the date of execution of the First Banco Popolare Transfer Agreement. In respect of such Additional First Banco Popolare Claims, the Issuer shall pay to Banco Popolare (before the merger into Banco BPM), in accordance with the Priority of Payments, an amount equal to:

(i) the purchase price of the Additional First Banco Popolare Claim, calculated adopting the same method used to calculate the Individual Purchase Price of such Additional First Banco Popolare Claim (including reference to the Valuation Date); *minus*

(ii) any principal amount collected from the Valuation Date of the First Banco Popolare Transfer Agreement onwards by Banco Popolare (before the merger into Banco BPM) in relation to such Additional First Banco Popolare Claim; *minus*

(iii) interest accrued on the amount under (B) above, at a rate equal to the rate of interest paid on the date of collection on the Mortgage Loan from which the relevant Additional First Banco Popolare Claim derives, from the date of collection of any such amount to the date of the collection of the amount under (A) above,

(each such amount, at any time due to the Originator, the **Additional First Banco Popolare Claims Purchase Price**).

The First Banco Popolare Transfer Agreement is in Italian. The First Banco Popolare Transfer Agreement and all non-contractual obligations arising out or in connection with the First Banco Popolare Transfer Agreement is governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the First Banco Popolare Transfer Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

The First Creberg Transfer Agreement

Pursuant to a transfer agreement entered into between the Issuer and Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) on the Initial Signing Date (as amended pursuant to the Master Amendment Agreement, the **First Creberg Transfer Agreement**), Creberg sold for consideration to the Issuer without recourse (*pro soluto*) and as a pool (*in blocco*) a portfolio of monetary claims (the **Creberg First Portfolio**) and connected rights arising out of the relevant mortgage loans (the **First Creberg Claims** and **First Creberg Mortgage Loans** respectively) granted by Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) to its customers (the **Borrowers**) with economic effect as of the Valuation Date of the Creberg First Portfolio.

As consideration for the acquisition of the First Creberg Claims pursuant to the First Creberg Transfer Agreement, the Issuer has paid to Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) a purchase price calculated as the aggregate of the Individual Purchase Price of each First Creberg Claim, being equal to Euro 451,231,470.33 plus the Rateo Amounts relating to First Creberg Claims, being equal to Euro 518,220.06 (together, the **First Creberg Purchase Price**).

Pursuant to the First Creberg Transfer Agreement, Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) has represented and warranted that the First Creberg Claims have been selected on the basis of the Criteria set out in the First Creberg Transfer Agreement in order to ensure that the First Creberg Claims have the same legal and financial characteristics. For further information, see the section headed "*The Portfolio*".

The First Creberg Transfer Agreement provides that if at any time after the date of execution of the First Creberg Transfer Agreement, it transpires that:

(a) any First Creberg Mortgage Loan from which a First Creberg Claim arises does not meet the Criteria set out in the First Creberg Transfer Agreement and was therefore erroneously transferred to the Issuer, then the relevant First Creberg Claim relating to such First Creberg Mortgage Loan (the **Excluded First Creberg Claim**) will be deemed not to have been assigned and transferred to the Issuer pursuant to the First Creberg Transfer Agreement, and Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) will pay to the Issuer an amount equal to the sum of:

(i) the Individual Purchase Price of the First Creberg Claim relating to such First Creberg Mortgage Loan (as specified in schedule 1 of the First Creberg Transfer Agreement); *plus*

(ii) the interest accrued on such Individual Purchase Price from the relevant Valuation Date to the Interest Payment Date on which principal on the Notes may be paid immediately succeeding the day on which the parties agree on the existence of such Excluded First Creberg Claim at a rate equal to interest rate applicable to such Excluded First Creberg Claim; *minus*

(iii) an amount equal to the aggregate of all the Collections recovered or collected by the Issuer (also through Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) after the Valuation Date in relation to such Excluded First Creberg Claims; *minus*

(iv) an amount equal to the interests accrued on the amount set out in (C) above from the relevant collection date to the date on which those amounts related to the relevant Excluded First Creberg Claim are paid to the Issuer at a rate equal to the rate of interest from time to time applicable to the Interim Account, net of any withholding provided by any applicable law;

(b) a mortgage loan which met the Criteria set out in the First Creberg Transfer Agreement was not included in the Creberg First Portfolio, then the claims under such mortgage loan (the **Additional First Creberg Claim**) shall be deemed to have been assigned and transferred to the Issuer by Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) on the date of execution of the First Creberg Transfer Agreement. In respect of such Additional First Creberg Claims, the Issuer shall pay to Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM), in accordance with the Priority of Payments, an amount equal to:

(i) the purchase price of the Additional First Creberg Claim, calculated adopting the same method used to calculate the Individual Purchase Price of such Additional First Creberg Claims (including reference to the Valuation Date); *minus*

(ii) any principal amount collected from the Valuation Date of the First Creberg Transfer Agreement onwards by Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) in relation to such Additional First Creberg Claim; *minus*

(iii) interest accrued on the amount under (B) above, at a rate equal to the rate of interest paid on the date of collection on the Mortgage Loan from which the relevant Additional First Creberg Claim derives, from the date of collection of any such amount to the date of the collection of the amount under (A) above,

(each such amount, at any time due to the Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM), the **Additional First Creberg Claims Purchase Price**).

The First Creberg Transfer Agreement is in Italian. The First Creberg Transfer Agreement and all non-contractual obligations arising out or in connection with the First Creberg Transfer Agreement is governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the First Creberg Transfer Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

The Second Banco Popolare Transfer Agreement

Pursuant to a transfer agreement entered into between the Issuer and Banco Popolare (before the merger into Banco BPM) on 14 March 2013 (as amended pursuant to the Master Amendment Agreement, the **Second Banco Popolare Transfer Agreement**), Banco Popolare sold for consideration to the Issuer without recourse (*pro soluto*) and as a pool (*in blocco*) a portfolio of monetary claims (the **Banco Popolare Second Portfolio**) and connected rights arising out of the relevant mortgage loans (the **Second Banco Popolare Claims** and **Second Banco Popolare Mortgage Loans** respectively) granted by Banco Popolare (before the merger into Banco BPM) to its customers (the **Borrowers**) with economic effect as of the Valuation Date of the Banco Popolare Second Portfolio.

As consideration for the acquisition of the Second Banco Popolare Claims pursuant to the Second Banco Popolare Transfer Agreement, the Issuer has paid to Banco Popolare (before the merger into Banco BPM) a purchase price calculated as the aggregate of the Individual Purchase Price of each Second Banco Popolare Claim, being equal to Euro 922,284,476.00 plus the Rateo Amounts relating to Second Banco Popolare Claims, being equal to Euro 988,602.64 (together, the **Second Banco Popolare Purchase Price**).

Pursuant to the Second Banco Popolare Transfer Agreement, Banco Popolare (before the merger into Banco BPM) has represented and warranted that the Second Banco Popolare Claims have been selected on the basis of the Criteria set out in the Second Banco Popolare Transfer Agreement in order to ensure that the Second Banco Popolare Claims have the same legal and financial characteristics. For further information, see the section headed "*The Portfolio*".

The Second Banco Popolare Transfer Agreement provides that if at any time after the date of execution of the Second Banco Popolare Transfer Agreement, it transpires that:

(a) any Second Banco Popolare Mortgage Loan from which a Second Banco Popolare Claim arises does not meet the Criteria set out in the Second Banco Popolare Transfer Agreement and was therefore erroneously transferred to the Issuer, then the relevant Second Banco Popolare Claim relating to such Second Banco BPM Mortgage Loan (the **Excluded Second Banco Popolare Claim**) will be deemed not to have been assigned and transferred to the Issuer pursuant to the Second Banco Popolare Transfer Agreement, and Banco Popolare (before the merger into Banco BPM) will pay to the Issuer an amount equal to the sum of:

  (i) the Individual Purchase Price of the Second Banco Popolare Claim relating to such Second Banco Popolare Mortgage Loan (as specified in schedule 1 of the Second Banco Popolare Transfer Agreement); *plus*

  (ii) the interest accrued on such Individual Purchase Price from the relevant Valuation Date to the Interest Payment Date on which principal on the Notes may be paid immediately succeeding the day on which the parties agree on the existence of such Excluded Second Banco Popolare Claim at a rate equal to interest rate applicable to such Excluded Second Banco Popolare Claim; *minus*

  (iii) an amount equal to the aggregate of all the Collections recovered or collected by the Issuer (also through Banco Popolare (before the merger into Banco BPM)) after the Valuation Date in relation to such Excluded Second Banco Popolare Claims; *minus*

  (iv) an amount equal to the interests accrued on the amount set out in (C) above from the relevant collection date to the date on which those amounts related to the relevant Excluded Second Banco Popolare Claim are paid to the Issuer at a rate equal to the rate of interest from time to time applicable to the Interim Account, net of any withholding provided by any applicable law;

(b) a mortgage loan which met the Criteria set out in the Second Banco Popolare Transfer Agreement was not included in the Banco Popolare Second Portfolio, then the claims under such mortgage loan (the **Additional Second Banco Popolare Claim**) shall be deemed to have been assigned and transferred to the Issuer by the Banco Popolare (before the merger into Banco BPM) on the date of execution of the Second Banco Popolare Transfer Agreement. In respect of such Additional Second

Banco Popolare Claims, the Issuer shall pay to Banco Popolare (before the merger into Banco BPM), in accordance with the Priority of Payments, an amount equal to:

(i) the purchase price of the Additional Second Banco Popolare Claim, calculated adopting the same method used to calculate the Individual Purchase Price of such Additional Second Banco Popolare Claim (including reference to the Valuation Date); *minus*

(ii) any principal amount collected from the Valuation Date of the Second Banco Popolare Transfer Agreement onwards by Banco Popolare (before the merger into Banco BPM) in relation to such Additional Second Banco Popolare Claim; *minus*

(iii) interest accrued on the amount under (B) above, at a rate equal to the rate of interest paid on the date of collection on the Mortgage Loan from which the relevant Additional Second Banco Popolare Claim derives, from the date of collection of any such amount to the date of the collection of the amount under (A) above,

(each such amount, at any time due to Banco Popolare (before the merger into Banco BPM), the **Additional Second Banco Popolare Claims Purchase Price**).

The Second Banco Popolare Transfer Agreement is in Italian. The Second Banco Popolare Transfer Agreement and all non-contractual obligations arising out or in connection with the Second Banco Popolare Transfer Agreement is governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the Second Banco Popolare Transfer Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

The Second Creberg Transfer Agreement

Pursuant to a transfer agreement entered into between the Issuer and Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) on 14 March 2013 (as amended pursuant to the Master Amendment Agreement, the **Second Creberg Transfer Agreement**), Creberg sold for consideration to the Issuer without recourse (*pro soluto*) and as a pool (*in blocco*) a portfolio of monetary claims (the **Creberg Second Portfolio**) and connected rights arising out of the relevant mortgage loans (the **Second Creberg Claims** and **Second Creberg Mortgage Loans** respectively) granted by Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) to its customers (the **Borrowers**) with economic effect as of the Valuation Date of the Creberg Second Portfolio.

As consideration for the acquisition of the Second Creberg Claims pursuant to the Second Creberg Transfer Agreement, the Issuer has paid to Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) a purchase price calculated as the aggregate of the Individual Purchase Price of each Second Creberg Claim, being equal to Euro 164,652,762.19 plus the Rateo Amounts relating to Second Creberg Claims, being equal to Euro 137,278.17 (together, the **Second Creberg Purchase Price**).

Pursuant to the Second Creberg Transfer Agreement, Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) has represented and warranted that the Second Creberg Claims have been selected on the basis of the Criteria set out in the Second Creberg Transfer Agreement in order to ensure that the Second Creberg Claims have the same legal and financial characteristics. For further information, see the section headed "*The Portfolio*".

The Second Creberg Transfer Agreement provides that if at any time after the date of execution of the Second Creberg Transfer Agreement, it transpires that:

(a) any Second Creberg Mortgage Loan from which a Second Creberg Claim arises does not meet the Criteria set out in the Second Creberg Transfer Agreement and was therefore erroneously transferred to the Issuer, then the relevant Second Creberg Claim relating to such Second Creberg Mortgage Loan (the **Excluded Second Creberg Claim**) will be deemed not to have been assigned and transferred to the Issuer pursuant to the Second Creberg Transfer Agreement, and Creberg (before the merger into

Banco Popolare, which subsequently merged into Banco BPM) will pay to the Issuer an amount equal to the sum of:

(i) the Individual Purchase Price of the Second Creberg Claim relating to such Second Creberg Mortgage Loan (as specified in schedule 1 of the Second Creberg Transfer Agreement); *plus*

(ii) the interest accrued on such Individual Purchase Price from the relevant Valuation Date to the Interest Payment Date on which principal on the Notes may be paid immediately succeeding the day on which the parties agree on the existence of such Excluded Second Creberg Claim at a rate equal to interest rate applicable to such Excluded Second Creberg Claim; *minus*

(iii) an amount equal to the aggregate of all the Collections recovered or collected by the Issuer (also through Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) after the Valuation Date in relation to such Excluded Second Creberg Claims; *minus*

(iv) an amount equal to the interests accrued on the amount set out in (C) above from the relevant collection date to the date on which those amounts related to the relevant Excluded Second Creberg Claim are paid to the Issuer at a rate equal to the rate of interest from time to time applicable to the Interim Account, net of any withholding provided by any applicable law;

(b) a mortgage loan which met the Criteria set out in the Second Creberg Transfer Agreement was not included in the Creberg Second Portfolio, then the claims under such mortgage loan (the **Additional Second Creberg Claim**) shall be deemed to have been assigned and transferred to the Issuer by Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) on the date of execution of the Second Creberg Transfer Agreement. In respect of such Additional Second Creberg Claims, the Issuer shall pay to Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM), in accordance with the Priority of Payments, an amount equal to:

(i) the purchase price of the Additional Second Creberg Claim, calculated adopting the same method used to calculate the Individual Purchase Price of such Additional Second Creberg Claims (including reference to the Valuation Date); *minus*

(ii) any principal amount collected from the Valuation Date of the Second Creberg Transfer Agreement onwards by Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM) in relation to such Additional Second Creberg Claim; *minus*

(iii) interest accrued on the amount under (B) above, at a rate equal to the rate of interest paid on the date of collection on the Mortgage Loan from which the relevant Additional Second Creberg Claim derives, from the date of collection of any such amount to the date of the collection of the amount under (A) above,

(each such amount, at any time due to Creberg (before the merger into Banco Popolare, which subsequently merged into Banco BPM), the **Additional Second Creberg Claims Purchase Price**).

The Second Creberg Transfer Agreement is in Italian. The Second Creberg Transfer Agreement and all non-contractual obligations arising out or in connection with the Second Creberg Transfer Agreement is governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the Second Creberg Transfer Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

The Third Banco Popolare Transfer Agreement

Pursuant to a transfer agreement entered into between the Issuer and Banco Popolare (before the merger into Banco BPM) on 16 October 2016 (as amended pursuant to the Master Amendment Agreement, the **Third Banco Popolare Transfer Agreement**), Banco Popolare sold for consideration to the Issuer without recourse (*pro soluto*) and as a pool (*in blocco*) a portfolio of monetary claims (the **Banco Popolare Third Portfolio**)

and connected rights arising out of the relevant mortgage loans (the **Third Banco Popolare Claims** and **Third Banco Popolare Mortgage Loans** respectively) granted by Banco Popolare (before the merger into Banco BPM) to its customers (the **Borrowers**) with economic effect as of the Valuation Date of the Banco Popolare Third Portfolio.

As consideration for the acquisition of the Third Banco Popolare Claims pursuant to the Third Banco Popolare Transfer Agreement, the Issuer has paid to Banco Popolare (before the merger into Banco BPM) a purchase price calculated as the aggregate of the Individual Purchase Price of each Third Banco Popolare Claim, being equal to Euro 1,078,471,626.04 plus the Rateo Amounts relating to Third Banco Popolare Claims, being equal to Euro 765,297.42 (together, the **Third Banco Popolare Purchase Price**).

Pursuant to the Third Banco Popolare Transfer Agreement, Banco Popolare (before the merger into Banco BPM) has represented and warranted that the Third Banco Popolare Claims have been selected on the basis of the Criteria set out in the Third Banco Popolare Transfer Agreement in order to ensure that the Third Banco Popolare Claims have the same legal and financial characteristics. For further information, see the section headed "*The Portfolio*".

The Third Banco Popolare Transfer Agreement provides that if at any time after the date of execution of the Second Banco Popolare Transfer Agreement, it transpires that:

(a) any Third Banco Popolare Mortgage Loan from which a Third Banco Popolare Claim arises does not meet the Criteria set out in the Third Banco Popolare Transfer Agreement and was therefore erroneously transferred to the Issuer, then the relevant Third Banco Popolare Claim relating to such Third Banco BPM Mortgage Loan (the **Excluded Third Banco Popolare Claim**) will be deemed not to have been assigned and transferred to the Issuer pursuant to the Third Banco Popolare Transfer Agreement, and Banco Popolare (before the merger into Banco BPM) will pay to the Issuer an amount equal to the sum of:

(i) the Individual Purchase Price of the Third Banco Popolare Claim relating to such Third Banco Popolare Mortgage Loan (as specified in schedule 1 of the Third Banco Popolare Transfer Agreement); *plus*

(ii) the interest accrued on such Individual Purchase Price from the relevant Valuation Date to the Interest Payment Date on which principal on the Notes may be paid immediately succeeding the day on which the parties agree on the existence of such Excluded Third Banco Popolare Claim at a rate equal to interest rate applicable to such Excluded Third Banco Popolare Claim; *minus*

(iii) an amount equal to the aggregate of all the Collections recovered or collected by the Issuer (also through Banco Popolare (before the merger into Banco BPM) after the Valuation Date in relation to such Excluded Third Banco Popolare Claims; *minus*

(iv) an amount equal to the interests accrued on the amount set out in (C) above from the relevant collection date to the date on which those amounts related to the relevant Excluded Third Banco Popolare Claim are paid to the Issuer at a rate equal to the rate of interest from time to time applicable to the Interim Account, net of any withholding provided by any applicable law;

(b) a mortgage loan which met the Criteria set out in the Third Banco Popolare Transfer Agreement was not included in the Banco Popolare Third Portfolio, then the claims under such mortgage loan (the **Additional Third Banco Popolare Claim**) shall be deemed to have been assigned and transferred to the Issuer by the Banco Popolare (before the merger into Banco BPM) on the date of execution of the Third Banco Popolare Transfer Agreement. In respect of such Additional Third Banco Popolare Claims, the Issuer shall pay to Banco Popolare (before the merger into Banco BPM), in accordance with the Priority of Payments, an amount equal to:

(i) the purchase price of the Additional Third Banco Popolare Claim, calculated adopting the same method used to calculate the Individual Purchase Price of such Additional Third Banco Popolare Claim (including reference to the Valuation Date); *minus*

(ii) any principal amount collected from the Valuation Date of the Third Banco Popolare Transfer Agreement onwards by Banco Popolare (before the merger into Banco BPM) in relation to such Additional Third Banco Popolare Claim; *minus*

(iii) interest accrued on the amount under (B) above, at a rate equal to the rate of interest paid on the date of collection on the Mortgage Loan from which the relevant Additional Third Banco Popolare Claim derives, from the date of collection of any such amount to the date of the collection of the amount under (A) above,

(each such amount, at any time due to Banco Popolare (before the merger into Banco BPM), the **Additional Third Banco Popolare Claims Purchase Price**).

The Third Banco Popolare Transfer Agreement is in Italian. The Third Banco Popolare Transfer Agreement and all non-contractual obligations arising out or in connection with the Third Banco Popolare Transfer Agreement is governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the Third Banco Popolare Transfer Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

The First Banco BPM Transfer Agreement

Pursuant to a transfer agreement entered into between the Issuer and Banco BPM on 8 February March 2019 (as amended pursuant to the Master Amendment Agreement, the **First Banco BPM Transfer Agreement**), Banco BPM sold for consideration to the Issuer without recourse (*pro soluto*) and as a pool (*in blocco*) a portfolio of monetary claims (the **Banco BPM First Portfolio**) and connected rights arising out of the relevant mortgage loans (the **First Banco BPM Claims** and **First Banco BPM Mortgage Loans** respectively) granted by Banco BPM to its customers (the **Borrowers**) with economic effect as of the Valuation Date of the Banco Banco BPM First Portfolio.

As consideration for the acquisition of the First Banco BPM Claims pursuant to the First Banco BPM Transfer Agreement, the Issuer has paid to Banco BPM a purchase price calculated as the aggregate of the Individual Purchase Price of each First Banco BPM Claim, being equal to Euro 1,891,170,578.67 plus the Rateo Amounts relating to First Banco BPM Claims, being equal to Euro 2,455,617.24 (together, the **First Banco BPM Purchase Price**).

Pursuant to the First Banco BPM Transfer Agreement, Banco BPM has represented and warranted that the First Banco Popolare Claims have been selected on the basis of the Criteria set out in the First Banco BPM Transfer Agreement in order to ensure that the First Banco BPM Claims have the same legal and financial characteristics. For further information, see the section headed "*The Portfolio*".

The First Banco BPM Transfer Agreement provides that if at any time after the date of execution of the First Banco BPM Transfer Agreement, it transpires that:

(a) any First Banco BPM Mortgage Loan from which a First Banco BPM Claim arises does not meet the Criteria set out in the First Banco BPM Transfer Agreement and was therefore erroneously transferred to the Issuer, then the relevant First Banco BPM Claim relating to such First Banco BPM Mortgage Loan (the **Excluded Second Banco Popolare Claim**) will be deemed not to have been assigned and transferred to the Issuer pursuant to the First Banco BPM Transfer Agreement, and Banco BPM (before the merger into Banco BPM) will pay to the Issuer an amount equal to the sum of:

(i) the Individual Purchase Price of the First Banco BPM Claim relating to such First Banco BPM Mortgage Loan (as specified in schedule 1 of the First Banco BPM Transfer Agreement); *plus*

(ii) the interest accrued on such Individual Purchase Price from the relevant Valuation Date to the Interest Payment Date on which principal on the Notes may be paid immediately succeeding the day on which the parties agree on the existence of such Excluded First Banco BPM Claim at a rate equal to interest rate applicable to such Excluded First Banco BPM Claim; *minus*

(iii) an amount equal to the aggregate of all the Collections recovered or collected by the Issuer (also through Banco BPM) after the Valuation Date in relation to such Excluded First Banco BPM Claims; *minus*

(iv) an amount equal to the interests accrued on the amount set out in (C) above from the relevant collection date to the date on which those amounts related to the relevant Excluded First Banco BPM Claim are paid to the Issuer at a rate equal to the rate of interest from time to time applicable to the Interim Account, net of any withholding provided by any applicable law;

(b) a mortgage loan which met the Criteria set out in the Second Banco Popolare Transfer Agreement was not included in the Banco BPM First Portfolio, then the claims under such mortgage loan (the **Additional First Banco BPM Claim**) shall be deemed to have been assigned and transferred to the Issuer by Banco BPM on the date of execution of the First Banco BPM Transfer Agreement. In respect of such Additional First Banco BPM Claims, the Issuer shall pay to Banco BPM, in accordance with the Priority of Payments, an amount equal to:

(i) the purchase price of the Additional First Banco BPM Claim, calculated adopting the same method used to calculate the Individual Purchase Price of such Additional First Banco BPM Claim (including reference to the Valuation Date); *minus*

(ii) any principal amount collected from the Valuation Date of the First Banco BPM Transfer Agreement onwards by Banco BPM in relation to such Additional First Banco BPM Claim; *minus*

(iii) interest accrued on the amount under (B) above, at a rate equal to the rate of interest paid on the date of collection on the Mortgage Loan from which the relevant Additional First Banco BPM Claim derives, from the date of collection of any such amount to the date of the collection of the amount under (A) above,

(each such amount, at any time due to Banco BPM, the **Additional First Banco BPM Claims Purchase Price**).

The First Banco BPM Transfer Agreement is in Italian. The First Banco BPM Transfer Agreement and all non-contractual obligations arising out or in connection with the First Banco BPM Transfer Agreement is governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the First Banco BPM Transfer Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

The Second Banco BPM Transfer Agreement

Pursuant to a transfer agreement entered into between the Issuer and Banco BPM on 20 June 2024 (the **Second Banco BPM Transfer Agreement**), Banco BPM sold for consideration to the Issuer without recourse (*pro soluto*) and as a pool (*in blocco*) a portfolio of monetary claims (the **Banco BPM Second Portfolio**) and connected rights arising out of the relevant mortgage loans (the **Second Banco BPM Claims** and, together with the First Banco Popolare Claims, the First Creberg Claims, the Second Banco Popolare Claims, the Second Creberg Claims, the Third Banco Popolare Claims, and the First Banco BPM Claims, the **Claims** and **Second Banco BPM Mortgage Loans** respectively) granted by Banco BPM to its customers (the **Borrowers**) with economic effect as of the Valuation Date of the Banco BPM Second Portfolio.

As consideration for the acquisition of the Second Banco BPM Claims pursuant to the Second Banco BPM Transfer Agreement, the Issuer has paid to Banco BPM a purchase price calculated as the aggregate of the Individual Purchase Price of each Second Banco BPM Claim, being equal to Euro 1,807,307,910.34 plus the Rateo Amounts relating to the Second Banco BPM Claims, being equal to Euro 1,419,265.32 (together, the **Second Banco BPM Purchase Price**).

Pursuant to the Second Banco BPM Transfer Agreement, Banco BPM has represented and warranted that the Second Banco BPM Claims have been selected on the basis of the Criteria set out in the Second Banco

BPM Transfer Agreement in order to ensure that the Second Banco BPM Claims have the same legal and financial characteristics. For further information, see the section headed "*The Portfolio*".

The Second Banco BPM Transfer Agreement provides that if at any time after the date of execution of the Second Banco BPM Transfer Agreement, it transpires that:

(a) any Second Banco BPM Mortgage Loan from which a Second Banco BPM Claim arises does not meet the Criteria set out in the Second Banco BPM Transfer Agreement and was therefore erroneously transferred to the Issuer, then the relevant Second Banco BPM Claim relating to such Second Banco BPM Mortgage Loan (the **Excluded Second Banco BPM Claim**) will be deemed not to have been assigned and transferred to the Issuer pursuant to the Second Banco BPM Transfer Agreement, and Banco BPM will pay to the Issuer an amount equal to the sum of:

(i) the Individual Purchase Price of the Second Banco BPM Claim relating to such Second Banco BPM Mortgage Loan (as specified in schedule 1 of the Second Banco BPM Transfer Agreement); *plus*

(ii) the interest accrued on such Individual Purchase Price from the relevant Valuation Date to the Interest Payment Date on which principal on the Notes may be paid immediately succeeding the day on which the parties agree on the existence of such Excluded Second Banco BPM Claim at a rate equal to interest rate applicable to such Excluded Second Banco BPM Claim; *minus*

(iii) an amount equal to the aggregate of all the Collections recovered or collected by the Issuer (also through Banco BPM) after the Valuation Date in relation to such Excluded Second Banco BPM Claims; *minus*

(iv) an amount equal to the interests accrued on the amount set out in (C) above from the relevant collection date to the date on which those amounts related to the relevant Excluded Second Banco BPM Claim are paid to the Issuer at a rate equal to the rate of interest from time to time applicable to the Interim Account, net of any withholding provided by any applicable law;

(b) a mortgage loan which met the Criteria set out in the Second Banco BPM Transfer Agreement was not included in the Banco BPM Second Portfolio, then the claims under such mortgage loan (the **Additional Second Banco BPM Claim**) shall be deemed to have been assigned and transferred to the Issuer by Banco BPM on the date of execution of the Second Banco BPM Transfer Agreement. In respect of such Additional Second Banco BPM Claims, the Issuer shall pay to Banco BPM, in accordance with the Priority of Payments, an amount equal to:

(i) the purchase price of the Additional Second Banco BPM Claim, calculated adopting the same method used to calculate the Individual Purchase Price of such Additional Second Banco BPM Claim (including reference to the Valuation Date); *minus*

(ii) any principal amount collected from the Valuation Date of the Second Banco BPM Transfer Agreement onwards by Banco BPM in relation to such Additional Second Banco BPM Claim; *minus*

(iii) interest accrued on the amount under (B) above, at a rate equal to the rate of interest paid on the date of collection on the Mortgage Loan from which the relevant Additional Second Banco BPM Claim derives, from the date of collection of any such amount to the date of the collection of the amount under (A) above,

(each such amount, at any time due to Banco BPM, the **Additional First Banco BPM Claims Purchase Price**).

Pursuant to the Second Banco BPM Transfer Agreement, at each Interest Payment Date, Banco BPM is entitled to repurchase all the Claims previously assigned to the Issuer in the context of the Transaction subject to the following conditions:

(a) the purchase price offered for the Claims is sufficient to cover, together with any other amount available to the SPV for such purpose:

(i) i.

(A) the repayment of the Principal Amount Outstanding of the Notes as of such Interest Payment Date;

(B) the payment of accrued but unpaid interest on the Notes up to such Interest Payment Date; and

(C) the payment of costs and expenses in priority to, or having equal ranking, to the amounts referred to in items (A) and (B), accrued up to such Interest Payment Date; or

(ii) i.

(A) the repayment of the Principal Amount Outstanding of the Rated Notes on such Interest Payment Date;

(B) the payment of accrued but unpaid interest on the Rated Notes up to such Interest Payment Date; and

(C) the payment of costs and expenses in priority to, or having equal ranking, to the amounts referred to in items (A) and (B) above, accrued up to such Interest Payment Date,

in the event that all holders of the Junior Notes have waived any amounts due to them under the Junior Notes,

in each case in accordance with the applicable Priority of Payments;

(a) the SPV, also through its agents, certifies to the Representative of the Noteholders, in accordance with the Terms and Conditions, that the sums obtained from the assignment of the Claims to Banco BPM, together with the sums already available to the SPV for this purpose, will be sufficient to make the payments referred to in (i)(A) or (i)(B), as the case may be;

(b) the price offered by Banco BPM to the SPV for the repurchase of the Claims is equal to:

(i) with reference to the Claims other than Defaulted Receivables or *Crediti ad Incaglio*, as of the relevant economic effective date, the Net Book Value of such Claims; and;

(ii) with respect to the Claims classified as Defaulted Receivables or *Crediti ad Incaglio*, an amount, calculated as of the relevant economic effective date, the Net Book Value of such Claims;

(c) the Bank of Italy has authorized the, or has been informed of, the assignment of the Claims by the SPV to Banco BPM (if needed in accordance with any law applicable from time to time); and

(d) the relevant transfer agreement provides that the transfer of the Claims is subject to the payment of the relevant repurchase price.

The Second Banco BPM Transfer Agreement is in Italian. The Second Banco BPM Transfer Agreement and all non-contractual obligations arising out or in connection with the Second Banco BPM Transfer Agreement is governed by and construed in accordance with Italian law.

In the event of any disputes arising out of or in connection with the Second Banco BPM Transfer Agreement including all non-contractual obligations thereof, the Parties have agreed to submit to the exclusive jurisdiction of the Courts of Milan, Italy.

DESCRIPTION OF THE SERVICING AGREEMENT

On the Initial Signing Date, the Issuer appointed:

(a) Banco Popolare (before the merger into Banco BPM) as servicer of the Banco Popolare Initial Portfolio; and

(b) Creberg (before the merger into Banco Popolare, which in turn merged into Banco BPM) as servicer of the Creberg Portfolio;

pursuant to the terms of a servicing agreement dated the Initial Signing Date, between the Issuer, Banco Popolare and Creberg (the **Servicing Agreement**).

In the context of a reorganisation plan of the Gruppo Bancario Banco Popolare, effective from 1 June 2014, Creberg was merged into Banco Popolare and therefore Creberg was extinguished.

In the context of a further reorganisation plan of the Gruppo Banco BPM, effective from 1 January 2017, Banco Popolare and Banca Popolare di Milano - Società Cooperativa a responsabilità limitata have been merged into a new joint stock company named "*Banco BPM Società per Azioni*". Therefore, Banco BPM assumed all the obligations and rights of Banco Popolare arising from the agreements signed in the context of the Securitisation as of the date of such merger.

As a consequence of the above, as used in this Prospectus, "*Originator*" or "*Servicer*" means Banco BPM, in relation to the whole Portfolio.

The Servicing Agreement has been subsequently amended in order to, *inter alia*, appoint Banco BPM as servicer of the whole Portfolio (the **Servicer**).

Pursuant to the terms of the Servicing Agreement, the Servicer has agreed to administer and service the Portfolio on behalf of the Issuer and, in particular, to:

(a) collect amounts due in respect thereof;

(b) administer relationships with any person who is a borrower under a Mortgage Loan; and

(c) commence and pursue any enforcement proceedings in respect of any borrowers who may default.

Duties of the Servicer

The Servicer is responsible for the receipt of cash collections in respect of the relevant Mortgage Loans and related Claims and for cash and payment services (*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento*) pursuant to the Securitisation Law. Within the limits of article 2, paragraph 6-*bis* of the Securitisation Law, the Servicer is responsible for verifying that the transactions to be carried out in connection with the Securitisation comply with applicable laws and are consistent with the contents of the Prospectus.

The Servicer has undertaken in relation to each of the relevant Mortgage Loans and related Claims, *inter alia*:

(a) to collect the relevant Collections and to credit them into the Interim Account by no later than the receipt date, for value as at the relevant receipt date in accordance with the procedure described in the Servicing Agreement. In particular, payments made:

(i) through the direct debit mechanism will automatically pass from the current account of the relevant Borrower to the Interim Account; and

(ii) by, respectively, cash, inter-banking direct debit of the Borrowers' bank account opened with a bank other than the Originator (*SDD - sepa direct debit*) and payment request (*MAV - mediante avviso*) will be credited by the Servicer on the Interim Account through an automatic process.

In case of exceptional circumstances causing an operational delay in the transfer, the relevant Collections are required to be transferred to the Interim Account by the day on which the operational delay in the transfer has been resolved. The Servicing Agreement provides that if monies already transferred to the Interim Account are identified as having not been paid, in whole or in part, by the relevant Borrower, following the verification activity carried out by the Servicer, the Servicer may deduct those unpaid amounts from the relevant Collections not yet transferred to the Issuer within the same Collection Period;

(b) to strictly comply with the Servicing Agreement and the relevant servicing and collection policy described in "*The Credit and Collection Policy*" above (the Credit and **Collection Policy**);

(c) to carry out the administration and management of such Claims and to manage any possible legal proceedings (*procedura giudiziale*) against the relative Borrower or related guarantor in respect thereof, if any (the **Judicial Proceedings**), and any possible bankruptcy or insolvency proceedings against any Borrower (**Debtor Insolvency Proceedings**, and, together with Judicial Proceedings, the **Proceedings**);

(d) to initiate any Proceedings in respect of such Claims, if necessary;

(e) to comply with any requirements of laws and regulations applicable in the Republic of Italy in carrying out activities under the Servicing Agreement;

(f) to maintain effective accounting and auditing procedures so as to ensure compliance with the provisions of the Servicing Agreement;

(g) save where otherwise provided for in the Collection Policy or other than in certain limited circumstances specified in the Servicing Agreement, not to consent to any waiver or cancellation of or other change prejudicial to the Issuer's interests in or to such Claims, the mortgage and any other real or personal security or remedy under or with respect to such Mortgage Loan unless it is ordered to do so by an order of a competent judicial or other authority or authorised to do so by the Issuer and the Representative of the Noteholders;

(h) on behalf of the Issuer, operate an adequate supervision and information disclosure system with respect to the relevant Claims and an adequate database maintenance system as provided for under any laws relating to money laundering, by keeping and maintaining any books, records, documents, magnetic media and IT systems as may be useful for, or relevant to, the implementation of a data disclosure system to permit the Issuer to operate in full compliance with all applicable laws and regulations in matters of supervision, reporting procedures or money laundering;

(i) interpret, consider and manage autonomously any issue arising out of the application of the Usury Act from time to time. The Servicer has undertaken, in carrying out such tasks and its functions pursuant to the Servicing Agreement, and in particular in the collection of the relevant Claims, not to breach the Usury Act; and

(j) maintain and implement administrative and operating procedures (including, without limitation, copying recordings in case of destruction thereof), keep and maintain all books, records and all the necessary or advisable documents:

(iii) in order to collect all the relevant Claims and all the other amounts which are to be paid for any reason whatsoever in connection with the relevant Claims (including, without limitation, records which make it possible to identify the nature of any payment and the precise allocation of payment and collected amounts to capital and interest); and

(iv) in order to check the amount of all the relevant Collections received.

The Issuer and the Representative of the Noteholders have the right to inspect and copy the documentation and records relating to the relevant Claims in order to verify the activities undertaken by the Servicer pursuant to the Servicing Agreement, provided that the Servicer has been informed at least two Business Days in advance of any such inspection.

Pursuant to the terms of the Servicing Agreement, the Servicer will indemnify the Issuer from and against any and all damages and losses incurred or suffered by the Issuer as a consequence of a default by the Servicer of any obligation of the Servicer under the Servicing Agreement. The Servicer has acknowledged and accepted that, pursuant to the terms of the Servicing Agreement, it will not have any recourse against the Issuer for any damages, claims, liabilities or costs incurred by it as a result of the performance of its activities under the Servicing Agreement except as may result from the Issuer's wilful default (*dolo*) or gross negligence (*colpa grave*).

Delegation of activities

The Servicer is entitled to delegate, to one or more companies fulfilling the prerequisites set forth in the Servicing Agreement, certain activities entrusted to it as servicer pursuant to the Servicing Agreement. The Servicer will remain directly responsible for the performance of all duties and obligations delegated to any such company and will be liable for the conduct of all of them.

Reporting requirements

The Servicer has undertaken to prepare and submit to the Computation Agent, the Rating Agencies, the Representative of the Noteholders, the Initial Notes Subscribers, the Corporate Servicer, the Administrative Servicer and the Issuer by no later than each Reporting Date quarterly reports (each, a **Servicer Report**) in the form set out in the Servicing Agreement and containing information as to the Portfolio and any Collections in respect of the preceding Collection Period.

In addition, the Servicer has undertaken to prepare and submit to the SPV, the Reporting Entity, the Rating Agencies, the Computation Agent, the Representative of the Noteholders, the Corporate Servicer, the Administrative Servicer and the Issuer within one month after each Payment Date a loan by loan report (each, a **Loan by Loan Report**) in accordance with the EU Securitisation Regulation and the applicable Regulatory Technical Standards in order to include the information from time to time necessary for the purpose of preparing the reports set out in Article 7(1) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards (including Commission Delegated Regulation (EU) 2020/1224 of 16 October 2019 and Implementing Regulation (EU) 2020/1225 of the Commission of 29 October 2019), including information (where available) related to the environmental performance of the Real Estate Assets.

Moreover, the Servicer has undertaken to furnish, in a reasonable period of time taking into consideration the nature of the relevant request, to the Issuer, to the Rating Agencies, to the Representative of the Noteholders, the Administrative Servicer, the Corporate Servicer and to the Computation Agent such further information as the Issuer and/or the Computation Agent and/or the Rating Agencies and/or the Administrative Servicer and/or the Corporate Servicer and/or the Representative of the Noteholders may reasonably request with respect to the relevant Claims and/or the related Proceedings.

Remuneration of the Servicer

In return for the services provided by the Servicer in relation to the ongoing management of the Portfolio, on each Interest Payment Date and in accordance with the Priority of Payments, the Issuer will pay to the Servicer, the following amounts:

(a) in connection with the collection of the Claims of the Portfolio (other than the Defaulted Claims of the Portfolio), an amount equal to 0.50 per cent. (on a yearly basis calculated according to the Act/360 method) of the Collections in respect of the Claims of the Portfolio (other than the Defaulted Claims of the relevant Portfolio) in the immediately preceding Collection Period (including VAT where applicable) as better specified in the Servicing Agreement;

(b) in connection with the management of the Claims of the Portfolio (other than the Defaulted Claims of the relevant Portfolio) an annual fee of €10,000.00 (including VAT where applicable) payable by the Issuer pro quota on each Interest Payment Date; and

(c) in connection with the recovery of the Defaulted Claims of the Portfolio, an amount equal to 0.25 per cent. of the recoveries in respect of the Defaulted Claims of the Portfolio collected in the immediately preceding Collection Period, (excluding VAT where applicable).

In addition to the above, the Issuer will pay to the Servicer, in accordance with the applicable Priority of Payments and provided that supporting documents are provided, the expenses and fees of external counsels and the judicial expenses and taxes reasonably incurred during each Collection Period by the Servicer in connection with its servicing activities concerning the Claims classified as Defaulted Claims (VAT excluded where applicable).

Subordination and limited recourse

The Servicer has agreed that the obligations of the Issuer under the Servicing Agreement are subordinated and limited recourse obligations and will be payable only in accordance with the applicable Priority of Payments.

Termination and resignation of the Servicer and withdrawal of the Issuer

The Issuer may terminate the appointment of the Servicer (*revocare il mandato*), pursuant to article 1725 of the Italian civil code, or withdraw from the Servicing Agreement (*recesso unilaterale*), pursuant to article 1373 of the Italian civil code, upon the occurrence of one of any of the following events:

(a) the Bank of Italy has proposed to the Minister of Finance to admit the Servicer to any insolvency proceeding or a request for the judicial assessment of the insolvency has been filed with the competent office or the Servicer has been admitted to the procedures set out under Title IV of the Consolidated Banking Act, or a resolution is passed by the Servicer in order either to obtain such measures or to apply for such proceedings to be initiated or to dispose the voluntary liquidation of the Servicer itself;

(b) failure on the part of the Servicer to deliver and pay any amount due under the Servicing Agreement within 5 Business Days from the date of receipt of a notice claiming that such amount became due and payable and has not been duly paid;

(c) failure on the part of the entity, once a 10-day notice period has elapsed, to observe or perform in any respect any of its obligations under the Servicing Agreement, the Warranty and Indemnity Agreements, the relevant Transfer Agreement or any of the Transaction Documents to which it is a party which could affect the fiduciary relationship between the Servicer and the Issuer;

(d) a representation given by the Servicer pursuant to the terms of the Servicing Agreement is verified to be false or misleading and this could have a material negative effect on the Issuer and/or the Securitisation;

(e) the Servicer changes significantly the departments and/or the resources in charge of the management of the relevant Claims and the relevant Proceedings and such change reasonably renders more burdensome to the Servicer the fulfilment of its obligations under the Servicing Agreement; or

(f) the Servicer does not meet the requirements provided by law or by the Bank of Italy for the entities appointed as servicer in a securitisation transaction or the Servicer does not meet any further requirement which may be requested in the future by either the Bank of Italy or any other competent authority.

The Issuer is obliged to notify the Servicer of its intention to terminate the Servicing Agreement with prior written notice to the Representative of the Noteholders and the Rating Agencies.

Moreover, the Servicer is entitled to resign from the Servicing Agreement at any time after a 12-month period has elapsed from the Initial Signing Date by giving at least 12 months' prior written notice to that effect to the Issuer, the Representative of the Noteholders and the Rating Agencies. Following the resignation of the Servicer, the Issuer shall promptly commence procedures necessary to appoint a substitute servicer.

The termination and the resignation of the Servicer shall become effective after fifteen Business Days have elapsed from the date specified in the notice of the termination or of the resignation, or from the date, if successive, of the appointment of the substitute servicer.

The Issuer may appoint with the cooperation of the Back-up Servicer Facilitator a substitute servicer, only:

(a) with the prior written approval of the Representative of the Noteholders; and

(b) with prior written notice to the Rating Agencies.

The substitute servicer shall be:

(a) a bank operating for at least five years and having one or more branches in the territory of the Republic of Italy;

(b) a financial intermediary registered in the register set out in Article 106 of the Consolidated Banking Act, operating in Italy for at least five years, having offices in Italy and being financially and economically prudent and appropriate;

(c) the Back-Up Servicer, if nominated.

Pursuant to the provisions of the Servicing Agreement, the substitute servicer shall be, *inter alia*, an entity which has all the requirements provided by, *inter alia*, the Securitisation Law, the EU Securitisation Regulation (including the requirements under article 21(8) of the EU Securitisation Regulation) and the EBA Guidelines, for carrying out the servicer activity and which management has at least 5 years of experience in managing exposure of similar nature to the Claims.

The Servicing Agreement further provides for an out-of-court settlement procedure in the case of a dispute arising between the Issuer and the Servicer concerning the termination of the appointment of the Servicer. In such circumstance, the costs and fees of the deciding arbitrator, appointed pursuant to the Servicing Agreement, shall be borne by the succumbent. Should the Issuer succumb, the Servicer shall advance to the latter the fees and costs of the deciding arbitrator (the **Servicing Settlement Expenses Amount**). The Issuer shall reimburse the Servicing Settlement Expenses Amount on the next subsequent Interest Payment Date in accordance with the Priority of Payments.

The substitute servicer must execute a servicing agreement with the Issuer substantially in the form of the Servicing Agreement and must accept all the provisions and obligations set out in the Intercreditor Agreement.

Other provisions

Following the classification of a Claim as Defaulted Claims or as *Credito ad Incaglio*, the Servicer, subject to certain conditions set out in the Servicing Agreement, may also enter into settlement agreements (as an alternative to judicial proceedings against the relevant Borrower) in the context of which it may modify the original amortising plan and discharge, in relation to the Defaulted Claims only, the Borrower in relation to a portion of the amount still due. In addition, in relation to Claims which are not classified as Defaulted Claims

or *Crediti ad Incaglio*, the Servicer, subject to certain conditions set out in the Servicing Agreement, may also enter into settlement agreements aiming to, *inter alia*, the modification of:

(a) the original amortising plans (including as a consequence of the suspension of payments of the relevant instalments); or

(b) the relevant interest rates.

Furthermore, as an alternative to the renegotiation power granted to the Servicer, and in order to allow the Originator to keep good relationships with the Borrowers, the Originator has been given the power to make offers to repurchase Claims, subject to certain conditions set out in the Servicing Agreement.

Ultimately, the Servicer may, if the sale of Defaulted Claims procures an advantage to the Noteholders, sell the Defaulted Claims at a price indicated under the Servicing Agreement subject however to certain other conditions set out in the same Servicing Agreement.

The Servicing Agreement is governed by Italian law.

DESCRIPTION OF THE WARRANTY AND INDEMNITY AGREEMENTS

On the Initial Signing Date, the Issuer, the Originator and Creberg (before the merger into Banco Popolare, which - in turn - later merged into Banco BPM) entered into a warranty and indemnity agreement (the **Initial Warranty and Indemnity Agreement**) pursuant to which Banco Popolare (before the merger into Banco BPM) and Creberg (before the merger into Banco Popolare, which - in turn - later merged into Banco BPM) respectively, have given certain representations and warranties in favour of the Issuer in relation to, respectively, the Banco Popolare Initial Portfolio and the Creberg Portfolio.

Prospective Noteholders should note that each of the Originator and Creberg (before the merger into Banco Popolare which - in turn - later merged into Banco BPM) has given representations and warranties only in respect of the Claims respectively transferred to the Issuer.

In the context of a reorganisation plan of the Gruppo Bancario Banco Popolare, effective from 1 June 2014, Creberg was merged into Banco Popolare and therefore Creberg was extinguished.

In the context of a further reorganisation plan of the Gruppo Banco BPM, effective from 1 January 2017, Banco Popolare and Banca Popolare di Milano - Società Cooperativa a responsabilità limitata have been merged into a new joint stock company named "*Banco BPM Società per Azioni*". Therefore, Banco BPM assumed all the obligations and rights of Banco Popolare arising from the agreements signed in the context of the Securitisation as of the date of such merger.

As a consequence, as used in this Prospectus, "*Originator*" or "*Servicer*" means Banco BPM, in relation to the whole Portfolio.

On 13 October 2016, the Issuer and Banco Popolare (before the merger into Banco BPM) entered into a warranty and indemnity agreement (the **First Subsequent Warranty and Indemnity Agreement**) pursuant to which Banco Popolare (before the merger into Banco BPM), has given certain representations and warranties in favour of the Issuer in relation to the First Subsequent Portfolio.

On 8 February 2019, the Issuer and Banco BPM have entered into a warranty and indemnity agreement (the **Second Subsequent Warranty and Indemnity Agreement**), pursuant to which Banco BPM has given certain representations and warranties in favour of the Issuer in relation to the Second Subsequent Portfolio 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 Further Subsequent Claims.

On 20 June 2024, the Issuer and Banco BPM have entered into a warranty and indemnity agreement (the **Third Subsequent Warranty and Indemnity Agreement**), pursuant to which Banco BPM has given certain representations and warranties in favour of the Issuer in relation to the Third Subsequent Portfolio 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 Claims 2024.

Below is a description of the provisions of the relevant Warranty and Indemnity Agreement.

Each Warranty and Indemnity Agreement contains representations and warranties in respect of, *inter alia*, the following categories:

(a) the relevant Mortgage Loans, the relevant Claims, the relevant Mortgages and any collateral security related thereto;

(b) the real estate assets which have been mortgaged to secure the relevant Claims;

(c) the disclosure of information; and

(d) the Securitisation Law and article 58 of the Banking Act.

In particular, the representations and warranties contained in the relevant Warranty and Indemnity Agreement in respect to the relevant Claims (therefore, the Initial Warranty and Indemnity Agreement in relation to the Initial Portfolios, and the First Subsequent Indemnity Agreement in relation to the First Subsequent Portfolio), are as to, *inter alia*, the following matters:

(a) each relevant Claim was or is fully and unconditionally legally owned by the Originator and each Claim is not subject to, *inter alia*, any lien (*pignoramento*), seizure (*sequestro*) or other charge in favour of any third party or otherwise and is freely transferable to the Issuer;

(b) to the knowledge of the Originator, each relevant Claim is not in a condition that can be foreseen to adversely affect the enforceability of the transfer of the Claims under the relevant Transfer Agreement and, therefore, is freely transferable to the Issuer

(c) the Claims have been originated by the Originator or by Creberg (merged by way of incorporation into Banco Popolare) or by Banco Popolare (merged by way of incorporation into Banco BPM), as the case may be as lender, in accordance with loan disbursement policies which apply similar approaches to the assessment of credit risk associated with the Claims;

(d) the Claims have been serviced by the Originator according to similar servicing procedures;

(e) the Claims arise from Mortgage Loans secured by mortgages on residential real estate assets and therefore fall in the asset type named "*residential loans that are either secured by one or more mortgages on residential immovable property*" provided under article 1(a)(i) of the Commission Delegated Regulation (EU) 2019/1851 (the **Commission Delegated Regulation on Homogeneity**) and meet the homogeneity factors set out under article 2(1)(a)(i), 2(1)(b)(ii) and 2(1)(c) of the Commission Delegated Regulation on Homogeneity (given that (i) the Mortgage Loans are secured by first ranking security rights on a residential immovable property, (ii) the Real Estate Assets are non-income producing properties and (iii) the Real Estate Assets are located in the Italian territory). Furthermore, the Mortgage Loans provide for a repayment (A) according to a French amortisation plan or (B) through constant instalments (with variable duration) as determined in the relevant Mortgage Loan

(f) the Claims and the Mortgage Loans are existing and denominated in Euro (or granted in a different currency and subsequently redenominated in Euro);

(g) the Mortgage Loans, the Claims and the Mortgages are governed by Italian law;

(h) in relation to each Claim, the Guarantees and the Mortgages have been assigned to the Issuer pursuant to the relevant Transfer Agreement;

(i) none of the Borrower, the Mortgagor and/or the Guarantor is a public entities, a public administration or an ecclesiastical entity;

(j) all the Borrowers are:

  (i) individuals (*persone fisiche*) resident in Italy; or

(ii) legal entities (qualifiable as *società semplici*) incorporated under Italian law and having their registered office in Italy;

(k) to the best knowledge of the Originator or Creberg none of the Claims has been classified as "*in sofferenza*" or "*scaduto e/o deteriorato*" or "*unlikely to pay*" by the Originator pursuant to the regulations issued by the Bank of Italy (*istruzioni di vigilanza*);

(l) there are no Guarantors who are not resident (if individuals) or not incorporated (if legal entities) in a State Member of the European Economic Area;

(m) as at the relevant Valuation Date each Claim has been classified as *in bonis* pursuant to the regulations issued by the Bank of Italy (*istruzioni di vigilanza*) and the relevant Mortgage Loan does not include as at the transfer date of the Initial Claims non performing loans pursuant to the Guidelines issued by the European Central Bank (ECB) on December 2014 (Guideline (EU) 2015/510 of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60)) and on July 2014 (Guideline of the European Central Bank of 9 July 2014 on additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral and amending Guideline ECB/2007/9 (ECB/2014/31)), as applicable, subsequently amended and supplemented;

(n) the relevant Portfolio does not include Claims qualified as exposures in default within the meaning of article 178, paragraph 1, of Regulation (EU) No 575/2013 or as exposures to a credit-impaired debtor or guarantor, who, to the Originator's knowledge:

(i) has been declared insolvent or in respect of which its creditors were granted 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; or

(ii) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history available to the Originator (or the other bank which has originated the Loan); 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 under the Transaction (for further details, see the section headed "The Portfolio";

(o) the Originator (or the bank which has originated the relevant Claims) has assessed the Borrowers' creditworthiness in compliance with the requirements set out in article 8 of Directive 2008/48/EC or in article 18, paragraphs from 1 to 4, paragraph 5, letter (a), and paragraph 6 of Directive 2014/17/UE and point 33 of the EBA Guidelines on the STS Criteria, to the extent applicable taking into consideration the nature of the Mortgage Loans;

(p) no Loan Agreement could be classified as a leasing agreement;

(q) no Loan Agreement could be qualified as structured loan, syndicated loan or leveraged loan pursuant to the guidelines issued by the European Central Bank (ECB) on December 2014 (*Guideline* (*EU*) *2015/510 of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework* (*ECB/2014/60*)) and on July 2014 (*Guideline of the European Central Bank of 9 July 2014 on additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral and amending Guideline ECB/2007/9* (*ECB/2014/31*)) as applicable, subsequently amended and supplemented; and

(r) each Real Estate Asset is located in Italy.

All representations and warranties set forth in the relevant Warranty and Indemnity Agreement shall be deemed to be given or repeated:

(a) on the relevant date of execution;

(b) on the relevant Issue Date; and

(c) on the Issue Date 2024,

with reference to the facts and circumstances then existing, as if made at each such time; provided, however, that the representations and warranties referring to a Transaction Document executed after the date hereof shall be deemed to be made or repeated at the time of the execution of such Transaction Document and on the relevant Issue Date in each case with reference to the facts and circumstances then existing as if made at each such time.

In addition, the Originator has represented that, as of the Second Subsequent Issue Date, in relation to the Further Subsequent Claims and the Second Subsequent Portfolio:

(a) all the Borrowers are:

  (i) individuals (*persone fisiche*) resident in Italy; or

  (ii) legal entities incorporated under Italian law and having their registered office in Italy;

(b) all the grantor of a collateral security related to the Claims are:

  (i) individuals (*persone fisiche*) resident in the EEA; or

  (ii) legal entities incorporated under the law of a EEA country and having their registered office in a EEA country.

For further information, please see the section headed "*Compliance with STS requirements and regulatory capital requirements*", paragraph "*Article 20 (Requirements relating to simplicity) of the EU Securitisation Regulation*".

Pursuant to the Warranty and Indemnity Agreements, the Originator has agreed to indemnify and hold harmless the Issuer, its officers, agents or employees or any of its permitted assignees and the Representative of the Noteholders from and against any and all duly documented damages, losses, claims, liabilities, costs and expenses (including, without limitation, fees and legal expenses as well as any VAT if applicable) awarded against or incurred by the Issuer or any of the other foregoing persons arising from, inter alia, any default by the Originator in the performance of any of its obligations under the Warranty and Indemnity Agreements or any of the other Transaction Documents or any representations and/or warranties made by the Originator thereunder or being false, incomplete or incorrect.

The Originator has also agreed to indemnify and hold harmless the Issuer, its officers, agents or employees or any of its permitted assignees and the Representative of the Noteholders from and against any and all damages, losses, claims, liabilities, costs and expenses awarded against or incurred by it arising out of, *inter alia*, the application of the Usury Law to any interest accrued on any Mortgage Loans.

Moreover, each of the Warranty and Indemnity Agreement provides that, in the event of a misrepresentation or a breach of any of the representations and warranties made by the Originator under the relevant Warranty and Indemnity Agreement, which materially and adversely affects the value of one or more Claims or the interest of the Issuer in such Claims, and such misrepresentation or breach is not cured, whether by payment of damages or indemnification or otherwise, by the Originator within a period of 30 (thirty) days from receipt of a written notice from the Issuer to that effect (the **Cure Period**), the Issuer has the option, pursuant to article 1331 of the Italian civil code, to assign and transfer to the Originator all of the Claims affected by any such misrepresentation or breach (the **Affected Claims**). The Issuer will be entitled to exercise the put option by giving to the Originator, at any time during the period commencing on the Business Day immediately following the last day of the Cure Period and ending on the day which is 180 days after such Business Day, written notice to that effect (the **Put Option Notice**).

The Originator will be required to pay to the Issuer, within 10 (ten) Business Days from the date of receipt by the Originator of the Put Option Notice, an amount to be calculated *mutatis mutandis* as the purchase price of the Excluded Claims pursuant to the relevant Transfer Agreement.

Each of the Warranty and Indemnity Agreement provides that, notwithstanding any other provision of such agreement, the obligations of the Issuer to make any payment thereunder shall be equal to the lesser of the nominal amount of such payment and the amount which may be applied by the Issuer in making such payment in accordance with the Priority of Payments. The Originator has acknowledged that the obligations of the Issuer contained in the Warranty and Indemnity Agreement will be limited to such sums as aforesaid and that it will have no further recourse to the Issuer in respect of such obligations.

The Warranty and Indemnity Agreements are governed by Italian law.

THE CORPORATE SERVICES AGREEMENT

Under an agreement denominated "*Corporate Services Agreement*" executed on or about the Initial Issue Date between the Issuer, the Corporate Servicer and the Representative of the Noteholders (as amended and supplemented on or about the First Subsequent Issue Date and the Second Subsequent Issue Date, the **Corporate Services Agreement**), the Corporate Servicer has agreed to provide certain corporate administration and management services to the Issuer. The services will include the safekeeping of the documents pertaining to the meetings of the Issuer's quotaholders, directors and auditors and of the Noteholders, maintaining the quotaholders' register and liaising with the Representative of the Noteholders.

Under the terms of the Corporate Services Agreement in the event of a termination of the appointment of the Corporate Servicer for any reason whatsoever, the Issuer shall appoint a substitute Corporate Servicer.

The Corporate Services Agreement is governed by Italian law.

THE ADMINISTRATIVE SERVICES AGREEMENT

Under an agreement denominated "*Contratto di Servizi Amministrativi*" executed on or about the Initial Issue Date between the Issuer, the Administrative Servicer and the Representative of the Noteholders (as amended and supplemented on or about the Issue Date 2016 and the Issue Date 2019, the **Administrative Services Agreement**), the Administrative Servicer has agreed to provide certain accounting services to the Issuer. The services will include, amongst others, preparing tax and accounting records and preparing the Issuer's annual financial statements.

Under the terms of the Administrative Services Agreement in the event of a termination of the appointment of the Administrative Servicer for any reason whatsoever, the Issuer shall appoint a substitute Administrative Servicer.

The Administrative Services Agreement is governed by Italian law.

THE INTERCREDITOR AGREEMENT

Pursuant to an intercreditor agreement executed on or about the Initial Issue Date between the Issuer, the Representative of the Noteholders on its own behalf and on behalf of the Noteholders, the Principal Paying Agent, the Agent Bank, the Computation Agent, the Interim Account Bank, the Transaction Bank, the Additional Transaction Bank, Banco BPM (in any capacity), the Corporate Servicer, the Back-up Servicer Facilitator, the Administrative Servicer, the Servicer, the Subordinated Loan Provider, the Initial Notes Subscribers (as amended and supplemented on or about the First Subsequent Issue Date and the Second Subsequent Issue Date, the **Intercreditor Agreement**), provision has been made as to the application of the proceeds of collections in respect of the Claims and as to the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to the Claims. The Intercreditor Agreement also sets out the order of priority for payments to be made by the Issuer in connection with the securitisation transaction.

Pursuant to the Intercreditor Agreement, the Other Issuer Creditors have agreed that, until two year plus one day has elapsed since the day on which any note issued (including the Notes and the Previous Securitisations Notes) or to be issued by the Issuer has been paid in full, no Other Issuer Creditor shall be entitled to institute

against the Issuer, or join any other person in instituting against the Issuer, any reorganisation, liquidation, bankruptcy, insolvency or similar proceedings.

Pursuant to the Intercreditor Agreement, following the service of an Issuer Acceleration Notice, the Representative of the Noteholders will be entitled (as an agent of the Issuer and to the extent permitted by applicable laws), until the Notes have been repaid in full or cancelled in accordance with the Conditions, to take possession of all Collections and of the Claims and to sell or otherwise dispose of the Claims or any of them in such manner and upon such terms and at such price and such time or times as the Representative of the Noteholders shall, in its absolute discretion, deem appropriate and to apply the proceeds in accordance with the Post-Enforcement Priority of Payments.

The Intercreditor Agreement is governed by Italian law.

The Italian Deed of Pledge

Pursuant to a deed of pledge (the **Italian Deed of Pledge**) executed on or about the Initial Issue Date between the Issuer and the Representative of the Noteholders (acting on its own behalf and on behalf of the other Issuer Secured Creditors), the Issuer will create in favour of the Representative of the Noteholders for itself and on behalf of the Noteholders and the other Issuer Secured Creditors, concurrently with the issue of the Notes, a pledge:

(a) over all monetary claims and rights and all the amounts (including payment for claims, indemnities, damages, penalties, credits and guarantees) to which the Issuer is entitled from time to time pursuant to the Italian Law Transaction Documents (other than the Conditions, the Rules of the Organisation of Noteholders, the Italian Deed of Pledge and the Mandate Agreement); and

(b) over the positive balance of the Interim Account, the Payments Account and the Expenses Account.

The Italian Deed of Pledge will be governed by Italian law.

THE MANDATE AGREEMENT

Pursuant to the terms of a mandate agreement executed on or about the Initial Issue Date between the Issuer and the Representative of the Noteholders (as amended and supplemented on or about the First Subsequent Issue Date and the Second Subsequent Issue Date, the **Mandate Agreement**), the Representative of the Noteholders is empowered to take such action in the name of the Issuer, *inter alia*, following the service of an Issuer Acceleration Notice, as the Representative of the Noteholders may deem necessary to protect the interests of the Noteholders and the Other Issuer Creditors.

The Mandate Agreement is governed by Italian law.

THE QUOTAHOLDER'S COMMITMENT

The quotaholder's commitment executed on or about the Initial Issue Date between the Issuer, the Representative of the Noteholders and SVM Securitisation Vehicles Management S.r.l. (the **Quotaholder's Commitment**) contains, *inter alia*, provisions in relation to the management of the Issuer.

The Quotaholder's Commitment also provides that SVM Securitisation Vehicles Management S.r.l. in its capacity as quotaholder of the Issuer, will not approve the payment of any dividends or any repayment or return of capital by the Issuer prior to the date on which all amounts of principal and interest on the Notes have been paid in full.

In the context of the Previous Securitisation, pursuant to separate quotaholder's commitment dated 30 June 2014 (the **Previous Quotaholder's Commitments**), the quotaholder of the Issuer has agreed certain obligations concerning the management of the Issuer.

The Quotaholder's Commitment is governed by Italian law.

THE LETTER OF UNDERTAKING

Pursuant to a letter of undertaking executed the Initial Signing Date (the **Letter of Undertaking**) between the Issuer, the Representative of the Noteholders, Banco Popolare (in such capacity, the **Financing Bank**), the Financing Bank has undertaken to provide the Issuer with all necessary monies (in any form of financing deemed appropriate by the Representative of the Noteholders, for example by way of a subordinated loan, the repayment of which is to be made in compliance with item (i)(iii) of the Pre-Enforcement Priority of Payments or, as the case may be, item (j) of the Post-Enforcement Priority of Payments) in order for the Issuer to pay any losses, costs, expenses or liabilities in respect of:

(a) any tax expenses or tax liability which the Issuer is at any time obliged to pay other than:

(b) any withholding tax at any time applicable in respect of either the Notes or the Previous Securitisations Notes;

(c) any withholding tax applicable in respect of the Accounts (other than by reason of a change in law or the interpretation or administration thereof since the Issue Date and provided that it cannot be avoided by the Issuer), any other bank account opened in the context of the Previous Securitisations (other than by reason of a change in law or the interpretation or administration thereof since the Initial Issue Date and provided that it cannot be avoided by the Issuer) and the financial instruments which meet the definition of "*Eligible Investments*" in the context of the Previous Securitisations in connection with the Securitisation and the Previous Securitisations;

(d) any VAT due in respect of the Transaction Documents (other than by reason of a change in law or the interpretation or administration thereof since the Initial Issue Date) and the Previous Transactions Documents or the purchase of services or goods by the Issuer;

(e) any tax applicable in respect of the Transaction Documents and the Previous Transactions Documents; and

(f) any court tax applicable to the Issuer, other than those provided for by the Servicing Agreement;

(g) any other costs, charges or liabilities arising in connection with regulatory or supervisory requirements (including as a result of any change of law or regulation or interpretation or administration thereof since the Issue Date) but with excluding any amounts payable by the Issuer under the Transaction Documents and the Previous Transactions Documents (including, for the avoidance of doubt, any amount due and payable under the Notes or the Previous Securitisations Notes); and

(h) any other costs, charges or liabilities which may affect the Issuer (other than losses, costs, expenses or liabilities in respect of the normal day-to-day operating costs of the Issuer) and which are not directly related to the securitisation of the Claims or the claims purchased by the Issuer in the context of the Previous Securitisations,

but, in each case, with the exception of any losses, costs, expenses or liabilities borne by the Issuer as a consequence of events or situations caused by the fraudulent or negligent conduct of the Issuer or of any other third party (other than the Originator) who provides any services in relation to any of the Transaction Documents or any of the document related to the Previous Securitisation.

Prospective Noteholders' attention is drawn to the fact that the Letter of Undertaking does not and will not constitute a guarantee by any of Banco Popolare or any of the quotaholders of the Issuer of any obligation of a Borrower or the Issuer.

The Letter of Undertaking is governed by Italian law.

THE INITIAL SUBORDINATED LOAN AGREEMENT

Pursuant to a limited recourse loan agreement executed on or about to the Initial Issue Date between Banco Popolare as a Subordinated Loan Provider, the Issuer and the Representative of the Noteholders (as amended and supplemented on the First Subsequent Issue Date, the **Initial Subordinated Loan Agreement**), the Subordinated Loan Provider granted to the Issuer a limited recourse loan in the aggregate amount of Euro

60,000,000.00 (the **Subordinated Loan**). The Initial Subordinated Loan has been drawn down by the Issuer on or about the Issue Date 2012 in order to fund the Cash Reserve at the Issue Date 2012. The Initial Subordinated Loan Agreement is in Italian language. The Initial Subordinated Loan Agreement and all non contractual obligations arising out or in connection with the Initial Subordinated Loan Agreement shall be governed by and construed in accordance with Italian law.

THE SUBSEQUENT SUBORDINATED LOAN AGREEMENT

Pursuant to a limited recourse loan agreement executed on or about to the Second Subsequent Issue Date between the Subordinated Loan Provider, the Issuer and the Representative of the Noteholders (the **Subsequent Subordinated Loan Agreement**), the Subordinated Loan Provider granted to the Issuer a limited recourse loan in the aggregate amount of Euro 24,600,000.00 (the **Subsequent Subordinated Loan**). The Subsequent Subordinated Loan has been drawn down by the Issuer on or about the Issue Date 2019 in order to fund the Cash Reserve at the Issue Date 2019. The Subsequent Subordinated Loan Agreement is in Italian language. The Subsequent Subordinated Loan Agreement and all non contractual obligations arising out or in connection with the Subsequent Subordinated Loan Agreement shall be governed by and construed in accordance with Italian law.

THE SUBORDINATED LOAN AGREEMENT 2024

Pursuant to a limited recourse loan agreement executed on or about to the Second Subsequent Issue Date between the Subordinated Loan Provider, the Issuer and the Representative of the Noteholders (the **Subordinated Loan Agreement**), the Subordinated Loan Provider granted to the Issuer a limited recourse loan in the aggregate amount of Euro 25.450.000,00 (the **Subordinated Loan 2024**). The Subordinated Loan 2024 has been drawn down by the Issuer on or about the Issue Date 2024 in order to fund the Cash Reserve at the Issue Date 2024. The Subsequent Subordinated Loan Agreement is in Italian language. The Subsequent Subordinated Loan Agreement and all non contractual obligations arising out or in connection with the Subsequent Subordinated Loan Agreement shall be governed by and construed in accordance with Italian law.

ESTIMATED WEIGHTED AVERAGE LIFE OF THE SENIOR NOTES AND ASSUMPTIONS

Weighted average life refers to the average amount of time that will elapse from the date of issuance of a security to the date of distribution to the investor of amounts distributed in reduction of principal of such security (assuming no losses). The weighted average life of the Senior Notes will be influenced by, among other things, the actual rate of redemption of the Mortgage Loans which may be in the form of scheduled amortisation, prepayments, or enforcement proceeds. The weighted average life of the Senior Notes cannot be predicted as the actual rate at which the Mortgage Loans will be repaid and a number of other relevant factors are unknown. Calculations of possible average life of the Senior Notes can be made under certain assumptions. The table below sets out the expected weighted average life of the Senior Notes in the event that redemption pursuant to Condition 7(c) (*Optional Redemption of the Notes*) does not occur and has been calculated based on the characteristics of the Mortgage Loans included in the Portfolio as of the relevant Valuation Date and on the assumptions that:

(a) no Event of Default occurs in respect to the Notes;

(b) the Mortgage Loans are subject to a constant prepayment rate of eight per cent.;

(c) the fees referred to in the relevant Transaction Documents are not increased;

(d) no default by the parties to the Transaction Documents occur;

(e) the Issuer will not exercise the option to redeem the Notes pursuant to Condition 7(c) (*Optional redemption of the Notes*);

(f) the Series A4 Notes will commence amortisation on the first Interest Payment Date falling on 30 October 2024;

(g) no defaults and no delinquencies in payments in relation to the Mortgage Loans occur.

Assumption (b) is stated as an average annualised prepayment rate since the prepayment rate for one Interest Period may be substantially different from that for another. The constant prepayment rate assumed is purely illustrative.

The weighted average lives of the Senior Notes are subject to factors outside the control of the Issuer and consequently no assurance can be given that the assumptions and estimates set forth above will be realised.

Notes	**Expected weighted average life (years)**
Series A1	4,35
Series A2	4,35
Series A3	4,35
Series A4	4,35

The actual characteristics and performances of the Mortgage Loans may differ from the assumptions used in constructing the table set forth above, which are hypothetical in nature.

TAXATION IN THE REPUBLIC OF ITALY

The following is a general description of current Italian law and practice relating to certain Italian tax considerations concerning the purchase, ownership and disposition of the Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to your decision to purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of the Notes, some of which may be subject to special rules. The following description does not discuss the treatment of the Notes that are held in connection with a permanent establishment or fixed base through which a non Italian resident beneficial owner carries on business or performs professional services in Italy.

This description is based upon tax laws and practice of Italy in effect on the date of this Prospectus which are however subject to a potential retroactive change. Prospective noteholders should consult their tax advisers as to the consequences under Italian tax law, under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws.

Prospective noteholders should in any event seek their own professional advice regarding the Italian or other jurisdictions' tax consequences of the subscription, purchase, ownership and disposition of the Notes, including the effect of Italian or other jurisdictions' tax rules on residence of individuals and entities.

TAX TREATMENT OF THE NOTES

Income Tax

Under the current legislation, pursuant to the combined provision of Article 6, paragraph 1, of the Securitisation Law, Articles 1 and 2 of Legislative Decree No. 239 of 1 April 1996, as amended and restated (**Decree 239**) and Law Decree No. 66 of 24 April 2014 converted into Law No. 89 of 23 June 2014 (**Decree 66/2014**), payments of interest and other proceeds (hereinafter collectively referred to as "**Interest**") in respect of the Notes are subject to the fiscal regime set forth by Decree 239, as amended and supplemented. The provisions of Decree 239 only apply to Notes issued by the Issuer which qualify as *obbligazioni* (bonds) or *titoli similari alle obbligazioni* (securities similar to bonds) pursuant to Article 44 of Presidential Decree No. 917 of 22 December 1986, as amended and supplemented ("**Decree 917**").

Under current legislation, pursuant to the provision of article 6, paragraph 1, of the Securitisation Law and of Decree 239, as amended and supplemented, Interest:

(a) will be subject to *imposta sostitutiva* at the rate of 26 per cent. in the Republic of Italy levied as final tax if made to beneficial owners who are:

  (i) individuals resident in the Republic of Italy for tax purposes;

  (ii) Italian resident non-commercial partnerships;

  (iii) Italian resident public and private entities, other than companies, not carrying out commercial activities as their exclusive or principal purpose (including the Italian State and public entities);

  (iv) Italian resident entities exempt from corporate income tax; and

  (v) non-Italian resident entities or persons without a permanent establishment in Italy to which the Notes are effectively connected, which are not eligible for the exemption from the *imposta sostitutiva* and/or do not timely comply with the requirements set forth in Decree 239 and the relevant application rules in order to benefit from the exemption from *imposta sostitutiva* (in each case unless the relevant Noteholder has entrusted the management of its financial assets, including the Notes, to an authorised intermediary and has opted for the *Risparmio Gestito* regime according to article 7 of Legislative Decree number 461 of 21 November 1997 - the "**Asset Management Option**"). As to non-Italian resident beneficial owners, *imposta sostitutiva* may apply at lower or nil rate under double taxation treaties entered into by Italy, where applicable.

The 26 per cent. final *imposta sostitutiva* (or, in certain cases, for treaty covered non-Italian resident beneficial owners, the lower rate provided for by the relevant applicable double tax treaty) will be generally applied by the Italian resident qualified financial intermediaries (or permanent establishments in Italy of foreign intermediaries) that will intervene, in any way, in the collection of Interest on the Notes or in the transfer of the Notes (the "Intermediaries" and each an "Intermediary").

In case the Notes are held by Noteholders mentioned above under (i) to (iii) that are engaged in a business activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax and may be deducted from the income tax due by the Noteholders;

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on interest, premium and other income relating to the Notes if the Notes are included in a long term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

(b) will not be subject to the *imposta sostitutiva* at the rate of 26 per cent. if made to investors who are::

(i) Italian resident corporations or permanent establishments in Italy of non-resident corporations to which the Notes are effectively connected;;

(ii) Italian resident collective investment funds, Italian SICAVs, Italian resident pension funds subject to the regime provided for by article 17, paragraph 2, of Legislative Decree 5 December 2005, No. 252, Italian resident real estate investment funds and Italian resident SICAFs to which the provisions of Article 9 of Legislative Decree No. 44 of 4 March 2014 apply;

(iii) Italian residents holding Notes not in connection with entrepreneurial activity who have entrusted the management of their financial assets, including the Notes, to an Italian authorised financial intermediary and have opted for the Asset Management Option; and

(iv) according to Decree 239, non-Italian resident beneficial owners of the Notes or institutional investors, even though not subject to taxation, with no permanent establishment in Italy to which the Notes are effectively connected, provided that:

(A) such beneficial owners or institutional investors are respectively resident for tax purposes in a country which recognise the Italian fiscal authorities' right to an adequate exchange of information with Italy as currently listed in the Italian Ministerial Decree dated 4 September 1996, as amended from time to time, or in a decree to be issued pursuant to Article 11(4)(c) of Decree 239 (the "**White List States**"), and

(B) all the requirements and procedures set forth in Decree 239 and in the relevant application rules, as subsequently amended, in order to benefit from the exemption from *imposta sostitutiva* are timely met and complied with.

Decree 239 also provides for additional exemptions from the *imposta sostitutiva* for payments of Interest in respect of the Notes made to (i) international bodies and organisations established in accordance with international agreements ratified in Italy, and (ii) Central Banks or entities, managing, inter alia, also the official State reserves.

To ensure payment of Interest in respect of the Notes without the application of *imposta sostitutiva*, investors indicated above sub-paragraph (b) must (i) be the beneficial owners of payments of Interest on the Notes or certain non-Italian resident institutional investors; (ii) timely deposit the Notes together with the coupons relating to such Notes directly or indirectly with an Intermediary or with a non-Italian resident entity participating in a centralised securities management system which is in contact, via telematics link, with the Ministry of Economics; and (iii) in the event of non-Italian resident beneficial owners or institutional investors being holders of the Notes, according to Decree 239, timely file with the relevant depository a self-declaration stating to be resident for tax purposes or established in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information (for non-Italian resident Noteholders who are

institutional investors certain additional declarations should also be made). Such self-declaration – which is not requested for international bodies and organisations established in accordance with international agreements ratified in Italy and Central Banks or entities managing also official State reserves – must comply with the requirements set forth by Italian Ministerial Decree of 12 December 2001, is valid until withdrawn or revoked and must not be submitted in case that a certificate, declaration or other similar document meant for equivalent uses was previously submitted to the same depository.

Italian resident individuals holding the Notes not in connection with an entrepreneurial activity who have opted for the Asset Management Option are subject to an annual substitute tax levied at the rate of 26 per cent. (the **Asset Management Tax**) on the increase in value of the managed assets accrued at the end of each tax year (which increase would include interest and other proceeds accrued on the Notes). The Asset Management Tax is applied on behalf of the taxpayer by the managing authorised intermediary.

Interest and other proceeds accrued on the Notes held by Italian resident corporations, commercial partnerships, individual entrepreneurs as well as Italian resident public and private entities, other than companies, holding the Notes in connection with entrepreneurial activities or permanent establishments in Italy of non-resident corporations to which the Notes are effectively connected, are included in the taxable base for the purposes of:

(a) corporate income tax (*imposta sul reddito delle società*, **IRES**); or

(b) individual income tax (*imposta sul reddito delle persone fisiche*, **IRPEF**) plus local surtaxes, if applicable; under certain circumstances, such interest is included in the taxable basis of the regional tax on productive activities (*imposta regionale sulle attività produttive*, **IRAP**).

If the investor is resident in Italy and is an open-ended or closed-ended investment fund, a SICAF or a SICAV ("*Società di investimento a capitale variabile*") established in Italy and either

(a) the fund, the SICAF or the SICAV; or

(b) their manager is subject to the supervision of a regulatory authority (the **Fund**), and the relevant Class of Notes are held by an authorised intermediary, interest accrued during the holding period on the Notes will not be subject to *imposta sostitutiva* but must be included in the management results of the Fund. The Fund will not be subject to taxation on such results, but a withholding tax of 26 per cent. will apply in certain circumstances, to distributions made in favour of unitholders or shareholders (the **Collective Investment Fund Tax**).

Italian resident pension funds are subject to a 20 per cent annual substitute tax (the **Pension Fund Tax**) on the increase in value of the managed assets accrued at the end of each tax year. Subject to certain conditions (including minimum holding period requirement) and limitations, interest, premium and other income relating to the Notes may be excluded from the taxable base of the 20 per cent. substitute tax if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Any positive difference between the nominal redeemable amount of the Notes and their issue price is deemed to be interest for capital income (*redditi di capitale*) tax purposes. In general terms, income from capital is treated as a separate classification of tax liability only for tax-payers who are not engaged in entrepreneurial activities.

Capital Gains

Any capital gain realised upon the sale for consideration or redemption of the Notes would be treated for the purpose of corporate income tax and of individual income tax as part of the taxable business income of the holders of the Notes (and, in certain cases, depending on the status of the holders of the Notes, may also be included in the taxable basis of IRAP), and therefore subject to tax in Italy according to the relevant tax provisions, if derived by the holders of the Notes who are:

(a) Italian resident corporations;

(b) Italian resident commercial partnerships;

(c) permanent establishments in Italy of foreign corporations to which the Notes are effectively connected; or

(d) Italian resident individuals carrying out a commercial activity, as to any capital gains realised within the scope of their commercial activity.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from Italian capital gain taxes, including the *imposta sostitutiva*, on capital gains realised upon sale or redemption of the Notes, if the Notes are included in a long term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Pursuant to Legislative Decree No. 461 of 21 November 1997, any capital gain realised by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity and by certain other persons upon the sale for consideration or redemption of the Notes would be subject to an *imposta sostitutiva* at the rate of 26 per cent. Under the tax declaration regime, which is the standard regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity, *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by Italian resident individual noteholders holding the Notes not in connection with an entrepreneurial activity pursuant to all disposals on the Notes carried out during any given fiscal year. These individuals must report the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax declaration to be filed with the Italian tax authority for such year and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Italian resident individual noteholders holding the Notes not in connection with an entrepreneurial activity may elect to pay *imposta sostitutiva* separately on the capital gains realised upon each sale or redemption of the Notes (the ***Risparmio Amministrato*** regime). Such separate taxation of capital gains is permitted subject to:

(a) the Notes being deposited with Italian banks, società di intermediazione mobiliare (SIM) or certain authorised financial intermediaries; and

(b) an express election for the *Risparmio Amministrato* regime being timely made in writing by the relevant noteholder. The financial intermediary, on the basis of the information provided by the taxpayer, accounts for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes, net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authority on behalf of the taxpayer, deducting a corresponding amount from proceeds to be credited to the noteholder. Under the *Risparmio Amministrato* regime, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised in the same tax year or in the following tax years up to the fourth. Under the *Risparmio Amministrato* regime, the noteholder is not required to report capital gains in its annual tax declaration.

Any capital gains realised by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity who have elected for the Asset Management Option will be included in the calculation of the annual increase in net value of the managed assets accrued, even if not realised, at year end, subject to the Asset Management Tax to be applied on behalf of the taxpayer by the managing authorised intermediary. Under the Asset Management Option, any depreciation of the managed assets accrued at year end may be carried forward against an increase in the net value of the managed assets accrued in any of the four succeeding tax years. Under the Asset Management Option, the noteholder is not required to report capital gains realised in its annual tax declaration.

Any capital gains realised by an holder of the the Notes which is a Fund (as defined above) will be included in the results of the relevant portfolio accrued at the end of the tax period. The Fund will not be subject to taxation on such result, but the Collective Investment Fund Tax, up to 26 per cent., will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.

Any capital gains realised by the holders of the Notes who are Italian resident pension funds will be included in the calculation of the taxable basis of Pension Fund Tax.

Subject to certain conditions (including minimum holding period requirement) and limitations, interest, premium and other income relating to the Notes may be excluded from the taxable base of the 20 per cent. substitute tax if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

The 26 per cent. *imposta sostitutiva* may in certain circumstances be payable on capital gains realised upon sale for consideration or redemption of the Notes by non Italian resident persons or entities without a permanent establishment in Italy to which the Notes are effectively connected, if the Notes are held in Italy.

However, pursuant to Article 23 of Presidential Decree of 22 December 1986, No. 917, any capital gains realised, by non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected, through the sale for consideration or redemption of the Notes are exempt from taxation in Italy to the extent that the Notes are listed on a regulated market in Italy or abroad and in certain cases subject to filing of required documentation, even if the Notes are held in Italy. The exemption applies provided that the non Italian investor promptly file with the authorized financial intermediary an appropriate affidavit (*autodichiarazione*) stating that the investor is not resident in Italy for tax purposes.

In case the Notes are not listed on a regulated market in Italy or abroad:

(a) non Italian resident beneficial owners of the Notes with no permanent establishment in Italy to which the Notes are effectively connected are exempt from *imposta sostitutiva* in the Republic of Italy on any capital gains realised upon sale for consideration or redemption of the Notes if they are resident, for tax purposes, in a White List State or, in the case of qualifying institutional investors not subject to tax, they are established in such a country (see Article 5, paragraph 5, letter a) of Italian Legislative Decree No. 461 of 21 November 1997); in this case, if non Italian residents without a permanent establishment in Italy to which the Notes are effectively connected have opted for the *Risparmio Amministrato* regime or the Asset Management Option, exemption from Italian capital gains tax will apply upon condition that they file in due course with the authorised financial intermediary an appropriate self-declaration (*autocertificazione*) stating that they meet the requirements indicated above; and

(b) in any event, non Italian resident persons or entities without a permanent establishment in Italy to which the Notes are effectively connected that may benefit from a double taxation treaty with the Republic of Italy, providing that capital gains realised upon the sale or redemption of the Notes are to be taxed only in the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in the Republic of Italy on any capital gains realised upon sale for consideration or redemption of the Notes; in this case, if non Italian residents without a permanent establishment in Italy to which the Notes are effectively connected have opted for the *Risparmio Amministrato* regime or the Asset Management Option, exemption from Italian capital gains tax will apply upon the condition that they file in due course with the authorised financial intermediary appropriate documents which include, *inter alia*, a statement issued by the competent tax authorities of the country of residence of the non Italian residents.

Anti - Abuse Provisions and General Abuse of Law Doctrine

With Legislative Decree 5 August 2015, no. 128, the Italian Government introduced a new definition of "*abuse of law or tax avoidance*" ("*abuso del diritto o elusione fiscale*") that replaces all definitions and doctrines previously developed by the Italian tax authorities and endorsed by case law. Under the new definition, abuse of law occurs when one or more transactions, formally compliant with tax law, instead are lacking economic substance and are essentially aimed at obtaining undue tax advantages. There is no abuse of law when a transaction is justified by sound and material non-tax reasons, including managerial and organizational ones, aimed at improving the structure or the functionality of the business. Consequently, it is not possible to exclude, if the parties involved are not able to demonstrate that this securitisation transaction has been implemented not essentially for the purpose of obtaining a tax saving or reduction and that there are alternative or concurring financial motivation that are not of a merely marginal or theoretical character, that the tax regime of the securitisation as herein outlined is disallowed by the Italian Tax Authority, thereby possibly causing, amongst other, the recharacterisation of the Notes as shares-like securities or in any case securities not having the legal nature of a bond.

Inheritance and Gift Taxes

Italian inheritance and gift taxes were first abolished by Law No. 383 of 18 October, 2001 in respect of gifts made or succession proceedings started after 25 October, 2001 and then reintroduced by Law Decree No. 262 of 3 October 2006, converted with amendments into Law No. 286 of 24 November 2006, entered into force on 29 November 2006 and further modified by Law No. 296 of 27 December 2006, effective as of 1 January 2007.

Further to the above amendments to the legislation in force, the transfer by inheritance of the Notes is currently subject to inheritance tax at the following rates:

(a) 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;

(b) 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;

(c) 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;

(d) in any other case, the value of the Notes transferred to each beneficiary is subject to an 8 per cent. rate.

The transfer of the Notes by donation is subject to gift tax at the same rates as in case of inheritance.

Tax Monitoring

According to the Law Decree No. 167 of 28 June 1990, converted with amendments into Law No. 227 of 4 August 1990, as amended from time to time, 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, under certain conditions, are required to report for tax monitoring purposes in their yearly income tax the amount of investments (including the Notes) directly or indirectly held abroad.

The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the actual owner of the instrument.

Furthermore, the above reporting requirement is not required to comply with respect to Notes deposited for management or administration with qualified Italian financial intermediaries, with respect to contracts entered into through their intervention, on the condition that the items of income derived from the Notes have been subject to tax by the same intermediaries.

Stamp Duty

Pursuant to Article 13 par. 2/ter of the tariff Part I attached to Presidential Decree No. 642 of 26 October 1972, as amended by Article 1 par. 581 of Law No. 147 of 27 December 2013 ("**Decree 642**"), a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients in respect of any financial product and instrument, which may be deposited with such financial intermediary in Italy. The stamp duty applies at the rate of 0.20 per cent. and it cannot exceed € 14,000 for taxpayers which are not individuals. This stamp duty is determined on the market value or – in the absence of a market value – on the nominal value or the redemption amount of any financial product or financial instruments. Based on the interpretation of the law, it may be understood that the stamp duty applies

both to Italian resident and non-Italian resident Noteholders, to the extent that the Notes are held with an Italian-based financial intermediary.

The statement is considered to be sent at least once a year, even for instruments for which is not mandatory nor the deposit nor the release or the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable pro-rata.

Based on the wording of 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 relevant regulations issued by the Bank of Italy) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

Wealth Tax on securities deposited abroad

According to Article 19 (par. from 18 to 23) of Law Decree No. 201 of 6 December 2011, as amended and supplemented, Italian resident individuals, non-commercial entities and certain partnerships (società semplici or similar partnerships in accordance with Article 5 of Decree No. 917) holding financial assets – including the Notes - outside the Italian territory are required to declare in its own annual tax declaration and pay a wealth tax at a rate of 0.20 per cent ("**IVAFE**"). Starting from 1 January 2024, IVAFE applies at the rate of 0.4 per cent if the Notes are held in a country listed in the Italian Ministerial Decree dated 4 May 1999. IVAFE cannot exceed Euro 14,000.00 for taxpayers different from individuals.

IVAFE is calculated on the market value at the end of the relevant year (or at the end of the holding period) or – if no market value is available – on the nominal value or the redemption value, or in case the face or redemption values cannot be determined, on the purchase value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the IVAFE due). The financial assets held abroad are excluded from the scope of IVAFE, if such financial assets are administered by Italian financial intermediaries pursuant to an administration agreement and the items of income derived from the assets have been subject to tax by the same intermediaries. In this case, indeed, the above mentioned stamp duty provided for by Article 13 of the Tariff attached to Decree 642 does apply.

SUBSCRIPTION AND SALE

Banco BPM (the **Initial Series A1 Notes Subscriber**) has, pursuant to the Series A1 Notes Subscription Agreement executed on or about the Issue Date 2012 between, *inter alios*, the Issuer, the Initial Series A1 Notes Subscriber and the Representative of the Noteholders, agreed to subscribe and pay the Issuer for the Class A1 Notes at their issue price of 100 per cent of the aggregate principal amount of the Class A1 Notes.

Banco BPM (the **Initial Series A2 Notes Subscriber**) has, pursuant to the Series A2 Notes Subscription Agreement executed on or about the Issue Date 2016 between, *inter alios*, the Issuer, the Initial Series A2 Notes Subscriber and the Representative of the Noteholders, agreed to subscribe and pay the Issuer for the Class A2 Notes at their issue price of 100 per cent of the aggregate principal amount of the Class A2 Notes.

Banco BPM (the **Initial Series A3 Notes Subscriber**) has, pursuant to the Series A3 Notes Subscription Agreement executed on or about the Issue Date 2019 between, *inter alios*, the Issuer, the Initial Series A3 Notes Subscriber and the Representative of the Noteholders, agreed to subscribe and pay the Issuer for the Class A3 Notes at their issue price of 100 per cent of the aggregate principal amount of the Class A3 Notes.

Banco BPM (the **Initial Series A4 Notes Subscriber**) has, pursuant to the Series A4 Notes Subscription Agreement executed on or about the Issue Date 2024 between, *inter alios*, the Issuer, the Initial Series A4 Notes Subscriber and the Representative of the Noteholders, agreed to subscribe and pay the Issuer for the Class A4 Notes at their issue price of 100 per cent of the aggregate principal amount of the Class A4 Notes.

The Series A4 Notes Subscription Agreement is subject to a number of conditions and may be terminated by the Initial Series 4 Notes Subscriber in certain circumstances prior to payment to the Issuer for the Series 4 Notes.

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 pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act. The Issuer has not been and will not be registered under the Investment Company Act.

The Originator has agreed that it will not offer or sell the Notes within the United States or to, or for the account or benefit of, U.S. persons

(a) as part of its distribution at any time and

(b) otherwise until 40 (forty) calendar days after the completion of the distribution of all Notes except in accordance with Rule 903 of the Regulation S promulgated under the Securities Act. The Originator has agreed that it will not engage in any directed selling efforts with respect to the Series 4 Notes, and it has complied and will comply with the offering restrictions requirements of Regulation S under the Securities Act. At or prior to confirmation of sale of the Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

*"The Notes 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 or other jurisdiction of the United States and may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act."*

In addition, until 40 days after the commencement of this offering, an offer or sale of the Notes within the United States by a dealer (whether or not participating in this offering) may violate the registration requirements of the Securities Act.

Neither the Originator nor any other person intends to retain a risk retention interest contemplated by the final rules promulgated under Section 15G of the *Securities Exchange Act of 1934*, as amended, 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. Except with the prior written consent of the Originator and where such sale falls within the exemption provided by Section 20 of the U.S. Risk Retention Rules, the Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any U.S. person (as defined in the U.S. Risk Retention Rules)

REPUBLIC OF ITALY

Each of the Issuer and the Notes Subscriber has represented and agreed that no action has or will be taken by it, its affiliates or any other person acting on its behalf which would allow an offering (or an "*offerta al pubblico di prodotti finanziari*") of the Notes to the public in the Republic of Italy unless in compliance with the relevant Italian securities, tax and other applicable laws and regulations. Individual sales of the Notes to any Persons in the Republic of Italy may only be made in accordance with Italian securities, tax and other applicable laws and regulations.

Each of the Issuer and the Notes Subscriber has represented and agreed that no application has been made by it to obtain an authorisation from CONSOB for the public offering of the Series 4 Notes in the Republic of Italy.

Accordingly, each of the Issuer and the Initial Series 4 Notes Subscriber has represented and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver, and has not distributed and will not distribute and has not made and will not make available in the Republic of Italy the Notes, the Prospectus nor any other offering material relating to the Notes other than to qualified investors ("*investitori qualificati*"), as defined on the basis of the Prospectus Regulation pursuant to article 100, paragraph 1, letter (a), of Italian legislative decree No. 58 of 24 February 1998 (the **Consolidated Financial Act**) or in other circumstances where an express exemption from compliance with the restrictions to the offerings to the public applies, as provided under the Consolidated Financial Act or by article 34-*ter* of CONSOB regulation No. 11971/1999, and in accordance with applicable Italian laws and regulations.

Each of the Issuer and the Notes Subscriber has acknowledged and agreed that any offer, sale or delivery of the Notes in the Republic of Italy shall be made only by banks, investment firms or financial companies permitted to conduct such activities in Italy in accordance with Legislative Decree No. 385 of 1 September 1993, as amended, the Consolidated Financial Act, CONSOB Regulation No. 20307 of 15 February 2018 and any other applicable laws and regulations and in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

Each of the Issuer and the Notes Subscriber has acknowledged in connection with the subsequent distribution of the Notes in the Republic of Italy, that article 100-*bis* of the Consolidated Financial Act also requires compliance on the secondary market with the public offering rules and disclosure requirements set forth under the Consolidated Financial Act and relevant CONSOB implementing regulations, unless the above subsequent distribution is exempted from those rules and requirements according to the Consolidated Financial Act and relevant CONSOB implementing regulations.

FRANCE

Each of the Issuer and the Notes Subscriber has represented and agreed that the Prospectus has not been prepared in the context of a public offering in France within the meaning of article L.411-1 of the *Code monétaire et financier* and Title I of Book II of the *Règlement Général of the Autorité des marchés financiers* (the **AMF**) and therefore has not been approved by, or registered or filed with the AMF. Consequently, neither the Prospectus nor any other offering material relating to the Notes has been and will be released, issued or distributed or caused to be released, issued or distributed to the public in France or used in connection with any offer for subscription or sale of notes to the public in France.

Each of the Issuer and the Notes Subscriber has represented and agreed in connection with the initial distribution of the Series 4 Notes by it that:

(a) there has been and there will be no offer or sale, directly or indirectly, of the Notes to the public in the Republic of France (*an appel public à l'épargne* as defined in article L. 411-1 of the French *Code monétaire et financier*);

(b) offers and sales of Notes in the Republic of France will be made in compliance with applicable laws and regulations and only to (i) qualified investors (*investisseurs qualifiés*) as defined in articles L. 411-1, L. 411-2 and D. 411-1 of the French Code monétaire et financier; or a restricted circle of investors (*cercle restreint d'investisseurs*) as defined in article L. 411-1, L. 411-2 and D. 411-4 of the French Code monétaire et financier acting for their own account; or providers of investment services relating to portfolio management for the account of third parties (personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers) as mentioned in article L. 411-2, L. 533-16 and L. 533-20 of the *French Code monétaire et financier* (together the **Investors**);

(c) offers and sales of the Notes in the Republic of France will be made on the condition that:

(i) the Prospectus shall not be circulated or reproduced (in whole or in part) by the Investors and

(ii) the Investors undertake not to transfer the Series 4 Notes, directly or indirectly, to the public in France, other than in compliance with applicable laws and regulations pertaining to a public offering (and in particular articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the *Code monétaire et financier*).

UNITED KINGDOM

Each of the Issuer and the Notes Subscriber pursuant to the relevant Subscription Agreements represented and agreed, with respect to itself, that:

(a) *financial promotion*: any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the **FSMA**)) received by it in connection with the issue or sale of such Notes has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(b) *general compliance*: there has been and there will be compliance with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom;

(c) 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 of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) (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 of the United Kingdom by virtue of the EUWA.

General restrictions

The Issuer and the Noteholders (including the Originator as initial holders of the Notes) shall comply with all applicable laws and regulations in each jurisdiction in or which it may offer or sell the Notes. Furthermore, there will not be, directly or indirectly, an offer, sale or delivery of any 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 herein provided, no action will be taken to obtain permission for public offering of the Notes in any country where action would be required for such purpose.

Prohibition of sales to EEA retail investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression **retail investor** means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or

(ii) a customer within the meaning of Directive 2002/92/EC (as amended, the **Insurance Mediation Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Prospectus Directive; and

(b) the expression **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Series 4 Notes to be offered so as to enable an investor to decide to purchase or subscribe the Series 4 Notes.

In relation to each Member State of the EEA, each of the Issuer and the Originator 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 (one hundred and fifty) 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 paragraphs (i) to (iii) 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:

(a) 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

(b) the expression Prospectus Regulation means Regulation (EU) 2017/1129.

Prohibition of sales to UK retail investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. 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 of the United Kingdom by virtue of the 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 of the United Kingdom by virtue of the EUWA; or

(iii) not a qualified investor as defined in article 2 of the UK Prospectus Regulation;

(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.

The Issuer and the Originator 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 that Member State:

(a) at any time to any legal entity which is a qualified investor as defined article 2 of the UK Prospectus Regulation;

(b) at any time to fewer than 150 (one hundred and fifty) natural or legal persons (other than qualified investors as defined in 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 the Notes referred to in paragraphs (i) to (iii) 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:

(a) 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

(b) the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

GENERAL INFORMATION

The Issuer's LEI number

The Issuer's LEI number is 815600851E9427206817.

Authorisation

The issue of the Series A1 Notes has been authorised by resolutions of the quotaholder's meetings of the Issuer passed on 26 November 2012.

The issue of the Series A2 Notes has been authorised by resolutions of the quotaholder's meetings of the Issuer passed on 27 September 2016.

The issue of the Series A3 Notes has been authorised by resolutions of the quotaholder's meetings of the Issuer passed on 25 January 2019.

The issue of the Series 4 Notes has been authorised by resolutions of the quotaholder's meetings of the Issuer passed on 6 June 2024.

The Issuer has obtained (from time to time) all necessary consents, approvals and authorisations in connection with the issue and performance of the Series 1 Notes, Series 2 Notes, Series 3 Notes and Series 4 Notes.

Funds available to the Issuer

The principal source of funds available to the Issuer for the payment of interest and the repayment of principal on the Series 1 Notes, the Series 2 Notes, the Series 3 Notes and the Series 4 Notes will be from collections made in respect of the Portfolio.

Admission to trading

Application has been made for the Senior Notes to be admitted to trading on the professional segment Euronext Access Milan Professional of Euronext Access Milan Market, which is a multilateral trading system for the purposes of the Market in Financial Instruments Directive 2014/65/UE managed by Borsa Italiana.

No application has been made to list or admit to trading the Junior Notes on any stock exchange.

Clearing systems

The Senior Notes have been accepted for clearance through Euronext, Euroclear and Clearstream as follows:

Series of Notes	ISIN
Series A1 Notes	IT0004883051
Series A2 Notes	IT0005218414
Series A3 Notes	IT0005364549
Series A4 Notes	IT0005609307
Series B1 Notes	IT0004883374
Series B3 Notes	IT0005364556

The Notes shall be freely transferable, subject to the selling restrictions described in the section headed "*Subscription and sale*" above.

No significant change

There has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2023.

No material contracts or arrangements, other than those disclosed in this Prospectus, have been entered into by the Issuer since the date of its incorporation.

Legal and arbitration proceedings

The Issuer is not involved in any legal, governmental or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had, since its incorporation significant effects on the financial position or profitability of the Issuer.

Conflicts of interest

There are no restrictions on the Initial Series 4 Notes Subscriber, *inter alia*, acquiring the Series A4 Notes and/or financing to or for third parties. Consequently, conflicts of interest may exist or may arise as a result of the Initial Series 4 Notes Subscriber having different roles in this transaction and/or carrying out other transactions for third parties.

Financial Statements and Issuer's auditor

The Issuer will produce, and will make available at its registered office, proper accounts (*ordinata contabilità interna*) and audited (to the extent required) financial statements in respect of each financial year (commencing on 1 January and ending on 31 December) but will not produce interim financial statements.

PricewaterhouseCoopers S.p.A. whose registered office is in Milan, via Monte Rosa 91, are currently the auditors of the Issuer and are registered in the Special Register (Albo Speciale) for auditing companies (società di revisione) provided for by article 161 of legislative decree No. 58 of 24 February 1998 (repealed by article 43 of Italian legislative decree No. 39 of 27 January 2010 but still in force, pursuant to the latter decree, until the entry into force of the implementing regulations to be issued by the Ministry of Economy and Finance pursuant to such decree) and in the register of accountancy auditors (Registro dei Revisori Contabili), in compliance with the provisions of Legislative Decree No. 88 of 27 January 1992 (**Decree No. 88**). PricewaterhouseCoopers S.p.A. is also a member of ASSIREVI - Associazione Nazionale Revisori Contabili**.**

Copies of the financial statements of the Issuer for each financial year since the Issuer's incorporation will be published on the website of Banco BPM S.p.A. and may be inspected and obtained free of charge during usual business hours at the specified offices of the Issuer and the Representative of the Noteholders.

Borrowings

Save as disclosed in this Prospectus, as at the date of this Prospectus, the Issuer has no outstanding loan capital, borrowings, indebtedness or contingent liabilities, nor has the Issuer created any mortgages or charges or given any guarantees.

Documents and Transparency Requirements

Pursuant to article 7(2) of the Securitisation Regulation the Reporting Entity is the Originator.

The Reporting Entity makes available pursuant to article 7 of the Securitisation Regulation, on the on the Securitisation Repository, as the case may be:

(a) copies of the following documents listed under (d) and (e) below; together with:

(b) any other information which is required to be disclosed to Noteholders and prospective investors pursuant to the Securitisation Regulation and/or any relevant implementing regulation.

As long as the Notes are listed on the professional segment Euronext Access Milan Professional of Euronext Access Milan Market, copies of the following documents (and, with regard to the documents listed under (a)

and (b) below, the English translations thereof) will be also available in physical form for inspection free of charge during usual office hours on any Business Day (excluding public holidays) at the registered office of the Issuer and the Specified Offices of, respectively, the Representative of the Noteholders and the Principal Paying Agent (as set forth in Condition 17 (*Notices*)) for the life of this Prospectus:

(a) the by-laws (*statuto*) and the deed of incorporation (*atto costitutivo*) of the Issuer;

(b) the annual audited (to the extent required) financial statements of the Issuer for the last two financial years ended on 31 December 2023 and 31 December 2022, respectively. The Issuer does not publish statutory interim account;

(c) the Servicer Report setting forth the performance of the Claims and Collections made in respect of the Portfolio prepared by the Servicer;

(d) the Investor Reports; and

(e) copies of the following documents:

  (i) the Subscription Agreements;

  (ii) the Agency and Accounts Agreement;

  (iii) the Mandate Agreement;

  (iv) the Intercreditor Agreement;

  (v) the Italian Deed of Pledge;

  (vi) the Corporate Services Agreement;

  (vii) the Subordinated Loan Agreements;

  (viii) the Administrative Services Agreement;

  (ix) the Quotaholder's Commitment;

  (x) the Letter of Undertaking;

  (xi) the Transfer Agreements;

  (xii) the Servicing Agreement;

  (xiii) the Warranty and Indemnity Agreements; and

  (xiv) this Prospectus, the prospectus of the Series 1 Notes, the Prospectus of the Series 2 Notes and the Prospectus of the Series 3 Notes;

(f) any other information made available or to be made available on the Securitisation Repository pursuant to the section headed "*Compliance with STS requirements and regulatory capital requirements*".

Websites and webpages

The websites referred to in this Prospectus and the information contained in such websites do not form part of this Prospectus and have not been scrutinised or approved by the competent authority. Neither the Issuer nor any of the parties listed under this Prospectus take responsibility for the further information available in the websites referred to in this Prospectus.

Notes freely transferable

Save as described in the section headed "*Subscription and Sale*", the Series Notes shall be freely transferable.

Annual fees

The estimated annual fees and expense payable by the Issuer in connection with the transaction described herein amount to approximately €70,000.00, excluding all fees payable to the Servicer under the Servicing Agreement, plus any VAT if applicable.

ISSUER

BPL Mortgages S.r.l.

via Alfieri, 1
31015 Conegliano (Treviso)
Italy

ORIGINATOR, SERVICER, TRANSACTION BANK, SUBORDINATED LOAN PROVIDER, INTERIM ACCOUNT BANK AND ADMINISTRATIVE SERVICER

Banca BPM S.p.A.

Piazza F. Meda, 4
20121 Milan
Italy

REPRESENTATIVE OF THE NOTEHOLDERS, PRINCIPAL PAYING AGENT, ADDITIONAL TRANSACTION BANK, COMPUTATION AGENT AND AGENT BANK

BNP Paribas, Italian Branch

Piazza Lina Bo Bardi, 3, 20124 Milan

Italy

CORPORATE SERVICER AND BACK-UP SERVICER FACILITATOR

Banca Finanziaria Internazionale S.p.A.

via Alfieri, 1
31015 Conegliano (Treviso)
Italy

AUDITORS TO THE ISSUER

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Italy

QUOTAHOLDER

SVM Securitisation Vehicles Management S.r.l.

via Alfieri, 1, 31015 Conegliano (Treviso)
Italy

LEGAL ADVISER

DLA Piper Studio Legale Tributario Associato

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