

**BASE PROSPECTUS DATED 7 SEPTEMBER 2023**

**MARZIO FINANCE S.R.L.**

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

**€ 10,000,000,000 Asset Backed Notes Programme**

Under the € 10,000,000,000 Asset Backed Notes Programme (the "**Programme**") described in this Base Prospectus (as defined below) Marzio Finance S.r.l., a *società a responsabilità limitata* incorporated under the laws of the Republic of Italy (the "**Issuer**"), in accordance with the Securitisation Law (as defined below) and all relevant applicable laws, regulations and directives, may from time to time issue limited recourse asset-backed notes (the "**Notes**").

The aggregate nominal amount of the Notes outstanding under the Programme will not at any time exceed € 10,000,000,000.

The Notes may be issued in series (each a "**Series**") and each Series may consist of: (i) class A limited recourse asset-backed notes (the "**Class A Notes**" or the "**Senior Notes**"); (ii) class B limited recourse asset-backed notes (the "**Class B Notes**" or the "**Mezzanine Notes**" and, together with the Class A Notes the "**Rated Notes**"); and (iii) class J limited recourse asset-backed notes (the "**Class J Notes**" or the "**Junior Notes**").

Each Series will be issued, in the context of a single transaction, for the purpose of financing the purchase of a single Portfolio of Receivables, pursuant to articles 1 and 5 of the Italian law no. 130 of 30 April 1999, as amended and supplemented from time to time (the "**Securitisation Law**"), in accordance with the Programme Receivables Purchase Agreement executed on 21 July 2017, as amended and restated from time to time, pursuant to which the Issuer shall purchase Portfolios of Receivables from the Originator, subject to certain conditions set forth therein (each a "**Transaction**").

Each Series may be issued without the consent of the holders of any outstanding Notes, subject to certain conditions. Notice of, *inter alia*, the aggregate nominal amount of Notes, interest (if any) payable in respect of the Notes and the relevant maturity date which are applicable to each Series will be set out in the final terms applicable to the relevant Series (the "**Final Terms**").

The Rated Notes of each Series will bear interest on their Principal Amount Outstanding from and including the relevant Issue Date (as specified in the applicable Final Terms) at the rate set out in the relevant Final Terms in respect of such Series. The Junior Notes of each Series will have a remuneration equal to the Variable Return, if any, (as defined in the Junior Notes Conditions). Interest in respect of the Rated Notes will accrue on a daily basis and will be payable, together with any Variable Return of the Junior Notes (if any), in arrears in Euro on each relevant Payment Date in accordance with the relevant Priority of Payments. The first Payment Date in respect of the Notes of any Series will be specified in the applicable Final Terms for such Series.

The principal source of payment of interest and Variable Return and of repayment of principal on the Notes, with reference to each Series, will be the collections and recoveries made in respect of monetary claims and connected rights arising out of the Receivables deriving from the Loan Agreements entered into by IBL - Istituto Bancario del Lavoro S.p.A., as Originator, and the relevant Borrowers, included in the relevant Portfolio purchased by the Issuer from the Originator in the context of each Transaction.

By virtue of the operation of article 3 of the Securitisation Law, the Programme Documents and each Series Document, with reference to each Transaction the Issuer's rights, title and interest in and to the relevant Portfolio purchased by the Issuer under each such Transaction, any monetary claim accrued by the Issuer in the context of such Transaction, the relevant collections and the financial assets purchased through such collections (the "**Issuer's Series Segregated Assets**") will be segregated from all other assets of the Issuer (including, for the avoidance of doubt, any other Portfolio purchased by the Issuer in the context of the Programme). Therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders of the relevant Series, to the Other Issuer Creditors of the relevant Transaction and to any other creditors of the Issuer in the context of such Transaction in respect of any costs, fees and expenses in relation to the relevant Transaction, in priority to the Issuer's obligations to any other creditors.

This base prospectus (the "**Base Prospectus**") constitutes a "*base prospectus*" for the Rated Notes, for the purpose of the listing and issuing rules of the Luxembourg Stock Exchange and article 8 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended, supplemented or superseded from time to time, the "**Prospectus Regulation**"), and the relevant implementing measures in Luxembourg, and a "*Prospetto Informativo*", for both the Rated Notes and the Junior Notes, for the purposes of article 2, sub-section 3, of the Securitisation Law. This Base Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), as competent authority under the Prospectus

Regulation for the purpose of the admission to trading of the Rated Notes on the regulated market of the Luxembourg Stock Exchange. CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and any such approval of the Base Prospectus by the CSSF should not be considered as an endorsement of the quality of the securities that are subject of this Base Prospectus and the Issuer and the CSSF shall give no undertaking as to the economic and financial soundness of the transaction or the quality or solvency of the Issuer, in accordance with article 6(4) of *loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières* - Investors should make their own assessment as to the suitability of investing in the securities.

The CSSF has neither approved or reviewed any information relating to the Junior Notes, as only the Rated Notes will be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange.

**This Base Prospectus is valid for 12 months, from 7 September 2023 to 7 September 2024. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.**

Each Transaction under the Programme is intended to be qualified as a STS-securitisation within the meaning of article 18 of Regulation (EU) no. 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 and its relevant technical standards (the “**EU Securitisation Regulation**”). Consequently, each Transaction carried out under the Programme meeting the requirements of articles 19 to 22 of the EU Securitisation Regulation (the “**STS Requirements**”), will be notified on or about the relevant 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. Each STS Notification will be available for download on the ESMA website (being, as at the date of this Base Prospectus, [https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_stsre](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre)).

The Originator will use the service of Prime Collateralised Securities EU SAS (“**PCS**”), as a third party verifying the STS compliance, authorised under article 28 of the EU Securitisation Regulation in connection with the STS Verification and the CRR Assessment. It is expected that the STS Verification and the CRR Assessment prepared by PCS will be available on the PCS website (<https://pcsmarket.org/sts-verification-transactions/>) together with a detailed explanation of its scope at <https://pcsmarket.org/disclaimer/>. For the avoidance of doubt, such PCS website and the contents thereof do not form part of this Base Prospectus. **No assurance can be provided that each Transaction will or will continue to qualify as an STS-securitisation under the EU Securitisation Regulation on the relevant Issue Date or at any point in time in the future.** None of the Issuer, the Originator, the Co-Arrangers, the Subscribers and the Representative of the Noteholders or any other party to the Transaction Documents makes any representation or accepts any liability for the relevant Transaction to qualify as an STS-securitisation under the EU Securitisation Regulation on the relevant Issue Date or at any point in time in the future.

The STS Notification will be available for download on the ESMA website (being, as at the date of this Base Prospectus, [https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_stsre](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre)) (the “**ESMA STS Register**”)

Compliance with the STS Requirements is not a recommendation to buy, sell or hold securities. It is neither and investment advice nor a credit rating.

Each prospective Noteholder is required to independently assess and determine the sufficiency of the information described in this Base Prospectus for the purposes of complying with article 5 of the EU Securitisation Regulation, and none of the Issuer, IBL Banca (in any capacity), the Co-Arrangers, the Subscribers or any other party to the Transaction Documents, makes any representation that the information described in this Base 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. Any material net economic interest to be maintained in the context of each Transaction will be determined as at each Issue Date in accordance with article 6 of the EU Securitisation Regulation.

From 1 January 2021, relevant UK-established or UK-regulated persons are subject to the EU Prospectus Regulation as it forms part of the domestic law of the UK as “retained EU law” by virtue of the European Union (Withdrawal) Act 2018, as amended (the “**EUWA**”), and as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019 (the “**Securitisation EU Exit Regulations**”, and as may be further amended, the “**UK Securitisation Regulation**”). Article 5 of the UK Securitisation Regulation places certain conditions on investments in a “securitisation” (as defined in the UK Securitisation Regulation) (the “**UK Due Diligence Requirements**”) by an “institutional investor” (as defined in the UK Securitisation Regulation). The UK Due

Diligence Requirements also apply to investments by certain consolidated affiliates, wherever established or located, of such institutional investors which are CRR firms (as defined by article 4(1)(2A) of Regulation (EU) No 575/2013, as it forms part of the domestic law of the UK by virtue of the EUWA) (such affiliates, together with all such institutional investors, "**UK Affected Investors**"). Since the exit of the UK from the European Union has been completed in the future some other divergences between EU and UK regimes could furtherly occur and, therefore, the risk of more divergence in the future between EU and UK regimes cannot be ruled out.

None of the Issuer, the Originator, the Co-Arrangers, the Subscribers and the Representative of the Noteholders or any other party to the Transaction Documents will retain or commit to retain a 5 per cent. material net economic interest with respect to the Securitisation in accordance with the UK Securitisation Regulation or makes or intends to make any representation or agreement that it or any other party is undertaking or will undertake to take or refrain from taking any action to facilitate or enable the compliance by UK Affected Investors with the UK Due Diligence Requirements, or to comply with the requirements of any other law or regulation now or hereafter in effect in the UK in relation to risk retention, due diligence and monitoring, credit granting standards or any other conditions with respect to investments in securitisation transactions by UK Affected Investors.

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

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

None of the Co-Arrangers or the Subscribers is responsible for any obligation of the Seller or the Issuer for compliance with the requirements (including existing or ongoing reporting requirements) of the EU Securitisation Regulation or any corresponding national measures which may be relevant or the UK Securitisation Regulation.

The Originator will retain, with effect from the Issue Date of each Series of Notes issued under the Programme, and maintain on an ongoing basis at least 5 % (five per cent.) of net economic interest in accordance with one of the options provided for under article 6 of the EU Securitisation Regulation – as specified in the Final Terms applicable to such Series.

The method to be applied by the Originator for retaining a net economic interest may vary for each Transaction. It will be selected by the Originator in connection with the implementation of the relevant Transaction and the Issue Date of the relevant Series (as specified in the Final Terms applicable to such Notes) and will be compliant with the Retention and Transparency Rules (as defined below).

Conversely, none of the Transactions will comply with the U.S. Risk Retention Rules other than, whilst it will be designed so as to benefit from the exemption under Section 20 of the U.S. Risk Retention Rules. No other steps have been, or will be, taken by the Issuer, the Originator, the Co-Arrangers, the Subscribers or any of their affiliates or any other party to accomplish such compliance.

In respect of any Series issued under the Programme, at least two rating agencies shall assign a rating to the Senior Notes and/or Mezzanine Notes of the relevant Series as specified in the applicable Final Terms, provided that such rating agencies are established (i) in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No. 513/2011 of the European Parliament and of the Council of 11 May 2011 and by Regulation (EU) No. 462/2013 of the European Parliament and of the Council of 21 May 2013 (the "**EU CRA Regulation**"), (ii) in the UK and registered under EU CRA Regulation, as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the "**UK CRA Regulation**"), and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the website of the European Securities and Markets Authority (currently located at the following website address <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>). For the avoidance of doubt, such website does not constitute part of this Base Prospectus (the "**ESMA Website**").

In case the Rated Notes will be rated by Moody's, its general meaning of each relevant long-term debt single rating is as follows (data have been taken out from Moody's website). Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

**Aaa** - Obligations rated **Aaa** are judged to be of the highest quality, subject to the lowest level of credit risk.

**Aa** - Obligations rated **Aa** are judged to be of high quality and are subject to very low credit risk.

**A** - Obligations rated **A** are considered upper – medium – grade and are subject to low credit risk.  
**Baa** - Obligations rated **Baa** are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.  
**Ba** - Obligations rated **Ba** are judged to have speculative elements and are subject to substantial credit risk.  
**B** - Obligations rated **B** are considered speculative and are subject to high credit risk.  
**Caa** Obligations rated **Caa** are judged to be speculative of poor standing and are subject to very high credit risk.  
**Ca** Obligations rated **Ca** are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.  
**C** Obligations rated **C** are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.

In case the Rated Notes will be rated by DBRS, its general meaning of each relevant long-term debt single rating is as follows (data have been taken out from DBRS's website). The below provide an opinion on the risk of default. That is, the risk that an issuer will fail to satisfy its financial obligations in accordance with the terms under which an obligation has been issued. Ratings are based on quantitative and qualitative considerations relevant to the issuer, and the relative ranking of claims. Rating categories below may contain subcategories (high) and (low). The absence of either a (high) or (low) designation indicates the rating is in the middle of the category.

**AAA** - Highest credit quality. The capacity for the payment of financial obligations is exceptionally high and unlikely to be adversely affected by future events.

**AA** - Superior credit quality. The capacity for the payment of financial obligations is considered high. Credit quality differs from **AAA** only to a small degree. Unlikely to be significantly vulnerable to future events.

**A** - Good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than **AA**. May be vulnerable to future events, but qualifying negative factors are considered manageable.

**BBB** - Adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.

**BB** – Speculative, non-investment-grade credit quality. The capacity for the payment of financial obligations is uncertain. Vulnerable to future events.

**B** Highly speculative credit quality. There is a high level of uncertainty as to the capacity to meet financial obligations.

**CCC / CC / C** - Very highly speculative credit quality. In danger of defaulting on financial obligations. There is little difference between these three categories, although **CC** and **C** ratings are normally applied to obligations that are seen as highly likely to default, or subordinated to obligations rated in the **CCC** to **B** range. Obligations in respect of which default has not technically taken place but is considered inevitable may be rated in the **C** category.

**D** -When the issuer has filed under any applicable bankruptcy, insolvency or winding up statute or there is a failure to satisfy an obligation after the exhaustion of grace periods, a downgrade to **D** may occur. DBRS may also use SD (Selective Default) in cases where only some securities are impacted, such as the case of a “distressed exchange”.

In case the Rated Notes will be rated by Scope, Scope's general meaning of each relevant long-term debt single rating is as follows (data have been taken out from Scope's website, “Rating Definitions – Credit Rating and Ancillary Services”)

**AAA** -Ratings at the **AAA** level reflect an opinion of exceptionally strong credit quality.

**AA** - Ratings at the **AA** level reflect an opinion of very strong credit quality.

**A** - Ratings at the **A** level reflect an opinion of strong credit quality.

**BBB** -Ratings at the **BBB** level reflect an opinion of good credit quality.

**BB** Ratings at the **BB** level reflect an opinion of moderate credit quality.

**B** -Ratings at the **B** level reflect an opinion of weak credit quality.

**CCC** -Ratings at the **CCC** level reflect an opinion of very weak credit quality.

**CC**- Ratings at the **CC** level reflect an opinion of extremely weak credit quality.

**C**- Ratings at the **C** level reflect an opinion of exceptionally weak credit quality.

In case the Rated Notes will be rated by Fitch, Fitch's general meaning of each relevant long-term debt single rating is as follows (data have been taken out from Fitch's website, “Rating Definitions”).

**AAA - Highest Credit Quality**

‘AAA’ ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

**AA - Very High Credit Quality**

'AA' ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

**A - High Credit Quality**

'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

**BBB - Good Credit Quality**

'BBB' ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

**BB - Speculative**

'BB' ratings indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time.

**B - Highly Speculative**

'B' ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

**CCC - Substantial Credit Risk**

Very low margin for safety. Default is a real possibility.

**CC - Very High Levels of Credit Risk**

Default of some kind appears probable.

**C - Exceptionally High Levels of Credit Risk**

Default appears imminent or inevitable

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

As at the date of this Base Prospectus, payments of interest and other proceeds in respect of the Notes to be issued may be subject to withholding or deduction for or on account of Italian substitute tax, in accordance with Legislative Decree No. 239 of 1 April 1996 ("**Decree 239**") and any related regulations. Upon the occurrence of any withholding or deduction for or on account of tax from any payments under the Notes of any Class, neither the Issuer nor any other person shall have any obligation to pay any additional amount(s) to any holder of Notes of any Class. For further details see the section entitled "*Taxation*".

The Notes of any Series will be limited recourse obligations solely of the Issuer. In particular, the Notes of any Series will not be obligations or responsibilities of, or guaranteed by, any of the Originator, the Master Servicer, the Servicer, the Back-up Servicer, the Representative of the Noteholders, the Calculation Agent, the Back-up Calculation Agent, the Collection Account Bank, the Transaction Bank, the Investment Account Bank, the Cash Manager, the Principal Paying Agent, the Italian Paying Agent, the Listing Agent, the Corporate Servicer, the relevant Subscriber(s), the Co-Arrangers, the Series Swap Counterparty (if any), the Programme Administrator, the Quotaholder or any of their respective affiliates or any other party (other than the Issuer) to the Transaction Documents. Furthermore, none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes of any Series.

With reference to each Series of Notes, as of the relevant Issue Date of such Series, the Notes will be held in dematerialised form on behalf of the ultimate owners by Monte Titoli for the account of the relevant Monte Titoli Account Holders. Monte Titoli shall act as depository for Euroclear and Clearstream. The Notes will at all times be evidenced by book-entries in accordance with the provisions of article 83-bis of the Financial Laws Consolidation Act and the regulation issued jointly by the Bank of Italy and the *Commissione Nazionale per le Società e la Borsa* on 13 August 2018, as subsequently amended and supplemented. No physical document of title will be issued in respect of the Notes.

Before the relevant maturity date, the Notes of each Series will be subject to mandatory and/or optional redemption in whole or in part in certain circumstances (as set out in Condition 8 (*Redemption, purchase and cancellation*)). Unless previously redeemed in full in accordance with the Conditions, the Notes of each Series will be redeemed on the relevant Final Maturity Date. Save as provided in the Conditions, with reference to each Series, the Notes of each Class will be subject to mandatory redemption in full (or in part *pro rata*) on the First Payment Date and on each Payment Date thereafter in accordance with the Conditions, in each case if on such dates there are sufficient Series Available Funds which may be applied for this purpose in accordance with the relevant Priority of Payments.

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

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

*Co-Arrangers*

**IBL – ISTITUTO BANCARIO DEL LAVORO S.P.A.**

**UNICREDIT BANK AG**

## IMPORTANT INFORMATION

*This Base Prospectus constitutes a base prospectus for the purposes of article 8 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended, supplemented or superseded the "**Prospectus Regulation**") and for the purpose of giving information with regard to the Issuer and the Notes which, according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.*

***The Co-Arrangers and the Subscribers have not separately verified and will not separately verify the information contained in this Base Prospectus, the Final Terms of each Series of Notes and the other Transaction Documents. The Co-Arrangers and the Subscribers do not make any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus, the Final Terms of each Series of Notes and the other Transaction Documents.***

*None of the Issuer, the Co-Arrangers, the Subscribers or any other party to the Transaction Documents other than the Originator has undertaken or will undertake any investigation, searches or other actions to verify the details of the Receivables sold by the Originator to the Issuer, nor has any of the Issuer, the Co-Arrangers, the Subscribers or any other party to 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 the Programme Warranty and Indemnity Agreement and in each relevant Transfer Agreement, the Originator has given certain representations and warranties to the Issuer in relation to, inter alia, the Receivables, the Loan Agreements and the Debtors.*

*The Issuer accepts responsibility for the information contained and incorporated by reference in this Base Prospectus. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus does not omit anything likely to affect the import of such information, is true and accurate in all material respects and is not misleading and that the opinions and intentions expressed in this Base Prospectus are honestly held and there are no other facts the omission of which would make this Base Prospectus or any of such information or the expression of any such opinions or intentions misleading.*

*IBL Servicing S.p.A. accepts responsibility for the information included in this Base Prospectus in the section "The Servicer", "Description of the Programme Documents - The Programme Servicing Agreement" and any other information contained in this Base Prospectus and in the relevant Final Terms relating to itself. To the best of the knowledge and belief of IBL Servicing S.p.A. (which has taken all reasonable care to ensure that such is the case), such information is true and does not omit anything likely to affect the import of such information.*

*IBL – Istituto Bancario del Lavoro S.p.A. accepts responsibility for the information included in this Base Prospectus in the sections "The Portfolios", "The Originator, the Master Servicer, the Servicer, the Calculation Agent, the Collection Account Bank, the Cash Manager, the Programme Administrator and the Corporate Servicer", "Credit and Collection Policy", "Description of the Programme Documents - The Programme Receivables Purchase Agreement" and "Description of the Programme Documents - The Programme Servicing Agreement" and any other information contained in this Base Prospectus and in the relevant Final Terms relating to itself, the Receivables and the Loan Agreements. To the best of the knowledge and belief of IBL – Istituto Bancario del Lavoro S.p.A. (which has taken all reasonable care to ensure that such is the case), such information is true and does not omit anything likely to affect the import of such information.*

*Zenith Service S.p.A. accepts responsibility for the information included in this Base Prospectus in the section "The Back-up Servicer and the Back-up Calculation Agent". To the best of the knowledge and belief of Zenith Service S.p.A. (which has taken all reasonable care to ensure that such is the case), such information is true and does not omit anything likely to affect the import of such information.*

*CITIBANK N.A., Milan Branch and CITIBANK N.A, London Branch accept responsibility for the information included in this Base Prospectus in the sections "The Transaction Bank and the Italian Paying Agent" and "The*

Investment Account Bank and The Principal Paying Agent". To the best of the knowledge and belief of CITI Milan and CITI London (which have taken all reasonable care to ensure that such is the case), such information is true and does not omit anything likely to affect the import of such information.

Banca Finint S.p.A. accepts responsibility for the information included in this Base Prospectus in the section "The Representative of the Noteholders". To the best of the knowledge and belief of Banca Finint S.p.A., which has taken all reasonable care to ensure that such is the case), such information is true and does not omit anything likely to affect the import of such information.

**No person has been authorised to give any information or to make any representation not contained in this Base Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by, or on behalf of, the Co-Arrangers, the Subscribers, the Representative of the Noteholders, the Issuer, the Servicer, the Quotaholder, IBL – Istituto Bancario del Lavoro S.p.A. (in any capacity) or any other party to the Transaction Documents. Neither the delivery of this Base 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 not been any change or any event reasonably likely to involve any change, in the condition (financial or otherwise) of the Issuer or IBL – Istituto Bancario del Lavoro S.p.A. or the information contained herein since the date hereof, or that the information contained herein is correct as at any time subsequent to the date of this Base Prospectus.**

The Notes of any Series constitute direct limited recourse obligations solely of the Issuer.

By virtue of the operation of article 3 of the Securitisation Law, the Programme Documents and each Series Document, with reference to each Transaction, the Issuer's right, title and interest in and to the relevant Portfolio purchased by the Issuer under each such Transaction and the other Issuer's Series Segregated Assets will be segregated from all other assets of the Issuer (including, for the avoidance of doubt, any other Portfolio purchased in the context of the Programme). Therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders of the relevant Series, to the Other Issuer Creditors of the relevant Transaction and to any other creditors of the Issuer in the context of such Transaction in respect of any costs, fees and expenses in relation to the relevant Transaction, in priority to the Issuer's obligations to any other creditors. With reference to each Transaction, the relevant Noteholders, by virtue of holding the Notes, will agree that the Series Available Funds will be applied by the Issuer in accordance with the relevant priority of payments as outlined in Condition 6 (Priority of Payments). The distribution of this Base Prospectus and the offer, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus (or any part of it) comes are required by the Issuer and the relevant Subscriber(s) to inform themselves about, and to observe, any such restrictions. Neither this Base Prospectus nor any part of it constitutes an offer, or may be used for the purpose of an offer to sell any of the Notes, or a solicitation of an offer to buy any of the Notes, by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any other state securities laws and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered or sold within the United States or for the benefit of U.S. persons (as defined in Regulation S under the Securities Act).

The Issuer will not be required to register as an "investment company" under the U.S. Investment Company Act of 1940, as amended (the "**Investment Company Act**"). The Issuer is being structured so as not to constitute a "covered fund" for purposes of the regulations adopted to implement Section 619 of the Dodd-Frank Act (such statutory provision together with such implementing regulations, the "**Volcker Rule**"). In this respect, however, please see also paragraph entitled "Volcker Rule may restrict the ability of relevant individual prospective purchaser to invest in the Notes" of the section entitled "Risk Factors".

Each Transaction was not and will not be designed to comply with the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended and implemented from time to time (the "**U.S. Risk Retention Rules**"), and no steps have been taken by the Issuer or the Co-Arrangers or any of their affiliates

or any other party to accomplish such compliance, but rather it is intended to rely on the safe harbor exemption for certain non-U.S. transactions set forth in the U.S. Risk Retention Rules. In this respect, however, please see also paragraph entitled "The Originator intends to rely on an exemption from U.S. Risk Retention" of the section entitled "Risk Factors".

The Notes may not be offered or sold, directly or indirectly, and neither this Base Prospectus nor any final terms, other offering circular, form of application, advertisement, other offering material or other information relating to the Issuer or the Notes may be issued, distributed or published in any country or jurisdiction (including the Republic of Italy, the United Kingdom and the United States), except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations. For a further description of certain restrictions on offers and sales of the Notes and the distribution of this Base Prospectus see the section entitled "Subscription, Sale and Selling Restrictions".

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

All references in this Base 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.

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

In particular, investment in the Notes is only suitable for investors who:

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

Prospective investors 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.

**PRIIPs / EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive 2016/97/EU ("**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in article 2 of the Prospectus Regulation. Consequently, none of the Issuer, IBL Banca (in any capacity), the Co-Arrangers, the Subscribers or any other Transaction Parties has prepared, or will prepare, a "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 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.

*UK PRIIPS / 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 Commission Delegated Regulation (EU) 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) ("EUWA"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (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 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 / Professional Investors and ECPs only Target Market – Solely for the purpose of each manufacturer's product approval process (i) the target market assessment in respect of the Notes of each Series will be eligible counterparties and professional clients only, each as defined in MIFID II and (ii) all channels for distribution of the Notes of each Series to eligible counterparties and professional clients will be 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 EUWA ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.*

*BENCHMARK REGULATION (Regulation (EU) 2016/1011) - Amounts payable in relation to the Notes which bear a Floating Interest Rate will be calculated by reference to EURIBOR as specified in the relevant Final Terms. As at the date of this Base Prospectus, the administrator of EURIBOR is the European Money Markets Institute ("EMMI"), 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 "BMR"). The BMR 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 BMR. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the published rate or level of the benchmark. Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the BMR reforms in making any investment decision with respect to the Notes.*

*STS-SECURITISATION (Regulation (EU) 2402/2017) - Each Transaction under the Programme is intended to be qualified as a STS-securitisation within the meaning of article 18 of Regulation (EU) no. 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 and its relevant technical standards (the "EU Securitisation Regulation"). Consequently, each Transaction carried out under the Programme meeting the requirements of articles 19 to 22 of the EU Securitisation Regulation, will be notified on or about the relevant 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. Each STS Notification will be available for download on the ESMA website (being, as at the date of this Base Prospectus, [https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_stsre](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre)).*

The Originator will use the service of Prime Collateralised Securities EU SAS (“**PCS**”), as a third party verifying STS compliance, authorised under article 28 of the EU Securitisation Regulation in connection with the STS Verification and the CRR Assessment. It is expected that the STS Verification and the CRR Assessment prepared by PCS will be available on the PCS website (<https://pcsmarket.org/sts-verification-transactions/>) together with a detailed explanation of its scope at <https://pcsmarket.org/disclaimer/>. For the avoidance of doubt, such PCS website and the contents thereof do not form part of this Base Prospectus. **No assurance can be provided that each Transaction will or will continue to qualify as an STS-securitisation under the EU Securitisation Regulation on the relevant Issue Date or at any point in time in the future.**

The STS Notification will be available for download on the ESMA website (being, as at the date of this Base Prospectus, [https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_stsre](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre)) (the “**ESMA STS Register**”).

Compliance with the STS Requirements is not a recommendation to buy, sell or hold securities. It is neither and investment advice nor a credit rating.

None of the Issuer, the Originator, the Co-Arrangers, the Subscribers, the Representative of the Noteholders or any other party to the Transaction Documents makes any representation or accepts any liability for the relevant Transaction to qualify as an STS-securitisation under the EU Securitisation Regulation on the relevant Issue Date or at any point in time in the future. Furthermore, it should be noted that as at the date of this Base Prospectus the Notes are not expected to satisfy the requirements stemming from article 13 of Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 (the “**LCR Delegated Regulation**”).

Please refer to the sections entitled “Compliance with STS Requirements” and “Regulatory Disclosure and Retention Undertaking” for further information.

Capitalised words and expressions in this Base Prospectus shall, except so far as the context otherwise requires or otherwise specified herein, have the meanings set out in the section entitled “Glossary”.

**EURO SYSTEM ELIGIBILITY** - The Class A Notes are intended to be issued in a manner which will allow for participation in the Eurosystem liquidity scheme. However, there is no guarantee and neither the Issuer nor each Co-Arranger, the Subscribers or the Originator nor any other person take responsibility for the Class A Notes being recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the Class A Notes satisfying the Eurosystem eligibility criteria (as amended from time to time). 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 or to their rating and listing 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 Eurosystem monetary policy and intra-day credit operations rests with the relevant central bank. None of the Issuer, the Originator, any of the Co-Arrangers, the Subscribers 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.

For a discussion of certain risks and other factors that should be considered in connection with an investment in the Notes, see the section headed “Risk Factors”. None of the Issuer, the Originator, the Co-Arrangers, the Subscribers 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.

**CHANGE OF LAW** - The structure of the Programme and, *inter alia*, the issue of any Series of Notes and the ratings assigned (and which will be assigned) to the Rated Notes are based on Italian law, tax and administrative practice in effect at the date hereof, having due regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given that Italian law, tax or administrative practice will not change after the Issue Date of any Series or that such change will not adversely impact the structure of the Programme and the treatment of the Notes.

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

## **BASE PROSPECTUS SUPPLEMENT**

If at any time the Issuer shall be required to prepare a Base Prospectus supplement pursuant to article 23 of the Prospectus Regulation relating to prospectuses for securities, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus or a further Base Prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market, shall constitute a prospectus supplement as required by article 23 of the Prospectus Regulation relating to prospectuses for securities.

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## GENERAL DESCRIPTION OF THE PROGRAMME

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

### 1. PRINCIPAL PARTIES

<b>Issuer</b>	Marzio Finance S.r.l., a <i>società a responsabilità limitata</i> incorporated under the laws of the Republic of Italy pursuant to the Securitisation Law, having its registered office at Viale Parioli 10, 00197 – Rome, Italy, fiscal code and enrolment with the companies register of Rome under number 09840320965, enrolled in the <i>elenco delle società veicolo</i> held by the Bank of Italy pursuant to article 4 of the resolution of the Bank of Italy dated 7 June 2017 and having as its sole corporate object the realisation of securitisation transactions under Italian law no. 130 of 30 April 1999, as amended and supplemented from time to time (the " <b>Securitisation Law</b> ").
<b>Originator</b>	IBL – Istituto Bancario del Lavoro S.p.A., a bank incorporated under the laws of the Republic of Italy as a joint stock company ( <i>società per azioni</i> ), having its registered office at Via Venti Settembre 30, Rome, Italy, fiscal code and enrolment with the companies register of Rome number 00452550585, enrolled under number 5578 in the <i>albo delle banche</i> held by the Bank of Italy pursuant to article 13 of the Legislative Decree no. 385 of 1 September 1993, as amended and supplemented from time to time (the " <b>Consolidated Banking Act</b> "), holding company ( <i>capogruppo</i> ) of the banking group ( <i>gruppo bancario</i> ) "IBL Banca" enrolled under number 3263.1 in the <i>albo dei gruppi bancari</i> held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act (" <b>IBL Banca</b> ").
<b>Master Servicer</b>	IBL Servicing S.p.A., a financial intermediary incorporated under the laws of the Republic of Italy, having its registered office at Via Venti Settembre 30, 00187 - Rome, tax code and enrolment with the companies register of Rome no. 10218521002, enrolled under No. 27 ( <i>codice meccanografico</i> 33596) of the register of the financial intermediaries held by the Bank of Italy, fully-owned by IBL Banca and subsidiary of the banking group ( <i>gruppo bancario</i> ) "IBL Banca", enrolled with the register of the banking groups ( <i>albo dei gruppi bancari</i> ) under no. 3263 pursuant to article 64 of the Consolidated Banking Act (" <b>IBL Servicing</b> "). The Master Servicer will act as such pursuant to the Programme Servicing Agreement.
<b>Servicer</b>	IBL Banca. The Servicer will act as such pursuant to the Programme Servicing Agreement.
<b>Back-up Servicer</b>	Zenith Service S.p.A., a financial intermediary incorporated under the laws of the Republic of Italy as a joint stock company ( <i>società per azioni</i> ), having its registered office in Corso Vittorio Emanuele II, 24, 20122, Milan, Italy, fiscal code and enrolment with the companies register of Milano – Monza – Brianza – Lodi,

number 02200990980, enrolled in the register of financial intermediaries held by the Bank of Italy ABI CODE No. 32590.2 ("**Zenith**"). The Back-up Servicer will act as such pursuant to the Programme Back-up Servicing Agreement.

**Representative of the Noteholders**

Banca Finanziaria Internazionale S.p.A., *breviter* Banca Finint S.p.A., a bank incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office in Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, share capital of Euro 91,743,007.00 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*" ("**Banca Finint**"). The Representative of the Noteholders will act as such pursuant to the Series Subscription Agreement, the Programme Intercreditor Agreement, the Series Intercreditor Agreement and the Conditions (together with the applicable Final Terms).

**Calculation Agent**

IBL Banca. The Calculation Agent will act as such pursuant to the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**Back-up Calculation Agent**

Zenith. The Back-up Calculation Agent will act as such pursuant to the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**Collection Account Bank**

IBL Banca. The Collection Account Bank will act as such pursuant to the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**Cash Manager**

IBL Banca. The Cash Manager will act as such pursuant to the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**Transaction Bank**

CITIBANK N.A., Milan Branch, a bank incorporated under the laws of United States of America, having its registered office at 701 East 60th Street North, Sioux Falls, South Dakota, U.S.A., acting through its Milan branch, enrolment in the companies' register of Milano – Monza – Brianza – Lodi, number 600769, registered with the register of banking groups held by the Bank of Italy pursuant to article 64 of the Banking Act under number 4630, having its registered office at Piazzetta Bossi, 3 / 20121 Milan, Italy ("**Citi Milan**"). The Transaction Bank will act as such pursuant to the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**Investment Account Bank**

CITIBANK N.A., London Branch, a bank incorporated under the laws of United States of America, acting through its London branch, registered in the United Kingdom under number BR001018, having its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom. ("**Citi London**"). The Investment Account Bank will act

as such pursuant to the Programme Cash Allocation, Management and Payments Agreement and each relevant Series CAMPA.

**Programme Administrator** IBL Banca. The Programme Administrator will act as such pursuant to the Programme Intercreditor Agreement.

**Principal Paying Agent** Citi London. The Principal Paying Agent will act as such pursuant to the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**Italian Paying Agent** Citi Milan. The Italian Paying Agent will act as such pursuant to the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**Listing Agent** Banque Internationale à Luxembourg *société anonyme*, a bank incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 69, route d'Esch, L-2953 Luxembourg, RCS Luxembourg B-6307, fiscal code and enrolment with the companies register of Luxembourg number B 6307 ("**BIL**"). The Listing Agent will act as such pursuant to the Listing Agent Fee Letter entered into between the Issuer and BIL, pursuant to the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**Corporate Servicer** IBL Banca. The Corporate Servicer will act as such pursuant to the Corporate Services Agreement.

**Quotaholder** Special Purpose Entity Management S.r.l. (the "**Quotaholder**").

**Subscribers** In relation to each Transaction, the relevant Subscriber(s) will act as such pursuant to the relevant Series Subscription Agreement(s).

**Series Swap Counterparty** Series Swap Counterparty means, with reference to a Series of Notes, any of, Crédit Agricole Corporate and Investment Bank, UniCredit Bank AG, Banco Santander S.A., J.P. Morgan AG and Société Générale S.A. acting as swap counterparty (or swap counterparties) of the Issuer in connection with the relevant Series. Each Final Terms will set out the name of the Series Swap Counterparty acting as such in connection with the relevant Series.

**Rating Agencies** In respect of any Series, at least two rating agencies will assign a rating to the Senior Notes and/or Mezzanine Notes of each relevant Series issued by the Issuer under the Programme. Each Final Terms will set out the name of the Rating Agencies assigning a rating to the Senior Notes and/or Mezzanine Notes of the relevant Series.

Each Rating Agency must be established in the European Union and be 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 of the European Parliament and of the Council of 11 May 2011 and by Regulation (EU) No. 462/2013 of the European Parliament and of the Council of 21 May 2013 (the "**EU CRA Regulation**") and in UK and registered under EU CRA Regulation, as it forms part of

domestic law of the United Kingdom by virtue of the EUWA (the “**UK CRA Regulation**” and together the EU CRA Regulation, each a “**CRA Regulation**”), and be included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the website of the European Securities and Markets Authority (currently located at the following website address <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> (the “**ESMA Website**”)).

**Retention holder and retention requirements**

IBL Banca, in its capacity as Originator, shall act as retention holder for the purposes of satisfying the retention requirements under article 6 of the EU Securitisation Regulation and its relevant implementing provisions. The Originator does not intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of 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**”), 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. 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 Risk Retention U.S. Person.

“**EU Securitisation Regulation**” means the Regulation (EU) 2017/2402 of the European Parliament and of the Council, together with the relevant technical standards each as subsequently amended and supplemented from time to time.

**2. THE PROGRAMME AND THE NOTES**

<b>The Programme</b>	The issuance of the Notes will be made by the Issuer in the context of a programme for the purchase of the Receivables originated by IBL Banca, established in accordance with the Securitisation Law (the “ <b>Programme</b> ”). Under the Programme, the Issuer may issue different Series of Notes to finance the purchase of each Portfolio of Receivables from IBL Banca pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement, up to the Programme Amount.
<b>Programme Amount</b>	Up to €10,000,000,000 aggregate principal amount of Notes issued by the Issuer under the Programme outstanding at any time.
<b>Programme Purchase Termination</b>	The Programme will terminate on the earlier of (i) December 2050, (ii) the date on which all the Notes outstanding under the Programme have been redeemed in full or cancelled, and (iii) the date of delivery of a Programme Purchase Termination Notice (the “ <b>Programme Maturity Date</b> ”).
	After the Programme Maturity Date, the Issuer will not be entitled to make any further purchase of additional Portfolios of Receivables and to make any further issue of Series of Notes under the Programme.
<b>Transaction</b>	Under the Programme and up to the Programme Maturity Date, separate transactions will be carried out through, <i>inter alia</i> , (i) the sale of a single Portfolio of Receivables from the Originator to the Issuer under the relevant Transfer Agreement entered into pursuant to the Programme Receivables Purchase Agreement, and (ii) the purchase of such Portfolio of Receivables to be funded by

the Issuer through the issue of a single Series of Notes under the Programme (the "**Transactions**" and, each, a "**Transaction**").

**Issuance in Series**

The Notes will be issued in different single series (each a "**Series**").

Notes of different Series may have, *inter alia*, different maturity dates, as set out in the applicable Final Terms for such Series.

Each Series of Notes will be secured exclusively by the Portfolio of Receivables (and the Collections deriving therefrom) originated by IBL Banca and purchased by the Issuer from IBL Banca pursuant to the relevant Transfer Agreement and financed by the Issuer through the issue of such Series of Notes. There will be no cross-collateralisation amongst different Series of Notes and different Portfolios.

**Classes of Notes**

Each Series may consist of (as specified in the applicable Final Terms for such Series):

- (i) class A limited recourse asset-backed notes (the "**Class A Notes**" or the "**Senior Notes**");
- (ii) class B limited recourse asset-backed notes (the "**Class B Notes**" or the "**Mezzanine Notes**", and together with the Senior Notes, the "**Rated Notes**"); and
- (iii) class J limited recourse asset-backed notes (the "**Class J Notes**" or the "**Junior Notes**" and, together with the Rated Notes, the "**Notes**").

**Further issues**

Up to the Programme Amount and prior to the Programme Maturity Date, the Issuer may issue Series of Notes without the prior consent of the holders of any outstanding Notes but subject to certain conditions as set out in the Programme Intercreditor Agreement. It is a condition precedent to the issuance of a new Series of Notes that no Programme Purchase Termination Event has occurred and is continuing.

Subject to the conditions for the issue of a new Series of Notes under the Programme, the Issuer may from time to time create and issue further Series of Notes having substantially the same terms and conditions as the Notes of any existing Series (except for, *inter alia*, the issue price, the first interest payment date, the nominal amount, the interest rate and the maturity date). The Issuer will inform the Noteholders of the other Series of Notes of any new issue of Notes in accordance with Condition 16 (*Notices*).

**Final Terms**

Each issue of a Series of Notes will be the subject of Final Terms which, for the purposes of such Series of Notes only, complete the Conditions and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular issue of Series of Notes are the Conditions as completed by the relevant Final Terms.

**Issue Price**

Notes of each Series may be issued at any price as specified in the relevant Final Terms in respect of such Series.

**Interest on the Notes**

The Rated Notes of each Series will bear interest on their Principal Amount Outstanding from and including the relevant Series Issue Date (as specified in the applicable Final Terms) at the rate set out in the relevant Final Terms in respect of such Series.

The Junior Notes of each Series will have a remuneration equal to the Variable Return, if any (as defined in the Junior Notes Conditions).

Interest in respect of the Notes will accrue on a daily basis and will be payable in arrears in Euro on each relevant Payment Date in accordance with the Priority of Payments. The first Payment Date in respect of the Notes of any Series will be specified in the applicable Final Terms for such Series.

**Junior Notes Conditions** Except for the Junior Notes Conditions relating to the interest/return payable on the Junior Notes, the denomination and the early redemption of the Junior Notes through the disposal of the Portfolio following full redemption of the Rated Notes, the terms and conditions of the Class J Notes are the same, *mutatis mutandis*, as the Rated Notes Conditions.

**Form and denomination** The denomination of the Rated Notes of each Series will be €100,000 and integral multiples thereafter, as specified in the applicable Final Terms. The denomination of the Junior Notes of each Series will be €1,000.

The Notes of each Series will be issued in bearer form and held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holders. The Notes of each Series will be accepted for clearance by Monte Titoli with effect from the relevant Issue Date. The Notes of each Series will at all times be in book entry form and title to the Notes will be evidenced by book entries in accordance with the provision of article 83-*bis* of the Financial Laws Consolidation Act and the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018 and published on the Official Gazette number 201 of 30 August 2018, as subsequently amended and supplemented from time to time. No physical document of title will be issued in respect of the Notes of any Series.

**Ranking, status and subordination**

In respect of each Series of Notes issued under the Programme:

- the Senior Notes of such Series will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but in priority to the Mezzanine Notes (if any) and the Junior Notes of such Series;
- the Mezzanine Notes of such Series (if any) will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but subordinated to the Senior Notes of such Series and in priority to the Junior Notes of such Series;
- the Junior Notes of such Series will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but subordinated to the Senior Notes and the Mezzanine Notes (if any) of such Series,

it being understood that payments of interest and principal on the Notes of any Series will be funded exclusively through the relevant Series Available Funds and in accordance with the applicable Priority of Payments and further provided that for so long as there are Class A Notes outstanding, following the occurrence of a Class B Notes Series Performance Trigger, interest accruing on the Class B Notes will be subordinated to the payment of principal on the Class A Notes in accordance with Condition 6.3 (*Class B Notes Series Performance Triggers*) and the Pre Enforcement Priority of Payments, subject to the availability of the relevant Series Available Funds.

The obligations of the Issuer to each Noteholder of any Series as well as to each of the Other Issuer Creditors under each relevant Transaction will be limited recourse obligations solely of the Issuer. Each Noteholder of any Series and relevant Other Issuer Creditor will have a claim against the Issuer only to the extent of the relevant Series Available Funds net of any claims ranking in priority to or *pari passu* with such claims in accordance with the applicable Priority of Payments. The Conditions

and the Programme Intercreditor Agreement will set out the order of priority of application of the Series Available Funds.

**Withholding on the Notes**

As at the date of this Base Prospectus, payments of interest, Variable Return and other proceeds under the Notes of any Series may be subject to a Decree 239 Deduction. Upon the occurrence of any withholding or deduction for or on account of tax from any payments under the Notes of any such Series, neither the Issuer nor any other person shall have any obligation to pay any additional amount(s) to any holder of the Notes of such Series. Subject to the completion of certain requirements and procedures, non-Italian institutional investors established in States allowing for an adequate exchange of information with the Italian tax authority (as currently listed in the Italian Ministerial Decree of 4 September 1996 as amended and supplemented from time to time pursuant to article 11(4)(c) of Decree 239) are generally entitled to receive interest, premium and any difference between the redemption amount and the issue price under the Notes free from Decree 239 Deduction.

**Mandatory Redemption**

The Notes of each Series will be subject to mandatory redemption in full (or in part *pro rata*) on the relevant first Payment Date – as specified in the applicable Final Terms for such Series – and on each Payment Date thereafter in accordance with the Conditions, in each case if on such dates there are sufficient Series Available Funds which may be applied for this purpose in accordance with the Priority of Payments.

**Optional redemption**

Provided that no Transaction Acceleration Notice or Programme Purchase Termination Notice has been served on the Issuer, on any relevant Payment Date falling on or after the relevant Clean Up Option Date, the Issuer may redeem, in respect of any specific Series, the Rated Notes (in whole but not in part) and the Junior Notes (in whole but not in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), in accordance with the Post Enforcement Priority of Payments, subject to the Issuer:

- (i) giving not more than 60 days and not less than 30 days' notice to the Representative of the Noteholders and to the Noteholders of its intention to redeem the Notes of such Series; and
- (ii) delivering, prior to the notice referred to in paragraph (i) above being given, to the Representative of the Noteholders a certificate duly signed by the Issuer to the effect that it will have the necessary funds (free and clear of any Security Interest of any third party) on such Payment Date to discharge, in respect of the relevant specific Series, all of its outstanding liabilities in respect of the relevant Rated Notes and any other payment in priority to or *pari passu* with such Rated Notes in accordance with the Post Enforcement Priority of Payments and all its outstanding liabilities in respect of the relevant Junior Notes and any other payment ranking higher or *pari passu* therewith in accordance with the Post Enforcement Priority of Payments.

**"Clean Up Option Date"** means, in respect of any Portfolio purchased through the issuance of a Series of Notes under a Transaction, any date in which the Outstanding Principal Due of such Portfolio is equal to or lower than 10% of the Outstanding Principal Due as of the relevant Valuation Date.

**Optional Redemption in whole for taxation reasons**

Provided that no Transaction Acceleration Notice or Programme Purchase Termination Notice has been served on the Issuer, upon the imposition, at any time, of:

- (i) (a) any Tax Deduction in respect of any payment to be made by the Issuer (other than in respect of a Decree 239 Deduction) and/or (b) any withholding or deduction pursuant to an agreement described in Section 1471(b) of the

US Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof ("**FATCA Withholding Tax**"), or

- (ii) a changes in the Tax law of Italy (or in the application or official interpretation of such law) which would cause the total amount payable in respect of the Portfolio to cease to be receivable by the Issuer (including as a result of any of the Debtors being obliged to make a Tax Deduction in respect of any payment in relation to any Receivable).

and provided that the Issuer has provided to the Representative of the Noteholders:

- (a) a certificate signed by the Issuer to the effect that the obligation to make a Tax Deduction or the imposition resulting in the total amount payable in respect of such Portfolio ceasing to be receivable by the Issuer cannot be avoided by taking measures reasonably available to the Issuer and not prejudicial to its interests as a whole; and
- (b) a certificate signed by the Issuer confirming that the Issuer will, on the relevant Payment Date, have the funds not subject to the interests of any other person required to redeem in whole (but not in part) the Notes of the relevant Series pursuant to the Rated Notes Conditions, the Junior Notes Conditions and the Programme Intercreditor Agreement and any amount required to be paid under the Post Enforcement Priority of Payments in priority to or *pari passu* with the Notes of such Series,

the Issuer may, subject to as provided in the Conditions, redeem in whole (but not in part) the Notes of all Series then outstanding at their Principal Amount Outstanding together with accrued and unpaid interest up to and including the relevant Payment Date.

**Final Maturity Date** The Final Maturity Date for the Notes of each Series will be the date specified in the applicable Final Terms.

Unless previously redeemed in full, the Notes of each Series are due to be repaid in full at their Principal Amount Outstanding on the relevant Final Maturity Date. The Notes of any Series, to the extent not redeemed in full on their relevant Final Maturity Date, shall be cancelled.

**Segregation of the Portfolio** By virtue of the operation of Article 3 of the Securitisation Law, the Programme Documents and the Series Documents, with reference to each Transaction, the Issuer's rights, title and interest in and to the relevant Portfolio purchased by the Issuer under each Transaction, any monetary claim accrued by the Issuer in the context of each such Transaction, the relevant collections and the financial assets purchased through such collections (the "**Issuer's Series Segregated Assets**") will be segregated from all other assets of the Issuer (including, for the avoidance of doubt, any other Portfolio purchased by the Issuer in the context of the Programme). Therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders of the relevant Series, to the Other Issuer Creditors of the relevant Transaction and to any other creditor of the Issuer in respect of any costs, fees and expenses in relation to the relevant Transaction.

The Issuer's Series Segregated Assets in respect of each Transaction may not be seized or attached in any form by creditors of the Issuer (including for the avoidance of doubts, noteholders and the Issuer's other creditors in respect of the other Transaction carried out by the Issuer under the Programme) other than the Noteholders of the relevant Transaction, until full discharge by the Issuer of its

payment obligations under the relevant Series of Notes or cancellation thereof. Pursuant to the terms of the Programme Intercreditor Agreement and the Mandate Agreement, the Issuer has empowered the Representative of the Noteholders, following the service of a Transaction Acceleration Notice or upon failure by the Issuer to promptly exercise its rights under the Transaction Documents, to exercise all the Issuer's Rights, powers and discretion under such Transaction Documents taking such action in the name and on behalf of the Issuer as the Representative of the Noteholders may deem necessary to protect the interests of the Issuer, the Noteholders of the relevant Series of Notes and the Other Issuer Creditors in respect of the Portfolio and the Issuer's Rights. Italian law governs the delegation of such power.

In addition, in respect of each Transaction, security over certain monetary rights of the Issuer arising out of the Series Documents will be granted by the Issuer in favour of the Representative of the Noteholders pursuant to the Series Deed of Pledge and the Series Deed of Charge (if any) for the benefit of the Noteholders of the relevant Series and the Other Issuer Creditors.

**Transaction Acceleration Events**

If any of the following events (each, a "**Transaction Acceleration Event**") occurs in respect of each Series of Notes issued under the Programme:

(i) *Non-payment of principal:*

the Issuer defaults in the payment of the amount of principal on the relevant Final Maturity Date, as due and payable on the Most Senior Class of Notes of such Series then outstanding, and such default is not remedied within a period of five Business Days from the due date thereof; or

(ii) *Non-payment of interest:*

the Issuer defaults in the payment of the amount of interest on a Payment Date, as due on the Most Senior Class of Notes of such Series then outstanding, and such default is not remedied within a period of five Business Days from the due date thereof; or

(iii) *Programme Purchase Termination Event: Insolvency of the Issuer and Unlawfulness*

A Programme Purchase Termination Event under Condition 12.5.1 (*Insolvency of the Issuer*) or 12.5.2 (*Unlawfulness*) has occurred and the Representative of the Noteholders and/or the Programme Administrator has delivered a Programme Purchase Termination Notice,

then the Representative of the Noteholders shall, in each case subject to being indemnified and/or secured in satisfaction, serve a Transaction Acceleration Notice on the Issuer declaring the Notes of such Series to be due and repayable, whereupon they shall become so due and repayable, following which all payments of principal and interest due in respect of such Notes shall be made according to the Post Enforcement Priority of Payments and on such dates as the Representative of the Noteholders may determine.

Following the delivery of a Transaction Acceleration Notice, the Issuer may (subject to the consent of the Representative of the Noteholders), or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the holders of the Most Senior Class of Notes of such Series then outstanding) direct the Issuer to, dispose of the Portfolio under the relevant Transaction, subject to the terms and conditions of the Programme Intercreditor Agreement.

The occurrence of a Transaction Acceleration Event in relation to the Notes of one or more Series (other than the Transaction Acceleration Event under (iii) above) shall not constitute *per se* the occurrence of a Transaction Acceleration Event in relation to the Notes of all Series then outstanding under the Programme.

**Programme  
Purchase  
Termination  
Event**

If any of the following events (each, a "**Programme Purchase Termination Event**") occurs in respect of the Programme:

(i) *Insolvency of the Issuer:*

an Insolvency Event occurs with respect to the Issuer; or

(ii) *Unlawfulness:*

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

(iii) *Insolvency of the Originator:*

(A) 30 days have elapsed since an application is made for the commencement of an *amministrazione straordinaria* or *liquidazione coatta amministrativa* or a resolution tool (*misura di risoluzione*) pursuant to article 20 of Legislative Decree No. 180 of 16 November 2015 or any other applicable bankruptcy proceedings against the Originator in any jurisdiction and such application has not been rejected by the relevant court nor has it been withdrawn by the relevant applicant (unless a legal opinion or other adequate comfort is obtained by the Originator and is delivered to the Representative of the Noteholders confirming that such application is manifestly without grounds), provided that during the period comprised between the date of such application and thirty days thereafter, no sale of a Portfolio to the Issuer under the Programme pursuant to the Programme Receivables Purchase Agreement will be permitted; or

(B) the Originator becomes subject to any *amministrazione straordinaria*, *liquidazione coatta amministrativa* or a resolution tool (*misura di risoluzione*) pursuant to article 20 of Legislative Decree No. 180 of 16 November 2015 or any other applicable bankruptcy proceedings in any jurisdiction or the whole or any substantial part of the assets of the Originator are subject to a *pignoramento* or similar procedure having a similar effect; or

(iv) *Winding up of the Originator:*

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

(v) *Termination of IBL Banca's appointment as Servicer*

the Issuer has terminated the appointment of IBL Banca as Servicer following the occurrence of a Servicer's Termination Event set forth in Clause 4 of the Programme Servicing Agreement, except for the Servicer Termination Event set forth in Clause 4.1.5 of the Programme Servicing Agreement,

then the Programme Administrator and/or the Representative of the Noteholders shall serve a Programme Purchase Termination Notice on the Issuer.

Upon the service of a Programme Purchase Termination Notice, the Issuer shall refrain from purchasing any additional Portfolio and from making any further issue of Series of Notes under the Programme.

**Non petition**

Only the Representative of the Noteholders may pursue the remedies available under the general law or under the Transaction Documents to obtain payment of the Obligations or enforce the Security and no Noteholder of any Series shall be entitled to proceed directly against the Issuer to obtain payment of the obligations of the Issuer created by or arising under the Notes of the relevant Series and the relevant Series Documents or to enforce the security created pursuant to each Series Deed of Pledge and/or Series Deed of Charge (if any). In particular, in respect of any Series:

- (i) no Noteholder (nor any person on its behalf, other than the Representative of the Noteholders, where appropriate) is entitled, otherwise than as permitted by the relevant Transaction Documents, to direct the Representative of the Noteholders to enforce the security created pursuant to the relevant Series Deed of Pledge or the Series Deed of Charge (if any) or take any proceedings against the Issuer to enforce such security;
- (ii) no Noteholder (nor any person on its behalf, other than the Representative of the Noteholders) shall, save as expressly permitted by the relevant Series Documents, have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer;
- (iii) until the date falling two years and one day after the date on which the Notes of all Series issued under the Programme or any other asset backed notes issued by the Issuer have been redeemed in full or cancelled in accordance with their terms and conditions, no Noteholder (nor any person on its behalf, other than the Representative of the Noteholders when so directed by an Extraordinary Resolution of the Noteholders of all Series then outstanding and only if the representative(s) of the noteholders of all other securitisations undertaken by the Issuer, if any, have been so directed by the appropriate resolutions of their respective noteholders in accordance with the relevant transaction documents) shall initiate or join any person in initiating an Insolvency Event in relation to the Issuer; and
- (iv) no Noteholder shall be entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step which would result in the Priority of Payments not being complied with.

**Limited recourse obligations of the Issuer**

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

- (i) each Noteholder will have a claim only in respect of the relevant Series Available Funds and at all times only in accordance with the applicable Priority of Payments and will not have any claim, by operation of law or otherwise, against, or recourse to, (a) the Issuer's other assets or its contributed capital, and (b) the Portfolio purchased under any other Transaction and the Series Available Funds of such Transaction;
- (ii) sums payable to each Noteholder in respect of the Issuer's obligations to such Noteholder shall be limited to the lesser of (a) the aggregate amount of all sums due and payable to such Noteholder; and (b) the relevant Series Available Funds, net of any sums which are payable by the Issuer in

accordance with the Priority of Payments in priority to or *pari passu* with sums payable to such Noteholder; and

- (iii) if the Servicer has certified to the Programme Administrator and the Representative of the Noteholders that there is no reasonable likelihood of there being any further realisations in respect of the Issuer's Segregated Assets of the relevant Transaction or the security created pursuant to the relevant Series Deed of Pledge or the Series Deed of Charge (if any) (whether arising from judicial enforcement proceedings, enforcement of the security or otherwise) which would be available to pay unpaid amounts outstanding under the relevant Series Documents and the Programme Administrator or the Representative of the Noteholders has given notice on the basis of such certificate in accordance with the Conditions and the relevant Final Terms that there is no reasonable likelihood of there being any further realisations in respect of such Issuer's Segregated Assets or the security created pursuant to the relevant Series Deed of Pledge or the Series Deed of Charge (if any) (whether arising from judicial enforcement proceedings, enforcement of the security or otherwise) which would be available to pay amounts outstanding under such Series Documents, the Noteholders shall have no further claim against the Issuer in respect of any such unpaid amounts and such unpaid amounts shall be cancelled and deemed to be discharged in full.

**The Organisation of the Noteholders and the Representative of the Noteholders**

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

Pursuant to the Rules of the Organisation of the Noteholders (attached to the Conditions of the Notes), for as long as any Note of any Series is outstanding, there shall at all times be a Representative of the Noteholders in respect of any such Series. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of the Noteholders, is made by the Noteholders subject to and in accordance with the Rules of the Organisation of the Noteholders, except for the initial Representative of the Noteholders appointed at the time of establishment of the Programme in respect of all Series of Notes to be issued thereunder, who is appointed by the relevant Subscriber(s) under the relevant Series Subscription Agreement. Each Noteholder of any Series is deemed to accept such appointment.

**Selling restrictions of the Notes**

The Notes will be subject to certain selling restrictions, as set out in the Series Subscription Agreement. In particular, the Notes: (a) may not be offered or sold within the United States, subject to certain exceptions; and (b) may be sold in other jurisdictions (including the Republic of Italy and other Member States of the European Economic Area) only in compliance with applicable laws and regulations.

**Listing and admission to trading**

Application has been made to the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") for the approval of this Base Prospectus as a base prospectus in compliance with the Prospectus Regulation. Application will be made for the Rated Notes of each Series issued under the Programme to be listed on the official list of and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange.

No application has been made or will be made to list the Junior Notes on any stock exchange.

**Rating**

The Class A Notes and the Class B Notes (if any) of each Series will have a rating assigned by at least two Rating Agencies, as specified in the relevant Final Terms.

No rating shall be assigned to the Junior Notes of any Series.

***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 each Rating Agency.***

**STS-  
Securitisation**

Each Transaction under the Programme is intended to be qualified as a simple, transparent and standardised (“**STS**”) securitisation within the meaning of article 18 of Regulation (EU) no. 2402 of 12 December 2017 (the “**EU Securitisation Regulation**”). Consequently, each Transaction under the Programme, is expected to meet, as at the relevant Issue Date, the requirements of articles 19 to 22 of the EU Securitisation Regulation and to be notified to ESMA by the Originator so as to be included in the list published by ESMA referred to in article 27, paragraph 5, of the EU Securitisation Regulation. The STS notification will be available for download on the website of ESMA (being, as at the date of this Base Prospectus, [https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_stsre](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre)). ESMA has, in accordance with Articles 27(6) and (7) of the EU Securitisation Regulation developed and published on 16 July 2018 a final draft regulatory technical standard specifying the information that the originators, sponsors and SSPEs are required to provide in order to comply with their STS notification requirements. As of the date hereof, such regulatory technical standard still has to be adopted by the European Commission. ESMA is obliged to maintain on its website a list of all securitisations which the originators and sponsors have notified as meeting the STS requirements in accordance with Article 27(5) of the EU Securitisation Regulation. For this purpose, ESMA has set up a register on an interim basis under <https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation>.

According to ESMA, a more established register is to be launched in due course and placed on the dedicated section of its website under <https://registers.esma.europa.eu/publication/>. The Originator will use the service of PCS as a third party verifying STS compliance, authorised under article 28 of the EU Securitisation Regulation in connection with the STS Verification, the CRR Assessment. 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://www.pcsmarket.org/disclaimer>. For the avoidance of doubt, such PCS website and the contents thereof do not form part of this Base Prospectus. **No assurance can be provided that each Transaction under the Programme will continue to qualify as an STS-securitisation under the EU Securitisation Regulation at any point in time in the future.** *The STS Notification will be available for download on the ESMA website (being, as at the date of this Base Prospectus,* [https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_stsre](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre) *) (the “**ESMA STS Register**”).*

*Compliance with the STS Requirements is not a recommendation to buy, sell or hold securities. It is neither an investment advice nor a credit rating.* None of the Issuer, the Originator, the Co-Arrangers, the Subscribers, the Representative of the Noteholders, or any other party to the Transaction Documents makes any representation or accepts any liability for each Transaction under the Programme to qualify as an STS-Securitisation under the EU Securitisation Regulation at any point in time in the future. Furthermore, it should be noted that as at the date of this Base Prospectus the Notes are not expected to satisfy the requirements stemming from article 13 of the LCR Delegated Regulation.

**Euro-system  
eligibility:**

The Class A Notes of each Series are intended to be held in a manner which would allow Euro-system eligibility pursuant to and for the purposes of the Guideline (EU)

**form and settlement systems of the Class A Notes**

2015/510 of the European Central Bank of 19 December 2014 (the “**Guideline**”). This means that the Class A Notes are intended upon issue to be held in dematerialized form, settled and evidenced as book entries with Monte Titoli S.p.A. (“**Monte Titoli**”) - acting as depository for Euroclear and Clearstream - that constitutes a securities settlement system (“**SSS**”) 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. It is expected that the Mezzanine Notes and the Junior Notes will not satisfy the Euro-system eligibility criteria provided for by the Guideline.

**Governing Law**

The Notes of all Series will be governed by Italian Law.

**Material Net Economic Interest in the Securitisation**

Under the terms of the Programme Intercreditor Agreement, the Originator has undertaken to the Issuer and the Representative of the Noteholders that it will retain on the relevant Issue Date of each Series of Notes and maintain on an on-going basis at least 5 per cent. of net economic interest in accordance with one of the options provided for under article 6 of the EU Securitisation Regulation – as specified in the Final Terms applicable to such Series.

The method to be applied by the Originator for retaining a net economic interest may vary for each Transaction. It will be selected by the Originator in connection with the implementation of the relevant Transaction and the Issue Date of the relevant Series (as specified in the Final Terms applicable to such Notes) and will be compliant with the Retention and Transparency Rules.

**3. SERIES AVAILABLE FUNDS AND PRIORITIES OF PAYMENTS**

**Series Available Funds**

The Series Available Funds in respect of each Transaction will be constituted, in respect of any relevant Payment Date of the relevant Series of Notes, by the aggregate of:

- (i) all Collections and Recoveries collected by the Master Servicer and/or the Servicer in respect of the Receivables included in the relevant Portfolio during the immediately preceding relevant Collection Period;
- (ii) all amounts received by the Issuer from the Originator pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement and the Programme Warranty and Indemnity Agreement during the immediately preceding relevant Collection Period;
- (iii) the amount standing to the credit of the Payments Account on the immediately preceding Payment Date after application of the relevant Priority of Payments on that Payment Date;
- (iv) any revenues and other amounts matured or deriving from the realisation, liquidation and any other proceeds on maturity of any Eligible Investments (including, for the avoidance of doubt, interest, premium or any other amount representing its yield) and credited to the relevant

Payments Account not later than 2 (two) Business Days prior to such Payment Date;

- (v) any net amount due and paid to the Issuer by the relevant Series Swap Counterparty under the relevant Series Swap Agreement on such Payment Date (if any) other than any Collateral Amounts, any termination payment required to be made under such Series Swap Agreement, any collateral payable or transferable (as the case may be) under such Series Swap Agreement, which will not be available to the Issuer to make payments to its creditors generally, but may only be applied in accordance with the provisions of the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA in respect of the Collateral Account;
- (vi) all amounts (other than the amounts already allocated under other items of the Series Available Funds) of interest accrued (net of any withholding or expenses, if due) and paid on the relevant Series Issuer's Accounts, other than the relevant Expenses Account, during the immediately preceding relevant Collection Period;
- (vii) all the proceeds deriving from the sale (in whole or in part), if any, of the relevant Portfolio and/or of other components of the relevant Issuer's Series Segregated Assets, in accordance with the provisions of the relevant Series Documents;
- (viii) all the proceeds deriving from the sale, if any, of individual Receivables included in the relevant Portfolio in accordance with the provisions of the relevant Series Documents during the immediately preceding relevant Collection Period;
- (ix) any amounts (other than the amounts already allocated under other items of the Series Available Funds) received by the Issuer from any party to the relevant Series Documents during the immediately preceding relevant Collection Period;
- (x) the relevant Additional Reserve Amount transferred from the relevant Additional Reserve Account to the relevant Payments Account on or prior to such Payment Date;
- (xi) the relevant Liquidity Reserve Amount transferred from the relevant Liquidity Reserve Account to the relevant Payments Account on or prior to such Payment Date; and
- (xii) the Management Fee Prepayment Amount (if any) transferred from the relevant Management Fee Reserve Account to the relevant Payments Account on or prior to such Payment Date.

For the avoidance of doubt, following the delivery of a Transaction Acceleration Notice, the Series Available Funds, in respect of any Payment Date, shall also comprise any other

amount standing to the credit of the relevant Series Issuer's Accounts as at the immediately preceding relevant Calculation Date.

**Payment of the Management Fee Reserve Released Amount**

In respect of each Transaction, the relevant Management Fee Reserve Released Amount (if any) will be paid by the Issuer to the Originator on the Payment Date immediately following the relevant Servicer's Report Date without applying the Priority of Payments, in all circumstances in accordance with the relevant Series Documents.

**Repayment of the Amounts Not Pertaining to the Transaction**

In respect of each Transaction, the Amounts Not Pertaining to the Transaction (if any): (i) will be determined and notified to the Issuer by the Servicer; (ii) will be paid to the Originator (also by way of set-off) within 2 Business Days from the notification under (i) above pursuant to the Programme Servicing Agreement; and (iii) will be set out in each Servicer's Report, with respect to the immediately preceding relevant Collection Period.

**Principal Payment Amount**

In respect of each Series of Notes, on any relevant Payment Date starting from the first Payment Date of such Series (as specified in the applicable Final Terms) for the Class A Notes and the Class B Notes (if any), and upon repayment in full of the Rated Notes for the Class J Notes, the Issuer will pay an amount equal to the relevant Notes Formula Redemption Amount.

**"Aggregate Notes Formula Redemption Amount"** means, with reference to each Series of Notes, in respect of any Payment Date, an amount calculated in accordance with the following formula:

$$A + B + J - CP - (LR + AR)$$

where:

A = the Principal Amount Outstanding of the Class A Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date;

B = the Principal Amount Outstanding of the Class B Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date;

J = the Principal Amount Outstanding of the Class J Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date;

CP = the Collateral Portfolio Outstanding Principal Due on the last day of the immediately preceding Collection Period;

LR = the Liquidity Reserve Target Amount calculated with reference to the relevant Payment Date; and

AR = the Additional Reserve Target Amount calculated with reference to the relevant Payment Date.

**"Class A Notes Formula Redemption Amount"** means, in respect of any Payment Date on which the Issuer has to make

principal payments for the Class A Notes in accordance with the relevant Priority of Payments:

- (i) in the event that a Transaction Acceleration Event has not occurred, an amount equal to the lower of: (a) the Principal Amount Outstanding of the Class A Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date; and (b) the Aggregate Notes Formula Redemption Amount for that Payment Date;
- (ii) in the event that a Transaction Acceleration Event has occurred, the Principal Amount Outstanding of the Class A Notes.

**"Class B Notes Formula Redemption Amount"** means, in respect of any Payment Date on which the Issuer has to make principal payments for the Class B Notes in accordance with the relevant Priority of Payments:

- (i) in the event that a Transaction Acceleration Event has not occurred, an amount equal to the lower of: (a) the Principal Amount Outstanding of the Class B Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date; and (b) the Aggregate Notes Formula Redemption Amount for that Payment Date less the Class A Notes Formula Redemption Amount for that Payment Date;
- (ii) in the event that a Transaction Acceleration Event has occurred, the Principal Amount Outstanding of the Class B Notes.

**"Class J Notes Formula Redemption Amount"** means, with respect to any Payment Date on which the Issuer has to make principal payments for the Class J Notes in accordance with the relevant Priority of Payments:

- (i) in the event that a Transaction Acceleration Event has not occurred, an amount equal to the lower of: (a) the Principal Amount Outstanding of the Class J Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date; and (b) the Aggregate Notes Formula Redemption Amount for that Payment Date less (i) the Class A Notes Formula Redemption Amount and (ii) the Class B Notes Formula Redemption Amount (if applicable) for that Payment Date;
- (ii) in the event that a Transaction Acceleration Event has occurred, the Principal Amount Outstanding in respect of the Class J Notes.

**"Notes Formula Redemption Amount"** means any of the Class A Notes Formula Redemption Amount, the Class B Notes Formula Redemption Amount and the Class J Notes Formula Redemption Amount, as the case may be.

**Pre-Enforcement  
of Payments**      **Priority**

In respect of each Transaction, prior to the delivery of a Transaction Acceleration Notice or redemption in full of all the Notes of the relevant Series pursuant to the Conditions, the Series Available Funds shall be applied on each relevant Payment Date in making the following payments in the following order of priority subject to the provisions of Condition 6.3 (*Class B Notes Series Performance Triggers*) (in each case, only and to the extent that payments of a higher priority have been made in full):

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

*Second*, to pay the remuneration due to the Representative of the Noteholders and to pay any indemnity amounts properly due to - and any proper costs and expenses incurred by - the Representative of the Noteholders under the provisions of, or in connection with, any of the relevant Series Documents;

*Third*, to credit into the relevant Expenses Account such an amount as will bring the balance of such account up to (but not in excess of) the Retention Amount;

*Fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any amount due and payable on account of remuneration, indemnities or proper costs and expenses incurred by the relevant agent on such Payment Date to each Account Bank, the Cash Manager, the Calculation Agent, the Back-up Calculation Agent, the Paying Agents, the Corporate Servicer, the Master Servicer, the Servicer, the Back-up Servicer, the relevant Subscriber(s) (other than IBL Banca as Subscriber which will be paid in accordance with item *Fifteenth* below) and the Swap Counterparties (if any);

*Fifth*, to the extent applicable, to pay (i) all amounts for any payment due to the Series Swap Counterparty (if any) under the relevant Series Swap Agreement, and (ii) any amount payable by the Issuer as a result of the termination of such Series Swap Agreement, including, for the avoidance of doubt, following the occurrence of an Event of Default or Termination Event or Additional Termination Event (as defined under the relevant Series Swap Agreement) in respect of which the Issuer is the Defaulting Party or the Sole Affected Party (as defined under the relevant Series Swap Agreement) provided that any amount to be paid in case of termination of the Series Swap Agreement due to the default of the Series Swap Counterparty shall be paid in accordance with item *Thirteenth* below;

*Sixth*, to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Class A Notes of the relevant Series on such Payment Date;

*Seventh*, to pay on each Payment Date up to (but excluding) the Payment Date following the delivery of a Performance Trigger Notice, *pari passu* and *pro rata*, all amounts of interest due and

payable on the Class B Notes of the relevant Series (if any) on such Payment Date;

*Eighth*, until repayment in full of the Rated Notes, to credit into the relevant Liquidity Reserve Account the amount necessary to bring the balance of such account up to (but not in excess of) the Liquidity Reserve Target Amount;

*Ninth*, to pay on each Payment Date, *pari passu* and *pro rata*, the Class A Notes Formula Redemption Amount in respect of the Class A Notes of the relevant Series on such Payment Date;

*Tenth*, until repayment in full of the Rated Notes, to credit into the relevant Additional Reserve Account the amount necessary to bring the balance of such account up to (but not in excess of) the Additional Reserve Target Amount;

*Eleventh*, to pay on the Payment Date following the delivery of a Performance Trigger Notice and on each Payment Date thereafter, *pari passu* and *pro rata*, all amounts of interest due and payable on the Class B Notes of the relevant Series (if any) on such Payment Date;

*Twelfth*, to the extent applicable, to pay, *pari passu* and *pro rata*, the Class B Notes Formula Redemption Amount in respect of the Class B Notes of the relevant Series on such Payment Date;

*Thirteenth*, to the extent applicable, to pay all amounts payable to the Series Swap Counterparty (if any), including any amount payable to the Series Swap Counterparty in case of termination of the Series Swap Agreement due to the default of such Series Swap Counterparty, under the relevant Series Swap Agreement as a result of the termination of the Series Swap Agreement to the extent not paid in accordance with item *Fifth* above;

*Fourteenth*, to pay to the Originator any Adjustment Purchase Price and/or any Supplemental Purchase Price pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement;

*Fifteenth*, to pay to the Originator (also in its capacity as Subscriber (if applicable) with respect to any indemnity payment payable in accordance with the relevant Series Subscription Agreement) any amount due and payable under the relevant Series Documents, to the extent not already paid or payable under other items of this Priority of Payments;

*Sixteenth*, if the Cash Trapping Condition is satisfied, to pay, *pari passu* and *pro rata*, all amounts of Remuneration due and payable on the Class J Notes of the relevant Series on such Payment Date, provided that if the Cash Trapping Condition is not satisfied, such amount shall not be paid to the Class J Noteholders of such Series but shall be credited to the relevant Payments Account;

*Seventeenth*, to pay, *pari passu* and *pro rata*, to the extent that the Rated Notes have been redeemed in full, the Class J Notes

Formula Redemption Amount in respect of the Class J Notes of the relevant Series on such Payment Date;

*Eighteenth*, to pay, *pari passu* and *pro rata*, any Additional Remuneration (if any) on the Class J Notes of the relevant Series.

**Post-Enforcement Priority of Payments**

In respect of each Transaction, on each Payment Date following the delivery of a Transaction Acceleration Notice or in the event under Condition 8.3 (*Optional Redemption*) and Condition 8.4 (*Redemption for Taxation*) (if applicable), the Series Available Funds shall be applied in making the following payments in the following order of priority (in each case, only and to the extent that payments of a higher priority have been made in full):

*First*, if the relevant Programme Purchase Termination Event is not an Insolvency Event, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Expenses (to the extent that amounts standing to the credit of the relevant Expenses Account have been insufficient to pay such Expenses during the immediately preceding relevant Interest Period);

*Second*, to pay, *pari passu* and *pro rata*, according to the respective amounts thereof, the remuneration due to the Representative of the Noteholders and to pay any indemnity amounts properly due under and any proper costs and expenses incurred by the Representative of the Noteholders under the provisions of, or in connection with, any of the relevant Series Documents;

*Third*, if the relevant Programme Purchase Termination Event is not an Insolvency Event, to credit into the relevant Expenses Account such an amount to bring the balance of such account up to (but not in excess of) the Retention Amount;

*Fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any amount due and payable on account of remuneration, indemnities or proper costs and expenses incurred by the relevant agent on such Payment Date to each Account Bank, the Cash Manager, the Calculation Agent, the Back-up Calculation Agent, the Paying Agents, the Corporate Servicer, the Master Servicer, the Servicer, the Back-up Servicer, the relevant Subscriber(s) (other than IBL Banca as Subscriber which will be paid in accordance with item *Twelfth* below) and the Swap Counterparties (if any);

*Fifth*, to the extent applicable, to pay (i) all amounts for any payment due to the Series Swap Counterparty (if any) under the relevant Series Swap Agreement, and (ii) any amount payable by the Issuer as a result of the termination of such Series Swap Agreement, including, for the avoidance of doubt, following the occurrence of an Event of Default or Termination Event or Additional Termination Event (as defined under the relevant Series Swap Agreement) in respect of which the Issuer is the Defaulting Party or the Sole Affected Party (as defined under the relevant Series Swap Agreement), provided that any amount to be paid in case of termination of the Series Swap Agreement due

to the default of the Series Swap Counterparty shall be paid in accordance with item *Tenth* below;

*Sixth*, to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Class A Notes of the relevant Series on such Payment Date;

*Seventh*, to pay, *pari passu* and *pro rata*, all amounts in respect of principal outstanding on the Class A Notes of the relevant Series;

*Eighth*, to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Class B Notes of the relevant Series (if any) on such Payment Date;

*Ninth*, to pay, *pari passu* and *pro rata*, all amounts in respect of principal outstanding on the Class B Notes of the relevant Series (if any);

*Tenth*, to the extent applicable, to pay all amounts payable to the Series Swap Counterparty (if any), including any amount payable to the Series Swap Counterparty in case of termination of the Series Swap Agreement due to the default of such Series Swap Counterparty, under the relevant Series Swap Agreement as a result of the termination of the Series Swap Agreement to the extent not paid in accordance with item *Fifth* above;

*Eleventh*, to pay to the Originator any Adjustment Purchase Price and/or any Supplemental Purchase Price pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement;

*Twelfth*, to pay to the Originator (also in its capacity as Subscriber (if applicable) with respect to any indemnity payments payable in accordance with the relevant Series Subscription Agreement) any amount due and payable under the relevant Series Documents, to the extent not already paid or payable under other items of this Priority of Payments;

*Thirteenth*, to pay, *pari passu* and *pro rata*, all amounts of Remuneration due and payable on the Class J Notes of the relevant Series on such Payment Date, provided that if the Cash Trapping Condition is not satisfied, such amount shall not be paid to the Class J Noteholders of such Series but shall be credited to the relevant Payments Account;

*Fourteenth*, to pay, *pari passu* and *pro rata*, to the extent that the Rated Notes have been redeemed in full, all amounts outstanding in respect of principal due and payable on the Class J Notes of the relevant Series;

*Fifteenth*, to pay, *pari passu* and *pro rata*, any Additional Remuneration (if any) on the Class J Notes of the relevant Series.

**Class B Notes Series Performance Triggers**

If "Class B Notes Series Performance Triggers" is specified as being applicable in the Final Terms of the relevant Series of

Notes and the following Class B Notes Series Performance Triggers occurs:

- (a) the Cumulative Net Default Ratio has exceeded the Cumulative Default Trigger, as specified in the latest available Servicer's Report,
  - (b) then
    - (i) the Programme Administrator shall deliver a written notice (a "**Performance Trigger Notice**") to the Issuer, the Originator, the Representative of the Noteholders, the Calculation Agent, the Paying Agents and the Rating Agencies, stating that a Class B Series Performance Trigger has occurred;
    - (ii) following the delivery of a Performance Trigger Notice with respect to such Series and solely for the purpose of applying the relevant Series Available Funds in accordance with the Pre Enforcement Priority of Payments, from (and including) the immediately following Payment Date and on each Payment Date thereafter, item *Seventh* of the Pre Enforcement Priority of Payments shall not apply and item *Eleventh* of the Pre Enforcement Priority of Payments shall apply.

#### 4. TRANSFER OF THE PORTFOLIO

##### The Portfolio

In respect of each Transaction, the principal source of payment of interest and of repayment of principal on the Notes of any Series will be collections and recoveries made in respect of the relevant Portfolio which will be purchased by the Issuer by using the funds deriving from the issuance of such Series of Notes, in accordance with the provisions of the Programme Receivables Purchase Agreement and the relevant Transfer Agreement.

The Portfolio of each Transaction will be assigned and transferred to the Issuer without recourse (*pro soluto*) against the Originator in the case of a failure by any of the Debtors to pay amounts due under the relevant Receivables, in accordance with the Securitisation Law and subject to the terms and conditions of the Programme Receivables Purchase Agreement and the relevant Transfer Agreement entered into in respect of the purchase of the relevant Portfolio.

The Purchase Price in respect of the Portfolio of each Transaction will be equal to the sum of all Individual Purchase Prices of the Receivables included in such Portfolio and will be paid on the Issue Date of the relevant Series of Notes (as specified in the applicable Final Terms for such Series) using the net proceeds of the issue thereof.

##### Criteria

Pursuant to the Programme Receivables Purchase Agreement, the Originator will sell to the Issuer and the Issuer will purchase

from the Originator all the Receivables arising from Loan Agreements which meet, as at the relevant Valuation Date, the Common Criteria set out below.

All Portfolios purchased by the Issuer under the Programme in respect of each Transaction will be selected on the basis of the Common Criteria. The relevant Transfer Agreement entered into in respect of the relevant Transaction may set out Specific Criteria (which cannot derogate to the Common Criteria).

#### Common Criteria

- 1) are personal Loans to be reimbursed through a Salary Assignment or, alternatively, assisted by a Payment Delegation issued in favour of IBL Banca by the relevant Debtor and notified to the relevant Employer/Pension Authority and accepted by it;
- 2) have been granted only by IBL Banca as lender;
- 3) have been denominated in Euro and do not contain provisions that allow their exchange in another currency;
- 4) have been entirely granted by IBL Banca and in respect of which there are no obligation or possibility to make further disbursements under the relevant Loan Agreement;
- 5) have been granted pursuant to Loan Agreements governed by Italian Law;
- 6) at least one Instalment has been paid;
- 7) have a nominal interest rate (T.A.N.) not lower than 3.5% (three point five per cent.);
- 8) are assisted by an Insurance Policy in favour of IBL Banca to cover any life or unemployment risk of the Debtor;
- 9) have been granted in favour of individuals, resident or domiciled in Italy, employees of a private company or by a public administration or pensioners;
- 10) have not been granted to directors or employees of IBL Banca and to employees of the same Insurance Company with which has been entered into the Insurance Policy assisting this Loan in accordance with point (8) above;
- 11) provide for an amortisation plan characterized by monthly Instalments of fixed amount and having a fixed interest rate;
- 12) do not have more than 2 (two) Unpaid Instalments;
- 13) have not been classified as "*sofferenze*" (Defaulted Receivable), "*inadempienze probabili*" or "*esposizioni scadute e/o sconfinanti deteriorate*" pursuant to Circular

No. 272 dated 30 July 2008, as amended and supplemented from time to time (*Matrice dei Conti*) and article 178 of Regulation (EU) No. 575/2013 dated 26 June 2013, as amended and supplemented from time to time;

- 14) have not been characterised by events in relation to which the Insurance Company must pay the relevant indemnity on the basis of the Insurance Policy in accordance with point (8) above;
- 15) should accrue at least an Instalment following the Valuation Date;
- 16) whose Debtors have not opened at IBL Banca a bank account or a deposit account;
- 17) have not been entered into or executed in accordance with any law or regulation that provide from the beginning financial facilitations, public contributions of any nature, law discounts, maximum contractual limits to the interest rate and/or other provisions that give facilitations or reductions to the debtors or to the relevant guarantors, in relation to the capital and/or the interests;
- 18) that have not been object of previous transfer and/or securitisation transactions with third parties (other than, for the avoidance of doubt, in respect of the Receivables securitised under the Previous Securitisation carried out by IBL Banca or any other Securitisation carried out by IBL Banca and which will be transferred to the Issuer pursuant to the Receivables Purchase Agreement), as communicated to the relevant Debtor by IBL Banca, unless they have been repurchased afterwards by IBL Banca (and this circumstance has been communicated to the relevant Debtor by IBL Banca);
- 19) are not Receivables arising from loans granted to Debtors whose Employer is part of the Alitalia/Sai Group;
- 20) are not Receivables arising from Loans assisted by an insurance policy issued by Ferservizi S.p.A. or by INPDAP.

### **Servicing of the Portfolio**

The Master Servicer, the Servicer and the Issuer entered into the Programme Servicing Agreement, pursuant to which the Master Servicer has been entrusted by the Issuer for the supervision activities pursuant to Article 2, paragraph 6-bis of the Securitisation Law and the reporting activities relating to each Transaction.

The Master Servicer will be the "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento*" pursuant to Article 2, paragraph 3 (c) of the Securitisation Law and, therefore, shall take the responsibility provided for by Article 2, paragraph 6, of the Securitisation Law.

Under the Programme Servicing Agreement, the Issuer has appointed IBL Banca as Servicer which will act in the name and on behalf of the Issuer and in the interest of the Issuer and the Noteholders for the administration, management and recoveries activities in respect of the Receivables comprised in each relevant Portfolio, in accordance with the terms and conditions of the Programme Servicing Agreement.

Pursuant to the Programme Servicing Agreement, the Master Servicer has undertaken, *inter alia*, in respect of each Transaction, on the basis of the information provided to it by the Servicer, to prepare and submit to the Issuer, on a monthly basis, reports in the form which is set out in the Programme Servicing Agreement, providing key information relating to the amortisation of each Portfolio and the Servicer's activity during the relevant preceding period, including, without limitation, a description of the relevant Portfolio, information relating to any Defaulted Receivables and the Collections and Recoveries during the relevant preceding period and a performance analysis.

In particular, the Master Servicer, in respect of each Transaction, shall prepare on a monthly basis a Servicer's Report.

Pursuant to the Programme Servicing Agreement, the Servicer, in respect of each Transaction, shall transfer all amounts received or recovered by it in respect of the Portfolio to the relevant Collection Account of the Issuer within 1 Business Day of the date on which the Servicer has received such amounts.

Pursuant to the Programme Servicing Agreement, the Amounts Not Pertaining to the Transaction (if any): (i) will be determined and notified to the Issuer by the Servicer; (ii) will be paid to the Originator within 2 Business Days from the notification under (i) above; and (iii) will be set out in each Servicer's Report, with respect to the immediately preceding relevant Collection Period.

Pursuant to the Programme Servicing Agreement:

- (i) In the event of termination of IBL Servicing's appointment as Master Servicer in relation to one or more Transactions, as a consequence of the occurrence of a Master Servicer Termination Event as set out in the Programme Servicing Agreement, IBL Banca will act as substitute of the Master Servicer and will assume all obligations and responsibilities, and perform all activities, of the Master Servicer thereunder in relation to any such Transaction(s), in addition to the activities already delegated to it as Servicer;
- (ii) In the event of termination of IBL Banca appointment as Servicer in relation to one or more Transactions, as a consequence of the occurrence of a Servicer Termination Event as set out in the Programme Servicing Agreement, a successor servicer will be appointed to act as substitute of the Servicer and will assume all obligations and responsibilities, and perform all activities, of the Servicer thereunder in relation to any such Transaction(s);
- (iii) the termination of IBL Banca's appointment as Servicer constitutes a Servicer's Termination Event and therefore

will trigger the termination of IBL Servicing's appointment as Master Servicer.

### **Back-up Servicing**

The Issuer, the Master Servicer, the Servicer and the Back-up Servicer entered into the Programme Back-up Servicing Agreement.

Pursuant to the Programme Back-up Servicing Agreement, the Back-up Servicer has undertaken to act as substitute of the Master Servicer and/or the Servicer, as the case may be, in respect of one or more Transactions (as the case may be) carried out under the Programme, in the event that: (i) the appointment of the Master Servicer and/or the Servicer, as the case may be, has been revoked in accordance with the terms of the Programme Servicing Agreement in relation to one or more Transactions; or (ii) the Master Servicer and/or the Servicer, as the case may be, has withdrawn from the Programme Servicing Agreement; or (iii) the appointment of the Master Servicer and/or the Servicer is terminated for any reason whatsoever in accordance with the terms of the Programme Servicing Agreement in relation to one or more Transactions, other than in the event that IBL Banca, as successor master servicer, substitute IBL Servicing in accordance with the provisions of the Programme Servicing Agreement.

### **Warranties and indemnities**

In the Programme Warranty and Indemnity Agreement the Originator made certain representations and warranties to the Issuer in relation to, *inter alia*, the Receivables (in respect of the Originator) included in each Portfolio to be transferred from time to time to the Issuer and the Originator 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.

## **5. OTHER TRANSACTION DOCUMENTS AND CREDIT STRUCTURE**

### **Programme Intercreditor Agreement**

Under the terms of the Programme Intercreditor Agreement, the Representative of the Noteholders shall be entitled, *inter alia*, following the service of a Transaction Acceleration Notice and until the Notes of the relevant Series have been repaid in full or cancelled in accordance with the Conditions and the applicable Final Terms relating to such Series, to pay or cause to be paid on behalf of the Issuer, and using the relevant Series Available Funds, all sums due and payable by the Issuer to the Noteholders of such Series, the relevant Other Issuer Creditors and third party creditors in respect of costs and expenses incurred in the context of the relevant Transaction, in accordance with the terms of the Post Enforcement Priority of Payments.

Under the terms of the Programme Intercreditor Agreement, the Issuer and each Other Issuer Creditor agreed to perform their respective obligations under the Programme as provided for in the relevant Transaction Documents.

**Programme Cash  
Allocation, Management  
and Payments Agreement**

The Programme Administrator was appointed under the Programme Intercreditor Agreement in order to undertake, *inter alia*, to deliver the Programme Purchase Termination Notice upon occurrence of a Programme Purchase Termination Event, and verify the occurrence of the conditions provided for under the Programme Documents for the purchase of a Portfolio and the issue of a further Series of Notes by the Issuer under the Programme.

Under the terms of the Programme Cash Allocation, Management and Payments Agreement, the Servicer, the Collection Account Bank, the Transaction Bank, the Cash Manager, the Calculation Agent, the Back-up Calculation Agent, the Corporate Servicer and the Paying Agents agreed to provide the Issuer in relation to each Transaction with certain calculation, notification, cash management and reporting services together with account handling services in relation to moneys and securities from time to time standing to the credit of the Series Issuer's Accounts and with certain agency services.

In particular, pursuant to the Programme Cash Allocation, Management and Payments Agreement, each party thereto agreed - in respect of each Transaction - to enter into a Series CAMPA providing, *inter alia*, the opening of the relevant Series Issuer's Account.

Pursuant to the Programme Cash Allocation, Management and Payments Agreement, the Calculation Agent has undertaken in respect of each Transaction, *inter alia*, to prepare: (i) on or prior to each relevant Calculation Date, the Payments Report containing details of amounts to be paid by the Issuer on the relevant Payment Date following such Calculation Date in accordance with the applicable Priority of Payments, and (ii) not later than the second Business Day following each relevant Payment Date, the Investors Report. On each relevant Payment Date, the Italian Paying Agent shall apply amounts transferred into the relevant Payments Account in making payments to the Noteholders of such Series in accordance with the applicable Priority of Payments, as set out in the relevant Payments Report.

Under the Programme Cash Allocation, Management and Payments Agreement, Zenith was appointed as Back-up Calculation Agent in respect of each Transaction and has undertaken to act as substitute of the Calculation Agent, in the event that, in relation to one or more Transactions (as the case may be): (i) the relevant Servicer's Report is not timely delivered and, therefore, the information set out therein necessary to prepare the relevant Payments Report are not available; or (ii) IBL Banca as Calculation Agent fails to prepare the relevant Payments Report (or Post-Acceleration Payments Report, as the case may be) or the relevant Investor Report.

In the event of termination of the appointment of one or more Agents of the Issuer under the Programme Cash Allocation, Management and Payments Agreement, a successor Agent will be appointed in relation to any such Transaction(s).

<b>Mandate Agreement</b>	Under the terms of the Mandate Agreement, the Representative of the Noteholders was authorised, subject to a Transaction Acceleration Notice or a Programme Purchase Termination Notice being served upon the Issuer or upon failure by the Issuer to exercise its rights under any Series Document, to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of certain Series Documents to which the Issuer is a party.
<b>Series Swap Agreement</b>	In respect of a Transaction, the Issuer may hedge against certain interest rate risks in relation to the Receivables as at the Issue Date of the relevant Series, by entering into an interest rate hedging agreement or an interest rate option (or any other agreement having the same interest rate hedging economic and financial purpose) with one or more Series Swap Counterparties.
<b>Series Deed of Pledge</b>	Under the terms of each Series Deed of Pledge entered into in respect of each Transaction, the Issuer will grant to the Representative of the Noteholders (acting for itself and for the benefit of the Noteholders and the Other Issuer Creditors) a pledge over certain monetary rights to which the Issuer is entitled from time to time pursuant to certain Series Documents to which the Issuer is a party.
<b>Series Deed of Charge</b>	In respect of a Transaction, the Issuer may grant to the Representative of the Noteholders (acting for itself and for the benefit of the Noteholders and the Other Issuer Creditors) a security interest over the sums standing to the credit of, and/or the securities deposited in, the Investment Account if opened pursuant to the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA and/or over the contractual rights of the Issuer arising from the Series Swap Agreement (if any).
<b>Corporate Services Agreement</b>	Under the terms of the Corporate Services Agreement between the Issuer and the Corporate Servicer, the Corporate Servicer agreed to provide certain corporate administrative services to the Issuer.
<b>Quotaholder's Agreement</b>	Under the terms of the Quotaholder's Agreement, certain rules were set forth in relation to the corporate management of the Issuer.
<b>Listing Agent Fee Letter</b>	Under the terms of the Listing Agent Fee Letter, the Listing Agent has agreed to provide certain services to the Issuer in connection with the listing of the Rated Notes of any Series issued under the Programme.
<b>Series Subscription Agreement</b>	Pursuant to the Series Subscription Agreement entered into in respect of each Transaction on or about the Issue Date of the relevant Series of Notes, the relevant Subscriber(s) will undertake to subscribe for the Notes of such Series issued by the Issuer under the Programme and to pay the relevant subscription price thereof on the relevant Issue Date. In addition, under the Series Subscription Agreement, the relevant Subscriber(s) will appoint Banca Finint as Representative of the

Noteholders of such Series, to perform, in respect of each Transaction and the Programme, the activities described in the Programme Intercreditor Agreement, the Series Subscription Agreement, the Conditions, the Rules of the Organisation of the Noteholders and the other Transaction Documents to which it is a party.

## **6. ISSUER'S SERIES ACCOUNTS**

<b>Collection Account</b>	Pursuant to the Programme Cash Allocation, Management and Payments Agreement, the Issuer has undertaken to establish with the Collection Account Bank a Collection Account in respect of each Transaction, to be opened in accordance with the provisions of the relevant Series CAMPA. Pursuant to the terms and conditions of the Programme Servicing Agreement, the Servicer shall transfer on a daily basis to the relevant Collection Account all the amounts received or recovered in respect of the Receivables included in the Portfolio purchased in the context of each relevant Transaction.
<b>Payments Account</b>	Pursuant to the Programme Cash Allocation, Management and Payments Agreement, the Issuer has undertaken to establish with the Transaction Bank a Payments Account in respect of each Transaction, to be opened in accordance with the provisions of the relevant Series CAMPA. All amounts due to the Issuer under any of the relevant Series Documents will be paid into the relevant Payments Account (other than the Collections, which will be transferred into the relevant Payments Account two Business Days before each relevant Payment Date).
<b>Liquidity Reserve Account</b>	Pursuant to the Programme Cash Allocation, Management and Payments Agreement, the Issuer has undertaken to establish with the Transaction Bank a Liquidity Reserve Account in respect of each Transaction, to be opened in accordance with the provisions of the relevant Series CAMPA. On the relevant Issue Date and, thereafter, on each relevant Payment Date until the Rated Notes of the relevant Series have been repaid in full, the relevant Liquidity Reserve Target Amount shall be transferred into the relevant Liquidity Reserve Account from the relevant Payments Account.
<b>Additional Reserve Account</b>	Pursuant to the Programme Cash Allocation, Management and Payments Agreement, the Issuer has undertaken to establish with the Transaction Bank an Additional Reserve Account in respect of each Transaction, to be opened in accordance with the provisions of the relevant Series CAMPA. On the relevant Issue Date and, thereafter, on each relevant Payment Date until the Rated Notes of the relevant Series have been repaid in full, the relevant Additional Reserve Target Amount shall be transferred into the relevant Additional Reserve Account from the relevant Payments Account.
<b>Management Fee Reserve Account</b>	Pursuant to the Programme Cash Allocation, Management and Payments Agreement, the Issuer has undertaken to establish with the Transaction Bank a Management Fee Reserve Account in respect of each Transaction, to be opened in accordance with the provisions of the relevant Series CAMPA.

On the Issue Date of the relevant Series of Notes (as specified in the applicable Final Terms for such Series) the relevant Management Fee Reserve Initial Amount in respect of all the Receivables transferred by the Originator on such Transfer Date shall be paid (or procured to be paid) by the Originator into the relevant Management Fee Reserve Account.

On each relevant Payment Date, the relevant Management Fee Reserve Increased Amount, as specified in the relevant Servicer's Report issued as of the immediately preceding relevant Servicer's Report Date, shall be credited by the Originator into the relevant Management Fee Reserve Account.

The relevant Management Fee Reserve Released Amount (if any) will be repaid by the Issuer to the Originator on the Payment Date immediately following the relevant Servicer's Report Date without applying the Priority of Payments, in all circumstances in accordance with the relevant Series Documents.

The relevant Management Fee Prepayment Amount (if any) as specified by the Calculation Agent under the relevant Payments Report (or Post Acceleration Payments Report, as the case may be) will be transferred from the relevant Management Fee Reserve Account to the corresponding Payments Account on or prior to any relevant Payment Date.

All amounts standing to the credit of the relevant Management Fee Reserve Account, on the Business Day after the Payment Date on which the Notes of the relevant Series are redeemed in full or cancelled, will be paid to the Originator.

#### **Investment Account**

Pursuant to the Programme Cash Allocation, Management and Payments Agreement, the Issuer may open after the Issue Date of the relevant Series with the Investment Account Bank (or with any other Eligible Institution) a securities investment account in respect of the relevant Transaction, in accordance with the provisions of the Programme Cash Allocation, Management and Payment Agreement and the relevant Series CAMPA. The relevant Investment Account shall be managed and operated in accordance with the provisions that will be agreed between the Issuer, the Representative of the Noteholders and the relevant account bank.

#### **Expenses Account**

Pursuant to the Programme Cash Allocation, Management and Payments Agreement, the Issuer has undertaken to establish with the Collection Account Bank an Expenses Account in respect of each Transaction, to be opened in accordance with the provisions of the relevant Series CAMPA. On the Issue Date of the relevant Series of Notes (as specified in the applicable Final Terms for such Series), the relevant Retention Amount will be credited into the relevant Expenses Account.

During each relevant Collection Period, the Retention Amount will be used by the Issuer to pay the Expenses relating to the relevant Transaction.

To the extent that the amounts standing to the credit of the relevant Series Expense Account on any Payment Date of the relevant Series of Notes is lower than the Retention Amount, the

Issuer shall credit available amounts to such Series Expense Account in accordance with the applicable Priority of Payments.

#### **Back-Up Collection Account**

Pursuant to the Programme Cash Allocation Management and Payments Agreement, Citi Milan as Transaction Bank will undertake to open in the name of the Issuer - as of the relevant Series Signing Date in respect of each Transaction - and maintain a Back-Up Collection Account.

In the event that IBL Banca (or the Issuer) becomes aware that should IBL Banca remain as Collection Account Bank this would have a negative credit impact on the Rated Notes of such Series, IBL Banca (or the Issuer, as the case may be) shall promptly inform in writing the Collection Account Bank (if the notice is delivered by the Issuer), the Issuer (if the notice is delivered by IBL Banca) and the Programme Administrator of such event (the "**Collection Account Bank Termination Notice**") in accordance with the provisions of the Programme Cash Allocation, Management and Payments Agreement.

Pursuant to the Programme Cash Allocation, Management and Payments Agreement following the receipt of the Collection Account Bank Termination Notice, IBL Banca shall immediately, and in any case no later than the earlier of (i) 2 (two) Business Days following the receipt of the Collection Account Bank Termination Notice, and (ii) 3 (three) Business Days before the immediately following Payment Date:

- (a) transfer all amounts standing to the credit of the relevant Collection Account as of such date into the relevant Back-Up Collection Account; and
- (b) close the Collection Accounts opened under all Transactions carried out under the Programme until such date, once the transfer under (a) above has been completed.

#### **Collateral Account**

In the event that a Series Swap Agreement is entered into and that amounts are to be posted by a Series Swap Counterparty as collateral pursuant to such Series Swap Agreement (any such amount, the "**Collateral Amounts**"), the Issuer will promptly open - in respect of the relevant Transaction - a Collateral Account with any banking institution which shall be an Eligible Institution and which will be specified in the applicable Final Terms (the "**Collateral Account Bank**") into which the relevant Series Swap Counterparty/ies shall pay the Collateral Amounts in accordance with the relevant Series Swap Agreement.

#### **Quota Capital Account**

The Issuer has also established the Quota Capital Account with IBL Banca for the purpose of depositing its quota capital.

#### **Eligible Institution**

"**Eligible Institution**" means any depository institution organised under the laws of any state which is a member of the European Union or of the United States:

- a) with a "Baa2" long-term rating by Moody's or, in the event of a depository institution which does not have a

long-term rating by Moody's, a "P-2" short-term rating by Moody's.

b) with respect to DBRS the rating at least equal to "BBB (high)" being:

(1) in case a public or private rating has been assigned by DBRS, the higher of (I) the rating one notch below the institution's COR (if assigned), and (II) the long-term senior unsecured debt rating or deposit rating; or

(2) in case a long-term COR has not been assigned by DBRS, the higher of the relevant institution's issue rating, long-term senior unsecured debt rating or deposit rating; or

(3) in case a public or private rating has not been assigned by DBRS, a DBRS Minimum Rating; and

c) with "F1" by Fitch with respect to the short-term deposit rating or, in case the deposit rating is not available, with respect to the short term Issuer's default rating or with "A-" by Fitch with respect to the long-term deposit rating or, in case the deposit rating is not available, with respect to the long-term Issuer's default rating;

d) if rated by Scope, whose long-term and short term bank issuer ratings are rated at least, respectively, "BBB" and "S-2" by Scope, provided that a rating by Scope is (a) the public or subscription rating assigned by Scope or, if there is no public or subscription rating, (b) the private rating assigned by Scope or the internal credit assessment made by Scope,

or such other rating or ratings as may be agreed by the relevant Rating Agency from time to time as would maintain the then current ratings of the Notes.

For clarification, the DBRS rating is (a) the public rating assigned by DBRS or, if there is no public DBRS rating, then (b) the private rating assigned by DBRS. In the event of a depository institution which does not have a private rating nor a public rating from DBRS, then for DBRS the Eligible Institution will mean a depository institution whose DBRS Minimum Rating is at least BBB(high).

**"DBRS Minimum Rating"** means:

(a) if a Fitch long term public rating, a Moody's long term public rating and an S&P long term public rating (each, a Public Long Term Rating) are all available at such date, the DBRS Minimum Rating will be the DBRS Equivalent Rating of such Public Long Term Rating remaining after disregarding the highest and lowest of such Public Long Term Ratings from such rating agencies (provided that if such Public Long Term Rating is under credit watch

negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below) (for this purpose, if more than one Public Long Term Rating has the same highest DBRS Equivalent Rating or the same lowest DBRS Equivalent Rating, then in each case one of such Public Long Term Ratings shall be so disregarded);

- (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.

**"DBRS Equivalent Rating"** has the meaning given to such term in Condition 2 (*Definitions*).

### **Eligible Investments**

**"Eligible Investments"** means:

- (A) euro-denominated senior dematerialised unsubordinated debt financial instruments but excluding for the avoidance of doubt credit linked notes and money market funds, or
- (B) account or deposit with a maturity date falling not later than the next succeeding Eligible Investments Maturity Date, held with an Eligible Institution,

provided that, in all cases: (i) such investments are immediately repayable on demand, disposable without penalty or have a maturity date falling on or before the next following Eligible Investments Maturity Date; (ii) such investments provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount), and (iii) the debt securities or other debt instruments are issued by, or fully and unconditionally guaranteed on an unsubordinated basis by, an institution whose unsecured and unsubordinated debt obligations have the following ratings (or such other rating or ratings as may be

agreed by the relevant Rating Agency from time to time as would maintain the then current ratings of the Notes):

- (1) with respect to Moody's ratings, either: (i) with a "Baa2" long-term rating by Moody's or, in the event of a depository institution which does not have a long-term rating by Moody's, a "P-2" short-term rating by Moody's; or (ii) such other lower rating being compliant with the criteria established by Moody's from time to time;
- (2) with respect to DBRS ratings, either: (i) "R-1(low)" by DBRS in respect of short-term debt and "BBB (high)" by DBRS in respect of long-term debt; or (ii) otherwise, which has the following ratings from at least 2 of the following rating agencies: (a) at least "A" by Fitch; (b) at least "A" by Standard & Poor's; (c) at least "A2" by Moody's;
- (3) with respect to Fitch ratings, either (i) "F1" by Fitch in respect of short-term debt or "A-" by Fitch in respect of long-term debt; or (ii) such other lower rating being compliant with the criteria established by Fitch from time to time;

provided that, in any event, (a) the Eligible Investments set out above will have a maturity of less than or equal to one month, and (b) none of the Eligible Investments set out above may consist, in whole or in part, actually or potentially, of (i) credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives nor may any amount available to the Issuer in the context of the Securitisation otherwise be invested in any such instruments at any time, or (ii) asset-backed securities, irrespective of their subordination, status or ranking, or (iii) swaps, other derivative instruments, or synthetic securities or any other instrument from time to time specified in the European Central Bank monetary policy regulations applicable from time to time.

**"Eligible Investments Maturity Date"** means, in respect of each Transaction, in relation to Eligible Investments (if any) deriving from the investment of the relevant Series Available Funds to be distributed on a certain Payment Date, the day falling on the second Business Day immediately preceding such Payment Date.

## 6. SERIES REPORTS

### **Servicer's Report**

Under the Programme Servicing Agreement, the Servicer has undertaken to prepare, on each Servicer's Report Date, the Servicer's Report, setting out detailed information in relation to, inter alia, the Collections and the Recoveries in respect of the Receivables comprised in the Portfolio (including the information required by Articles 7(1)(a) and 22(4) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards).

### **Account Bank Report**

Under the Programme Cash Allocation, Management and Payment Agreement, the relevant parties have agreed that the

Account Banks shall prepare, the Account Bank Report setting out details of the management of the Series Issuer's Accounts .

<b>Payments Report</b>	Under the Programme Cash Allocation, Management and Payment Agreement, the relevant parties have agreed that the the Calculation Agent or the Back-Up Calculation Agent shall prepare, with reference to each Transaction, the Payment Report setting out, inter alia, all the payments to be made on each relevant Calculation Date in accordance with the applicable Priority of Payments.
<b>Cash Manager Report</b>	Under the Programme Cash Allocation, Management and Payment Agreement, the relevant parties have agreed that the Cash Manager shall prepare, the Cash Manager Report setting out details of the Eligible Investments.
<b>Sec Reg Asset Level Report</b>	Under the Programme Servicing Agreement, the relevant parties have agreed that the Servicer shall prepare, simultaneously with the Sec Reg Investor Report, on each Sec Reg Report Date, the Sec Reg Asset Level Report setting out the information required in compliance with article 7(1)(a) of the EU Securitisation Regulation.
<b>Sec Reg Investor Report</b>	Under the Programme Cash Allocation, Management and Payment Agreement, the relevant parties have agreed that the the Calculation Agent, on behalf of the Originator, or the Originator shall prepare, simultaneously with the Sec Reg Asset Level Report, on each Sec Reg Report Date, the Sec Reg Investor Report setting out the information required in compliance with article 7(1)(e) of the EU Securitisation Regulation.
<b>Post Acceleration Payments Report</b>	Under the Programme Cash Allocation, Management and Payment Agreement, the relevant parties have agreed that the Calculation Agent shall prepare, in respect of each Transaction, following the occurrence of a Transaction Acceleration Event and the delivery of a Transaction Acceleration Notice, the report setting out all the payments to be made on the following Payment Date under the Post Acceleration Priority of Payments.

## RISK FACTORS

*Investing in the Notes involves certain risks. The following section is a description of the material risk factors known as of the date of this Base Prospectus in relation to the issue of the Notes of which prospective noteholders should be aware. Prospective noteholders should make their own independent valuation of all of the risk factors and should also read the detailed information set forth elsewhere in this Base Prospectus, in the Programme Documents, in the applicable Final Terms and in the Series Documents of the relevant Transaction and reach their own views prior to making an investment decision.*

### **CATEGORY OF RISK FACTOR 1: RISK FACTORS RELATING TO THE ISSUER**

#### **Issuer's ability to meet its obligations under the Notes**

The Notes of any Series will be limited recourse obligations solely of the Issuer.

In particular, with reference to each Transaction, the ability of the Issuer to meet its obligations in respect of the Notes of the relevant Series will be dependent on (i) the receipt by the Issuer of collections and recoveries made on its behalf by the Master Servicer and/or the Servicer from the relevant Portfolio, (ii) the amounts standing to the credit of the relevant Liquidity Reserve Account and Additional Reserve Account; and (iii) any other amounts received by the Issuer pursuant to the provisions of the other relevant Series Documents to which it is a party (including the relevant Series Swap Agreement, if any). The performance by such parties of their respective obligations under the relevant Series Documents is dependent on the solvency of each relevant party. Consequently, with reference to each Transaction, there is no assurance that, over the life of the Notes of the relevant Series (whether on the relevant Final Maturity Date, upon redemption by acceleration of maturity following the service of a Transaction Acceleration Notice or otherwise), there will be sufficient funds to enable the Issuer to pay interest on such Notes or to repay such Notes in full.

If there are not sufficient funds available to the Issuer to pay in full all principal, interest and other amounts due in respect of such Notes, then the relevant Noteholders will have no further claims against the Issuer in respect of any such unpaid amounts. Following the service of a Transaction Acceleration Notice, the only remedy available to the relevant Noteholders and the relevant Other Issuer Creditors is the exercise by the Representative of Noteholders of the Issuer's Rights. In this circumstance, there is no assurance that the net proceeds of the realisation of the Issuer's Rights will be sufficient to pay all amounts due to the relevant Noteholders after making payments to the other creditors of the Issuer ranking prior thereto. In particular, in the event of a shortfall in such proceeds, the Issuer will not be obliged to pay to the relevant Noteholders and its other creditors any residual amount which has not been paid by the Issuer after application of such proceeds and, in addition, the other assets of the Issuer will not be available for such payments.

Each Portfolio which will be purchased under the Programme will be exclusively comprised of Loans which were/are "performing" as at the relevant Valuation Date (see "The Portfolios"). There can be no guarantee that (i) the Debtors will continue to perform under the Loans; (ii) the Employers/Pension Authorities will continue to perform under the Salary Assignments and the Payment Delegations; or (iii) the Insurance Companies will perform their obligations under the Insurance Policies.

It should be noted that economic conditions may affect the ability of the Debtors and/or the Employers/Pension Authorities to repay the Loans and/or the Insurance Companies to make payments under the Insurance Policies.

The recovery of overdue amounts in respect of the Loans (and/or other claims comprised in the Portfolio) will be affected by the length of enforcement proceedings in respect of the Loans (and/or other claims comprised in each Portfolio), which in the Republic of Italy can take a considerable amount of time depending on the type of action required and where such action is taken. Factors which can have a significant effect on the length of the proceedings include the following: (i) certain courts may take longer than the national average to enforce the (and/or other claims comprised in each Portfolio) and (ii) more time will be required for the proceedings if it is necessary first to obtain a payment injunction (*decreto ingiuntivo*) or if the Debtor or any Employer/Pension Authority and/or Insurance Company raises a defence or counterclaim to the proceedings.

Such credit and liquidity risks will be mitigated, with reference to each Transaction, by the availability of the relevant Liquidity Reserve and Additional Reserve and, with respect to the relevant Class A Notes, by the credit support provided by the relevant Class B Notes and Class J Notes, and with respect to the relevant Class B Notes, by the credit support provided by the relevant Class J Notes.

There can be no assurance that the levels of credit support and the liquidity support provided by the subordination of the Notes and by the funds of the Liquidity Reserve and the Additional Reserve will be adequate to ensure punctual and full receipt of amounts due under the Notes.

By virtue of the operation of Italian law, with reference to each Transaction the rights, title and interests of the Issuer in and to the relevant Portfolio, any monetary claim accrued by the Issuer in the context of such Transaction, the relevant collections and the financial assets purchased through such collections will be segregated from all other assets of the Issuer (including, for the avoidance of doubt, any other Portfolio purchased in the context of the Programme). Therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders of the relevant Series, the Other Issuer Creditors of such Transaction and any other creditor of the Issuer in respect of any costs, fees and expenses in relation to such Transaction.

With reference to each Transaction, each Other Issuer Creditor has undertaken in the Programme Intercreditor Agreement not to petition or commence proceedings for a declaration of insolvency (nor join any such petition or proceedings) against the Issuer until the date falling two years and one day after the date on which the Notes of the relevant Series or any other asset backed notes issued by the Issuer have been redeemed in full or cancelled in accordance with their terms and conditions.

#### **Credit risk on IBL Banca (acting as Servicer) and the other parties to the Series Documents relating to the relevant Transaction**

With reference to each Transaction, the ability of the Issuer to make payments in respect of the Notes of the relevant Series will depend to a significant extent upon the due performance by IBL Banca (acting as Servicer) and the other parties to the relevant Transaction Documents of their respective obligations under such Series Documents to which they are parties. In particular, without limiting the generality of the foregoing, the timely payment of amounts due on the Notes will depend on the ability of the Servicer to service the relevant Portfolio and to recover the amounts relating to the relevant Defaulted Receivables (if any). With reference to each Transaction, the performance of such parties of their respective obligations under the relevant Series Documents is dependent, *inter alia*, on the solvency of each relevant party.

Furthermore, the Issuer's ability to make payments in respect of the Notes of any Series may depend on the performance by the Originator of its obligations under the Programme Warranty and Indemnity Agreement. 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 Programme Warranty and Indemnity Agreement. In addition, in such case, any payments made by the Originator as indemnity or as repurchase price under the Programme Warranty and Indemnity Agreement, or as indemnity for the renegotiation of the Receivables comprised in the Portfolio purchased in the context of each Transaction under the Programme Servicing Agreement or as repurchase price of the such Receivables, respectively, may be subject to ordinary claw back regime under Italian Law (for further details see the section "*Selected Aspects of Italian Law*").

#### **The ability of the Issuer to meet its obligations under the Notes of any Series is dependent on the performance of other parties to the relevant Transaction.**

The timely payment of amounts due on the Notes of any Series will depend on the performance of other Issuer's counterparties, including, without limitation, the ability of the Back-up Servicer, the Calculation Agent, the Corporate Servicer, the Cash Manager, the Paying Agents and the Account Banks to duly perform their obligations under the relevant Transaction Documents. In addition, the ability of the Issuer to make payments under the Notes of any Series may depend to an extent upon the due performance by the Originator of its obligations under the the Programme Receivables Purchase Agreement and the relevant Transfer Agreement

in respect of the relevant Portfolio. The performance of such parties of their respective obligations under the relevant Transaction Documents may be influenced by the solvency of each relevant party.

### **Replacement of the Master Servicer and/or of the Servicer**

In order to mitigate the servicing risk in respect of each Portfolio, the Back-up Servicer has been appointed by the Issuer pursuant to the Programme Back-up Servicing Agreement and has undertaken to act as substitute of the Master Servicer in case of termination of the appointment, in relation to one or more Transactions, of the Master Servicer and/or of the Servicer under the Programme Servicing Agreement. In particular, after termination of the appointment of the Master Servicer and/or of the Servicer under the Programme Servicing Agreement in relation to one or more Transactions, the Back-up Servicer has undertaken to service each Portfolio purchased in the context of each Transaction and assumes and/or performs the duties and obligations of the Master Servicer and/or of the Servicer on the same terms provided for in the Programme Servicing Agreement. However, it is not certain that, in the events provided under the Programme Servicing Agreement, the Back-Up Servicer will be able to replace at once the Master Servicer and/or of the Servicer in the performance of its duties under the Programme Servicing Agreement, which could affect the proceeds of the Portfolios available to the Issuer to make payments under the Notes.

### **Commingling Risk**

The Issuer may be subject to the risk that, in the event of insolvency of IBL Banca, acting as Servicer, with reference to each Transaction, the relevant Collections and/or the amounts received in respect of the relevant Portfolio then held by such entity are lost. The risk is mitigated in a number of ways.

First, the Law Decree No. 91/2014 introduced certain specific segregation and bankruptcy provisions dealing with the bank accounts of the servicer (or of the sub-servicers) for the deposit of the collections of the securitised receivables (the “**Servicer Accounts**”). Such new provisions established that sums credited in the Servicer Accounts can be seized and attached by the creditors of the Servicer only within the limit of the amounts exceeding the sums collected and due to the SPV in respect of the securitised receivables. Moreover pursuant to such provisions, if the servicer (or the sub-servicers) is subject to any insolvency proceeding, then the securitised collections deposited (both prior to and during such proceeding) into the relevant Servicer Accounts will not be subject to suspension of payments and will be immediately repaid to the relevant issuer, without the need to file any petition in the relevant insolvency proceeding and outside of any distribution plan. Prospective investors should however be aware that, as at the date of this Base Prospectus, the provisions of the Securitisation Law introduced by Law Decree Competitività have rarely been tested in any case law, or specified in any further regulation and could be in conflict with or superseded by the provisions relating to the bail-in and the other resolution tools implemented in Italy pursuant to the BRRD (i.e. Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014).

Moreover, the Issuer has taken certain actions, such as requiring the Servicer to procure that the any amounts collected and/or recovered in respect of the Receivables comprised in the Portfolio purchased in the context of each Transaction are: (i) collected and credited to bank accounts (established in the name of the Servicer and/or managed by the Servicer) which are maintained separate from other funds belonging to the Servicer and/or third parties, and (ii) are transferred to the Collection Account of the Issuer opened in the context of such Transaction (which shall at all times be maintained with an Eligible Institution, other than if maintained with the Collection Account Bank) on the Business Day following the relevant date of receipt of the relevant Collections by the Servicer.

### **Issuer an unsecured creditor of the Originator**

The Issuer will rely on the fact that the Originator has assumed the obligation to indemnify and hold harmless the Issuer for any losses, liabilities, damages, costs, actions and proceedings (each a “**Claim**”) by virtue of the mechanism of the *accollo liberatorio* pursuant to article 1273 of the Italian Civil Code and on the further representations and warranties given by the Originator in the Programme Warranty and Indemnity Agreement and in each Transfer Agreement. These remedies of the Issuer in respect of the occurrence of a Claim and/or a breach of a representation and warranty which materially and adversely affects the value of a Receivable will be the requirement that the Originator indemnifies the Issuer for the damages deriving therefrom – or

repurchase the relevant Receivable in accordance with, and subject to, the terms and conditions of the Programme Warranty and Indemnity Agreement. There can be no assurance that the Originator will have the financial resources to honour such obligations.

### **Limitations on cross-liability between Transactions**

By virtue of the operation of article 3 of the Securitisation Law, the Programme Documents and Series Documents relating to each Transaction, the Issuer's Series Segregated Assets will be segregated from all other assets of the Issuer (including, for the avoidance of doubt, any other Portfolio purchased by the Issuer in the context of the Programme). Therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders of the relevant Series, to the Other Issuer Creditors of the relevant Transaction and to any other creditor of the Issuer in respect of any costs, fees and expenses in relation to the relevant Transaction. In addition, the assets relating to each Transaction will not be available to the holders of Notes issued to finance any purchase of any other Portfolio under the Programme or to general creditors of the Issuer.

### **Payment Delegation**

The Payment Delegations relating to each Portfolio have been issued by the relevant Debtors in favour of IBL Banca (*i.e.* the relevant Employers pay the portion of salary or pension object of Payment Delegation to IBL Banca in repayment of the relevant DP Loans).

In the event of bankruptcy or other insolvency proceeding of the Originator, the Delegations of Payment can be terminated. As a result, in order for the Issuer to be entitled to receive the relevant quotas of the wages or salaries or pensions from the Employers of the relevant Debtors in discharge of the payment obligations under the relevant Loans, it would be necessary that (i) such Debtors issue new Delegations of Payment in favour of the Issuer, and (ii) the Employers accept such new Delegations of Payment, subject to the requirements and limits provided for by general law provisions and by the applicable Circulars of the Minister of Treasury.

In this respect, it has to be noted that the Debtors and the Employers are under no obligation to execute a new Payment Delegation and accept them, respectively, so this result in the failure of or the delay in processing of payments on the Receivables and ultimately could adversely affect payment of interest and principal on the Notes.

### **Eligible Investments**

Funds on deposit in certain Accounts may be invested in Eligible Investments by the Issuer through the Cash Manager, pursuant to the Cash Allocation Management and Payment Agreement. The investments must have appropriate ratings corresponding to the term of the investment, as provided by the Eligible Investment definition. However, it may be that, irrespective of any such rating, such investments will be irrecoverable due to the insolvency or default of the relevant debtor in respect of the investment. In the event any of the investments are irrecoverable the Issuer would have less funds available to it to make payments under the Notes which could affect whether or not Noteholders are repaid in full.

Please also see for further details the section named "The Accounts".

## **CATEGORY OF RISK FACTOR 2: RISK FACTORS RELATING TO THE NOTES**

### **Investment in the Notes is only suitable for certain investors**

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

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

Prospective Noteholders should not rely on or construe any communication (written or oral) of the Issuer, the Originator, the Co-Arrangers, the Subscribers or any other Transaction Party as investment advice or as a recommendation to invest in the Notes, it being understood that information and explanations related to the Conditions shall not be considered to be investment advice or a recommendation to invest in the Notes. No communication (written or oral) received from the Issuer, the Originator, the Co-Arrangers, the Subscribers or any other Transaction Party shall be deemed to be an assurance or guarantee as to the expected results of an investment in the Notes.

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

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

### **Interest rate risk**

With reference to each Transaction, the Issuer may issue Notes whose floating rate interest is linked to EURIBOR or to any other benchmark chosen by the Co-Arrangers and expects to meet its obligations under the Notes of the relevant Series primarily from the relevant Collections in respect of the Receivables, which may have no correlation to the relevant benchmark. To protect from a situation where EURIBOR or any other selected benchmark increases to the extent that such Collections are no longer sufficient to cover the Issuer's obligations under the Rated Notes of such Series, the Issuer may execute, on or around the Issue Date of the relevant Series and in relation to such Series, an interest rate swap transaction (or an interest rate option or any other agreement having the same interest rate hedging economic and financial purpose) with the relevant Series Swap Counterparty/ies. However, should any of the Series Swap Agreements be terminated for any reason, no assurance can be given that similar protection could be obtained.

### **Italian consumer protection legislation**

All of the Loans are consumer loans and are regulated by, amongst other things: (i) articles 121 to 126 of the Consolidated Banking Act and (ii) Italian Legislative Decree No. 206 of 6 September 2005 (the "**Consumer Code**"). The following risks, amongst others, could arise in relation to a consumer loan contract:

- (i) pursuant to article 125-*sexies*, paragraph 1, of the Consolidated Banking Act, borrowers under consumer loan contracts have the right to prepay any consumer loan without penalty and with the additional right to a *pro rata* reduction in the aggregate costs and interest of the loan. It should, however, be noted that, in the event of prepayment by the borrower, the lender, under certain circumstances, is entitled to a compensation equal to 1 per cent. of the prepaid amount of the consumer loan if the residual duration of the consumer loan is longer than one year, or equal to 0.5 per cent. of the same amount, if shorter; in any case, no prepayment penalty shall be due (i) if the repayment has been made under an insurance contract intended to provide a credit repayment guarantee; or (ii) in the case of overdraft facilities; or (iii) if the repayment falls within a period for which the borrowing rate is not a fixed rate; or (iv) if the prepaid sum is equal to the total outstanding amount of the relevant consumer loan and is equal to or less than Euro 10,000.

The provisions of article 125-*sexies* of the Consolidated Banking Act have been amended by Law Decree no. 73 of 25 May 2021, as converted into Law no. 106 of 23 July 2021 (the so-called *Sostegni-bis* Decree). Pursuant to the *Sostegni-bis* Decree, the consumer loan agreements shall clearly indicate the criteria applicable for such interest and cost reduction, being a linear proportional reduction or a reduction based on the loan amortised cost. Unless otherwise specified in the relevant consumer loan agreement, a reduction based on the loan amortised cost would apply. Save for any

different agreement between the lenders and the relevant credit intermediaries, the lenders would have a recourse against such credit intermediaries for the recovery of an amount equivalent to the portion of the credit intermediaries' fees reimbursed to the borrowers as a result of the prepayment.

The amendments to article 125-*sexies* of the Consolidated Banking Act introduced by the Sostegni-bis Decree would apply to the consumer loan agreements executed after the entry into force of conversion law. Any prepayment relating to consumer loan agreements entered into prior to such date would continue to be governed by the previous provisions of article 125-*sexies*, as well as by the Bank of Italy's regulations applicable at the time of the relevant prepayment;

- (ii) pursuant to article 125-*septies* of the Consolidated Banking Act, debtors of consumer loans are entitled to exercise against the assignee of any lender under a consumer loan contract, any defense (including set-off) which they had against the original lender, in derogation of the provisions of article 1248 of the Italian Civil Code (that means the debtors have such right even if they have accepted the assignment or have been given written notice thereof and if the transfer has been made enforceable against them). In this respect, it must be noted that article 4, paragraph 2 of the Securitisation Law provides that debtors of securitised receivables are not entitled to exercise any right of set-off against the securitisation special purpose vehicle for any claims they have towards the originator which have arisen after the date of completion of the enforceability formalities of the transfer of such receivables to the securitisation company as provided for under the Securitisation Law. However, it is unclear whether the provisions contained in article 4, paragraph 2 of the Securitisation Law in relation to set-off rights of the assigned debtors also prevails on article 125-*septies* of the Consolidated Banking Act, considering the special nature of the latter (*i.e.* provisions aimed at protecting the category of consumers). For this purpose, under the Programme Warranty and Indemnity Agreement the Originator has agreed to indemnify the Issuer, with reference to each Transaction, in respect of any reduction in amounts received by the Issuer in respect of the relevant Receivables as a result of the exercise by any Debtor and/or any Employer of a right of set-off (except for set-off made in respect of the Management Fee, for which a cash reserve has been created, and will be maintained, on the relevant Management Fee Reserve Account according to the terms of the Transaction Documents). In addition, under the terms of the Programme Warranty and Indemnity Agreement, the Originator has agreed to indemnify the Issuer in respect of any set-off made by the Debtor pursuant to article 125-*septies* of the Consolidated Banking Act; Moreover the Originator has represented to the Issuer that, with reference to each Transaction, no bank accounts and/or deposit accounts have been opened by the Debtors with it;
- (iii) in addition, Article 33 of the Consumer Code provides that any clause in a consumer contract which contains a material imbalance between the rights and obligations of the consumer under the contract is deemed to be unfair and is not enforceable against the consumer whether or not the consumer's counterparty acted in good faith. The Originator has represented and warranted in the Warranty and Indemnity Agreement that the Loan Agreements comply with all applicable laws and regulations.

For further information please kindly see the section entitled "*Selected Aspects of Italian Law*" – Italian consumer protection legislation – *Consumer Code's protection*).

### **Changes or uncertainty in respect of Euribor and/or other interest rate benchmark may affect the value of payment of interest under the Rated Noted**

The Rated Notes are linked to the Euro Interbank Offered Rate ("**EURIBOR**"). EURIBOR and other indices which are deemed "benchmarks" ("**Benchmarks**") are the subject of recent national, international and other regulatory guidance and proposals for reform, including IOSCO's proposed Principles for Financial Benchmarks (July 2013) (the "**IOSCO Benchmark Principles**") and the EU's Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "**Benchmarks Regulation**"). The Benchmarks Regulation applies to "contributors", "administrators" and "users of" Benchmarks in the EU, and, among other things, (i) requires benchmark administrators to be authorised (or, if non-EU-based, to be subject to an equivalent regulatory regime) and to comply with extensive requirements in relation to the administration of Benchmarks and (ii) ban the use of Benchmarks of unauthorised administrators. In addition, on 13 February 2019, the Italian Government approved the Legislative Decree no. 19 dated 13 February with

the aim of harmonizing the Italian legislation to the Benchmark Regulation. These reforms may cause such Benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to a Benchmark.

Any of the international, national or other reforms (or proposals for reform) or the general increased regulatory scrutiny of Benchmarks could increase the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements.

Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain Benchmarks, trigger changes in the rules or methodologies used in certain Benchmarks or lead to the disappearance of certain Benchmarks. The disappearance of a Benchmark or changes in the manner of administration of a Benchmark could result in adjustment to the terms and conditions, early redemption, discretionary valuation by the Calculation Agent, delisting (if listed) or other consequence in relation to Notes linked to such Benchmark. Any such consequence could have a material adverse effect on the value of and return on any such Notes.

Moreover, any of the above matters or any other significant change to the setting or existence of any relevant benchmark could affect the ability of the Issuer to meet its obligations under the Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes. Investors should consider these matters with their own independent advisers when making their investment decision with respect to the relevant of Notes linked to or referencing a benchmark.

#### **Limited nature of credit ratings assigned to the Rated Notes**

The credit ratings assigned to the Rated Notes of any Series reflects the Rating Agencies' assessment only in relation to a likelihood of timely payment of interest and the ultimate repayment of principal on or before the relevant Final Maturity Date, not that such payments will be paid when expected or scheduled. These ratings are based, among other things, on the Rating Agencies' determination of the value of the Portfolios, the reliability of the payments on the Portfolios and the availability of credit enhancement.

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

- the possibility of the imposition of Italian or European withholding tax; or
- the marketability of the Rated Notes, or any market price for the Rated Notes; or
- whether an investment in the Senior Notes is a suitable investment for the Noteholder.

The Rating Agencies may lower their ratings or withdraw their ratings if, in the sole judgment of the Rating Agencies, the credit quality of the Rated Notes of any Series has declined or is in question. If any rating assigned to the Rated Notes of any Series is lowered or withdrawn, the market value of such Rated Notes may be affected.

#### **Yield and payment considerations: performance of the underlying Loans**

With reference to each Transaction, the amount and timing of the receipt of the relevant Collections on the Receivables and the courses of action to be taken by the Master Servicer and/or the Servicer with respect to the servicing, administration, collection, operation and restructuring of and other recoveries on the Receivables, as well as other events outside the control of the Master Servicer, the Servicer and the Issuer, will affect the performance of the relevant Portfolio and the weighted average life of the Notes of the relevant Series. The weighted average life of the Notes of any Series will be affected by the timing and amount of receipts in respect of the Receivables comprised in the Portfolio purchased in the context of such Series, which will be influenced by the courses of action to be followed by the Servicer and/or the Master Servicer with respect to the Receivables and decisions to alter such courses of action from time to time, as well as by economic, geographic, social and other factors including, *inter alia*, the availability of alternative financing and local, regional and national economic conditions. Settlement or sales of Receivables comprised in each Portfolio earlier or later or for different amounts than anticipated may significantly affect the weighted average

life of the Rated Notes issued to finance such Portfolio. With reference to each Transaction, the stream of principal payments received by a Noteholder may not be uniform or consistent, no assurance can be given as to the yield to maturity which will be experienced by a purchaser of any Notes and the yield to maturity may be adversely affected by higher or lower rates of delinquency and default on the Receivables comprised in the relevant Portfolio.

### **Subordination**

In respect of the obligation of the Issuer to pay interest and to repay principal on the Notes of each Series, the Conditions provide that: (i) the Class A Notes will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but in priority to the Class B Notes (if any) and to the Class J Notes; (ii) the Class B Notes (if any) will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but in priority to the Class J Notes and subordinated to the Class A Notes; and (iii) the Class J Notes will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but subordinated to the Class A Notes and the Class B Notes (if any).

As long as, in respect of each Series, any Class A Note is outstanding, unless notice has been given to the Issuer declaring such Class A Notes due and payable, the Class B Notes of such Series and the Class J Notes of such Series shall not be capable of being declared due and payable and the relevant Class A Noteholders shall be entitled to determine the remedies to be exercised. Remedies pursued by the Class A Noteholders of any Series could be adverse to the interests of the relevant Class B Noteholders and the Class J Noteholders.

### **Potential Conflict of Interests**

IBL Banca, acts as Originator, Co-Arranger, Servicer, Calculation Agent, Cash Manager, Collection Account Bank, Programme Administrator and Corporate Servicer in respect of the Programme and each relevant Transaction. Conflicts of interests may potentially exist or may arise as a consequence of the various roles covered by IBL Banca in this Programme and in any single Transaction. The Originator, in particular, may hold and/or service claims against the Debtors other than the Receivables.

Save as described above, so far as the Issuer is aware there are no other interests, including conflicting ones, of any natural and legal persons involved in the issue of the Rated Notes that are material to the issue of the Rated Notes.

Conflict of interest may exist or may arise as a result of any party to each Transaction (a) having previously engaged or in the future engaging in transactions with other parties to such Transaction, (b) having multiple roles in such Transaction, and/or (c) carrying out other transactions for third parties.

Conflict of interest may influence the performance by the parties to the Programme of their respective obligations and ultimately affect the interests of the Noteholders.

### **Individual Noteholders have limited enforcement rights**

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

The Conditions and the Rules of the Organisation of the Noteholders limit the ability of individual Noteholders to bring individual actions, commence proceedings (including proceedings for a declaration of insolvency) against the Issuer in certain circumstances by conferring on the meeting the power to determine in accordance with the Rules of the Organisation of the Noteholders on the ability of any Noteholder to commence any such individual actions. Accordingly, individual Noteholders may not, without breaching the Conditions, be able to commence proceedings or take other individual remedies against the Issuer unless a meeting has approved such action by way of an Extraordinary Resolution in accordance with the provisions of the Rules of the Organisation of the Noteholders.

### **Noteholders' directions and resolutions following delivery of a Transaction Acceleration Notice**

Following the delivery of a Transaction Acceleration Notice and in accordance with the Conditions, the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the holders of the Most Senior Class of Notes of the relevant Series) direct the Issuer to dispose of the relevant Portfolio under the relevant Transaction, it being understood that no provisions shall require the automatic liquidation of the relevant Portfolio as stated in article 21(4) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

In addition, at any time after a Transaction Acceleration Notice has been delivered, the Representative of the Noteholders may or shall (if so directed by an Extraordinary Resolution of the Most Senior Class of the Noteholders of the relevant Series) take such steps and/or institute such proceedings against the Issuer as it may think fit to ensure repayment of the Notes of the relevant Series and payment of accrued but unpaid interest thereon in accordance with the Post-Enforcement Priority of Payments. The directions of the Most Senior Class of Noteholders in such circumstances may adversely affect the interests of the other Classes of Noteholders.

### **Limited rights**

The protection and exercise of the rights of the Noteholders of each Series against the Issuer and the preservation and enforcement of the security under the Notes of the relevant Series is one of the duties of the Representative of the Noteholders.

The Conditions and the Programme Intercreditor Agreement contain provisions requiring the Representative of the Noteholders to have regard, with reference to each Transaction, to the interests of both the relevant Noteholders and the relevant Other Issuer Creditors provided that if, in the opinion of the Representative of the Noteholders, there is a conflict between their interests, the Representative of the Noteholders will have regard solely to the interests of the relevant Noteholders. In addition, the Conditions and the Programme Intercreditor Agreement contain provisions requiring the Representative of the Noteholders to have regard, with reference to each Transaction, to the interests of the holders of each Class of Notes as regards all powers, authorities, duties and discretion of the Representative of the Noteholders as if they formed a single class (except where expressly provided otherwise) but requiring the Representative of the Noteholders, in the event of a conflict between the interests of the holders of different Classes of Notes, to have regard only to the interests of the holders of the Most Senior Class of Notes then outstanding.

In some circumstances, in respect of each Series, the relevant Notes may become subject to early redemption. Early redemption of the Notes of a Series in some cases may be dependent upon receipt by the Representative of the Noteholders of a direction from, or resolution of, a specified proportion of the relevant Noteholders or a specified proportion of a specified Class of Noteholders of such Series. If the economic interest of a Noteholder represents a relatively small proportion of the majority and its individual vote is contrary to the majority vote, its direction or vote may be of no practical effect and, if a determination is made by the requisite majority of the Noteholders to redeem the Notes, the minority Noteholders may face early redemption of the Notes against their will.

### **Expected maturity of the Rated Notes**

The Issuer will redeem the Rated Notes at their Principal Amount Outstanding, plus any accrued but unpaid interest, on the applicable Final Maturity Date (as specified in the applicable Final Terms). In accordance with the mandatory redemption provisions applicable to the Notes of any Series, as specified in Condition 8.2 (*Mandatory Redemption*), if, on any Payment Dates, there are sufficient Series Available Funds, full redemption of the Rated Notes of such Series is expected to be achieved. There can be no assurance, however, that redemption in full, or at all, will be achieved on such Payment Dates.

In particular, the redemption in full of the Rated Notes may be achieved prior to such dates as a result of the occurrence of circumstances in which the Loan Agreements may be terminated (by prepayment, early termination or otherwise) prior to their scheduled redemption dates.

### **Euro System Eligibility**

The Class A Notes are intended to be issued in a manner which will allow for participation in the Eurosystem liquidity scheme. However, there is no guarantee the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the Class A Notes satisfying the Eurosystem eligibility criteria (as amended from time to time).

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 or to their rating and listing and if the Rated Notes are accepted for such purpose, the relevant central bank may amend or withdraw any such approval in relation to the Rated Notes at any time. The assessment and/or decision as to whether the Class A Notes qualify as eligible collateral for Eurosystem monetary policy and intra-day credit operations rests with the relevant central bank.

### **CATEGORY OF RISK FACTORS 3: RISK FACTORS RELATED TO THE SERIES SWAP AGREEMENT (IF ANY)**

#### **Risk connected to the termination of the Series Swap Agreement**

Should the Series Swap Counterparty in respect of such Series, fail to provide the Issuer with all amounts owing to the Issuer (if any) on any payment date under the relevant Series Swap Agreement, then the Issuer may have insufficient funds to make payments of principal and interest on the Rated Notes of the relevant Series. However, prospective investors' attention is drawn to the fact that if the Issuer is not able to make payments of interest due on the Rated Notes of a Series, such non-payment could constitute a Transaction Acceleration Event under such Notes and cause the Representative of the Noteholders to serve to the Issuer a Transaction Acceleration Notice in respect of all Notes of such Series.

Each of the Series Swap Counterparties will be entitled, under certain circumstances, to terminate the Series Swap Agreement if (i) it is obliged to gross up payments following any withholding or deduction for or on account of any taxes or (ii) it receives a payment in respect of which an amount is required to be deducted or withheld for or on account of any taxes.

Each Series Swap Agreement will contain certain limited termination events and events of default which will entitle either party to terminate the relevant Series Swap Agreement. For instance, the Issuer may terminate a Series Swap Agreement, *inter alia*, if the relevant Series Swap Counterparty is downgraded below certain rating thresholds set out in the relevant Series Swap Agreement and the Series Swap Counterparty fails to take such action as it is required in the Series Swap Agreement to remedy such downgrade.

If a Series Swap Agreement is terminated for any reason, the Issuer may be required to pay an amount to the relevant Series Swap Counterparty as a result of the termination. Following such termination, any payments by the Issuer to the Series Swap Counterparty will be made in accordance with the applicable Priority of Payments.

#### **Insolvency of the Series Swap Counterparty**

This section refers to the relevant Series Swap Counterparty and to any replacement counterparty.

If the relevant Series Swap Counterparty was to be subject to a resolution process under Directive 2014/59/EU of the European Parliament and the Council providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms, as implemented in relevant country, such process might have an impact on the liabilities owed (as the case may be) by such Series Swap Counterparty to the Issuer under the Series Swap Agreement.

In addition, if a bankruptcy or other insolvency proceeding or a liquidation procedure were to be opened in the relevant country with respect to the relevant Series Swap Counterparty, such procedure might have an impact on the payment of the liabilities owed (as the case may be) by such Series Swap Counterparty to the Issuer under the Series Swap Agreement.

In the circumstances described above, the Issuer may not receive some or all of any amount due to it from the Series Swap Counterparty under the Series Swap Agreement which would adversely affect the Issuer's ability to meet its payment obligations including those due to Noteholders.

### **Tax risks relating to the Series Swap Agreement**

The Series Swap Counterparty will be obliged to make payments under the Series Swap Agreement without any withholding or deduction of taxes unless required by law. If any such withholding or deduction is required by law, the Series Swap Counterparty will be required to pay such additional amount as is necessary to ensure that the net amount actually received by the Issuer will equal the full amount that the Issuer would have received had no such withholding or deduction been required (unless the relevant withholding or deduction relates to a FATCA Withholding Tax (as defined in the Series Swap Agreement)). The Series Swap Agreement will provide, however, that in case of a Tax Event (as defined in the Series Swap Agreement), the Series Swap Counterparty may transfer its rights and obligations to another of its offices, branches or affiliates to avoid the relevant Tax Event. If the Series Swap Counterparty is unable to transfer its rights and obligations under the Series Swap Agreement to another office, branch or affiliate, it will have the right to terminate the relevant transaction. Upon such termination, the Issuer or the Series Swap Counterparty may be liable to make a termination payment to the other party. See the risk factor "Termination of the Series Swap Agreement" above.

### **Ratings downgrade of the Series Swap Counterparty**

In the event that the Series Swap Counterparty is downgraded below certain levels as set out in the Series Swap Agreement, the Issuer may terminate the Series Swap Agreement if the Series Swap Counterparty fails to take (or fails to make endeavours to take, as applicable in accordance with the terms of the Series Swap Agreement) certain remedial measures within the timeframes stipulated in the Series Swap Agreement. Such remedial measures may include providing collateral for its obligations under the Series Swap Agreement, arranging for its obligations under the Series Swap Agreement to be transferred to an entity with the required ratings (or guaranteed by an entity with the required ratings) or procuring another entity with the required ratings to become guarantor in respect of its obligations under the Series Swap Agreement. However, in the event the Series Swap Counterparty is downgraded there can be no assurance that a guarantor or replacement swap counterparty will be found or that the amount of collateral provided will be sufficient to meet the Series Swap Counterparty's obligations. Unless one or more comparable replacement interest rate caps are entered into, the Issuer may have insufficient funds to make payments due on the Notes, and the Rated Notes may also be downgraded.

### **Risks relating to replacement swap agreements**

If a replacement swap agreement is entered into following termination of the initial Series Swap Transaction, this may be on terms less favourable to the Issuer and therefore may mean that reduced amounts are available for distribution by the Issuer to the Secured Creditors (including, inter alia, the Noteholders). The Issuer may not be able to enter into a replacement swap agreement with a replacement swap counterparty immediately or at a later date. If a replacement swap counterparty cannot be found, the risk of a difference between the rate of interest to be received by the Issuer on the Receivables and the rate of interest payable by the Issuer on the Rated Notes will not be hedged, and so the funds available to the Issuer to pay any interest on the Notes may be insufficient. In these circumstances, the holders of Notes may experience delays and/or reductions in the interest payments to be received by them, and the Rated Notes may also be downgraded.

### **Veto rights of the Series Swap Counterparty**

In the event that a Series Swap Agreement is entered into in respect of a Transaction with a Series Swap Counterparty, certain veto rights may be provided in favour of such Swap Counterparty in the relevant Series Intercreditor Agreement. In such circumstance, in the event that there is a conflict between the interests of such Series Swap Counterparty and the interests of the Noteholders of the relevant Series, the Representative of the Noteholders shall follow the instructions of the Series Swap Counterparty exercising the relevant veto rights.

Conflict of interest may influence the performance by the parties to the Programme of their respective obligations and ultimately affect the interests of the Noteholders.

#### **CATEGORY OF RISK FACTORS 4: RISK FACTORS RELATED TO THE PORTFOLIO**

##### **Claw back of the sales of the Receivables**

A transfer, pursuant to Article 4 of the Securitisation Law and article 166 of the New Insolvency Code, may be subject to a claw-back action by a judicial liquidator of the transferor: (i) if the sale is not undervalued, within three months following the transfer if: (a) the transferor was insolvent at the time of the transfer; and (b) the liquidator can prove that the transferee was, or ought to have been, aware of such insolvency; or (ii) if the sale is undervalued, within six months following the transfer if: (a) the transferor was insolvent at the time of the transfer; and (b) the transferee cannot prove that it was not, or ought not to have been, aware of such insolvency.

Accordingly, if the Originator was insolvent at the date of the execution of the Programme Receivables Purchase Agreement and the relevant Transfer Agreement with reference to the First Portfolio or at the time of the relevant Transfer Agreement with reference to each additional Portfolio, and the Issuer was, or ought to have been, aware of such insolvency, the transfer may, in certain circumstances, be subject to claw-back by a liquidator of the Originator.

##### **Insurance coverage**

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

##### **Bank Recovery and Resolution Directive**

On 15 May 2014, the Council of the European Union approved the Directive 2014/59/EC establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No. 1093/2010 and (EU) No. 648/2012, of the European Parliament and of the Council (the "**BRRD**"). On 12 June 2014 the BRRD was published in the Official Journal of the European Union and on 2 July 2014 it entered into force.

The aim of the BRRD is to lay down rules and procedures relating to the recovery and resolution of banks and investment firms by providing supervisory national authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses.

The BRRD applies, *inter alia*, to (i) credit institutions, (ii) investment firms, and (iii) 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.

A resolution authority will only be permitted to use resolution powers and tools in relation to an institution if all the conditions set out in Article 32 of the BRRD for resolution are satisfied. Such resolution powers and tools may be used alone or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest.

The main resolution tools referred to in the BRRD are (a) the sale of business tool, (b) the bridge institution tool, (c) the asset separation tool and (d) the bail-in tool, which can be applied individually or in any combination by the relevant resolution authority.

Member States were required to adopt and publish by 31 December 2014 the laws, regulations and administrative provisions necessary to comply with the BRRD, with the exception of the bail-in power which applies from 1 January 2016 at the latest.

The BRRD has been implemented in Italy through the adoption of two Legislative Decrees: (a) Legislative Decree No. 180/2015 which implements the BRRD in Italy ("**Decree No. 180**"), and (b) Legislative Decree No. 181/2015 ("**Decree No. 181**") which amends the Consolidated Banking Act and deals principally with recovery plans, early intervention and changes to the creditor hierarchy (the "**BRRD Implementing Decrees**"). Such BRRD Implementing Decrees were published on the Official Gazette on 16 November 2015 and entered into force on the same date, save for: (i) the bail-in tool, which applies from 1 January 2016; and (ii) the "depositor preference" to deposits other than those protected by the deposit guarantee scheme and those of individuals and small and medium enterprises, which applies from 1 January 2019.

With respect to the BRRD Implementing Decrees, Decree No. 180 sets forth provisions concerning resolution plans, the commencement and closing of resolution procedures, the adoption of resolution measures, crisis management related to cross-border groups, powers and functions of the national resolution authority and also regulating the national resolution fund. On the other hand, Decree No. 181 introduces certain amendments to the Consolidated Banking Act and the Consolidated Financial Act concerning recovery plans, intra-group financial support, early intervention measures and changes to creditor hierarchy. Decree No. 181 also amends certain provisions regulating proceedings for extraordinary administration ("*amministrazione straordinaria*") and compulsory administrative liquidation ("*liquidazione coatta amministrativa*") in order to render the relevant proceedings compliant with the BRRD.

In line with the provisions set forth under the BRRD, Decree No. 180 contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest: (i) sale of business; (ii) bridge institution; (iii) asset separation; and (iv) bail-in - which grants resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims to shares or other instruments of ownership (the "**General Bail-In Tool**"), which equity could also be subject to any future application of the General Bail-In Tool.

An institution will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorization; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

The EU Banking Reform Package includes Directive (EU) 2019/879, which provides for a number of significant revisions to the BRRD (known as "**BRRD2**").

The powers set out in the BRRD and Decree No. 180, and the changes to the BRRD under BRRD2, will impact on how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors.

The BRRD 2 is subject to transposition in Italy by means of the European Delegation Law (Law No. 53/2021) of 22 April 2021 in the implementation of which a draft Legislative Decree transposing BRRD II has been filed in August 2021 with the competent Parliament Committees for their examination.

BRRD may apply to some parties to the Transaction Documents. It should be noted that the powers set out in the BRRD may impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. Given the enactment of the Bank Recovery and Resolution Directive in Italy, as at the date of this Base Prospectus it is not possible to precisely assess the potential impact of the BRRD, and the abovementioned legislative Decrees on each Transaction.

## **Settlement of the over-indebtedness crisis (*sovraindebitamento*) under Law No. 3/2012 and the New Insolvency Code**

Under Italian Law No. 3 of 27 January 2012 ("*Disposizioni in materia di usura e di estorsione, nonché di composizione delle crisi da sovraindebitamento*") (the "**Law No. 3/2012**"), in order to remedy situations in which a debtor is definitively not able to fully and timely fulfil its obligations ("*sovraindebitamento*"), a debtor may enter into a debt restructuring agreement ("**Settlement Agreement**") in the context of the settlement procedure provided for therein ("**Settlement Procedure**").

In the event that a Debtor will obtain to be admitted to a Settlement Procedure, such circumstance may adversely and materially affect the ability of the Master Servicer and/or the Servicer to recover the overdue amounts in respect of the Receivables owed by such Debtor.

Moreover, the Italian Parliament with Legge Delega No. 155/2017, on 12 January 2019, pursuant to the Legislative Decree no. 14 of 12 January 2019, has also approved a new code of business crisis and insolvency (the "**New Insolvency Code**") which sets out inter alia general rules applicable to the restructuring arrangements.

Pursuant to article 57 of the New Insolvency Code, a favourable vote of creditors representing at least 60% of the relevant claims is required for the approval of the draft restructuring arrangement. Subject to certain conditions, the draft arrangement may provide for a moratorium on payments due to those creditors not adhering to such arrangement for a period of up to one year. A judge could also award an automatic stay of up to 120 days with respect to the enforcement actions over the assets of the relevant debtor. Any restructuring agreement entered into in connection with a Debtor could accordingly restrict the rights of the Originator or Issuer to enforce against the relevant Debtor.

### **Compounding of interest (*anatocismo*)**

There is a risk that the capitalisation of interest payable under the Loans on a quarterly basis may not comply with the requirements of article 1283 of the Italian Civil Code. There is inconsistent case law on this subject. However, if challenged by Debtors this could have a negative effect on the returns generated by the Issuer from the Loans and affect the ability of the Issuer to make payments under the Notes.

Under the Warranty and Indemnity Agreement, the Originator has undertaken to indemnify and hold harmless the Issuer for any losses, costs and expenses that may be incurred by the Issuer in connection with any challenge in respect of the interest on interest.

For further information kindly see the section entitled "Selected aspects of Italian law – Compounding of interest".

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 Law No. 147 of 27 December 2013. In particular, such Law (became effective on 1 January 2014), seems to remove the possibility for compounding of interest. In this respect, Law Decree No. 91 of 24 June 2014 converted into law by Law No. 116 of 11 August 2014 (the "**Decree No. 91**"), has amended and replaced paragraph 2 of Article 120 of the Consolidated Banking Law, stating that the C.I.C.R. has to establish the methods and criteria of compounding of interest accrued in the context of the transactions regulated under Title VI of the Consolidated Banking Act with a periodicity of not less than one year. On 3 August 2016 the C.I.C.R. has issued such regulation.

Therefore, in the event that any of such losses, costs, and expenses arise, the Issuer could receive less collections on the Receivables than expected and, therefore may have insufficient amounts to repay in full principal and pay interest on the Notes. This would be particularly true if the Originator would default under its payments obligations under the Warranty and Indemnity Agreement (please also see in this respect the section "*Credit risk on IBL Banca (acting as Servicer) and the other parties to the Series Documents relating to the relevant Transaction*").

### **Italian Usury Law**

The interest payments and other remuneration paid by the Debtors under the Loans are subject to Italian law No. 108 of 7 March, 1996, as amended from time to time (the “**Usury Law**”), which introduced legislation preventing lenders from applying interest rates equal to or higher than certain rates. In addition, even where the applicable rates are not exceeded, interest and other advantages and/or remuneration may be held to be usurious if certain circumstances arise. The provision of usurious interest, advantages or remuneration has the same consequences as non-compliance with the usury rates.

If the Loans are found to contravene the Usury Law, the Debtors might be able to claim relief on any interest previously paid and oblige the Issuer to accept a reduced rate of interest, or potentially no interest on the relevant Loan. In such cases, the ability of the Issuer to maintain scheduled payments of interest and principal on the Notes may be adversely affected. For further information kindly see the section entitled “Selected aspects of Italian law – Italian usury law”.

The Originator has represented and warranted to the Issuer in the Warranty and Indemnity Agreement that the provisions of the Loan Agreements comply with the Italian usury provisions. However, in the event that any of these representations and warranties were found to be untrue and/or any of such claims or counterclaim would be raised by the Debtors, the Issuer could receive less collections on the Receivables than expected and, therefore may have insufficient amounts to repay in full principal and pay interest on the Notes. This would be particularly true if the Originator would default under its payments obligations under the Warranty and Indemnity Agreement (please also see in this respect the section “*Credit risk on IBL Banca (acting as Servicer) and the other parties to the Series Documents relating to the relevant Transaction*”).

#### **No independent investigation in relation to the Receivables**

The Issuer is subject to the risk that, should any Receivable result to be defective, the cash-flows available to the Issuer could not be sufficient to make in full all payments due in respect of the Notes.

In fact, the Issuer has entered into the Programme Receivables Purchase Agreement with the Originator only on the basis of, and upon reliance on, the representations and warranties made by the Originator under the Programme Warranty and Indemnity Agreement. Neither the Issuer, nor the Co-Arrangers, the Subscribers or any other party to the Programme (other than the Originator) has carried out any due diligence in respect of the Receivables and the relevant Loan Agreements. More generally, none of the Issuer, the Co-Arrangers, the Subscribers nor any other party to the Transaction Documents (other than the Originator) has undertaken or will undertake any other investigation, searches or other actions to verify the details of the Receivables sold by the Originator to the Issuer, nor has any of such persons undertaken, nor will any of them undertake, any investigations, searches or other actions to establish the creditworthiness of any Debtor.

The only remedies of the Issuer in respect of the occurrence of a breach of a representation and warranty which materially and adversely affects the value of a Receivable will be the requirement that the Originator indemnifies the Issuer for the damages deriving therefrom or alternatively, at its option, repurchases the relevant Receivable. In particular, the indemnification obligations under the Programme Warranty and Indemnity Agreement are unsecured claims of the Issuer and no assurance can be given that the Originator will pay the relevant amounts if and when due.

#### **CATEGORY OF RISK FACTOR 5: MACRO ECONOMIC AND MARKET RISK**

**Covid-19 pandemic and possible similar future outbreaks may affect the ability of the Issuer to satisfy its obligations under the Notes** The Covid-19 outbreak has had a material impact on businesses around the world and the economic environments in which they operate and its effects are still occurring. There are a number of factors associated with the outbreak and its impact on global economies that could have a material adverse effect on (among other things) the profitability, valuation and/or marketability of the Notes.

The Covid-19 outbreak has caused disruption to a number of jurisdictions, including Italy, which have implemented certain restrictions with a resultant significant impact on economic activity in those jurisdictions. These restrictions are being determined by the governments of individual jurisdictions (including through the implementation of emergency powers) and impacts (including the timing of implementation and any

subsequent lifting of restrictions) may vary from time to time. It remains unclear how this will evolve through 2023 and thereafter and, therefore, a Noteholder bears the risk that the market price of the Notes falls as a result of the general development of the market or that the Issuer will not be able to satisfy its obligations under the Notes such that the Noteholder may bear a loss in respect of its initial investment.

### **Limited Secondary Market and liquidity risk**

There is not at present an active and liquid secondary market for the Rated Notes of any Series. The Senior Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. The offering of the Notes will be made pursuant to the exemption from registration provided under Regulation S of the Securities Act. No person is obliged or intends to register the Notes under the Securities Act or any state securities laws. Offers and sales of the Notes will be subject to significant restrictions on resale. In this respect, please refer to the section headed "*Subscription, Sale and Selling Restrictions*".

Although application has been made to the Luxembourg Stock Exchange for the Rated Notes of any Series to be admitted to the official list and trading on its regulated market, there can be no assurance that a secondary market for any of the Notes of any Series will develop or, if a secondary market does develop, that it will provide the holders of the Notes of any Series with liquidity of investments or that any such liquidity will continue for the life of such Notes. Consequently, any purchaser of Notes of any Series must be prepared to hold such Notes until the relevant Final Maturity Date.

In addition, illiquidity means that a Noteholder may not be able to find a buyer to buy its Notes readily or at a price that will enable the Noteholder to realise a desired yield. Illiquidity can have a severe adverse effect on the market value of the Notes and cause significant fluctuations in market value which could result in significant losses to an investor. Any sale of the Notes by the Noteholders in any secondary market which may develop may be at a discount to the original purchase price of those Notes. In addition, whilst these market conditions persist, an investor in the Notes may not be able to sell or acquire credit protection on its Notes readily.

### **Risk connected with the Political and economic developments in the Republic of Italy**

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. Most of the Debtors, in fact, consists of public-sector employees and pensioners (whose retirement income comes almost entirely from a state pension), so that the relevant Portfolios are particularly exposed to the public sector. This concentrated exposure to the health of the public sector implies that in a scenario of collapse of such sector, the Loans, such as the ability of the Issuer to make payments under the Notes may be affected.

### **Risks connected with the political and economic decisions of EU and Euro-zone countries may affect the performance of the Securitisation**

Concerns relating to credit risk (including that of sovereigns and of those entities which have exposure to sovereigns) persist, in particular with respect to current economic, monetary and political conditions in the Euro-zone. If 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 states or institutions and/or any exit(s) by any member state(s) from the European Union and/or any changes to the Euro-zone), then these matters may cause further severe stress in the financial system generally and/or may adversely affect the Issuer, any of the other Transaction Parties and/or the Debtors.

### **Geographic concentration risks**

The Loans have been granted to Debtors who, as at the execution date of the relevant Loan Agreement, were resident in Italy. A deterioration in economic conditions resulting in increased unemployment rates, consumer and commercial bankruptcy filings, a decline in the strength of national and local economies,

inflation and other results that negatively impact household incomes could have an adverse effect on the ability of the Debtors to make payments on the Loans and result in losses on the Notes.

Loans comprised in the Portfolio may also be subject to geographic concentration risks within certain regions of Italy. To the extent that specific geographic regions in Italy have experienced, or may experience in the future, weaker regional economic conditions (due to local, national and/or global macroeconomic factors) than other regions in Italy, a concentration of the Loans in such a region may exacerbate the risks relating to the Loans described in this section.

### **Impact of Russia-Ukraine war**

The Russia-Ukraine war started in February 2022 with the attack and invasion of Ukraine by Russia. Following the invasion of Ukraine, the European Union, the member countries of the North Atlantic Treaty Organization (NATO), and other countries and organizations have imposed sanctions on Russia (including some Russian entities and individuals) affecting multiple sectors - particularly the financial sector, public debt, capital markets, exports and imports, air transport, maritime transport, trade in certain products, payment systems, etc. In turn, Russia has reciprocally implemented sanctions on some of these countries generally impacting the same sectors. Therefore, the direct consequences of this war include continued supply-chain disruptions and higher commodity prices, which, in conjunction with increased uncertainty and rising risk aversion of market participants and the sharp increase in the cost of energy and raw materials, is a threat to economic growth. In this context, higher inflation is depressing real incomes and weaker financial markets are exacerbating the hit to aggregate demand. The extent of the consequences of this war with regard to, inter alia, energy price increases and inflation as a whole on the one hand and trade restrictions and sanctions on the other hand, but also counter-reactions and the duration of such a conflict are, unfortunately, not foreseeable at this time. This conflict could have furtherly significant adverse effects on European economy, the inflation and the stability of international financial markets. Should any of these circumstances occur, the performance of the Portfolio may deteriorate and, as result, the amounts payable under the Notes might be affected.

## **CATEGORY OF RISK FACTOR 6: RISKS RELATING TO THE REGULATORY FRAMEWORK AND SECURITISATION REGULATION**

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

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

Investors should note in particular that the Basel Committee on Banking Supervision (“**BCBS**”) has approved a series of significant changes to the Basel framework for prudential regulation (such changes being referred to by the BCBS as Basel III, and referred to, colloquially, as Basel III in respect of reforms finalised prior to 7 December 2017 and Basel IV in respect of reforms finalised on or following that date). The Basel III and Basel 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 and Basel IV reforms may vary those reforms and/or their timing. It should also be noted that changes to prudential requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe.

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

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

The EU Securitisation Regulation applies in general (subject to certain grandfathering) from 1 January 2019. The EU Securitisation Regulation establishes certain common rules for all securitisations that fall within its scope (including recast of pre-1 January 2019 risk retention and investor due diligence regimes). 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, some uncertainty remains in relation to the interpretation of some of these requirements and what is or will be required to demonstrate compliance to national regulators.

The UK Securitisation Regulation (which largely mirrors, with some adjustments, the EU Securitisation Regulation) applies in the UK (subject to the temporary transitional relief being available in certain areas) from the effectiveness of the Brexit process (i.e. the end of the so-called transition period).

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

Prospective investors should 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 in this Base 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.

Prospective investors in the Notes are responsible for analysing their own regulatory position, and should consult their own advisers in this respect.

### **Default Risk in relation to the EU Securitisation Regulation**

In the event that IBL Banca breaches its undertaking to retain on an ongoing basis a material net economic interest in the Securitisation of not less than 5% in accordance with the requirements of the EU Securitisation Regulation the transaction would cease to be compliant with the EU Securitisation Regulation which may result in penalties including fines, other administrative sanctions and possibly criminal sanctions being imposed and would also affect the liquidity of the Notes. In this regard, potential noteholders should note that it is expected that IBL Banca will use the Notes retained by it as collateral for secured funding purposes in a manner permitted under the EU Securitisation Regulation. It is possible that the transaction may cease to satisfy the requirements of article 6 of the EU Securitisation Regulation should the enforcement of that security or any consequences arising from those dealings result in IBL Banca ceasing to retain the requisite level of material net economic interest in the Securitisation.

### **The STS designation impacts on regulatory treatment of the Notes**

Each 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, each Transaction meets, as at the date of this Base Prospectus, the requirements of articles 19 to 22 of the EU Securitisation Regulation (the “**EU STS Requirements**”) and, prior to each Issue Date, will be notified by the Originator to be included in the list published by ESMA referred to in article 27(5) of the EU Securitisation Regulation (the “**STS Notification**”). Pursuant to article 27(2) of the EU Securitisation Regulation, the STS Notification includes an explanation by the Originator of how each of the EU STS Requirements has been complied with in the Securitisation. The STS Notification will be available for download on the ESMA website (being, as at the date of this Base Prospectus, [https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_stsre](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre)) (the “**ESMA STS Register**”).

The Notes can also qualify as STS under Regulation (EU) 2017/2402 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the “**UK Securitisation Regulation**”) until maturity, provided that the Notes remain on the ESMA STS Register and continue to meet the EU STS Requirements.

The Originator has used the service of Prime Collateralised Securities (PCS) EU SAS (“**PCS**”), as a third party verifying STS compliance authorised under article 28 of the EU Securitisation Regulation, in connection with an assessment of the compliance of the Notes with the EU STS Requirements (the “**STS Verification**”) and to prepare an assessment of compliance of the Notes with the relevant provisions of article 243 of the CRR (the “**CRR Assessment**” and, together with the STS Verification, the “**STS Assessments**”). It is expected that the STS Assessments prepared by PCS will be available on the PCS website (being, as at the date of this Base Prospectus, <https://pcsmarket.org/sts-verification-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 Base Prospectus.

It is important to note that the involvement of PCS as third party verifying STS compliance is not mandatory and the responsibility for compliance with the EU Securitisation Regulation (or, if applicable, the UK Securitisation Regulation) remains with the relevant institutional investors, originators and issuers, as applicable in each case. The STS Assessments will not absolve such entities from making their own assessment with respect to the EU Securitisation Regulation (or, if applicable, the UK Securitisation Regulation) and the STS Assessments cannot be relied on to determine compliance with the foregoing regulations in the absence of such assessments by the relevant entities.

It is not an indication of the suitability of the Notes for any investor and/or a recommendation to buy, sell or hold Notes. Institutional investors that are subject to the due diligence requirements of the EU Securitisation Regulation or the UK Securitisation Regulation need to make their own independent assessment and may not solely rely on the STS Assessments, the STS Notification or other disclosed information.

None of the Issuer, the Co-Arrangers, the Subscribers 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 and/or the UK Securitisation Regulation at any point in time.

#### **The Originator intends to rely on an exemption from U.S. Risk Retention**

The U.S. Risk Retention Rules came into effect on 24 December 2016 and generally require the “sponsor” of a “securitization transaction” to retain at least 5 per cent. of the “credit risk” of “securitized assets”, as such terms are defined in the U.S. Risk Retention Rules, and generally prohibit the 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.

Each Transaction will not involve risk retention by the Originator for the purposes of the U.S. Risk Retention Rules, but rather will be made in reliance on the safe harbor exemption for certain non-U.S. transactions set forth in the U.S. Risk Retention Rules. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitisation transaction are sold or transferred to U.S. Persons (in each case, as defined in the U.S. Risk Retention Rules and referred to in this Base Prospectus as “**Risk Retention U.S. Persons**”) or for the account or benefit of Risk Retention U.S. Persons; (3) neither the sponsor nor the issuer of the securitisation transaction is organised under U.S. law, is a branch or office of an entity organized under U.S. law, or is a branch or office of a non-U.S. organized entity located in the United States; and (4)

no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

Each Transaction provides that the Notes of the relevant Series may not be purchased by Risk Retention U.S. Persons. Prospective investors should note that whilst the definition of “U.S. person” in the U.S. Risk Retention Rules is substantially similar to the definition of “U.S. person” in Regulation S, the definitions are not identical and persons who are not “U.S. persons” under Regulation S may be “U.S. persons” under the U.S. Risk Retention Rules.

Each holder of a Note or a beneficial interest therein acquired in the primary offering by its acquisition of a Note or a beneficial interest in a Note, will be deemed, and, in certain circumstances, will be required to represent to the Issuer, the Originator, the Co-Arrangers and the relevant Subscriber(s) that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the safe harbor exemption for non-U.S. transactions set forth in the U.S. Risk Retention Rules described herein).

There can be no assurance that the exemption of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. Failure of each Transaction to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action which may adversely affect the Notes of any Series. Furthermore, the impact of the U.S. Risk Retention Rules on the securitisation market generally is uncertain, and a failure by a transaction to comply with the risk retention requirements of the U.S. Risk Retention Rules could negatively affect the market value and secondary market liquidity of the Notes of any Series.

The Originator makes no representation to any prospective investor or purchaser of the Notes and none of the Subscribers, the Co-Arrangers or any of their respective affiliates takes any responsibility whatsoever as to whether the transactions described in this Base Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on each 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 may restrict the ability of relevant individual prospective purchaser to invest in the Notes**

The Issuer is being structured so as not to constitute a “covered fund” for purposes of the regulations adopted to implement Section 619 of the Dodd-Frank Act (such statutory provision together with such implementing regulations, the “**Volcker Rule**”).

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

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

Not all investment vehicles or funds, however, fall within the definition of a “covered fund” for the purposes of the Volcker Rule. For example, for most non-U.S. banking entities, a non-U.S. issuer that offers its securities only to non-U.S. persons may be considered not to be a “covered fund. Additionally, the Issuer should not be a “covered fund” for the purposes of the regulations adopted to implement Section 619 of the Volcker Rule, and also should be able to rely on an exemption from the definition of investment company under Section 3(c)(5)(A) of the Investment Company Act, although there may be additional exclusions or exemptions available to the Issuer. However, if the Issuer is deemed to be a “covered fund”, the provisions of the Volcker Rule and its related regulatory provisions, will severely limit the ability of “banking entities” to hold an “ownership interest” in the Issuer or enter into certain credit related financial transactions with the Issuer and this could adversely impact the ability of the banking entity to enter into new transactions with the Issuer and

may require amendments to certain existing transactions and arrangements. "Ownership interest" is defined to include, among other things, interests arising through a holder's exposure to profits and losses in the covered fund or through any right of the holder to participate in the selection of an investment manager or advisor or the board of directors of such covered fund.

The Volcker Rule and any similar measures introduced in another relevant jurisdiction may restrict the ability of relevant individual prospective purchasers to invest in the Notes of any Series. There is limited interpretive guidance regarding the Volcker Rule, and implementation of the regulatory framework for the Volcker Rule is still evolving. The Volcker Rule's prohibitions and lack of interpretive guidance could negatively impact the price and the liquidity of the Notes of any Series. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in "ownership interests" of the Issuer should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally.

Each investor must determine for itself whether it is a "banking entity" subject to regulation under the Volcker Rule. If investment by "banking entities" in the Notes of any Series is prohibited or restricted by the Volcker Rule, this could impair the marketability and liquidity of such Notes. None of the Issuer, the Co-Arrangers, the Subscribers or any other party to the Transaction Documents makes any representation regarding (i) the status of the Issuer under the Volcker Rule or (ii) the ability of any purchaser to acquire or hold the Notes, now or at any time in the future.

## **CATEGORY OF RISK FACTOR 7: RISKS RELATING TO LEGAL AND REGULATORY CONCERN**

### **European Market Infrastructure Regulation**

European Regulation 648/2012 of 4 July 2012, known as the European Market Infrastructure Regulation ("**EMIR**") entered into force on 16 August 2012. Certain changes to EMIR are introduced pursuant to Regulation (EU) 2019/834 and references to "EMIR" below are construed accordingly.

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

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

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

It should also be noted that the Securitisation Regulation, among other things, makes provisions for the development of technical standards in connection with the EMIR regime specifying (i) an exemption from clearing obligations and (ii) a partial exemption from the collateral exchange obligations for non-cleared OTC derivatives, in each case for "simple, transparent and standardised" (**STS**) securitisation swaps (subject to the satisfaction of the relevant conditions). The final draft technical standards have been prepared by the European

Supervisory Authorities and submitted to the European Commission in December 2018 and these, after the EU political negotiation process, have been published in their final form by the European Banking Authority on 14 February 2023. As a result, the time of entry into force and the date of application of the new technical standards is unknown at this point.

Prior to the relevant Issue Date, IBL Banca intends to make the STS notification. However, until the final new technical standards referred to above are in force, no assurance can be given that the Issuer will meet the applicable exemption criteria provided therein. Notwithstanding the STS designation and the ability, as a result, to rely on the exemptions from clearing and collateral exchange obligations under the EMIR regime, the expectation is that the Issuer should not be required to comply with the EMIR collateral exchange obligations and clearing requirements for the reasons outlined above (as the Issuer is expected to be a non-financial counterparty below the “clearing threshold”). The STS designation and the related forthcoming exemptions from collateral exchange obligations and clearing requirements are only likely to become relevant should the status under the EMIR of the Issuer change from non-financial counterparty below the “clearing threshold” to non-financial counterparty above the “clearing threshold” or financial counterparty and, if applicable, should the Issuer be regarded as a type that is subject to EMIR clearing requirement.

### **Recharacterisation of English Law fixed security interests**

There is a possibility that an English court could find that the fixed security interests expressed to be created by the Series Deed of Charge governed by English law could take effect as floating charges as the description given to them as fixed charges is not determinative. If the fixed security interests are recharacterised as floating security interests, the claims of (i) the unsecured creditors (if any) of the Issuer in respect of that part of the net property of the Issuer which is ring fenced as a result of the Enterprise Act 2002 and (ii) certain statutorily defined preferential creditors of the Issuer may have priority over the rights of the Representative of the Noteholders (acting as security trustee) to the proceeds of enforcement of such security. In addition, the expenses of any administration would also rank ahead of the claims of the Representative of the Noteholders (acting as security trustee) as floating charge holder and any administrator would be free to dispose of floating charge (and fixed charge) assets without the leave of the court.

Whether the fixed security interests will be upheld as fixed security interests rather than floating security interests will depend, amongst other things, on whether the Representative of the Noteholders (acting as security trustee) has the requisite degree of control over the Issuer’s ability to deal in the relevant assets and the proceeds thereof and, if so, whether such control is exercised by the Representative of the Noteholders (acting as security trustee) in practice. Where the Issuer is free to deal with the secured assets, or any proceeds received on realisation of the secured assets, without the consent of the chargee, the court would be likely to hold that the security interest in question constitutes a floating charge, notwithstanding that it may be described as a fixed charge.

## **CATEGORY OF RISK FACTOR 8: RISKS RELATING TO TAX CONSIDERATION**

### **Withholding tax under the Rated Notes**

Payments of interest and other proceeds under the Notes may in certain circumstances, described in the section headed “*Taxation*” of this Base Prospectus, be subject to a Decree 239 Deduction. In such a circumstance, interest payment relating to the Notes of any Class may be subject to a Decree 239 Deduction. As at the date of this Base Prospectus, Decree 239 Deduction, if applicable is levied at the rate of 26 per cent., or such lower rate as may be applicable under the relevant double taxation treaty.

In the event that any Decree 239 Deduction or any other deduction or withholding for or on account of tax is imposed in respect of payments to Noteholders of amounts due pursuant to the Notes, the Issuer shall not be obliged to gross-up or otherwise compensate Noteholders for the lesser amounts that the same Noteholders shall 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.

### **Tax treatment of the Issuer**

Taxable income of the Issuer is determined without any special rights in accordance with Italian Presidential Decree number 917 of 22 December 1986 (“**Decree 917**”). On the basis of the regulations issued by the Bank of Italy, which should apply to the drafting of the financial statements of the Issuer, the assets and liabilities

and the costs and revenues of the Issuer in relation to the securitisation of the Receivables will be treated as off-balance sheet assets and liabilities, costs and revenues (except for overhead and general expenses and any amount that the Issuer may apply out of the relevant Series Available Funds for the payment of such overhead and general expenses). Based on the general rules applicable to the calculation of the net taxable income of a company, such taxable income should be calculated on the basis of accounting, i.e. on-balance sheet earnings, subject to such adjustments as are specifically provided for by applicable income tax rules and regulations. On this basis, no taxable income should accrue to the Issuer in the context of the Securitisation.

On 24 October 2002, the Revenue Agency – Regional Direction of Lombardy, released a private ruling with reference to some aspects of the Italian taxation of a securitisation vehicle. According to the private ruling, the Agency claimed that the net result of a securitisation transaction is taxable as issuer's taxable income "to the extent that the relevant securitisation transaction is structured in such a way that a net income is available to the vehicle after having discharged all its obligations". Moreover, the *Agenzia delle Entrate* (the "**Agency**"), with Circular number 8/E of 6 February 2003, Ruling No. 222 of 5 December 2003, Ruling No. 77/E of 4 August 2010 and Ruling No. 132 of 2 March 2021, has taken the position that only amounts, if any, available to securitisation vehicles after fully discharging their obligations to the noteholders and any other creditors of the securitisation vehicles in respect of any costs, fees and expenses in relation to securitisation transactions should be imputed for tax purposes to the securitisation vehicles. Consequently, according to the quoted positions of the Agency, the Issuer should not have any taxable income if no amounts are available to the Issuer after discharging all its obligations deriving from and connected to the Securitisation.

It is however possible that the Italian Ministry of Economy and Finance or another competent authority may issue regulations, circular letters or generally binding rules relating to the Securitisation Law which might alter or affect, or that any competent authority or court may take a different view with respect to, the tax position of the Issuer, as described above.

Interest accrued on the accounts opened by the Issuer in the Republic of Italy with any Italian resident bank or any Italian branch of a non-Italian resident bank (including the Issuer Collection Account, the Payments Account and the Expenses Account) will be subject to an advance withholding tax which is levied at the rate of 26 per cent.

### **Registration Tax**

The transfer of the Receivables under the Programme Receivables Purchase Agreement is subject to registration tax which will be payable at a rate varying from the fixed amount of Euro 200.00 to no more than 0.5 per cent of the amount of the Receivables transferred thereunder. The fixed amount of Euro 200.00 will apply in the event that (i) the transfer is made for consideration for VAT purpose and (ii) the transaction is made for financial purposes by the parties. In the Programme Receivables Purchase Agreement IBL Banca has represented and warranted to the Issuer that it entered into such documents and made the transfer of the Receivables thereunder for financial purposes. Furthermore, in this respect the Originator has already paid as fixed amount the registration tax for each notarial transfer deed entered into in the context of the Programme as at the date of this Base Prospectus (i.e. the transfer deed for Receivables owed by public administrations, before the changes made to the Italian Securitisation Law by the Decree 145).

In addition, in respect of any Transaction, in order to mitigate the risk connected to the application of the registration tax (which could result in the Issuer not having sufficient funds to repay the Noteholders of the relevant Series), the Programme Receivables Purchase Agreement provides (and each relevant Transfer Agreement will provide) that the Originator shall bear, and shall indemnify the Issuer in respect of, any registration tax or any other tax applicable to the Programme Receivables Purchase Agreement and such Transfer Agreement.

### **U.S. Foreign Account Tax Compliance Withholding**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA ("**FATCA**"), a "foreign financial institution" (including entities such as the Issuer) may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements.

A number of jurisdictions (including Italy) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the Italian IGA, the Issuer will not be required to enter into an agreement with the IRS or withhold under FATCA from payments it makes on the Notes if it complies with the terms of the Italian IGA. However if (i) the placement of the Notes is not performed by a Reporting Italian Financial Institution (a “**RIFI**”), or (ii) the Notes are not sold by the Issuer to a RIFI, or (iii) the Notes are not subscribed for by the Issuer and are held among its assets (“*mantenute nel proprio attivo dello stato patrimoniale*”), the Issuer maybe required to register with the IRS and comply with any Italian legislation that would be implemented to give effect to such IGA.

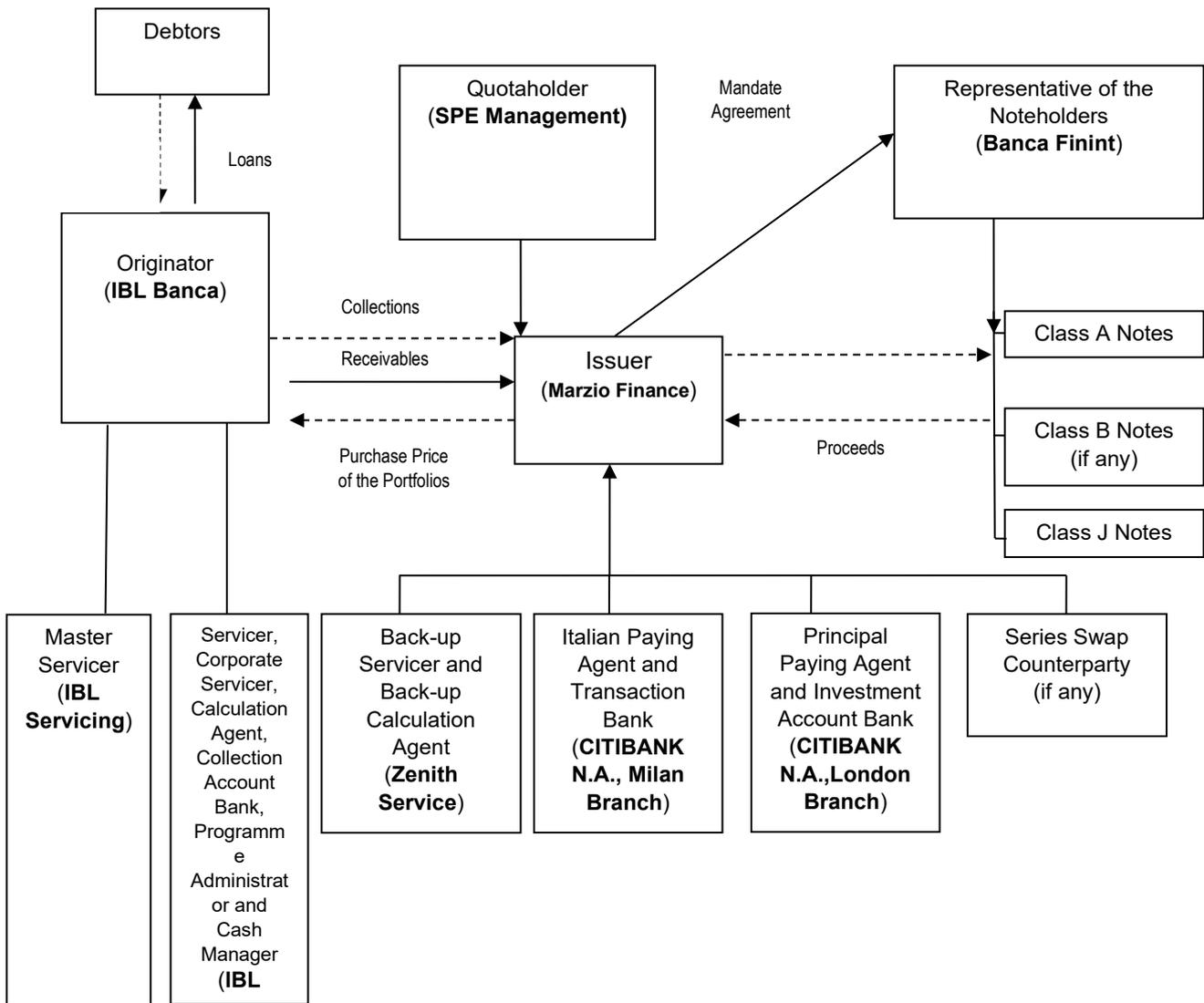
Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register, and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer).

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, 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.

***EACH NOTEHOLDER OF SENIOR NOTES SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW FATCA MIGHT AFFECT EACH NOTEHOLDER IN ITS PARTICULAR CIRCUMSTANCE***

## TRANSACTION DIAGRAM

The following is a diagram showing the structure of each Transaction under the Programme as of the date hereof. It is intended to illustrate to prospective noteholders a scheme of the principal transactions contemplated in the context of the Programme and of each Transaction.



## REGULATORY DISCLOSURE AND RETENTION UNDERTAKING

On 12 December 2017 the European Parliament and the European Council adopted the Regulation (EU) No. 2017/2402 (the "**EU Securitisation Regulation**"), laying down *inter alia* a general framework for securitisations, including with respect to the retention of a net economic interest in the securitisation by originators, sponsors or original lenders. From 1 January 2021, by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"), the EU Securitisation Regulation forms part of the domestic law of the UK (the "**UK Securitisation Regulation**"). Pursuant to article 6 and 7 of the EU Securitisation Regulation and UK Securitisation Regulation, originators, sponsors or original lenders shall be required, *inter alia*, to retain at least 5 per cent of net economic interest in a securitisation.

"**Retention and Transparency Rules**" means articles 6 and 7 of the EU Securitisation Regulation and UK Securitisation Regulation, the Circular No. 285 of 17 December 2013 ("*Disposizioni di Vigilanza per le Banche*") as amended from time to time, issued by the Bank of Italy, together with any applicable guidance, technical standards or related documents published by the European Banking Authority (including its predecessor, the Committee of European Banking Supervisors, and any successor or replacement agency or authority), the relevant competent authority in UK, and any delegated regulations of the European Commission or the competent authority in UK in connection thereof and any other laws or regulations providing for retention and due diligence requirements in respect of securitisation transactions, as from time to time applicable and/or amended or supplemented.

*Please refer to the section entitled "Risk Factors" for further information on the implications of article 6 of the Securitisation Regulation.*

### **Retention statement**

The Originator, will retain, with effect from the Issue Date of each Series of Notes issued under the Programme, and maintain on an ongoing basis at least 5 per cent of net economic interest in accordance with one of the options provided for under article 6 of the EU Securitisation Regulation – as specified in the Final Terms applicable to such Series.

The method to be applied by the Originator for retaining a net economic interest may vary for each Transaction. It will be selected by the Originator in connection with the implementation of the relevant Transaction and the Issue Date of the relevant Series (as specified in the Final Terms applicable to such Notes) and will be compliant with the Retention and Transparency Rules. For so long as the Notes of each Series are outstanding the Originator shall also comply with the disclosure duties specified in article 7(1)(e), sub-paragraph (iii) of the EU Securitisation Regulation. For such purpose, the Originator has undertaken to make available to the Noteholders and any prospective investors in the Notes, through the Sec Reg Investor Report, the information required by article 7(1)(e) sub-paragraph (iii) of the EU Securitisation Regulation (including, in particular, the information regarding the net economic interest from time to time held by the Originator in the Securitisation) and has undertaken to provide to the Calculation Agent all of the information needed for it to prepare the Sec Reg Investor Report. It is understood that the Sec Reg Investor Report shall be deemed to have been produced on behalf of the Originator, under the Originator's full responsibility.

IBL Banca, in its capacity as Originator, has undertaken in the Programme Intercreditor Agreement to the Issuer and the Representative of the Noteholders and will undertake in each Series Subscription Agreement to the relevant Subscriber(s) that, in respect of any Transaction and any Series of Notes issued under the Programme:

- (1) it will retain at the origination and maintain on an ongoing basis at least 5 per cent of net economic interest in accordance with one of the options provided for under article 6 of the EU Securitisation Regulation (or any permitted alternative method thereafter), as specified in the applicable Final Terms, and provide adequate disclosure to the Noteholders in accordance with any applicable Retention and Transparency Rules; and

- (2) it will provide adequate disclosure to the Noteholders of each relevant Series and comply with any other undertakings or requirements provided for the originators of securitisation transactions under any applicable Retention and Transparency Rules.

Furthermore, in the Programme Intercreditor Agreement, the Originator has undertaken that prospective investors will have readily available access to all information as it would be necessary to conduct comprehensive and well informed stress tests, in accordance with the Retention and Transparency Rules, as implemented from time to time.

In the light of the above, the Originator will make available on or about the Issue Date of each Series of Notes issued under the Programme, and will make available on a quarterly basis, the information required under the Retention and Transparency Rules, as implemented from time to time, which will not form part of this Base Prospectus but may be of assistance to certain categories of prospective investors before investing and which is specified under the terms of the Programme Intercreditor Agreement.

### ***Disclosure Obligation***

In accordance with the Programme Intercreditor Agreement, the Originator has been designated as "Reporting Entity", pursuant to and for the purposes of article 7(2) of the EU Securitisation Regulation.

In such capacity, the Originator, under the Programme Intercreditor Agreement, (i) has confirmed that it will make available all relevant reports and information required to be delivered to the investors in the Notes of each Series on or prior to the pricing of each Transaction pursuant to article 7(1) of the EU Securitisation Regulation by electronic means on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>) and (ii) has undertaken to make available the reports and information received from the relevant parties under the Transaction Documents on an on-going basis pursuant to article 7(1) letters (a), (e), (f) and (g) of the EU Securitisation Regulation on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>).

With reference to the Sec Reg Investor Report, under the Cash Allocation, Management and Payments Agreement, the Originator has undertaken to provide the Calculation Agent with all the information needed to prepare the Sec Reg Investor Report, including the information about the risk retained and information on which of the modalities provided for in Article 6(3) of the EU Securitisation Regulation has been applied. It is understood that the Sec Reg Investor Report shall be deemed to have been produced on behalf of the Originator, under the Originator's full responsibility.

Moreover, the Originator has undertaken that any of such information, following the Issue Date of each Series of Notes issued under the Programme, will:

- (i) be published, on a monthly basis, on the Originator's web site ([www.iblbanca.it/investorrelations](http://www.iblbanca.it/investorrelations)) and included in the Investors Report of the relevant Transaction on the basis and to the extent of the information received by the Master Servicer in the relevant Servicer's Report. It is understood that the Investors Report shall be deemed to have been produced on behalf of the Originator, under the Originator's full responsibility, with reference to the information described in this section that the Originator has the obligation to make available to investors under the Retention and Transparency Rules;
- (ii) with reference to the further information which from time to time may be deemed necessary under the Retention and Transparency Rules in accordance with the market practice and not covered under (i) above (if any), be published on the Originator's website or through the Investor Report in accordance with paragraph (i) above.

In addition, prospective investors may request via email to the originator at the following address [securitisation@iblbanca.it](mailto:securitisation@iblbanca.it) any additional information in accordance with article 7 of the EU Securitisation Regulation.

Under the Programme Intercreditor Agreement, the Originator has undertaken that the retention requirement will not be subject to any credit risk mitigation, any short position or any other hedge, within the limits of the Retention and Transparency Rules.

#### **Investors to assess compliance**

***Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Base Prospectus generally for the purposes of complying with article 5 of the EU Securitisation Regulation, each of the provisions described above and any corresponding implementing measure which may be applicable, and none of the Issuer, IBL Banca (in its capacity as Originator and Servicer) nor the Co-Arrangers, the Subscribers or any other party to the Transaction Documents makes any representation that the information described above or in this Base Prospectus generally is sufficient in all circumstances for such purposes. In addition, each prospective Noteholder should ensure that they comply with the implementing provisions in respect 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.*

## THE PORTFOLIOS

Pursuant to the Programme Receivables Purchase Agreement, the Issuer, subject to the conditions set forth therein, shall purchase, from time to time, Portfolios of Receivables from the Originator, together with any other rights of the Originator to guarantees or security interests and any related rights that have been granted to the Originator to secure or ensure payments of any of the Receivables.

The Receivables which will be comprised in each Portfolio to be transferred under the Programme by the Originator arise out of Loan Agreements granted by the Originator to the relevant Debtors, assisted by either Salary Assignment or Payment Delegation.

According to market data, as at the end of 2022 (*Assofin reporting data*), in terms of outstanding volumes, the consumer credit market size in Italy is around Euro 119 billion (increasing 7,2% yoy), of which approximately 24 billion related to CDQ Loans (expressing the same trend). In this scenario, on an annual basis (*Assofin reporting data at 31 December 2022*), in terms of new loans disbursement, the consumer credit market size is roughly equal to Euro 81 billion (increasing 12,5% yoy), of which 7,5 billion related to the CDQ Loans (increasing 19,5% yoy).

The Receivables comprised in each Portfolio will be selected on the basis of (i) certain common objective criteria listed in Annex 1 to the Programme Receivables Purchase Agreement (the "**Common Criteria**") which shall apply to any Portfolio. Pursuant to the Programme Receivables Purchase Agreement, further objective criteria (the "**Specific Criteria**" and, together with the Common Criteria, the "**Criteria**") may be agreed between the Issuer and the Originator from time to time to supplement the Common Criteria in the selection of any Portfolio.

The information relating to any Portfolio transferred from the Originator to the Issuer pursuant to the Programme Receivables Purchase Agreement will be published, (i) on or about the relevant Transfer Date, on the website of the Originator ([www.iblbanca.it/investorrelations](http://www.iblbanca.it/investorrelations)) and (ii) on or about the day of the relevant Issue Date of each Series of Notes, on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>).

Furthermore, with reference to each Transaction, Schedule 1 of the applicable Final Terms will contain tables setting out details of the relevant Portfolio derived from information provided by IBL Banca as Originator of the Receivables comprised in such Portfolio. In particular, Schedule 1 of the applicable Final Terms will set out the amount of the Receivables comprised in the relevant Portfolio. The information set out in these tables will reflect the position of the relevant Portfolio as at the relevant Valuation Date, unless otherwise specified.

With reference to each Transaction, there will always be more than 15 obligors in respect of the relevant Series of Notes issued under the Programme.

The level of collateralisation in respect of each Transaction shall be specified in the applicable Final Terms.

### **The Criteria**

Pursuant to the Programme Receivables Purchase Agreement, the Originator will sell to the Issuer and the Issuer will purchase from the Originator all the Receivables arising from Loan Agreements which meet, as at the relevant Valuation Date, the following Common Criteria:

#### Common Criteria

- 1) are personal Loans to be reimbursed through a Salary Assignment or, alternatively, assisted by a Payment Delegation issued in favour of IBL Banca by the relevant Debtor and notified to the relevant Employer/Pension Authority and accepted by it;
- 2) have been granted only by IBL Banca as lender;
- 3) have been denominated in Euro and do not contain provisions that allow their exchange in another currency;

- 4) have been entirely granted by IBL Banca and in respect of which there are no obligation or possibility to make further disbursements under the relevant Loan Agreement;
- 5) have been granted pursuant to Loan Agreements governed by Italian Law;
- 6) at least one Instalment has been paid;
- 7) have a nominal interest rate (T.A.N.) not lower than 2.5% (three point five per cent.);
- 8) are assisted by an Insurance Policy in favour of IBL Banca to cover any life or unemployment risk of the Debtor;
- 9) have been granted in favour of individuals, resident or domiciled in Italy, employees of a private company or by a public administration or pensioners;
- 10) have been not granted to directors or employees of IBL Banca and to employees of the same Insurance Company with which has been entered into the Insurance Policy assisting this Loan in accordance with point (8) above;
- 11) provide for an amortisation plan characterized by monthly Instalments of fixed amount and having a fixed interest rate;
- 12) do not have more than 2 (two) Unpaid Instalments;
- 13) have not been classified as "*sofferenze*" (Defaulted Receivable), "*inadempienze probabili*" or "*esposizioni scadute e/o sconfinanti deteriorate*" pursuant to Circular No. 272 dated 30 July 2008, as amended and supplemented from time to time (*Matrice dei Conti*) and article 178 of Regulation (EU) No. 575/2013 dated 26 June 2013, as amended and supplemented from time to time;
- 14) have not been characterised by events in relation to which the Insurance Company must pay the relevant indemnity on the basis of the Insurance Policy in accordance with point (8) above;
- 15) should accrue at least an Instalment following the Valuation Date;
- 16) whose Debtors have not opened at IBL Banca a bank account or a deposit account;
- 17) have not been entered into or executed in accordance with any law or regulation that provide from the beginning financial facilitations, public contributions of any nature, law discounts, maximum contractual limits to the interest rate and/or other provisions that give facilitations or reductions to the debtors or to the relevant guarantors, in relation to the capital and/or the interests;
- 18) that have not been object of previous transfer and/or securitisation transactions with third parties (other than, for the avoidance of doubt, in respect of the Receivables securitised under the Previous Securitisation carried out by IBL Banca or any other Securitisation carried out by IBL Banca and which will be transferred to the Issuer pursuant to the Receivables Purchase Agreement), as communicated to the relevant Debtor by IBL Banca, unless they have been repurchased afterwards by IBL Banca (and this circumstance has been communicated to the relevant Debtor by IBL Banca);
- 19) are not Receivables arising from loans granted to Debtors whose Employer is part of the Alitalia/Sai Group;
- 21) are not Receivables arising from Loans assisted by an insurance policy issued by Ferservizi S.p.A. or by INPDAP.

#### **General characteristics of each Portfolio**

All Loans are governed by Italian Law and pay monthly instalments.

The Receivables included in each Portfolio have the characteristics that demonstrate capacity to produce funds to service payments due and payable on the Notes which will be issued for financing the purchase of such Portfolio under the relevant Transaction. However, neither the Originator nor the Issuer warrants the solvency (credit standing) of any or all of the Debtor(s) and/or any or all of the Employer(s) and/or any or all of the Insurance Company/ies.

### **Pool Audit Report**

Pursuant to article 22, paragraph 2, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria, the Pool Audit Reports are prepared in respect of each Portfolio prior to the relevant Issue Date.

**THE ORIGINATOR, THE SERVICER, THE CALCULATION AGENT,  
THE COLLECTION ACCOUNT BANK, THE CASH MANAGER, THE PROGRAMME  
ADMINISTRATOR AND THE CORPORATE SERVICER**

### **Company history**

IBL Banca (the “**Bank**”) was incorporated on 12 April 1927 as a credit institution for regional and local government employees and has been offering CDQ Loans since 1991.

Having changed its name in 1938 to "Istituto Assistenziale per il Pubblico Impiego S.p.A." and increased capital to Italian lira 255,000, the Bank took on the name "Istituto Finanziario del Lavoro S.p.A." in 1943, with share capital amounting to Italian lira 1,000,000. Thereafter, with various equity offerings, the share capital rose to Italian lira 7.0 billion in 2001 (converted into EUR 3,640,000) and then was increased to EUR 6,300,000 in 2002.

IBL Banca (under the corporate name "Istituto Finanziario del Lavoro S.p.A.") was an authorized financial intermediary pursuant to Article 106 of Consolidated Banking Act (registered under No. 621 of the General Register held by the Ufficio Italiano dei Cambi).

On 18 July 2003, IBL Banca obtained permission from the Bank of Italy to operate as a bank as of 1st January 2004, under the corporate name "Istituto Bancario del Lavoro S.p.A. - IBL Banca".

In 2004, the Bank started carrying out banking activities (including deposit taking from the public and retail lending).

In April 2009, the Bank began operating in the retail savings deposit account sector, offering both demand deposit accounts and term deposit accounts. In the same year, the Bank made another important business decision: it changed its consumer credit model from originate to distribute (i.e. the generation of loans for their subsequent sale) to originate to hold (i.e. the maintenance of loans in the Bank’s portfolio) by gradually eliminating non-Recourse assignment transactions from the range of services offered to its customers. These changes led to an increase in the group’s interest margin.

In 2008, following the acquisition of IFL Finanziaria S.p.A., which changed its name to IBL Family S.p.A. (“**IBL Family**”), the IBL Banca Banking Group (Gruppo Bancario IBL Banca) was formed. Between 2009 and 2012, five IBL Family outlets were transformed into branches of the Bank.

During 2010, Mr. Mario Giordano transferred his interest in the Bank’s share capital to Delta 6, a company entirely owned by him. As of the date of these listing particulars, Delta 6 owns 50% of the share capital of the Bank.

On 26 November 2011, the Bank was authorised under applicable Italian law to provide certain investment services (as defined under Article 1, paragraph 5 of the Financial Laws Consolidation Act) as well as the service of custody and administration of financial instruments (as defined under Article 1, paragraph 6, letter (a) of the Financial Laws Consolidation Act).

In 2013, the Bank started offering third party insurance products through IBL Assicura S.r.l. pursuant to a strategic partnership with Zurich Insurance Group AG.

In 2017, the Bank purchased a Euro 350 million CDQ loan portfolio from Barclays Bank, with the aim of boosting the increase of the profitability for the following three to four years. At that time Barclays Bank was implementing its own strategy to exit the Italian banking market and the Bank represented, for them, the only reliable counterpart to allow the disposal of CDQ loans.

In 2018, the Bank realised a joint venture with Europa Factor S.r.l., a servicer specialised in the NPL collection process, by creating a company named Credit Factor S.p.A., 50% owned by both shareholders. Credit Factor S.p.A. is a financial company enrolled in the new register of financial intermediaries pursuant to art. 106 of the Consolidated Banking Act, with the aim of investing in the acquisition of a small ticket NPL credit portfolio.

In 2019 the Bank completed the acquisition of 70% of Finanziaria Familiare S.p.A., renamed as IBL Family, a

joint venture with real estate agent network Tecnocasa. IBL Family instigates CDQ Loans in conjunction with home-buying processes and is aimed at developing a partnership with other banking players and captive broker networks.

As at the end of 2022, IBL's commercial model involved direct distribution through its own brand (54 branches) and indirect distribution via financial advisors and bank distribution agreements. Over the past six years, growth has been fuelled by third party agents and brokers, as well as via branches. In contrast, distribution via lenders (in partnership) has shrunk. Covid-related closures in 2020 had a limited impact on branch distribution volumes.

In 2021, the Bank completed the acquisition of Banca di Sconto S.p.A. and Banca Capasso S.p.A., two banks operating in the Region of Campania near to Caserta, with the intention of allowing the transformation of IBL Family into a bank, with Banca di Sconto S.p.A., and to develop the investing strategy in the NPL single name-large ticket and UTP, with Banca Capasso S.p.A..The transformation was successfully completed during the second half of 2022 and IBL Family was renamed Banca di Sconto S.p.A.

In 2023, in the context of the voluntary tender offer launched on the shares and warrants of Net Insurance, listed on Euronext STAR Milan, by Net Holding S.p.A., which began on 27 February 2023, the Bank entered into an agreement with Poste Vita S.p.A., by means of which IBL Banca undertook, *inter alia*, to (i) irrevocably tender all the shares held in Net Insurance to the voluntary offer by Net Holding S.p.A. and (ii) purchase a shareholding equal to 40% of the corporate capital of Net Holding S.p.A., in case of successful completion of the tender offer. The tender offer was successfully completed, and the delisting of Net Insurance occurred on 20 April 2023.

The Bank group is a pioneer in the CDQ Loans sector in Italy. The group is one of the leading independent players, with significant experience in this sector, and is well-positioned to capture potential market opportunities. Through the Bank's long sector experience, it has become a product specialist in the business of CDQ Loans, with a market share of 16.2% as of 31 December 2022 in terms of new business. The Bank's management team has a strong market-based, entrepreneurial approach to the business.

## Financial highlights

The following tables set out certain audited consolidated economic and financial information of the group of the Originator as at 31 December 2021 and 2022 (amounts in thousands of euros) set out in the Originator's Financial Statement for the fiscal year 2022 and in the Originator's Financial Statement for the fiscal year 2021, both available to the public on the Originator's website: <http://www.iblbanca.it/bilanci.html> - for the avoidance of doubt the content of the Originator website does not form part of this Base Prospectus.

<b>Financial Statement</b>	<b>2022</b>	<b>2021</b>
Receivables from banks and current assets	570,773	404,759
Receivables from customers	3,935,714	3,507,758
Securities portfolio	2,366,918	2,729,804
Tangible and intangible fixed assets	315,012	246,826
Tax assets	41,850	27,723
Miscellaneous assets and derivatives	444,806	204,680
<b>TOTAL ASSETS</b>	<b>7,675,073</b>	<b>7,121,551</b>
Due to banks	2,906,101	2,663,864
Due to customers	4,181,298	3,852,213
Circulating securities	24,199	22,403
Tax liabilities	16,515	20,330
Other liabilities and derivatives	119,414	123,063
Shareholders' equity	427,546	439,678
<b>TOTAL LIABILITIES</b>	<b>7,675,073</b>	<b>7,121,551</b>

<b>Income Statement</b>	<b>2022</b>	<b>2021</b>
Interest margin	145,969	140,625
Net commissions	7,239	10,055
Dividends	568	244
Profits from sale/repurchase of debts and misc.	7,963	27,936
<b>BROKERAGE MARGIN</b>	<b>161,739</b>	<b>178,860</b>
Write-downs for bad debts	2,555	-2,382
<b>NET RESULT OF FINANCIAL OPERATIONS</b>	<b>164,294</b>	<b>176,478</b>
Administrative costs	-120,554	-105,391
<i>Staff costs</i>	-58,106	-55,339
<i>Other administrative costs</i>	-62,448	-50,053
Other costs	-17,147	8,250
<b>OPERATING RESULTS</b>	<b>26,593</b>	<b>79,336</b>
Income tax on operating results	-5,315	-20,921
<b>OPERATING PROFIT (LOSS)</b>	<b>21,278</b>	<b>58,415</b>

### Shareholders and group structure

The current shareholder base consists of:

Shareholder's Name	No. Shares Held	Book Value of Shares	% Owned
Sant'Anna S.r.l.	37,500,000	37,500,000.00	50%
Delta 6 partecipazione S.r.l.	37,500,000	37,500,000.00	50%
<b>TOTAL</b>	<b>75,000,000</b>	<b>75,000,000.00</b>	<b>100%</b>

Group Structure description is as follows:

- 1) **IBL Banca S.p.A.** is currently the parent company of the group. The subsidiaries that are part of the group as at 31 December 2022 and included in the consolidated financial statements are Banca Capasso S.p.A., Banca di Sconto S.p.A., IBL Servicing S.p.A., IBL Real Estate S.r.l. and MoneyTec S.r.l. The Bank's other investees, directly or indirectly, which are not part of the group, are Net Insurance S.p.A., Credit Factor S.p.A., KITRA Advisory, Atlas SGR, Soul Tech Service S.r.l., My Family Agenzia in Attività Finanziaria S.r.l., Figenpa S.p.A and IBL Assicura S.r.l.
- 2) **Banca Capasso S.p.A.**, is a bank wholly owned by the parent company, whose acquisition is aimed at developing an investment strategy in the NPL market. The bank initially offered funding and lending (short and medium to long-term loans) services as well as assistance with payment and e-money systems, with the aim of continuing to support the local economy.
- 3) **Banca di Sconto S.p.A.**, is a bank 70% owned by the parent company. During 2022, by means of an M&A transaction, IBL Family S.p.A., previously a separate entity controlled by IBL Banca, merged by incorporation in Banca di Sconto S.p.A..
- 4) **IBL Servicing S.p.A.**, is a wholly owned subsidiary of the parent company and was enrolled in the new register of financial intermediaries pursuant to art. 106 of the Consolidated Banking Act. Its social purpose is the management of third party receivables, including those of the parent company, as well as the collection of transferred loans and the provision of cash and payment services pursuant to article 2, paragraphs 3, 6 and 6-bis of the Securitisation Law, regarding the securitisation of loans;

- 5) **IBL Real Estate S.r.l.**, is a wholly owned subsidiary of the parent company. The purpose of the company is to perform real estate services, mainly but not exclusively for and in the interest of the companies of the banking group;
- 6) **Moneytec S.r.l.** is 60% owned by the parent company and carries out activities for the conception, design and marketing of innovative IT systems for the management of payment systems and payment instruments.

Description of parent's other investees which are not part of the banking group, as follows:

**IBL Assicura S.r.l.**, a wholly owned subsidiary of the parent company, is a multi-firm insurance agency, included in section A of the single insurance registry as number A000457798, and is supervised by IVASS. Its business object is the taking on and management of mandates from insurance companies, the provision of insurance consultancy services and administration of insurance portfolios, as well as any other insurance-related activities, excluding insurance and reinsurance brokerage. IBL Assicura S.r.l. offers its customers a wide range of insurance products in the life, non-life and motor third party liability sectors.

**Net Insurance S.p.A.**, is 39.14% indirectly owned by the parent company through Net Holding S.p.A., in which IBL Banca holds a shareholding equal to 40% of the corporate capital. Net Insurance is authorised to provide non-life insurance and reinsurance services in accordance with the the single insurance registry. The company heads the Net Insurance group and provides credit protection insurance products to individuals, households and SMEs. Its product range includes insurance products for CDQ Loans, protection (through the non-motor non-life bancassurance and retail brokers' networks) and its insurtech portfolio, the result of its agreements with its main technological partners, which include companies (i) operating in the digital sector channel to broaden the offer of the insurance products of Net Insurance group in a direct and streamlined way, thanks to the strong levers of certain digital and insurtech platforms and (ii) useful for the entire value chain of Net Insurance, with digital partners specialized on insurance services or payment services. The Net Insurance group's business model is based on a multi-specialist technique, a vast product portfolio and a predominantly digital approach.

**Credit Factor S.p.A.**, included in the list as per article 106 of the Consolidated Banking Act, is equally owned by Banca Capasso S.p.A. and Europa Factor S.p.A. It purchases and manages NPEs, mainly unsecured small ticket loans. IBL Banca and Europa Factor S.p.A. will continue to develop this joint venture, contributing their know-how and business expertise gained in their respective fields. Credit Factor principally operates in two sectors: i) the purchase of NPE portfolios; and ii) the management and collection of proprietary non-performing exposures.

**KITRA Advisory** is an independent corporate finance boutique, operating in Italy, 19.9% owned by IBL Banca since 2023, which provides strategic advisory to banks and companies on M&A, asset management, equity investments and finance matters.

**ATLAS SGR** is an asset management company, 19.9% owned by IBL Banca since 2022, which manages credit alternative investment funds that invest in credit (**AIFs**), pursuant to article 46-bis of Financial Laws Consolidation Act. Specifically, the company provides collective asset management service through the establishment and management of AIFs operating in direct lending, private debt and NPEs.

**Soul Tech Service S.r.l.** is a company 40% owned by IBL Banca, which provides services to agencies and professional studios for the processing of operations, with consequent document management, electronic processing and statistical analysis of data. In addition, Soul Tech Service provides companies operating in the credit sector with services aimed at the outsourcing management of activities relating to administrative, financial and compliance procedures as well as statistical analysis of the data prior to electronic data processing.

**My Family Agenzia in Attività Finanziaria S.r.l.** is a company 35% owned by IBL Banca, whose corporate purpose is the exercise of agency in financial activities referred to in article 128 of the Consolidated Banking Act and the provision of connected and/or complementary services. It promotes and concludes contracts concerning the granting of loans in any form or to the provision of payment services, on a direct mandate from Financial Intermediaries, Payment Institutions, Electronic Money Institutions, Banks or Italian Post Offices. It

assumes agency and/or collaboration assignments and mandates according to the procedures provided for in the Insurance Code and by its Implemented Regulation.

**Figenpa S.p.A.** is a company 30% owned by IBL Banca, which was enrolled in the new register of financial intermediaries pursuant to article 106 of the Consolidated Banking Act and operates in salary backed loans. It also carries out other activities provided for by law, including the promotion and conclusion of contracts relating to the granting of finance and the provision of payment services, as well as insurance and reinsurance mediation, after registration in the appropriate registers.

The scope of consolidation also included the special purpose vehicle Marzio Finance S.r.l., in accordance with IFRS 10, which sets forth the standards for the preparation and submission of consolidated financial statements.

The group, as of 31 December 2022, employed 822 personnel on open-ended employment contracts (95.9%) and 35 personnel on fixed-term contracts (4.1%).

## **Business model**

The Originator is a bank authorised to carry out banking activities pursuant to article 10 of the Consolidated Banking Act and is active in Italy in the consumer credit market, and in particular in the CDQ loan market, but it has also expanded its offer with the proposal of insurance. The group offers its products and services exclusively in Italy.

In particular, the Originator operates as a vertical specialist in the sector of CDQ Loans as well as through payment delegation, an activity that represents its core business. The Bank also offers traditional banking products such as bank accounts and deposit accounts for retail and corporate customers in Italy, as well as other ancillary banking services, and provides, in limited cases, certain investment services. In addition, the Bank offers third party financial insurance products and personal lending and consumer credit products.

The Originator funds its core business mainly through its retail and corporate banking (in particular comprising mostly direct funding through deposits and, to a lesser extent, through bank accounts).

IBL Banca operates into five market segments, according to the nature of the products offered and by the channel through which these products are placed:

- Own market, into which IBL Banca operates as vertical specialist. The integration in the product chain comes from a complete coverage of the placement of own financial product channels by direct distribution of salary-backed and pension-backed loans to target clients of the bank (through its own distribution networks, credit brokerage companies or networks of qualified agents in financial activities).

In connection with this, the business policy for placing salary-backed loan products relies also on adoption of a highly developed plan of leads generation, direct marketing & telemarketing and brand awareness.

- Other's markets, in which the bank provides organisation skills (administrative servicing) and financial abilities (approving credit limits) to other market operators. In this segment, the bank acts as a specialised operator in managing all the phases of the CDQ product value chain; from the phase of support to the sales network for management, to the front office and back office activities (product processing and collection management).
- NPE market: IBL Banca in 2018 started a strategy of profitability diversification by investing in the NPL market. Currently the Bank invests in this market operating through two distinct initiatives.

The first one is Credit Factor S.p.A., a joint venture included in the list of authorized intermediaries as per article 106 of the Consolidated Banking Act, equally owned by Banca Capasso S.p.A. and Europa Factor S.p.A. and not controlled by IBL Banca. The company purchases and manages NPEs, mainly unsecured small ticket loans. IBL Banca, through Banca Capasso, and Europa Factor S.p.A. will continue to develop this joint venture contributing with their know-how and business expertise gained in their respective fields.

Credit Factor principally operates in two sectors: i) the purchase of NPE portfolios; and ii) the management and collection of proprietary non-performing exposures.

The second one started in 2020 in IBL Banca by investing in single name NPEs secured and in notes issued by the SPV Guernica, with similar underlying exposures.

Once the acquisition of Banca Capasso S.p.A had been completed in April 2021, the abovementioned NPEs were transferred from IBL Banca to Banca Capasso, which is also developing a dedicated business unit focused on this market segment.

After assessing and analysing the various risk/return profiles of the specific non-performing loans and receivables with customers, Banca Capasso and Credit Factor will invest in the period 2023/2025 in the following four macro asset classes:

- Single name UTP residential real estate (RRE) exposures; they are mainly SAL mortgage loans (loans disbursed in instalments in line with progress of the related construction/restructuring of the property) granted for real estate projects or mortgage loans for the purchase of residential properties. The group will decide whether to implement a refinancing strategy to return these exposures to a performing status;
- Single name UTP commercial real estate (CRE) exposures; they are mainly SAL mortgage loans granted for real estate projects or mortgage loans to purchase commercial properties or hotels. The Group will decide whether to implement a refinancing strategy to return these exposures to a performing status;
- Single name bad residential real estate (RRE) exposures; they are mainly SAL mortgage loans granted for real estate projects or mortgage loans to purchase residential properties. These exposures will be managed on a going concern basis, coordinating the ongoing legal procedures; and
- Single name bad commercial real estate (CRE) exposures: they are mainly SAL mortgage loans granted for real estate projects or mortgage loans to purchase commercial or industrial properties. These exposures will be managed on a going concern basis, coordinating the ongoing legal procedures.

The exposures purchased for investment purposes that fall into the single name UTP real estate asset class (if managed for refinancing/new loans) and the restructuring asset class, both managed on a going concern basis, will be managed in-house, whereas the management of the secured single name exposures managed on a going concern basis will be outsourced to special servicers.

- Traditional retail and corporate banking activities: it implies the continuation of the former Banca Capasso S.p.A.'s operations to ensure business continuity and to grow its local footprint. The business will be continued by two units belonging to Banca Capasso S.p.A., namely, the retail lending and the commercial units. The retail lending unit has the same duties as Banca Capasso S.p.A.'s current lending office; the commercial unit carries out the same activities as those performed by Banca Capasso S.p.A.'s branches.
- Insurance Market: in order to diversify its own business and take opportunities arising from an "high growth" sector, IBL Banca increased its share into the equity of one of the most important Italian insurance player.

The current business model of the Group is based on strategic lines of positioning of the market promoted by the management in the course of the most recent thirty years, and is oriented toward obtaining the high levels of integration of product distribution and focus on the loans (vertical specialisation).

## **Products**

The bank handles the placement of:

- **IBL Banca products**, in respect of CDQ loans and “Advances on TFS” (*Anticipo Trattamento di Fine Servizio*), in the event of target customers (belonging to the category of public employees, state government employees, or prominent, large-scale private companies);
- **third-party products**, for which the bank acts as intermediary - the distribution of third-party products, which includes personal loans, mortgage loans, cards and insurance policies represents a source of profitability that does not entail the assumption of risks. It also meets the need of expanding the range of solutions in order to satisfy the requirements of a diversified body of customers;
- **Banca Capasso products**, placed by branches. The bank, beside investments portfolio, offers lending products (short and medium to long-term loans) and services as well as assistance with payment and e-money systems, with the aim of continuing to support the local economy.

With regards to its own product, the bank offers to its clients:

- CDQ (salary and pension-backed loans and delegation of payments), which represent the core business of the Group.
- Advances on TFS (*Anticipo Trattamento di Fine Servizio*), which represent a new product provided by the bank from 2018 aimed to retirees (public and state).

With regards to third-party products, the bank offers to its client:

- Personal loans;
- Mortgage loans;
- Cards; and
- Insurance policies.

### **Network organisation**

The placement of the products is provided through various channels: branches, third party networks and direct agreement with local governments.

#### **Branches**

Bank branches represent the channel through which the Group handles the marketing and sales directly with customers of IBL Banca as well as third-party products. In keeping with the business model promoted by IBL Banca, as of 31 December 2022 the Group’s territorial network is comprised of 54 bank branches.

#### **Third-party networks**

Third-party networks represent the channel through which the Group manages the indirect marketing activity for its products and consist of third parties. In further detail, the Broker Channel currently consists of the following financial entities:

- exclusive financial agents;
- credit brokerage firms;
- financial intermediaries pursuant to new art. 106 of the Consolidated Banking Act. The IBL Group currently holds a minority equity interest in one intermediary pursuant to art. 106 of the Consolidated Banking Act.

The strategic objective for the next years is to increase the captive production through:

- optimising the Bank’s Direct Network’s productivity;

- developing of selective partnership;
- diversifying profitability by investing in NPL/NPE ;
- accelerating the growth of the Bank's portfolio of CDQ Loans through purchases on the wholesale market;
- reinforcing the Bank's securitisation strategies;
- development of new retail products and further strengthening of the Bank's online platform for online funding;
- maintaining contributions of the Bank's proprietary financial assets portfolio.

Commercial distribution agreements have already been signed with several banks (Banca del Fucino, Banca popolare delle Province Molisane, Banca popolare Sant'Angelo).

### **Agreements with local government**

This is a direct channel used by the bank to place its own financial products addressed to employees of government agencies and prominent, large-scale private enterprise.

## THE MASTER SERVICER

IBL Servicing is a financial intermediary incorporated under the laws of the Republic of Italy, having its registered office at Via Venti Settembre 30, 00187 - Rome, tax code and enrolment with the companies register of Rome no. 10218521002, enrolled under no. 27 (*codice meccanografico* 33596) of the register of the financial intermediaries held by the Bank of Italy, fully-owned by IBL Banca and subsidiary of the banking group (*gruppo bancario*) "IBL Banca", enrolled with the register of the banking groups (*albo dei gruppi bancari*) under no. 3263 pursuant to article 64 of the Consolidated Banking Act. In the context of this Securitisation, IBL Servicing acts as Servicer.

Since 2013, IBL Servicing is a financial intermediary. It provides both credit collection services and cash management and payment services in the context of securitisation transactions.

Under the Programme Servicing Agreement (as amended and supplemented), IBL Servicing is appointed as Servicer and agreed to perform, *inter alia*, the activities delegated to it as provided thereunder in its capacity as Servicer.

For the information on the appointment of IBL Servicer as Servicer please make reference to the section "*Description of the Programme Documents – The Programme Servicing Agreement*".

## **THE BACK-UP SERVICER AND THE BACK-UP CALCULATION AGENT**

**Zenith Service S.p.A.**, is a joint stock company (società per azioni) incorporated under the laws of the Republic of Italy, with registered office at Corso Vittorio Emanuele II, 24, 20122 Milan, Italy, fully paid share capital of Euro 2,000,000.00, fiscal code and enrolment with the companies register of Milano – Monza – Brianza – Lodi, number 02200990980, enrolled in the register of financial intermediaries (“Albo Unico”) held by Bank of Italy pursuant to articles 106 of the Consolidated Banking Act, registered under the number 30, ABI Code 32590.2.

In the context of the Programme, Zenith Service S.p.A. acts as Back-up Calculation Agent and Back-up Servicer.

## **THE TRANSACTION BANK AND ITALIAN PAYING AGENT**

Citibank N.A., Milan Branch, is a bank incorporated under the laws of United States of America, having its registered office at 701 East 60th Street North, Sioux Falls, South Dakota, U.S.A., acting through its Milan branch, enrolment in the companies' register of Milano – Monza – Brianza – Lodi, number 600769, registered with the register of banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act under number 4630, having its registered office at Piazzetta Bossi, 3 / 20121 Milan, Italy.

Citibank, N.A. was formerly known as First National City Bank and changed its name to Citibank, N.A. in March 1976. The company was founded in 1812 and is based in Sioux Falls, South Dakota with locations and offices worldwide. Citibank, N.A. operates as a subsidiary of Citicorp.

Citigroup, Inc. is a holding company listed on the NYSE (C) and other principal international stock exchanges, having its registered office at 701 East 60th Street North, Sioux Falls, South Dakota, U.S.A., and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB.

Citi, a leading global bank, has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. Citi provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, transaction services, and wealth management. Citi currently operates, for management reporting purposes, via two primary business segments: Citicorp, representing Citi's core growth franchises and Citi Holdings, which contains businesses and assets that are not core to Citi's future. Citicorp is focused on providing best-in-class products and services to customers and leveraging Citi's unparalleled global network, including many of the world's emerging economies.

Issuer services is a part of Citi Institutional Clients Group that supports the issuance and administrative needs of global institutional clients through two key business segments, namely Agency and Trust and Depositary Receipt Services. Citi is a leading provider of transactional services with a unique blend of experience, global reach and superior services. Citi Agency and Trust business administers in excess of USD 4 trillion in fixed income and equity investments on behalf of over 2,500 clients worldwide. Citi Depositary Receipt Services supports over 250 programs and helps companies connect to new markets and raise capital worldwide.

## **THE INVESTMENT ACCOUNT BANK AND PRINCIPAL PAYING AGENT**

Citibank N.A., London Branch, is a bank incorporated under the laws of United States of America, having its registered office at 701 East 60th Street North, Sioux Falls, South Dakota, U.S.A., and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with company number FC001835 and branch number BR001018.

Citibank, N.A. was formerly known as First National City Bank and changed its name to Citibank, N.A. in March 1976. The company was founded in 1812 and is based in Sioux Falls, South Dakota with locations and offices worldwide. Citibank, N.A. operates as a subsidiary of Citicorp.

Citigroup, Inc. is a holding company listed on the NYSE (C) and other principal international stock exchanges, having its registered office at 701 East 60th Street North, Sioux Falls, South Dakota, U.S.A., and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB.

Citi, a leading global bank, has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. Citi provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, transaction services, and wealth management. Citi currently operates, for management reporting purposes, via two primary business segments: Citicorp, representing Citi's core growth franchises and Citi Holdings, which contains businesses and assets that are not core to Citi's future. Citicorp is focused on providing best-in-class products and services to customers and leveraging Citi's unparalleled global network, including many of the world's emerging economies.

Issuer services is a part of Citi Institutional Clients Group that supports the issuance and administrative needs of global institutional clients through two key business segments, namely Agency and Trust and Depositary Receipt Services. Citi is a leading provider of transactional services with a unique blend of experience, global reach and superior services. Citi Agency and Trust business administers in excess of USD 4 trillion in fixed income and equity investments on behalf of over 2,500 clients worldwide. Citi Depositary Receipt Services supports over 250 programs and helps companies connect to new markets and raise capital worldwide.

## THE ISSUER

### Introduction

The Issuer was incorporated in the Republic of Italy on 9 March 2017 as a limited liability company (*società a responsabilità limitata*) under the corporate name "Marzio Finance S.r.l.". The Issuer's by-laws provides for termination of the same on 31 December 2100. The registered office of the Issuer is at Viale Parioli, 10, Rome, Italy, the fiscal code and number of enrolments with the companies register of Rome is 09840320965. The Issuer is also enrolled in the *elenco delle società veicolo* held by the Bank of Italy pursuant to article 4 of the resolution of the Bank of Italy dated 7 June 2017.

The Issuer has no employees and no subsidiaries. The Issuer's telephone number is +39 06 684591. The authorised and issued quota capital of the Issuer is Euro 10,000, made up of one quota fully paid up and held by Special Purpose Entity Management S.r.l., a *società a responsabilità limitata*, incorporated under the laws of the Republic of Italy, whose registered office is in Corso Vittorio Emanuele II, 24, 20122, Milan, Italy, fiscal code and registration with the companies register of Rome number 09840320965, as holder of 100% of the quota capital of the Issuer (the "**Quotaholder**").

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

The Issuer is not indirectly owned or controlled by any entity other than the Quotaholder. Pursuant to the Quotaholder's Agreement, the Quotaholder agreed, *inter alia*, not to amend the by-laws (*statuto*) of the Issuer (other than as otherwise required by any applicable law) and not to pledge, charge or dispose of the quotas of the Issuer without the prior written consent of the Representative of the Noteholders.

The Issuer has been incorporated under Italian law as a special purpose vehicle for the purpose of issuing asset backed securities. In accordance with the Securitisation Law, the sole corporate object of the Issuer is the realisation of securitisation transactions under the Securitisation Law.

### Issuer's principal activities

The corporate objectives of the Issuer, as set out in article 2 of its by-laws (*statuto*), is the acquisition of monetary receivables for the purposes of securitisation transactions (*operazioni di cartolarizzazione*) and the issuance of asset-backed securities.

Condition 5 (*Covenants*) provides that, so long as any of the Notes remain outstanding, the Issuer shall not carry out certain activities, unless with the consent of the Representative of the Noteholders and as provided in the Conditions and the Transaction Documents. For a full description of those covenants see Condition 5 (*Covenants*) in section "*Terms and Conditions of the Rated Notes*".

The Issuer will covenant in the Intercreditor Agreement to observe, *inter alia*, those restrictions which are detailed in Condition 5 (*Covenants*).

### Directors of the Issuer

The current director of the Issuer is:

Sole Director

Ugo Cosentini, sole director of Marzio Finance S.r.l.. The domicile of Mr Ugo Cosentini, in his capacity of sole director of the Issuer, is Viale Parioli, 10, Rome, Italy.

The Sole Director is not aware of any conflicts of interests or potential conflicts of interests between his respective duties in the Issuer and his respective private interests or principal outside activities. None of the Sole Director's principal outside activities is significant with respect to the Issuer and no persons or entities, including the Originator or any of the other transaction parties connected with the Notes can exercise control over the Sole Director.

## Sole auditor of the Issuer

The current sole auditor of the Issuer is:

Sole Auditor	Marsilio Corrado, sole auditor of Marzio Finance S.r.l.. The domicile of Mr Marsilio Corrado, in his capacity of sole auditor of the Issuer, is Viale Parioli, 10, Rome, Italy.
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The Sole Auditor is not aware of any conflicts of interests or potential conflicts of interests between his respective duties in the Issuer and his respective private interests or principal outside activities. None of the Sole Auditor's principal outside activities is significant with respect to the Issuer and no persons or entities, including the Originator or any of the other transaction parties connected with the Notes can exercise control over the Sole Auditor.

## Accounts of the Issuer and accounting treatment of the Portfolio

Pursuant to Bank of Italy regulations, the accounting information relating to the securitisation of the Receivables 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*).

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 March 2017 and ended on 31 December 2017.

## Capitalisation and indebtedness statement

The capitalisation of the Issuer as at the date of this Base Prospectus is as follows:

<b>Quota capital</b>	<b>Euro</b>
Issued, authorised and fully paid up quota capital	10,000.00
<b>Loan Capital</b>	<b>Euro</b>
Euro 255,100,000 Series 5-2019 Class A Asset-Backed Fixed Rate Notes due 2044	255,100,000
Euro 33,057,000 Series 5-2019 Class J Asset-Backed Notes due 2044	33,057,000
Euro 352,200,000 Series 7-2019 Class A Asset-Backed Fixed Rate Notes due 2044	352,200,000
Euro 41,303,000 Series 7-2019 Class J Asset-Backed Notes due 2044	41,303,000
Euro 298,300,000 Series 8-2020 Class A Asset-Backed Fixed Rate Notes due 2045	298,300,000
Euro 34,901,000 Series 8-2020 Class J Asset-Backed Notes due 2045	34,901,000
Euro 304,200,000 Series 9-2022 Class A Asset-Backed Floating Rate Notes due 2046;	304,200,000
Euro 57,865,000 Series 9-2022 Class J Asset-Backed Notes due 2046;	57,865,000
Euro 227,000,000 Series 10-2022 Class A Asset-Backed Fixed Rate Notes due 2047;	227,000,000
Euro 49,712,000 Series 10-2022 Class J Asset-Backed Notes due 2047;	49,712,000

Euro 263,300,000 Series 11-2023 Class A Asset-Backed Fixed Rate Notes due 2048;	263,300,000
Euro 53,900,000 Series 11-2023 Class J Asset-Backed Notes due 2048.	53,900,000
Total Capital	<b>1,970,838,000.00</b>

Subject to the above, as at the date of this Base Prospectus, the Issuer has no borrowings or indebtedness in respect of borrowings (including loan capital issued or created, but unissued), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees or other contingent liabilities.

### **Financial statements of the Issuer**

The Issuer's accounting reference date is 31 December in each year.

The financial statements for the fiscal year ending on 31 December 2021 (the "**2021 Financial Statements**") are incorporated by reference in this Base Prospectus (please refer to *Documents Incorporated by Reference* section below).

The financial statements for the fiscal year ending on 31 December 2022 (the "**2022 Financial Statements**") are incorporated by reference in this Base Prospectus (please refer to *Documents Incorporated by Reference* section below).

The auditors of the Issuer is EY S.p.A., who are registered in the special register (*albo speciale*) maintained by Consob and set out under Article 161 of the Financial Laws Consolidated Act and under No. 19644 in the Register of Accountancy Auditors (*Registro dei revisori contabili*) in compliance with the provisions of Legislative Decree No. 88 of January 27 1992. EY S.p.A.'s registered office is in Rome, Via Lombardia, 31. EY S.p.A. will audit the Issuer's accounts in accordance with generally accepted auditing standards in Italy for each of the financial years ending on 31 December of each year from 2020 to 2028.

Copies of the financial statements of the Issuer for each financial year since the Issuer's incorporation may be inspected and obtained free of charge during usual business hours at the specified offices of the Issuer and the Representative of the Noteholders only once the financial statements for each relevant fiscal year will be made up and actually available.

## THE REPRESENTATIVE OF THE NOTEHOLDERS

Banca Finanziaria Internazionale S.p.A., *breviter* Banca Finint S.p.A., a bank incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office in Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, share capital of Euro 91,743,007.00 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*".

In the context of the Programme, Banca Finint S.p.A. acts as Representative of the Noteholders.

***The information contained herein relates to Banca Finanziaria Internazionale S.p.A. and has been obtained from it. The delivery of this Base 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.***

## CREDIT AND COLLECTION POLICY

*The description of the Credit and Collection Policy set out below is a detailed summary of certain features of the Credit and Collection Policy adopted by IBL Banca and is qualified by reference to the detailed contents of the Credit and Collection Policy enclosed to the Programme Servicing Agreement. Prospective Noteholders may inspect copies of the Transaction Documents (including the Programme Servicing Agreement and the exhibits thereof) upon request (i) at the following e-mail address of the Originator [securitisation@iblbanca.it](mailto:securitisation@iblbanca.it) (ii) at the specified office of each of the Representative of the Noteholders and the Italian Paying Agent and (iii) on or about the day of the relevant Issue Date of each Series of Notes, on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>).*

*The Credit and Collection Policy are compliant with Article 21, paragraph 9, of the EU Securitisation Regulation.*

*Any material changes to the Credit and Collection Policy will be disclosed to the investors without delay (in this respect, please refer to "Regulatory Disclosure and Retention Undertaking" section above).*

### **Loan application management**

The process of loan application management involves the following stages:

- 1) Offer
- 2) Investigation ("Istruttoria") and Decision (authorisation)
- 3) Processing
- 4) Loan Disbursement

#### **1. OFFER**

In this stage, the distribution network carries out an initial investigation activity which involves an initial objective and subjective assessment of the customer's financing needs to determine his suitability, only subsequently is a personalized offer prepared for the particular customer. Whether the offer meets the client's financial needs. The latter makes a loan proposal to the IBL Bank.

During the first stage the distribution network carries out an initial and preliminary analysis of the formal requirements of the application and only if these requirements are met, then the substantial requirements are also analysed.

The formal requirements are:

- the applicant shall be an employee or retired person;
- if it is an employee, whether his employer meets the scoring requirements set by the bank and by the chosen Insurance Company.

The applicant must submit at least the last salary slip or pension slip which indicates the employer or the pensions agency, the assignable amount and the presence or otherwise of any other pre-existing debts (as withheld in the pay packet).

In any event, financing cannot be obtained by anyone who:

- is not in good health (as shown by a medical exam);
- is not actively working (e.g. on a leave of absence or on disciplinary leave);

- is not financially reliable considering his net cash flow and the financial obligations arising from any other loans which have been declared or resulting from an external database;
- will reach retirement age before maturity, other than in case of assignment of the fifth of the pension;

With regard to all customers who are out from those criteria, the distribution network can ask support for a thorough investigation (also called "pre-acceptance" examination) is carried out with the aim to calculate the credit scoring required by the management.

## **2. INVESTIGATION (*Istruttoria*) and DECISION (AUTHORIZATION)**

In this stage the procedure is based on internal regulations involving an initial objective and subjective assessment of the loan application to determine the suitability of the customer by a credit scoring system implemented by the bank. The bank complies with the law and regulations on banking products and services relating to privacy and transparency, with the customer giving his consent to the use of his personal data, while the bank provides the customer with all the documentation and information on the particular characteristics of, and the risks associated with, the product, while checking the adequacy of the application itself to the customer's financial needs.

There are two different stages involved in the management of the preliminary investigation. During the first stage the bank carries out an analysis of the formal requirements of the application and only if these requirements are met, then the substantial requirements are also analysed.

The formal requirements are:

- the applicant shall be an employee or retired person;
- if it is an employee, whether his employer meets the scoring requirements set by the bank and by the chosen Insurance Company.

The applicant must submit at least the last salary slip or pension slip which indicates the employer or the pensions agency, the assignable amount and the presence or otherwise of any other pre-existing debts (as withheld in the pay packet).

In any event, financing cannot be obtained by anyone who:

- is not in good health (as shown by a medical exam);
- is not actively working (e.g. on a leave of absence or on disciplinary leave);
- is not financially reliable considering his net cash flow and the financial obligations arising from any other loans which have been declared or resulting from an external database;
- will reach retirement age before maturity, other than in case of assignment of the fifth of the pension;
- analyzes on creditworthiness are also carried out consider the amount of available assets and the amount of liabilities to determine the probability of a customer's over-indebtedness (*sovraindebitamento*).

With regard to all customers who are out from those criteria, a thorough investigation (also called "pre-acceptance" examination) is carried out with the aim to calculate the credit scoring required by the management.

The relevant factors are whether the information in the application satisfies certain quantitative and qualitative requirements both with respect to the employer and the applicant. In the case of a CDQ Loan and of a DP

Loan the process of granting a loan depends on the employer (primarily) as well as the applicant as an individual. Such particular requirements (unique among products in the consumer credit sector) arise out of the legal nature of the relationship established among the lender (the bank), the borrower (the applicant) and the employer (assigned third party administration) where the lender has the right to obtain repayment of the portions of the lent sum by deductions from the employee's pay packet (assignment with recourse) made directly by the employer.

In this regard the Group has implemented an IT system that enables it, when in possession of certain information, to check the admissibility or otherwise of the application. Behind the mathematical calculation there are certain assumptions and parameters agreed by the Management that are periodically reviewed according to market trends (macro variables) and the specific consideration of the persons involved in the preliminary investigation (employer and applicant).

It is ascertained for example whether the employer meets certain size requirements (minimum number of employees), legal requirements (type of legal status: e.g. joint stock company), capital requirements (minimum level of paid up capital), performance requirements (analysis of the financial statements in relation to specific indicators) and qualitative requirements (operating in determined fields/goods or manufacturing sectors). Moreover, on the basis of periodic analyses carried out by Credit Department, the benchmarks are updated to provide indications for the correlation between certain characteristics of the company and the presumed performance expected in possible future dealings.

On the other hand investigations are carried out on the individual applicant on an ad hoc basis to estimate the risk of fraud and to assess creditworthiness. In the investigative stage the bank also examines the details of the customer to make sure there are no outstanding default situations (such as overdue or unpaid bills).

The above process then results in a positive, negative or "to be re-examined" outcome. While the first two outcomes are clear, in the third case the application is scrutinised by the Credit Department, which comes to a final conclusion as to the admissibility or otherwise of the request after further and more detailed analysis.

If the decisioning investigation is successfully completed and the customer's proposal is approved, we proceed with the subsequent improvement activities.

From a technical point of view the decision does not mean that the customer is granted a loan, but it is only a confirmation of the preliminary investigation (i.e. the fulfilment of the requirements of internal rules and the compliance with the law) so that it is possible to go ahead with the actual process that ends with the calculation and disbursement of the loan.

With the completion of this phase the compliance of the documentation submitted by the customer is verified as well as the creditworthiness of the employer as previously described and it is also verified that guarantees can be obtained (the capacity of the loan to be insured by insurance companies).

### **3. PROCESSING**

Once the loan is approved, Branch Representative performs certain checks, acquires the guarantees and thereafter proceeds with the signing of the loan documentation and the notification of the assignment of the CDQ to the employer / pension fund.

The bank checks the contractual documentation ensuring:

- that it has reached the competent office;
- that it is authentic;
- that it is consistent with the information furnished at the time of pre-contractual offer;
- that it has been signed by the applicant in the proper way;

- that it is duly filed in the records of the applicant's loan;
- that it is compliant with the anti-money laundering legislation.

In this phase, for all financing, the bank carries out a control of the documentation produced by the customer and his identity through external databases. Moreover, for the most risky categories, through a specialized outsourcer, it retrieves appropriate documents to verify the authenticity of the product documentation - used also subsequently in the fraud prevention systems of the disbursement process - and the identity of the customer through optical checks on identity documents, through a specialised outsourcer.

Further actions are carried out by the bank, and in particular:

- the information and forms regarding insurance cover are given to the applicant;
- the contract is signed and delivered;
- notice of the contract is given to the employer/pensions agency (including any Pension Fund, if applicable).

#### **4. LOAN DISBURSEMENT**

When the processing stage has been completed and the guarantees obtained from the insurance companies, and once the contract has been received and accepted by the employer/pensions agency for the purposes of its obligations as assigned third party debtor, the bank proceeds with the final disbursement of the loan.

From the technical point of view it is only with the actual disbursement that the process of granting the loan to the customer is completed.

Disbursement of the loan is subject to the following checks:

- the official go-ahead ("benestare") or other document from which can be inferred acceptance by the employer of the obligations to which it is subject under the terms of the loan contract (first guarantee);
- the obtaining of the insurance coverage provided for in relation to the loan (second guarantee).

After the aforesaid guarantees have been obtained and before the loan can actually be paid, the bank carries out a final check to ensure that all the documents necessary in order to complete the transaction are both formally and substantially in its possession and are compliant with all the regulatory requirements set forth under Italian Presidential Decree No. 180 of 5 January 1950, as amended and supplemented from time to time.

#### **Fraud prevention systems of the disbursement process**

In relation to loan policy and the need to mitigate the risk of fraud, the Group has set up a system of fraud controls that is in place across all the investigation processes, irrespective of the channel through which the application is received.

The system envisages four distinct lines of checks for each loan application:

- analysis and checks of the documents certifying the applicant's income;
- telephone checks with the employer;
- checks of significant information on the customer from external databases by means of the service of external specialized outsourcers;
- direct telephone checks to the customers.

The checks on documents relating to income essentially consist in verification of the formal and substantial original nature of the document submitted. Among the checks made, the bank will study the documents' fonts for example, correspondence between monthly remuneration and duties performed, correspondence of the document with other documents acquired from other customers working for the same employer, etc.

Telephone calls to the employer aim at confirming the actual existence of the employment contract in addition to checking any prejudicial factors in relation to the grant of the loan (e.g. garnishment or attachment of earnings or charges on the earnings, the absence of any disciplinary measures or proceedings, the true situation as regards any current deductions from pay, the absence of any other already notified not amortised loans). The bank takes particular care only to speak to employers on telephone numbers that it has verified or that it has taken from public databases.

Through external databases the bank also obtains other important information about the application whereby the banks check the real identity of the customer as well as the actual existence of his position as an employee or person in receipt of a pension.

Through telephone checks to the customer the bank ascertains, through predetermined interviews, any inconsistent replies from the customer that could lead to any inference of suspicious conduct. During the interview stage the bank, inter alia, also checks carefully that the information corresponds to the data on the customer acquired directly by the bank from external databases.

### **Collections management**

The whole collection process is governed by internal regulations that are subject to continuous amendments and updates that respond to changes in the general law and regulations on the subject.

Currently the collection process is split in two macro categories of activity that break down into two operational processes:

- management of collections;
- ascertaining non-performing loans and taking credit recovery action in or out of court.

### **Management of collections**

In this stage of the management process, all the day-to-day activities are carried out with the aim to establishing what instalments are due on the individual loans as envisaged in the payment plan and entering the payments received in the accounts while allocating them to the appropriate borrower's record.

In accordance with an express irrevocable mandate from the employee, the Administration is obliged by law as the assigned third-party debtor, to withhold the payment from the payroll and to remit the same to IBL.

The management of the collections is thus very streamlined since the relationship in the case of many borrowers who are employees of a single Administration is maintained with a single counterparty who is not only legally responsible for sending the payments, but also for providing IBL Banca with a special list indicating the names and amounts for the individual payments made.

The payments are made by the employer Administrations through bank transfers to:

1. bank account of IBL Banca totally dedicated for this purpose;
2. current account with the post office.

The monitoring of such payments occurs on a real-time basis through IBL Banca's direct link with:

- the remote-banking system;

- the Italian Post Office through protected Internet access.

With such connections in place, IBL Banca is able to monitor the current accounts daily, and to maintain a constantly updated situation on the status of the payments.

The credit monitoring area is responsible for the management of the collections and in particular it carries on the following activities:

### 1. Evaluation of new employers

Once the request for a CDQ/DP comes from an employee whose employer is not already registered, into IBL Banca systems, the bank collects significant information on the employer, amongst which:

- company data from public data providers, for the registration of the employer into IBL Banca systems and for the classification of the company (private, public, state-owned, Ente Poste or Ferrovie dello Stato);
- company contact details and offices in charge of making salary payments;
- further information for certain state-owned entities (i.e. INPS)

### 2. Management of collections

This stage of the process involves the management of the instalments that become due (i.e. identification of instalments to be paid, matching of payments with amounts due) and the identification of the loans that, for any reasons, are not in line with scheduled payments (because of missed payment or an event that triggers the payment of an insurance company).

This process also includes any necessary changes in payment plans as a result of:

- **suspension**, where there is a missed payment or a partial payment of one or more instalments consequent upon events provided for and regulated contractually. These are generally due to one of the following situations:
  - o redundancy;
  - o unpaid leave;
  - o any reason in general that results in a reduction in pay of more than 30%.
- **deferral of starting date**, where the contractual starting date for the payment plan differs from when the deductions start to be put into effect by the assigned debtor;
- **administration changes**, where the debtor is transferred to another unit, department or office of the same employer or to another employer.

### 3. Reimbursement (amounts paid back to borrowers) management

Reimbursements occur in cases of:

- Payments exceeding the scheduled payment;
- interest paid notwithstanding prepayments (the employer pays the full amount due including interest not yet accrued).

In such cases IBL:

- checks the existence of the amount exceeding the scheduled payment;
- issues a reimbursement document;
- receives a copy of the reimbursement document countersigned by the client;
- records the reimbursement.

#### 4. Prepayments

Prepayments occur in the following circumstances:

- The loan is re-financed;
- Following a written request by the client;
- Following an event which triggers a payment by the insurance company;
- the Loan is prepaid due to the early termination of the employment relationship because of payment by the employer/pensions agency of the relevant severance indemnity (*trattamento di fine rapporto*).

#### 5. Reporting

Reports summarising information on new and existing loans, and on collections expected are periodically issued with the aim to support the collection management process.

##### Ascertaining non-performing loans and taking credit recovery action in or out of court

A loan that performs anomalously is one that is out of line with the payment plan as a result of:

- **arrears**, where there is failure by the borrower to perform obligations exactly. The collection manager checks on the causes of the failure to pay the sums due, which can lead to:
  - o the classification of the loan as past-due and the consequent charging of interest on the delayed payment;
  - o the termination of the instalment plan and the benefit of time limit, with the residual balance due in a single payment.
  - o suspension of payments
- **insurance claims**, where the customer dies or the contract of employment is terminated. In such cases the Insurance Department lodges a claim with the insurance company;
- **non-performing loans**, where a borrower has arrears greater than the limits laid down in the supervisory provisions.

The checking and the management of these situations generally involves highlighting within the company which companies are defaulting and notifying them and their customers of the problems associated with non-payment (by individual correspondence, notice to perform, the allocation of a term for performance, court action and debt collection).

If the event is covered by insurance, after the event has been investigated it is reported the insurance company to make a claim for the sum due. In cases of employment contingencies there will be a preliminary check on whether the customer has moved to another employer. In such cases notification is given by the bank to the new employer so that the latter can meet the requirements for the repayment of the loan.

## Arrears

The Company controls the exact status of the payments with respect to both the contractual obligations and the amounts paid by the employer Administrations, evidencing any anomalies and proceeding to activate collection through written solicitation of the payments.

The Company checks to see that the payments have been regularly made on the basis of the amortization plans, showing any past-due payments and/or positions for which payments have been suspended. Recovery procedures are activated for past-due amounts such as:

- 3 instalments unpaid.
- 1 instalment unpaid for 3 months
- The unpaid amount is more than 100 euro except for those loans with the amount of the monthly payment that is less than 100 euro.
- Instead, an active approach is taken to managing positions for which payments have been legally suspended due to the reduction of one-third or more of the borrower's monthly wage (e.g. maternity leave, leave of absence, etc.)

The management of the arrears positions takes into account (in terms of the analysis of the unpaid amounts) a grace period of 60 days with respect to the actual contractual due date provided by the amortization plan. This grace period covers a 30-day period provided by law for the payment of the instalments by the Administrations and another 30-day period for the technical reconciliation of the collections.

Depending on the information reported by the collections area, the management of the past-due position will proceed according to one of the following approaches:

- Out-of-court proceedings to recover the credit:
  - Solicitation;
  - Warning;
- Court proceedings (litigation initiated upon the expiration of the fifth payment due and not paid):
  - Termination of instalment plan.

Whenever an instalment has not been paid, the credit monitoring area immediately arranges to contact:

- the customer:
  - to advise of the non-payment of the instalments
  - to solicit the payment;
- the Administration:
  - to advise of the non-payment of the instalments;
  - to request the settlement of the past-due amounts.

The activity takes 90 days of work consisting in making telephone calls, sending letters or sending e-mail or PEC to the customer and to the employer.

For retired people the activity is managed by an external supplier.

At the end of this 90 days period, all those contracts that are not regularized or that have not become a claim are sent to an external supplier for a 90 days period of treatment. During this period, if we don't receive:

- notice from the customer explaining the non-payment;
- notice from the Administration explaining the non-payment;
- settlement of the past-due amounts and the most recent payment due;

the external supplier will send another written notice warning the Administration and the customer to effect payment, showing that the delay will automatically result in the accrual of interest on the past-due amounts.

For those contracts that are still in arrears after this external treatment the work flow continues to:

- Internal treatment if the unpaid amount is higher than 1,500 euros
- External treatment by another supplier if the unpaid amount is less than 1,500 euros

This is the point in which the collection activities provide for advising the customer of a deadline of 30 days for effecting the payment, evidencing that the following shall occur should the payment not be received within such period:

- the instalment plan shall be annulled and the benefit of term lost
- legal proceedings shall be initiated for the recovery of the credit.

Once the 30-day period has elapsed, credit collection makes an evaluation of the files, finalised to carry out further extrajudicial collection activities or to start legal proceedings are begun if the economic situation of the customer allows it.

In this case, the credit collection area:

- sends all documentation produced to the legal office for the opening of the proceedings;
- consults monthly with the legal office regarding the status of the proceedings, and draws up a report in relation to the status of portfolio in legal cases.

The causes of the suspension provided by the laws governing loans backed by the pledge to transfer wages automatically translate into an extension of the contractual maturity of the loan. During the suspension period the loan is classified as arrears but the bank does not take any legal action against the client.

### **Insurance claims**

The Company presents claims to the insurers in the case of the borrower's loss of employment or life, and then tracks the case to ensure the compensation is promptly paid as agreed.

Claims are filed in the event of:

#### **1. Death of the borrower**

In the event of the death of the customer prior to the contractual expiration date, the credit monitoring area will:

- classify the loan as "subject to claim", as soon as the death certificate is produced, and will then close the credit position with respect to the borrower and open a file with the insurer;
- file the loss claim with the insurer, making sure to attach:
- the request for the repayment of all instalments not yet due;

- a copy of the policy;
- a copy of the death certificate;
- gather and send the documentation needed for the insurance settlement;
- verify the regular settlement of the claim by the insurer, soliciting payment in the event of any delay.

## **2. Loss of the status of full-time employee**

In the event of the termination of the employment relationship, the credit monitoring area will provide notice thereof to the insurance company, and ascertain the nature of the termination of the relationship which may result in:

- a) the borrower being transferred to another Administration or the borrower being hired by another employer;
- b) the loss of the borrower's status as a full-time employee.

In the case a), the Company will determine if the borrower:

- has been transferred to another company. If this is the case, the Company will verify that the Administration has sent to the new Administration the documentation relative to the financing so that the latter can begin withholding the loan payments from the borrower's wage and remitting them in accordance with the amortization plan;
- has advised the Administration of his being employed by another employer. The Company may also verify this directly with the borrower. In this case, the contract is provided to the new employer so that the new employer can begin withholding the loan payments from the borrower's wage and remitting them in accordance with the amortization plan

In case b), the Company will:

- classify the loan as "subject to claim";
- check to ensure that the Administration remits to the Company the severance indemnities accrued for the account of the employee and such amounts will be used to cover part of the residual debt;
- file a definitive loss claim with the insurance company, making sure to attach:
- the request for reimbursement of the loan instalments net yet due, net of the severance indemnities;
- copy of the policy;
- verify the regular settlement of the claim by the insurer, soliciting payment in the event of a delay, and once payment has been made, close the position with respect to the borrower.

## **Management of the non-performing loans**

Considering the collection reports, the Administrations will be classified as "in default" in cases in which:

- the Company has specific information about the Administration (e.g. existence of insolvency proceedings in process);
- the Company has general information about the Administration, and in this case, the default classification needs to be authorized by senior management (such information may include the most

recent internal rating, a high number of losses, and information available to the public indicating a critical situation at the Administration).

Default on the part of any organization concerned means that any further loan applications from any persons depending on the particular employer or agency will not be approved.

### **Workout and recovery procedures**

After the bank has carried out all the activities listed above with reference to the management of arrears or after the employer has been classified as "non-performing" the bank carries out an out of court dispute resolution procedure (also through outsourcers), in order to solicit the payment by the borrowers. This procedure consists of the following activities:

(1) phone collection;

(2) mail solicit;

(3) injunctions;

In case such out of court dispute resolution procedure should fail, the bank prepares a memo for its legal advisers with the aim to evaluate a possible legal action.

Thereafter it proceeds with the following actions:

#### **A) Workout**

The Company embarks on the initiatives it deems most suitable for working out any precarious credit positions, entering into legal action or taking action out of court with respect to the principal debtor and any guarantors/co-obligors. Such action may be taken directly by the Company or through its legal advisors.

Once a position has been placed on the watchlist and the actions undertaken by credit collection area for the out-of-court recovery of the credit have been documented, the legal department will embark on the recovery proceedings admitted by the law, through mainly:

- injunctions (Articles 633 and the articles thereafter of the Code of Civil Procedure);
- injunctions to pay (Articles 474 and the articles thereafter of the Code of Civil Procedure);
- foreclosures with respect to third parties (Articles 543 and the articles thereafter of the Code of Civil Procedure);
- specific activities related to Companies that are in default ( i.e. Bankruptcy or similar)

#### **B) Reporting to senior management**

The Credit Collection Department, during the Credit Committee that is held monthly generally, reports to senior management the positions it deems to be classified as "non-performing" (*sofferenza*). The Credit Committee analyses positions to be written off if there are no chance to collect the unpaid amount anymore.

## **USE OF PROCEEDS**

With reference to each Transaction, the total net proceeds of the issue of the relevant Series of Notes will be applied by the Issuer to pay to the Originator the Purchase Price for the relevant Portfolio in accordance with the Programme Receivables Purchase Agreement and the relevant Transfer Agreement, to create (i) the Liquidity Reserve on the relevant Liquidity Reserve Account opened in respect of such Transaction and (ii) the Additional Reserve on the relevant Additional Reserve Account opened in respect of such Transaction and to credit the relevant Expenses Account opened in respect of such Transaction with the relevant Retention Amount.

## THE ACCOUNTS

The Issuer will open and, subject to the terms of the Transaction Documents, shall at all times maintain the following accounts, in respect of each Transaction.

### 1. **Collection Account**

With reference to each Transaction, pursuant to the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA, the Issuer will establish the relevant Collection Account with the Collection Account Bank. Pursuant to the terms and conditions of the Programme Servicing Agreement, the Servicer shall transfer on a daily basis to such Collection Account all the Collections and the Recoveries received or recovered by it in respect of the Receivables included in the relevant Portfolio.

### 2. **Back-Up Collection Account**

With reference to each Transaction, pursuant to the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA, the Issuer will establish the relevant Back-Up Collection Account with the Transaction Bank. In the event that IBL Banca (or the Issuer) becomes aware that should IBL Banca remain as Collection Account Bank this would have a negative credit impact on the Rated Notes of such Series, all amounts standing to the credit of the relevant Collection Account as of such date will be transferred by IBL Banca into the relevant Back-Up Collection Account, in accordance with the provisions of the Programme Cash Allocation, Management and Payments Agreement.

### 3. **Payments Account**

With reference to each Transaction, pursuant to the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA, the Issuer will establish the relevant Payments Account with the Transaction Bank. All amounts due to the Issuer under any of the Programme Documents and any of the relevant Series Documents will be paid into the relevant Payments Account (other than the Collections, which will be transferred into the relevant Payments Account 2 (two) Business Days prior to each relevant Payment Date).

### 4. **Liquidity Reserve Account**

With reference to each Transaction, pursuant to the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA, the Issuer will establish the relevant Liquidity Reserve Account with the Transaction Bank. On the relevant Issue Date, the relevant Liquidity Reserve Initial Amount shall be transferred into the relevant Liquidity Reserve Account and, thereafter, on each Payment Date before the delivery of a Transaction Acceleration Notice, the relevant Liquidity Reserve Target Amount shall be transferred into the relevant Liquidity Reserve Account.

### 5. **Additional Reserve Account**

With reference to each Transaction, pursuant to the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA, the Issuer will establish the relevant Additional Reserve Account with the Transaction Bank. On the relevant Issue Date, the relevant Additional Reserve Initial Amount shall be transferred into the relevant Additional Reserve Account and, thereafter, on each Payment Date before the delivery of a Transaction Acceleration Notice, the relevant Additional Reserve Target Amount shall be transferred into the relevant Additional Reserve Account.

### 6. **Management Fee Reserve Account**

With reference to each Transaction:

- pursuant to the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA, the Issuer will establish the relevant Management Fee Reserve Account with the Transaction Bank.

- on the relevant Issue Date, the relevant Management Fee Reserve Target Amount shall be transferred by the Originator into the relevant Management Fee Reserve Account.
- on each relevant Payment Date, the relevant Management Fee Reserve Increased Amount, as specified in the relevant Servicer's Report issued as of the immediately preceding relevant Servicer's Report Date, shall be credited by the Originator into the relevant Management Fee Reserve Account.
- the relevant Management Fee Reserve Released Amount (if any) will be repaid by the Issuer to the Originator on a monthly basis on each relevant Payment Date without applying the relevant Priority of Payments, in all circumstances in accordance with the Programme Documents and the relevant Series Documents.
- the relevant Management Fee Prepayment Amount (if any) as specified by the Calculation Agent under the relevant Payments Report (or the Post Acceleration Payments Report, as the case may be) will be transferred from the relevant Management Fee Reserve Account to the relevant Payments Account on or prior to any Payment Date.
- all amounts standing to the credit of the relevant Management Fee Reserve Account, on the Business Day after the Payment Date on which the Notes of the relevant Series are redeemed in full or cancelled, will be paid to the Originator.

## **7. Expenses Account**

With reference to each Transaction, pursuant to the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA, the Issuer will establish the relevant Expenses Account with the Collection Account Bank into which, on the relevant Issue Date, the Retention Amount will be credited. During each Collection Period, the Retention Amount will be used by the Issuer to pay the Expenses. To the extent that the amount standing to the credit of the relevant Expenses Account on any Payment Date is lower than the Retention Amount, the Issuer shall credit available amounts to the relevant Expenses Account in accordance with the applicable Priority of Payments.

## **8. Investment Account**

With reference to each Transaction, pursuant to the Programme Cash Allocation, Management and Payments Agreement, the Investment Account may be opened by the Issuer with the Investment Account Bank for the purpose of making Eligible Investments.

Pursuant to the Programme Cash Allocation, Management and Payments Agreement, should the Investment Account be opened in respect of a Transaction, during each relevant Interest Period, monies standing to the credit of the Liquidity Reserve Account, Additional Reserve Account and the Collection Account will, from time to time, be transferred by the relevant Account Bank to such Investment Account if so instructed by the Cash Manager acting on behalf of the Issuer pursuant to the Programme Cash Allocation, Management and Payments Agreement, in order to be used by the Investment Account Bank (as instructed by the Cash Manager acting on behalf of the Issuer pursuant to the Programme Cash Allocation, Management and Payments Agreement) for making Eligible Investments having an eligible investment maturity date falling no later than the second Business Day immediately preceding any relevant Payment Date, provided that, any revenues and other amounts matured or deriving from the Eligible Investments will be transferred by the Investment Account Bank, following their liquidation, to the Payments Account opened in respect of such Transaction promptly upon receipt and in any case not later than 2 (two) Business Days prior to each Payment Date, to form part of the relevant Series Available Funds.

The Issuer will be the sole responsible for any Eligible Investments made pursuant to the Programme Cash Allocation, Management and Payments Agreement and therefore the Cash Manager will not have any discretion in relation to any Eligible Investment and it shall act only on behalf and upon instructions of the Issuer, as provided for in the Programme Cash Allocation, Management and Payments Agreement.

## **9. Quota Capital Account**

Pursuant to the Programme Cash Allocation, Management and Payments Agreement, the Issuer has established the Quota Capital Account with IBL Banca for the purpose of depositing its quota capital.

#### 10. **Collateral Account**

In the event that amounts are to be posted by a Series Swap Counterparty as collateral pursuant to a credit support annex entered into pursuant to the relevant Series Swap Agreement (any such amount, the "**Collateral Amounts**"), the Issuer will promptly open - in respect of the relevant Transaction - a separate Collateral Account with any banking institution which shall be an Eligible Institution and which will be specified in the applicable Final Terms (the "**Collateral Account Bank**") into which the relevant Series Swap Counterparty/ies shall pay the Collateral Amounts in accordance with the relevant Series Swap Agreement, provided that the relevant Collateral Account Bank shall accede to the Programme Intercreditor Agreement and this Agreement and execute the relevant Series CAMPA.

Pursuant to the Programme Cash Allocation, Management and Payments Agreement, in respect of each Transaction, the Issuer will maintain each of the Payments Account, the Liquidity Reserve Account, the Additional Reserve Account, the Management Fee Reserve Account and the Investment Account (together, with the relevant Expenses Account, the "**Series Issuer's Accounts**") with the Transaction Bank and the Investment Account Bank for as long as such Account Bank is an Eligible Institution. Should the relevant Account Bank no longer be an Eligible Institution, each of the relevant Series Issuer's Accounts held with it will be transferred to an Eligible Institution within 30 calendar days from the date on which such Account Bank ceased to be an Eligible Institution.

## COMPLIANCE WITH STS REQUIREMENTS

Pursuant to article 18 of the EU Securitisation Regulation, a number of requirements must be met if the originator and the SSPE (as defined in the EU Securitisation Regulation) wish to use the designation “STS” or “simple, transparent and standardised” for securitisation transactions initiated by them.

The Originator will use the service of PCS, as a third party verifying STS compliance authorised under article 28 of the EU Securitisation Regulation in connection with the STS Verification and the CRR Assessment. It is expected that the STS Verification and the CRR Assessment prepared by PCS will be available on the PCS website (<https://pcsmarket.org/sts-verification-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 Base Prospectus. **No assurance can be provided that each Transaction qualified as STS under the Programme will or will continue to qualify as an STS-securitisation under the EU Securitisation Regulation on the relevant Issue Date of each Series of Notes or at any point in time in the future.** None of the Issuer, the Originator, the Co-Arrangers, the Subscribers, 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 on the relevant Issue Date of each Series of Notes or at any point in time in the future. Furthermore, it should be noted that as at the date of this Base Prospectus the Notes are not expected to satisfy the requirements stemming from article 13 of the LCR Delegated Regulation.

Without prejudice to the above, prospective investors in the Notes of the relevant Series should be aware that, 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 Base Prospectus (including with regard to the risk retention requirements under article 6 of the EU Securitisation Regulation, transparency obligations imposed under article 7 of the EU Securitisation Regulation and the homogeneity criteria set out in article 20(8) of the EU Securitisation Regulation), and subject to any changes made therein after the date of this Base Prospectus:

- (a) for the purpose of compliance with article 20, paragraph 1, of the EU Securitisation Regulation, pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement, the Originator will assign and transfer without recourse (*pro soluto*) and in block (*in blocco*) to the Issuer, which will purchase, in accordance with the provisions of articles 1 and 4 of the Securitisation Law, all of its right, title and interest in and to the relevant Portfolio. The transfer of the Receivables included in the relevant Portfolio will be rendered enforceable against any third party creditors of the Originator (including any insolvency receiver of the same) through (i) the publication of a notice of transfer in the Official Gazette, and (ii) the registration of the transfer in the companies' register of Rome. The true sale nature of the transfer of the Receivables and the validity and enforceability of the same will be covered by the legal opinion issued by the legal counsel to the Co-Arrangers, which will be made available to PCS (or any other third party verifying STS compliance the Originator may appoint) and may be disclosed to any relevant competent authority referred to in article 29 of the EU 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, paragraph 2 and 3 of the EU Securitisation Regulation, under the Programme Warranty and Indemnity Agreement, the Originator has represented that it is a joint stock company authorized to operate as a bank and its “centre of main interests” (as that term is used in article 3(1) of the Regulation (EU) no. 848/2015 of 20 May 2015 on insolvency proceedings) is located within the territory of the Republic of Italy; therefore, the Originator would be subject to Italian insolvency laws that do not contain severe clawback provisions;
- (c) with respect to article 20, paragraph 4 of the EU Securitisation Regulation, the Receivables arise from Loan Agreements directly entered into by the Originator as lender (for further details, see the section headed “Portfolios”); therefore, the requirements of article 20(4) of the EU Securitisation Regulation are not applicable;

- (d) with respect to article 20 paragraph 5 of the EU Securitisation Regulation, the transfer of the Receivables included in the relevant Portfolio will be rendered enforceable against any third party creditors of the Originator (including any insolvency receiver of the same) through (i) the publication of a notice of transfer in the Official Gazette, and (ii) the registration of the transfer in the companies' register of Rome; therefore, the requirements of article 20(5), of the EU Securitisation Regulation are not applicable;
- (e) with respect to article 20, paragraph 6, of the EU Securitisation Regulation, under the Programme Warranty and Indemnity Agreement the Originator has represented and warranted that, as at the relevant Valuation Date and as at the relevant Transfer Date, each Portfolio will not be, encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the true sale to the Issuer (for further details, see the sections headed "*The Portfolio*" and "*Description of the Programme Documents – Programme Warranty and Indemnity Agreement*");
- (f) for the purpose of compliance with article 20, paragraph 7 of the EU Securitisation Regulation, (a) each Portfolio transferred to the Issuer has to meet the Common Criteria and the Specific Criteria; (b) none of the Transaction Documents will provide for (i) the management of the relevant Portfolio in such a way which makes the performance of each Transaction dependent on the discretionary management of such Portfolio by the Servicer; or (ii) the management of the portfolio in such a way which is conducted for speculative purposes aiming to achieve better performance, increased yield, overall financial returns or other purely financial or economic benefit (*for further details, see the sections headed "Description of the Transaction Documents – Programme Receivables Purchase Agreement"; "Description of the Transaction Documents –the "Transfer Agreement"*);
- (g) for the purpose of compliance with article 20, paragraph 8 of the EU Securitisation Regulation, pursuant to the Programme Warranty and Indemnity Agreement the Originator has represented and warranted that, as at the relevant Valuation Date and as at the relevant Transfer Date, the Receivables comprised in each Portfolio will be homogeneous in terms of asset type taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit-risk and prepayment characteristics, given that: (a) all Receivables will be originated by IBL Banca, in the Originator's ordinary course of business, based on similar loan disbursement policies which apply similar approaches to the assessment of credit risk associated with the underlying exposures; (b) all Receivables will be, serviced by IBL Banca according to the same servicing procedures; (c) all Receivables will fall within the same asset category of the regulatory technical standards named "*credit facilities to individuals for personal, family or household consumption purposes*"; and (d) the Common Criteria provide for, *inter alia*, geographic concentration in Italy. All Debtors, in fact, are and will be resident in Italy. In addition, under the Programme Warranty and Indemnity Agreement the Originator has represented and warranted that (i) each of the Receivables derives from duly executed Loan Agreements; (ii) each Loan Agreement and each other agreement, deed or document relating thereto is valid and constitutes binding and enforceable obligations, with full recourse to the Debtors; and (iii) as at the relevant Valuation Date and as at the relevant Transfer Date, each Portfolio does not and will not, as the case may be, comprise any transferable securities, as defined in point (44) of article 4(1) of Directive 2014/65/EU. Finally, pursuant to the Common Criteria set out in the Programme Receivables Purchase Agreement, the Loans will be repayable in instalments pursuant to the relevant amortising plan (for further details, see the sections headed "*The Portfolio*" and "*Description of the Transaction Documents – Programme Receivables Purchase Agreement*"). In addition, for the purposes of article 243(2) letter (b) of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms, the Receivables will meet the conditions for being assigned, under the Standardised Approach (as defined in such regulation) and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than 75 % on an individual exposure basis, being consumer loans and therefore exposure to retail. In the case of Receivables arising from Salary Assignment (CDQ), however, the risk weight will meet the conditions for being assigned a risk weight equal to or smaller than 35% on an individual exposure basis, in compliance with Article 123, last paragraph, of the said Regulation (EU) No 575/2013, as amended;

- (h) for the purpose of compliance with article 20, paragraph 9 of the EU Securitisation Regulation, under the Programme Warranty and Indemnity Agreement the Originator has represented and warranted that as at the relevant Valuation Date and as at the relevant Transfer Date, each Portfolio will not comprise any securitisation positions (for further details, see the sections headed “*The Portfolios*” and “*Description of the Transaction Documents – Programme Warranty and Indemnity Agreement*”);
- (i) for the purpose of compliance with article 20, paragraph 10 of the EU Securitisation Regulation, under the Programme Warranty and Indemnity Agreement the Originator has represented and warranted that (i) each of the Receivables will derive from duly executed Loan Agreements which have been granted by IBL Banca in its ordinary course of business, (ii) IBL Banca has expertise in originating exposures of CDQ loans of the same nature to those which will be assigned under each Transaction for at least 5 years; (iii) the Loans have been granted in accordance with the Credit and Collection Policy applicable from time to time that are not less stringent than the loan disbursement policies applied by IBL Banca at the time of origination to similar exposures that will not be assigned under each Transaction; (iv) IBL Banca has assessed and will assess the Debtors’ creditworthiness in compliance with the requirements set out in article 8 of Directive 2008/48/EC. In addition, under the Programme Servicing Agreement and the Programme Intercreditor Agreement, IBL Banca has undertaken to fully disclose without undue delay to potential investors in the Notes, to Noteholders and to the relevant competent authorities, as mentioned in first paragraph of Article 7(1) of the EU Securitisation Regulation on transparency provisions, any material changes occurring in the Credit and Collection Policy applicable from time to time in respect of the Receivables, pursuant to article 20(10) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria (for further details, see the sections headed “*Portfolios*” and “*Description of the Transaction Documents – Programme Warranty and Indemnity Agreement*”, and “*Programme Intercreditor Agreement*”);
- (j) in compliance with article 20, paragraph 11 of the EU Securitisation Regulation, under the Programme Receivables Purchase Agreement and the Programme Warranty and Indemnity Agreement, the Originator has represented and warranted that, as at the relevant Valuation Date and as at the relevant Transfer Date, each Portfolio will not include Receivables 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 best of IBL Banca’s knowledge (i) has been declared insolvent or has had a court grant his/her creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the relevant date of origination or will have undergone, as the case may be, a debt-restructuring process with regard to his/her non-performing exposures within three years prior to the date of the relevant Valuation Date; (ii) was at the time of origination, where applicable, on a public credit registry of persons with adverse credit history; or (iii) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than the ones of comparable exposures held by IBL Banca which will not be assigned under the relevant Transaction (for further details, see the section headed “*The Portfolios and Description of the Transaction Documents – Programme Warranty and Indemnity Agreement*” and the “*Programme Receivables Purchase Agreement*”);
- (k) for the purpose of compliance with article 20, paragraph 12 of the EU Securitisation Regulation, pursuant to the Common Criteria set out in the Programme Receivables Purchase Agreement, the Receivables comprised in each Portfolio will arise from Loans in respect of which at least the first instalment of the relevant amortization plan and have been paid by the relevant Debtor as at the relevant Valuation Date (for further details, see the section headed “*The Portfolios*”);
- (l) for the purpose of compliance with article 20, paragraph 13 of the EU Securitisation Regulation, as the Receivables arise from unsecured Loan Agreements, there are no security interests securing the Receivables; therefore, the repayment of the Notes has not been structured to depend predominantly on the sale of any asset (for further details, see the sections headed “*The Portfolios*”);
- (m) for the purpose of compliance with article 21, paragraph 1 of the EU Securitisation Regulation, under the Intercreditor Agreement, the Originator has undertaken, in respect of each Series of Notes issued from 1 January 2019, to retain, on an on-going basis, a material net economic interest of not less

than 5 (five) per cent. in each relevant Transaction, in accordance with one of the options of article 6(3), of the EU Securitisation Regulation, as specified in the Final Terms applicable to such Series – (for further details, see the sections headed “*Description of the Transaction Documents – Intercreditor Agreement*” and “*Regulatory disclosure and retention undertaking*”);

- (n) for the purpose of compliance with article 21, paragraph 2 of the EU Securitisation Regulation, in order to mitigate any interest rate risk connected with the Rated Notes, on or about the relevant Issue Date, the Issuer may enter into an interest rate hedging agreement or the interest rate option (or any other agreement having the same interest rate hedging economic and financial purpose) (if any) (the “Series Swap Agreement”) (for further details, see Condition 7.5 (*Rate of Interest*) and the section headed “*Description of the Transaction Documents – Series Swap Agreement*”). Moreover, under the Warranty and Indemnity Agreement, the Originator has represented and warranted that as at the relevant Transfer Date each Receivable does not comprise (or will not comprise with reference to any Receivable included in each Portfolio) any derivative. In addition, there is no currency risk since (i) under the Programme Warranty and Indemnity Agreement, the Originator has represented and warranted that the Receivables arise from Loan Agreements which are denominated in Euro, and (ii) pursuant to the Conditions, the Notes are denominated in Euro (for further details, see the sections headed “*Description of the Transaction Documents – Programme Warranty and Indemnity Agreement*”, “*General Description of the Programme*” and “*Terms and Conditions of the Rated Notes*”);
- (o) for the purpose of compliance with article 21, paragraph 3 of the EU Securitisation Regulation, pursuant to the Conditions the rate of interest applicable to the Rated Notes is calculated by reference to EURIBOR (for further details, see the sections headed “*Condition 7.5 (Rate of Interest)*”); therefore, any referenced interest payments under the Receivables and the Rated Notes are based on generally used market interest rates and does not reference complex formulae or derivative;
- (p) for the purpose of compliance with article 21, paragraph 4 of the EU Securitisation Regulation, pursuant to the Conditions, following the service of a Transaction Acceleration Notice, (i) 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 of each Series in accordance with the Post-Enforcement Priority of Payments and pursuant to the terms of the Transaction Documents; (ii) as to the repayment of principal, the Senior Notes of each Series will continue to rank in priority to the Mezzanine Notes of such Series (if any) and the Junior Notes of the relevant Series, and the Mezzanine Notes of each Series (if any) will continue to rank in priority to the Junior Notes of such Series, but subordinated to the Senior Notes of the relevant Series, whereas the Class J Notes of each Series will be subordinated to the Senior Notes of such Series and the Mezzanine Notes of the relevant Series (if any) as before the delivery of a Transaction Acceleration Notice; and (iii) the Issuer (or the Representative of the Noteholders on its behalf) may (with the consent of an Extraordinary Resolution of the Most Senior Class of Noteholders of such Series then outstanding) or shall – as the case may be in accordance with the Conditions – (if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders of such Series then outstanding) dispose of the Portfolio, subject to the terms and conditions of the Programme Intercreditor Agreement, it being understood that no provisions shall require the automatic liquidation of the Portfolio (for further details, see “*Condition 6.2 (Post-Enforcement Priority of Payments)*” and “*Condition 12 (Transaction Acceleration Events and Programme Purchase Acceleration Events)*”);
- (q) the requirements of article 21, paragraph 5, of the EU Securitisation Regulation are not applicable. In respect of each Series of Notes issued under the Programme, in fact, (a) the Senior Notes of such Series will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but in priority to the Mezzanine Notes (if any) and the Junior Notes of such Series; (b) the Mezzanine Notes of such Series (if any) will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but subordinated to the Senior Notes of such Series and in priority to the Junior Notes of such Series; (c) the Junior Notes of such Series will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but subordinated to the Senior Notes and the Mezzanine Notes (if any) of such Series, provided that for so long as there are Class A Notes outstanding, following the occurrence of a Class B Notes Series

Performance Trigger, interest accruing on the Class B Notes will be subordinated to the payment of principal on the Class A Notes in accordance with Condition 6.3 (*Class B Notes Series Performance Triggers*) and the Pre Enforcement Priority of Payments, subject to the availability of the relevant Series Available Funds.

- (r) for the purpose of compliance with article 21, paragraph 6, of the EU Securitisation Regulation, pursuant to the Conditions, there are appropriate Transaction Acceleration Events the occurrence of which shall procure the Notes of the relevant Series to be due and repayable, following which all payments of principal, interest and other amounts due in respect of such Notes shall be made according to the Post Enforcement Priority of Payments and on such dates as the Representative of the Noteholders may determine, including, *inter alia*, the following:
- (ii) the Issuer defaults in the payment of the amount of interests on a Payment Date, as due and payable on the Most Senior Class of Notes of such Series then outstanding, and such default is not remedied within a period of five Business Days from the due date thereof;
  - (iii) the Issuer defaults in the payment of the amount of principal on the relevant Final Maturity Date, as due and payable on the Most Senior Class of Notes of such Series then outstanding, and such default is not remedied within a period of five Business Days from the due date thereof;
  - (iv) a Programme Purchase Termination Event under Condition 12.5.1 (*Insolvency of the Issuer*) or 12.5.2 (*Unlawfulness*) has occurred and the Representative of the Noteholders and/or the Programme Administrator has delivered a Programme Purchase Termination Notice;

For further details, see the sections headed "*Terms and Conditions of the Rated Notes*".

- (r) for the purpose of compliance with article 21, paragraph 7 of the EU Securitisation Regulation, the contractual obligations, duties and responsibilities of the Master Servicer, the Servicer and 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 – Programme Servicing Agreement*", "*Description of the Transaction Documents – Programme Cash Allocation, Management and Payments Agreement*", "*Description of the Transaction Documents – Corporate Services Agreement*" and "*Conditions*"). In addition, the Programme Servicing Agreement and the Programme Back-Up Servicing Agreement contain provisions aimed at ensuring that a default by or an insolvency of the Master Servicer, and/or the Servicer, does not result in a termination of the servicing of the Portfolio, by the replacement of the defaulted or insolvent Master Servicer and/or Servicer with the Back-Up Servicer or a substitute servicer, (for further details, see the sections headed "*Description of the Transaction Documents – Programme Servicing Agreement*" and "*Description of the Transaction Documents – Programme Back-Up Servicing Agreement*"). Finally, the Programme Cash Allocation, Management and Payments Agreement and the relevant Series Swap Agreement (if any) contain or will contain provisions aimed at ensuring the replacement of the Account Banks and the relevant Series Swap Counterparty, respectively in case of their default, insolvency or other specified events. (For further details, see the section headed "*Description of the Transaction Documents – Programme Cash Allocation, Management and Payments Agreement*", "*Description of the Transaction Documents – Series Swap Agreement*" and "*Description of the Transaction Documents – Programme Intercreditor Agreement*");
- (s) for the purpose of compliance with article 21 paragraph 8 of the EU Securitisation Regulation, under the Programme Servicing Agreement the Servicer has represented and warranted that it has expertise in servicing exposures of the same nature to those securitised for more than 5 (five) years and has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of exposures. In addition, pursuant to the Programme Servicing Agreement, the Programme Back-Up Servicer and any substitute servicer shall have expertise in servicing exposures of a similar nature to those securitised and well-documented and adequate policies, procedures and

risk-management controls relating to the servicing of exposures (for further details, see the section headed “*Description of the Transaction Documents – Programme Servicing Agreement*”);

- (t) for the purpose of compliance with article 21, paragraph 9 of the EU Securitisation Regulation, the Programme 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 sections headed “*Description of the Transaction Documents - The Programme Servicing Agreement*” and “*The Credit and Collection Policy*”). In addition, the Transaction Documents clearly specify the Priorities of Payments, the events which trigger changes in such Priorities of Payments as well as the obligation to report such events, and any change in the Priority of Payments which will materially adversely affect the repayment of the Notes of the relevant Series. Pursuant to the Cash Allocation, Management and Payments Agreement, (i) the Calculation Agent has undertaken to prepare, on each Sec Reg Report Date, the Sec Reg Investor Report and to deliver it via email to the Originator setting all the information required with respect to the Notes of each Series (including, inter alia, the events which trigger changes in the Priorities of Payments), in compliance with the EU Securitisation Regulation, and the Originator has undertaken to make it available to the investors in the Notes on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurowd.eu/>);
- (u) for the purposes of compliance with article 21, paragraph 10 of the EU Securitisation Regulation, the Conditions (including the Rules of the Organisation of the Noteholders attached thereto) and the Programme Intercreditor Agreement 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 “*Description of the Transaction Documents - The Programme Intercreditor*” and “*Terms and Conditions of the Rated Notes*”);
- (v) for the purposes of compliance with article 22 paragraph 1 of the EU Securitisation Regulation, under the Programme Intercreditor Agreement IBL Banca has confirmed that (i) it will make available to potential investors in the Notes of the relevant Series before pricing, on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurowd.eu/>), 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 cover a period of at least 5 (five) years, and (ii) as Originator, it will be in possession, before pricing, 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 cover a period of at least 5 (five) years (for further details, see the section headed “*Description of the Transaction Documents –Intercreditor Agreement*”);
- (w) for the purposes of compliance with article 22 paragraph 2 of the EU Securitisation Regulation, an external verification (including verification that the data disclosed in this Base Prospectus in respect of the Receivables is accurate) will be made in respect of the relevant Portfolio prior to relevant the Issue Date by an appropriate and independent party and no significant adverse findings have been found.
- (x) for the purposes of compliance with article 22 paragraph 3 of the EU Securitisation Regulation, under the Conditions, the Cash Allocation, Management and Payments Agreement and each Series CAMPA, IBL Banca has confirmed and will confirm that (i) it will make available to potential investors in the Notes of the relevant Series before pricing, on the platform IntexCALC (being, as at the date of this Base Prospectus, [www.intex.com](http://www.intex.com)), all the information related to the relevant Portfolio in order to allow investors to run a liability cash flow model which precisely represents the contractual relationship between the Receivables and the payments flowing between the Originator, the investors in the Notes, other third parties and the Issuer, and (ii) as Originator, it has been in

possession, before pricing, of a liability cash flow model which precisely represents the contractual relationship between the Receivables and the payments flowing between the Originator, the investors in the Notes, other third parties and the Issuer. In addition, it will make available to potential investors in the Notes before pricing the information under point (a) of article 7(1) of the EU Securitisation Regulation upon request and the information and documents under points (b) and (d) of article 7(1) of the EU Securitisation Regulation in draft form, and (ii) as Originator, it will be, before pricing, in possession of the data relating to each 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) and of the information and documents under points (b) and (d) of the first subparagraph of article 7(1) of the EU Securitisation Regulation;

- (y) for the purposes of compliance with article 22, paragraph 4 of the EU Securitisation Regulation, the Receivables securitised are not residential loans, auto loans nor leases; therefore, the requirements of article 22(4), of the EU Securitisation Regulation are not applicable;
- (z) for the purposes of compliance with article 22, paragraph 5 of the EU Securitisation Regulation, under the Programme Intercreditor Agreement, the parties thereto have acknowledged that the Originator shall be responsible for compliance with article 7 of the EU Securitisation Regulation. Each of the Issuer and the Originator has agreed that IBL Banca, in its capacity as Originator, is designated as Reporting Entity, pursuant to and for the purposes of article 7(2), of the EU Securitisation Regulation and, in such capacity as Reporting Entity, it has fulfilled before pricing and/or shall fulfil after the relevant Issue Date, as the case may be, the reporting requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation by making available the relevant information on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurowd.eu/>). As to post-closing information, (i) the Calculation Agent shall prepare the Sec Reg Investor Report and deliver it to the Originator who shall make it available, together with the Sec Reg Asset Level Report prepared by the Servicer, to holders of a securitisation position, to the competent authorities referred to in Article 29 of the EU Securitisation Regulation and, upon request, to potential investors by publishing them on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurowd.eu/>) and the Originator shall prepare and deliver to such parties without undue delay the Inside Information Report and the Significant Event Report, in compliance with points (f) and (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation and make them available to the investors in the Notes without undue delay by publishing it on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurowd.eu/>).

In addition to the above, it is noted that:

- (i) on 2 September 2022, the Italian legislative decree No. 131 of 3 August 2022 has been published in the Official Gazette of the Republic of Italy No. 205 of 2 September 2022 which, *inter alia*, has:
  - (a) introduced a new Article 4-*septies.2* to the Financial Laws Consolidation Act (the “**Article 4-*septies.2***”); and
  - (b) designated, with respect to the Republic of Italy and in accordance with Article 29 of the EU Securitisation Regulation, the “competent authorities” having the powers of supervise the compliance with the provisions of the EU Securitisation Regulation;
- (ii) on 22 December 2022, the Bank of Italy has adopted - in accordance with Article 4-*septies.2*, paragraph 9 - the regulation headed “*Modalità di implementazione dell’articolo 4-*septies.2* del d.lgs. 58/1998 (TUF)*” (the “**Article 4-*septies.2* Regulation**”);
- (iii) in accordance with the provisions of Article 4-*septies.2* and the Article 4-*septies.2* Regulation, the competent authority designated for the purposes of monitor the compliance in the context of each Transaction with the provisions of the EU Securitisation Regulation is the Bank of Italy (together with CONSOB). Therefore, without prejudice to paragraphs below, any reference set forth in the

Transaction Documents to “competent authority” and/or “competent authorities”, to the extent referred to the supervisions powers set forth in the EU Securitisation Regulation, shall be a reference to the Bank of Italy and/or CONSOB (as applicable);

- (iv) according to the provisions of Article 4-*septies*.2, the competent authorities which will supervise the compliance by the investors in a securitisation transaction with the due diligence requirements set forth in Article 5 of the EU Securitisation Regulation are those mentioned in Article 4-*septies*.2 and are different depending on the legal nature and the legal status of the relevant investor;
- (v) in light of the provisions set forth above:
  - (a) each prospective subsequent Noteholder is the entity exclusively responsible for the purposes of independently comply with the due diligence requirements set forth in Article 5 of the EU Securitisation Regulation (including with respect to the obligation of demonstrate to the relevant competent authority that, before investing in the Transaction, has complied with the due diligence requirements set forth in Article 5 of the EU Securitisation Regulation); and
  - (b) none of the Issuer, the Originator, the Co-Arrangers, the Noteholder and the other parties of the Transaction Documents are liable for the compliance by any subsequent Noteholder with the due diligence requirements set forth in Article 5 of the EU Securitisation Regulation;
- (vi) within the timing provided under the Article 4-*septies*.2 Regulation, the Originator will submit to the Bank of Italy the notification relating to the implementation of the relevant Transaction in the manner provided under the Article 4-*septies*.2 Regulation.

Moreover, the Originator has undertaken that any of such information, following the Issue Date of each Series of Notes issued under the Programme, will:

- (i) be published, on a monthly basis, on the Originator’s web site ([www.iblbanca.it/investorrelations](http://www.iblbanca.it/investorrelations)) and included in the Investors Report of the relevant Transaction on the basis and to the extent of the information received by the Master Servicer in the relevant Servicer’s Report. It is understood that the Investors Report shall be deemed to have been produced on behalf of the Originator, under the Originator’s full responsibility, with reference to the information described in this section that the Originator has the obligation to make available to investors under the Retention and Transparency Rules;
- (ii) with reference to the further information which from time to time may be deemed necessary under the Retention and Transparency Rules in accordance with the market practice and not covered under (i) above (if any), be published on the Originator’s website or through the Investor Report in accordance with paragraph (i) above.

In addition, the Originator shall make available, by publishing it on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>), a copy of the final Base Prospectus and the other final Transaction Documents to the investors in the Notes by no later than 15 (fifteen) days after the relevant Issue Date of each Series of Notes, and 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 in a timely manner (to the extent not already provided by other parties), in each case in accordance with the requirements provided by the EU Securitisation Regulation (for further details, see the sections headed, “*Description of the Transaction Documents –Programme Intercreditor Agreement*”).

### **Criteria for credit-granting**

With reference to article 9 of the EU Securitisation Regulation, under the Programme Warranty and Indemnity Agreement IBL Banca, in its capacity as Originator, has represented that (i) it has applied and will apply, as the case may be, to the Receivables the same sound and well-defined criteria for credit-granting which it applies to non-securitised exposures; (ii) it has clearly established the processes for approving and, where

relevant, amending, renewing and refinancing the Receivables as it applies to the exposures it holds; and (iii) has effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the Debtors' creditworthiness taking appropriate account of factors relevant to verifying the prospect of the Debtors meeting their obligations under the Loan Agreements.

***Compliance with the STS Requirements is not a recommendation to buy, sell or hold securities. It is not investment advice whether generally or as defined under Markets in Financial Instruments Directive (2014/65/EU) and it is not a credit rating whether generally or as defined under the Credit Rating Agency Regulation (1060/2009/EC).***

#### **First contact point**

The Originator will be the first contact point for investors in Notes of each Series and competent authorities pursuant to and for the purposes of Article 27, paragraph 1, third sub-paragraph, of the EU Securitisation Regulation.

## DESCRIPTION OF THE PROGRAMME DOCUMENTS

The description of the Programme Documents set out below is an overview of certain features of those agreements and is qualified by reference to the detailed provisions of the Programme Documents. Prospective investors may inspect copies of the Programme Documents (i) upon request at the following e-mail address of the Originator [securitisation@iblbanca.it](mailto:securitisation@iblbanca.it); (ii) at the specified office of each of the Representative of the Noteholders and the Italian Paying Agent and (iii), a copy of such documentation, on or about the day of the relevant Issue Date of each Series of Notes, on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>).

### 1. The Programme Receivables Purchase Agreement

On the Initial Signing Date, the Originator, and the Issuer entered into the Programme Receivables Purchase Agreement. Under the Programme, as long as no Programme Purchase Termination Notice has been delivered, the Originator has agreed to transfer from time to time to the Issuer, which has agreed to purchase, without recourse (*pro soluto*), all of their rights, title and interest in and to Portfolios of Receivables, pursuant to the terms set out in the Programme Receivables Purchase Agreement.

The Purchase Price in respect of each Portfolio is equal to the sum of all Individual Purchase Prices of the relevant Receivables included therein. The Purchase Price in respect of each Portfolio (if any) will be funded through the proceeds of the issue of a single Series of Notes issued pursuant to this Base Prospectus and will be paid by the Issuer on the earlier of (i) the date on which all the formalities set out by article 12.1.1 and 12.1.3 of the Programme Receivables Purchase Agreement have been performed by the Originator, and (ii) the Issue Date of such Series of Notes.

The sale of each Portfolio, in respect of each Transaction, will be made in accordance with article 58, paragraphs 2, 3 and 4 of the Consolidated Banking Act (as provided by article 4 of the Securitisation Law) by virtue of a Transfer Agreement to be entered into between the Originator and the Issuer.

Pursuant to the Programme Receivables Purchase Agreement, the Originator and the Issuer have undertaken to perform, in respect of the transfer of each Portfolio, the formalities provided under article 58 of the Consolidated Banking Act, as applicable to securitisation transactions pursuant to article 4 of the Securitisation Law.

In addition, in accordance with the provisions of the Programme Receivables Purchase Agreement, certain formalities will be performed by the Originator for the purpose of transferring to the Issuer the title to the claims deriving from the Insurance Policies which assist the Receivables comprised in each Portfolio.

The Programme Receivables Purchase Agreement contains a number of undertakings by the Originator in respect of the activities relating to the Receivables. In particular, the Originator has undertaken, *inter alia*, to refrain from carrying out activities with respect to the Receivables which may prejudice the validity or recoverability of any Receivable or adversely affect the benefit which the Issuer may derive from the Receivables and in particular not to assign or transfer the Receivables to any third party or to create any security interest, charge, lien or encumbrance or other right in favour of any third party in respect of the Receivables. The Originator has also undertaken not to modify or cancel any term or condition of the Loan Agreements or any document to which it is a party relating to the Receivables which may prejudice the Issuer's rights to the Receivables, save in the event such modifications or cancellations are provided for by the Transaction Documents or required by law.

In respect of each Transaction under the Programme, the Issuer has granted to the Originator, in accordance with article 1331 of the Italian civil code, an option pursuant to which on the relevant Clean-Up Option Date, the Originator may repurchase from the Issuer the relevant outstanding Portfolio in accordance with the provisions of article 58 of the Consolidated Banking Act and subject to the conditions set out in the Programme Receivables Purchase Agreement and Condition 8.3 (*Optional Redemption*) (the "**Clean-Up Call Option**"). The Issuer has undertaken in the Programme Receivables Purchase Agreement to apply the purchase price received by the Originator following the exercise by

the latter of the Clean-Up Call Option in performing the optional redemption of the relevant Series of Notes at their Principal Amount Outstanding, together with interest accrued thereon in accordance with and subject to the provisions of Condition 8.3 (*Optional Redemption*).

In addition, under the Programme Receivables Purchase Agreement, the Issuer has granted to the Originator, in accordance with article 1331 of the Italian civil code, an option pursuant to which the Originator, in respect of each Transaction, may repurchase from the Issuer individual Receivables included in the relevant Portfolio, subject to the conditions and limits set out in the Programme Receivables Purchase Agreement.

The Programme Receivables Purchase Agreement has been amended on March 2020 by the parties thereto.

The Programme Receivables Purchase Agreement is governed by, and shall be construed in accordance with, Italian law.

### **Compliance with STS requirements**

For the purpose of compliance with article 20, paragraph 1 of the EU Securitisation Regulation, pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement, the Originator will assign and transfer without recourse (*pro soluto*) and in block (*in blocco*) to the Issuer, which will purchase, in accordance with the provisions of articles 1 and 4 of the Securitisation Law, all of its right, title and interest in and to the relevant Portfolio. The transfer of the Receivables included in the relevant Portfolio will be rendered enforceable against any third party creditors of the Originator (including any insolvency receiver of the same) through (i) the publication of a notice of transfer in the Official Gazette, and (ii) the registration of the transfer in the companies' register of Rome. The true sale nature of the transfer of the Receivables and the validity and enforceability of the same will be covered by the legal opinion issued by the legal counsel to the Co-Arrangers, which will be made available to PCS (or any other third party verifying STS compliance the Originator may appoint) and may be disclosed to any relevant competent authority referred to in article 29 of the EU Securitisation Regulation.

For the purpose of compliance with article 20, paragraph 7 of the EU Securitisation Regulation, (a) each Portfolio transferred to the Issuer has to meet the Common Criteria and the Specific Criteria; (b) none of the Transaction Documents will provide for (i) the management of the portfolio in such a way which makes the performance of each Transaction dependent on the discretionary management of such portfolio by the Servicer; or (ii) the management of the portfolio in such a way which is conducted for speculative purposes aiming to achieve better performance, increased yield, overall financial returns or other purely financial or economic benefit.

For the purpose of compliance with article 20, paragraph 8 of the EU Securitisation Regulation, pursuant to the Common Criteria set out in the Programme Receivables Purchase Agreement, the Loans will be repayable in instalments pursuant to the relevant amortising plan.

In compliance with article 20, paragraph 11 of the EU Securitisation Regulation, under the Programme Receivables Purchase Agreement, the Originator has represented and warranted that, as at the relevant Valuation Date and as at the relevant Transfer Date, each Portfolio will not include Receivables qualified as exposures in default within the meaning of article 178, paragraph 1, of Regulation (EU) no. 575/2013.

## **2. The Programme Servicing Agreement**

On the Initial Signing Date, the Originator, the Servicer, and the Issuer entered into the Programme Servicing Agreement, pursuant to which the Issuer has appointed IBL Banca, as Servicer of the Receivables included in the Portfolios purchased in respect of the Transactions for the administration, collection, management and recoveries activities of such Receivables purchased by the Issuer.

The Programme Servicing Agreement has been amended by the parties thereto on 3 April 2019, *inter alia* in order to appoint IBL Servicing as Master Servicer and IBL Banca as Servicer of the Receivables in respect of each Transaction carried out by the Issuer from time to time following the date of execution of the amendments to the Programme Servicing Agreement.

In particular, under the Programme Servicing Agreement, the Issuer has appointed IBL Servicing as Master Servicer. The Master Servicer will act as the *soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e di pagamento* pursuant to article 2, paragraph 3, letter (c) of the Securitisation Law. In such capacity, the Master Servicer shall also be responsible for ensuring that the Programme complies with the provisions of the Securitisation Law and of this Base Prospectus, according to article 2, paragraph 6-*bis* of the Securitisation Law.

In addition, under the Programme Servicing Agreement, the Issuer has appointed IBL Banca as Servicer. The Servicer will act in the name and on behalf of the Issuer and in the interest of the Issuer and the Noteholders for the administration, management and recoveries activities in respect of the Receivables comprised in each relevant Portfolio, in accordance with the terms and conditions of the Programme Servicing Agreement.

The Programme Servicing Agreement has been amended and restated by the parties thereto on March 2020 and on 5 September 2023.

With reference to each Transaction, the Servicer will collect the Receivables acting as agent (*mandatario*) of the Issuer and in the interest of the Issuer and of the Noteholders of the relevant Series of Notes. In particular, pursuant to the Programme Servicing Agreement, the Servicer undertakes to transfer any amounts collected or recovered from the Receivables, included in each Portfolio, to the Collection Account (such term including also the relevant Back-Up Collection Account in the event that IBL Banca's appointment as Collection Account Bank is terminated and the amounts standing to the credit of the Collection Account opened with IBL Banca has been transferred into the Back-Up Collection Account opened with the Transaction Bank) opened in the context of the relevant Transaction within 1 Business Day following the relevant date of receipt of such Collections.

The Servicer will also be responsible for carrying out, on behalf of the Issuer, in accordance with the Programme Servicing Agreement and the Collection Policy, any activities related to the management, enforcement and recovery of the Delinquent Receivables and the Defaulted Receivables.

The activities to be carried out by the Servicer include also the processing of administrative and accounting data in relation to the Receivables and the management of such data. To such extent, the Servicer has represented to the Issuer that it has all skills, software, hardware, information technology and human resources necessary to comply with the efficiency standards required by the Programme Servicing Agreement.

The Servicer have further undertaken to use all due diligence to maintain, in respect of each Transaction, all accounting records relating to the Receivables, the Delinquent Receivables and the Defaulted Receivables and to supply all relevant information to the Issuer to enable it to prepare its financial statements.

The Master Servicer has undertaken to prepare and submit to the Issuer on the basis of the information provided to it by the Servicer, in respect of each Transaction, monthly reports containing, a summary of the performance of the relevant Portfolio, a detailed summary of the status of the relevant Receivables and a report on the level of collections in respect of principal and interest on such Portfolio, for delivery to, amongst others, the Issuer, the Calculation Agent, the Rating Agencies, the Programme Administrator and the Representative of the Noteholders.

The Issuer may terminate the Master Servicer's and/or the Servicer's appointment in respect of one or more Transactions carried out under the Programme as of the relevant termination date if certain events occur, as set out in the Programme Servicing Agreement (each, respectively, a "**Master Servicer Termination Event**" and a "**Servicer's Termination Event**").

Upon termination of the Master Servicer's appointment, the Servicer will become automatically the successor master servicer pursuant to the Programme Servicing Agreement in relation to one or more Transactions (as the case may be). If for any reason, after the termination of the Master Servicer's appointment, the Servicer could not accept the Master Servicer's role, a successor master servicer or the Back-Up Servicer will become automatically the successor master servicer pursuant to the Programme Servicing Agreement in relation to one or more Transactions. If ultimately the Servicer or the Back-Up Servicer, for any reasons, will not become the successor master servicer, the Issuer shall appoint a third party as successor master servicer. Upon termination of the Servicer's appointment, the Back-Up Servicer will become automatically the successor servicer pursuant to the Programme Back-Up Servicing Agreement. If ultimately the Back-Up Servicer, for any reasons, will not become the successor servicer, the Issuer shall appoint a third party as successor servicer.

In the event of termination of IBL Banca appointment as Servicer in relation to one or more Transactions, as a consequence of the occurrence of a Servicer Termination Event as set out in the Programme Servicing Agreement, a successor servicer will be appointed to act as substitute of the Servicer and will assume all obligations and responsibilities, and perform all activities, of the Servicer thereunder in relation to any such Transaction(s).

The Programme Servicing Agreement is governed by, and shall be construed in accordance with, Italian law.

With reference to each Transaction, each of the Master Servicer and the Servicer will acknowledge and confirm its acceptance of the appointment as, respectively, master servicer and servicer in respect of the relevant Portfolio purchased by the Issuer under such Transaction, through a confirmation letter entered on or about the relevant Transfer Date.

### **Compliance with STS requirements**

For the purpose of compliance with article 20, paragraph 10 of the EU Securitisation Regulation, under the Programme Servicing Agreement, IBL Banca has undertaken to fully disclose without undue delay to potential investors in the Notes, to Noteholders and to the relevant competent authorities, as mentioned in first paragraph of Article 7(1) of the EU Securitisation Regulation on transparency provisions, any material changes occurring in the Credit and Collection Policy applicable from time to time in respect of the Receivables, pursuant to article 20(10) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;

For the purpose of compliance with article 21, paragraph 7 of the EU Securitisation Regulation, the Programme Servicing Agreement contain provisions aimed at ensuring that a default by or an insolvency of the Servicer does not result in a termination of the servicing of the Portfolio, by the replacement of the defaulted or insolvent Servicer with the Back-Up Servicer or a substitute servicer.

For the purpose of compliance with article 21, paragraph 8, of the EU Securitisation Regulation, under the Programme Servicing Agreement the Servicer has represented and warranted that it has expertise in servicing exposures of a same nature to those securitised for more than 5 (five) years and has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of exposures. In addition, pursuant to the Programme Servicing Agreement, the Back-Up Servicer and any substitute Servicer shall have expertise in servicing exposures of a same nature to those securitised and well-documented and adequate policies, procedures and risk-management controls relating to the servicing of exposures. For the purpose of compliance with article 21, paragraph 9 of the EU Securitisation Regulation, the Programme Servicing Agreement and the 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.

### **3. The Programme Warranty and Indemnity Agreement**

On the Initial Signing Date, the Issuer, and the Originator entered into the Programme Warranty and Indemnity Agreement, pursuant to which the Originator has undertaken to give certain representations and warranties in favour of the Issuer in relation to the Receivables which will be comprised in each Portfolio and certain other matters, and has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer that may be incurred in connection with the purchase and ownership of the Receivables.

The Programme Warranty and Indemnity Agreement contains representations and warranties given by the Originator as to matters of law and fact affecting the Originator including, without limitation, that the Originator validly exist as juridical persons, have the corporate authority and power to enter into the Transaction Documents to which it is party and to assume the obligations contemplated therein and has all the necessary authorisations therefor.

The Programme Warranty and Indemnity Agreement sets out standard representations and warranties in respect of the Receivables including, *inter alia*, that, the Receivables assigned to the Issuer (i) are valid, in existence and in compliance with the Criteria, and (ii) relate to Loan Agreements which have been entered into, executed and performed by the Originator in compliance with all applicable laws, rules and regulations (including the Usury Law). Such representations and warranties will be given by the Originator, in respect of each Transaction, with reference to the Receivables comprised in each Portfolio, as of the relevant Valuation Date, as of the relevant Transfer Date and as of the relevant Issue Date.

Pursuant to the Programme Warranty and Indemnity Agreement (and subject to the terms and conditions thereunder), the Originator, with reference to each Transaction, has agreed to indemnify and hold harmless the Issuer, its officers or agents or any of its permitted assigns from and against any and all damages, losses, claims, costs and expenses awarded against, or incurred by such parties which arise out of or result from, *inter alia*, (a) any representations and/or warranties made by the Originator under the Programme Warranty and Indemnity Agreement, being false, incomplete or incorrect; (b) the failure by the Originator to comply with any of its obligations under the Programme Documents and the relevant Series Documents; (c) any amount of any Receivable not being collected as a result of the proper and legal exercise of any right of set-off against the Originator by the relevant Borrowers and/or by any relevant Assigned Debtor; or (d) the failure to comply with the provisions of the Usury Law in respect of any interest accrued under the Loan Agreement, in each case, subject to the terms and conditions set out in the Programme Warranty and Indemnity Agreement.

The Programme Warranty and Indemnity Agreement has been amended and restated by the parties thereto on March 2020.

The Programme Warranty and Indemnity Agreement is governed by, and shall be construed in accordance with, Italian law.

### **Compliance with STS Requirements**

- (a) for the purpose of compliance with articles 20, paragraph 2 and 3 of the EU Securitisation Regulation, under the Programme Warranty and Indemnity Agreement, the Originator has represented that it is a joint stock company authorized to operate as a bank and its “centre of main interests” (as that term is used in article 3(1) of the Regulation (EU) no. 848/2015 of 20 May 2015 on insolvency proceedings) is located within the territory of the Republic of Italy; therefore, the Originator would be subject to Italian insolvency laws that do not contain severe clawback provisions;
- (b) with respect to article 20, paragraph 6 of the EU Securitisation Regulation, under the Programme Warranty and Indemnity Agreement the Originator has represented and warranted that, as at the relevant Valuation Date and as at the relevant Transfer Date, each Portfolio will not be, encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the true sale to the Issuer;

- (c) for the purpose of compliance with article 20, paragraph 8 of the EU Securitisation Regulation, pursuant to the Programme Warranty and Indemnity Agreement the Originator has represented and warranted that, as at the relevant Valuation Date and as at the relevant Transfer Date, the Receivables comprised in each Portfolio will be homogeneous in terms of asset type taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit-risk and prepayment characteristics, given that: (a) all Receivables will be originated by IBL Banca, in the Originator's ordinary course of business, based on similar loan disbursement policies which apply similar approaches to the assessment of credit risk associated with the underlying exposures; (b) all Receivables will be, serviced by IBL Banca according to the same servicing procedures; (c) all Receivables will fall within the same asset category of the regulatory technical standards named "*credit facilities to individuals for personal, family or household consumption purposes*"; and (d) the Common Criteria provide for, *inter alia*, geographic concentration in Italy. All Debtors, in fact, are and will be resident in Italy. In addition, under the Programme Warranty and Indemnity Agreement the Originator has represented and warranted that (i) each of the Receivables derives from duly executed Loan Agreements; (ii) each Loan Agreement and each other agreement, deed or document relating thereto is valid and constitutes binding and enforceable obligations, with full recourse to the Debtors; and (iii) as at the relevant Valuation Date and as at the relevant Transfer Date, each Portfolio does not and will not, as the case may be, comprise any transferable securities, as defined in point (44) of article 4(1) of Directive 2014/65/EU. Finally, pursuant to the Common Criteria set out in the Programme Receivables Purchase Agreement, the Loans will be repayable in instalments pursuant to the relevant amortising plan (for further details, see the sections headed "*The Portfolio*" and "*Description of the Transaction Documents – Programme Receivables Purchase Agreement*"). In addition, for the purposes of article 243(2) letter (b) of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms, the Receivables will meet the conditions for being assigned, under the Standardised Approach (as defined in such regulation) and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than 75 % on an individual exposure basis, being consumer loans and therefore exposure to retail. In the case of Receivables arising from Salary Assignment (CDQ), however, the risk weight will meet the conditions for being assigned a risk weight equal to or smaller than 35% on an individual exposure basis, in compliance with Article 123, last paragraph, of the said Regulation (EU) No 575/2013, as amended;
- (d) for the purpose of compliance with article 20, paragraph 9 of the EU Securitisation Regulation, the Originator has represented and warranted that, as at the relevant Valuation Date and as at the relevant Transfer Date, each Portfolio will not comprise any securitisation positions;
- (e) for the purpose of compliance with article 20 paragraph 10, of the EU Securitisation Regulation, the Originator has represented and warranted that (i) each of the Receivables will derive from duly executed Loan Agreements which have been granted by IBL Banca in its ordinary course of business, in compliance with underwriting standards that are no less stringent than those that the Originator applied, or will apply, as the case may be, at the time of the origination to similar exposures that are not securitised (ii) IBL Banca has assessed and will assess the Debtors' creditworthiness in compliance with the requirements set out in article 8 of Directive 2008/48/EC; and (iii) IBL Banca has expertise in originating exposures of a same nature to those assigned under the Securitisation for at least 5 years.
- (f) for the purpose of compliance with article 20 paragraph 11 of the EU Securitisation Regulation, the Originator has represented and warranted that, as at the relevant Valuation Date and as at the relevant Transfer Date, each Portfolio will not, include Receivables 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 best of IBL Banca's knowledge:

- (i) has been declared insolvent or has had had a court grant his/her creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the relevant date of origination or will have undergone, as the case may be, a debt-restructuring process with regard to his/her non-performing exposures within three years prior to the date of the relevant Valuation Date;
- (ii) was at the time of origination, where applicable, on a public credit registry of persons with adverse credit history; or
- (iii) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than the ones of comparable exposures held by IBL Banca which will not be assigned under the relevant Transaction.

for the purpose of compliance with article 21, paragraph 2 of the EU Securitisation Regulation, the Originator has represented and warranted that as at the relevant Transfer Date each Receivable does not comprise (or will not comprise with reference to any Receivable included in each Portfolio) any derivative.

- (g) Pursuant to the Programme Intercreditor Agreement, the Originator has represented and warranted to the Issuer, the Representative of the Noteholders and the other parties of the Programme Intercreditor Agreement that for the purposes of article 6(2) of the EU Securitisation Regulation, it has not selected the Receivables with the aim of rendering losses on the Receivables, measured over the life of each Transaction under the Programme, or over a maximum of 4 (four) years where the life of each Transaction under the Programme is longer than 4 (four) years, higher than the losses over the same period on assets comparable to the Receivables held on the balance sheet of the Originator.

#### 4. **The Programme Back-Up Servicing Agreement**

On 4 August 2017, the Issuer, the Servicer and the Back-up Servicer entered into the Programme Back-up Servicing Agreement. IBL Servicing as Master Servicer adhered to such agreement on 14 November 2018.

The Programme Back-up Servicing Agreement has been amended and restated by the parties thereto on March 2020 and on 5 September 2023.

Under the Programme Back-up Servicing Agreement, the Back-up Servicer has undertaken to act as substitute of the Master Servicer and/or the Servicer, as the case may be, in respect of one or more Transactions (as the case may be) carried out under the Programme, in the event that: (i) the appointment of the Master Servicer and/or the Servicer, as the case may be, has been revoked in accordance with the terms of the Programme Servicing Agreement in relation to one or more Transactions; or (ii) the Master Servicer and/or the Servicer, as the case may be, has withdrawn from the Programme Servicing Agreement; or (iii) the appointment of the Master Servicer and/or the Servicer is terminated for any reason whatsoever in accordance with the terms of the Programme Servicing Agreement in relation to one or more Transactions, other than in the event that IBL Banca, as successor master servicer, substitute IBL Servicing in accordance with the provisions of the Programme Servicing Agreement.

Furthermore, pursuant to the Programme Back-up Servicing Agreement, in the event that the appointment of the Back-up Servicer is terminated, the Representative of the Noteholders shall use its best effort to select an entity to be appointed as the new Back-up Servicer. The Programme Back-up Servicing Agreement is governed by, and shall be construed in accordance with, Italian law.

#### 5. **The Programme Cash Allocation, Management and Payments Agreement**

On 4 August 2017, the Issuer, the Originator, the Servicer, the Back-up Servicer, the Representative of the Noteholders, the Calculation Agent, the Back-up Calculation Agent, the Corporate Servicer, the Collection Account Bank, the Cash Manager, the Transaction Bank, the Investment Account Bank, the Programme Administrator and the Paying Agents entered into the Programme Cash Allocation, Management and Payments Agreement.

IBL Servicing as Master Servicer adhered to such agreement on 14 November 2018.

Under the terms of the Programme Cash Allocation, Management and Payments Agreement, in respect of each Transaction which will be carried out under the Programme:

- a) the Transaction Bank has agreed to establish and maintain, in the name and on behalf of the Issuer, the relevant Payments Account, the relevant Liquidity Reserve Account, the relevant Additional Reserve Account, the relevant Back-Up Collection Account and the relevant Management Fee Reserve Account (and, together with the relevant Collection Account and the relevant Expenses Account, in respect of each Transaction, the "**Series Issuer's Accounts**") and to provide the Issuer with certain reporting services together with account handling services in relation to monies from time to time standing to the credit of each of such Series Issuer's Accounts;
- b) the Collection Account Bank has agreed to establish and maintain, in the name and on behalf of the Issuer, the relevant Collection Account and the relevant Expenses Account and to provide the Issuer with certain reporting services together with account handling services in relation to monies from time to time standing to the credit of each of such Series Issuer's Accounts;
- c) the Corporate Servicer has agreed to operate the relevant Expenses Account held with the Collection Account Bank, in accordance with the instructions of the Issuer and the provisions of the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA;
- d) the Calculation Agent has agreed to provide the Issuer with certain calculation services;
- e) each Paying Agent has agreed to provide the Issuer with certain payment services together with certain calculation services in relation to the Notes of the relevant Series; and
- f) in the event that an Investment Account is opened, the Cash Manager has agreed to give instructions, on behalf of the Issuer, to the Investment Account Bank in order to invest any funds standing to the credit of the Investment Account (which are funds transferred from the relevant Collection Account, the relevant Payments Account, the relevant Liquidity Reserve Account, the relevant Additional Reserve Account and the relevant Transaction Account (together, the "**Cash Accounts**") in Eligible Investments selected in accordance with the provisions of the Programme Cash Allocation, Management and Payments Agreement;

in the event that a Series Swap Agreement is entered into and that amounts are to be posted by a Series Swap Counterparty as collateral pursuant to such Series Swap Agreement (any such amount, the "**Collateral Amounts**"), the Issuer will promptly open - in respect of the relevant Transaction - a separate account (a "**Collateral Account**") with any banking institution which shall be an Eligible Institution and which will be specified in the applicable Final Terms (the "**Collateral Account Bank**") into which the relevant Series Swap Counterparty/ies shall pay the Collateral Amounts in accordance with the relevant Series Swap Agreement; the relevant Collateral Account Bank shall accede to the Programme Intercreditor Agreement and the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA.

In the event of termination of the appointment of one or more Agents of the Issuer under the Programme Cash Allocation, Management and Payments Agreement, a successor Agent will be appointed in relation to any such Transaction(s).

In respect of each Transaction, all the Series Issuer's Account held with the Account Banks shall be opened in the name of the Issuer and shall be operated by the relevant Account Bank and the amounts standing to the credit thereof shall be debited and credited in accordance with the provisions of the Programme Cash Allocation, Management and Payment Agreement, the relevant Series CAMPA and the Programme Intercreditor Agreement.

Furthermore, pursuant to the Programme Cash Allocation Management and Payments Agreement (and the Programme Receivables Purchase Agreement) in respect of each Transaction:

- IBL Banca, in its capacity as Originator, has undertaken:
  - (a) in respect of the Receivables included in the relevant Portfolio transferred by it to the Issuer, to credit into the relevant Management Fee Reserve Account on the Issue Date of the relevant Series, the Management Fee Reserve Target Amount in respect of the Receivables included in such Portfolio; and
  - (b) to credit into the relevant Management Fee Reserve Account, on each relevant Payment Date, the relevant Management Fee Reserve Increased Amount as specified in the relevant Servicer's Report issued as of the immediately preceding relevant Servicer's Report Date;
- with reference to each Transaction, the Issuer has undertaken to use the amounts credited into the relevant Management Fee Reserve Account in accordance with the Programme Cash Allocation Management and Payments Agreement and the relevant Series CAMPA. In particular, (a) the repayment to the Originator of the relevant Management Fee Reserve Released Amount (if any) shall be made by the Issuer on each relevant Payment Date, in any case without applying the relevant Priority of Payments, in all circumstances in accordance with the Programme Cash Allocation Management and Payments Agreement and the relevant Series CAMPA, and (b) all amounts standing to the credit of the relevant Management Fee Reserve Account, on the Business Day after the Payment Date on which the Notes of the relevant Series issued under such Transaction are redeemed in full or cancelled, will be paid to the Originator.

With reference to each Transaction, the parties to the Programme Cash Allocation, Management and Payments Agreement have agreed to enter into the Series CAMPA on the Issue Date of the relevant Series of Notes issued under such Transaction.

The Programme Cash Allocation, Management and Payments Agreement has been amended and restated by the parties thereto on March 2020 and on 5 September 2023.

The Programme Cash Allocation, Management and Payments Agreement will be governed by, and shall be construed in accordance with, Italian law.

### **Compliance with STS Requirements**

For the purpose of compliance with article 21, paragraph 7 of the EU Securitisation Regulation, the Programme Cash Allocation, Management and Payments Agreement and the relevant Series Swap Agreement (if any) contain or will contain provisions aimed at ensuring the replacement of the Account Banks and the relevant Series Swap Counterparty, respectively in case of their default, insolvency or other specified events.

For the purposes of compliance with article 22, paragraph 3 of the EU Securitisation Regulation, under the Conditions, the Cash Allocation, Management and Payments Agreement and each Series CAMPA, IBL Banca has confirmed and will confirm that (i) it will make available to potential investors in the Notes of the relevant Series before pricing, on the platform IntexCALC (being, as at the date of this Base Prospectus, [www.intex.com](http://www.intex.com)), all the information related to the relevant Portfolio in order to allow investors to run a liability cash flow model which precisely represents the contractual relationship between the Receivables and the payments flowing between the Originator, the investors in the Notes, other third parties and the Issuer, and (ii) as Originator, it has been in possession, before pricing, of a liability cash flow model which precisely represents the contractual relationship between the Receivables and the payments flowing between the Originator, the investors in the Notes, other third parties and the Issuer. In addition, it will make available to potential investors in the Notes before pricing the information under point (a) of article 7(1) of the EU Securitisation Regulation upon request and the information and documents under points (b) and (d) of article 7(1) of the EU Securitisation

Regulation in draft form, and (ii) as Originator, it will be, before pricing, in possession of the data relating to each 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) and of the information and documents under points (b) and (d) of the first subparagraph of article 7(1) of the EU Securitisation Regulation;

## 6. **The Programme Intercreditor Agreement**

On 4 August 2017, the Issuer and the Other Issuer Creditors entered into the Programme Intercreditor Agreement. Under the Programme Intercreditor Agreement provision is made as to the application of the proceeds from collections in respect of each Portfolio and as to the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to each Portfolio.

IBL Servicing as Master Servicer adhered to such agreement on 14 November 2018.

In the Programme Intercreditor Agreement the Other Issuer Creditors have agreed, *inter alia*, in respect of each Transaction, to the order of priority of payments to be made out of the relevant Series Available Funds. The obligations owed by the Issuer to the Noteholders of any Series and, in general, to the Other Issuer Creditors are limited recourse obligations of the Issuer. With reference to each Transaction, the Noteholders and the Other Issuer Creditors have a claim against the Issuer only to the extent of the relevant Series Available Funds, in each case subject to and as provided in the Programme Intercreditor Agreement and the other Programme Documents.

Under the terms of the Programme Intercreditor Agreement, the Issuer has undertaken, in respect of each Transaction, following the service of a Transaction Acceleration Notice, to comply with all directions of the Representative of the Noteholders, acting pursuant to the Conditions, in relation to the management and administration of the relevant Portfolio.

Under the terms of the Programme Intercreditor Agreement, the Issuer and each Other Issuer Creditor will agree to perform their respective obligations under the Programme as provided for in the relevant Transaction Documents.

The Programme Administrator will be appointed under the Programme Intercreditor Agreement in order to undertake, *inter alia*, to deliver the Programme Purchase Termination Notice upon occurrence of a Programme Purchase Termination Event and verify the occurrence of the conditions provided for under the Programme Documents for the purchase of a Portfolio and the issue of a further Series of Notes by the Issuer under the Programme.

With reference to each Transaction, the parties to the Programme Intercreditor Agreement have agreed to enter into the Series Intercreditor Agreement on the Issue Date of the relevant Series of Notes issued under such Transaction. The Programme Intercreditor Agreement has been amended and restated by the parties thereto on March 2020 and IBL Servicing as Master Servicer adhered to such agreement on the same date.

The Programme Intercreditor Agreement will be governed by, and shall be construed in accordance with, Italian law.

### **Compliance with STS Requirements**

For the purpose of compliance with article 20, paragraph 10 of the EU Securitisation Regulation under the Programme Intercreditor Agreement, IBL Banca has undertaken to fully disclose without undue delay to potential investors in the Notes, to Noteholders and to the relevant competent authorities, as mentioned in first paragraph of article 7(1) of the EU Securitisation Regulation on transparency provisions, any material changes occurring in the Credit and Collection Policy applicable from time to time in respect of the Receivables, pursuant to article 20(10) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

For the purpose of compliance with article 21, paragraph 11 of the EU Securitisation Regulation, under the Intercreditor Agreement, the Originator has undertaken, in respect of each Series of Notes issued from 1 January 2019, to retain, on an on-going basis, a material net economic interest of not less than 5 (five) per cent. in each relevant Transaction, in accordance with one of the options of article 6(3), of the EU Securitisation Regulation, as specified in the Final Terms applicable to such Series.

For the purposes of compliance with article 21, paragraph 10, of the EU Securitisation Regulation, the Programme Intercreditor Agreement 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 the purposes of compliance with article 22, paragraph 11 of the EU Securitisation Regulation, under the Programme Intercreditor Agreement IBL Banca has confirmed that (i) it will make available to potential investors in the Notes of the relevant Series before pricing, on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>), 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 cover a period of at least 5 (five) years, and (ii) as Originator, it will be in possession, before pricing, 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 cover a period of at least 5 (five) years;

For the purposes of compliance with article 22, paragraph 5 of the EU Securitisation Regulation, under the Programme Intercreditor Agreement, the parties thereto have acknowledged that the Originator shall be responsible for compliance with article 7 of the EU Securitisation Regulation. Each of the Issuer and the Originator has agreed that IBL Banca, in its capacity as Originator, is designated as Reporting Entity, pursuant to and for the purposes of article 7(2), of the EU Securitisation Regulation and, in such capacity as Reporting Entity, it has fulfilled before pricing and/or shall fulfil after the relevant Issue Date of the Notes of each Series, as the case may be, the reporting requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation by making available the relevant information on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>). As to post-closing information, (i) the Calculation Agent shall prepare the Sec Reg Investor Report and deliver it to the Originator who shall make it available, together with the Sec Reg Asset Level Report prepared by the Servicer, to the investors in the Notes of each Series by publishing them on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>) and the Originator shall prepare and deliver to the investors in the Notes of each Series without undue delay the Inside Information Report and the Significant Event Report, in compliance with points (f) and (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation and make them available to the investors in the Notes without undue delay by publishing it on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>).

In addition to the above, it is noted that:

- 1) on 2 September 2022, the Italian legislative decree No. 131 of 3 August 2022 has been published in the Official Gazette of the Republic of Italy No. 205 of 2 September 2022 which, inter alia, has:
  - (a) introduced a new Article 4-septies.2 to the Financial Laws Consolidation Act (the “Article 4-septies.2”); and
  - (b) designated, with respect to the Republic of Italy and in accordance with Article 29 of the EU Securitisation Regulation, the “competent authorities” having the powers of supervise the compliance with the provisions of the EU Securitisation Regulation;

- 2) on 22 December 2022, the Bank of Italy has adopted - in accordance with Article 4-septies.2, paragraph 9 - the regulation headed “*Modalità di implementazione dell’articolo 4-septies.2 del d.lgs. 58/1998 (TUF)*” (the “**Article 4-septies.2 Regulation**”);
- 3) in accordance with the provisions of Article 4-septies.2 and the Article 4-septies.2 Regulation, the competent authority designated for the purposes of monitor the compliance in the context of each Transaction with the provisions of the EU Securitisation Regulation is the Bank of Italy (together with CONSOB). Therefore, without prejudice to paragraphs below, any reference set forth in the Transaction Documents to “competent authority” and/or “competent authorities”, to the extent referred to the supervisions powers set forth in the EU Securitisation Regulation, shall be a reference to the Bank of Italy and/or CONSOB (as applicable);
- 4) according to the provisions of Article 4-septies.2, the competent authorities which will supervise the compliance by the investors in a securitisation transaction with the due diligence requirements set forth in Article 5 of the EU Securitisation Regulation are those mentioned in Article 4-septies.2 and are different depending on the legal nature and the legal status of the relevant investor;
- 5) In light of the provisions set forth above:
  - (a) each prospective subsequent Noteholder is the entity exclusively responsible for the purposes of independently comply with the due diligence requirements set forth in Article 5 of the EU Securitisation Regulation (including with respect to the obligation of demonstrate to the relevant competent authority that, before investing in the Transaction, has complied with the due diligence requirements set forth in Article 5 of the EU Securitisation Regulation); and
  - (b) none of the Issuer, the Originator, the Co-Arrangers, the Noteholder and the other parties of the Transaction Documents are liable for the compliance by any subsequent Noteholder with the due diligence requirements set forth in Article 5 of the EU Securitisation Regulation;

within the timing provided under the Article 4-septies.2 Regulation, the Originator will submit to the Bank of Italy the notification relating to the implementation of the relevant Transaction in the manner provided under the Article 4-septies.2 Regulation.

Moreover, the Originator has undertaken that any of such information, following the Issue Date of each Series of Notes issued under the Programme, will:

- (i) be published, on a monthly basis, on the Originator’s web site ([www.iblbanca.it/investorrelations](http://www.iblbanca.it/investorrelations)) and included in the Investors Report of the relevant Transaction on the basis and to the extent of the information received by the Master Servicer in the relevant Servicer’s Report. It is understood that the Investors Report shall be deemed to have been produced on behalf of the Originator, under the Originator’s full responsibility, with reference to the information described in this section that the Originator has the obligation to make available to investors under the Retention and Transparency Rules;
- (ii) with reference to the further information which from time to time may be deemed necessary under the Retention and Transparency Rules in accordance with the market practice and not covered under (i) above (if any), be published on the Originator’s website or through the Investor Report in accordance with paragraph (i) above.

In addition, the Originator shall make available a copy of the final Base Prospectus and the other final Transaction Documents to the investors in the Notes by no later than 15 (fifteen) days after the relevant Issue Date of each Series of Notes, shall make available 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 in a timely manner (to the extent not already provided by other parties), in each case in accordance with the requirements provided by the EU Securitisation Regulation.

**7. The Corporate Services Agreement**

On 4 August 2017, the Issuer and the Corporate Servicer entered into the Corporate Services Agreement, under which the Corporate Servicer has agreed to provide certain corporate administration and management services to the Issuer in relation to the Programme.

The Corporate Services Agreement has been amended and restated on March 2020 by the parties thereto.

The Corporate Services Agreement is governed by, and shall be construed in accordance with, Italian law.

**8. The Mandate Agreement**

On 4 August 2017, the Issuer and the Representative of the Noteholders enter into the Mandate Agreement under which, subject to a Transaction Acceleration Notice being served upon the Issuer or upon failure by the Issuer to exercise its rights under the Series Documents and subject to the fulfilment of certain conditions, the Representative of the Noteholders, acting in such capacity, shall be authorised to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of certain Series Documents to which the Issuer is a party.

The Mandate Agreement will be governed by, and shall be construed in accordance with, Italian law.

**9. The Quotaholder's Agreement**

On 4 August 2017, the Issuer, the Quotaholder and the Representative of the Noteholders entered into the Quotaholder's Agreement under which the Quotaholder has agreed, *inter alia*, not to amend the by-laws (*statuto*) of the Issuer (other than as otherwise required by any applicable law) and not to pledge, charge or dispose of the quotas of the Issuer without the prior written consent of the Representative of the Noteholders.

The Quotaholder's Agreement will be governed by, and will be construed in accordance with, Italian law.

## THE TRANSFER AGREEMENT

With reference to each Transaction, the Originator will enter into a Transfer Agreement, in accordance with the terms and condition provided for by the Programme Receivables Purchase Agreement and in the form set out under schedule 3 thereof. Pursuant to each Transfer Agreement, on the relevant Transfer Date, the Originator will transfer and the Issuer will purchase, without recourse (*pro soluto*), the relevant Portfolio of Receivables under the Programme.

In addition, under the relevant Transfer Agreement, the Originator will give the representations and warranties agreed in the Programme Warranty and Indemnity Agreement in respect of, *inter alia*, the relevant Portfolio and the Receivables included therein.

Each Transfer Agreement will be governed by, and shall be construed in accordance with, Italian law.

## THE SERIES CAMPA

With reference to each Transaction, the Issuer, the Originator, the Master Servicer, the Servicer, the Back-up Servicer, the Representative of the Noteholders, the Calculation Agent, the Back-up Calculation Agent, the Corporate Servicer, the Collection Account Bank, the Cash Manager, the Transaction Bank, the Investment Account Bank, the Programme Administrator and the Paying Agents will enter into a Series CAMPA, in accordance with the terms and condition provided for by the Programme Cash Allocation, Management and Payments Agreement and in the form set out under schedule 7 thereof.

Pursuant to the Series CAMPA, *inter alia* (i) on or about the Issue Date of the relevant Series, the Accounts Banks will open the relevant Series Issuer's Account in accordance with the terms provided for by the Programme Cash Allocation, Management and Payments Agreement and (ii) the relevant parties will confirm the undertakings made and the relevant representations and warranties set out in the Programme Cash Allocation, Management and Payments Agreement.

Each Series CAMPA will be governed by, and shall be construed in accordance with, Italian law.

## THE SERIES INTERCREDITOR AGREEMENT

With reference to each Transaction, the Issuer will enter into a Series Intercreditor Agreement, in accordance with the terms and conditions provided for by the Programme Intercreditor Agreement and in the form set out under schedule 5 thereof.

Pursuant to the Series Intercreditor Agreement, (i) each party will confirm that it will perform all the obligations and undertakings provided for under the Programme Intercreditor Agreement, and assume all rights deriving thereunder, (ii) the Other Issuer Creditors will acknowledge and agree that, in accordance with the terms provided for under the Programme Intercreditor Agreement, the relevant Series Available Funds shall be applied in or towards satisfaction of all the Issuer's payment obligations towards them and the Noteholders of the relevant Series in accordance with the applicable Priority of Payments, and (iii) the Other Issuer Creditors will confirm the appointment of the Representative of the Noteholders as its agent (*mandatario*) in accordance with the terms provided for under the Programme Intercreditor Agreement.

Each Series Intercreditor Agreement will be governed by, and shall be construed in accordance with, Italian law.

## **THE SERIES DEED OF PLEDGE**

With reference to each Transaction, on or about the relevant Issue Date, the Issuer and the Representative of the Noteholders will enter into a Series Deed of Pledge pursuant to which, without prejudice and in addition to any security, guarantee and other right provided by the Securitisation Law securing the discharge of the Issuer's obligations to the Noteholders, the Issuer will pledge in favour of the Noteholders of the relevant Series and the Other Issuer Creditors of the relevant Transaction all monetary claims and rights and all the amount arising (including payment for claims, indemnities, damages, penalties, credits and guarantees) to which the Issuer is or will be entitled to from time to time pursuant to certain Programme Documents and the relevant Series Documents, with the exclusion of the relevant Portfolio and the relevant Collections. The security which will be created pursuant to the each Series Deed of Pledge will become enforceable upon the service of a Transaction Acceleration Notice under the relevant Transaction.

Each Series Deed of Pledge will be governed by, and shall be construed in accordance with, Italian law.

## THE SERIES SWAP AGREEMENT

With reference to any Transaction, on or about the relevant Issue Date, the Issuer may enter into a Series Swap Agreement with one or more Series Swap Counterparties – upon consent of the relevant Series Swap Counterparty - pursuant to which the Issuer may hedge against certain interest rate risks in relation to the Receivables included in the Portfolio purchased under the relevant Transaction.

The Issuer may enter into a Series Swap Agreement with any of the following entities, which will act as Series Swap Counterparty:

- **BANCO SANTANDER S.A.**, acting under its marketing name Santander Corporate and Investment Banking), a credit entity incorporated under the laws of Spain as a *sociedad anónima* whose registered office is at Paseo de Pereda 9-12, 39004 Santander (Spain), and whose operating headquarters are in Ciudad Grupo Santander, Avda. de Cantabria, s/n, 28660 Boadilla del Monte, Madrid (Spain), registered with the Bank of Spain under number 0049 and with Spanish Tax Identification Number (NIF) A-39000013 ("**Santander**");
- **J.P. MORGAN AG**, a bank organised as an indirect wholly owned subsidiary of JPMorgan Chase & Co. J.P. Morgan AG, incorporated under the laws of Germany and having a full banking license pursuant to Section 1 (1) of the Kreditwesengesetz (German Banking Act) (Nos. 1 to 5 and 7 to 9), with registered office at TaunusTurm, Taunustor 1, 60310 Frankfurt am Main, Germany and registered number HRB 16861 ("**J.P. MORGAN**");
- **SOCIÉTÉ GÉNÉRALE**, a bank organised as a public limited company (*société anonyme*) incorporated under the laws of the Republic of France with registered number 552120222 RCS Paris, having its registered office at 29, Boulevard Haussmann, 75009 Paris, France ("**SOCIÉTÉ GÉNÉRALE**");
- **CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK**, a company incorporated under the laws of France as a *société anonyme*, having its registered office at 12, place des Etats-Unis, CS 70052, 92547 Montrouge Cedex (France), enrolment with the companies register of Nanterre (*Registre Commerciale et des Sociétés de Nanterre*) under no. Siren 304 187 701, authorised by the French CECEI (*Comité des établissements de crédit et des entreprises d'investissement*) to perform banking operations, member of the Fédération Bancaire Française, Intra-Community Code - VAT number: FR 163 041 877 01 ("**CACIB**");
- **UNICREDIT BANK AG**, UniCredit Bank has its registered office at Arabellastraße 12, 81925 Munich, was incorporated in Germany and is registered with the Commercial Register at the Local Court (Amtsgericht) in Munich under number HRB 42148, incorporated as a stock corporation under the laws of the Federal Republic of Germany ("**UniCredit**").

The information in this Section has been provided solely by, respectively, Société Générale, CACIB, Banco Santander S.A., J.P. Morgan AG and UniCredit (in respect of each of them) for use in this Base Prospectus and each of Société Générale, CACIB and UniCredit is solely responsible for the accuracy of the information related to it. Except for the information contained in this Section, Société Générale, CACIB, Banco Santander S.A., J.P. Morgan AG and UniCredit and its affiliates have not been involved in the preparation of, and do not accept responsibility for, this Base Prospectus.

## **THE SERIES DEED OF CHARGE**

With reference to each Transaction, the Issuer, may enter into a Series Deed of Charge pursuant to which the Issuer will grant to the Representative of the Noteholders (acting for itself and for the benefit of the Noteholders and the Other Issuer Creditors) a security interest over the sums standing to the credit of, and/or the securities deposited in, the Investment Account if opened pursuant to the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA and/or over the contractual rights of the Issuer arising from the Series Swap Agreement (if any).

## ESTIMATED WEIGHTED AVERAGE LIFE OF THE NOTES

The *Estimated Weighted Average Life* of each Series of Notes (**WAL**) refers to the estimated average amount of time that will elapse from the relevant Issue Date of such Series of Notes to the date of distribution to the investor of amounts distributed in net reduction of principal of such Series of Notes (and this is estimated on the basis of several assumptions). The weighted average life of each Series of Notes will be influenced by, *inter alia*, the actual rate at which the principal of the Receivables of each Portfolio is paid. The estimated weighted average life of each Series of Notes cannot be predicted as the actual rate at which the Receivables will be repaid, and a number of other relevant factors are unknown. The calculations of the estimated weighted average life of each Series of Notes will be set forth in the table included in the Final Terms of the relevant Series, that will be prepared on the grounds of certain assumptions including the following:

- all Receivables are duly and timely paid and there are no delinquencies or defaults in payments;
- the constant prepayment rate as per table below, has been applied to each Portfolio in homogeneous terms;
- the calculation of the weighted average life (in years) is calculated on an Actual/360 basis;
- payment of principal and interest due and payable under the Rated Notes will be received on the relevant Payment Date;
- no Transaction Acceleration Event occur in respect of the Notes of each Series;
- the Notes of each Series are not redeemed in accordance with Optional redemption pursuant to the article 14.2 of the Programme Receivables Purchase Agreement or Optional Redemption in whole for taxation reasons;
- the estimated fees and costs payable under the Transaction Documents by the Issuer in connection with each Transaction under the items from (i) to (iv) of the Pre-Enforcement Priority of Payments have been included.

**The estimated weighted average life of each Series of Notes is subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and estimates in this section will prove in any way to be realistic and they must therefore be viewed with considerable caution.**

## TERMS AND CONDITIONS OF THE RATED NOTES

*The following is the text of the terms and conditions of the Notes (the "**Conditions**"). Reference should be made to "Form of Final Terms" for a description of the content of Final Terms which will specify the terms applicable in relation to the Notes of the relevant Series. In these Conditions, references to the "holder" of a Note and to the "Noteholders" are to the ultimate owners of the Notes of each relevant Series, dematerialised and evidenced by book entries with Monte Titoli in accordance with the provisions of (i) article 83-bis of the Financial Laws Consolidation Act and (ii) the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018 and published in the Official Gazette number 201 of 30 August 2018, as subsequently amended and supplemented from time to time. The Noteholders of each relevant Series are deemed to have notice of and are bound by, and shall have the benefit of, inter alia, the terms of the Rules of the Organisation of the Noteholders, attached as an Exhibit to, and forming part of, these Conditions.*

The Issuer has established an Asset-Backed Notes Programme (the "**Programme**") for the issuance, up to the Programme Maturity Date, of up to €10,000,000,000 in aggregate principal amount of: (i) class A limited recourse asset-backed notes (the "**Class A Notes**"); (ii) class B limited recourse asset-backed notes (the "**Class B Notes**" and, together with the Class A Notes, the "**Senior Notes**"); and (iii) class J limited recourse asset-backed notes (the "**Junior Notes**" and, together with the Senior Notes, the "**Notes**").

The Notes will be issued in series (each, a "**Series**") and each Series will consist of: (i) Class A Notes; and (ii) Junior Notes. The Issuer may also issue Class B Notes in relation to a Series. Any references below to a "**Class**" of Notes or a "**Class**" of Noteholders will be, respectively, a reference to the Class A Notes, the Class B Notes (if any) or the Junior Notes, as the case may be, or to the respective holders thereof.

The maximum aggregate principal amount of the Notes which may be outstanding at any time under the Programme may be increased from time to time, as may be agreed in writing between the Originator (as defined below), the Issuer, the Programme Administrator and the Representative of the Noteholders in accordance with the Programme Intercreditor Agreement (as defined below).

Each Series and each Class comprised in each Series will be the subject of final terms (each, the "**Final Terms**") which will complete these Conditions, in accordance with Article 8 of the Prospectus Regulation. The terms and conditions applicable to any particular Series of Notes are these Conditions as completed by the applicable Final Terms. Each of the Final Terms will specify certain terms not specified by these Conditions, in respect of the Notes of the relevant Series. References to the "**applicable Final Terms**" are made to the Final Terms (or the relevant provisions thereof) pursuant to which the relevant Series of Notes are issued.

### 1. INTRODUCTION

#### 1.1 Definitions

Capitalised words and expressions in these Conditions shall, unless otherwise specified or unless the context otherwise requires, have the meanings set out in Condition 2 (*Interpretation and Definitions*).

#### 1.2 Rated Noteholders deemed to have notice of the Transaction Documents

The Rated Noteholders are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Transaction Documents.

#### 1.3 Provisions of the Rated Notes Conditions subject to the Transaction Documents

Certain provisions of these Conditions include summaries of, and are subject to, the detailed provisions of the Transaction Documents.

#### 1.4 Copies of Transaction Documents available for inspection

Copies of the Transaction Documents (other than the relevant Series Subscription Agreements) are available for inspection by the Rated Noteholders during normal business hours at:

- (i) the registered office of the Issuer, being, as at the date of this Base Prospectus, Viale Parioli, 10, 00197 Rome, Italy;
- (ii) the registered office of the Representative of the Noteholders, being, as at the date of this Base Prospectus, Via Vittorio Alfieri 1, Conegliano (TV), Italy; and
- (iii) the specified office of the Italian Paying Agent, being, as at the date of this Base Prospectus, Piazzetta Bossi, 3 / 20121 Milan, Italy.

In addition, copies of the Base Prospectus and the Transaction Documents (or a summary thereof) are available on the Originator's website [www.iblbanca.it/investorrelations](http://www.iblbanca.it/investorrelations).

## 1.5 Programme Documents and relevant Series Documents

- 1.5.1. In respect of each Transaction, the principal source of payment of interest and of repayment of principal on the Notes of any Series will be collections and recoveries made in respect of the relevant Portfolio which will be purchased by the Issuer by using the funds deriving from the issuance of such Series of Notes, in accordance with the provisions of the Programme Receivables Purchase Agreement and the relevant Transfer Agreement. The Portfolio of each Transaction will be assigned and transferred to the Issuer without recourse (*pro soluto*) against the Originator in the case of a failure by any of the Debtors to pay amounts due under the Loan Agreements, in accordance with the Securitisation Law and subject to the terms and conditions of the Programme Receivables Purchase Agreement and the relevant Transfer Agreement entered into in respect of the purchase of the relevant Portfolio.
- 1.5.2. Pursuant to the Programme Warranty and Indemnity Agreement entered into on the Initial Signing Date amongst the Issuer and the Originator, the Originator has undertaken to give certain representations and warranties in favour of the Issuer in relation to each Portfolio to be transferred from time to time to the Issuer and certain other matters and the Originator has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer incurred in connection with the purchase and ownership of the Portfolio.
- 1.5.3. Pursuant to the Programme Servicing Agreement entered into on the Initial Signing Date amongst the Issuer, and the Servicer, the Servicer has agreed to administer, service and collect amounts in respect of each Portfolio purchased from time to time by the Issuer under the Programme, in compliance with the Securitisation Law, on behalf of the Issuer. The Programme Servicing Agreement has been amended and restated by the parties thereto on 3 April 2019, *inter alia* in order to appoint IBL Servicing as Master Servicer and IBL Banca as Servicer. In particular, under the Programme Servicing Agreement, the Issuer has appointed IBL Servicing as Master Servicer. The Master Servicer will be the "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e di pagamento*" pursuant to Article 2, paragraph 3(c) of the Securitisation Law and, therefore, shall take the responsibility provided for by Article 2, paragraph 6-bis of the Securitisation Law. In addition, under the Programme Servicing Agreement, the Issuer has appointed IBL Banca as Servicer. The Servicer will act in the name and on behalf of the Issuer and in the interest of the Issuer and the Noteholders for the administration, management and recoveries activities in respect of the Receivables comprised in each relevant Portfolio, in accordance with the terms and conditions of the Programme Servicing Agreement.
- 1.5.4. Pursuant to the Programme Back-up Servicing Agreement entered into on 4 August 2017 amongst the Issuer, the Servicer and the Back-up Servicer, the Back-up Servicer has undertaken to act as substitute of the Master Servicer and/or the Servicer (as the case may be) in respect of one or more or all Transactions carried out under the Programme, in the event that: (i) the appointment of the Master Servicer and/or the Servicer (as the case may be) has been revoked in accordance with the terms of the Programme Servicing Agreement in relation to one or more Transactions; or (ii) the Master Servicer and/or the Servicer (as the case may be) has withdrawn from the Programme Servicing Agreement; or (iii) the appointment of the Master Servicer and/or the Servicer (as the case may be) is terminated

for any reason whatsoever in accordance with the terms of the Programme Servicing Agreement in relation to one or more Transactions, other than in the event that IBL Banca, as successor master servicer, substitute IBL Servicing in accordance with the provisions of the Programme Servicing Agreement. The Programme Back-up Servicing Agreement has been amended on 14 November 2018 with the adherence on the same date of IBL Servicing as Master Servicer and on 5 September 2023.

- 1.5.5. Pursuant to the Corporate Services Agreement entered into on 4 August 2017 between the Issuer and the Corporate Servicer, the Corporate Servicer has agreed to provide the Issuer with certain administrative and corporate services.
- 1.5.6. Pursuant to the Programme Cash Allocation, Management and Payments Agreement entered into on 4 August 2017 amongst the Issuer, IBL Banca (in its various capacities), Zenith (in its various capacities), the Paying Agents, the Account Banks and the Representative of the Noteholders, the parties thereto have agreed, in respect of each Transaction, to provide the Issuer with certain calculation, notification, reporting and agency services together with account handling and payment services in relation to moneys from time to time standing to the credit of the Series Issuer's Accounts. The Programme Cash Allocation, Management and Payments Agreement also contains provisions relating to, *inter alia*, the repayment of principal and the payment of interest and Variable Return in respect of the Notes of each Class. In addition, pursuant to the Programme Cash Allocation, Management and Payments Agreement, each party thereto has agreed - in respect of each Transaction - to enter into a Series CAMPA providing, *inter alia*, the opening of the relevant Series Issuer's Account.
- 1.5.7. Pursuant to the Programme Intercreditor Agreement entered into on 4 August 2017 between the Issuer and the Other Issuer Creditors, the parties thereto have agreed, *inter alia*, in respect of each Transaction, to apply the relevant Series Available Funds in accordance with the Priority of Payments and the circumstances in which the Representative of the Noteholders will be entitled to exercise certain of the Issuer's rights in respect of the relevant Portfolio and the relevant Series Documents. The parties to the Programme Intercreditor Agreement have agreed that the obligations owed by the Issuer to each of the Other Issuer Creditors will be limited recourse obligations of the Issuer. The Other Issuer Creditors will have a claim against the Issuer only to the extent of the relevant Series Available Funds, subject to and as provided in the Programme Intercreditor Agreement and the other Programme Documents and the relevant Series Documents.
- 1.5.8. Pursuant to the Mandate Agreement entered into on 4 August 2017 between the Issuer and the Representative of the Noteholders, the Representative of the Noteholders will be authorised, subject to a Transaction Acceleration Notice being served or following failure by the Issuer to exercise its rights under the relevant Transaction Documents, to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of the Transaction Documents to which the Issuer is a party.
- 1.5.9. Pursuant to the Series Deed of Pledge entered into on or about the Issue Date of the relevant Series of Notes in respect of each Transaction between the Issuer and the Representative of the Noteholders (acting on behalf of the Noteholders and the Other Issuer Creditors), without prejudice to the segregation provided by the Securitisation Law securing the discharge of the Issuer's obligations towards the Noteholders and the Other Issuer Creditors, the Issuer will pledge, in favour of the Noteholders and the Other Issuer Creditors, all monetary claims and rights and all the amounts payable from time to time (including payment for claims, indemnities, damages, penalties, credits and guarantees) to which the Issuer is or will be entitled to from time to time pursuant to certain Transaction Documents.
- 1.5.10. Pursuant to the Series Deed of Charge if entered into in respect of a Transaction on or about the Issue Date of the relevant Series of the Notes, the Issuer will grant, in favour of the Representative of the Noteholders (acting for itself and for the benefit of the Noteholders and the Other Issuer Creditors), a security interest over the sums standing to the credit of, and/or

the securities deposited in, the Investment Account (if opened with the Investment Account Bank in accordance with the provisions of the Programme Cash, Allocation Management and Payments Agreement and the relevant Series CAMPA) and/or the contractual rights of the Issuer arising out of the relevant Series Swap Agreement (if executed in connection with the relevant Transaction).

- 1.5.11. Pursuant to the Series Swap Agreement, if entered into in respect of a Transaction with the Series Swap Counterparty (as specified in the applicable Final Terms of the relevant Series) on or about the Issue Date of the relevant Series of Notes, the Issuer will hedge its interest rate exposure in relation to its floating rate obligations under the Rated Notes of such Series.
- 1.5.12. Pursuant to the Quotaholder's Agreement entered into on 4 August 2017 between the Issuer, the Originator, the Quotaholder and the Representative of the Noteholders, the Quotaholder has given certain undertakings in relation to the management of the Issuer and the exercise of its rights as Quotaholder of the Issuer.
- 1.5.13. Pursuant to the Listing Agent Fee Letter, the Listing Agent has agreed to provide certain services to the Issuer in connection with the listing of the Rated Notes.
- 1.5.14. Pursuant to the Series Subscription Agreement entered into in respect of each Transaction on or about the Issue Date of the relevant Series of Notes, the relevant Subscriber(s) will undertake to subscribe for the Notes of such Series issued by the Issuer under the Programme and to pay the relevant subscription price thereof on the relevant Issue Date. In addition, under the Series Subscription Agreement, the relevant Subscriber(s) will appoint Banca Finint as Representative of the Noteholders of such Series, to perform, in respect of each Transaction and the Programme, the activities described in the Programme Intercreditor Agreement, the Series Subscription Agreement, these Conditions, the Rules of the Organisation of the Noteholders and the other Transaction Documents to which it is a party.

## 1.6 **Acknowledgement**

Each Noteholder, by reason of holding the Class A Notes and/or the Class B Notes of the relevant Series, acknowledges and agrees that the Subscriber(s) shall not be liable in respect of any loss, liability, claim, expenses or damages suffered or incurred by any of the Rated Noteholders of such Series as a result of the performance by Banca Finint or any successor thereof of its duties as Representative of the Noteholders as provided for in the Programme Documents and the relevant Series Documents.

## 2. **DEFINITIONS AND INTERPRETATION**

### 2.1 **Definitions**

In these Conditions, the following expressions shall, except where the context otherwise requires and save where otherwise defined, have the following meanings:

**"Acceptance"** means the acceptance by the Issuer of each Transfer Agreement relating to a Portfolio to be transferred under the Programme, made pursuant to the Programme Receivables Purchase Agreement.

**"Account Bank Report"** means the relevant report to be prepared and delivered by the Account Banks to the Issuer, the Corporate Servicer and the Calculation Agent, pursuant to the Programme Cash Allocation, Management and Payments Agreement.

**"Account Banks"** means, collectively, the Collection Account Bank, the Transaction Bank and the Investment Account Bank (if any).

**"Accounting Cancellation"** (*storno*) means, with reference to each Portfolio, the reconciliation of the payments received by the Employers/Pension Authority in respect to a Receivable made by IBL Banca after the Valuation Date of such Portfolio, following which it results that on such Valuation Date such Receivable had an Outstanding Principal higher than the one on the basis of which the relevant Individual Purchase Price was calculated.

**"Accrued Interest"** means, on any given date and in relation to each Receivable included in a Portfolio, the portion of Interest Instalments accrued on such date but not yet due on such date pursuant to the relevant Loan Agreement.

**"Additional Remuneration"** means, in respect of the Class J Notes of any Series, on any relevant Payment Date, an amount equal to:

- (a) the relevant Series Available Funds as of such Payment Date; *less*
- (b) any and all amounts under items from *First* to *Seventeenth* (included) of the Pre Enforcement Priority of Payments, or from *First* to *Fourteenth* (included) of the Post Enforcement Priority of Payments, accrued under such items during the immediately preceding Collection Period (whether or not actually paid).

**"Additional Reserve"** means, in respect of each Transaction, a reserve created with a portion of the proceeds of the issue of the Class J Notes on the relevant Issue Date of the relevant Series, to be applied in accordance with the provisions of the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**"Additional Reserve Account"** means a euro denominated account to be established in the name of the Issuer with the Transaction Bank in accordance with the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA in respect of each Transaction.

**"Additional Reserve Amount"** means, at any time, the amounts standing to the credit of the relevant Additional Reserve Account.

**"Additional Reserve Initial Amount"** means, in respect of each Transaction, the amount credited on the relevant Additional Reserve Account upon issuance of the relevant Series of Notes, out of the proceeds thereof, as specified in the relevant Series CAMPA.

**"Additional Reserve Target Amount"** means, with reference to each Transaction, the amount specified as such under the relevant Series CAMPA and set out in the Final Terms applicable to the relevant Series of Notes.

**"Adjustment Purchase Price"** means, with reference to a Receivable erroneously excluded from a Portfolio pursuant to clause 4.1.2 of the Programme Receivables Purchase Agreement, an amount calculated according to clauses 4.3.1 and 4.3.2 thereof.

**"Agent"** means each of the Collection Account Bank, the Transaction Bank, the Investment Account Bank (if any), the Cash Manager, the Principal Paying Agent, the Italian Paying Agent, the Listing Agent, the Calculation Agent and the Back-up Calculation Agent, appointed pursuant to the Programme Cash Allocation Management and Payments Agreement and the Listing Agent Fee Letter.

**"Aggregate Notes Formula Redemption Amount"** means, with reference to each Series of Notes, in respect of any Payment Date, an amount calculated in accordance with the following formula:

$$A + B + J - CP - (LR + AR)$$

where:

A = the Principal Amount Outstanding of the Class A Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date;

B = the Principal Amount Outstanding of the Class B Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date;

J = the Principal Amount Outstanding of the Class J Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date;

CP = the Collateral Portfolio Outstanding Principal Due on the last day of the immediately preceding Collection Period;

LR = the Liquidity Reserve Target Amount calculated with reference to the relevant Payment Date;  
And

AR = the Additional Reserve Target Amount calculated with reference to the relevant Payment Date.

"**AIFMD**" means Directive 2011/61/EU on Alternative Investment Fund Managers, as amended and supplemented from time to time.

"**AIFMR**" means the Delegated Regulation (EU) No. 231/2013, supplementing the AIFMD, as amended and supplemented from time to time.

"**Alitalia Group**" means the group of companies which are consolidated in the accounts (*bilancio*) of Alitalia – Società Aerea Italiana S.p.A., as resulting from time to time from the latest approved accounts (*ultimo bilancio approvato*) of Alitalia – Società Aerea Italiana S.p.A..

"**Amounts Not Pertaining to the Transaction**" has the meaning ascribed to the term "*Importi non relativi all'Operazione*" under clause 6.3 of the Programme Servicing Agreement.

"**Applicable Law**" means any law or regulation including, but not limited to: (a) any domestic or foreign statute or regulation; (b) any rule or practice of any authority, stock exchange or self-regulatory organisation with which the Agents are bound or accustomed to comply; and (c) any agreement entered into by the relevant Agent and any authority or between any two or more authorities.

"**Assigned Employer**" means the Employer/Pension Authority which is the obligor under the Salary Assignment or the Payment Delegation (as the case may be) in respect of a Loan from which the Receivables - transferred from IBL Banca to the Issuer pursuant to the relevant Transfer Agreement - have been originated.

"**Authority**" means any competent regulatory, prosecuting, tax or governmental authority in any jurisdiction, domestic or foreign.

"**Average Outstanding Principal**" means, in respect of each Transaction, the arithmetic mean of (i) the Collateral Portfolio Outstanding Principal Due at the beginning of a Collection Period and (ii) the Collateral Portfolio Outstanding Principal Due at the end of such Collection Period.

"**Back-up Calculation Agent**" means Zenith Service S.p.A. and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement.

"**Back-Up Collection Account**" means a euro denominated bank account to be established in the name of the Issuer with the Transaction Bank in accordance with the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA in respect of each Transaction.

"**Back-up Servicer**" means Zenith Service S.p.A. and any successor or assignee thereto in accordance with the Programme Back-up Servicing Agreement.

"**Base Prospectus**" means any prospectus prepared by the Issuer in connection with the Programme constituting a base prospectus for the purposes of article 8 of the Prospectus Regulation as revised, supplemented or amended from time to time by the Issuer, also constituting a *prospetto informativo* for the purposes of article 2, paragraph 3 of the Securitisation Law.

**"BoI Supervision Guidelines"** means the *Istruzioni di Vigilanza per le banche* issued by the Bank of Italy with Circular No. 229 of 21 April 1999, as amended and supplemented from time to time.

**"Business Day"** means any day (other than Saturday and Sunday) on which the banks are opened for ordinary business in Rome, Milan and London and on which the TARGET2 (or any successor thereto) is open.

**"Calculation Agent"** means IBL Banca and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement.

**"Calculation Date"** means, in respect of each Transaction, the date falling 4 Business Days after each Servicer's Report Date.

**"Cancellation Date"** means, in respect of the Notes of any Series, the earlier of (a) the date on which all Notes of such Series have been redeemed in full or (b) the date on which (i) the Representative of the Noteholders has certified to the Issuer that the Collections in respect of all the Receivables comprised in the relevant Portfolio have been collected and that all judicial enforcement procedures in respect of such Portfolio have been exhausted or (ii) the Receivables comprised in the relevant Portfolio have been sold and the relevant proceeds have been received and applied in accordance with the applicable Priority of Payments, at which date any amount outstanding, whether in respect of interest or principal in respect of the Notes of such Series, shall be finally and definitively cancelled.

**"Cash Manager"** means IBL Banca and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement.

**"Cash Manager Report"** means the report (if any) to be prepared and delivered by the Cash Manager in accordance with the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**"Cash Manager Report Date"** means, in respect of each Transaction, the date falling three Business Days after each relevant Servicer's Report Date.

**"Cash Trapping Condition"** means, in respect of each Transaction, until the Rated Notes of the Series issued under such Transaction have been redeemed in full, the condition that will be deemed to be satisfied with reference to each Calculation Date if, during the relevant Collection Period, the Cumulative Net Default Ratio is lower than 3% (three per cent.).

**"CDQ Loan"** means each Loan assisted by a Salary Assignment.

**"Centrale dei Rischi"** has the meaning ascribed to such term under the Programme Receivables Purchase Agreement.

**"Citi London"** means Citibank N.A., London Branch.

**"Citi Milan"** means Citibank N.A., Milan Branch.

**"Class"** shall be a reference to a class of Notes of any Series issued under the Programme being the Class A Notes or the Class B Notes (if any) or the Class J Notes, as the case may be, and **"Classes"** shall be construed accordingly.

**"Class A Noteholders"** means the holders of the Class A Notes of any Series.

**"Class A Notes"** means the class A limited recourse asset-backed notes in respect of any Series issued by the Issuer under the Programme.

**"Class A Notes Formula Redemption Amount"** means, in respect of any Payment Date on which the Issuer has to make principal payments for the Class A Notes in accordance with the relevant Priority of Payments:

- (i) in the event that a Transaction Acceleration Event has not occurred, an amount equal to the lower of: (a) the Principal Amount Outstanding of the Class A Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date; and (b) the Aggregate Notes Formula Redemption Amount for that Payment Date;
- (ii) in the event that a Transaction Acceleration Event has occurred, the Principal Amount Outstanding of the Class A Notes.

**"Class B Noteholders"** means the holders of the Class B Notes of any Series.

**"Class B Notes"** means the class B limited recourse asset-backed notes that may be issued by the Issuer in respect of a Series under the Programme, as specified in the applicable Final Terms for such Series.

**"Class B Notes Formula Redemption Amount"** means, in respect of any Payment Date on which the Issuer has to make principal payments for the Class B Notes (if any) in accordance with the relevant Priority of Payments:

- (i) in the event that a Transaction Acceleration Event has not occurred, an amount equal to the lower of: (a) the Principal Amount Outstanding of the Class B Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date; and (b) the Aggregate Notes Formula Redemption Amount for that Payment Date less the Class A Notes Formula Redemption Amount for that Payment Date;
- (ii) in the event that a Transaction Acceleration Event has occurred, the Principal Amount Outstanding of the Class B Notes.

**"Class J Noteholders"** means the holders of the Class J Notes of any Series.

**"Class J Notes"** means the class J limited recourse asset-backed notes in respect of any Series issued by the Issuer under the Programme.

**"Class J Notes Conditions"** or **"Junior Notes Conditions"** means the terms and conditions of the Class J Notes.

**"Class J Notes Formula Redemption Amount"** means, with respect to any Payment Date on which the Issuer has to make principal payments for the Class J Notes in accordance with the relevant Priority of Payments:

- (i) in the event that a Transaction Acceleration Event has not occurred, an amount equal to the lower of: (a) the Principal Amount Outstanding of the Class J Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date; and (b) the Aggregate Notes Formula Redemption Amount for that Payment Date less (i) the Class A Notes Formula Redemption Amount and (ii) the Class B Notes Formula Redemption Amount (if applicable) for that Payment Date;
- (ii) in the event that a Transaction Acceleration Event has occurred, the Principal Amount Outstanding in respect of the Class J Notes.

**"Clean Up Call Option"** has the meaning ascribed to it under clause 14.2 of the Programme Receivables Purchase Agreement.

**"Clean Up Option Date"** means, in respect of each Transaction, any date in which the Outstanding Principal Due of the relevant Portfolio is equal to or lower than 10% of the Outstanding Principal Due of such Portfolio as of the relevant Valuation Date.

**"Clearstream"** means Clearstream Banking, Luxembourg with offices at 42 avenue JF Kennedy, L-1855 Luxembourg.

**"Co-Arrangers" or "Arrangers"** means IBL Banca and UniCredit (each an **"Arranger"**).

**"Collateral Account"** means a euro denominated account which may be established, in respect of each Transaction, in accordance with the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA, in the name of the Issuer with a bank which shall be an Eligible Institution, in the event that amounts are to be posted by a Series Swap Counterparty as collateral pursuant to the relevant Series Swap Agreement, for the deposit of such amounts.

**"Collateral Amounts"** means any amount which are to be posted by a Series Swap Counterparty as collateral pursuant to the relevant Series Swap Agreement (if any).

**"Collateral Portfolio"** means, on any given date, the aggregate of all outstanding Receivables comprised in the relevant Portfolio, other than any Defaulted Receivables as of that date and any Receivables in respect of which the Originator has made any indemnity payment or any Limited Recourse Loan pursuant to the Programme Warranty and Indemnity Agreement.

**"Collateral Portfolio Outstanding Principal Due"** means, on any given date, the Outstanding Principal Due of the Collateral Portfolio as at such date.

**"Collateral Security"** means, with reference to each Receivable included in any Portfolio purchased under the relevant Transaction, any pledge, guarantee, indemnity or other support agreement or security interest for the performance of such Receivable, including without limitation any Salary Assignment, Payment Delegation and/or Insurance Policy assisting the relevant Loan.

**"Collection Account"** (or also **"Collections Account"**) means a euro denominated account to be established in the name of the Issuer with the Collection Account Bank in accordance with the Programme Cash Allocation, Management and Payments Agreement in respect of each Transaction and the relevant Series CAMPA, provided that such definition will also include the relevant Back-Up Collection Account in the event provided for under clause 3.5.3 of the Programme Cash Allocation, Management and Payments Agreement.

**"Collection Account Bank"** means IBL Banca and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement.

**"Collection Date"** means with reference to each Transaction, the date on which the Servicer makes the reconciliation of the relevant Collection in respect of each Receivable included in the Portfolio transferred under such Transaction.

**"Collection Period"** means, with reference to each Transaction, each period which begins on the first calendar day (included) of each calendar month and ends, respectively, on the last calendar day (included) of such month, provided that the first Collection Period with respect to each Series shall begin on the relevant Valuation Date (excluded) and end on the last calendar day of the calendar month (included) on which the Issue Date of the relevant Series falls.

**"Collections"** means, in respect of each Portfolio transferred to the Issuer, all amounts received by the Master Servicer and/or the Servicer or any other person in respect of the Instalments due under the Receivables included in such Portfolio and any other amounts whatsoever received by the Master Servicer and/or the Servicer or any other person in respect of such Receivables, as of the relevant Collection Date and **"Collection"** means any of them.

**"Common Criteria"** means the objective criteria for the selection of each Portfolio specified in annex 1 to the Programme Receivables Purchase Agreement.

**"Conditions"** means, together, the Rated Notes Conditions and the Junior Notes Conditions and **"Condition"** means a condition of either of them.

**"CONSOB"** means *Commissione Nazionale per le Società e la Borsa*.

"**Consolidated Banking Act**" means the Italian Legislative Decree No. 385 of 1 September 1993, as amended and supplemented from time to time.

"**Consumer Code**" means the Italian Legislative Decree No. 206 of 6 September 2005, as amended and supplemented from time to time.

"**Corporate Servicer**" means IBL Banca and any successor or assignee thereto in accordance with the Corporate Services Agreement.

"**Corporate Services Agreement**" means the agreement executed on 4 August 2017 between the Issuer and the Corporate Servicer, as amended and supplemented from time to time.

"**CRA Regulation**" means each of the EU CRA Regulation and UK CRA Regulation, as amended and supplemented from time to time.

"**Credit and Collection Policy**" means the summary of the procedures or manuals for the granting, collection and recoveries of loans used by IBL Banca in respect of the Receivables, as attached under annex 1 to the Programme Servicing Agreement.

"**Criteria**" means the criteria set out in annex 1 and annex 2 to the Programme Receivable Purchase Agreement, on the basis of which the Receivables which will be transferred under the Programme from time to time by the Originator will be identified in pool (*in blocco*) pursuant to articles 1 and 4 of the Securitisation Law.

"**CRR**" means Regulation (EU) n° 575/2013 of the European Parliament and the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms amending the Regulation (EU) n° 648/2012 and amended by Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017.

"**Cumulative Default Trigger**" means 3% (three per cent.).

"**Cumulative Net Default Ratio**" means, in relation to each Transaction and each respective Portfolio, the percentage, in respect of any Collection Period, equivalent of a fraction obtained by dividing: (1) (i) the sum of the Outstanding Principal Due as at the Default Date of all the Receivables which have been classified as Defaulted Receivables from the relevant Valuation Date up to the last day of the relevant Collection Period, less (ii) the aggregate amount of Recoveries received in respect of such Defaulted Receivables from the date in which the relevant Receivable has been classified into default up to the last day of the relevant Collection Period; by (2) the Outstanding Principal Due of the Portfolio as at the relevant Valuation Date.

"**Damage**" means, indistinctively, a Job Damage or a Life Damage.

"**DBRS**" means (i) for the purpose of identifying which DBRS entity which has assigned the credit rating to the Rated Notes, DBRS Ratings GmbH and any successor to this rating activity, and (ii) in any other case, any entity that is part of DBRS Morningstar, which is either registered or not under the EU CRA Regulation, as it appears from the last 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
AAA	Aaa	AAA	AAA
AA(high)	Aa1	AA+	AA+
AA	Aa2	AA	AA

AA(low)	Aa3	AA-	AA-
A(high)	A1	A+	A+
A	A2	A	A
A(low)	A3	A-	A-
BBB(high)	Baa1	BBB+	BBB+
BBB	Baa2	BBB	BBB
BBB(low)	Baa3	BBB-	BBB-
BB(high)	Ba1	BB+	BB+
BB	Ba2	BB	BB
BB(low)	Ba3	BB-	BB-
B(high)	B1	B+	B+
B	B2	B	B
B(low)	B3	B-	B-
CCC(high)	Caa1	CCC+	CCC+
CCC	Caa2	CCC	CCC
CCC(low)	Caa3	CCC-	CCC-
CC	Ca	CC	CC
C	C	D	D

**"DBRS Minimum Rating"** means: (a) if a Fitch long term public rating, a Moody's long term public rating and an S&P long term public rating (each, a Public Long Term Rating) are all available at such date, the DBRS Minimum Rating will be the DBRS Equivalent Rating of such Public Long Term Rating remaining after disregarding the highest and lowest of such Public Long Term Ratings from such rating agencies (provided that if such Public Long Term Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below) (for this purpose, if more than one Public Long Term Rating has the same highest DBRS Equivalent Rating or the same lowest DBRS Equivalent Rating, then in each case one of such Public Long Term Ratings shall be so disregarded); (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.

**"Debtor"** means any individual person who entered into a Loan Agreement as principal debtor or guarantor or who is obliged for the payment or repayment of amounts due in respect of a Loan or who has assumed the Debtor's obligation under an *accollo*, or otherwise and which will qualify as obligor pursuant to Commission Delegated Regulation (UE) 980/2019.

**"Decree 180/1950"** or **"DPR 180/1950"** means the Italian Presidential Decree No. 180 of 5 January 1950, as amended and supplemented from time to time.

**"Decree 239"** means the Italian Legislative Decree No. 239 of 1 April 1996, as amended and supplemented from time to time.

**"Decree 239 Deduction"** means any withholding or deduction for or on account of *"imposta sostitutiva"* under Decree 239.

**"Default Date"** means, with reference to the Defaulted Receivables deriving from Loans: (i) in respect of which there has been a delay in the payment of at least 8 Instalments, the last calendar day of the calendar month in which the Servicer has registered the last unpaid Instalment; (ii) which have been classified as defaulted (*in sofferenza*) by the Servicer, the last calendar day of the calendar month in which the Servicer has made such classification; (iii) in respect of which a Life Damage (*Sinistro Vita*) has occurred, the last calendar day of the calendar month in which the Servicer has notified the relevant Insurance Company of the occurrence thereof; (iv) in respect of which a Job Damage (*Sinistro Impiego*) has occurred, the earlier of (a) the date in which the Insurance Company has paid in full the relevant Indemnity to the Issuer, and (b) the last calendar day of the third month following the month in which the date of notification of the relevant Job Damage to the Insurance Company by the Servicer falls.

**"Defaulted Receivables"** means the Receivables deriving from Loans: (i) in respect of which there has been a delay in the payment of at least 8 Instalments; or (ii) which have been classified as defaulted (*in sofferenza*) by the Servicer; or (iii) in respect of which a Life Damage (*Sinistro Vita*) has occurred and the Servicer has notified the relevant Insurance Company of the occurrence thereof; or (iv) in respect of which a Job Damage (*Sinistro Impiego*) has occurred and the Servicer has notified the relevant Insurance Company of the occurrence thereof and 3 (three) months have elapsed from the date of notification of the relevant Job Damage without the Insurance Company having paid in full the Indemnity to the Issuer, nor the Servicer having registered a change of Employer/Pension Authority by the relevant Debtor.

**"Delinquent Receivables"** means the Receivables (which are not Defaulted Receivables) deriving from Loans for which there has been a delay in the payment of at least 4 Instalments.

**"Determination Date"** means, with reference to each Series of Notes issued under the Programme:

- (i) with respect to the Initial Interest Period, the day falling two Business Days prior to the relevant Issue Date of such Series (as specified in the relevant Final Terms applicable to such Series); and
- (ii) with respect to each subsequent Interest Period, the date falling two Business Days prior to the relevant Payment Date at the beginning of each Interest Period.

**"Documentation"** has the meaning ascribed to *"Documentazione"* under the Programme Receivables Purchase Agreement.

**"DP Loan"** means each Loan assisted by a Payment Delegation.

**"Eligible Institution"** means any depository institution organised under the laws of any state which is a member of the European Union or of the United States:

- a) with a "Baa2" long-term rating by Moody's or, in the event of a depository institution which does not have a long-term rating by Moody's, a "P-2" short-term rating by Moody's;

- b) whose long term rating debt obligations are rated at least BBB (high) from DBRS;
- c) with "F1" by Fitch with respect to the short-term deposit rating or, in case the deposit rating is not available, with respect to the short term Issuer's default rating or with "A-" by Fitch with respect to the long-term deposit rating or, in case the deposit rating is not available, with respect to the long-term Issuer's default rating;
- d) if rated by Scope, whose long-term and short term bank issuer ratings are rated at least, respectively, "BBB" and "S-2" by Scope, provided that a rating by Scope is (a) the public or subscription rating assigned by Scope or, if there is no public or subscription rating, (b) the private rating assigned by Scope or the internal credit assessment made by Scope,

or such other rating or ratings as may be agreed by the relevant Rating Agency from time to time as would maintain the then current ratings of the Notes.

For clarification, the DBRS rating is (a) the public rating assigned by DBRS or, if there is no public DBRS rating, then (b) the private rating assigned by DBRS. In the event of a depository institution which does not have a private rating nor a public rating from DBRS, then for DBRS the Eligible Institution will mean a depository institution whose DBRS Minimum Rating is at least BBB(high).

**"Eligible Investments"** means:

- (A) euro-denominated senior dematerialised unsubordinated debt financial instruments but excluding for the avoidance of doubt credit linked notes and money market funds, or
- (B) account or deposit with a maturity date falling not later than the next succeeding Eligible Investments Maturity Date, held with an Eligible Institution,

provided that, in all cases: (i) such investments are immediately repayable on demand, disposable without penalty or have a maturity date falling on or before the next following Eligible Investments Maturity Date; (ii) such investments provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount), and (iii) the debt securities or other debt instruments are issued by, or fully and unconditionally guaranteed on an unsubordinated basis by, an institution whose unsecured and unsubordinated debt obligations have the following ratings (or such other rating or ratings as may be agreed by the relevant Rating Agency from time to time as would maintain the then current ratings of the Notes):

- (1) with respect to Moody's ratings, either: (i) with a "Baa2" long-term rating by Moody's or, in the event of a depository institution which does not have a long-term rating by Moody's, a "P-2" short-term rating by Moody's; or (ii) such other lower rating being compliant with the criteria established by Moody's from time to time;
- (2) with respect to DBRS ratings, either: (i) "R-1(low)" by DBRS in respect of short-term debt and "BBB (high)" by DBRS in respect of long-term debt; or (ii) otherwise, which has the following ratings from at least 2 of the following rating agencies: (a) at least "A" by Fitch; (b) at least "A" by Standard & Poor's; (c) at least "A2" by Moody's;
- (3) with respect to Fitch ratings, either (i) "F1" by Fitch in respect of short-term debt or "A-" by Fitch in respect of long-term debt; or (ii) such other lower rating being compliant with the criteria established by Fitch from time to time;

provided that, in any event, (a) the Eligible Investments set out above will have a maturity of less than or equal to one month, and (b) none of the Eligible Investments set out above may consist, in whole or in part, actually or potentially, of (i) credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives nor may any amount available to the Issuer in the context of the Securitisation otherwise be invested in any such instruments at any time, or (ii) asset-backed securities, irrespective of their subordination, status or ranking, or (iii) swaps, other derivatives instruments, or synthetic securities or any other instrument from time to time specified in the European Central Bank monetary policy regulations applicable from time to time.

**"Eligible Investments Maturity Date"** means, in respect of each Transaction, in relation to Eligible Investments deriving from the investment of the relevant Series Available Funds to be distributed on a certain Payment Date, the day falling on the second Business Day immediately preceding such Payment Date.

**"Eligible Public Administration"** means exclusively each of the following Public Administrations:

- Regions,
- Local Authorities,
- Public Owned Companies, except for any companies belonging to the Ferrovie dello Stato Group, any companies belonging to the Poste Italiane Group and any companies belonging to the Alitalia Group.

**"Employer/Pension Authority"** means the assigned debtor (*debitore ceduto*) of the receivables object of each Salary Assignment or the delegated person (*mandatario/delegato*) under each Payment Delegation.

**"EU CRA Regulation"** means the credit rating agencies regulation under the Regulation (EU) No. 1060/2009, as amended and supplemented from time to time.

**"EU Insolvency Regulation"** means the Regulation (EU) No. 848/2015 of the European Parliament and of the Council on insolvency proceedings, as amended and supplemented from time to time.

**"EU Securitisation Regulation"** means Regulation (EU) No. 2017/2402, as amended and supplemented from time to time.

**"EURIBOR"** means the Euro-zone interbank offered rate for either one (1), three (3) or six (6) Euro deposits as specified in the applicable Final Terms, as determined by the Paying Agent (as benchmark administrator listed in the relevant registrar pursuant to the Article 36 of the BMR) in accordance with the Conditions, as it appears on the relevant Reuters Screen Page or (aa) such other page as may replace the relevant Reuters Screen Page on that service for the purpose of displaying such information or (bb) 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 such Reuters Screen Page at or about 11:00 a.m. (Milan time) on the relevant Determination Date (rounded to four decimal places with the midpoint rounded upwards) (the **"Screen Rate"**), provided that:

- (a) if the Screen Rate is unavailable at such time for either one (1), three (3) or six (6) month Euro deposits as applicable, then the rate for any relevant Interest Period shall be the arithmetic mean (rounded to four decimal places with the mid-point rounded up) of the rates notified to the Representative of the Noteholders at its request by each of the Reference Banks as the rate at which respectively one, three or six months Euro deposits in a representative amount are offered by that Reference Bank to leading banks in the Euro-zone inter-bank market at or about 11.00 a.m. (Milan time) on any Determination Date; or
- (b) if on any Determination Date, the Screen Rate is unavailable and only two of the Reference Banks provide such offered quotations to the Calculation Agent the relevant rate shall be determined, in the manner specified in item (a) above, on the basis of the offered quotations of those Reference Banks providing such quotations; or
- (c) if, on any Determination Date, the Screen Rate is unavailable and only one of the Reference Banks provides the Agent Bank with an offered quotation, the Rate of Interest for the relevant Interest Period shall be the rate of Interest in effect for the immediately preceding Interest Period when one of EURIBOR or item (b) above shall have been applied.

The Principal Paying Agent may, at any time, request the Issuer and the Representative of the Noteholders to agree, without the consent of the Noteholders, to amend EURIBOR (any such amended rate, an "**Alternative Base Rate**") and make such other related or consequential amendments as are necessary or advisable in order to facilitate such change (any such change, a "**Base Rate Modification**") provided that the following conditions are satisfied:

1. the Principal Paying Agent, on behalf of the Issuer, has provided the Representative of the Noteholders, the relevant Series Swap Counterparty and the Noteholders of the relevant Transaction with at least 30 (thirty) calendar days' prior written notice of any such proposed Base Rate Modification and has certified to the Representative of the Noteholders, the relevant Series Swap Counterparty and the Noteholders in such notice (such notice being a "**Base Rate Modification Certificate**") that:
  - (a) such Base Rate Modification is being undertaken due to:
    - (i) a prolonged and material disruption to EURIBOR, a material change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or be published;
    - (ii) a public statement by the EURIBOR administrator that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR);
    - (iii) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;
    - (iv) a public statement by the supervisor of the EURIBOR administrator that means EURIBOR may no longer be used or that its use is or will be subject to restrictions or adverse consequences; or
    - (v) the reasonable expectation of the Principal Paying Agent that any of the events specified in sub-paragraphs (i) to (iv) above will occur or exist within 6 (six) months of the proposed effective date of such Base Rate Modification; and
  - (b) such Alternative Base Rate is:
    - (i) a base rate published, endorsed, approved or recognised by the European Central Bank, any regulatory authority in Italy or the EU or any stock exchange on which the Rated Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);
    - (ii) the Euro Over Night Index Average (or any rate which is derived from, based upon or otherwise similar to the foregoing); or
    - (iii) a base rate utilised in a material number of publicly-listed new issues of Euro denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification;
2. the Rating Agencies of the relevant Series have been notified of such proposed Base Rate Modification and, based on such notification, the Principal Paying Agent is not aware that the then current ratings of the Rated Notes of such Series would be adversely affected by such Base Rate Modification; and
3. the Originator pays all fees, costs and expenses (including legal fees) incurred by the Issuer and the Representative of the Noteholders or any other party to the Transaction Documents in connection with such Base Rate Modification.

Notwithstanding the above, no Base Rate Modification will become effective if within 30 (thirty) calendar days of the delivery of the Base Rate Modification Certificate, (i) any of the relevant Series Swap Counterparty does not consent to Base Rate Modification, or (ii) Noteholders representing at least 10 per cent. of the Principal Amount Outstanding of the Class A Notes of the relevant Series have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which the Class A Notes are held) that they do not consent to the Base Rate Modification (a "**Noteholder Base Rate Consent Event**"). Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Representative of the Noteholders' satisfaction (having regard to prevailing market practices) of the relevant Noteholder's title to the Class A Notes of such Series. If a Noteholder Base Rate Consent Event occurs, the Base Rate Modification will not become effective unless a resolution of the holders of the Class A Notes of the relevant Series is passed in favour of the Base Rate Modification in accordance with the Rules of the Organisation of the Noteholders. The Principal Paying Agent, on behalf of the Issuer, will notify the Representative of the Noteholders, the relevant Series Swap Counterparties and the Noteholders in accordance with Condition 16 (*Notices*) on the date when the Base Rate Modification takes effect.

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

"**Euroclear**" means Euroclear Bank S.A./N.V., as operator of the Euroclear System, with offices at 1 boulevard du Roi Albert II, B-1210 Brussels.

"**Euro-Zone**" means the region comprised of Member States of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992).

"**Expenses**" means, in respect of each Transaction:

- (a) any and all documented fees, costs, expenses and taxes, required to be paid to any third party creditors (other than the Noteholders of the relevant Series and the Other Issuer Creditors of such Transaction) arising in connection with such Transaction and/or required to be paid (as determined in accordance with the Corporate Services Agreement, by reference to the number of the then outstanding Transactions carried out by the Issuer) in order to preserve the existence of the Issuer, to maintain it in good standing or to comply with applicable laws; and
- (b) any other documented costs, fees and expenses due to persons who are not parties to the relevant Series Documents which have been incurred in or in connection with the preservation or enforcement of the relevant Series Issuer's Segregated Assets,

which will be attributed *pro quota* to each Transaction in accordance with the provisions of the Corporate Services Agreement.

"**Expenses Account**" means a euro denominated account to be established in the name of the Issuer with the Collection Account Bank in accordance with the Programme Cash Allocation, Management and Payments Agreement in respect of each Transaction and the relevant Series CAMPA.

"**Extraordinary Resolution**" shall have the meaning ascribed to it in the Rules of the Organisation of the Noteholders.

"**FATCA**" means the U.S. Internal Revenue Code of 1986.

**"Ferrovie dello Stato Group"** means the group of companies which are consolidated in the accounts (*bilancio*) of Ferrovie dello Stato Italiane S.p.A., as resulting from time to time from the latest approved accounts (*ultimo bilancio approvato*) of Ferrovie dello Stato Italiane S.p.A..

**"Final Maturity Date"** means, with reference to each Series, the date specified as such in the relevant Final Terms applicable to such Series.

**"Final Terms"** means, with reference to each Series of Notes issued under the Programme relating to each Transaction, the final terms prepared for the issuance of such Series of Notes pursuant to the Prospectus Directive.

**"Financial Laws Consolidation Act"** means the Italian Legislative Decree No. 58 of 24 February 1998, as amended and supplemented from time to time.

**"First Portfolio"** means the first Portfolio purchased by the Issuer in the context of the Programme on the Initial Signing Date pursuant to the Programme Receivable Purchase Agreement and the relevant Transfer Agreement.

**"Fitch"** means Fitch Ratings Ireland Limited (Sede secondaria Italiana) and their subsidiaries and any successor thereto.

**"FSMA"** means the Financial Services and Markets Act 2000.

**"Further Transfer Notice"** means the notice to be sent by the Originator to the Issuer in order to proceed with the sale of a Portfolio in the context of the Programme pursuant to the Programme Receivable Purchase Agreement.

**"Further Transfer Notice Date"** means the date on which the Originator, deliver a Further Transfer Notice to the Issuer.

**"GDPR"** means the General Data Protection Regulation adopted with Regulation (EU) 2016/679, as amended and supplemented from time to time.

**"Guarantor"** means any person having issued or released a Collateral Security.

**"Holder"** or **"holder"** of a Note means the ultimate owner of a Note.

**"IBL Banca"** means IBL – Istituto Bancario del Lavoro S.p.A. a bank incorporated under the laws of the Republic of Italy as a joint stock company (*società per azioni*), having its registered office at Rome, Via Venti Settembre 30, Italy, fiscal code and enrolment with the companies register of Rome number 00452550585, enrolled under number 5578 in the *albo delle banche* held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act, holding company (*capogruppo*) of the banking group (*gruppo bancario*) "IBL Banca" enrolled under number 3263.1 in the *albo dei gruppi bancari* held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act.

**"IBL Finance"** means IBL FINANCE S.R.L., a *società a responsabilità limitata* incorporated under the laws of the Republic of Italy pursuant to the Securitisation Law, having its registered office at Via di Campo Marzio 46, Rome, Italy, fiscal code and enrolment with the companies register of Rome under number 13264381008, enrolled in the *elenco delle società veicolo* held by the Bank of Italy pursuant to the Bank of Italy regulation dated 7 June 2017 and having as its sole corporate object the realisation of securitisation transactions pursuant to article 3 of the Securitisation Law.

**"IBL Servicing"** means IBL Servicing S.p.A., a financial intermediary incorporated under the laws of the Republic of Italy, having its registered office at Via Venti Settembre 30, 00187 - Rome, tax code and enrolment with the companies register of Rome no. 10218521002, enrolled under No. 27 (*codice meccanografico* 33596) of the register of the financial intermediaries held by the Bank of Italy, fully-owned by IBL Banca and subsidiary of the banking group (*gruppo bancario*) "IBL Banca", enrolled with

the register of the banking groups (*albo dei gruppi bancari*) under no. 3263 pursuant to article 64 of the Consolidated Banking Act.

**"Indemnity"** (*Indennizzo*) means the amount due by the Insurance Company to the Issuer upon occurrence of a Job Damage and/or a Life Damage, pursuant to the terms and conditions of the relevant Insurance Policy.

**"Individual Purchase Price"** means, in respect of each Receivable, an amount equal to the aggregate of the components set out in clause 3.1.1 of the Programme Receivable Purchase Agreement.

**"Initial Interest Period"** means the first Interest Period, which shall begin on (and include) the Issue Date of the relevant Series and end on (but exclude) the first relevant Payment Date, each as specified in the Final Terms applicable to such Series.

**"Initial Signing Date"** means 4 August 2017, as the date of execution of the Programme Receivables Purchase Agreement, the Programme Servicing Agreement, the Programme Warranty and Indemnity Agreement.

**"Insolvency Event"** means in respect of any company or corporation that:

- (a) such company or corporation has become subject to any applicable bankruptcy, liquidation, administration, insolvency, composition or reorganisation, or is failing or is likely to fail pursuant to article 17 of Legislative Decree No. 180 of 16 November 2015 (if applicable), or has entered into a "*concordato*" with its creditors or other debt restructuring arrangements (including, without limitation, "*fallimento*", "*liquidazione coatta amministrativa*", "*concordato preventivo*", and "*amministrazione straordinaria*", each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, including the seeking of liquidation, winding-up, reorganisation, dissolution, administration) or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a *pignoramento* or similar procedure having a similar effect, unless, in the opinion of the Representative of the Noteholders (who may in this respect rely on the advice of a lawyer selected by it), such proceedings are not being disputed in good faith with a reasonable prospect of success; or
- (b) an application for the commencement of any of the proceedings under (a) above is made in respect of or by such company or corporation or such proceedings are otherwise initiated against such company or corporation and, in the opinion of the Representative of the Noteholders (who may in this respect rely on the advice of a lawyer selected by it), the commencement of such proceedings are not being disputed in good faith with a reasonable prospect of success; or
- (c) such company or corporation takes any action for a re-adjustment of or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors (other than, in the case of the Issuer, the Other Issuer Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee, indemnity or assurance against loss given by it in respect of any indebtedness or applies for suspension of payments; or
- (d) an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution in any form of such company or corporation or any of the events under article 2484 of the Italian civil code occurs with respect to such company or corporation (except a winding-up for the purposes of, or pursuant to, a solvent amalgamation or reconstruction, the terms of which have been previously approved in writing by the Representative of the Noteholders); or
- (e) such company or corporation becomes subject to any proceedings equivalent or analogous to those above under the law of any jurisdiction in which such company or corporation is deemed to carry on business.

**"Instalment"** means, with respect to each Loan Agreement, from which the Receivables are originated, each instalment due from time to time by the relevant Debtor thereunder and which consists of an Interest Instalment and a Principal Instalment.

**"Insurance Company"** means each insurance company having entered into, or which will enter into, an Insurance Master Agreement with IBL Banca and that, therefore, has issued, or will issue, an Insurance Policy for the benefit of IBL Banca.

**"Insurance Master Agreement"** means each agreement entered into between IBL Banca and an Insurance Company which regulates the terms and conditions for the issue of the relevant Insurance Policies for the benefit of IBL Banca.

**"Insurance Policy"** means, with respect to each Loan Agreement, the insurance policies issued by the Insurance Companies for the benefit of IBL Banca, pursuant to the Insurance Master Agreements, to cover certain risks associated to the relevant Debtor, the relevant rights and actions deriving therefrom are included in the Receivables transferred to the Issuer pursuant to the Programme Receivables Purchase Agreement and whose benefit, following the assignment of the relevant Receivables to the Issuer pursuant to the Receivables Purchase Agreement, have been transferred to the Issuer.

**"Interest Basis"** means, with reference to each Series of Notes issued in the context of the relevant Transaction, the Fixed Rate of Interest or the Floating Rate of Interest.

**"Interest Instalment"** means the interest component of each Instalment under each relevant Loan.

**"Interest Payment Amount"** has the meaning ascribed to that term in Rated Note Condition 7.6 (*Calculation of Interest Payment Amounts*).

**"Interest Period"** means, with reference to each Series of Notes issued in the context of the relevant Transaction, each period from (and including) a Payment Date to (but excluding) the next following Payment Date, provided that the first Interest Period will commence on the Issue Date of such Series of Notes and end on the relevant first Payment Date (such first Payment Date as specified in the relevant Final Terms applicable to such Series).

**"Investment Account"** means, with reference to each Transaction, any cash investment account which, following the relevant Issue Date of the Series of Notes issued under such Transaction, may be opened by the Issuer with the Investment Account Bank (or with any other Eligible Institution) in accordance with the Programme Cash Allocation, Management and Payment Agreement and the relevant Series CAMPA, for the deposit of the bonds, debentures or other kinds of notes or financial instruments purchased as Eligible Investments.

**"Investment Account Bank"** means Citi London and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement.

**"Issue Date"** means, with reference to each Series of Notes issued under the Programme, the date defined as such in the relevant Final Terms applicable to such Series.

**"Issue Price"** means, with reference to each Transaction, in respect of each Class of Notes of the relevant Series issued under such Transaction, the price specified as applicable in the relevant Final Terms in respect of such Series.

**"Issuer"** means Marzio Finance S.r.l., a *società a responsabilità limitata* incorporated under the laws of the Republic of Italy pursuant to the Securitisation Law, having its registered office at Viale Parioli, 10, Rome, Italy, fiscal code and enrolment with the companies register of Rome under number 09840320965, enrolled in the *elenco delle società veicolo* held by the Bank of Italy pursuant to the Bank of Italy regulation dated 7 June 2017 and having as its sole corporate object the realisation of securitisation transactions pursuant to article 3 of the Securitisation Law.

**"Issuer's Rights"** has the meaning ascribed to the term *"Diritti di Credito"* under clause 2.1 of each Series Deed of Pledge relating to the rights of the Issuer pledged under such Series Deed of Pledge.

**"Issuer's Series Segregated Assets"** means, with reference to each Transaction, together, the Issuer's right, title and interest in and to the Portfolio purchased by the Issuer in the context of such Transaction, any monetary claim accrued by the Issuer in the context of such Transaction, the relevant collections and any financial assets purchased through such collections, which are segregated by operation of law from the Issuer's other assets pursuant to the Securitisation Law.

**"Italian Paying Agent"** means Citibank N.A., Milan Branch and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement and the Conditions.

**"Job Damage"** (*Sinistro Impiego*) means each event related and/or connected to the employment relationship of a Debtor covered under the relevant Insurance Policy, upon occurrence of which the relevant Insurance Company shall pay the Indemnity to IBL Banca - and, upon transfer of the Receivables to the Issuer, to the Issuer - in accordance with the terms and conditions of such Insurance Policy.

**"Joint Regulation"** means the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018 and published in the Official Gazette number 201 of 30 August 2018.

**"Junior Notes"** means the Class J Notes.

**"Junior Noteholders"** means the holders of the Class J Notes.

**"Junior Notes Conditions"** means the terms and conditions of the Junior Notes.

**"LCR Delegated Regulation"** means Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions.

**"Liabilities"** means in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgements, actions, proceedings or other liabilities whatsoever including legal fees and any taxes and penalties incurred by that person, together with any value added or similar tax charged or chargeable in respect of any sum referred to in this definition.

**"Life Damage"** (*Sinistro Vita*) means the death of a Debtor covered under the relevant Insurance Policy, upon occurrence of which the relevant Insurance Company shall pay the Indemnity to IBL Banca and, upon transfer of the Receivables to the Issuer, to the Issuer in accordance with the terms and conditions of such Insurance Policy.

**"Limited Recourse Loan"** means any limited recourse loan made by the Originator to the Issuer pursuant to clause 4.1 of the Programme Warranty and Indemnity Agreement.

**"Liquidity Reserve"** means, in respect of each Transaction, a reserve created with a portion of the proceeds of the issue of the Class J Notes on the relevant Issue Date of the relevant Series, to be applied in accordance with the provisions of the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**"Liquidity Reserve Account"** means a euro denominated account to be established in the name of the Issuer with the Transaction Bank in accordance with the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA in respect of each Transaction.

**"Liquidity Reserve Amount"** means, at any time, the amounts standing to the credit of the relevant Liquidity Reserve Account.

**"Liquidity Reserve Initial Amount"** means, in respect of each Transaction, the amount credited on the relevant Liquidity Reserve Account upon issuance of the relevant Series of Notes, out of the proceeds thereof, as specified in the relevant Series CAMPA.

**"Liquidity Reserve Target Amount"** means, with reference to each Transaction, the amount specified as such under the relevant Series CAMPA and set out in the Final Terms applicable to the relevant Series of Notes.

**"Listing Agent"** means Banque International à Luxembourg and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement and the Listing Agent Fee Letter.

**"Listing Agent Fee Letter"** means the fee letter entered into on or about the Initial Signing Date between the Issuer and the Listing Agent.

**"Loan"** means each personal loan granted by the Originator to a Debtor, on the basis of a Loan Agreement, to be reimbursed through a Salary Assignment or, alternatively, assisted by a Payment Delegation issued in favour of IBL Banca by the relevant Debtor, and furthermore assisted by an Insurance Policy, from which the Receivables transferred to the Issuer pursuant to the Programme Receivables Purchase Agreement and each Transfer Agreement arise.

**"Loan Agreement"** means each written agreement, from which a Receivable arises, entered into between IBL Banca and a Debtor and pursuant to which IBL Banca has granted a Loan.

**"Loan Early Termination"** means the full redemption of a Loan made by the relevant Debtor, before the maturity provided by the amortisation plan set out in the relevant Loan Agreement.

**"Local Authorities"** means the local territorial authorities set forth in article 2 paragraph 1 of the legislative decree 18 August 2000, No. 267 ("*Testo unico delle leggi sull'ordinamento degli enti locali*") and, in particular, municipalities (*comuni*), provinces (*province*), metropolitan cities (*città metropolitane*), mountain authority (*comunità montane*), island authorities (*comunità isolane*) and municipalities unions (*unioni di comuni*), as defined therein.

**"Management Fee"** means, for each Loan, the fees due for the management of the relevant Loan during the amortisation period, if applicable.

**"Management Fee Amortisation Plan"** means, for each Loan, the plan for the accrual of the Management Fee in favour of the Originator.

**"Management Fee Reserve"** means, with reference to each Transaction, a cash reserve of the Issuer created with a deposit made by the Originator on the Issue Date of the relevant Series of Notes issued under such Transaction, in accordance with the provisions of the Programme Receivables Purchase Agreement and the Programme Cash Allocation, Management and Payments Agreement.

**"Management Fee Prepayment Amount"** means, with reference to each Transaction, the Residual Management Fee for each Loan in respect of which a Loan Early Termination occurred, as specified by the Servicer in each relevant Servicer's Report relating to such Transaction, to be transferred for the amount set out in such Servicer's Report, from the relevant Management Fee Reserve Account to the relevant Payments Account, one Business Day before each Payment Date, to form part of the relevant Series Available Funds.

**"Management Fee Reserve Account"** means a euro denominated account to be established in the name of the Issuer with the Transaction Bank in accordance with the Programme Cash Allocation, Management and Payments Agreement in respect of each Transaction and the relevant Series CAMPA.

**"Management Fee Reserve Amount"** means, in respect of each Transaction, at any time, the balance of the amounts standing to the credit of the relevant Management Fee Reserve Account.

**"Management Fee Reserve Increased Amount"** means, in respect of each Loan and with reference to each Servicer's Report Date under each Transaction, the difference, if positive, between (i) the Management Fee Reserve Target Amount as of such Servicer's Report Date, and (ii) the Management Fee Reserve Target Amount as of the immediately preceding Servicer's Report Date (net of any amount of the Management Fee Prepayment Amount).

**"Management Fee Reserve Released Amount"** means, in relation to each Portfolio, with respect to each Loan, and with reference to each relevant Servicer's Report Date, the difference, if positive, between (i) the relevant Management Fee Reserve Target Amount as of the immediately preceding Servicer's Report Date (net of any Management Fee Prepayment Amount), and (ii) the Management Fee Reserve Target Amount as of such Servicer's Report Date.

**"Management Fee Reserve Target Amount"** means, with reference to each Transaction, an amount equal to 25% (twenty-five per cent.) of the relevant Residual Management Fee in respect of the Portfolio transferred under such Transaction.

**"Mandate Agreement"** means the mandate agreement entered into on the Initial Signing Date between the Issuer and the Representative of the Noteholders, as amended and supplemented from time to time.

**"Margin"** means the percentage specified as such in the applicable Final Terms.

**"Master Servicer"** means IBL Servicing and any successor or assignee thereto in accordance with the provisions of the Programme Servicing Agreement.

**"Master Servicing Fee"** means the fee due to the Master Servicer, as determined in accordance with the Programme Servicing Agreement.

**"Master Servicer Termination Event"** means each of the events provided for under clause 11 of the Programme Servicing Agreement, which causes the termination of the appointment of the Servicer, in accordance with the provisions set forth thereunder.

**"Matrice dei Conti"** has the meaning ascribed to it under the Bol Supervision Guidelines.

**"Mezzanine Noteholders"** means the Class B Noteholders (if any).

**"Mezzanine Notes"** means the Class B Notes (if any).

**"Monte Titoli"** means Monte Titoli S.p.A., a joint stock company having its registered office at Via Mantegna, 6, 20154 Milan, Italy.

**"Monte Titoli Account Holders"** means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository bank appointed by Euroclear and Clearstream.

**"Monte Titoli Mandate Agreement"** means the agreement entered into between the Issuer and Monte Titoli.

**"Moody's"** means Moody's Investors Service.

**"Most Senior Class of Notes"** means, with reference to each Transaction, respectively, (i) the Class A Notes; (ii) following the full repayment of all the Class A Notes, the Class B Notes (if any); (iii) following the full repayment of all the Class B Notes (if any), the Class J Notes.

**"Net Portfolio Yield"** means, with reference to each Transaction, with respect to any relevant Collection Period, the amount which is the aggregate of: (i) the Interest Instalments accrued on the relevant Portfolio during the relevant period whether or not actually paid less specific provisions for losses in respect of each single Receivable determined by the Servicer and any losses with respect to such period; (ii) any default interest (*interessi di mora*) accrued on the Receivables and paid during

such period under the terms of the relevant Loan Agreement; (iii) the amount of any and all penalties paid in such period; (iv) any other revenues accrued to the Issuer under the Loan Agreement in such period.

**"Noteholders"** means, together, the Rated Noteholders and the Junior Noteholders.

**"Notes"** means, together, the Rated Notes and the Junior Notes.

**"Notes Formula Redemption Amount"** means any of the Class A Notes Formula Redemption Amount, the Class B Notes Formula Redemption Amount (if any) and the Class J Notes Formula Redemption Amount, as the case may be.

**"Notice"** means any notice delivered under or in connection with any Programme Document or Series Document.

**"Obligations"** means all the obligations of the Issuer created by or arising under the Notes, the Programme Documents and the Series Documents.

**"Offer Date"** means the date which falls within 10 Business Days of the Valuation Date of the relevant Portfolio, as set out in the relevant Further Transfer Notice, in which the Originator deliver a proposal relating to a Transfer Agreement to the Issuer pursuant to the Programme Receivables Purchase Agreement, provided that there will not be more than one Offer Date per month.

**"Official Gazette"** means the *Gazzetta Ufficiale della Repubblica Italiana*.

**"Organisation of the Noteholders"** means, with reference to each Transaction, the association of the Noteholders, organised pursuant to the Rules of the Organisation of the Noteholders.

**"Originator"** (or also **"Seller"**) means IBL Banca.

**"Other Issuer Creditors"** means, with reference to each Transaction, the Originator, the Master Servicer, the Servicer, the Back-up Servicer, the Back-up Calculation Agent, the Representative of the Noteholders, the Calculation Agent, the Corporate Servicer, the Paying Agents, the Account Banks, the Cash Manager, the Programme Administrator, the relevant Series Swap Counterparty (if any) and any party who at any time accedes to the Programme Intercreditor Agreement.

**"Outstanding Balance"** means, on any given date and in relation to any Receivable, (i) the aggregate of the Outstanding Principal Due and the Interest Instalments due but not yet paid as at that date, plus (ii) any penalties (including any default interest) accrued on any Unpaid Instalments.

**"Outstanding Principal Due"** means, on any relevant date, in relation to any Receivable, the Outstanding Principal on such date for such Receivable.

**"Outstanding Principal"** means, on any relevant date, in relation to any Receivable, the aggregate of (i) all the Principal Instalments due and unpaid (also only in part) on such date and (ii) the Principal Instalments not yet due and not already paid on such date.

**"Outstanding Principal Not Yet Due"** means, on any relevant date, in relation to any Receivable, the aggregate of the Principal Instalments not yet due on such date.

**"Paying Agents"** means, collectively, the Italian Paying Agent and the Principal Paying Agent.

**"Payments Account"** (or also **"Payment Account"**) means, with reference to each Transaction, the euro denominated account established in the name of the Issuer with the Transaction Bank or such other substitute account as may be opened in accordance with the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA.

**"Payment Date"** means, with reference to all Series of Notes issued under the Programme by the Issuer, (a) prior to the delivery of a Transaction Acceleration Notice, the date falling monthly, specified

as such in the relevant Final Terms or, if such day is not a Business Day, the immediately following Business Day; and (b) following the delivery of a Transaction Acceleration Notice, any day on which any payment is required to be made by the Representative of the Noteholders in accordance with the Post Enforcement Priority of Payment, the Conditions and the Programme Intercreditor Agreement, provided that the first Payment Date in respect of each Series of Notes will be the date specified as such in the relevant Final Terms applicable to such Series.

**"Payment Delegation"** (or also **"DP"**) means the payment delegation of one fifth of the salary made, pursuant to the relevant Loan Agreement, by a Debtor in favour of IBL Banca, with reference to the payments due by such Debtor under the relevant Loan.

**"Payments Report"** (or also **"Payment Report"**) means, with reference to each Transaction, the report setting out all the payments to be made on each relevant Calculation Date, which shall be prepared and delivered by the Calculation Agent or the Back-Up Calculation Agent in accordance with the Programme Cash Allocation, Management and Payments Agreement and each relevant Series CAMPA.

**"PCS"** means Prime Collateralised Securities EU SAS.

**"Portfolio"** means each pool of Receivables sold by the Originator and purchased by the Issuer in the context of the Programme pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement.

**"Post Enforcement Priority of Payments"** means the Priority of Payments under the Rated Notes Condition 6.2 (*Post Acceleration Priority of Payments*).

**"Poste Italiane Group"** means the group of companies which are consolidated in the accounts (*bilancio*) of Poste Italiane S.p.A., as resulting from time to time from the latest approved accounts (*ultimo bilancio approvato*) of Poste Italiane S.p.A..

**"Post Acceleration Payments Report"** means, in respect of each Transaction, the report setting out all the payments to be made on the following Payment Date under the Post Acceleration Priority of Payments which, following the occurrence of a Transaction Acceleration Event and the delivery of a Transaction Acceleration Notice, shall be prepared and delivered by the Calculation Agent in accordance with the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**"Pre Enforcement Priority of Payments"** means the Priority of Payments under the Rated Notes Condition 6.1 (*Pre Enforcement Priority of Payments*).

**"Previous Securitisation"** means the securitisation transaction carried out by IBL Finance through the issue on 22 May 2015 of the €2,009,800,000 Class A Asset Backed Fixed Rate Notes due December 2040 and the €223,220,000 Class B Asset Backed Variable Return Notes due December 2040.

**"Principal Amount Outstanding"** means, on any date:

- (a) in relation to each Class of Notes, the aggregate principal amount outstanding of all Notes in such Class; and
- (b) in relation to a Note, the principal amount of that Note upon issue, less the aggregate amount of all principal payments made on that Note that have been repaid on or prior to such date.

**"Principal Instalment"** means the principal component of each Instalment under each relevant Loan.

**"Principal Payment Amount"** shall have the meaning ascribed to it in Rated Notes Condition 8.6 (*Calculation of Principal Payment Amount and Principal Amount Outstanding*) and Junior Notes Condition 8.6 (*Calculation of Principal Payment Amount and Principal Amount Outstanding*).

**"Principal Paying Agent"** means Citi London and any successor or assignee thereto in accordance with the Cash Allocation, Management and Payments Agreement.

**"Priority of Payments"** means, with reference to each Transaction, the order of priority pursuant to which the relevant Series Available Funds shall be applied on each relevant Payment Date prior to and/or following the service of a Transaction Acceleration Notice, as the case may be, in accordance with the Rated Notes Conditions, the Junior Notes Conditions and the Programme Intercreditor Agreement.

**"Privacy Law"** means any legislation applicable on data protection, including the GDPR, the Italian Legislative Decree No. 196 of 30 June 2003, as amended and supplemented from time to time, and the national legislation implementing the GDPR adopted pursuant to the legislative delegation provided by article 13 of Law No. 163 of 25 October 2017.

**"Proceeding"** has the meaning ascribed to "*Procedimento*" under the Receivables Purchase Agreement.

**"Programme"** means the programme established by the Originator and the Issuer pursuant to the Securitisation Law in the context of which the Originator may sell without recourse (*pro soluto*) and the Issuer shall purchase without recourse (*pro soluto*), pursuant to article 1 and 4 of the Securitisation Law, Portfolios of Receivables arising out from Loans originated by IBL Banca to be reimbursed through a Salary Assignment or, alternatively, assisted by a Payment Delegation issued in favour of IBL Banca by the relevant Debtor, pursuant to the Programme Receivables Purchase Agreement and each relevant Transfer Agreement.

**"Programme Administrator"** means IBL Banca and any successor or assignee thereto in accordance with the Programme Intercreditor Agreement.

**"Programme Back-up Servicing Agreement"** means the back-up servicing agreement entered into on 4 August 2017 between the Issuer and the Back-up Servicer in relation to the Programme and any relevant Transaction thereunder, as amended and supplemented from time to time.

**"Programme Cash Allocation, Management and Payments Agreement"** means the cash allocation, management and payments agreement entered into on 4 August 2017 between the Issuer, the Master Servicer, the Servicer, the Originator, the Representative of the Noteholders, each Account Bank, the Corporate Servicer, the Cash Manager, the Calculation Agent, the Back-up Calculation Agent, the Programme Administrator and each Paying Agent in relation to the Programme and any relevant Transaction thereunder, as amended and supplemented from time to time.

**"Programme Documents"** means, together, the Programme Receivables Purchase Agreement, the Programme Servicing Agreement, the Programme Warranty and Indemnity Agreement, the Programme Back-up Servicing Agreement, the Programme Intercreditor Agreement, the Programme Cash Allocation Management and Payments Agreement, the Listing Agent Fee Letter, the Mandate Agreement, the Corporate Services Agreement, the Quotaholder's Agreement, the Conditions and any other document which may be entered into, from time to time, in connection with the Programme.

**"Programme Intercreditor Agreement"** means the intercreditor agreement entered into between the Issuer and the Other Issuer Creditors on 4 August 2017 in respect of the Programme, as amended and supplemented from time to time.

**"Programme Maturity Date"** means the earlier of (i) December 2050, (ii) the Cancellation Date in respect of the last Series of Notes issued under the Programme (as defined below), and (iii) the date of delivery of a Programme Purchase Termination Notice.

**"Programme Purchase Termination Event"** means any of the events provided for under Condition 12.5 (*Programme Purchase Termination Event*), the occurrence of which will prevent the Issuer from purchasing any additional Portfolio and issue any additional Series of Notes under the Programme.

**"Programme Purchase Termination Notice"** means the notice served by the Representative of the Noteholders and/or the Programme Administrator following the occurrence of a Programme Purchase Termination Event, in accordance with the Programme Intercreditor Agreement and the Conditions.

**"Programme Receivables Purchase Agreement"** means the receivables purchase agreement entered into on the Initial Signing Date between the Issuer and the Originator in respect of the Programme, as amended and supplemented from time to time.

**"Programme Servicing Agreement"** means the servicing agreement entered into on the Initial Signing Date between the Issuer, the Master Servicer and the Servicer in respect of the Programme, as amended and supplemented from time to time.

**"Programme Warranty and Indemnity Agreement"** means the warranty and indemnity agreement entered into on the Initial Signing Date between the Issuer and the Originator in respect of the Programme, as amended and supplemented from time to time.

**"Prospectus Regulation"** means Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended and supplemented from time to time. **"Prospetto dei Crediti"** has the meaning ascribed to such term under the Programme Receivables Purchase Agreement.

**"Public Entities"** (or also **"Public Administration"**) means any entity to which the provisions of articles 69 and 70 of the RD 2440/1923 apply.

**"Public Owned Companies"** means any limited companies (*società di capitali*) subject to the control, within the meaning of article 2359 of the Italian Civil Code, of one or more Public Administrations.

**"Purchase Price"** means the purchase price payable by the Issuer to the Originator in respect of each Portfolio, pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement.

**"Purchaser"** means the Issuer, as purchaser (*cessionario* or *acquirente*) under the Programme Receivables Purchase Agreement.

**"Quota Capital Account"** means the euro denominated account established in the name of the Issuer with IBL Banca with IBAN: IT08B032630320000000001153, or such other substitute account as may be opened in accordance with the Programme Cash Allocation, Management and Payments Agreement.

**"Quotaholder"** means Special Purpose Entity Management S.r.l..

**"Quotaholders' Agreement"** means the agreement executed on 4 August 2017 between the Issuer, the Quotaholder and the Representative of the Noteholders, as amended and supplemented from time to time.

**"Rate of Interest"** has the meaning ascribed to that term in Rated Notes Condition 7.5 (*Rate of Interest*).

**"Rated Noteholders"** means the holders from time to time of the Class A Notes and the Class B Notes (if any).

**"Rated Notes"** means, the Class A Notes and the Class B Notes (if any).

**"Rated Notes Conditions"** means the terms and conditions of the Rated Notes.

**"Rating Agencies"** means, in respect of any Series issued under the Programme, the rating agencies (two or more) whose name will be specified in the Final Terms applicable to the relevant Series.

"**Receivables**" means all rights and claims of the Issuer arising out from any Loan Agreement as of or starting from the relevant Valuation Date (excluded), including without limitation:

- (a) all rights and claims in respect of the Outstanding Principal;
- (b) all rights and claims in respect of the payment of interest (including the default interest) accrued on the Loans and not collected, including Accrued Interest, up to the relevant Valuation Date (excluded);
- (c) all rights and claims in respect of the payment of interest (including default interest) accruing on the Loans from the relevant Valuation Date (included);
- (d) all rights and claims in respect of payments of any amount deriving from damages suffered, costs, expenses, taxes and ancillary amounts due pursuant to the Loan Agreements;
- (e) any Collateral Security relating to the relevant Loan Agreement, including without limitation all rights and claims for the payment of portion of salary, pension and/or for the payment of any other indemnities (including the sums due as "*trattamento di fine rapporto*") due as a consequence of the Salary Assignment and/or the Payment Delegation which assists the relevant Loan, and furthermore all rights and claims relating to the Insurance Policies;
- (f) all privileges and priority rights (*diritti di prelazione*) transferable pursuant to the Securitisation Law supporting the aforesaid rights and claims, as well as any other right, claim and action (including any legal proceeding for the recovery of damages), substantial and procedural actions and defences inherent or otherwise ancillary to the aforesaid rights and claims, including, without limitation, the remedy of termination (*risoluzione contrattuale per inadempimento*) and the declaration of acceleration of the Debtor(s) (*decadenza dal beneficio del termine*),

provided that any amounts collected under any title in relation to a Loan with reference to the period before the relevant Valuation Date will belong exclusively to the Originator and, therefore, any amounts collected in relation to a Loan in one single payment without any distinction between the period before the relevant Valuation Date and the period after the relevant Valuation Date shall be allocated *pro quota* between the Originator and the Issuer accordingly.

"**Recoveries**" means any amount received or recovered by the Master Servicer and/or the Servicer in relation to any Defaulted Receivables.

"**Reference Banks**" has the meaning ascribed to such term under Condition 7.12 (*Reference Banks and Italian Paying Agent*).

"**Regions**" means the regions with special statute (*regioni a statuto speciale*) and the regions with ordinary statute (*regioni a statuto ordinario*) pursuant to article 114 of the Constitution of the Republic of Italy (*Costituzione della Repubblica Italiana*).

"**Regulated Market**" means the Luxembourg Stock Exchange's main regulated market, *Bourse de Luxembourg*.

"**Relevant Regulation**" means all laws and regulations and any other provisions issued by the Italian State Administration and the Public Entities which are applicable to Salary Assignment and the Payment Delegation, including articles 1260 *et seq.*, 1269 and 1723 of the Italian Civil Code, RD 2440/1923, DPR 180/1950, Presidential Decree No. 895/1950, Royal decree 29 July 1914 No. 850, Decree of *Ministero per le Comunicazioni* of 28 May 1929 No. 2708, Decree of *Ministero per le Comunicazioni* of 5 July 1932 No. 34, Circular of *Ministero del Tesoro* of 8 August 1996 No. 46, Circular of *Ministero del Tesoro* of 16 October 1996 No. 63, Decree of *Ministero dell'Economia e delle Finanze* of 27 December 2006 No. 313, Circular of *INPDAP* No. 8 of 30 March 2007, Circolare of *INPS* No. 91 of 31 May 2007, and any subsequent amendment and/or supplement thereto.

**"Remuneration"** means, in respect of the Class J Notes of any Series, on any Payment Date, an amount equal to the sum of:

- (a) the Net Portfolio Yield accrued as at the end of the immediately preceding Collection Period;  
*plus*
- (b) interest accrued on the relevant Series Issuer's Accounts up to the end of the immediately preceding Collection Period (whether or not actually paid); plus
- (c) interest accrued deriving from the Eligible Investments (if any) made up to the end of the immediately preceding Collection Period (whether or not actually paid); plus
- (d) any and all indemnities which became due in favour of the Issuer under any Programme Documents and any relevant Series Documents during the immediately preceding Collection Period (whether or not actually paid); less
- (e) any and all amounts under items from *First* to *Seventh* (included) and *Eleventh* (if applicable) of the Pre Enforcement Priority of Payments, or from *First* to *Eighth* (included) of the Post Enforcement Priority of Payments, accrued under such items during the immediately preceding Collection Period (whether or not actually paid).

**"Reporting Entity"** means the Originator acting as the reporting entity pursuant to the EU Securitisation Regulation.

**"Representative of the Noteholders"** means, in respect of each Series of Notes to be issued from time to time under the Programme by the Issuer, Banca Finint or any successor or assignee thereto in accordance with the Conditions and the Rules of Organisation of the Noteholders.

**"Residual Management Fee"** means, for each Loan (if applicable) and with reference to any date, the Management Fee which has not yet accrued on such Loan on the basis of the relevant Management Fee Amortisation Plan.

**"Retention Amount"** means, in respect of each Transaction, an amount equal to €20,000, provided that on the Payment Date on which the Notes of the relevant Series issued under such Transaction are redeemed in full, the Retention Amount shall be the amount indicated by the Corporate Servicer as necessary to cover the corporate expenses of the Issuer following full redemption of such Notes.

**"Retention and Transparency Rules"** means, together, articles from 404 to 409 of the CRR, articles from 50 to 56 of the AIFMR, article 254 of the Solvency II Regulation, articles 6 and 7 of the EU Securitisation Regulation, the Circular No. 285 of 17 December 2013 ("*Disposizioni di Vigilanza per le Banche*") as amended from time to time, issued by the Bank of Italy, together with any applicable guidance, technical standards or related documents published by the European Banking Authority (including its predecessor, the Committee of European Banking Supervisors, and any successor or replacement agency or authority) and any delegated regulations of the European Commission in connection thereof and any other laws or regulations providing for retention and due diligence requirements in respect of securitisation transactions, as from time to time applicable and/or amended or supplemented.

**"Royal Decree 2440/1923"** or **"RD 2440/1923"** means the Italian Royal Decree No. 2440 of 18 November 1923, as amended and supplemented from time to time.

**"Rules of Organisation of the Noteholders"** or **"Rules"** means the rules of the organisation of the Noteholders attached as an Exhibit to the Rated Notes Conditions and the Junior Notes Conditions.

**"Salary Assignment"** (or also **"CDQ"**) means the assignment of one fifth of the salary and/or pension made, pursuant to the relevant Loan Agreement, by a Debtor in favour of IBL Banca, by way of satisfaction (*cessione in luogo dell'adempimento*) of the obligations arising under the relevant Loan.

**"Scheduled Instalment Date"** means any date on which an Instalment is due pursuant to a Loan Agreement.

**"Scope"** means Scope Ratings GmbH.

**"Securities Act"** means the U.S. Securities Act of 1933, as amended and supplemented from time to time.

**"Securitisation Law"** means the Italian Law No. 130 of 30 April 1999, as amended and supplemented from time to time.

**"Security"** means the security created pursuant to the any Series Deed of Pledge and the Series Deed of Charge (if any).

**"Security Interest"** means:

- (a) any mortgage, charge, pledge, lien, privilege (*privilegio speciale*) or other security interest securing any obligation of any person;
- (b) any arrangement under which money or claims to money, or the benefit of, a bank or other account may be applied, set-off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person; or
- (c) any other type of preferential arrangement having a similar effect.

**"Senior Noteholders"** means the Class A Noteholders.

**"Senior Notes"** means the Class A Notes.

**"Series"** or **"Series of Notes"** means, with reference to each Transaction, the series of Notes to be issued by the Issuer under the Programme pursuant to the Base Prospectus and article 1 and 5 of the Securitisation Law, for the purpose of financing the purchase of the relevant Portfolio.

**"Series Available Funds"** means, with reference to each Transaction, on any relevant Payment Date of the relevant Series of Notes, the aggregate of:

- (i) all Collections and Recoveries collected by the Master Servicer and/or the Servicer in respect of the Receivables included in the relevant Portfolio during the immediately preceding relevant Collection Period;
- (ii) all amounts received by the Issuer from the Originator pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement and the Programme Warranty and Indemnity Agreement during the immediately preceding relevant Collection Period;
- (iii) the amount standing to the credit of the Payments Account on the immediately preceding Payment Date after application of the relevant Priority of Payments on that Payment Date;
- (iv) any revenues and other amounts matured or deriving from the realisation, liquidation and any other proceeds on maturity of any Eligible Investments (including, for the avoidance of doubt, interest, premium or any other amount representing its yield) and credited to the relevant Payments Account not later than 2 (two) Business Days prior to such Payment Date;
- (v) any amount due and payable to the Issuer by the relevant Series Swap Counterparty under the relevant Series Swap Agreement on such Payment Date (if and to the extent paid) other than any Collateral Amounts, any termination payment required to be made under such Series Swap Agreement, any collateral payable or transferable (as the case may be) under such Series Swap Agreement, which will not be available to the Issuer to make payments to its creditors generally, but may only be applied in accordance with the provisions of the

Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA in respect of the Collateral Account;

- (vi) all amounts (other than the amounts already allocated under other items of the Series Available Funds) of interest accrued (net of any withholding or expenses, if due) and paid on the relevant Series Issuer's Accounts, other than the relevant Expenses Account, during the immediately preceding relevant Collection Period;
- (vii) all the proceeds deriving from the sale (in whole or in part), if any, of the relevant Portfolio and/or of other components of the relevant Issuer's Series Segregated Assets, in accordance with the provisions of the relevant Series Documents;
- (viii) all the proceeds deriving from the sale, if any, of individual Receivables included in the relevant Portfolio in accordance with the provisions of the relevant Series Documents during the immediately preceding relevant Collection Period;
- (ix) any amounts (other than the amounts already allocated under other items of the Series Available Funds) received by the Issuer from any party to the relevant Series Documents during the immediately preceding relevant Collection Period;
- (x) the relevant Additional Reserve Amount transferred from the relevant Additional Reserve Account to the relevant Payments Account on or prior to such Payment Date;
- (xi) the relevant Liquidity Reserve Amount transferred from the relevant Liquidity Reserve Account to the relevant Payments Account on or prior to such Payment Date;
- (xii) the Management Fee Prepayment Amount (if any) transferred from the relevant Management Fee Reserve Account to the relevant Payments Account on or prior to such Payment Date.

For the avoidance of doubt, following the delivery of a Transaction Acceleration Notice, the Series Available Funds, in respect of any Payment Date, shall also comprise any other amount standing to the credit of the relevant Series Issuer's Accounts as at the immediately preceding relevant Calculation Date.

**"Series CAMPA"** means, with reference to the each Transaction, the cash allocation, management and payments agreement executed by the relevant parties pursuant to the form annexed to the Programme Cash Allocation, Management and Payment Agreement and the provisions thereunder.

**"Series Deed of Charge"** means, in respect of the relevant Transaction, the English law deed of charge that may be entered into after the Issue Date between the Issuer and the Representative of the Noteholders (in its behalf and as trustee for the Noteholders and the Other Issuer Creditors), in the event that (i) the Investment Account is opened with the Investment Account Bank under such Transaction, in accordance with the provisions of the Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA, and/or (ii) the Series Swap Agreement is entered into by the Issuer under such Transaction.

**"Series Deed of Pledge"** means the Italian law deed of pledge entered into on or about each Issue Date of each Series of Notes between the Issuer and the Representative of the Noteholders (acting on behalf of the Noteholders of the relevant Series and of the Other Issuer Creditors of the relevant Series) with reference to each Transaction and each Series of Notes.

**"Series Documents"** means, together, any documents executed by the Issuer and any Other Issuer Creditor, with reference to each Transaction, pursuant to the Programme Documents, including the applicable Final Terms relating to the Series of Notes issued under such Transaction.

**"Series Intercreditor Agreement"** means, with reference to each Series of Notes issued under the Programme in the context of each Transaction, the intercreditor agreement executed on or about the Issue Date of such Series between the Issuer and the Other Issuer Creditors.

**"Series Issuer's Accounts"** means, collectively, in respect of each Transaction, the Collection Account, the Payments Account, the Liquidity Reserve Account, the Additional Reserve Account, the Management Fee Reserve Account, the Investment Account (when opened), the Collateral Account (when opened) and the Expenses Account opened in the name of the Issuer with reference to such Transaction pursuant to the Programme Cash Allocation, Management and Payment Agreement and the relevant Series CAMPA and **"Series Issuer's Account"** means any of them.

**"Series Subscription Agreement"** means, with reference to each Series of Notes issued under the Programme in the context of each Transaction, the subscription agreement executed on or about the Issue Date of such Series between the Issuer, the Representative of the Noteholders and the relevant Subscriber(s), as initial subscriber(s) of the relevant Series of Notes.

**"Series Swap Agreement"** means, with reference to each Transaction, the interest rate hedging agreement or the interest rate option (or any other agreement having the same interest rate hedging economic and financial purpose) (if any) executed on the Issue Date of the relevant Series of Notes between the Issuer and one or more Series Swap Counterparties, including any credit support annex entered into in connection to the relevant hedging transaction.

**"Series Swap Counterparty"** means, with reference to each Series of Notes, any of, Crédit Agricole Corporate and Investment Bank, Société Générale S.A., Banco Santander S.A., JP Morgan AG and UniCredit, acting as swap counterparty (or swap counterparties) of the Issuer in connection with the relevant Series, as specified in the Final Terms applicable to such Series of Notes.

**"Servicer"** means IBL Banca and any successor or assignee thereto in accordance with the provisions of the Programme Servicing Agreement.

**"Servicer's Report"** means, with reference to each Transaction, the monthly report to be prepared and delivered by the Master Servicer, on each relevant Servicer's Report Date, pursuant to the Programme Servicing Agreement.

**"Servicer's Report Date"** means, with reference to each Transaction, the 10<sup>th</sup> Business Day following each relevant Collection Period.

**"Servicer Termination Event"** means each of the events provided for under clause 11 of the Programme Servicing Agreement, which causes the termination of the appointment of the Servicer, in accordance with the provisions set forth thereunder.

**"Servicing Fee"** means the fee due to the Servicer, as determined in accordance with the Programme Servicing Agreement.

**"Sistema Bancario Accentrato"** has the meaning ascribed to it under the Receivables Purchase Agreement.

**"Solvency II Regulation"** means the Delegated Act adopted on 10 October 2014 by the European Commission, as amended and supplemented from time to time.

**"Specific Criteria"** means the further objective criteria for the identification of the Receivables of each Portfolio which may be selected by the Originator in accordance with the provisions of the Programme Receivables Purchase Agreement and which will be set out in the relevant Transfer Agreement.

**"Specified Office"** means with respect to an Agent, or any additional Agent appointed pursuant to the Rated Notes Condition 10.4 (*Change of Paying Agent*) and the provisions of the Programme Cash Allocation, Management and Payments Agreement, the specified office notified to the Noteholders upon notification of the appointment of each such Agent in accordance with the Rated Notes Condition 10.4 (*Change of Paying Agent*) and in each such case, such other address as it may specify in accordance with the provisions of the Programme Cash Allocation, Management and Payment Agreement.

"**Subscribers**" means any initial subscribers of any Series of Notes issued in respect of each Transaction under the Programme which will execute the relevant Series Subscription Agreement, including without limitation any manager, sole lead manager, joint lead manager and dealer under any Transaction and "**Subscriber**" means each of them.

"**Subsequent SPV**" means each securitisation company incorporated pursuant to the Securitisation Law for carrying out further securitisation transactions of receivables originated by IBL Banca of the same type of the Receivables transferred to the Issuer in the context of the Programme, to which the Issuer may transfer Portfolios of Receivables according to clause 16 of the Programme Receivables Purchase Agreement and Condition 18 (*Transfer of the Receivables by the Issuer to Subsequent SPVs*).

"**Supplemental Purchase Price**" means, in relation to any Receivable in respect of which an Accounting Cancellation ("*storno*") has been made, an amount calculated in accordance with clause 3.5 of the Programme Receivables Purchase Agreement.

"**TARGET System**" means the TARGET2 system.

"**TARGET2**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"**Tax**" means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or any political subdivision thereof or any authority thereof or therein or otherwise imposed under Applicable Law.

"**Tax Deduction**" has the meaning ascribed to it under Rated Notes Condition 11 (*Taxation*).

"**Transaction**" means each transaction carried out in the context of the Programme pursuant to which the Issuer (i) will purchase a Portfolio from the Originator pursuant to the Programme Receivable Purchase Agreement and (ii) will issue a Series of Notes pursuant to article 1 and 5 of the Securitisation Law for the purpose of financing the purchase of such Portfolio.

"**Transaction Bank**" means Citibank N.A., Milan Branch and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement.

"**Transfer Date**" means, with reference to each Transaction, the date on which the Originator has received the Acceptance of the relevant Transfer Agreement from the Issuer in accordance with the Programme Receivables Purchase Agreement.

"**Transaction Documents**" means, indistinctively, any of the Programme Documents and the relevant Series Documents.

"**Transaction Acceleration Event**" means any of the events described in Rated Notes Condition 12.1 (*Transaction Acceleration Events*).

"**Transaction Acceleration Notice**" means the notice served by the Representative of the Noteholders on the Issuer declaring the Notes of the relevant Series to be due and payable in full following the occurrence of a Transaction Acceleration Event as described in Rated Notes Condition 12.2 (*Delivery of a Transaction Acceleration Notice*).

"**UK CRA Regulation**" means the EU CRA Regulation, as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

"**UK MiFIR**" means the Regulation (EU) No 600/2014, as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

**"UK PRIIPs Regulation"** means the EU PRIIPs Regulation, as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

**"UK Prospectus Regulation"** means the EU Prospectus Regulation, as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

**"UK Securitisation Regulation"** means the EU Securitisation Regulation, as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

**"Unpaid Instalment"** means, with reference to a Loan, an Instalment which is due and unpaid.

**"Unpaid Management Fee Reserve Released Amount"** means, for each Loan and with reference to any date, the Management Fee Reserve Released Amount up to such date which has not been repaid yet to the Originator pursuant to the Programme Intercreditor Agreement and the other Programme Documents.

**"UniCredit"** means UniCredit Bank AG, with registered office at Arabellastraße 12, 81925 Munich, incorporated in Germany and registered with the Commercial Register at the Local Court (Amtsgericht) in Munich under number HRB 42148, incorporated as a stock corporation under the laws of the Federal Republic of Germany.

**"Usury Law"** means the Italian Law No. 108 of 7 March 1996, as amended and supplemented from time to time, and the Italian Law No. 24 of 28 February 2001, which converted into law the Italian Law Decree No. 394 of 29 December 2000, as amended and supplemented from time to time.

**"Valuation Date"** means, with reference to each Portfolio, the date specified as such in the relevant Transfer Agreement and in schedule 1 to the applicable Final Terms.

**"Variable Return"** means, together, the Remuneration and the Additional Remuneration (if any) which may be payable on the Class J Notes of any Series on each relevant Payment Date subject to the Junior Notes Conditions.

**"VAT"** means *Imposta sul Valore Aggiunto (IVA)* as defined in Italian D.P.R. number 633 of 26 October 1972, as amended and implemented from time to time and any other tax of a similar fiscal nature whether imposed in Italy (in place of or in addition to *IVA*) or elsewhere.

## 2.2 Interpretation

### 2.2.1. References in Rated Notes Condition

Any reference in these Conditions to:

**"holder"** and **"Holder"** mean the ultimate holder of a Note of any Series and the words **"holder"**, **"Noteholder"** and related expressions shall be construed accordingly;

a **"law"** shall be construed as a reference to any law, statute, constitution, decree, judgment, treaty, regulation, directive, by-law, order or any other legislative measure of any government, supranational, local government, statutory or regulatory body and a reference to any provision of any law, statute, constitution, decree, judgment, treaty, regulation, directive, by-law, order or any such legislative measure is to that provision as amended or re-enacted;

**"person"** shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state and any association or partnership (whether or not having legal personality) of two or more of the foregoing;

a **"successor"** of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under any

Transaction Document or to which, under such laws, such rights and obligations have been transferred.

#### 2.2.2. *Transaction Documents and other agreements*

Any reference to any document defined as a "**Transaction Document**" or any other agreement or document shall be construed as a reference to such Transaction Document or, as the case may be, such other agreement or document as the same may have been, or may from time to time be amended, varied, novated, supplemented or replaced.

#### 2.2.3. *Transaction Parties*

A reference to any person defined as a "**Transaction Party**" in these Conditions or in any Transaction Document shall be construed so as to include its and any subsequent successors and permitted assignees and transferees in accordance with their respective interests.

### 3. **DENOMINATION, FORM AND TITLE**

#### 3.1 **Denomination**

The Rated Notes are issued in the minimum denomination of €100,000 and integral multiples thereafter, as specified in the applicable Final Terms.

#### 3.2 **Security for the Notes**

The rights arising from the Series Deed of Pledge are incorporated in each Rated Note of the relevant Series.

#### 3.3 **Form and title to the Notes**

The Rated Notes are issued in bearer form on behalf of the beneficial owners until redemption or cancellation by Monte Titoli for the account of the relevant Monte Titoli Account Holder. The Rated Notes will be accepted for clearance by Monte Titoli with effect from the Issue Date. The Notes will at all times be in book entry form and title to the Notes will be evidenced by book-entry in accordance with the provisions of (i) article 83-bis of the Financial Laws Consolidation Act, and (ii) the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018 (and published in the Official Gazette number 201 of 30 August 2018), as amended and supplemented from time to time. No physical document of title will be issued in respect of the Notes.

#### 3.4 **The Rules**

The rights and powers of the Rated Noteholders of any Series in respect of the relevant Transaction and the Programme may only be exercised in accordance with the Rules attached to these Conditions as an Exhibit which shall constitute an integral and essential part of these Conditions.

### 4. **STATUS, SEGREGATION AND RANKING**

#### 4.1 **Status**

The Rated Notes constitute secured limited recourse obligations of the Issuer and, accordingly, the obligation of the Issuer to make payments under the Rated Notes is limited to the amounts received or recovered by the Issuer in respect of the relevant Issuer's Series Segregated Assets, as further specified in Condition 9.2 (*Limited recourse obligation of the Issuer*). The Rated Noteholders acknowledge that the limited recourse nature of the Rated 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.

#### 4.2 **Segregation by law and security**

By virtue of the operation of Article 3 of the Securitisation Law and the Transaction Documents, the Issuer's rights, title and interest in and to the relevant Portfolio purchased by the Issuer under each Transaction, any monetary claim accrued by the Issuer in the context of such Transaction, the relevant collections and the financial assets purchased through such collections (the "**Issuer's Series Segregated Assets**") will be segregated from all other assets of the Issuer (including, for the avoidance of doubt, any other Portfolio purchased by the Issuer in the context of the Programme). Therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders of the relevant Series, to the Other Issuer Creditors of the relevant Transaction and to any other creditor of the Issuer in respect of costs, fees and expenses in relation to the relevant Transaction.

The Notes of each Class of any Series will have the benefit of the Security over certain assets of the Issuer pursuant to the relevant Series Deed of Pledge and the relevant Series Deed of Charge (if applicable).

#### 4.3 **Ranking**

In respect of each Series of Notes issued under the Programme:

- the Senior Notes of such Series will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but in priority to the Mezzanine Notes (if any) and the Junior Notes of such Series;
- the Mezzanine Notes of such Series (if any) will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but subordinated to the Senior Notes of such Series and in priority to the Junior Notes of such Series;
- the Junior Notes of such Series will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but subordinated to the Senior Notes and the Mezzanine Notes (if any) of such Series,

provided that for so long as there are Class A Notes outstanding, following the occurrence of a Class B Notes Series Performance Trigger, interest accruing on the Class B Notes will be subordinated to the payment of principal on the Class A Notes in accordance with Condition 6.3 (*Class B Notes Series Performance Triggers*) and the Pre Enforcement Priority of Payments, subject to the availability of the relevant Series Available Funds

#### 4.4 **Obligations of Issuer only**

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

### 5. **COVENANTS**

For so long as any amount remains outstanding in respect of the Notes of any Class, the Issuer shall not, in respect of each Transaction, save with prior written consent of the Representative of the Noteholders or as provided in or envisaged by any of the Transaction Documents:

#### 5.1 **Negative pledge**

create or permit to subsist any Security Interest whatsoever over the relevant Portfolio or any part thereof or over any of its other assets or sell, lend, part with or otherwise dispose of all or any part of the relevant Portfolio or any of its assets; or

#### 5.2 **Restrictions on activities**

- 5.2.1 engage in any activity whatsoever which is not incidental to or necessary in connection with such Transaction or the Programme or with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage; or
- 5.2.2 enter into derivative contracts save as expressly permitted by article 21, paragraph 2, of the EU Securitisation Regulation; or
- 5.2.3 have any subsidiary (*società controllata* as defined in article 2359 of the Italian civil code) or any employees or premises; or
- 5.2.4 at any time approve or agree or consent to any act or thing whatsoever which may be materially prejudicial to the interests of the Noteholders under the Transaction Documents and or to do, or permit to be done, any act or thing in relation thereto which may be materially prejudicial to the interests of the Noteholders under the Transaction Documents; or
- 5.2.5 become the owner of any real estate assets; or

### 5.3 **Dividends or distributions**

pay any dividend or make any other distribution or return or repay any equity capital to any of its Quotaholders, or increase its quota capital, save as required by applicable law; or

### 5.4 **De-registrations**

ask for de-registration from the "*elenco delle società veicolo*" held by Bank of Italy under article 2 of the Bank of Italy resolution dated 7 June 2017, for as long as the Securitisation Law, the Consolidated Banking Act or any other applicable law or regulation requires issuers of notes issued under the Securitisation Law or companies incorporated pursuant to the Securitisation Law to be registered thereon; or

### 5.5 **Borrowings**

incur any indebtedness in respect of borrowed money whatsoever (save for the indebtedness incurred in respect of the Programme and each Transaction thereunder) or give any guarantee, indemnity or security in respect of any indebtedness or in respect of any other obligation of any person or entity or become liable for the debts of any other person or entity or hold out its credit as being available to satisfy the obligations of others; or

### 5.6 **Merger**

consolidate or merge with any other person or entity or convey or transfer all or substantially all of its properties or assets to any other person or entity; or

### 5.7 **No variation or waiver**

permit any of the Programme Documents or the relevant Series Documents to which it is party to be amended, terminated or discharged, or exercise any powers of consent or waiver pursuant to the terms of any of the Transaction Documents to which it is a party including any power of consent or waiver in respect of the relevant Portfolio, or permit any party to any of the Transaction Documents to which it is a party to be released from such obligations; or

### 5.8 **Bank accounts**

open or have an interest in any bank account other than the relevant Series Issuer's Accounts, the account on which its contributed quota capital is deposited or transferred; or

### 5.9 **Statutory documents**

agree (insofar as is currently permitted) to amend, supplement or otherwise modify its by-laws (*statuto*) or *atto costitutivo* except where such amendment, supplement or modification is required by compulsory provisions of Italian law or by the competent regulatory authorities; or

#### 5.10 **Corporate records, financial statements and book of account**

cease to maintain corporate records, financial statements or books of account separate from those of the Originator and any other person or entity; or

#### 5.11 **Centre of Interest**

move its "centre of main interest" (as that term is used in Article 3(1) of the EU Insolvency Regulation) outside the Republic of Italy; or

#### 5.12 **Branch outside Italy**

establish any branch or "establishment" (as that term is used in Article 2(h) of the EU Insolvency Regulation) outside the Republic of Italy; or

#### 5.13 **Corporate Formalities**

cease to comply with all necessary corporate formalities.

### 6. **PRIORITY OF PAYMENTS**

#### 6.1 **Pre Enforcement Priority of Payments**

In respect of each Transaction, prior to the delivery of a Transaction Acceleration Notice or redemption in full of all the Notes of the relevant Series pursuant to the Conditions, the Series Available Funds shall be applied on each relevant Payment Date in making the following payments in the following order of priority subject to the provisions of Condition 6.3 (*Class B Notes Series Performance Triggers*) below (the "**Pre Enforcement Priority of Payments**"), in each case, only if and to the extent that payments of a higher priority have been made in full:

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

*Second*, to pay the remuneration due to the Representative of the Noteholders and to pay any indemnity amounts properly due to - and any proper costs and expenses incurred by - the Representative of the Noteholders under the provisions of, or in connection with, any of the relevant Series Documents;

*Third*, to credit into the relevant Expenses Account such an amount as will bring the balance of such account up to (but not in excess of) the Retention Amount;

*Fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any amount due and payable on account of remuneration, indemnities or proper costs and expenses incurred by the relevant agent on such Payment Date to each Account Bank, the Cash Manager, the Calculation Agent, the Back-up Calculation Agent, the Paying Agents, the Corporate Servicer, the Master Servicer, the Servicer, the Back-up Servicer, the relevant Subscriber(s) (other than IBL Banca as Subscriber which will be paid in accordance with item *Fifteenth* below) and the relevant Series Swap Counterparties (if any);

*Fifth*, to the extent applicable, to pay (i) all amounts for any payment due to the Series Swap Counterparty (if any) under the relevant Series Swap Agreement, and (ii) any amount payable by the Issuer as a result of the termination of such Series Swap Agreement, including, for the avoidance of doubt, following the occurrence of an Event of Default or Termination Event or Additional Termination

Event (as defined under the relevant Series Swap Agreement) in respect of which the Issuer is the Defaulting Party or the Sole Affected Party (as defined under the relevant Series Swap Agreement provided that any amount to be paid in case of termination of the Series Swap Agreement due to the default of the Series Swap Counterparty shall be paid in accordance with item *Thirteenth* below;

*Sixth*, to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Class A Notes of the relevant Series on such Payment Date;

*Seventh*, to pay on each Payment Date up to (but excluding) the Payment Date following the delivery of a Performance Trigger Notice, *pari passu* and *pro rata*, all amounts of interest due and payable on the Class B Notes of the relevant Series (if any) on such Payment Date;

*Eighth*, until repayment in full of the Rated Notes, to credit into the relevant Liquidity Reserve Account the amount necessary to bring the balance of such account up to (but not in excess of) the Liquidity Reserve Target Amount;

*Ninth*, to pay on each Payment Date, *pari passu* and *pro rata*, the Class A Notes Formula Redemption Amount in respect of the Class A Notes of the relevant Series on such Payment Date;

*Tenth*, until repayment in full of the Rated Notes, to credit into the relevant Additional Reserve Account the amount necessary to bring the balance of such account up to (but not in excess of) the Additional Reserve Target Amount;

*Eleventh*, to pay on the Payment Date following the delivery of a Performance Trigger Notice and on each Payment Date thereafter, *pari passu* and *pro rata*, all amounts of interest due and payable on the Class B Notes of the relevant Series (if any) on such Payment Date;

*Twelfth*, to the extent applicable, to pay, *pari passu* and *pro rata*, the Class B Notes Formula Redemption Amount in respect of the Class B Notes of the relevant Series on such Payment Date;

*Thirteenth*, to the extent applicable, to pay all amounts payable to the Series Swap Counterparty (if any), including any amount payable to the Series Swap Counterparty in case of termination of the Series Swap Agreement due to the default of such Series Swap Counterparty, under the relevant Series Swap Agreement as a result of the termination of the Series Swap Agreement to the extent not paid in accordance with item *Fifth* above;

*Fourteenth*, to pay to the Originator any Adjustment Purchase Price and/or any Supplemental Purchase Price pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement;

*Fifteenth*, to pay to the Originator (also in its capacity as Subscriber (if applicable) with respect to any indemnity payment payable in accordance with the relevant Series Subscription Agreement) any amount due and payable under the relevant Series Documents, to the extent not already paid or payable under other items of this Priority of Payments;

*Sixteenth*, if the Cash Trapping Condition is satisfied, to pay, *pari passu* and *pro rata*, all amounts of Remuneration due and payable on the Class J Notes of the relevant Series on such Payment Date, provided that if the Cash Trapping Condition is not satisfied, such amount shall not be paid to the Class J Noteholders of such Series but shall be credited to the relevant Payments Account;

*Seventeenth*, to pay, *pari passu* and *pro rata*, to the extent that the Rated Notes have been redeemed in full, the Class J Notes Formula Redemption Amount in respect of the Class J Notes of the relevant Series on such Payment Date;

*Eighteenth*, to pay, *pari passu* and *pro rata*, any Additional Remuneration (if any) on the Class J Notes of the relevant Series. The Issuer shall, if necessary, make the payments set out under item *First* above also during the relevant Interest Period.

## 6.2 Post Enforcement Priority of Payments

In respect of each Transaction, on each Payment Date following the delivery of a Transaction Acceleration Notice or in the event under Condition 8.3 (*Optional Redemption*) and Condition 8.4 (*Redemption for Taxation*) (if applicable), the Series Available Funds shall be applied in making the following payments in the following order of priority (the "**Post Acceleration Priority of Payments**" and, together with the Pre Acceleration Priority of Payments, the "**Priority of Payments**"), in each case, only if and to the extent that payments of a higher priority have been made in full:

*First*, if the relevant Programme Purchase Termination Event is not an Insolvency Event to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Expenses (to the extent that amounts standing to the credit of the relevant Expenses Account have been insufficient to pay such Expenses during the immediately preceding relevant Interest Period);

*Second*, to pay, *pari passu* and *pro rata*, according to the respective amounts thereof, the remuneration due to the Representative of the Noteholders and to pay any indemnity amounts properly due under and any proper costs and expenses incurred by the Representative of the Noteholders under the provisions of, or in connection with, any of the relevant Series Documents;

*Third*, if the relevant Programme Purchase Termination Event is not an Insolvency Event, to credit into the relevant Expenses Account such an amount to bring the balance of such account up to (but not in excess of) the Retention Amount;

*Fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any amount due and payable on account of remuneration, indemnities or proper costs and expenses incurred by the relevant agent on such Payment Date to each Account Bank, the Cash Manager, the Calculation Agent, the Back-up Calculation Agent, the Paying Agents, the Corporate Servicer, the Master Servicer, the Servicer, the Back-up Servicer, the relevant Subscriber(s) (other than IBL Banca as Subscriber which will be paid in accordance with item *Thirteenth* below) and the relevant Series Swap Counterparties (if any);

*Fifth*, to the extent applicable, to pay (i) all amounts for any payment due to the Series Swap Counterparty (if any) under the relevant Series Swap Agreement, and (ii) any amount payable by the Issuer as a result of the termination of such Series Swap Agreement, including, for the avoidance of doubt, following the occurrence of an Event of Default or Termination Event or Additional Termination Event (as defined under the relevant Series Swap Agreement) in respect of which the Issuer is the Defaulting Party or the Sole Affected Party (as defined under the relevant Series Swap Agreement), provided that any amount to be paid in case of termination of the Series Swap Agreement due to the default of the Series Swap Counterparty shall be paid in accordance with item *Tenth* below;

*Sixth*, to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Class A Notes of the relevant Series on such Payment Date;

*Seventh*, to pay, *pari passu* and *pro rata*, all amounts in respect of principal outstanding on the Class A Notes of the relevant Series;

*Eighth*, to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Class B Notes of the relevant Series (if any) on such Payment Date;

*Ninth*, to pay, *pari passu* and *pro rata*, all amounts in respect of principal outstanding on the Class B Notes of the relevant Series (if any);

*Tenth*, to the extent applicable, to pay all amounts payable to the Series Swap Counterparty (if any), including any amount payable to the Series Swap Counterparty in case of termination of the Series Swap Agreement due to the default of such Series Swap Counterparty, under the relevant Series Swap Agreement as a result of the termination of the Series Swap Agreement to the extent not paid in accordance with item *Fifth* above;

*Eleventh*, to pay to the Originator any Adjustment Purchase Price and/or any Supplemental Purchase Price pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement;

*Twelfth*, to pay to the Originator (also in its capacity as Subscriber (if applicable) with respect to any indemnity payment payable in accordance with the relevant Series Subscription Agreement) any amount due and payable under the relevant Series Documents, to the extent not already paid or payable under other items of this Priority of Payments;

*Thirteenth*, to pay, *pari passu* and *pro rata*, all amounts of Remuneration due and payable on the Class J Notes of the relevant Series on such Payment Date, provided that if the Cash Trapping Condition is not satisfied, such amount shall not be paid to the Class J Noteholders of such Series but shall be credited to the relevant Payments Account;

*Fourteenth*, to pay, *pari passu* and *pro rata*, to the extent that the Rated Notes have been redeemed in full, all amounts outstanding in respect of principal due and payable on the Class J Notes of the relevant Series;

*Fifteenth*, to pay, *pari passu* and *pro rata*, any Additional Remuneration (if any) on the Class J Notes of the relevant Series.

The Issuer shall, if necessary, make the payments set out under item *First* above also during the relevant Interest Period.

### 6.3 Class B Notes Series Performance Triggers

If "Class B Notes Series Performance Triggers" is specified as being applicable in the Final Terms of the relevant Series of Notes and the following Class B Notes Series Performance Triggers occurs:

- (a) the Cumulative Net Default Ratio has exceeded the Cumulative Default Trigger, as specified in the latest available Servicer's Report,

then

- (i) the Programme Administrator shall deliver a written notice (a "**Performance Trigger Notice**") to the Issuer, the Originator, the Representative of the Noteholders, the Calculation Agent, the Paying Agents and the Rating Agencies, stating that a Class B Series Performance Trigger has occurred;
- (ii) following the delivery of a Performance Trigger Notice with respect to such Series and solely for the purpose of applying the relevant Series Available Funds in accordance with the Pre Enforcement Priority of Payments, from (and including) the immediately following Payment Date and on each Payment Date thereafter, item *Seventh* of the Pre Enforcement Priority of Payments shall not apply and item *Eleventh* of the Pre Enforcement Priority of Payments shall apply.

### 6.4 Management Fee

Each Rated Noteholder, by reason of holding the Class A Notes and the Class B Notes (if any), acknowledges and agrees that:

6.4.1 IBL, in its capacity as Originator, has undertaken in respect of each Transaction, pursuant to the Programme Receivables Purchase Agreement and the Programme Cash Allocation Management and Payments Agreement:

- (a) in respect of the Receivables included in the relevant Portfolio transferred by it to the Issuer, to credit into the relevant Management Fee Reserve Account on the Issue

Date of the relevant Series the Management Fee Reserve Target Amount in respect of the Receivables included in such Portfolio; and

- (c) to credit into the relevant Management Fee Reserve Account, on each relevant Payment Date, the relevant Management Fee Reserve Increased Amount as specified in the relevant Servicer's Report issued as of the immediately preceding relevant Servicer's Report Date;

6.4.2 the Issuer has undertaken to use the amounts credited into the relevant Management Fee Reserve Account in accordance with the Programme Cash Allocation Management and Payments Agreement;

6.4.3 the repayment to the Originator of the relevant Management Fee Reserve Released Amount shall be made by the Issuer on a monthly basis on each Payment Date, in any case without applying the relevant Priority of Payments and in all circumstances in accordance with the Transaction Documents; and

6.4.4 all amounts standing to the credit of the relevant Management Fee Reserve Account, on the Business Day following the Payment Date on which the Notes of such Series are redeemed in full or cancelled, will be paid to the Originator.

## 6.5 **Amounts Not Pertaining to the Transaction**

Each Rated Noteholder, by reason of holding the Class A Notes and the Class B Notes (if any), acknowledges and agrees that, pursuant to the Programme Servicing Agreement, in respect of each Transaction, the Amounts Not Pertaining to the Transaction (if any): (i) will be determined and notified to the Issuer by the Master Servicer; (ii) will be paid to the Originator (also by way of set-off) within 2 Business Days from the notification under (i) above pursuant to the Programme Servicing Agreement; and (iii) will be set out in each relevant Servicer's Report, with respect to the immediately preceding relevant Collection Period.

## 7. **INTEREST**

### 7.1 **Accrual of interest**

Each Rated Note bears interest on its Principal Amount Outstanding from (and including) the Issue Date of the relevant Series (as specified in the Final Terms applicable to such Series), as determined in accordance with this Condition 7 (*Interest*) and the applicable Final Terms.

Interest will start to accrue in respect of the Notes from the Issue Date (included) of the relevant Series (as specified in the Final Terms applicable to such Series).

### 7.2 **Payment Dates and Interest Periods**

Interest in respect of the Rated Notes will accrue on a daily basis and will be payable in Euro in arrears on each relevant Payment Date in respect of the Interest Period ending immediately prior to such Payment Date, in accordance with the applicable Priority of Payments. The first Payment Date of each Series of Notes will be set out in the Final Terms applicable to such Series in respect of the Initial Interest Period.

### 7.3 **Termination of interest accrual**

Each Rated Note (or the portion of the Principal Amount Outstanding due for redemption) shall cease to bear interest from (and including) the Final Maturity Date of the relevant Series (as specified in the Final Terms applicable to such Series) or from (and including) any earlier date fixed for redemption unless payment of the principal due and payable but unpaid is improperly withheld or refused, in which case, each Rated Note (or the relevant portion thereof) will continue to bear interest in accordance with this Condition (both before and after judgment) at the rate from time to time applicable to such

Rated Note until the day on which either all sums due in respect of such Rated Note up to that day are received by the relevant Rated Noteholder or the Representative of the Noteholders or the Italian Paying Agent receives all amounts due on behalf of all such Rated Noteholders.

#### 7.4 Calculation of interest

Interest in respect of any Interest Period or any other period will be calculated on the basis of the actual number of days elapsed and a 360 day year.

#### 7.5 Rate of Interest

##### 7.5.1 Fixed Interest Rate

If the Final Terms applicable in respect of the relevant Series of Notes specify that the rate of interest applicable to the Class A Notes and/or the Class B Notes (if any) for each Interest Period, including the Initial Interest Period, shall be a fixed rate per annum (the "**Fixed Rate of Interest**"), the amount of interest payable in respect of each Notes of such Class of such Series shall be the relevant Fixed Interest Amount.

"**Fixed Interest Amount**" means the fixed rate of interest specified as such in the applicable Final Terms.

##### 7.5.2 Floating Interest Rate

If the Final Terms applicable in respect of the relevant Series of Notes specify that the rate of interest applicable to the Class A Notes and/or the Class B Notes (if any) for each Interest Period, including the Initial Interest Period, shall be a floating rate per annum (the "**Floating Rate of Interest**"), the amount of interest payable in respect of each Notes of such Class of such Series shall be the relevant Floating Interest Amount.

"**Floating Interest Amount**" means EURIBOR plus the Margin, as specified in the applicable Final Terms, provided that if the applicable Floating Rate of Interest is lower than zero shall be deemed as zero.

"**EURIBOR**" means the Euro-zone interbank offered rate, for either one (1), three (3) or six (6) Euro deposits as specified in the applicable Final Terms, as determined by the Principal Paying Agent (as benchmark administrator listed in the relevant registrar pursuant to the Article 36 of the BMR), in accordance with the Conditions, as it appears on the relevant Reuters Screen Page or (aa) such other page as may replace the relevant Reuters Screen Page on that service for the purpose of displaying such information or (bb) 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 such Reuters Screen Page at or about 11:00 a.m. (Milan time) on the relevant Determination Date (rounded to four decimal places with the midpoint rounded upwards) (the "**Screen Rate**"), provided that:

- (a) if the Screen Rate is unavailable at such time for either one (1), three (3) or six (6) month Euro deposits as applicable, then the rate for any relevant Interest Period shall be the arithmetic mean (rounded to four decimal places with the mid-point rounded up) of the rates notified to the Representative of the Noteholders at its request by each of the Reference Banks as the rate at which respectively one, three or six months Euro deposits in a representative amount are offered by that Reference Bank to leading banks in the Euro-zone inter-bank market at or about 11.00 a.m. (Milan time) on any Determination Date; or
- (b) if on any Determination Date, the Screen Rate is unavailable and only two of the Reference Banks provide such offered quotations to the Calculation Agent the relevant rate shall be determined, in the manner specified in item (a) above, on the

basis of the offered quotations of those Reference Banks providing such quotations;  
or

- (c) if, on any Determination Date, the Screen Rate is unavailable and only one of the Reference Banks provides the Agent Bank with an offered quotation, the Rate of Interest for the relevant Interest Period shall be the rate of Interest in effect for the immediately preceding Interest Period when one of EURIBOR or item (b) above shall have been applied.

The Principal Paying Agent may, at any time, request the Issuer and the Representative of the Noteholders to agree, without the consent of the Noteholders, to amend EURIBOR (any such amended rate, an "**Alternative Base Rate**") and make such other related or consequential amendments as are necessary or advisable in order to facilitate such change (any such change, a "**Base Rate Modification**") provided that the following conditions are satisfied:

1. the Principal Paying Agent, on behalf of the Issuer, has provided the Representative of the Noteholders, the relevant Series Swap Counterparty and the Noteholders of the relevant Transaction with at least 30 (thirty) calendar days' prior written notice of any such proposed Base Rate Modification and has certified to the Representative of the Noteholders, the relevant Series Swap Counterparty and the Noteholders in such notice (such notice being a "**Base Rate Modification Certificate**") that:
  - (a) such Base Rate Modification is being undertaken due to:
    - (i) a prolonged and material disruption to EURIBOR, a material change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or be published;
    - (ii) a public statement by the EURIBOR administrator that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR);
    - (iii) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;
    - (iv) a public statement by the supervisor of the EURIBOR administrator that means EURIBOR may no longer be used or that its use is or will be subject to restrictions or adverse consequences; or
    - (v) the reasonable expectation of the Principal Paying Agent that any of the events specified in sub-paragraphs (i) to (iv) above will occur or exist within 6 (six) months of the proposed effective date of such Base Rate Modification; and
  - (b) such Alternative Base Rate is:
    - (i) a base rate published, endorsed, approved or recognised by the European Central Bank, any regulatory authority in Italy or the EU or any stock exchange on which the Rated Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);
    - (ii) the Euro Over Night Index Average (or any rate which is derived from, based upon or otherwise similar to the foregoing); or

- (iii) a base rate utilised in a material number of publicly-listed new issues of Euro denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification;
2. the Rating Agencies of the relevant Series have been notified of such proposed Base Rate Modification and, based on such notification, the Principal Paying Agent is not aware that the then current ratings of the Rated Notes of such Series would be adversely affected by such Base Rate Modification; and
3. the Originator pays all fees, costs and expenses (including legal fees) incurred by the Issuer and the Representative of the Noteholders or any other party to the Transaction Documents in connection with such Base Rate Modification.

Notwithstanding the above, no Base Rate Modification will become effective if within 30 (thirty) calendar days of the delivery of the Base Rate Modification Certificate, (i) any of the relevant Series Swap Counterparty does not consent to Base Rate Modification, or (ii) Noteholders representing at least 10 per cent. of the Principal Amount Outstanding of the Class A Notes of the relevant Series have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which the Class A Notes are held) that they do not consent to the Base Rate Modification (a "**Noteholder Base Rate Consent Event**"). Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Representative of the Noteholders' satisfaction (having regard to prevailing market practices) of the relevant Noteholder's title to the Class A Notes of such Series. If a Noteholder Base Rate Consent Event occurs, the Base Rate Modification will not become effective unless a resolution of the holders of the Class A Notes of the relevant Series is passed in favour of the Base Rate Modification in accordance with the Rules of the Organisation of the Noteholders. The Principal Paying Agent, on behalf of the Issuer, will notify the Representative of the Noteholders, the relevant Series Swap Counterparties and the Noteholders in accordance with Condition 16 (*Notices*) on the date when the Base Rate Modification takes effect.

## 7.6 Calculation of Interest Payment Amounts

The Issuer shall on each Determination Date, in respect of each Series of Notes, determine or cause the Principal Paying Agent to determine the Euro amount (the "**Interest Payment Amount**") payable as interest on each Class A Note and Class B Note (if any) on the next following Payment Date for the Interest Period starting after such Determination Date, calculated by applying the relevant Fixed Rate of Interest or Floating Rate of Interest (each a "**Rate of Interest**") to the Principal Amount Outstanding of such Class A Note or Class B Note on the Payment Date at the commencement of such Interest Period (or, in the case of the Initial Interest Period, the Issue Date of the relevant Series) (after deducting therefrom any payment of principal due and paid on that Payment Date), multiplying the product of such calculation by the actual number of days in the Interest Period and dividing by 360, and rounding the resultant figure to the nearest cent (half a cent being rounded up).

## 7.7 Notification of Interest Payment Amount and Payment Date

As soon as practicable (and in any event not later than the close of business on the relevant Determination Date), the Issuer will cause:

- 7.7.1 the Interest Payment Amount for the Class A Notes and the Class B Note (if any) for the related Interest Period; and
- 7.7.2 the Payment Date in respect of each such Interest Payment Amount,

to be notified by the Principal Paying Agent to the Calculation Agent, the Back-up Calculation Agent, the Issuer, the Representative of the Noteholders, the Master Servicer, the Servicer, the Back-Up Servicer and the Corporate Servicer and will cause the same to be published in accordance with Condition 16 (*Notices*) on or as soon as possible after the relevant Determination Date.

## 7.8 Amendments to publications

The Interest Payment Amount for the Class A Notes and the Class B Note (if any) and the Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of any extension or shortening of the relevant Interest Period.

## 7.9 Determination by the Representative of the Noteholders

If the Issuer does not at any time for any reason calculate or cause the Principal Paying Agent to calculate the Interest Payment Amount for the Class A Notes and the Class B Note (if any) in accordance with Condition 7.6 (*Calculation of Interest Payment Amounts*), the Representative of the Noteholders as legal representative of the Organisation of the Noteholders shall determine (or cause to be determined) the Interest Payment Amount for the Class A Notes in the manner specified in Condition 7.6 (*Calculation of Interest Payment Amounts*). Any such determination shall be deemed to have been made by the Issuer.

## 7.10 Notifications to be final

Save as provided for under Condition 7.8 (*Amendments to publication*) above, each notification, calculation and quotation given, expressed, made or obtained for the purposes of this Condition 7 (*Interest*), whether by the Principal Paying Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful default, bad faith or manifest error) be binding on all persons.

## 7.11 Unpaid interest with respect to the Rated Notes

In the event that on any Payment Date, there is any interest which remains unpaid in respect of any Rated Note, such unpaid interest will be aggregated with the amount of interest due and payable on each such Rated Note on the next succeeding Payment Date. Unpaid interest on the Rated Notes shall accrue no interest.

## 7.12 Reference Banks and Italian Paying Agent

The Issuer shall ensure that, so long as any of the Notes remains outstanding, there shall at all times be three reference banks (the "**Reference Banks**") and the Italian Paying Agent. The Reference Banks shall be three major banks in the Euro-zone inter-bank market selected by the Issuer with the prior written approval of the Representative of the Noteholders (which shall act on the basis of the Rules of the Organisation of the Noteholders).

# 8. REDEMPTION, PURCHASE AND CANCELLATION

## 8.1 Final redemption - Cancellation

Unless previously redeemed in full or cancelled as provided in this Condition 8 (*Redemption, Purchase and Cancellation*), the Issuer shall redeem the Rated Notes at their Principal Amount Outstanding, plus any accrued but unpaid interest, on the applicable Final Maturity Date (as specified in the applicable Final Terms).

The Issuer may not redeem the Rated Notes in whole or in part prior to the relevant Final Maturity Date except as provided below in Conditions 8.2 (*Mandatory redemption*), 8.3 (*Optional redemption*) and 8.4 (*Optional redemption in whole for taxation reasons*), but without prejudice to Condition 12 (*Transaction Acceleration Events and Programme Purchase Termination Events*) and Condition 13 (*Enforcement*).

The Notes of any Series will be cancelled on the earlier of (the "**Cancellation Date**"):

- (a) the date on which the Notes of such Series have been redeemed in full; or

(b) the date on which the Representative of the Noteholders has certified to the Issuer that all the Collections due in respect of all the Receivables comprised in the relevant Portfolio have been received or recovered and that all judicial enforcement procedures in respect of such Portfolio have been exhausted; or

(c) the date on which all the Receivables comprised in the relevant Portfolio have been sold and the relevant proceeds have been received and applied in accordance with the applicable Priority of Payments.

On the Cancellation Date any amount outstanding, whether in respect of interest or principal in respect of the Notes of such Series, shall be finally and definitively cancelled. Upon cancellation, the Notes may not be resold or re-issued.

## 8.2 **Mandatory redemption**

Unless previously redeemed in accordance with Condition 8.3 (*Optional Redemption*) or Condition 8.4 (*Optional Redemption in whole for taxation reasons*), the Notes of any Series will be subject to mandatory redemption in full (or in part *pro rata*) on each Payment Date, in accordance with this Condition 8 (*Redemption, Purchase and Cancellation*), if and to the extent that, on such dates, there are sufficient Series Available Funds which may be applied towards redemption of the Notes of the relevant Series, in accordance with the Pre-Enforcement Priority of Payments.

In respect of each Series of Notes, on the applicable first Payment Date and on each Payment Date thereafter, the Issuer will cause each Class A Note and Class B Note (if any) to be redeemed on such Payment Date in an amount equal to the Principal Payment Amount in respect of such Class A Note or Class B Note (as the case may be) determined on the related Calculation Date.

## 8.3 **Optional redemption**

Provided that no Transaction Acceleration Notice has been served on the Issuer, on any relevant Payment Date falling on or after the relevant Clean Up Option Date, the Issuer may redeem the Rated Notes (in whole but not in part) and the Junior Notes (in whole but not in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), in accordance with the Post Enforcement Priority of Payments, subject to the following:

8.3.1 the Issuer has given not more than 60 days and not less than 30 days' notice to the Representative of the Noteholders and to the relevant Noteholders in accordance with Condition 16 (*Notices*) of its intention to redeem the Notes of each Class of the relevant Series which are to be redeemed; and

8.3.2 prior to giving such notice, the Issuer has provided to the Representative of the Noteholders a certificate signed by an authorised representative of the Issuer on its behalf confirming that the Issuer will on the relevant Payment Date have the funds (free and clear of any Security Interest of any third party) required to discharge, in respect of the relevant specific Series, all of its outstanding liabilities in respect of (a) the relevant Rated Notes in accordance with this Condition, (b) any amount required to be paid under the Post Enforcement Priority of Payments in priority to or *pari passu* with such Rated Notes, (c) the relevant Junior Notes, and (d) any amount required to be paid under the Post Enforcement Priority of Payments in priority to or *pari passu* with such Junior Notes.

## 8.4 **Optional redemption in whole for taxation reasons**

Provided that no Transaction Acceleration Notice has been served on the Issuer, the Issuer may redeem in whole (but not in part) the Notes of each Class at their Principal Amount Outstanding, together with accrued and unpaid interest (and, for the Class J Notes, the Variable Return) up to and including the relevant Payment Date, on any relevant Payment Date:

8.4.1 after the date on which the Issuer is required to make any payment in respect of the Notes

and the Issuer or any other person would be required to make

- (a) a Tax Deduction; and/or
- (b) any withholding or deduction pursuant to an agreement described in Section 1471(b) of the US Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof ("**FATCA Withholding Tax**"),

in respect of such payment (other than in respect of a Decree 239 Deduction); or

8.4.2 after the date of a change in the Tax law of Italy (or the application or official interpretation of such law) which would cause the total amount payable in respect of the Portfolio to cease to be receivable by the Issuer, including as a result of any of the Debtors being obliged to make a Tax Deduction in respect of any payment in relation to any Receivables,

subject to the following:

- (a) the Issuer has given not more than 60 days' and not less than 30 days' notice to the Representative of the Noteholders and the Noteholders in accordance with Condition 16 (*Notices*) of its intention to redeem in whole (but not in part) of the Notes of each Class; and
- (b) prior to giving such notice, the Issuer has provided to the Representative of the Noteholders:
  - (i) a certificate signed by an authorised representative of the Issuer on its behalf to the effect that the obligation to make a Tax Deduction or to apply the FATCA Withholding Tax or the imposition resulting in the total amount payable in respect of the Portfolio ceasing to be receivable by the Issuer cannot be avoided by taking measures reasonably available to the Issuer and not prejudicial to its interests as a whole; and
  - (ii) a certificate signed by an authorised representative of the Issuer on its behalf confirming that the Issuer will, on the relevant Payment Date, have the funds (free and clear of any Security Interest of any third party) required to redeem in whole (but not in part) the Notes of the relevant Series pursuant to this Rated Notes Condition, the Junior Notes Conditions and the Programme Intercreditor Agreement and required to discharge all of its outstanding liabilities in respect of any amount to be paid under the Post Enforcement Priority of Payments in priority to or *pari passu* with the Notes of such Series.

## 8.5 **Conclusiveness of certificates and legal opinions**

Any certificate or opinion given by or on behalf of the Issuer pursuant to Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption in whole for taxation reasons*) may be relied upon by the Representative of the Noteholders without further investigation and shall be binding on the Noteholders and the Other Issuer Creditors.

## 8.6 **Calculation of Principal Payment Amount and Principal Amount Outstanding**

With reference to each Transaction, on each relevant Calculation Date, the Issuer shall calculate or cause the Calculation Agent to calculate:

- 8.6.1 the amount of the Series Available Funds for such Transaction;
- 8.6.2 the Principal Payment Amount, if any, in respect of each Class of Notes of the relevant Series due on the next following Payment Date; and

8.6.3 the Principal Amount Outstanding of each Class of Notes of the relevant Series on the next following Payment Date (after deducting any principal payment due to be made on that Payment Date in relation to such Class of Note),

in accordance with these Conditions.

The principal payment amount for each Class of Notes (including the Rated Notes), as the principal redeemable amount in respect of each Class of Notes, is an amount equal to the relevant Notes Formula Redemption Amount (for each relevant Class of Notes), as set forth in Condition 2.1 (*Definitions*) (the "**Principal Payment Amount**").

Upon receipt of the information referred to in Condition 8.6.1(b) and (c) above, the Italian Paying Agent shall forthwith notify Monte Titoli.

#### **8.7 Calculation in case of default by the Issuer or Calculation Agent**

If the Issuer does not at any time for any reason calculate (or cause the Calculation Agent to calculate) the relevant Series Available Funds, the Principal Payment Amount in respect of each Class of Notes of the relevant Series or the Principal Amount Outstanding of each Class of Notes of such Series in accordance with this Rated Notes Condition, such calculations shall be made in accordance with the provisions of the Programme Cash Allocation, Management and Payments Agreement and each such calculation shall be deemed to have been made by the Issuer.

#### **8.8 Notice of calculation of Principal Payment Amount and Principal Amount Outstanding**

The Issuer will cause each calculation of the Principal Payment Amount and Principal Amount Outstanding in relation to each Class of Notes of the relevant Series to be notified immediately after calculation (through the Payments Report or the Post Enforcement Payments Report) to the Corporate Servicer, the Master Servicer, the Servicer, the Representative of the Noteholders, the Back-up Servicer, the Back-up Calculation Agent and each Paying Agent and will cause notice of each calculation of a Principal Payment Amount and Principal Amount Outstanding in relation to each Class of Notes of each relevant Series to be given in accordance with Condition 16 (*Notices*) not later than two Business Days prior to each Payment Date.

#### **8.9 Notice Irrevocable**

Any such notice as is referred to in Condition 8.3 (*Optional redemption*), Condition 8.4 (*Optional redemption in whole for taxation reasons*) and Condition 8.8 (*Notice of calculation of Principal Payment Amount and Principal Amount Outstanding*) above shall be made pursuant to Condition 16 (*Notices*) and be irrevocable and, upon the expiry of any notice pursuant to Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption in whole for taxation reasons*), the Issuer shall be bound to redeem the Rated Notes of the relevant Series in accordance with this Condition 8 (*Redemption, Purchase and Cancellation*).

#### **8.10 No purchase by Issuer**

The Issuer is not permitted to purchase any of the Notes at any time.

### **9. NON PETITION AND LIMITED RECOURSE**

#### **9.1 Noteholders not entitled to proceed directly against Issuer**

Only the Representative of the Noteholders may pursue the remedies available under the general law or under the Transaction Documents to obtain payment and performance of the Obligations or enforce the Security and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment and performance of the Obligations or to enforce the Security, save as provided for in the Rules of the Organisation of the Noteholders. In particular, no Noteholder (nor any person on its behalf, other than the Representative of the Noteholders, where appropriate):

- 9.1.1 is entitled, save as expressly permitted by the Transaction Documents, to direct the Representative of the Noteholders to enforce the Security or take any proceedings against the Issuer to enforce the Security;
- 9.1.2 shall, save as expressly permitted by the Transaction Documents, have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to it;
- 9.1.3 shall be entitled, until the date falling two years and one day after the date on which all the Notes issued under the Programme or any other asset backed notes issued by the Issuer have been redeemed in full or cancelled in accordance with their terms and conditions, to cause, initiate or join any person in initiating an Insolvency Event in relation to the Issuer; and
- 9.1.4 shall be entitled to take or join in the taking of any corporate action, legal proceeding or other procedure or step which would result in the Priority of Payments not being complied with.

## 9.2 Limited recourse obligations of Issuer

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

- 9.2.1 each Noteholder will have a claim only in respect of the relevant Series Available Funds and at all times only in accordance with the applicable Priority of Payments and will not have any claim, by operation of law or otherwise, against, or recourse to, (a) the Issuer's other assets or its contributed capital, and (b) the Portfolio purchased under any other Transaction and the Series Available Funds of such other Transactions;
- 9.2.2 sums payable to each Noteholder in respect of the Issuer's obligations to such Noteholder shall be limited to the lesser of (a) the aggregate amount of all sums due and payable to such Noteholder and (b) the relevant Series Available Funds, net of any sums which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to or *pari passu* with such sums payable to such Noteholder; and
- 9.2.3 if the Servicer has certified to the Programme Administrator and the Representative of the Noteholders that there is no reasonable likelihood of there being any further realisations in respect of the relevant Issuer's Series Segregated Assets or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay unpaid amounts outstanding under the relevant Series Documents (and the Programme Documents in respect of the relevant Transaction) or the Notes of such Series and the Representative of the Noteholders has given notice on the basis of such certificate in accordance with Condition 16 (*Notices*) that there is no reasonable likelihood of there being any further realisations in respect of the relevant Issuer's Series Segregated Assets or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay amounts outstanding under the relevant Series Documents (and the Programme Documents in respect of the relevant Transaction), the Noteholders shall have no further claim against the Issuer in respect of any such unpaid amounts and such unpaid amounts shall be cancelled and discharged in full.

## 10. PAYMENTS

### 10.1 Payments through Monte Titoli

Payment of principal, interest and Variable Return in respect of the Notes will be credited, according to the instructions of Monte Titoli, by the Italian Paying Agent on behalf of the Issuer to the accounts of the Monte Titoli Account Holders in whose accounts with Monte Titoli the Notes are held and thereafter credited by such Monte Titoli Account Holders from such aforementioned accounts to the accounts of the beneficial owners of those Notes or through Euroclear and Clearstream to the accounts

with Euroclear and Clearstream of the beneficial owners of those Notes, all in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream, as the case may be.

## 10.2 **Payments subject to fiscal laws**

All payments in respect of the Notes are subject in each case to any applicable fiscal or other laws and regulations. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

## 10.3 **Payments on Business Days**

Noteholders will not be entitled to any interest or other payment in consequence of any delay after the due date in receiving any amount due as a result of the due date not being a business day in the place of payment to such Noteholder.

## 10.4 **Change of Paying Agents**

The Issuer reserves the right, in accordance with the provisions of the Programme Cash Allocation, Management and Payments Agreement, at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Italian Paying Agent and/or Principal Paying Agent in respect of all Transactions under the Programme provided that (for as long as the Rated Notes of the relevant Series are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require) the Issuer will at all times maintain a paying agent with a Specified Office in Luxembourg. The Issuer will cause at least 10 (ten) days' prior notice of any change in or addition to the paying agent or their Specified Offices to be given in accordance with Condition 16 (*Notices*).

## 11. **TAXATION**

### 11.1 **Payments free from Tax**

All payments in respect of the Notes will be made free and clear and without withholding or deduction (other than a Decree 239 Deduction, where applicable) for any Taxes imposed, levied, collected, withheld or assessed by applicable law unless the Issuer, the Representative of the Noteholders, any Paying Agent or any other person is required by law to make a deduction or withholding from any payment which it makes under the Notes and the Transaction Documents for or on account of any present or future taxes if and to the extent so required by any applicable law (each, a "**Tax Deduction**"). In that event the Issuer, the Representative of the Noteholders or the Paying Agent or other person (as the case may be) shall make such payments after such Tax Deduction has been made and shall account to the relevant authorities for the amount so withheld or deducted.

### 11.2 **No payment of additional amounts**

None of the Issuer, the Representative of the Noteholders, any Paying Agent nor any other person will be obliged to pay any additional amounts to the Rated Noteholders as a result of any such Tax Deduction.

### 11.3 **Taxing jurisdiction**

If the Issuer becomes subject at any time to any taxing jurisdiction other than the Republic of Italy, references in these Conditions to the Republic of Italy shall be construed as references to the Republic of Italy and/or such other jurisdiction.

### 11.4 **Tax Deduction not Transaction Acceleration Event**

Notwithstanding that the Representative of the Noteholders, the Issuer, the Paying Agent or any other person are required to make a Tax Deduction this shall not constitute a Transaction Acceleration Event.

## 12. TRANSACTION ACCELERATION EVENTS AND PROGRAMME PURCHASE TERMINATION EVENTS

### 12.1 Transaction Acceleration Events

In respect of each Series of Notes issued under the Programme, the occurrence of any of the following events shall constitute a Transaction Acceleration Event:

#### 12.1.1 *Non-payment of principal*

the Issuer defaults in the payment of the amount of principal on the relevant Final Maturity Date, as due and payable on the Most Senior Class of Notes of such Series then outstanding, and such default is not remedied within a period of five Business Days from the due date thereof;

#### 12.1.2 *Non-payment of interest*

the Issuer defaults in the payment of the amount of interest on a Payment Date, as due on the Most Senior Class of Notes of such Series then outstanding, and such default is not remedied within a period of five Business Days from the due date thereof; or

#### 12.1.3 *Programme Purchase Termination Event: Insolvency of the Issuer and Unlawfulness*

A Programme Purchase Termination Event under Condition 12.5.1 (*Insolvency of the Issuer*) or 12.5.2 (*Unlawfulness*) has occurred and the Representative of the Noteholders and/or the Programme Administrator has delivered a Programme Purchase Termination Notice.

### 12.2 Delivery of a Transaction Acceleration Notice

Upon the occurrence of any Transaction Acceleration Event, the Representative of the Noteholders shall deliver a written notice (a "**Transaction Acceleration Notice**"), without undue delay, to the Issuer and to the Noteholders in compliance with Condition 16.

### 12.3 Conditions to delivery of Transaction Acceleration Notice

Notwithstanding Condition 12.2 (*Delivery of a Transaction Acceleration Notice*) the Representative of the Noteholders shall not be obliged to deliver a Transaction Acceleration Notice unless it shall have been indemnified and/or secured to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

### 12.4 Consequences of delivery of Transaction Acceleration Notice

Upon the delivery of a Transaction Acceleration Notice, all payments of principal, interest, Variable Return and other amounts in respect of the Notes of each Class of the relevant Series shall become immediately due and payable without further action or formality at their Principal Amount Outstanding, together with any accrued interest and shall be payable in accordance with the order of priority set out in Condition 6.2 (*Post Enforcement Priority of Payments*) and on such dates as the Representative of the Noteholders shall determine as being Payment Dates.

The occurrence of a Transaction Acceleration Event in relation to the Notes of one or more Series (other than the Transaction Acceleration Event under Condition 12.1.3 (*Programme Purchase Termination Event*) above) shall not constitute *per se* the occurrence of a Transaction Acceleration Event in relation to the Notes of all Series then outstanding under the Programme.

### 12.5 Programme Purchase Termination Event

In respect of the Programme, the occurrence of any of the following events shall constitute a Programme Purchase Termination Event:

#### 12.5.1 *Insolvency of the Issuer*

An Insolvency Event occurs with respect to the Issuer.

#### 12.5.2 *Unlawfulness*

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

#### 12.5.3 *Insolvency of the Originator*

- (A) 30 days have elapsed since an application is made for the commencement of an *amministrazione straordinaria* or *liquidazione coatta amministrativa* or a resolution tool (*misura di risoluzione*) pursuant to article 20 of Legislative Decree No. 180 of 16 November 2015 or any other applicable bankruptcy proceedings against the Originator in any jurisdiction and such application has not been rejected by the relevant court nor has it been withdrawn by the relevant applicant (unless a legal opinion or other adequate comfort is obtained by the Originator and is delivered to the Representative of the Noteholders confirming that such application is manifestly without grounds), provided that during the period comprised between the date of such application and thirty days thereafter, the Originator shall not be entitled to send any Offer to the Issuer for the transfer of a Portfolio under the Programme pursuant to the Programme Receivables Purchase Agreement; or
- (B) the Originator becomes subject to any *amministrazione straordinaria*, *liquidazione coatta amministrativa* or a resolution tool (*misura di risoluzione*) pursuant to article 20 of Legislative Decree No. 180 of 16 November 2015 or any other applicable bankruptcy proceedings in any jurisdiction or the whole or any substantial part of the assets of the Originator are subject to a *pignoramento* or similar procedure having a similar effect.

#### 12.5.4 *Winding-up of the Originator*

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

#### 12.5.5 *Termination of IBL Banca's appointment as Servicer*

The Issuer has terminated the appointment of IBL Banca as Servicer following the occurrence of a Servicer's Termination Event set forth in Clause 4 of the Programme Servicing Agreement, except for the Servicer Termination Event set forth in clause 4.1.5 of the Programme Servicing Agreement.

### 12.6 **Delivery of a Programme Purchase Termination Notice**

Upon the occurrence of any Programme Purchase Termination Event, the Representative of the Noteholders and/or the Programme Administrator shall deliver a written notice (a "**Programme Purchase Termination Notice**"), without undue delay, to the Issuer, the Originator, the Representative of the Noteholders (if the notice has been sent by the Programme Administrator), the Rating Agencies and to the Noteholders in compliance with Condition 16.

### 12.7 **Conditions to delivery of Programme Purchase Termination Notice**

Notwithstanding Condition 12.6 (*Delivery of a Programme Purchase Termination Notice*) the Representative of the Noteholders shall not be obliged to deliver a Programme Purchase Termination Notice unless it shall have been indemnified and/or secured to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

### 12.8 **Consequences of delivery of Programme Purchase Termination Notice**

Upon the delivery of a Programme Purchase Termination Notice (a) the Issuer shall refrain from

purchasing any additional Portfolio and from making any further issue of Series of Notes under the Programme; (b) the Representative of the Noteholders may, at its discretion and without further notice, take such steps and/or institute such proceedings as it thinks fit to enforce repayment of the Notes of all the Series issued from time to time by the Issuer and payment of accrued interest thereon but it shall not be bound to do so unless directed by an Extraordinary Resolution of all the holders of the Most Senior Class of Notes of all Series then outstanding and only if it shall have been indemnified and/or secured to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

## **13. ENFORCEMENT**

### **13.1 Proceedings**

At any time after a Transaction Acceleration Notice has been delivered, the Representative of the Noteholders may, at its discretion and without further notice, take such steps and/or institute such proceedings as it thinks fit to enforce repayment of the Notes of the relevant Series and payment of accrued interest thereon but it shall not be bound to do so unless directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes of such Series then outstanding and only if it shall have been indemnified and/or secured to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

### **13.2 Directions to the Representative of the Noteholders**

The Representative of the Noteholders shall not be bound to take any action described in Condition 13.1 (*Proceedings*) and may take such action without having regard to the effect of such action on any individual Noteholder or on any Other Issuer Creditor, provided that the Representative of the Noteholders shall not, and shall not be bound to, act at the request or direction of the Noteholders of any Class of the relevant Series other than the Most Senior Class of Notes of such Series then outstanding unless:

13.2.1. to do so would not, in its sole opinion, be materially prejudicial to the interests of the Noteholders of the Classes of Notes ranking senior to such Class; or

13.2.2. (if the Representative of the Noteholders is not of that opinion) such action is sanctioned by an Extraordinary Resolution of the Noteholders of each Class ranking senior to such Class.

### **13.3 Sale of Portfolio**

Following the delivery of a Transaction Acceleration Notice the Representative of the Noteholders shall direct the Issuer to sell the Portfolio under the relevant Transaction or a substantial part thereof only if so requested by an Extraordinary Resolution of the holders of the Most Senior Class of Notes of the relevant Series then outstanding and strictly in accordance with the instructions approved thereby.

## **14. THE REPRESENTATIVE OF THE NOTEHOLDERS**

### **14.1 The Organisation of the Noteholders**

The Organisation of the Noteholders shall be established upon and by virtue of the issue of the Notes of each Series under the Programme and shall remain in force and in effect until repayment in full or cancellation of the Notes of such Series. The provisions relating to the Organisation of the Noteholders and the Representative of the Noteholders are contained in the Rules of the Organisation of the Noteholders.

### **14.2 Appointment of the Representative of the Noteholders**

Pursuant to the Rules of the Organisation of the Noteholders, for as long as any Note of each Series is outstanding, there shall at all times be a Representative of the Noteholders. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of the Noteholders, is

made by the Noteholders subject to and in accordance with the Rules of the Organisation of the Noteholders, except for the initial Representative of the Noteholders appointed, in respect of each Series issued under the Programme, on the Issue Date of such Series (as specified in the applicable Final Terms for such Series), which is appointed by each Subscriber under the relevant Series Subscription Agreement. Each holder of the Notes of any Series is deemed to accept such appointment.

#### 14.3

**Veto rights of the Series Swap Counterparty** In the event that a Series Swap Agreement is entered into in respect of a Transaction with a Series Swap Counterparty, certain veto rights may be provided in favour of such Swap Counterparty in the relevant Series Intercreditor Agreement. In such circumstance, in the event that there is a conflict between the interests of such Series Swap Counterparty and the interests of the Noteholders of the relevant Series, the Representative of the Noteholders shall follow the instructions of the Series Swap Counterparty exercising the relevant veto rights.

#### 15. **PRESCRIPTION**

Claims against the Issuer for payments in respect of the Notes shall be prescribed and shall become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the date on which a payment in respect thereof first becomes due and payable.

#### 16. **NOTICES**

##### 16.1 **Notices given through Monte Titoli**

Any notice regarding the Rated Notes, as long as the Rated Notes are held through Monte Titoli, shall be deemed to have been duly given through the systems of Monte Titoli.

##### 16.2 **Notices in Luxembourg**

As long as the Rated Notes are listed on the official list of the Luxembourg Stock Exchange and the rules of such exchange so require, any notice to Rated Noteholders shall also be published on the website of the Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made in the manner referred to above. It remains understood that any notice sent in accordance with this Condition will be sent also for the purpose of Transparency Directive 2004/109/CEE.

##### 16.3 **Other method of giving Notice**

The Representative of the Noteholders shall be at liberty to sanction some other method of giving notice to the Noteholders if, in its sole opinion, such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Rated 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.

#### 17. **NOTIFICATIONS TO BE FINAL**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of these Conditions, whether by the Principal Paying Agent, the Italian Paying Agent, the Calculation Agent, the Issuer, the Programme Administrator or the Representative of the Noteholders shall (in the absence of wilful default, gross negligence or manifest error) be binding on the Principal Paying Agent, the Italian Paying Agent, the Calculation Agent, the Issuer, the Representative of the Noteholders, the Programme Administrator and all Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Italian Paying Agent, the Principal Paying Agent, the Calculation Agent, the Issuer, the Programme Administrator or the

Representative of the Noteholders in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions hereunder.

## 18. **TRANSFERS OF THE RECEIVABLES BY THE ISSUER TO SUBSEQUENT SPVs**

Pursuant to the Programme Receivables Purchase Agreement, in respect of each Transaction, the Issuer – with the prior consent of all the Noteholders of the relevant Series issued under such Transaction – is entitled to transfer to a Subsequent SPV, in whole or in part, the Portfolio of the Receivables purchased from the Originator under such Transaction pursuant to the relevant Transfer Agreement, in accordance with the terms of the Programme Receivables Purchase Agreement and the terms of the receivables purchase agreement to be entered into for such purpose with such Subsequent SPV (the "**Subsequent SPV Receivables Purchase Agreement**").

In particular, on each date of valuation of the portfolio of Receivables to be transferred to a Subsequent SPV, the Issuer, with the cooperation of the Master Servicer and the Servicer, will select a portfolio of Receivables to be offered for the transfer to such Subsequent SPV and the Issuer will receive a purchase price for the transfer of such portfolios in accordance with the terms and conditions set out in the Subsequent SPV Receivables Purchase Agreement.

The Issuer will transfer to the relevant Subsequent SPV, together with each portfolio of Receivables, the relevant available amount of the Management Fee (if any) relating to each Receivable included in such portfolio – as calculated by the Servicer and communicated by it to the Transaction Bank – standing to the credit of the relevant Management Fee Reserve Account on the date of valuation of such Receivable.

The purchase price received from the relevant Subsequent SPV will form part of the relevant Series Available Funds and will be applied by the Issuer in accordance with the applicable Priority of Payments.

## 19. **GOVERNING LAW AND JURISDICTION**

### 19.1 **Governing Law of Notes**

The Rated Notes and all non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with Italian law.

### 19.2 **Governing Law of Transaction Documents**

All the Transaction Documents and all non-contractual obligations arising out of or in connection with them are governed by Italian law, other than any Series Swap Agreement and/or any Series Deed of Charge (if entered into in connection with the relevant Transaction) which will be governed by English law.

### 19.3 **Jurisdiction of courts**

Any dispute arising from the interpretation and execution of these Conditions or from the legal relationships established by the Notes and these Conditions will be submitted to the exclusive jurisdiction of the Courts of Rome.

## EXHIBIT TO THE TERMS AND CONDITIONS OF THE RATED NOTES

### RULES OF THE ORGANISATION OF THE NOTEHOLDERS

#### TITLE I GENERAL PROVISIONS

##### 1. GENERAL

- 1.1 The Organisation of the Noteholders will be created concurrently with the issue of and subscription of the Notes of each Class of any relevant Series issued by Marzio Finance S.r.l. under the Programme and is governed by the Rules of the Organisation of the Noteholders set out herein (the "**Rules**").
- 1.2 These Rules shall be applicable in respect of each Series of Notes issued by the Issuer under the Programme from time to time and shall remain in force and effect until full repayment or cancellation of all the Notes of such relevant Series.
- 1.3 The contents of these Rules are deemed to be an integral part of each Note issued by the Issuer in the context of the Programme.

##### 2. DEFINITIONS AND INTERPRETATION

###### 2.1 Definitions

2.1.1 In these Rules, the terms set out below have the following meanings:

**"Basic Terms Modification"** means, alternatively the Transaction Basic Terms Modification and the Programme Basic Terms Modification.

**"Blocked Notes"** means Notes which have been blocked in an account with a clearing system or otherwise are held to the order of or under the control of the relevant Monte Titoli Account Holder for the purpose of obtaining a Block Voting Instruction or a Voting Certificate on terms that they will not be released until after the conclusion of the Meeting in respect of which the Block Voting Instruction or Voting Certificate is required.

**"Block Voting Instruction"** means, in relation to a Meeting, a document:

- (a) certifying that certain specified Notes are held to the order of the relevant Monte Titoli Account Holder or under its control or have been blocked in an account with a clearing system and will not be released until the earlier of:
- (i) a specified date which falls after the conclusion of the Meeting; and
  - (ii) the surrender (as notified by the Monte Titoli Account Holder to the Paying Agent) not less than 48 Hours before the time fixed for the Meeting (or, if the Meeting has been adjourned, the time fixed for its resumption) of the confirmation that the Notes are Blocked Notes and notification of the release thereof by the Paying Agent to the Issuer and Representative of the Noteholders;
- (b) certifying that the Holder of the relevant Blocked Notes or a duly authorised person on its behalf has notified the Paying Agent (also through the Monte Titoli Account Holder) that the votes attributable to such Notes are to be cast in a particular way on each resolution to be put to the Meeting and that during the period of 48 hours before the time fixed for the Meeting such instructions may not be amended or revoked;

- (c) listing the total number of such specified Blocked Notes, distinguishing between those in respect of which instructions have been given to vote for, and against, each resolution; and
- (d) authorising a named individual to vote in accordance with such instructions.

"**Chairman**" means, in relation to a Meeting, the individual who takes the chair in accordance with Article 8 (*Chairman of the Meeting*) of the Rules.

"**Class J Notes Conditions**" or "**Junior Notes Conditions**" means the terms and conditions of the Class J Notes as from time to time modified in accordance with the provisions herein contained and including any other document expressed to be supplemental thereto and any reference to a particular numbered Class J Notes Condition shall be construed accordingly.

"**Condition**" means, as applicable, a condition of the Rated Notes Conditions or of the Junior Notes Conditions.

"**Disenfranchised Matters**" means, in respect of a single Transaction and the relevant single Series of Notes, any of the following matters:

- (i) the termination of IBL Servicing S.p.A. as Master Servicer and/or IBL Banca S.p.A. as Servicer and/or Calculation Agent for the relevant Transaction and Series of Notes, following the occurrence of a Master Servicer Termination Event, a Servicer Termination Event or one of the events for the termination of the appointment of the Calculation Agent (as the case may be);
- (ii) the delivery of a Transaction Acceleration Notice for the relevant Transaction and Series of Notes in accordance with Condition 12 (*Transaction Acceleration Events and Programme Purchase Termination Events*);
- (iii) the direction of the disposal of the Series Portfolio for the relevant Transaction and Series of Notes and the taking of any enforcement action after the delivery of a Transaction Acceleration Notice for the relevant Transaction and Series of Notes in accordance with Condition 13 (*Enforcement*); and
- (iv) the enforcement of any of the Issuer's claims, for the relevant Transaction and Series of Notes, for breach under the Programme Documents and/or the Series Documents against IBL Banca S.p.A. as Originator and/or Servicer and/or Calculation Agent and/or IBL Servicing S.p.A. as Master Servicer under the Programme.

"**Disenfranchised Noteholder**" means, in respect of each single Transaction and each relevant single Series of Notes, IBL Banca S.p.A. or any of its affiliates (other than any asset management company belonging to the group of IBL Banca S.p.A.) except the case where IBL Banca S.p.A. (directly or through its subsidiaries) (i) owns 100% of the Principal Amount Outstanding of the Notes of such Series or (ii) is otherwise entitled to exercise 100% of the relevant voting rights of such Series of Notes.

"**Extraordinary Resolution**" means, alternatively, the Transaction Extraordinary Resolution and the Programme Extraordinary Resolution.

"**Holder**" in respect of a Note means the ultimate owner of such Note.

"**Meeting**" means a meeting of Noteholders of any Class or Classes in respect of each Series whether originally convened or resumed following an adjournment.

"**Monte Titoli**" means Monte Titoli S.p.A..

**"Monte Titoli Account Holder"** means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli (*as intermediari aderenti*) in accordance with articles 83-bis *et seq.* of the Financial Laws Consolidation Act.

**"Monte Titoli Mandate Agreement"** means the agreement entered between the Issuer and Monte Titoli.

**"Most Senior Class of Notes"** means the Class A Notes while they remain outstanding, thereafter the Class B Notes (if any) while they remain outstanding, thereafter the Class J Notes.

**"Ordinary Resolution"** means any resolution passed at a Meeting duly convened and held in accordance with the provisions contained in the Rules by a majority of the vote cast, *provided that* any Disenfranchised Noteholder shall not be entitled to vote on any Ordinary Resolution concerning a Disenfranchised Matter and the Notes of the relevant Series held by any such Disenfranchised Noteholder shall be treated as if it were not outstanding and shall not be counted in or towards any relevant required quorum, *further provided that* such limitation of the voting rights of any Disenfranchised Noteholders shall only apply to the single Transaction and the relevant single Series of Notes in respect of which a Disenfranchised Matter is to be voted.

**"Programme Basic Terms Modification"** means, in respect of the Programme any proposal to:

- (a) change the quorum required at any Meeting or the majority required to pass any Ordinary Resolution or Programme Extraordinary Resolution;
- (b) alter the priority of payments affecting the payment of interest, Variable Return and/or the repayment of principal in respect of the Notes of all Series outstanding under the Programme; or
- (c) resolve on the matter set out in Rated Notes Condition 9.1 (*Noteholders not entitled to proceed directly against Issuer*) and Junior Notes Condition 9.1 (*Noteholders not entitled to proceed directly against Issuer*);
- (d) a change to this definition.

**"Programme Extraordinary Resolution"** means a resolution passed at the separate Meetings of the Noteholders of all the Transactions outstanding as at the time of the relevant Resolution, duly convened and held in accordance with the provisions contained in these Rules, each by a majority of not less than three quarters of the votes cast (in such Meeting), provided that any Disenfranchised Noteholder shall not be entitled to vote on any Programme Extraordinary Resolution concerning a Disenfranchised Matter and the Notes of the relevant Series held by any such Disenfranchised Noteholder shall be treated as if it were not outstanding and shall not be counted in or towards any relevant required quorum, further provided that such limitation of the voting rights of any Disenfranchised Noteholders shall only apply to the single Transaction and the relevant single Series of Notes in respect of which a Disenfranchised Matter is to be voted.

**"Programme Purchase Termination Event"** means any of the events described in Condition 12.5 (*Programme Purchase Termination Events*) of the Rated Notes Condition or Condition 12.5 (*Programme Purchase Termination Events*) of the Junior Notes Conditions.

**"Programme Purchase Termination Notice"** means a notice described as such in Condition 12.6 (*Delivery of Programme Purchase Termination Notice*) of the Rated Notes Condition or Condition 12.2 (*Delivery of Programme Purchase Termination Notice*) of the Junior Notes Conditions.

**"Proxy"** means a person appointed to which the powers to vote at a Meeting have been duly granted under a Voting Certificate or a Block Voting Instruction, in each case, other than:

- (a) any person whose appointment has been revoked and in relation to whom the Paying Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for the relevant Meeting; and
- (b) any person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been reappointed to vote at the Meeting when it is resumed.

**"Rated Notes Conditions"** means the terms and conditions of the Rated Notes, as from time to time modified in accordance with the provisions herein contained and including any agreement or other document expressed to be supplemental thereto and any reference to a particular numbered Rated Notes Condition shall be construed in relation to the Rated Notes accordingly.

**"Resolution"** means an Ordinary Resolution and/or a Transaction Extraordinary Resolution and/or a Programme Extraordinary Resolution, as the case may be.

**"Specified Office"** means (i) with respect to each of the Principal Paying Agent and the Italian Paying Agent (a) the office specified against its name in clause 21.3 (*Addresses*) of the Programme Cash Allocation, Management and Payments Agreement; or (b) such other office as any such Paying Agent may specify in accordance with clause 17.10 (*Change in Specified Offices*) of the Programme Cash Allocation, Management and Payment Agreement and (ii) with respect to any additional or other paying agent appointed pursuant to Rated Notes Condition 10.4 (*Change of Paying Agent*) and the provisions of the Programme Cash Allocation, Management and Payments Agreement, the specified office notified to the Noteholders upon notification of the appointment of each such paying agent in accordance with Rated Notes Condition 10.4 (*Change of Paying Agent*) and in each such case, such other address as it may specify in accordance with the provisions of the Programme Cash Allocation, Management and Payment Agreement.

**"Transaction Basic Terms Modification"** means, in respect of a Transaction and a Series of Notes issued in connection with a Transaction, any proposal to:

- (a) change the date of maturity of the Notes;
- (b) change any date fixed for the payment of principal, interest or Variable Return in respect of the Notes of any Class;
- (c) reduce or cancel the amount of principal, interest or Variable Return payable on any date in respect of the Notes of any Class (other than any reduction or cancellation permitted under the Conditions) or alter the method of calculating the amount of any payment in respect of the Notes of any Class on redemption or maturity;
- (d) change the currency in which payments are due in respect of any Class of Notes;
- (e) effect the exchange, conversion or substitution of the Notes of any Class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate, formed or to be formed;
- (f) sell, in whole or in part, the Portfolio of the Receivables purchased from the Originator to a Subsequent SPV pursuant to Condition 18 (*Transfers Of The Receivables By The Issuer To Subsequent SPVs*); or
- (g) a change to this definition.

**"Transaction Acceleration Event"** means any of the events described in Condition 12.1 (*Transaction Acceleration Events*) of the Rated Notes Condition or Condition 12.1 (*Transaction Acceleration Events*) of the Junior Notes Conditions.

**"Transaction Acceleration Notice"** means a notice described as such in Condition 12.2 (*Delivery of Transaction Acceleration Notice*) of the Rated Notes Condition or Condition 12.2 (*Delivery of Transaction Acceleration Notice*) of the Junior Notes Conditions.

**"Transaction Extraordinary Resolution"** means a resolution passed at a Meeting of the Noteholders of a specific Transaction, duly convened and held in accordance with the provisions contained in these Rules by a majority of not less than three quarters of the votes cast provided that any Disenfranchised Noteholder shall not be entitled to vote on any Transaction Extraordinary Resolution concerning any Disenfranchised Matter and the Notes of the relevant Series held by any such Disenfranchised Noteholder shall be treated as if it were not outstanding and shall not be counted in or towards any relevant required quorum, further provided that such limitation of the voting rights of any Disenfranchised Noteholders shall only apply to the single Transaction and the relevant single Series of Notes in respect of which a Disenfranchised Matter is to be voted.

**"Transaction Party"** means any person who is a party to a Transaction Document.

**"Voter"** means, in relation to any Meeting, the Holder or a Proxy named in a Voting Certificate, the bearer of a Voting Certificate or a Proxy named in a Block Voting Instruction.

**"Voting Certificate"** means, in relation to any Meeting:

- (a) a certificate issued by a Monte Titoli Account Holder in accordance with the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018 and published in the Official Gazette number 201 of 30 August 2018, as amended from time to time; or
- (b) a certificate issued by the relevant Monte Titoli Account Holder stating that:
  - (i) Blocked Notes will not be released until the earlier of:
    - (1) a specified date which falls after the conclusion of the Meeting; and
    - (2) the surrender of such certificate (as notified to the Paying Agent);and
  - (ii) the bearer of the certificate is entitled to attend and vote at such Meeting in respect of such Blocked Notes.

**"Written Resolution"** means a resolution in writing signed by or on behalf of all Noteholders of the relevant Class or Classes of the relevant Series who at any relevant time are entitled to participate in a Meeting in accordance with the provisions of these Rules, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more of such Noteholders.

**"24 hours"** means a period of 24 hours including all or part of a day on which banks are open for business both in the place where any relevant Meeting is to be held and in the place where the Paying Agent has its Specified Office.

**"48 hours"** means 2 consecutive periods of 24 hours.

Unless otherwise provided in these Rules, or the context requires otherwise, words and expressions used in the Rules shall have the meanings and the constructions ascribed to them in the Rated Notes Conditions.

- 2.2.1 Any reference herein to an "**Article**" shall, except where expressly provided to the contrary, be a reference to an article of these Rules.
- 2.2.2 A "**successor**" of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under any Transaction Document or to which, under such laws, such rights and obligations have been transferred.
- 2.2.3 Any reference to any person defined as a "**Transaction Party**" in these Rules or in any Transaction Document or the Conditions shall be construed so as to include its and any subsequent successors and transferees in accordance with their respective interests.

### 3. **PURPOSE OF THE ORGANISATION**

- 3.1 Each Noteholder is a member of the Organisation of the Noteholders.
- 3.2 The purpose of the Organisation of the Noteholders is to co-ordinate the exercise of the rights of the Noteholders and, more generally, to take any action necessary or desirable to protect the interest of the Noteholders.

## TITLE II

### MEETINGS OF THE NOTEHOLDERS

#### 4. **VOTING CERTIFICATES AND BLOCK VOTING INSTRUCTIONS**

##### 4.1 **Issue**

- 4.1.1 A Noteholder may obtain a Voting Certificate in respect of a Meeting by requesting its Monte Titoli Account Holder to issue a certificate in accordance with the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018 and published in the Official Gazette number 201 of 30 August 2018 (as supplemented by the regulation issued jointly by the Bank of Italy and CONSOB on 11 February 2015), as amended and supplemented from time to time.
- 4.1.2 A Noteholder may also obtain and require the Italian Paying Agent to arrange for the issuance of a Block Voting Instruction by arranging for Notes to be held to the order of the relevant Monte Titoli Account Holder or under its control or blocked in an account in a clearing system (other than Monte Titoli) not later than 48 hours before the time fixed for the relevant Meeting.

##### 4.2 **Expiry of validity**

A Voting Certificate or Block Voting Instruction shall be valid until the release of the Blocked Notes to which it relates.

##### 4.3 **Deemed holder**

So long as a Voting Certificate or Block Voting Instruction is valid, the party named therein as Holder or Proxy, in the case of a Voting Certificate issued by a Monte Titoli Account Holder, the bearer thereof, in the case of a Voting Certificate, and any Proxy named therein in the case of a Block Voting Instruction shall be deemed to be the Holder of the Notes to which it refers for all purposes in connection with the Meeting to which such Voting Certificate or Block Voting Instruction relates.

##### 4.4 **Mutually exclusive**

A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

#### 4.5 **References to the blocking or release**

Reference to the blocking or release of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of any relevant clearing system.

#### 5. **VALIDITY OF BLOCK VOTING INSTRUCTIONS AND VOTING CERTIFICATES**

A Block Voting Instruction or a Voting Certificate issued by a Monte Titoli Account Holder shall be valid only if it is deposited at the Specified Office of the Italian Paying Agent, or at any other place approved by the Representative of the Noteholders, at least 24 hours before the time of the relevant Meeting. If a Block Voting Instruction or a Voting Certificate is not deposited before such deadline, it shall not be valid unless the Chairman decides otherwise before the Meeting proceeds to discuss the items on the agenda. If the Representative of the Noteholders so requires, satisfactory evidence of the identity of each Proxy named in a Block Voting Instruction or of each Holder or Proxy named in a Voting Certificate issued by a Monte Titoli Account Holder shall be produced at the Meeting but the Representative of the Noteholders shall not be obliged to investigate the validity of a Block Voting Instruction or Voting Certificate or the identity of any Proxy named in a Voting Certificate or Block Voting Instruction or the identity of any Holder named in a Voting Certificate issued by a Monte Titoli Account Holder.

#### 6. **CONVENING THE MEETING IN RESPECT OF THE TRANSACTION OR THE PROGRAMME**

##### 6.1 **Convening the Meeting**

In respect of each Series of Notes, the Representative of the Noteholders or the Issuer may convene separate or combined Meetings of the Noteholders of any Class or Classes of such Series at any time and the Representative of the Noteholders shall be obliged to do so upon the request in writing by the Noteholders representing at least one-tenth of the aggregate Principal Amount Outstanding of the outstanding Notes of the relevant Class or Classes of such Series. Any Disenfranchised Noteholders shall not be entitled to request to convene a Meeting in respect of any Disenfranchised Matters. In relation to any Noteholders' resolution involving a Disenfranchised Matter the Notes of the relevant Series held by each Disenfranchised Noteholder shall be treated as if it were not outstanding and shall not be counted in or towards any relevant required quorum; *provided that* such limitation of the voting rights of any Disenfranchised Noteholders shall only apply to the single Transaction and the relevant single Series of Notes in respect of which a Disenfranchised Matter is to be voted.

##### 6.2 **Meetings convened by Issuer**

Whenever the Issuer requests the Representative of the Noteholders to convene a Meeting, it shall immediately give notice in writing to that effect to the Representative of the Noteholders specifying the proposed day, time and place of the Meeting, as well as if it is referred to a Transaction or the Programme, and the items to be included in the agenda.

##### 6.3 **Time and place of the Meeting**

- (a) Every Meeting will be held on a date and at a time and place (which, for avoidance of doubts, will be in Europe) selected or approved by the Representative of the Noteholders.
- (b) Meetings may be held where there are Voters located at different places connected via audio-conference or video-conference, provided that:
  - (i) the Chairman may ascertain and verify the identity and legitimacy of those Voters, monitor the Meeting, acknowledge and announce to those Voters the outcome of the voting process;
  - (ii) the person drawing up the minutes may hear well the meeting events being the subject-matter of the minutes;

- (iii) each Voter attending via audio-conference or video-conference may follow and intervene in the discussions and vote the items on the agenda in real time;
- (iv) the notice of the Meeting expressly states, where applicable, how Voters may obtain the information necessary to attend the relevant Meeting via audio-conference and/or video-conference equipment; and
- (v) for the avoidance of doubt, the Meeting is deemed to take place where the Chairman and the person drawing up the minutes are located.

#### 6.4 **Meeting in respect of a Programme Extraordinary Resolution**

It remains understood that if the Noteholders of all Series issued and still outstanding under the Programme as of such date have to resolve in respect of a Programme Extraordinary Resolution, the Meetings in respect of each Transaction shall be convened separately from each other.

### 7. **NOTICE**

#### 7.1 **Notice of meeting**

At least 21 calendar days' notice (exclusive of the day on which notice is delivered and of the day on which the relevant Meeting is to be held), specifying the day (falling no later than 30 days after the date of delivery of such notice), time and place (being in the European Union) of the Meeting, as well as if it is referred to a Transaction or the Programme, must be given to the relevant Noteholders, the Principal Paying Agent and the Italian Paying Agent, with a copy to the Issuer, where the Meeting is convened by the Representative of the Noteholders, or with a copy to the Representative of the Noteholders, where the Meeting is convened by the Issuer.

#### 7.2 **Content of notice**

The notice shall set out the full text of any resolution to be proposed at the Meeting unless the Representative of the Noteholders agrees that the notice shall instead specify the nature of the resolution without including the full text and shall state that Voting Certificate for the purpose of such Meeting may be obtained from a Monte Titoli Account Holder in accordance with the provisions of the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018 and published in the Official Gazette number 201 of 30 August 2018, as amended and supplemented from time to time and that for the purpose of obtaining Voting Certificates or appointing Proxies under a Block Voting Instruction, Notes must be held to the order of or placed under the control of the relevant Monte Titoli Account Holder or blocked in an account with a clearing system not later than 48 hours before the relevant Meeting.

#### 7.3 **Validity notwithstanding lack of notice**

A Meeting is valid notwithstanding that the formalities required by this Article 7 are not complied with if the Holders of the Notes constituting the Principal Amount Outstanding of all outstanding Notes, the Holders of which are entitled to attend and vote, are represented at such Meeting and the Issuer and the Representative of the Noteholders are present at the Meeting.

### 8. **CHAIRMAN OF THE MEETING**

#### 8.1 **Appointment of the Chairman**

The Meeting is chaired by an individual (who may, but need not be, a Noteholder), appointed by the Representative of the Noteholders. If:

- 8.1.1 the Representative of the Noteholders fails to make such appointment; or
- 8.1.2 the individual so appointed declines to act or is not present within 15 minutes after the time fixed for the Meeting,

the Meeting shall be chaired by the person elected by the majority of the Voters present, failing which, the Issuer shall appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was Chairman at the original Meeting.

## 8.2 **Duties of the Chairman**

The Chairman ascertains that the Meeting has been duly convened and validly constituted, manages the business of the Meeting, monitors the fairness of proceedings, leads and moderates the debate, and defines the terms for voting.

## 8.3 **Assistance to Chairman**

The Chairman may be assisted by outside experts or technical consultants, specifically invited to assist in any given matter, and may appoint one or more vote-counters, who are not required to be Noteholders.

## 9. **QUORUM**

### 9.1 **Quorum**

The quorum (*quorum costitutivo*) at any Meeting convened to vote on:

9.1.1 an Ordinary Resolution relating to a Meeting of a particular Class or Classes in respect of each Transaction will be two or more persons holding or representing at least 50 per cent of the Principal Amount Outstanding of the Notes then outstanding in that Class or those Classes or, at any adjourned Meeting two or more persons being or representing Noteholders of that Class or those Classes whatever the Principal Amount Outstanding of the Notes then outstanding so held or represented in such Class or Classes;

9.1.2 an Extraordinary Resolution, other than in respect of a Basic Terms Modification, relating to a Meeting of a particular Class or Classes of Notes in respect of each Transaction (whether resolving on a Transaction Extraordinary Resolution or a Programme Extraordinary Resolution), will be two or more persons holding or representing at least 50 per cent of the Principal Amount Outstanding of the Notes then outstanding in that Class or those Classes, or at an adjourned Meeting, two or more persons being or representing Noteholders of that Class or those Classes whatever the Principal Amount Outstanding of the Notes then outstanding so held or represented in such Class or Classes;

9.1.3 an Extraordinary Resolution, in respect of a Basic Terms Modification (which must be proposed separately to each Class of Noteholders under each Transaction (whether resolving on a Transaction Extraordinary Resolution or a Programme Extraordinary Resolution), save as provided in Article 24 (*Joint Meetings*) below), will be two or more persons holding or representing at least 75 per cent of the Principal Amount Outstanding of the Notes then outstanding in the relevant Class, or at an adjourned Meeting, two or more persons being or representing Noteholders of that Class whatever the Principal Amount Outstanding of the Notes so held or represented in such Class;

provided that if in respect of any Class of Notes the Italian Paying Agent has received evidence that all the Notes of that Class are held by a single Holder and the Voting Certificates and/or Block Voting Instructions so confirm then a single Voter appointed in relation thereto or being the Holder of the Notes thereby represented shall be deemed to be two Voters for the purpose of forming a quorum.

Any Disenfranchised Noteholder shall not be entitled to participate to a Meeting concerning a Disenfranchised Matter. In addition, the Notes of the relevant Series held by any Disenfranchised Noteholder shall be treated as if it were not outstanding and shall not be counted in or towards any relevant required quorum set out in this Article 9, in such respect IBL Banca S.p.A. (if being a Disenfranchised Noteholder) undertakes to communicate to the Representative of Noteholders before a Meeting concerning a Disenfranchised Matter that it will not participate to such Meeting and the

Notes held by it, in order to facilitate the calculation of the relevant quorum; *provided that* such limitation of the voting rights of any Disfranchised Noteholders shall only apply to the single Transaction and the relevant single Series of Notes in respect of which a Disfranchised Matter is to be voted

## 9.2 **Passing of a Resolution**

A Resolution shall be deemed validly passed if voted by the following majorities:

- (a) in respect of an Ordinary Resolution, a majority of the votes cast; and
- (b) in respect of an Extraordinary Resolution, a majority of not less than three quarters of the votes cast.

## 10. **ADJOURNMENT FOR LACK OF QUORUM**

If a quorum is not reached within 30 minutes after the time fixed for any Meeting:

- 10.1 if such Meeting was requested by Noteholders, the Meeting shall be dissolved; or
- 10.2 in any other case, the Meeting (unless the Issuer and the Representative of the Noteholders otherwise agree) shall, subject to paragraphs 10.3 and 10.4 below, be adjourned to a new date no earlier than 14 calendar days and no later than 42 calendar days after the original date of such Meeting, and to such place (which, for avoidance of doubts, will be in European Union) and time as the Chairman determines with the approval of the Representative of the Noteholders, provided however that:
  - (a) no Meeting may be adjourned more than once for want of quorum; and
  - (b) the Meeting shall be dissolved if the Issuer and the Representative of the Noteholders together so decide.

## 11. **ADJOURNED MEETING**

Except as provided in Article 10 (*Adjournment for lack of quorum*), the Chairman may, with the prior consent of any Meeting, and shall if so directed by any Meeting, adjourn such Meeting to another time and place (which, for avoidance of doubts, will be in European Union), provided that – for the avoidance of doubt - such provision is applicable in respect of each separate Meeting which has been convened for resolving on a Programme Extraordinary Resolution. No business shall be transacted at any adjourned Meeting except business which might have been transacted at the Meeting from which the adjournment took place.

## 12. **NOTICE FOLLOWING ADJOURNMENT**

### 12.1 **Notice required**

Article 7 (*Notice*) shall apply to any Meeting which is resumed after adjournment for lack of quorum except that:

- 12.1.1 10- calendar days' notice (exclusive of the day on which the notice is delivered and of the day on which the Meeting is to be resumed) shall be sufficient; and
- 12.1.2 the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

### 12.2 **Notice not required**

It shall not be necessary to give notice to resume any Meeting adjourned for reasons other than those described in Article 10 (*Adjournment for lack of quorum*).

## 13. **PARTICIPATION**

The following categories of persons may attend and speak at a Meeting:

- 13.1 Voters;
- 13.2 the directors and the auditors of the Issuer;
- 13.3 representatives of the Issuer and the Representative of the Noteholders;
- 13.4 financial and/or legal advisers to the Issuer and the Representative of the Noteholders;
- 13.5 legal advisers to the Issuer and the Representative of the Noteholders; and
- 13.6 any other person authorised by the Issuer or by the Representative of the Noteholders or by virtue of a resolution of the relevant Meeting.

#### 14. **VOTING BY SHOW OF HANDS**

- 14.1 Every question submitted to a Meeting shall be decided in the first instance by a vote by show of hands.
- 14.2 If, before the vote by show of hands, the Issuer, the Representative of the Noteholders, the Chairman or one or more Voters who represent or hold at least one-tenth of the aggregate Principal Amount Outstanding of the Notes request to vote by poll, the question shall be voted on in compliance with the provisions of Article 15 (*Voting by Poll*) below. No request to vote by poll shall hinder the continuation of the Meeting in relation to the other items on the agenda.
- 14.3 A resolution is only passed on a vote by show of hands if the Meeting has been validly constituted and the relevant resolution is unanimously approved by all the Voters at the Meeting. The Chairman's declaration that on show of hands a resolution has been passed or rejected shall be conclusive. Whenever it is not possible to approve a resolution by show of hands, voting shall be carried out by poll.

#### 15. **VOTING BY POLL**

##### 15.1 **Demand for a poll**

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Representative of the Noteholders or one or more Voters representing or holding not less than one-fiftieth of the Principal Amount Outstanding of the outstanding Notes entitled to vote at the Meeting. A poll may be taken immediately or after any adjournment as decided by the Chairman but any poll demanded on the election of a Chairman or on any question of adjournment shall be taken immediately. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business.

##### 15.2 **Conditions of a poll**

The Chairman sets the conditions for voting by poll, including for counting and calculating the votes, and may set a time limit by which all votes must be cast. Any vote which is not cast in compliance with the terms specified by the Chairman shall be null. After voting ends, the votes shall be counted and after the counting the Chairman shall announce to the Meeting the outcome of the vote.

#### 16. **VOTES**

##### 16.1 **Voting**

Each Voter shall have:

- 16.1.1 on a show of hands, one vote; and
- 16.1.2 on a poll, one vote for each €1,000 of Principal Amount Outstanding of each Note represented or held by the Voter.

16.2 **Block Voting Instruction**

Unless the terms of any Block Voting Instruction or Voting Certificate borne by a Proxy state otherwise, a Voter shall not be obliged to exercise all the votes to which such Voter is entitled or to cast all the votes which he exercises in the same way.

16.3 **Voting tie**

In the case of a voting tie, the relevant resolution shall be deemed to have been rejected.

16.4 **Votes cast**

The Noteholders can cast their votes "in favour of" or "against" any proposed Resolution.

The Noteholders that do not intend to cast their votes and abstain from voting shall not be included in the computation of the votes cast.

17. **VOTING BY PROXY**

17.1 **Validity**

Any vote by a Proxy appointed in accordance with the relevant Block Voting Instruction or Voting Certificate shall be valid even if such Block Voting Instruction or Voting Certificate or any other instruction pursuant to which it has been given had been amended or revoked provided that none of the Issuer, the Representative of the Noteholders or the Chairman, has been notified in writing of such revocation at least 24 hours prior to the time set for the relevant Meeting.

17.2 **Adjournment of Meeting**

Unless revoked, the appointment of a Proxy in relation to a Meeting shall remain valid also in relation to a resumption of such Meeting following an adjournment, unless such Meeting was adjourned for lack of quorum pursuant to Article 10. If a Meeting is adjourned pursuant to Article 10, any person appointed to vote in such Meeting must be re-appointed by virtue of a Block Voting Instruction or Voting Certificate in order to vote at the resumed Meeting.

18. **ORDINARY RESOLUTIONS**

18.1 **Powers exercisable by Ordinary Resolution**

Save as provided for by Article 19 (*Extraordinary Resolutions*) below, a Meeting shall have power exercisable by Ordinary Resolution, to:

18.1.1 grant any authority, order or sanction which, under the provisions of the Rules, the Rated Notes Conditions or the Junior Notes Conditions, is required to be the subject of an Ordinary Resolution or required to be the subject of a resolution or determined by a Meeting and not required to be the subject of an Extraordinary Resolution; and

18.1.2 to authorise the Representative of the Noteholders or any other person to execute all documents and do all things necessary to give effect to any Ordinary Resolution.

18.2 **Ordinary Resolution of a single Class**

No Ordinary Resolution of any Class of Noteholders shall be effective unless it is sanctioned by an Ordinary Resolution of the Holders of each of the other Classes of Notes ranking with or senior to such Class (to the extent that there are Notes outstanding ranking with or senior to such Class), unless the Representative of the Noteholders considers that none of the Holders of each of the other Classes of Notes ranking *pari passu* with or senior to such Class would be materially prejudiced by the absence of such sanction.

19. **EXTRAORDINARY RESOLUTIONS**

19.1 **Matters subject of Transaction Extraordinary Resolutions**

In the context of each Transaction, a Meeting, in addition to any powers assigned to it in the Rated Notes Conditions or the Junior Notes Conditions, shall have power exercisable by Transaction Extraordinary Resolution to:

- 19.1.1 approve any Transaction Basic Terms Modification in relation to the relevant Notes;
- 19.1.2 approve, in relation to any Transaction Basic Terms Modification related to the relevant Notes, any modification, abrogation, variation or compromise of the provisions of these Rules, the Rated Notes Conditions, the Junior Notes Conditions or of any Series Document or any arrangement in respect of the obligations of the Issuer under or in respect of such Series of Notes, relating exclusively to a single Transaction and/or a single Series of Notes, which, in any such case, is not a Programme Basic Terms Modification and which shall be proposed by the Issuer, the Representative of the Noteholders and/or any other party thereto;
- 19.1.3 in accordance with Article 28 (*Appointment, Removal and Remuneration*), appoint and remove the Representative of the Noteholders with respect of a single Transaction;
- 19.1.4 authorise the Representative of the Noteholders to issue a Transaction Acceleration Notice as a result of a Transaction Acceleration Event pursuant to Condition 12 (*Transaction Acceleration Events and Programme Purchase Termination Events*) of the Rated Notes Conditions or Condition 12 (*Transaction Acceleration Events and Programme Purchase Termination Events*) of the Junior Notes Conditions;
- 19.1.5 discharge or exonerate, including retrospectively, the Representative of the Noteholders from any liability in relation to any act or omission for which the Representative of the Noteholders has or may become liable pursuant or in relation to these Rules, the Rated Notes Conditions, the Junior Notes Conditions or any Series Document, in any case in respect of a single Transaction;
- 19.1.6 grant any authorisation or approval, which, under the provisions of these Rules or of the Rated Notes Conditions or the Junior Notes Conditions, must be granted by a Transaction Extraordinary Resolution in any case in respect of a single Transaction;
- 19.1.7 authorise and ratify the actions of the Representative of the Noteholders in compliance with these Rules, the Programme Intercreditor Agreement and any other Series Document, in any case in respect of a single Transaction;
- 19.1.8 waive any breach or authorise any proposed breach by the Issuer or (if relevant) any other Transaction Party of its obligations under or in respect of these Rules, the Notes or any other Series Document, in any case in respect of a single Transaction or any act or omission which might otherwise constitute a Transaction Acceleration Event under the relevant Series of Notes;
- 19.1.9 appoint any persons as a committee to represent the interests of the Noteholders and confer on any such committee any powers which the Noteholders could themselves exercise by the Transaction Extraordinary Resolution;
- 19.1.10 authorise the Representative of the Noteholders (subject to its being indemnified and/or secured to its satisfaction) and/or any other person to execute all documents and do all things necessary to give effect to any Transaction Extraordinary Resolution.

19.2 **Matters subject of Programme Extraordinary Resolutions**

The Meetings, in addition to any powers assigned to it in the Rated Notes Conditions or the Junior Notes Conditions, shall have power exercisable by Programme Extraordinary Resolution to:

- 19.2.1 approve any Programme Basic Terms Modification;
- 19.2.2 approve any modification, abrogation, variation or compromise of the provisions of these Rules, the Rated Notes Conditions, the Junior Notes Conditions or of any Programme Documents or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes which, in any such case, is not a Transaction Basic Terms Modification or a Programme Basic Terms Modification and which shall be proposed by the Issuer, the Representative of the Noteholders and/or any other party thereto;
- 19.2.3 in accordance with the relevant Programme Documents, appoint and remove any Agent, the Master Servicer, the Servicer, the Back-up Servicer, the Corporate Servicer and the Programme Administrator;
- 19.2.4 authorise the Representative of the Noteholders to issue a Programme Purchase Termination Notice as a result of a Programme Purchase Termination Event pursuant to Condition 12 (*Transaction Acceleration Events and Programme Purchase Termination Events*) of the Rated Notes Conditions or Condition 12 (*Transaction Acceleration Events and Programme Purchase Termination Events*) of the Junior Notes Conditions;
- 19.2.5 discharge or exonerate, including retrospectively, the Representative of the Noteholders from any liability in relation to any act or omission for which the Representative of the Noteholders has or may become liable pursuant or in relation to these Rules, the Rated Notes Conditions, the Junior Notes Conditions or any Programme Document, in any case in respect of the Programme;
- 19.2.6 grant any authorisation or approval, which, under the provisions of these Rules or of the Rated Notes Conditions or the Junior Notes Conditions, must be granted by a Programme Extraordinary Resolution;
- 19.2.7 authorise and ratify the actions of the Representative of the Noteholders in compliance with these Rules, the Programme Intercreditor Agreement and any other Programme Document, in any case in respect of the Programme;
- 19.2.8 waive any breach or authorise any proposed breach by the Issuer or (if relevant) any other Transaction Party of its obligations under or in respect of these Rules, the Notes or any other Programme Document or any act or omission which might otherwise constitute a Programme Purchase Termination Event;
- 19.2.9 appoint any persons as a committee to represent the interests of the Noteholders and confer on any such committee any powers which the Noteholders could themselves exercise by the Programme Extraordinary Resolution;
- 19.2.10 authorise the Representative of the Noteholders (subject to its being indemnified and/or secured to its satisfaction) and/or any other person to execute all documents and do all things necessary to give effect to any Programme Extraordinary Resolution.

19.2 **Transaction Basic Terms Modification**

No Transaction Extraordinary Resolution involving a Transaction Basic Terms Modification that is passed by the Holders of one Class of Notes shall be effective unless it is sanctioned by a Transaction Extraordinary Resolution of the Holders of each of the other Classes of Notes then outstanding under the relevant Transaction.

19.3 **Transaction Extraordinary Resolution of a single Class**

No Transaction Extraordinary Resolution to approve any matter other than a Transaction Basic Terms Modification of any Class of Noteholders shall be effective unless it is sanctioned by a Transaction Extraordinary Resolution of the Holders of each of the other Classes of Notes ranking senior to such

Class (to the extent that there are Notes outstanding ranking senior to such Class) under the relevant Transaction, unless the Representative of the Noteholders considers that none of the Holders of each of the other Classes of Notes ranking senior to with such Class would be materially prejudiced by the absence of such sanction and, for the purposes of this Article 19.4 (*Transaction Extraordinary Resolution of a single Class*), Class A Notes rank senior to the Class B Notes (if any) and Class B Notes rank senior to the Class J Notes.

19.4 **Programme Extraordinary Resolution involving or not a Programme Basic Terms Modification**

No Programme Extraordinary Resolution (whether or not resolving on a Programme Basic Terms Modification) that is passed by the Holders of the Notes of a Series shall be effective unless it is sanctioned by a Programme Extraordinary Resolution of the Holders of the Notes of all Series then outstanding under the Programme.

20. **EFFECT OF RESOLUTIONS**

20.1 **Binding Nature**

Subject to Article 18.2 (*Ordinary Resolution of a single Class*), Article 19.3 (*Transaction Basic Terms Modification*), Article 19.4 (*Transaction Extraordinary Resolution of a single Class*) and Article 19.5 (*Programme Extraordinary Resolution involving or not a Programme Basic Terms Modification*) which take priority over the following, any resolution passed at a Meeting of the Noteholders of one or more Classes of Notes duly convened and held in accordance with the Rules shall be binding upon all Noteholders of such Class or Classes, whether or not present at such Meeting and whether or not voting and any resolution passed at a Meeting of the Class A Noteholders duly convened and held as aforesaid shall also be binding upon all the Class B Noteholders (if any) and the Class J Noteholders, and all of the relevant Classes of Noteholders shall be bound to give effect to any such resolutions accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof.

20.2 **Notice of Voting Results**

Notice of the results of every vote on a Resolution duly considered by Noteholders shall be published (at the cost of the Issuer) in accordance with the Conditions and given to the Principal Paying Agent and the Italian Paying Agent (with a copy to the Issuer and the Representative of the Noteholders within 14 calendar days of the conclusion of each Meeting).

21. **CHALLENGE TO RESOLUTIONS**

Any absent or dissenting Noteholder has the right to challenge Resolutions which are not passed in compliance with the provisions of these Rules.

22. **MINUTES**

Minutes shall be made of all resolutions and proceedings of each Meeting. The Minutes shall be signed by the Chairman and shall be *prima facie* evidence of the proceedings therein recorded. Unless and until the contrary is proved, every Meeting in respect of which minutes have been signed by the Chairman shall be regarded as having been duly convened and held and all resolutions passed or proceedings transacted at such Meeting shall be regarded as having been duly passed and transacted. The Minutes shall be recorded in the minute book of Meetings of Noteholders maintained by the Issuer (or the Corporate Servicer on behalf of the Issuer).

23. **WRITTEN RESOLUTION**

A Written Resolution shall take effect as if it were an Extraordinary Resolution or, in respect of matters required to be determined by Ordinary Resolution, as if it were an Ordinary Resolution.

24. **JOINT MEETINGS**

Subject to the provisions of the Rules, the Rated Notes Conditions and the Junior Notes Conditions, joint Meetings of the Class A Noteholders, the Class B Noteholders (if any) and the Class J Noteholders may be held to consider the same Ordinary Resolution or Transaction Extraordinary Resolution and the provisions of the Rules shall apply *mutatis mutandis* thereto.

25. **SEPARATE AND COMBINED MEETINGS OF NOTEHOLDERS**

25.1 Notwithstanding the provisions of articles 19.1 (*Matters subject of Transaction Extraordinary Resolutions*), 19.3 (*Transaction Basic Terms Modification*) and 24 (*Joint Meetings*), the following provisions shall apply in respect of Meetings where outstanding Notes belong to more than one Class:

- (a) business which, in the sole opinion of the Representative of the Noteholders, affects only one Class of Notes shall be transacted at a separate Meeting of the Noteholders of such Class;
- (b) business which, in the sole opinion of the Representative of the Noteholders, affects more than one Class of Notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one Class of Notes and the Noteholders of any other Class of Notes shall be transacted either at separate Meetings of the Noteholders of each such Class of Notes or at a single Meeting of the Noteholders of all such Classes of Notes as the Representative of the Noteholders shall determine in its absolute discretion; and
- (c) business which, in the sole opinion of the Representative of the Noteholders, affects the Noteholders of more than one Class of Notes and gives rise to an actual or potential conflict of interest between the Noteholders of one such Class of Notes and the Noteholders of any other Class of Notes shall be transacted at separate Meetings of the Noteholders of each such Class.

26. **INDIVIDUAL ACTIONS AND REMEDIES**

26.1 Each Noteholder has accepted and is bound by the provisions of Condition 9 (*Non petition and Limited Recourse*) of the Rated Notes Conditions or, as the case may be, Condition 9 (*Non petition and Limited Recourse*) of the Junior Notes Conditions and, accordingly, if any Noteholder is considering bringing individual actions or using other individual remedies to enforce his/her rights under the Notes, any such action or remedy shall be subject to a Meeting not passing an Ordinary Resolution objecting to such individual action or other remedy on the grounds that it is not consistent with such Condition. In this respect, the following provisions shall apply:

- (a) the Noteholder intending to enforce his/her rights under the Notes and/or the Transaction Documents will notify the Representative of the Noteholders of his/her intention;
- (b) the Representative of the Noteholders will, without delay, call a Meeting in accordance with these Rules at the costs of such Noteholder;
- (c) if the Meeting passes an Ordinary Resolution objecting to the enforcement of the individual action or remedy, the Noteholder will be prevented from taking such action or remedy (without prejudice to the fact that after a reasonable period of time, the same matter may be resubmitted for review of another Meeting); and
- (d) if the Meeting of Noteholders does not object to an individual action or remedy, the Noteholder will not be prohibited from taking such individual action or remedy.

26.2 No Noteholder will be allowed to take any individual action or remedy to enforce his/her rights under the Notes or the Transaction Documents unless a Meeting of the holders of the Most Senior Class of Notes has been held to resolve on such action or remedy in accordance with the provisions of this Article 26 (*Individual Actions and Remedies*).

26.3 No Noteholder shall be permitted to take any individual action or remedy to enforce his/her rights under the Notes or the Transaction Documents in the event that such action or remedy would cause or result

in a breach of Condition 9 (*Non petition and Limited Recourse*) of the Rated Notes Conditions or, as the case may be, Condition 9 (*Non petition and Limited Recourse*) of the Junior Notes Conditions.

- 26.4 Save as provided in this Article 26 (*Individual actions and remedies*), only the Representative of the Noteholders may pursue the remedies available under the general law or the Transaction Documents to obtain payment of obligations or to enforce the Security and no Noteholder shall be entitled to proceed directly against the Issuer to obtain or enforce such remedies.

27. **FURTHER REGULATIONS**

Subject to all other provisions contained in these Rules, the Representative of the Noteholders may, without the consent of the Issuer, prescribe such further regulations regarding the holding of Meetings and attendance and voting at them and/or the provisions of a Written Resolution as the Representative of the Noteholders in its sole discretion may decide.

### TITLE III

#### THE REPRESENTATIVE OF THE NOTEHOLDERS

28. **APPOINTMENT, REMOVAL AND REMUNERATION**

28.1 **Appointment**

The appointment of the Representative of the Noteholders takes place by the Transaction Extraordinary Resolution of the Most Senior Class of Noteholders of the relevant Series in accordance with the provisions of this Article 28 (*Appointment, Removal And Remuneration*), except for the appointment of the first Representative of the Noteholders in respect of any Series issued under the Programme which is Banca Finint.

28.2 **Requirements for the Representative of the Noteholders**

The Representative of the Noteholders shall be:

- 28.2.1 a bank incorporated in any jurisdiction of the European Union, or a bank incorporated in any other jurisdiction acting through an Italian branch; or
- 28.2.2 a company or financial institution enrolled with the register held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act; or
- 28.2.3 any other entity which is not prohibited from acting in the capacity of Representative of the Noteholders pursuant to the law.

The directors and auditors of the Issuer and those who fall within the conditions set out in article 2399 of the Italian civil code (other than Banca Finint as the first Representative of the Noteholders in respect of all Series of Notes) cannot be appointed as Representative of the Noteholders, and if appointed as such they shall be automatically removed.

28.3 **Duration of appointment**

Unless the Representative of the Noteholders is removed by the Transaction Extraordinary Resolution of the Noteholders pursuant to Article 19 (*Extraordinary Resolutions*) above or resigns pursuant to Article 29 (*Resignation of the Representative of the Noteholders*) below, it shall remain in office until full repayment or cancellation of all the Notes of the relevant Series.

28.4 **Office after termination**

In the event of a termination of the appointment of the Representative of the Noteholders for any reason whatsoever, such representative of the Noteholders shall remain in office until a substitute Representative of the Noteholders, which shall be an entity specified in Article 28.2 (*Requirements of*

*the Representative of the Noteholders*), accepts its appointment and enters into the Intercreditor Agreement and the other Transaction Documents to which the former Representative of the Noteholders was party, and the powers and authority of the Representative of the Noteholders whose appointment has been terminated shall, pending the acceptance of its appointment by the substitute, be limited to those necessary to perform the essential functions required in connection with the Notes.

#### 28.5 **Remuneration**

In respect of each Transaction, the Issuer shall pay to the Representative of the Noteholders for its services in such capacity an annual fee starting from the Issue Date of the relevant Series issued under such Transaction, as agreed either in the initial agreement(s) for the issue of and subscription for the Notes of such Series or in a separate fee letter. Such fees shall accrue from day to day and shall be payable in accordance with the applicable Priority of Payments up to (and including) the date when the Notes of such Series shall have been repaid in full or cancelled in accordance with the Conditions.

#### 29. **RESIGNATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

The Representative of the Noteholders may resign at any time by giving at least three calendar months' written notice to the Issuer, without needing to provide any specific reason for the resignation and without being responsible for any costs incurred as a result of such resignation. The resignation of the Representative of the Noteholders shall not become effective until a new Representative of the Noteholders has been appointed in accordance with Article 28.1. (*Appointment*) and such new Representative of the Noteholders has accepted its appointment and has entered into the Programme Intercreditor Agreement, the other Programme Documents and the relevant Series Documents to which the former Representative of the Noteholders was party, provided that if Noteholders fail to select a new Representative of the Noteholders within three months of written notice of resignation delivered by the Representative of the Noteholders, the Representative of the Noteholders may appoint a successor which is a qualifying entity pursuant to Article 28.2. (*Requirements of the Representative of the Noteholders*).

#### 30. **DUTIES AND POWERS OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

##### 30.1 **Legal representative of the Organisation of the Noteholders**

The Representative of the Noteholders is the legal representative of the Organisation of the Noteholders of each Series and has the power to exercise the rights conferred on it pursuant to the Transaction Documents in order to protect the interests of the Noteholders.

##### 30.2 **Meetings and implementation of Resolutions**

Unless any Resolution provides to the contrary, in respect of each Transaction, the relevant Representative of the Noteholders (if more than one Representative of the Noteholders is appointed under the Programme) is responsible for implementing all Resolutions of the Noteholders in respect of such Transaction. The Representative of the Noteholders has the right to convene and attend Meetings under each Transaction to propose any course of action which it considers from time to time necessary or desirable.

In the event that a Programme Extraordinary Resolution is passed in accordance with the provisions of these Rules, the Representatives of the Noteholders (if more than one Representative of the Noteholders is appointed under the Programme) will be jointly liable for the implementation of such Resolution.

##### 30.3 **Delegation**

The Representative of the Noteholders may in the exercise of the powers, discretions and authorities vested in it by these Rules and the Transaction Documents:

- 30.3.1 act by responsible officers or a responsible officer for the time being of the Representative of the Noteholders;
- 30.3.2 whenever it considers it expedient and in the interest of the Noteholders, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons some, but not all, of the powers, discretions or authorities vested in it as aforesaid.

Any delegation pursuant to Article 30.3.2 may be made upon such conditions and subject to such regulations (including power to sub-delegate) as the Representative of the Noteholders may think fit in the interest of the Noteholders. The Representative of the Noteholders shall not be bound to supervise the acts or proceedings of such delegate or sub-delegate and shall not in any way or to any extent be responsible for any loss incurred by reason of any misconduct, omission or default on the part of such delegate or sub-delegate, provided that the Representative of the Noteholders shall use all reasonable care in the appointment of any such delegate and shall be responsible for the instructions given by it to such delegate. The Representative of the Noteholders shall, as soon as reasonably practicable, give notice to the Issuer of the appointment of any delegate and any renewal, extension and termination of such appointment, and shall procure that any delegate shall give notice to the Issuer of the appointment of any sub-delegate as soon as reasonably practicable.

#### 30.4 **Judicial Proceedings**

The Representative of the Noteholders is authorised to initiate and to represent the Organisation of the Noteholders in any judicial proceedings including Insolvency Proceedings.

#### 30.5 **Consents given by Representative of Noteholders**

Any consent or approval given by the Representative of the Noteholders under these Rules and any other Transaction Document may be given on such terms and subject to such conditions (if any) as the Representative of the Noteholders deems appropriate and notwithstanding anything to the contrary contained in these Rules or in the Transaction Documents such consent or approval may be given retrospectively.

#### 30.6 **Discretions**

Save as expressly otherwise provided herein, the Representative of the Noteholders shall have absolute discretion as to the exercise or non-exercise of any right, power and discretion vested in the Representative of the Noteholders by these Rules or by operation of law and the Representative of the Noteholders shall not be responsible for any loss, 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*).

#### 30.7 **Obtaining instructions**

In connection with matters in respect of which the Representative of the Noteholders is entitled to exercise its discretion hereunder, the Representative of the Noteholders has the right (but not the obligation) to convene a Meeting or Meetings in order to obtain the Noteholders' instructions as to how it should act. Prior to undertaking any action, the Representative of the Noteholders shall be entitled to request that the Noteholders indemnify it and/or provide it with security as specified in Article 31.2 (*Specific limitations*).

#### 30.8 **Transaction Acceleration Events and Programme Purchase Termination Events**

The Representative of the Noteholders of the relevant Series of Notes issued under a Transaction certify the occurrence of a Transaction Acceleration Event and/or a Programme Purchase Termination Event materially prejudicial to the interests of the Noteholders of any Series then outstanding under the Programme and any such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other party to the Transaction Documents, provided that – in respect of a Programme Purchase Termination Event - if more than one Representative of

the Noteholders is appointed under the Programme, such certificate will be issued jointly by all Representatives of the Noteholders.

### 30.9 **Remedy**

In respect of each Transaction, the relevant Representative of the Noteholders may determine whether or not a default in the performance by the Issuer of any obligation under the provisions of the Rules, the Notes of any Series or any other Transaction Documents may be remedied, and if the Representative of the Noteholders certifies that any such default is, in its sole opinion, not capable of being remedied, such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other Transaction Party.

## 31. **EXONERATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

### 31.1 **Limited obligations**

The Representative of the Noteholders shall not assume any obligations or responsibilities in addition to those expressly provided herein and in the Transaction Documents.

### 31.2 **Specific limitations**

Without limiting the generality of Article 31.1 (*Limited Obligations*), the Representative of the Noteholders:

- 31.2.1 shall not be under any obligation to take any steps to ascertain whether a Transaction Acceleration Event or a Programme Purchase Termination Event or any other event, condition or act, the occurrence of which would cause a right or remedy to become exercisable by the Representative of the Noteholders hereunder or under any other Transaction Document, has occurred and until the Representative of the Noteholders has actual knowledge or express notice to the contrary, it shall be entitled to assume that no Transaction Acceleration Event or Programme Purchase Termination Event or such other event, condition or act has occurred;
- 31.2.2 shall not be under any obligation to monitor or supervise the observance and performance by the Issuer or any other parties of their obligations contained in these Rules, the Transaction Documents or the Conditions and, until it shall have actual knowledge or express notice to the contrary, the Representative of the Noteholders shall be entitled to assume that the Issuer and each other party to the Transaction Documents are duly observing and performing all their respective obligations;
- 31.2.3 except as otherwise required under these Rules and/or the Transaction Documents, shall not be under any obligation to give notice to any person of its activities in performance of the provisions of these Rules or any other Transaction Document;
- 31.2.4 shall not be responsible for investigating the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules or of any Transaction Document, or of any other document or any obligation or rights created or purported to be created hereby or thereby or pursuant hereto or thereto, and (without prejudice to the generality of the foregoing) it shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:
  - (a) the nature, status, creditworthiness or solvency of the Issuer;
  - (b) the existence, accuracy or sufficiency of any legal or other opinion, search, report, certificate, valuation or investigation delivered or obtained or required to be delivered or obtained at any time in connection with the Notes or the relevant Portfolio;
  - (c) the suitability, adequacy or sufficiency of any collection procedure operated by the Servicer or compliance therewith;

- (d) the failure by the Issuer to obtain or comply with any licence, consent or other authority in connection with the purchase or administration of the Portfolio; and
  - (e) any accounts, books, records or files maintained by the Issuer, the Master Servicer, the Servicer and each Paying Agent or any other person in respect of any Portfolio;
- 31.2.5 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;
- 31.2.6 shall have no responsibility for procuring or maintaining the listing of the Notes and/or any rating of the Notes by any credit or rating agency or any other person;
- 31.2.7 shall not be responsible for or for investigating any matter which is the subject of any recital, statement, warranty, representation or covenant by any party other than the Representative of the Noteholders contained herein or in any Transaction Document or any certificate, document or agreement relating thereto or for the execution, legality, validity, effectiveness, enforceability or admissibility in evidence thereof;
- 31.2.8 shall not be liable for any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting these Rules or any Transaction Document;
- 31.2.9 shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer in relation to the Portfolio or any part thereof, whether such defect or failure was known to the Representative of the Noteholders or might have been discovered upon examination or enquiry or whether capable of being remedied or not;
- 31.2.10 shall not be under any obligation to guarantee or procure the repayment of the relevant Portfolio or any part thereof;
- 31.2.11 shall not be responsible for reviewing or investigating any report relating to the relevant Portfolio provided by any person;
- 31.2.12 shall not be responsible for or have any liability with respect to any loss or damage arising from the realisation of the relevant Portfolio or any part thereof;
- 31.2.13 shall not be responsible (except as expressly provided in the Conditions) for making or verifying any determination or calculation in respect of the Notes, any Portfolio or any Transaction Document;
- 31.2.14 shall not be under any obligation to insure the relevant Portfolio or any part thereof;
- 31.2.15 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.

### 31.3 **Specific Permissions**

- 31.3.1 When in the Rules or any Transaction Document the Representative of the Noteholders is required in connection with the exercise of its powers, trusts, authorities or discretions to have regard to the interests of the Noteholders, the Representative of the Noteholders shall have regard to the interests of the Noteholders as a class and shall not be obliged to have regarded to the consequences of such exercise for any individual Noteholder resulting from his or its being for any purpose domiciled, resident in or otherwise connected with or subject to the jurisdiction of any particular territory or taxing authority.

- 31.3.2 The Representative of the Noteholders shall, as regards the exercise and performance of the powers, authorities, duties and discretions vested in it by the Transaction Documents, except where expressly provided otherwise herein or therein and without prejudice to Rated Notes Condition 14.3 (*Veto rights of the Series Swap Counterparty*) and Junior Notes Condition 14.3 (*Veto rights of the Series Swap Counterparty*), have regard to the interests of both the Noteholders and the Other Issuer Creditors but if, in the sole opinion of the Representative of the Noteholders, there is a conflict between their interests the Representative of the Noteholders will have regard solely to the interest of the Noteholders.
- 31.3.3 Where the Representative of the Noteholders is required to consider the interests of the Noteholders and, in its sole opinion, there is a conflict between the interests of the Holders of different Classes of Notes, the Representative of the Noteholders will consider only the interests of the Holders of the Most Senior Class of Notes.
- 31.3.4 The Representative of the Noteholders may refrain from taking any action or exercising any right, power, authority or discretion vested in it under these Rules or any Transaction Document or any other agreement relating to the transactions herein or therein contemplated until it has been indemnified and/or secured to its satisfaction against any and all actions, proceedings, claims and demands which might be brought or made against it and against all costs, charges, damages, expenses and liabilities which may be suffered, incurred or sustained by it as a result. Nothing contained in the Rules or any of the other Transaction Documents shall require the Representative of the Noteholders to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

#### 31.4 **Notes held by Issuer**

The Representative of the Noteholders may assume without enquiry that no Notes are, at any given time, held by or for the benefit of the Issuer.

#### 31.5 **Illegality**

No provision of the Rules shall require the Representative of the Noteholders to do anything which may be illegal or contrary to applicable law or regulations or to expend moneys or otherwise take risks in the performance of any of its duties, or in the exercise of any of its powers or discretion. The Representative of the Noteholders may refrain from taking any action which would or might, in its sole opinion, be contrary to any law of any jurisdiction or any regulation or directive of any agency of any state, or if it has reasonable grounds to believe that it will not be reimbursed for any funds it expends, or that it will not be indemnified against any loss or liability which it may incur as a consequence of such action. The Representative of the Noteholders may do anything which, in its sole opinion, is necessary to comply with any such law, regulation or directive as aforesaid.

### 32. **RELIANCE ON INFORMATION**

#### 32.1 **Advice**

The Representative of the Noteholders may act on the advice of, a certificate or opinion of or any written information obtained from any lawyer, accountant, banker, broker, credit or rating agency or other expert whether obtained by the Issuer, the Representative of the Noteholders or otherwise and shall not, in the absence of gross negligence (*colpa grave*) or wilful misconduct (*dolo*) on the part of the Representative of the Noteholders, be responsible for any loss incurred by so acting.

#### 32.2 **Transmission of Advice**

Any opinion, advice, certificate or information referred to in Article 32.1 (*Advice*) may be sent or obtained by letter, telegram, e-mail or fax transmission and the Representative of the Noteholders

shall not be liable for acting on any opinion, advice, certificate or information purporting to be so conveyed although the same contains some error or is not authentic.

### 32.3 **Certificates of Issuer**

The Representative of the Noteholders may call for, and shall be at liberty to accept as sufficient evidence:

32.3.1 as to any fact or matter prima facie within the Issuer's knowledge, a certificate duly signed by an authorised representative of the Issuer on its behalf;

32.3.2 that such is the case, a certificate of an authorised representative of the Issuer on its behalf to the effect that any particular dealing, transaction, step or thing is expedient; and

32.3.3 as sufficient evidence that such is the case, a certificate signed by an authorised representative of the Issuer on its behalf to the effect that the Issuer has sufficient funds to make an optional redemption under the Conditions.

and the Representative of the Noteholders shall not be bound in any such case to call for further evidence or be responsible for any loss that may be incurred as a result of acting on such certificate unless any of its officers responsible for the administration of the Securitisation shall have actual knowledge or express notice of the untruthfulness of the matters contained in the certificate.

### 32.4 **Resolution or direction of Noteholders**

The Representative of the Noteholders shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any Meeting in respect whereof minutes have been made and signed or a direction of the requisite percentage of Noteholders, even though it may subsequently be found that there was some defect in the constitution of the Meeting or the passing of the Written Resolution or the giving of such directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the giving of the direction was not valid or binding upon the Noteholders.

### 32.5 **Certificates of Monte Titoli Account Holders**

The Representative of the Noteholders, in order to ascertain ownership of the Notes, may fully rely on the certificates issued by any Monte Titoli Account Holder in accordance with the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018, as amended from time to time, which certificates are to be conclusive proof of the matters certified therein.

### 32.6 **Clearing Systems**

The Representative of the Noteholders shall be at liberty to call for and to rely on as sufficient evidence of the facts stated therein, a certificate, letter or confirmation certified as true and accurate and signed on behalf of such clearing system as the Representative of the Noteholders considers appropriate, or any form of record made by any clearing system, to the effect that at any particular time or throughout any particular period any particular person is, or was, or will be, shown its records as entitled to a particular number of Notes.

### 32.7 **Rating Agencies**

The Representative of the Noteholders shall be entitled to assume, for the purposes of exercising any power, authority, duty or discretion under or in relation to these Rules that such exercise will not be materially prejudicial to the interests of the Noteholders or, as the case may be, the Most Senior Class of Noteholders if any of the Rating Agencies have confirmed that the then current rating of the Rated Notes would not be adversely affected by such exercise or if the Rating Agencies have confirmed that they do not have any objection and/or any comment in respect of any such exercise. Notwithstanding the foregoing, it is agreed and acknowledged by the Representative of the Noteholders and notified to

the Noteholders that a credit rating is an assessment of credit and does not address other matters that may be of relevance to the Noteholders, and it is expressly agreed and acknowledged that such confirmation does not impose on or extend to the Rating Agencies any actual or contingent liability to the Representative of the Noteholders, the Noteholders or any other third party or create legal relations between the Rating Agencies and the Representative of the Noteholders, the Noteholders or any other third party by way of contract or otherwise. If the Representative of the Noteholders, in order to exercise properly its rights or fulfil its obligations, deems it necessary to obtain the views of the Rating Agencies as to how a specific act would affect any outstanding rating of the Notes or any Class thereof, the Representative of the Noteholders may inform the Issuer, which will then obtain such views at its expense on behalf of the Representative of the Noteholders or the Representative of the Noteholders may seek and obtain such views itself at the cost of the Issuer.

### 32.8 **Certificates of Parties to Transaction Document**

The Representative of the Noteholders shall have the right to call for or require the Issuer to call for and to rely on written certificates issued by any party (other than the Issuer) to the Intercreditor Agreement or any other Transaction Document,

32.8.1 in respect of every matter and circumstance for which a certificate is expressly provided for under the Conditions or any Transaction Document;

32.8.2 as any matter or fact *prima facie* within the knowledge of such party; or

32.8.3 as to such party's opinion with respect to any issue

and the Representative of the Noteholders shall not be required to seek additional evidence in respect of the relevant fact, matter or circumstances and shall not be held responsible for any loss, liability, cost, damage, expense, or charge incurred as a result of having failed to do so unless any of its officers responsible for the administration of the Securitisation shall have actual knowledge or express notice of the untruthfulness of the matter contained in the certificate.

### 32.9 **Auditors**

The Representative of the Noteholders shall not be responsible for reviewing or investigating any Auditors' report or certificate and may rely on the contents of any such report or certificate.

## 33. **MODIFICATIONS**

### 33.1 **Modification**

The Representative of the Noteholders may from time to time and without the consent or sanction of the Noteholders concur with the Issuer and any other relevant parties in making:

33.1.1 any modification to these Rules, the Notes or to any of the Transaction Documents / Programme Documents in relation to which its consent is required if, in the sole opinion of the Representative of the Noteholders, such modification is of a formal, minor, administrative or technical nature, is made to comply with mandatory provisions of law or is made to correct a manifest error;

33.1.2 any modification to these Rules or any of the Transaction Documents (other than in respect of a Basic Terms Modification or any provision of these Rules or any of the Transaction Documents referred to in the definition of Basic Terms Modification) / Programme Documents in relation to which its consent is required which, in the sole opinion the Representative of the Noteholders, is not materially prejudicial to the interests of the Holders of the Most Senior Class of Notes of each Series then outstanding; and

### 33.2 **Binding Notice**

Any such modification referred to in this Article 33 (*Modifications*) shall be binding on the Noteholders and, unless the Representative of the Noteholders otherwise agrees, the Issuer shall procure that such modification be notified to the Noteholders and the Other Issuer Creditors as soon as practicable thereafter in accordance with provisions of the Conditions relating to notices of Noteholders and the relevant Transaction Documents.

33.3 **Modifications requested by the Noteholders**

The Representative of the Noteholders shall be bound to concur with the Issuer and any other party in making any modifications if it directed to do so by an Extraordinary Resolution of the Most Senior Class of Noteholders or, in the case of any modification which constitutes Basic Terms Modification, of the holders of each Class of the Notes of each Series but only if it is indemnified and/or secured to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing.

34. **WAIVER**

34.1 **Waiver of Breach**

The Representative of the Noteholders may at any time and from time to time in its sole direction, without prejudice to its rights in respect of any subsequent breach, condition, event or act, from time to time and at any time, but only if and in so far as in its sole opinion the interests of the Holders of the Most Senior Class of Notes then outstanding shall not be materially prejudiced thereby:

34.3.1 authorise or waive, on such terms and subject to such conditions (if any) as it may decide, any proposed breach or breach of any of the covenants or provisions contained in the Notes or any of the Transaction Documents; or

34.3.2 determine that any Transaction Acceleration Event or Programme Purchase Termination Event shall not be treated as such for the purposes of the Transaction Documents,

without any consent or sanction of the Noteholders.

34.2 **Binding Nature**

Any authorisation, waiver or determination referred in Article 34.1 (*Waiver of Breach*) shall be binding on the Noteholders.

34.3 **Restriction on powers**

The Representative of the Noteholders shall not exercise any powers conferred upon it by this Article 34 (*Waiver*) in contravention of any express direction by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or of a request or direction in writing made by the holders of not less than 25 per cent in aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding but so that no such direction or request:

34.3.1 shall affect any authorisation, waiver or determination previously given or made; or

34.3.2 shall authorise or waive any such proposed breach or breach relating to a Basic Terms Modification unless each Class of Notes has, by Extraordinary Resolution, so authorised its exercise.

34.4 **Notice of waiver**

Unless the Representative of the Noteholders agrees otherwise, the Issuer shall cause any such authorisation, waiver or determination to be notified to the Noteholders and the Other Issuer Creditors, as soon as practicable after it has been given or made in accordance with the provisions of the conditions relating to Notices and the relevant Transaction Documents.

35. **SECURITY DOCUMENTS**

35.1 **The Series Deed of Pledge and the Series Deed of Charge**

The Representative of the Noteholders shall have the right to exercise all the rights granted by the Issuer to the Noteholders pursuant to the relevant Series Deed of Pledge and the relevant Series Deed of Charge (if any). The beneficiaries of the relevant Series Deed of Pledge and the relevant Series Deed of Charge (if any) are referred to in this Article 35 (*Security Documents*) as the "**Secured Noteholders**".

35.2 **Rights of Representative of the Noteholders**

35.2.1 The Representative of the Noteholders, acting on behalf of the Secured Noteholders, shall be entitled to appoint and entrust the Issuer to collect, in the Secured Noteholders' interest and on their behalf, any amounts deriving from the pledged claims and rights, and shall be entitled to give instructions, jointly with the Issuer, to the respective debtors of the pledged claims and/or the charged assets to make the payments related to such claims to the relevant Payments Account or to any other account opened in the name of the Issuer and appropriate for such purpose;

35.2.2 The Secured Noteholders irrevocably waive any right they may have in relation to any amount deriving from time to time from the pledged claims or credited to the Series Issuer's Accounts or to any other account opened in the name of the Issuer and appropriate of such purpose which is not in accordance with the provisions of this Article 35 (*Security Documents*). 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 pledged claims under the relevant Series Deed of Pledge and the relevant Series Deed of Charge (if any) except in accordance with the provisions of this Article 35 (*Security Documents*) and the Programme Intercreditor Agreement.

36. **INDEMNITY**

Pursuant to the Programme Intercreditor Agreement and each Series Subscription Agreement, the Issuer shall covenant and undertake to reimburse, pay or discharge (on a full indemnity basis) upon demand, to the extent not already reimbursed, paid or discharged by the Noteholders and without any obligation to first make demand upon the Noteholders, all costs, liabilities, losses, charges, expenses, damages, actions, proceedings, claims and demands properly incurred by or made against the Representative of the Noteholders or any entity to which the Representative of the Noteholders has delegated any power, authority or discretion in relation to the exercise or purported exercise of its powers, authorities and discretions and the performance of its duties under and otherwise in relation to the Rules and the relevant Series Documents, including but not limited to legal and travelling expenses, and any stamp, issue, registration, documentary and other taxes or duties paid by the Representative of the Noteholders in connection with any action and/or legal proceedings brought or contemplated by the Representative of the Noteholders pursuant to the relevant Series Documents against the Issuer, or any other person to enforce any obligation under the Rules, the Notes or the Transaction Documents.

37. **LIABILITY**

Notwithstanding any other provision of these Rules, the Representative of the Noteholders shall not be liable for any act, matter or thing done or omitted in any way in connection with the Transaction Documents, the Notes or these Rules except in relation to its own fraud (*frode*), gross negligence (*colpa grave*) or wilful default (*dolo*).

**TITLE IV**

**THE ORGANISATION OF THE NOTEHOLDERS AFTER SERVICE OF A TRANSACTION  
ACCELERATION NOTICE**

38. **POWERS**

It is hereby acknowledged that, upon service of a Transaction Acceleration Notice, or prior to the service of a Transaction Acceleration Notice, following the failure of the Issuer to exercise any right to which it is entitled, pursuant to the Mandate Agreement, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, shall be entitled (also in the interests of the Other Issuer Creditors) pursuant to articles 1411 and 1723 of the Italian civil code, to exercise certain rights in relation to all the relevant Issuer's Series Segregated Assets. Therefore, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, will be authorised, pursuant to the terms of the Mandate Agreement, to exercise, in the name and on behalf of the Issuer and as *mandatario in rem propriam* of the Issuer, any and all of the Issuer's Rights under certain Series Documents, including the right to give directions and instructions to the relevant parties to the relevant Series Documents.

**TITLE V**

**GOVERNING LAW AND JURISDICTION**

39. **GOVERNING LAW**

These Rules and all non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, the laws of the Republic of Italy.

40. **JURISDICTION**

Any dispute arising from the interpretation and execution of these Rules or from the legal relationships established by these Rules will be submitted to the exclusive jurisdiction of the Courts of Rome.

## FORM OF FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Series of Notes issued under the Programme. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.*

**Prohibition of sales to EEA Retail Investors – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, supplemented or superseded the "Prospectus Regulation"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.**

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]**

**MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the [Notes] has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/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 manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.**

**[UK MIFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/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 ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. *[Consider any negative target market]*. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/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/s'] target market assessment) and determining appropriate distribution channels.]

## FINAL TERMS

**Marzio Finance S.r.l.**

(incorporated under the laws of the Republic of Italy)

**Legal entity identifier (LEI): 8156009FC13322D4B035**

### Issue of

€ [     ] Series [     ] **Class A limited recourse asset-backed notes due [ ]**

[€ [     ] Series [     ] **Class B limited recourse asset-backed notes due [ ]]**

**under the € [●] Asset-Backed Notes Programme**

**(together the "Notes")**

The date of these Final Terms is [     ]

This document constitutes the Final Terms relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 7 September 2023 [and the supplement[s] to the Base Prospectus dated [●]] which [together] constitutes a base prospectus for purposes of the Regulation 2017/1129/UE (as amended, supplemented or superseded from time to time, the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Notes of this Series described herein for the purposes of article 8 of the Prospectus Regulation and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes of this Series described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented].

Copies of the Base Prospectus [and the supplement[s] to the Base Prospectus] may be obtained without charge from the website of the Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)), from the website's section [www.iblbanca.it/investorrelations](http://www.iblbanca.it/investorrelations) and, during usual office hours on any weekday from the registered office of the Issuer, the registered office of the Representative of the Noteholders and the Specified Offices of the Paying Agents (as set forth in Condition 18 (*Notices*)).

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]*

*[When completing final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under article 16 of the Prospectus Directive.]*

## PART A – GENERAL

Series Number:	[ ]
Nominal Amount of the Notes:	
aggregate of the Principal Amount Outstanding of the Notes as at the Issue Date	[ ]
tranching and Principal Amount Outstanding of the Notes as at the Issue Date:	
Class A Notes	€ [ ]
Class B Notes	[Not Applicable] [€ [ ]]
Issue Price:	
Class A Notes	[ ]
Class B Notes	[Not Applicable][ ]
Specified Denomination of the Notes (€ 100,000 or such higher denomination as may be specified in the applicable Final Terms):	
Class A Notes	[ ] and integral multiples of [ ]
Class B Notes	[Not Applicable][[ ] and integral multiples of [ ]]
Issue Date:	[ ]
Final Maturity Date:	[ ]
Interest basis:	
Class A Notes	[[ ] per cent.] [EURIBOR [1 (one) month as displayed in Reuters Screen EURIBOR01] [3 (three) months as displayed in Reuters Screen EURIBOR03] [6 (six) months as displayed in Reuters Screen EURIBOR06] + Class A Margin]
Class B Notes	[Not Applicable][[ ] per cent.] [[EURIBOR [1 (one) month] [3 (three) months] [6 (six) months] + Class B Margin]

Date of the resolution of the Issuer by virtue [ ]  
of which the issuance of the Notes of this  
Series has been approved:

Class B Notes Series Performance Triggers: [Applicable] [Not Applicable]

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

**1. Fixed Rate of Interest** [Applicable][Applicable to Class A Notes  
(*applicable to Class A Notes and Class B* only)[Applicable to Class B Notes only] [Not  
*Notes only*): [Not Applicable]

*(If not applicable, delete the remaining sub-paragraph of this paragraph)*

- (i) Fixed Interest Amount: [[ ] per cent. per annum payable monthly in arrear]
- (ii) First Payment Date: [ ]
- (iii) Payment Dates: [ ] in each year up to and including the Final Maturity Date
- (iv) Day count fraction: [ ]
- (v) Determination Dates: [ ] in each year

**2. Floating Rate of Interest** [Applicable][Applicable to Class A Notes  
(*applicable to Class A Notes and Class B* only)[Applicable to Class B Notes only]  
*Notes only*) [Not applicable]

[Not applicable]

*(If Not Applicable, delete the remaining sub-paragraph of this paragraph)*

- (i) Interest Periods: [[ ]], subject to adjustment in accordance with the Business Day Convention set out in point (iv) below/, not subject to any adjustment, as the Business Day Convention in point (iv) below is specified to be Not Applicable]]
- (ii) First Payment Date: [ ]
- (iii) Payment Dates [ ] in each year up to and including the Final Maturity Date
- (iv) Business Day Convention: [ ] [Not Applicable]
- (v) Manner in which the Rate(s) of Interest is/are to be determined: [ ]
- (vi) Party responsible for calculating the Rate(s) of Interest and/or Interest Payment Amount(s):

- [     ]
- (vii) Screen Rate determination:
- Reference Rate: [     ]
- Determination Date(s): [     ]
- Relevant Screen page: [     ]
- (viii) Margins:
- Class A Margin: + [     ] per cent. per annum
- Class B Margin: + [     ] per cent. per annum
- (ix) Linear interpolation: [Not Applicable/Applicable – the Rate of Interest for the [long/ short] [first/last] Interest Period shall be calculated using linear interpolation (*specify for each short or long interest period*)]

**DETAILS OF THE PORTFOLIO**

The details of the Portfolio relating to this Series as at the relevant Valuation Date are described in schedule 1 attached hereto.

**POOL AUDIT REPORT**

Pursuant to article 22, paragraph 2, of the Securitisation Regulation and the EBA Guidelines on STS Criteria, the Pool Audit Report has been prepared in respect of the Portfolio prior to the Issue Date and no significant adverse findings have been found.

**OTHER INFORMATION: ESTIMATED WEIGHTED AVERAGE LIFE**

<b>CPR</b>	<b>0%</b>	<b>5%</b>	<b>10%</b>	<b>15%</b>	<b>20%</b>
Class A	*	*	*	*	*
Class J	*	*	*	*	*

The actual characteristics and performance of the Receivables are likely to differ from the assumptions used in constructing the table above, which is hypothetical in nature and is provided only to give a general sense of how the principal cash-flows might behave. Any difference between such assumptions and the actual characteristics and performance of the Receivables will cause the estimated weighted average life of the Series of Notes to differ (which difference could be material) from the corresponding information in the table above.

Signed on behalf of the Issuer:

By:.....

Duly authorised

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Rated Notes to be admitted to trading on the Luxembourg Stock Exchange with effect from [ ]/[Not Applicable]
- (ii) Listing on the Official List: [Official List of the Luxembourg Stock Exchange]  
[Not applicable]
- (iii) Estimate of total expenses related to admission to trading: [ ] [Not Applicable]

### 2. RATINGS

2. Class A Notes: [ ] and [ ].
3. Class B Notes: [Not Applicable] [ ] and [ ]]

*[[Insert credit rating agency] is established in the European Union and has applied for registration under Regulation (EU) No 1060/2009 (as amended) [as it forms part of domestic law of the United Kingdom by virtue of the EUWA], although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]/[[Insert credit rating agency] is established in the European Union and registered under Regulation (EU) No 1060/2009 (as amended) [as it forms part of domestic law of the United Kingdom by virtue of the EUWA] and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>] / [[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EU) No 1060/2009 (as amended).]*

*In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the Regulation (EU) No 1060/2009 as subsequently amended (the EU CRA Regulation) [(or is endorsed and published or distributed by subscription by such a credit rating agency in accordance with the CRA Regulation) unless (1) the rating is provided by a credit rating agency not established in the EEA but endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation]. In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under Regulation (EC) no. 1060/2009 on credit rating agencies, as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the UK CRA Regulation), [unless such rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or such rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.]*

**3. YIELD** *(applicable to Fixed Rate Notes only)*

(i) Indication of Yield: [ ] [Not Applicable]

**4. BENCHMARKS**

[Not Applicable] [Amounts payable under the Notes will be calculated by reference to [●] which is provided by [●], as benchmark administrator listed into the relevant register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the BMR (Regulation (EU) 2016/1011). As at [●], [●] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the BMR (Regulation (EU) 2016/1011). [As far as the Issuer is aware, the transitional provisions in Article 51 of the BMR apply, such that [●] is not currently required to obtain authorisation or registration.]]

*(Not applicable for Fixed Rate Notes)*

**5. OTHER INFORMATION CONCERNING THE ISSUE OF THE SERIES OF NOTES AND THE RELEVANT UNDERLYING**

Series Swap Counterparty/ies: [Not Applicable] [Crédit Agricole Corporate and Investment Bank] [Société Générale S.A.] [UniCredit Bank AG] [, Banco Santander S.A.] [JP Morgan AG]

Collateral Account Bank [Not applicable][ ]

Valuation Date: [ ]

Transfer Date: [ ]

Portfolio Purchase Price: € [ ]

Level of collateralisation: [ ] *[insert the ratio between the aggregate of the Principal Amount Outstanding of the Notes as at the Issue Date and the Outstanding Principal of the Receivables]*

Retention: Selected method:  
[ ] *[insert selected method for retention in accordance with the applicable Retention and Transparency Rules]*

Liquidity Reserve Target Amount [ ]

Additional Reserve Target Amount [ ]

Estimated net amount of proceeds [ ]

Third party verifying STS compliance authorised under article 28 of the Securitisation Regulation in connection the STS Verification and the CRR Assessment of the Notes. [ ]

**6. OPERATIONAL INFORMATION**

Any clearing system other than Monte Titoli, Euroclear and Clearstream, Luxembourg and the relevant identification number(s) [Not Applicable] *[specify the relevant clearing system(s)]*

Delivery: Delivery [against/free of] payment

Names and addresses of paying agents other than the one specified in the Base Prospectus [Not applicable] *[give details]*

Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” 28 simply means that the Notes are intended upon issue to be deposited with one of

the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)] *[include this text for*

*registered notes]* and does not

necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/

[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper) *[include this text for registered notes]*. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]

ISIN Codes:

Class A Notes: [ ]

Class B Notes: [Not Applicable][ ]

Common Codes: [Applicable] [Not Applicable]

[Class A Notes: [ ]]

[Class B Notes: [Not Applicable][ ]]

CFI: *[include code]*, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the

ISIN/Not Applicable/Not Available]

FISN: *[[include code]*, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

## 7. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated:
- (A) names of managers: [Not Applicable/*give names*]
- (B) stabilisation manager(s) if any: [Not Applicable/*give names*]
- (iii) If non-syndicated, name of dealer: [Not Applicable/*give names*]
- (iv) US selling restrictions: [Reg. S Compliance Category [1/2/3]; [Rule 144A;] TEFRA C/TEFRA D/ TEFRA not applicable]
- (v) [Prohibition of sales to EAA Retail Investors:] [Applicable][Not Applicable]  
*[(If the Notes clearly do not constitute “packaged” products, or the Notes do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared in the EEA, “Applicable” should be specified.)]*
- (vi) [Prohibition of sales to UK Retail Investors:] [Applicable][Not Applicable]  
*[(If the Notes clearly do not constitute “packaged” products, or the Notes do constitute “packaged” products and a key information document will be prepared in the UK, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared in the UK, “Applicable” should be specified.)]*



## SCHEDULE 1

### DETAILS OF THE PORTFOLIO

[Insert the details of the Portfolio purchased in the context of the issue of each Series as at the relevant Valuation Date]

As at the Valuation Date, the Portfolio comprised obligations under [ ] [INSERT NUMBER OF LOANS] Loans, owed by [ ] [INSERT NUMBER OF DEBTORS] Debtors which are (i) employees of [ ] [INSERT NUMBER OF EMPLOYERS] Employers and (ii) pensioners of *Istituto Nazionale di Previdenza Sociale (INPS)*.

All Loans are governed by Italian Law and pay monthly instalments.

For the purpose of compliance with articles 22(2) of the Securitisation Regulation, a sample of the Loans included in the Portfolio has been subject to verification by [ ] [INSERT DENOMINATION OF EXTERNAL AUDITOR] on [ ] [INSERT DATE OF COMPLETION OF AUDIT ON PORTFOLIO]. The sample has been determined on the basis of the following criteria: [ ] [INSERT CRITERIA APPLIED BY AUDITOR FOR SELECTING THE SAMPLE]. The parameters which have been subject to verification are the following: [ ] [INSERT PARAMETERS VERIFIED BY AUDITOR].

The following tables set out details of the Portfolio derived from information provided by IBL Banca as Originator of the Receivables comprised in such Portfolio. The information in the following tables reflects the position as at the Valuation Date, unless otherwise specified.

**TABLE 1 – PORTFOLIO SUMMARY**

Number of Loans	[•]	
Number of Debtors	[•]	
Original Outstanding Principal Due (Euro)	[•]	
Average Original Outstanding Principal Due (Euro)	[•]	
Total Outstanding Principal Not Yet Due (Euro)	[•]	
of which:		
Salary Assignment	[•]	
Payment Delegation	[•]	
Weighted Average Interest Rate	[•]	
Weighted Average Original Term (years) <sup>(1)</sup>	[•]	
Weighted Average Residual Life (years) <sup>(2)</sup>	[•]	
Longest maturity date	[•]	
Top Debtor Outstanding Balance	[•]	
Top Employer Outstanding Balance (excluding MEF and INPS)	[•]	
<u>Type of Employer</u>		
Post Offices	[•]	[•]

Railways Companies	[•]	[•]
Pensioners	[•]	[•]
Private Companies	[•]	[•]
Public Administration	[•]	[•]
Central State Administration	[•]	[•]
<i>Geographical distribution (Employer)</i>		
Northern Italy	[•]	[•]
Central Italy	[•]	[•]
Southern Italy	[•]	[•]

(1) is expressed in years and weighted by the Outstanding Principal Not Yet Due

(2) is expressed in years and weighted by the Outstanding Principal Not Yet Due

**TABLE 2 – BREAKDOWN OF THE PORTFOLIO BY OUTSTANDING BALANCE**

Range (Euro)	Number of Loans	%	Outstanding Principal Not Yet Due (Euro)	%	Average Outstanding Principal Not Yet Due (Euro)
0 - 15,000	[•]	[•]	[•]	[•]	[•]
15,000 - 20,000	[•]	[•]	[•]	[•]	[•]
20,000 - 25,000	[•]	[•]	[•]	[•]	[•]
25,000 - 30,000	[•]	[•]	[•]	[•]	[•]
30,000 - 35,000	[•]	[•]	[•]	[•]	[•]
35,000 - 40,000	[•]	[•]	[•]	[•]	[•]
40,000 - 45,000	[•]	[•]	[•]	[•]	[•]
> 45,000	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]	<b>100.00%</b>	[•]	<b>100.00%</b>	[•]

**TABLE 3 – BREAKDOWN OF THE PORTFOLIO BY ORIGINAL TERM**

Range (Years)	Number of Loans	%	Outstanding Principal Not Yet Due (Euro)	%	Average Outstanding Principal Not Yet Due (Euro)
01) < 2 years	[•]	[•]	[•]	[•]	[•]
02) 2 - 4 years	[•]	[•]	[•]	[•]	[•]
02) 4 - 6 years	[•]	[•]	[•]	[•]	[•]
03) 6 - 8 years	[•]	[•]	[•]	[•]	[•]
04) 8 - 10 years	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]	<b>100.00%</b>	[•]	[•]	[•]

**TABLE 4 - BREAKDOWN OF THE PORTFOLIO BY RESIDUAL LIFE**

Range (Years)	Number of Loans	%	Outstanding Principal Not Yet Due (Euro)	%	Average Outstanding Principal Not Yet Due (Euro)
01) < 2 years	[•]	[•]	[•]	[•]	[•]
02) 2 - 4 years	[•]	[•]	[•]	[•]	[•]
03) 4 - 6 years	[•]	[•]	[•]	[•]	[•]
04) 6 - 8 years	[•]	[•]	[•]	[•]	[•]
05) 8 - 10 years	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]	<b>100.00%</b>	[•]	<b>100.00%</b>	[•]

**TABLE 5 – BREAKDOWN OF THE PORTFOLIO BY FUNDING YEAR**

Range (Years)	Number of Loans	%	Outstanding Principal Not Yet Due (Euro)	%	Average Outstanding Principal Not Yet Due (Euro)
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]	<b>100.00%</b>	[•]	<b>100.00%</b>	[•]

**TABLE 6 - BREAKDOWN OF THE PORTFOLIO BY TYPE OF LOAN**

Type of loan	Number of Loans	%	Outstanding Principal Not Yet Due (Euro)	%	Average Outstanding Principal Not Yet Due (Euro)
Transfer of one/fifth of the pension	[•]	[•]	[•]	[•]	[•]
Transfer of one/fifth of the salary	[•]	[•]	[•]	[•]	[•]
Payment Delegation	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]	<b>100,00%</b>	[•]	<b>100,00%</b>	[•]

**TABLE 7 - BREAKDOWN OF THE PORTFOLIO BY INSURANCE COMPANY (LIFE RISK)**

Insurance Company (Life)	Number of Loans	%	Outstanding Principal Not Yet Due (Euro)	%	Average Outstanding Principal Not Yet Due (Euro)

[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]	<b>100,00%</b>	[•]	<b>100,00%</b>	[•]

**TABLE 8 - BREAKDOWN OF THE PORTFOLIO BY INSURANCE COMPANY (UNEMPLOYMENT RISK)**

Insurance Company (Unemployment Risk)	Number of Loans	%	Outstanding Principal Not Yet Due (Euro)	%	Average Outstanding Principal Not Yet Due (Euro)
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]	<b>100,00%</b>	[•]	<b>100,00%</b>	[•]

**TABLE 9 – BREAKDOWN OF THE PORTFOLIO BY DEBTOR AGE**

Range (Years)	Number of Loans	%	Outstanding Principal Not Yet Due (Euro)	%	Average Outstanding Principal Not Yet Due (Euro)
20-30	[•]	[•]	[•]	[•]	[•]
30-40	[•]	[•]	[•]	[•]	[•]
40-50	[•]	[•]	[•]	[•]	[•]
50-60	[•]	[•]	[•]	[•]	[•]
60-70	[•]	[•]	[•]	[•]	[•]
70-80	[•]	[•]	[•]	[•]	[•]
80-85	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]	<b>100,00%</b>	[•]	<b>100,00%</b>	[•]

**TABLE 10 – TOP EMPLOYERS**

Employer	Type of employer	Outstanding Principal Not Yet Due (Euro)	%	Number of Loans
Employer 1	[•]	[•]	[•]	[•]
Employer 2	[•]	[•]	[•]	[•]

Employer 3	[•]	[•]	[•]	[•]
Employer 4	[•]	[•]	[•]	[•]
Employer 5	[•]	[•]	[•]	[•]
Employer 6	[•]	[•]	[•]	[•]
Employer 7	[•]	[•]	[•]	[•]
Employer 8	[•]	[•]	[•]	[•]
Employer 9	[•]	[•]	[•]	[•]
Employer 10.	[•]	[•]	[•]	[•]
<b>Top 10 Employers</b>	[•]	[•]	[•]	[•]
Employer 11	[•]	[•]	[•]	[•]
Employer 12	[•]	[•]	[•]	[•]
Employer 13	[•]	[•]	[•]	[•]
Employer 14	[•]	[•]	[•]	[•]
Employer 15	[•]	[•]	[•]	[•]
Employer 16	[•]	[•]	[•]	[•]
Employer 17	[•]	[•]	[•]	[•]
Employer 18	[•]	[•]	[•]	[•]
Employer 19	[•]	[•]	[•]	[•]
Employer 20	[•]	[•]	[•]	[•]
<b>Top 20 Employers</b>		[•]	[•]	[•]

**TABLE 11 - BREAKDOWN OF THE PORTFOLIO BY DELINQUENCY**

Instalment in Arrears	Number of Loans	%	Outstanding Principal Not Yet Due (Euro)	%	Average Outstanding Principal Not Yet Due (Euro)
0	[•]	[•]	[•]	[•]	[•]
1	[•]	[•]	[•]	[•]	[•]
2	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]	<b>100.00%</b>	[•]	<b>100.00%</b>	[•]

## SELECTED ASPECTS OF ITALIAN LAW

### The Securitisation Law

The Securitisation Law was enacted on 30 April 1999 and was conceived to simplify the securitisation process and to facilitate the increased use of securitisation as a financing technique in Italy.

It applies to securitisation transactions involving a "true" sale (by way of non-gratuitous assignment) of receivables, where the sale is to a company created in accordance with article 3 of the Securitisation Law and all amounts paid by the debtors in respect of the receivables are to be used by the relevant company exclusively to meet its obligations under notes issued to fund the purchase of such claims and all costs and expenses associated with the securitisation transaction.

The Securitisation Law has been amended by, *inter alia*: (i) the Italian law decree (decreto-legge) No. 145 of 23 December 2013, which has been converted into law by the Italian Parliament with law No. 9 of 21 February 2014 (the "**Decree 145**"); (ii) the Italian law decree (*decreto-legge*) No. 91 of 24 June 2014, which has been converted into law by the Italian Parliament with law No. 116 of 11 August 2014 (the "**Decree 91**"); (iii) the Italian law decree (decreto-legge) No. 18 of 14 February 2016, which has been converted into law by the Italian Parliament with law No. 49 of 8 April 2016 and (iv) the Italian law No. 96 of 21 June 2017.

The Securitisation Law has been further amended by, *inter alia*, law No. 145 of 30 December 2018 and law decree No. 34 of 30 April 2019, as converted with amendments into law No. 38 of 30 June 2019 and, lastly, by the legislative decree no. 190 of 5 November 2021.

As of the date of this Base Prospectus, no interpretation of the application of the Securitisation Law has been issued by any Italian court or governmental or regulatory authority, except for (i) 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, and (ii) the Legislative Decree 13 August 2010 No. 141 which has, *inter alia*, entirely replaced, as from 19 September 2010, Title V of the Consolidated Banking Act. 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 as at the date of this Base Prospectus.

### Ring-fencing of the assets

By virtue of the operation of Article 3 of the Securitisation Law, the assets relating to each securitisation transaction will be segregated for all purposes from all other assets of the company which performs the securitisation (the "**SPV**") (including any other assets purchased by such company pursuant to the Securitisation Law). Therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of such a company, to satisfy the obligations to the Noteholders and to certain creditors claiming payment of debts incurred by the company in connection with the securitisation of the relevant receivables. In addition, the receivables relating to a particular transaction will not be available to the holders of notes issued to finance any other securitisation transaction or to general creditors of the issuer company.

Decree 91 has extended the segregation effects provided for under Article 3, paragraph 2, of the Securitisation Law. In particular it has been specified that receivables relating to each securitisation transaction, meaning the receivables towards the assigned debtors and any other claims owed to the SPV in the context of the transaction, as well as any relevant collections and financial assets purchased through the proceeds of the receivables, form separate assets from the assets of the SPV and those relating to other securitisation transactions. No actions against such segregated assets may be taken by creditors other than the holders of the securities issued to finance the purchase of the relevant receivables.

In addition, Decree 91 has inserted new paragraphs 2-*bis* and 2-*ter* in Article 3 of the Securitisation Law, pursuant to which:

- the sums standing to the credit of the SPV's accounts (i) are capable of being seized and attached only by the relevant noteholders; and (ii) can be used exclusively to satisfying the claims of such noteholders, hedging counterparty and to pay the relevant transaction's costs;
- in the event that the bank holding the SPV's accounts becomes subject to any proceedings under Title IV of the Consolidated Banking Act or any insolvency proceedings, the sums deposited on such accounts also pending such proceedings (i) are not subject to suspension of payments and (ii) will be immediately and fully returned to the SPV without the need for the filing of any petition in the relevant proceeding and outside any distribution plan;
- the sums standing to the credit of the servicer's accounts are capable of being seized and attached by the creditors of the relevant servicer (or sub-servicer, as the case may be) only within the limits of the amounts exceeding the sums collected and due to the SPV; and
- In the event that the relevant servicer (or sub-servicer, as the case may be) becomes subject to an insolvency proceeding, the sums deposited on such accounts also pending such insolvency proceeding, for an amount equal to the amounts pertaining to the SPV, will be immediately and fully returned to the relevant SPV without the need for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan.

Under Italian law, however, any creditor of the Issuer would be able to commence insolvency or winding-up proceedings against the Issuer in respect of any unpaid debt.

### **The assignment**

The assignment of the receivables under the Securitisation Law is governed by Article 58 paragraphs 2, 3 and 4 of the Consolidated Banking Act. The prevailing interpretation of this provision, which view has been strengthened by Article 4 of the Securitisation Law, is that the assignment can be perfected against the assignor, the debtors in respect of the receivables and third party creditors by way of publication of the relevant notice in the Official Gazette of the Republic of Italy and registration in the Companies Register, so avoiding the need for notification to be served on each debtor.

Pursuant to article 4, first paragraph, of the Securitisation Law, the notice of sale in the Official Gazette of the assignment of those receivables which have the characteristics set out under article 1 of Italian Law number 52 of 21 February 1991 (*i.e.* receivables arising out of contracts executed by the originator in the ordinary course of its business) may be simplified by including only information regarding the originator, the assignee and the date of assignment. As an alternative, the perfection of the assignment of such receivables may be governed by article 5, paragraphs 1, 1-bis and 2 of Italian Law number 52 of 21 February 1991, according to which the enforceability of the assignment against third parties is obtained through the payment of the relevant purchase price bearing an indisputable date (*data certa*).

According to article 4, second paragraph, of the Securitisation Law, as from the date of the publication of the notice in the Official Gazette or the payment (in whole or in part) of the purchase price for the assigned receivables bearing an indisputable date:

- 1) no legal action may be brought in respect of the assigned receivables 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 receivables and to meet the costs of the transaction.
- 2) notwithstanding any provision of law providing otherwise, no set-off may be exercised by the debtors among the assigned receivables and any debtors' claims towards the originator arising after such date;
- 3) the assignment becomes enforceable against:
  - (a) any other assignee of the originator who has failed to render its purchase of receivables enforceable against any third party prior to such date;

- (b) any creditors of the originator who have not obtained, prior to the date of the publication of the notice in the Official Gazette, an attachment order (pignoramento) in respect of any of the receivables and then only to the extent of the receivables already attached;
- 4) the benefit of any privilege, guarantee or security interest guaranteeing or securing repayment of the assigned receivables will automatically be transferred to and perfected with the same priority in favour of the company which has purchased the receivables, without the need for any formality or annotation.

Assignments executed under the Securitisation Law are subject to revocation on bankruptcy under article 166 of the New Insolvency Code but only in the event that the adjudication of bankruptcy of the relevant party is made within three months of the securitisation transaction or, in cases where paragraph 1 of article 166 applies, within six months of the securitisation transaction.

### **Claw-Back of the sale of the Receivables**

The sale of the Receivables by the Originator to the Issuer may be clawed back by a receiver of the Originator under article 166, paragraphs 1(4) and 2 of the New Insolvency Code but only in the event that the Originator was insolvent when the assignment was entered into and was executed within three months of the admission of the Originator to compulsory liquidation (liquidazione coatta amministrativa) pursuant to Title IV, Heading I, Section III of the Consolidated Banking Act or in cases where paragraphs 1(1), 1(2) and 1(3) of article 166 of the New Insolvency Code apply, within six months of the admission to compulsory liquidation.

### **Claw-Back Action against the payments made to companies incorporated under the Securitisation Law**

According to article 4 of the Securitisation Law, the payments made by an assigned debtor to the Issuer may not be subject to any claw-back action according to articles 166 and 164 of the New Insolvency Code.

All other payments made to the Issuer by any party under a Transaction Document in the year/six months suspect period prior to the date on which such party has been declared bankrupt or has been admitted to the compulsory liquidation may be subject to claw-back action according to article 166 paragraphs 1 or 2, as applicable, of the New Insolvency Code. The relevant payment will be set aside and clawed back if the receiver gives evidence that the recipient of the payments had knowledge of the state of insolvency when the payments were made. The question as to whether or not the Issuer had actual or constructive knowledge of the state of insolvency at the time of the payment is a question of fact with respect to which a court may in its discretion consider all relevant circumstances.

### **Italian Usury Law**

The interest payments and other remuneration paid by the Debtors under the Loans are subject to Italian law No. 108 of 7 March, 1996, as amended from time to time (the "**Usury Law**"), which introduced legislation preventing lenders from applying interest rates equal to or higher than certain rates. In addition, even where the applicable rates are not exceeded, interest and other advantages and/or remuneration may be held to be usurious if certain circumstances arise. The provision of usurious interest, advantages or remuneration has the same consequences as non-compliance with the usury rates.

If the Loans are found to contravene the Usury Law, the Debtors might be able to claim relief on any interest previously paid and oblige the Issuer to accept a reduced rate of interest, or potentially no interest on the relevant Loan. In such cases, the ability of the Issuer to maintain scheduled payments of interest and principal on the Notes may be adversely affected.

In a scenario in which market rates decline, interest can be below the threshold at the outset of the financing, but result in an excess at a later stage. In this context, law decree No. 394 of 29 December, 2000 clearly states that interest is deemed usurious if it exceeds the maximum threshold set by the law at the time that the interest is agreed by the parties, "independently from the time of its actual payment". As clarified by the Italian Supreme Court in Decision No. 24,675/2017, this provision is to be taken literally – compliance with the usury threshold is relevant only at the time of execution of the contract, regardless of the time of payment and of any

subsequent change to the reference threshold. This ruling applies to contracts entered into both before and after the enactment of law No. 108/1996 and law-decree No. 394/2000.

For the risks arising from the possible presence in the Portfolios of Loan Agreements including usury rates, kindly see the section “*Risk Factors*” “*Italian Usury Law*”.

### **Compounding of interest**

Pursuant to article 1283 of the Italian civil code, in respect of a monetary claim or receivable, accrued interest may be capitalised after a period of not less than six months only (i) under an agreement subsequent to such accrual or (ii) from the date when any legal proceedings are commenced in respect of that monetary claim or receivable. Article 1283 of the Italian civil code allows derogation from this provision in the event that there are recognised customary practices (“*usi*”) to the contrary. Banks and other financial institutions in the Republic of Italy have traditionally capitalised accrued interest on a three monthly basis on the grounds that such practice could be characterised as a customary practice (“*uso normativo*”). However, a number of judgements from Italian courts (including the judgements from the Italian Supreme Court (*Corte di Cassazione*) number 2374/99 and number 2593/2003) have held that such practices may not be defined as customary practices (“*uso normativo*”). Consequently, if Debtors were to challenge this practice, it is possible that such interpretation of the Italian civil code would be upheld before other courts in the Republic of Italy and that the returns generated from the relevant Loan Agreements may be prejudiced.

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

By decision No. 425 dated 9 October 2000, the Italian Constitutional Court declared as unconstitutional on these grounds such article 25, paragraph 3, of Law No. 342. According to a ruling of the Tribunal of Bari dated 29 October 2008 the amortisation plans known as “French amortisation plans” (applied to certain type of loans in Italy, such as the Loan Agreements) are not valid, being in breach of Articles 1283 and 1284 of the Italian Civil Code. The rationale behind such ruling seems to be, *inter alia*, that the French amortisation plans would *per se* lead to apply to the relevant loan an interest rate higher than the interest rate contractually agreed between the lender and the borrower and, therefore, to increase the cost of the financing for the borrower. According to such ruling, banks which use in their loans the French amortisation plan would be in breach of Article 1283 and 1284 as the relevant rate of interest and the cost of the financing would not be clearly indicated in the relevant loan agreement. As a result, the relevant contractual interest rate may be challenged by the relevant borrower and the legal interest rate may apply.

Article 17-bis of Law Decree number 18 of 14 February 2016 (as converted into law with amendments by Law number 49 of 8 April 2016) amended article 120, paragraph 2, of the Banking Act, providing that interest (other than defaulted interest) shall not accrue on capitalised interest. Article 120, paragraph 2 of the Banking Act delegated to the CICR the establishment of the methods and criteria for compounding of interest. In this respect, the CICR, with a resolution dated 3 August 2016, substituting the resolution dated 9 February 2000, has provided, *inter alia*, that: (i) negative accrued interest and principal are to be accounted separately; (ii) in accordance with the new provision of article 120 of the Banking Act, interest are due as from 1 March of the year following the year of the relevant accrual. In any case, such interest shall become payable and the relevant debtor shall be considered in default only after a period of 30 days starting from the day the debtor is aware of the amount to be paid; and (iii) the debtor and the bank may agree, also in advance, to charge the interest due and payable directly to the relevant debtor’s account (in such event, the charged amount shall be considered as principal amount and interest shall accrue on such amount).

For the risks arising from the possible presence in the Portfolios of Loans providing for a compounding of interest, kindly see the section “*Risk Factors*” “*Compounding of interest*”.

## Italian Consumer Legislation

In Italy, consumer loans are regulated by, *inter alia*: (i) articles 121 to 126 of the Consolidated Banking Act; (ii) Italian Legislative Decree No. 206 of 6 September 2005 (the "**Consumer Code**") and (iii) the regulation of the Bank of Italy dated 29 July 2009, entitled "*Trasparenza delle operazioni e dei servizi bancarie e finanziari. Correttezza delle relazioni tra intermediari e clienti*" (as amended and/or supplemented from time to time). Under the current legislation, consumer loans are only those granted for amounts lower than the maximum level set by sub-section 1 of article 122 of the Consolidated Banking Act, currently set at Euro 75,000 and higher than the minimum level set by the same sub-section, currently set at Euro 200. The following issues, amongst others, could arise in relation to a consumer loan contract:

- a) pursuant to article 125-*sexies* of the Consolidated Banking Act, debtors under consumer loan contracts have the right (which cannot be waived by agreement between the parties) to prepay any consumer loan (in whole or in part) with the right to a *pro rata* reduction in the aggregate amount of the loan, equal to the amounts of interest and costs that should be accrued until the final maturity date of such loan. Pursuant to second paragraph of Article 125-*sexies*, in case of prepayment of the consumer loan, the lender has the right to receive an indemnity from the debtor that cannot exceed the following limits: (i) 1 per cent. of the early prepaid amount, should the prepayment be made more than 1 year before the final maturity date of the loan; or (ii) 0.5 per cent. of the early prepaid amount, should the prepayment be made at least 1 year or less than 1 year before the final maturity date of the loan, provided that in any case such indemnity cannot exceed the amount of interest that the debtor would have paid on the loan until its final maturity date. Furthermore, third paragraph of Article 125-*sexies* provides for specific circumstances under which such indemnity is not due by the debtor to the lender. The provisions of article 125-*sexies* of the Consolidated Banking Act have been amended by Law Decree no. 73 of 25 May 2021, as converted into Law no. 106 of 23 July 2021 (the so-called "**Sostegni-bis Decree**"). Pursuant to the Sostegni-*bis* Decree, the consumer loan agreements shall clearly indicate the criteria applicable for such interest and cost reduction, being a linear proportional reduction or a reduction based on the loan amortised cost. Unless otherwise specified in the relevant consumer loan agreement, a reduction based on the loan amortised cost would apply. Save for any different agreement between the lenders and the relevant credit intermediaries, the lenders would have a recourse against such credit intermediaries for the recovery of an amount equivalent to the portion of the credit intermediaries' fees reimbursed to the borrowers as a result of the prepayment. The amendments to article 125-*sexies* of the Consolidated Banking Act introduced by the Sostegni-*bis* Decree would apply to the consumer loan agreements executed after the entry into force of conversion law. Any prepayment relating to consumer loan agreements entered into prior to such date would continue to be governed by the previous provisions of article 125-*sexies*, as well as by the Bank of Italy's regulations applicable at the time of the relevant prepayment;
- b) pursuant to article 125-*septies* of the Consolidated Banking Act, debtors of consumer loans are entitled to exercise against the assignee of any lender under a consumer loan contract, any defence (including set-off) which they had against the original lender, in derogation of the provisions of article 1248 of the Italian Civil Code (that means the debtors have such right even if they have accepted the assignment or have been given written notice thereof and if the transfer has been made enforceable against them). In this respect, it must be noted that article 4, paragraph 2 of the Securitisation Law provides that debtors of securitised receivables are not entitled to exercise any right of set-off against the securitisation special purpose vehicle for any claims they have towards the originator which have arisen after the date of completion of the enforceability formalities of the transfer of such receivables to the securitisation company as provided for under the Securitisation Law. However, it is unclear whether the provisions contained in article 4, paragraph 2 of the Securitisation Law in relation to set-off rights of the assigned debtors also prevails on article 125-*septies* of the Consolidated Banking Act, considering the special nature of the latter (*i.e.* provisions aimed at protecting the category of consumers);
- c) pursuant to sub-section 2 of article 125-*septies* of the Consolidated Banking Act, there is no obligation to inform the consumer of the assignment of the rights of the lender under a consumer loan agreement when the original lender maintains the servicing of the relevant claims. In addition, regulation of the Bank of Italy dated 29 July 2009, as amended and updated from time to time (*Trasparenza delle*

*operazioni e dei servizi bancarie e finanziari. Correttezza delle relazioni tra intermediari e clienti*) provides that notices of assignment shall be made in accordance with, respectively, article 58 of the Consolidated Banking Act with respect to the assignment of claims required to be carried out thereunder and article 4 of the Securitisation Law with respect to the securitisation transaction of claims. Prior individual notice of the purchase of the Receivables under the Programme Receivables Purchase Agreement and each relevant Transfer Agreement was not, and will not be, given to the Debtors as the Originator will continue to service the relevant Receivables and the Debtors' payment procedure will not be subject to change. Since no notice of the assignment of the Receivables to the Issuer is being given there is a risk that Debtors who qualify as a "consumer" pursuant to the Consolidated Banking Act could raise a defence in any enforcement action taken by the Issuer in respect of the relevant Loan Agreement qualifying as "consumer loans" extended to them that the assignment of the Receivables cannot be enforced against them if the Originator does not continue to service the relevant Receivables and the Debtors' payment procedure are subject to change, until they receive formal notice of the assignment. In this respect, pursuant to the Programme Receivables Purchase Agreement and each relevant Transfer Agreement, however, the Originator has undertaken to notify to the Debtors, the Employers, the Pension Authorities, the Pension Funds and the Guarantors, at the earliest opportunity, the transfer of each Portfolio as provided for by the applicable regulations and to furnish to the Debtors, the Employers, the Pension Authorities, the Pension Funds and the Guarantors information as referred to in articles 13, paragraphs 1 and 2 of the Privacy Law and 13 and 14 of the GDPR (as applicable).

The Consumer Code has repealed articles 1469-*bis* to 1469-*sexies* of the Italian civil code, which were applicable to the Loan Agreements and substituted the regulation contained therein, with substantially the same terms. Article 33 of the Consumer Code provides that any clause in a consumer contract which contains a material imbalance between the rights and obligations of the consumer under the contract is deemed to be unfair and is not enforceable against the consumer whether or not the consumer's counterparty acted in good faith. Article 33 of Consumer Code identifies clauses which, if included in consumer contracts, are deemed to be *prima facie* unfair but which are binding on the consumer if it can be shown that such clauses were actually negotiated or that they can be considered fair in the circumstances of the relevant consumer contract. Such clauses include, amongst others, clauses which give the right to the non-consumer contracting party to (a) terminate the contract or (b) modify the conditions of the contract without reasonable cause. However, with regard to financial contracts, if there is a valid reason, the provider is empowered to modify the economic terms but must inform the consumer immediately; in this case the consumer has the right to terminate the contract.

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

For the risks arising from the possible presence of Loan Agreements containing clauses violating the Consumer Code, kindly see the section "Risk Factors" "*Italian consumer protection legislation*".

### **Salary Assignments (*Cessioni di quinto dello stipendio*)**

The granting of loans with Salary Assignment as collateral constitutes a specific type of financing offered by credit institutions. By virtue of law and of contract, a Salary Assignment requires an Employer to retain a part of the employee's salary/pension and to pay it directly to the lending institution.

The Salary Assignments are regulated by (i) the general provisions of the Italian Civil Code; and (ii) by special legislation.

The provisions of article 1260 of the Italian Civil Code state that creditors may transfer, whether for consideration or not, any claims they might have (except for those claims that are of a strictly personal nature or are not assignable under the law), even without the consent of the assigned debtor. However, the

assignment becomes enforceable towards the assigned debtor only when it is accepted by the assigned debtor or it has been notified to him/her through a notice bearing an indisputable date.

The same requirement is provided for by the Italian Presidential Decree No. 180 of 5 January 1950 (“**Decree 180**”).

#### *Special Legislation Provisions*

Pursuant to the Decree 180, employees of the State, of other public entities and administrations and private employees may be granted loans which are to be repaid through the assignment of up to one fifth of their net monthly salaries and for a term of not more than 10 years.

The Decree 180 provides for a number of requirements to be met in order for the employees to be granted a loan assisted by a Salary Assignment.

Among the requirements under the Decree 180, it is provided that the risks relating to:

(a) death of the debtor; and

(b) termination of the employment contract for whatever reason,

shall be guaranteed by a specific insurance policy issued by insurance companies.

In the event of termination of the employment for whatever reason, the Salary Assignment extends to the rights to receive pension payments or other forms of indemnities.

In this respect, it has to be noted that, pursuant to the Decree 180, amounts due by the Employer to the lender under the Salary Assignment (being a portion of the Employee salary) have to be paid to the lenders within the month following the month on which they have been accrued.

#### **Payment Delegations (*Delegazioni di pagamento*)**

Under a Payment Delegation (*Delegazione di Pagamento*), the employer of the relevant borrower is obliged, by virtue of law and of contract, to retain a part of the employee's salary and to send it directly to the lending institution.

The Payment Delegations are regulated by general provisions of the Italian Civil Code, by the Decree 180 and by the provisions set under Circulars of the Minister of Treasury No. 46 of 8 August 1995 and No. 63 of 16 October 1996 and under Circulars of the Minister Economic and Financial Affairs No. 1 of 17 January 2011 and No. 2 of 15 January 2015 (collectively, the “**Circulars**”).

#### *Italian Civil Code Provisions*

Article 1269 of the Italian Civil Code provides that a debtor (*delegante*) may delegate another party (*delegato*) to perform payments on his/her behalf to the relevant creditor (*delegatario*). In case the delegated party (*delegato*) accepts to be bound towards the creditor, this latter has a direct claim towards the delegated party.

A contract whereby one party undertakes to execute one or more legal transactions for the account of another, such as the execution of a payment, is defined as a mandate under Article 1703 of the Italian Civil Code.

Furthermore, pursuant to Article 1723, second paragraph, of the Italian Civil Code, if a mandate is granted also in the interest of a third party (other than the parties to the mandate), such mandate is irrevocable. Accordingly, the Employer, which has accepted the Payment Delegation (which constitutes a mandate to make payments on behalf of the Debtor, also in the interest of the Originator, this latter being a third party to the mandate) would be obliged thereunder to make payments to the Originator until the payment obligations of the debtor are fulfilled and the mandate is therefore extinguished.

#### *Provision set under the Circulars*

Pursuant to the Circulars, employees of the State and of other public entities and administrations may be granted loans which are to be repaid through Payment Delegations, subject to the same limits applicable in the case of Salary Assignments.

According to the Circulars, delegations of payment in connection with loans granted to public employees can be issued only subject to, *inter alia*, the lending institution to which the payments are made (the *delegatario*) having entered into a specific agreement (*Convenzione*) with the relevant public body setting out the costs to be borne by the public bodies, such costs to be equal to the costs of the human and IT resources to be used.

### **Rights of set-off and other rights of the Debtors**

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

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 (i) the date of the publication of the notice of assignment in the Official Gazette of the Republic of Italy (*Gazzetta Ufficiale della Repubblica Italiana*), and (ii) the date of registration of the notice of assignment in the competent companies' register. Consequently, Debtors and Employers/Pension Authorities may exercise a right of set-off against the Issuer on claims against the Originator and/or the Issuer which have arisen before the later of: (i) the publication of the notice in the Official Gazette and (ii) the registration in the competent companies' register have been completed.

In addition, as set out in paragraph "*Consumer protection legislation*" below, pursuant to article 125-septies of the Consolidated Banking Act, debtors of consumer loans (and CDQ Loans and DP Loans would qualify as such) are entitled to exercise against the assignee of any lender under a consumer loan contract, any defence (including set-off) which they had against the original lender, in derogation of the provisions of article 1248 of the Italian civil code (that means the debtors have such right even if they have accepted the assignment or have been given written notice thereof and if the transfer has been made enforceable against them). In this respect, it must be noted that article 4, paragraph 2 of the Securitisation Law (as amended by Decree 145) provides that debtors of securitised receivables are not entitled to exercise any right of set-off against the securitisation company for any claims they have vis-à-vis the relevant originator which have arisen after the date of completion of the enforceability formalities of the transfer of such receivables to the securitisation company as provided for under the Securitisation Law. However, it is unclear whether the amendments made to article 4, paragraph 2 of the Securitisation Law by Decree 145 in relation to set-off rights of the assigned debtors also prevails on article 125-septies of the Consolidated Banking Act, considering the special nature of the latter (i.e. provisions aimed at protecting the category of consumers).

For the risks arising from the possible exercise by Debtors of a setting off right, kindly see the section "Risk Factors" "*Italian consumer protection legislation*".

### **The Issuer**

Under the provisions of Article 5, paragraph 2, of the Securitisation Law, the standard limits and the other provisions related to the issue of securities prescribed for Italian companies (other than banks) under the Italian Civil Code (Articles from 2410 to 2420) are not applicable to the Issuer.

### **Attachment of Debtor's credits**

Attachment proceedings may be commenced also on due and payable credits of a borrower (such as bank accounts, salary, etc.) or on borrower's movable property which is located on third party premises.

**Settlement of the over-indebtedness crisis (*sovraindebitamento*) under Law No. 3/2012** Under Italian Law No. 3 of 27 January 2012 ("*Disposizioni in materia di usura e di estorsione, nonché di composizione delle crisi da sovraindebitamento*") (the "**Law No. 3/2012**"), in order to remedy to situations in which a debtor is definitively not able to fully and timely fulfil its obligations ("*sovraindebitamento*"), a debtor may enter into a

debt restructuring agreement ("**Settlement Agreement**") in the context of the settlement procedure provided for therein ("**Settlement Procedure**").

In particular, the debtor can accede to the Settlement Procedure if it:

- (a) cannot be subject to the insolvency procedures provided by the New Insolvency Code;
- (b) has not benefited of any Settlement Procedure in the past three years;
- (c) is subject, for circumstances chargeable to it, to the measures provided for articles 14 and 14-*bis* of Law No. 3/2012;
- (d) has filed unclear documentation which does not consent to properly recognize its financial and patrimonial situation.

Pursuant to Law No. 3/2012, a Settlement Agreement may provide for a one-year period moratorium in respect of payments in favour of creditors who have not entered into the Settlement Agreement (*creditori estranei*), provided that:

- (i) the debt restructuring plan is suitable to ensure payment of the relevant obligations within the relevant deadline provided for therein;
- (ii) the execution of the debts restructuring plan has been entrusted to a liquidator appointed by the competent Court; and
- (iii) the moratorium does not concern undistrainable (*impignorabili*) receivables.

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

The competent Court, in the event that the requirements provided by Law No. 3/2012 subsist, provides, by decree, that the creditors cannot commence or continue foreclosure proceedings (*azioni esecutive*) and seizures (*sequestri conservativi*) and create pre-emption rights on the assets of the debtor provided that such decree may be revoked by the competent Court in the event of actions in prejudice of the creditors or fraud against them made by the debtor.

The Settlement Agreement has to be agreed by creditors (excluding certain categories of secured creditors and the purchasers or assignees of the relevant receivables owed by the debtor which have purchased such receivables from less than one year from the date of request of the Settlement Procedure) representing at least 60 per cent. of the debtor's debts and then be approved (*omologato*) by the competent Court.

### **Main changes in Italian bankruptcy, tax and civil procedure law**

The Italian Parliament adopted Law Decree No. 83 of 27 June 2015 (*Misure urgenti in materia, fallimentare, civile e processuale civile e di organizzazione e funzionamento dell'amministrazione giudiziaria*) converted into law by Law No. 132 of 6 August 2015 (the "**Decree No. 83**"), providing for some significant changes in Italian bankruptcy, tax and civil procedure law.

The main features of the reform implemented by Decree No. 83 are summarised herein below:

- (a) the rules governing the deductibility for tax purposes by banks and financial intermediaries of losses and write-off relating to receivables have been amended. Under the new rules both losses deriving from assignment of receivables and losses and write-off of receivables vis-à-vis customers (*crediti verso la clientela*) are entirely deductible in the fiscal year in which they are registered in the financial statements of the aforesaid companies. This provision has shortened the timeframe previously provided for deducting losses and write-off of receivables, which was equal to five fiscal years;
- (b) debt enforcement proceedings have been accelerated and simplified, and judicial sales expedited;

- (c) banks and financial intermediaries holding the majority of a company's overall debt can (subject to certain conditions) restructure its indebtedness, even in the face of a significant dissenting minority financial creditor;
- (d) access to new financing has been simplified, enjoying super-priority, and the removal of claw back risk for bridging loans (including shareholder loans) for a company when proposing a pre-bankruptcy creditors arrangement or debt restructuring;
- (e) creditors representing 10% of overall indebtedness are now entitled to present alternative proposals to those proposed by the debtor if the company's proposals do not satisfy at least 40% of non-preferred creditors in case of liquidation or 30% in an on-going scenario. Measures have been introduced which will likely lead to greater use of controlled auctions in prepack creditor arrangements involving business sales, favouring independent investor participation. Such sales may now be completed even before court certification of the approved creditor arrangement, prioritising business continuity;
- (f) a specific discipline has been provided in relation to the consequences of the termination of financial leasing contract (please see the paragraph "Italian Law on Leasing" below for more details on this provision); and
- (g) a number of measures have been introduced to enhance the speed and effectiveness of bankruptcy proceedings, including the imposition of deadlines for bankruptcy trustee activities with the real threat of removal for failure to comply and the facilitation of interim distributions to creditors.

These provisions of Decree No. 83 have not been tested in any case law nor specified in any further regulation.

#### **Law Decree No. 59/2016**

The Italian Parliament has adopted the Law Decree No. 59 of 3 May 2016 (*Disposizioni urgenti in materia di procedure esecutive e concorsuali, nonché a favore degli investitori in banche in liquidazione*) converted into law by Law No. 119 of 30 June 2016 (the "**Decree No. 59**"), providing for urgent measures on guarantees, foreclosure and insolvency proceedings and aiming at restoring damages suffered by investors of banks under liquidation.

The main features of the reform implemented by Decree No. 59 are summarised herein below:

- (a) a new security interest over movable assets ("*pegno mobiliare non possessorio*") has been introduced in order to improve the businesses' access to financing;
- (b) it is now possible for banks and other financial intermediaries authorised to carry out lending activities pursuant to Article 106 of the Consolidated Banking Act to agree in the financing arrangements with businesses to obtain, in case of default, title to a designated real estate asset(s) (such measure expressly provides for an exception to the general Italian rule pursuant to which a secured creditor is not allowed to repossess a pledged or mortgaged asset upon the borrower's default);
- (c) certain provisions have been introduced in order to further accelerating (following the amendments in enforcement proceedings) credit recovery through more efficient enforcement proceedings. In particular:
  - (i) no oppositions to enforcement procedures are allowed (with limited exceptions) if the sale process for the asset has already been launched;
  - (ii) courts must (with no discretion) order provisional execution of an injunction order for the portion of the claim which has not been challenged by the debtor;
  - (iii) a bidder in an auction may identify a third party assignee to become the owner of the asset.

- (d) changes have been introduced to Italian insolvency law to facilitate certain procedural aspects by strengthening the use of online technologies to enhance interactivity within the context of hearings and creditors' meetings;
- (e) a digital registry shall be set up and held by the Ministry of Justice, which includes data relating to all the compulsory expropriation, insolvency proceedings and alternative debt restructuring resolution schemes.

These provisions of Decree No. 59 have not been tested in any case law nor specified in any further regulation.

### **Delegation of powers to the Italian Government for the reform of corporate reorganization and Insolvency Law**

On 11 October 2017 the Italian Parliament approved a law which confers powers on the Italian government for an overall reform of insolvency law and corporate reorganisation proceedings in the context of over-indebted corporate entities (the “**Delegated Legislation**”).

The Delegated Legislation is the result of a review of the Italian legislative decree no. 267 of 16 March 1942 conducted by an experts' committee set up in 2015 as furtherly amended and replaced by the Italian legislative decree no. 14 of 12 January 2019 (the “**New Insolvency Code**”). Such review aims at introducing reform of insolvency legislation that is better suited to the current economic situation and consistent with the indications received from the European legislator.

The Delegated Legislation is inspired by the principle of an early detection and resolution of corporate insolvency also through flexible and modern reorganisation methods; in such a context, the declaration of bankruptcy (now defined as judicial liquidation, “*liquidazione giudiziale*”) is considered as a last resort in absence of other options that can guarantee continuation of corporate activity.

In accordance with the above principles, the Delegated Legislation introduces the new “preemptive and assisted reorganisation procedures” further complementing in this way the regulation of the currently existing pre-insolvency proceedings (*i.e.* restructuring proceedings under article 182*bis* and certified plans under article 166(3)(d) of the New Insolvency Code) and insolvency proceedings (scheme of arrangements with creditors and bankruptcy). The reform of the so - called *extraordinary administration* proceedings has not been included in the scope of the Delegated Legislation and will likely require an *ad hoc* intervention.

The principal envisaged amendments to the current legal framework contained in the Delegated Legislation are as follow.

Stakeholders have long faced a difficulty in coordinating the restructuring proceedings of companies under the same group. The legislation currently in force does not provide for the opening of a single restructuring proceeding with regard to multiple affiliated companies, thus resulting in an inefficient process also compounded by the fact that different territorial courts have competence for each different single proceedings. In order to adress such issues, the Delegated Legislation provides for the introduction of a new joined proceedings for group insolvencies. More specifically, the Delegated Legislation introduces:

- a) a definition of “corporate group” by reference to the criteria of direction and coordination referred to in articles 2497 et seq. and 2545 septies of the Italian Civil Code; such criteria are presumed to be met where there are controlling and controlled entities within the group pursuant to article 2359 of Italian Civil Code;
- b) joined single proceedings: the possibility for companies under the same group to file a single application for approval of a debt restructuring plan agreement under articles 44 and/or 57 of the New Insolvency Code or admission to an out-of-court arrangement with creditors or judicial liquidation or a court settlement agreement before a single court of law (as determined in accordance with the European principle of “center of main interests” of the debtor); hence the subsequent appointment of only one single (i) judge and (ii) court-appointed receiver with regard to a scheme of arrangement or judicial dissolution and payment of a single fund of expenses in the case of a scheme of arrangement with creditors.

- c) separate resolution meetings with regard to schemes of arrangement with creditors: in case of a scheme of arrangement, separate resolutions on the proposal by the creditors of each company and the exclusion of infra-group creditors from voting in order to mitigate any “distortion” effects;
- d) subordination of infra-group debt in situations described by article 2467 of the Italian Civil Code (i.e. the company has resorted to additional debt in situations where a capital contribution was instead required), with the exception of infra-group loans granted in the context of schemes of arrangement or a debt restructuring agreement under articles 44 and/or 57 of the New Insolvency Code;
- e) extension of the receiver’s powers with regard to solvent companies: in the event of a judicial liquidation, the power of the receiver, inter alia, to report irregularities in the management of the solvent companies of the group (e.g. article 2409 of the Italian Civil Code) and to request their bankruptcy in the event of insolvency.

### *Preemptive Proceedings*

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

In order to facilitate a prompt detection of crisis, on one hand the Delegated Legislation requires the entrepreneur to have in place an adequate corporate structure which can detect a crisis in a timely manner, and on the other hand, has introduced preemptive proceedings and crisis-assisted reorganisation proceedings (the “**Preemptive Proceedings**”) to induce the distressed company to address the crisis early on. Such regulation however does not apply to listed and large companies on the assumption that, due to their size, these entities have adequate resources to detect the crisis and address it at an early stage.

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

- a) the debtor who acknowledges a state of crisis files an application with a body set up in the relevant Chamber of Commerce (the “**Committee**”) in order to receive assistance in finding an agreed solution to the crisis with creditors within a maximum period of 6 months;
- b) qualified public creditors (including the Tax Agency and Social Security Agency) must (i) inform the relevant debtor that its debt exposure has exceeded a significant amount and (ii) inform the supervisory entities and the Committee, in case the debtor has not addressed the problem within a 3 month period (such as by starting the Preemptive Proceedings, or by carrying out a scheme of arrangement or a debt restructuring);
- c) in the event of the debtor's inaction, the above-mentioned public creditors must report to the supervisory entities and the Committee any ongoing defaults of a significant amount;
- d) in addition, in all cases of inaction on the part of the debtor (and regardless of reporting by qualified public creditors) the corporate auditing bodies, auditors and auditing firms are obliged to immediately notify the administrative entities of any well-grounded indications of a crisis situation (the chartered accountant representative body shall prepare indexes to be used to establish when a company is considered to be in crisis) and, in the event of inadequate or a lack of response by these entities, the Committee;
- e) during the proceedings, the debtor may apply to the relevant Court for the adoption of protective measures to enable the same to enter into negotiations protected from any action of creditors (in respect of such protective measures, the debtor may postpone the reduction of any losses pursuant to the provisions of articles 64 and/or 89 of the New Insolvency Code with reference to the debt restructuring agreements and the schemes of arrangements;

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

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

*- Incentives:*

1. for debtors who have taken action to overcome the crisis within 6 months from the first sign of its occurrence (using the assistance of the Committee or the proceedings for the approval of a debt restructuring agreement under articles 44 and/or 57 of the New Insolvency Code, or a scheme of arrangement with creditors): (a) there will no penalty for bankruptcy as a result of fund distraction crimes and other bankruptcy offences when they have caused minor damage; (b) the action will be regarded as a mitigating circumstance with special effect for any other crimes and (c) a reduction of interest payable and penalties on tax debt;
2. for statutory auditors who immediately report to the directors well-grounded indications of a crisis and, in the event of inaction, inform the Committee: exemption from joint liability with the company directors for any damages resulting from events or omissions following their report;

*- Penalties:*

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

*Debt restructuring agreements pursuant to articles 44 and/or 57 of the New Insolvency Code and certified plans under article 166 of the New Insolvency Code*

The amendments introduced by the Delegated Legislation aim to encourage the use of debt restructuring agreements under articles 44 and/or 57 of the New Insolvency Code (the “**Debt Restructuring Agreements**”).

As for the certified plans under article 166 of the New Insolvency Code (the “**Certified Plans**”), the legislator has considered necessary to regulate more specifically their content in order to limit the possibility that these are drafted loosely.

Starting from the Debt Restructuring Agreements, the Delegated Legislation provides as follows:

- a) extended application of the cram down: possibility to apply the “cram down” model envisaged in the case of arrangements with banks and financial intermediaries under articles 61 and/or 62 of the New Insolvency Code to all debt restructuring agreements and moratorium agreement which do not provide for liquidation: this means that, once the creditors have been assigned to homogeneous classes based on their economic and legal position, a company may bind all creditors belonging to a certain class to complying with agreements approved by at least 75% of creditors belonging to the relevant class provided that they have been informed of the opening of negotiations and have been enabled to participate to the resolution;
- b) reduction of the required quorum: reduction of the 60% quorum currently required by law for the use of such measure to 30% provided that: (a) the debtor pays creditors not adhering to the plan as their debts become due and (b) does not request protection from enforcement proceedings (see letter (c) below);
- c) extension of protection: application of a debt moratorium starting from the opening and until the end of the proceedings (as of the day of this Base Prospectus it applies for only 60 days starting from the opening);

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

As for the certified plans, the Law merely requires that they must be in writing, bear certain date and the content is precisely determined.

### *Schemes of Arrangement*

The Law provides for a reorganisation of the provisions on the schemes of arrangement with creditors in order to preserve business continuity and simplify proceedings. More specifically, the Delegated Legislation provides as follows:

- a) marginalisation of schemes of arrangement providing for liquidation: schemes of arrangements with liquidation are only possible where: (i) there is a contribution of external resources which appreciably increases payments in favours of unsecured creditors for at least 10% and, in any case, (ii) a minimum payment of 20% of the total amount of unsecured claims is envisaged;
- b) extending the powers of the relevant bankruptcy Court: the Court has the power to assess not only the legal but also the economic feasibility of a scheme of arrangement (this is a step back in respect of the “private” nature of the 2015 reform as well as of the same indications received from the Joint Sections of the Italian Supreme Court (*Corte di Cassazione a Sezioni Unite*) that will not contribute to the success of the provision);
- c) qualified majorities: a majority is required not only based on the amount of debt owed but also based on the number of voting creditors if a single creditor holds unsecured debt for an amount equal to or higher than the majority of those eligible to vote; furthermore, the Delegated Legislation calls for a specific regulation on conflict of interest situations. Such choice will make it difficult to carry out typical investment operations involving the purchase of receivables from distressed/insolvent companies in order to then “control” and approve the relevant scheme of arrangement proposal;
- d) the definition of a scheme of arrangement in continuity and deferment of privileged claims: it is clarified that a scheme of arrangement in continuity refers to both mixed schemes of arrangements (continuity plus disposal of non-instrumental assets); furthermore, payment of privileged creditors may be postponed up for to two years, provided that the creditors are granted voting rights;
- e) super senior loans authorized by the court: super senior status of the loan would be confirmed during the proceedings and by way of execution of the plan; super senior loans are no longer permitted;
- f) mandatory classification of creditors: creditors must necessarily be divided into classes if there are, among others, creditors assisted by third-party guarantees (and in other cases where there are homogeneous legal positions and economic interests that are to be identified by the Government);
- g) electronic vote: the meeting of creditors is replaced by an electronic voting procedure;
- h) provisional administration: in the event of obstruction by the debtor, the Court may entrust the implementation of the scheme of arrangement to a provisional administrator entrusted with powers usually belonging to a creditors' meeting (this power is currently only provided if a competing proposal is accepted);
- i) termination of the scheme arrangement by the receiver: the receiver has the power to require, following the request from a creditor, that the scheme of arrangement be terminated, inter alia, for non-performance (currently, such right is recognised only to creditors);
- j) mergers/demergers/transformations: in the case of extraordinary transactions (mergers, demergers and transformations), (i) the creditors' opposition is exercised in the context of the schemes of arrangement; (ii) the effects of extraordinary transactions are irreversible once executed; (iii) the right of withdrawal of shareholders is excluded in the presence of transactions affecting on the organization or financial structure of the company.

### *Judicial liquidation*

Under the Delegated Legislation bankruptcy is defined as “judicial liquidation”, and aims at standardising and simplifying the relevant proceedings which now becomes residual if a restructuring proceedings on a going concern basis is possible (and reasonably achievable). Some of the most important changes are the following:

- a) assignment of assets to creditors: the participation of creditors in the auctions of the debtors' assets is facilitated (however, certain aspects of the Delegated Legislation are not very clear on this point); to this end, a body is established which certifies “the reasonable probability of satisfaction of the debts incurred in respect of each proceeding” and which issues to the creditors who so request a debt certificate enabling them to participate to the relevant auction “in proportion to the probability of satisfaction of their credit”; the provision is presumably aiming at giving to the creditors the option to request the assignment of the debtor's assets and pay by means of their debt certificates as endorsed by the certifying body; in fact the law provides for the appointment of a “settlement and central counterparty system operator” which it is presumed to oversee such operations; the relevant proceedings however remain regulated;
- b) one type of proceedings: judicial liquidation applies to every category of debtors (e.g. limited liability companies, individuals, professionals) with the sole exclusion of public entities;
- c) efficiency of the proceedings: a number of further actions are planned in order to reduce the duration and cost of the procedure and make more effective and transparent the receiver's activity as well as the process of determining the bankruptcy estate's liabilities.

Finally, the Delegated Legislation also provides for some further measures intended to reorder and simplify over-indebtedness proceedings by prioritising business continuity and ensuring the competitiveness of asset sale auctions.

On 14 February 2019, the Legislative Decree No. 14 of 12 January 2019, which enacts the above provisions set out under the Delegated Legislation, has been published in the Official Gazette of the Republic of Italy and will enter into force on 15 August 2020 except for certain provisions relating to corporate organization and director liabilities that entered into force as of 16 March 2019.

### **Regulatory Capital Framework**

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

It should also be noted that the Basel Committee has approved significant changes to the Basel II.

Framework (such changes being commonly referred to as "**Basel III**"), including new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards for credit institutions. In particular, the changes refer to, amongst other things, new requirements for the capital base held by credit institutions, measures to strengthen the capital requirements for counterparty credit exposures arising from certain transactions and the introduction of a leverage ratio as well as short-term and longer-term standards for funding liquidity (referred to as the "**Liquidity Coverage Ratio**" and the "**Net Stable Funding Ratio**").

The Basel Committee has also published certain proposed revisions to the securitisation framework, including proposed new hierarchies of approaches for calculating risk weights and a new risk weight floor of 15%. Participating countries have been required to fully implement the new capital standards as of January 2019) and the Net Stable Funding Ratio from January 2018. The implementation of Basel III requires national legislation and therefore the final rules and the timetable for their implementation in each jurisdiction may be subject to some level of national variation. The European authorities have indicated that they support the work of the Basel Committee on the approved changes in general and the European Commission proposed to implement the changes through the CRD IV and the CRR (as defined below). It should also be noted that changes to regulatory capital requirements have been made for insurance and reinsurance undertakings

through participating jurisdiction initiatives, such as the Solvency II framework in Europe. The changes may have an impact on incentives to hold the Notes for investors that are subject to requirements that follow the revised framework and, as a result, they may affect the liquidity and/or value of the Notes.

The Basel III framework has been substantially reflected in the EU legislation by means of the agreed package consisting of the Capital Requirements Directive (Directive 2013/36/EU, also known as “**CRD IV**”) and Capital Requirements Regulation (Regulation (EU) No. 575/2013, also known as “**CRR**”), the latter being directly applicable in each Member State. The adoption of these measures will allow the set-up of a Single Rule book which is the key tool in the EU to allow a level playing field, to contrast regulatory arbitrage and foster the convergence of supervisory practices. The CRD IV and the CRR were formally adopted by the European Council on 20 June 2013 and published in the Official Journal on 27 June 2013. The CRR entered into application on 1 January 2014. The CRD IV has been implemented in Italy through the Bank of Italy Circular No. 285 issued on 17 December 2013, as amended and supplemented from time to time, and Legislative Decree No. 72 of 12 May 2015 entering into force on 27 June 2015 that transposes in Italy those provisions of the CRD IV which were not implemented by means of the aforesaid Bank of Italy Circular. In addition, certain EU regulations provide for certain retention and due diligence requirements which shall be applied, or are expected to be applied in the future, with respect to various types of regulated investors (including, *inter alia*, credit institutions, investment firms or other financial institutions, authorised alternative investment fund managers, insurance and reinsurance companies and UCITS funds) who intend to invest in a securitisation transaction. Among other things, such requirements restrict a relevant investor from investing in asset-backed securities unless (i) that relevant investor is able to demonstrate that it has undertaken certain due diligence in respect of various matters including its note position, the underlying assets and (in the case of certain types of investors) the relevant sponsor or originator and (ii) the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the investor that it will retain, on an on-going basis, a net economic interest of not less than 5 (five) per cent in respect of certain specified credit risk tranches or asset exposures. Failure to comply with one or more of the requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a proportional additional risk weight on the notes acquired by the relevant investor. The retention and due diligence requirements hereby described apply, or are expected to apply, in respect of the Notes.

#### **Accounting treatment of the Receivables**

On the basis of the regulations issued by the Bank of Italy on 13 March 2012, which should apply to the drafting of the financial statements of the Issuer, the accounting information relating to the securitisation of the Receivables will be contained in the Issuer's nota integrativa, which, together with the balance sheet and the profit and loss statements form part of the financial statements of Italian companies.

#### **No severe clawback provisions**

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.

## TAXATION

*The following is a general description of current Italian law and practice relating to certain Italian tax aspects concerning the purchase, ownership and the disposal of the Notes. It does not purport to be a complete analysis of all tax issues that may be relevant to the prospective investors' decision to purchase or own the Notes or the noteholders' decision to dispose of the same and does not purport to deal with the tax consequences applicable to all categories of investor or prospective beneficial owners of the Notes, some of which may be subject to special rules. The following overview does not discuss the treatment of Notes that are held in connection with a permanent establishment or fixed base through which a non-Italian resident beneficial owner carries on business or performs professional services in Italy.*

*This overview is based upon tax laws and practice of Italy in effect on the date of this Base Prospectus which are subject to change, potentially retroactively.*

*Prospective purchasers of the Notes are advised to consult in any case 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 the 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. This overview will not be updated by the Issuer after the date of this Base Prospectus to reflect changes in laws after the date of this Base Prospectus and, if such a change occurs, the information in this could become invalid.*

### Income tax

Under current legislation, pursuant to the provision of article 6, paragraph 1, of the Securitisation Law and of Decree 239, as amended, payments of interest and other proceeds in respect of the Notes (hereinafter collectively referred to as "**Interest**"):

- (a) will be subject to final substitute tax (*imposta sostitutiva*) at the rate of 26 per cent. in Italy if made to beneficial owners who are: (i) individuals resident in Italy for tax purposes holding Notes not in connection with entrepreneurial activity; (ii) Italian resident partnerships (other than *società in nome collettivo*, *società in accomandita semplice* or similar partnerships), *de facto* partnerships not carrying out commercial activities and professional associations; (iii) Italian resident public and private entities, other than companies, not carrying out commercial activities as their only or main purpose; (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;

- (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:

1. such beneficial owners or institutional investors are respectively resident for tax purposes or established in a country included in the list of States which recognise the Italian fiscal authorities' right to an adequate exchange of information, so-called "**White List States**" (the present list of the countries allowing an adequate exchange of information is that contained in the Italian Ministerial Decree 4 September 1996, as subsequently amended and supplemented. Such Decree might be updated or amended from time to time pursuant to article 11 of Decree 239), and
2. 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 telematic 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 included among the White List States (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 Noteholders holding Notes not in connection with entrepreneurial activity who have entrusted the management of the Notes to an authorised intermediary and have opted for the Asset Management Option are subject to a 26 per cent. annual substitutive tax (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 any Interest accrued on the Notes during the holding period). The Asset Management Tax is applied on behalf of the taxpayer by the managing authorised intermediary.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity may be exempt from any income taxation, including the substitutive tax, on Interest if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) structured as collective investment undertaking that meets the requirements set forth in Article 1, paragraph 100-114 of Law No. 232 of 11 December 2016 ("**2017 Budget Law**") in which the above mentioned Italian resident individuals invest.

Interest accrued on the Notes would be included in the corporate taxable income (and in certain circumstances, depending on the "status" of the Noteholders, also in the net value of production for the purposes of regional tax on productive activities - IRAP) of beneficial owners who are Italian resident corporations and permanent establishments in Italy of foreign corporation to which the Notes are effectively connected, subject to tax in Italy in accordance with ordinary tax rules.

Italian resident collective investment funds (which include open-ended or closed-ended investment fund, a SICAV or a SICAF and so-called Luxembourg investment funds regulated by article 11-*bis* of Law Decree No. 512 of 30 September 1983 – collectively, the "**Funds**") are not subject to income tax. A substitute tax of 26 per cent. is levied, in certain circumstances, to distribution made by the Funds in favour of certain categories of unit holders or shareholders.

Italian resident pension funds subject to the regime set forth by article 17, paragraph 2, of Legislative Decree 5 December 2005, No. 252 (the "**Pension Funds**") are subject to a 20 per cent. annual substitutive tax (the "**Pension Fund Tax**") on the increase in value of the managed assets accrued at the end of each tax year (which increase would include Interest accrued on the Notes during the holding period).

Where the Noteholder is an Italian resident real estate investment fund or SICAF (collectively, the "**Real Estate Funds**"), interest and other proceeds in respect of the Notes are subject to neither to *imposta sostitutiva* nor to any other income tax in the hands of the Real Estate Fund. A withholding tax may apply in certain circumstances at the rate of up to 26 per cent on distributions made by Italian Real Estate Funds.

Where the Notes and the relevant coupons are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian intermediary (or permanent establishment in Italy of foreign intermediary) that intervenes in the payment of Interest to any Noteholder or by the Issuer and Noteholders who are Italian resident companies or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected are entitled to deduct the *imposta sostitutiva* suffered from income taxes due by them.

### **Capital gains tax**

Any capital gain realised upon the sale for consideration or redemption of the Notes would be treated as part of the taxable business income (and, in certain cases, may also be included in the taxable net value of production for IRAP purposes), subject to tax in Italy according to the relevant tax provisions, if derived by Noteholders who are:

- (a) Italian resident corporations or similar commercial entities;
- (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 the commercial activity carried out.

Pursuant to Legislative Decree number 461 of 21 November 1997 ("**Decree 461**"), any capital gain realised by Italian resident individuals holding Notes not in connection with entrepreneurial activity and certain other persons upon sale for consideration or redemption of the Notes would be subject to an *imposta sostitutiva* (substitute tax) at the current rate of 26 per cent.. Under the tax declaration regime (*regime della dichiarazione*), which is the standard regime for taxation of capital gains realised by Italian resident individuals not engaged in entrepreneurial activity, *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any relevant incurred capital loss of the same nature, realised by Italian resident individual noteholders holding Notes not in connection with entrepreneurial activity pursuant to all disposals of Notes carried out during any given fiscal year. Italian resident individuals holding Notes not in connection with entrepreneurial activity must report overall capital gains realised in any tax year, net of any relevant incurred capital loss of the same nature, in the annual tax declaration to be filed with the Italian tax authorities 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 of the same kind 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 entrepreneurial activity may elect to pay 26 per cent. *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (the "**Risparmio Amministrato**" regime). Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with Italian banks, società di *intermediazione mobiliare* (SIM) or certain authorised financial intermediaries and (ii) an express election for the *Risparmio Amministrato* regime being timely made in writing by the relevant Noteholder. Under the *Risparmio Amministrato* regime, the financial intermediary is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised at revocation of its mandate), net of any relevant incurred capital loss of the same nature, and is required to pay the relevant amount to the Italian fiscal authorities on behalf of the taxpayer. Under the *Risparmio Amministrato* regime, where a sale or redemption of the Notes results in capital loss, such loss may be deducted from capital gains of the same kind subsequently realised within the same relationship of deposit in the same tax year or in the following tax years up to the fourth. Under the *Risparmio Amministrato* regime, the Noteholder is not required to declare capital gains in its annual tax declaration and remains anonymous.

Any capital gains realised by Italian resident Noteholders holding Notes not in connection with entrepreneurial activity who have elected for the Asset Management Option will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to 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 increase in 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 and remains anonymous.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity may be exempt from Italian capital gain taxes, including the substitutive tax, 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*) structured as collective investment undertaking that meets the requirements set forth in Article 1(100-114) of 2017 Budget Law.

Any capital gains realised by Noteholders who are Italian resident Funds are not subject to income tax. A substitute tax of 26 per cent. is levied, in certain circumstances, to distribution made by the Funds in favour of certain categories of unit holders or shareholders upon redemption or disposal of the units.

Any capital gains realised by Noteholders who are Italian resident Pension Funds, will be included in the computation of the taxable basis of Pension Fund Tax.

Any capital gains realised by Noteholders who are Real Estate Funds and Italian resident SICAFs to which the provisions of Article 9 of Legislative Decree No. 44 of 4 March 2014 apply are not subject to any substitute tax at the fund level nor to any other income tax in the hands of the fund. A withholding tax at a rate of up to 26 per cent. will be applied under certain circumstances on income realised by the participants to the Real Estate Fund on distributions or redemption of the Fund's units (where the item of income realised by the participants may include the capital gains on the Notes).

The 26 per cent. final *imposta sostitutiva* on capital gains may in certain circumstances be payable on capital gains realised upon sale for consideration or redemption of the Notes by non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes are effectively connected, if the Notes are held in Italy.

However, 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 timely filing of required documentation (in particular, a self-declaration not to be

resident in Italy for tax purposes), even if the Notes are held in Italy and regardless of the provisions set forth by any applicable double tax treaty.

In case the Notes are held in Italy but are not listed on a regulated market in Italy or abroad:

- (i) pursuant to the provisions of article 5 of Decree 461, 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 Italy on any capital gains realised, upon sale for consideration or redemption of the Notes, if they are resident, for tax purposes, in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information (included among the White List States, as defined above).

Exemption from Italian *imposta sostitutiva* on capital gains realised upon disposal of Notes not listed on a regulated market also applies to non-Italian residents who are (a) international bodies and organizations established in accordance with international agreements ratified in Italy; (b) certain foreign institutional investors, even though not subject to income tax or to other similar taxes, established in countries which allow an adequate exchange of information with Italy included among the White List States and (c) Central Banks or other entities, managing also official State reserves.

In such cases, if non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected hold Notes with an Italian authorised financial intermediary and elect for the Asset Management Option or are subject to the *Risparmio Amministrato* regime, in order to benefit from exemption from Italian taxation on capital gains such non-Italian residents may be required to timely file with the authorised financial intermediary an appropriate self-declaration stating that they meet the subjective requirements indicated above. Additional statements may be required for non-Italian resident Noteholders that are institutional investors;

- (ii) in any event, non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes are effectively connected that may benefit from a double taxation treaty with Italy, providing that capital gains realised upon sale or redemption of Notes are to be taxed only in the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in Italy on any capital gains realised upon sale for consideration or redemption of Notes.

In such case, if non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected hold Notes with an Italian authorised financial intermediary and elect for the Asset Management Option or are subject to the *Risparmio Amministrato* regime, in order to benefit from exemption from Italian taxation on capital gains such non-Italian residents may be required to file in time with the authorised financial intermediary appropriate documents which include *inter alia* a certificate of residence from the competent tax authorities of the country of residence of the non-Italian residents.

The *Risparmio Amministrato* regime is the ordinary regime automatically applicable to non-resident persons and entities in relation to Notes deposited for safekeeping or administration at Italian banks, SIMs and other eligible entities, but non-resident noteholders retain the right to waive this regime. Such waiver may also be exercised by non-resident intermediaries in respect of safekeeping, administration and deposit accounts held in their names in which third parties' financial assets are held.

### **Inheritance and gift tax**

Inheritance and gift tax would be payable in Italy at the following rates on the transfer of the Notes by reason of death or donation, regardless of whether or not the Notes are held outside of Italy, if the deceased person or the donor were either resident or non-resident in Italy for tax purposes at the time of death or gift:

- 4 per cent. if the transfer is made to spouses and direct descendants or ancestors; in this case, the transfer is subject to tax on the value of the entire inheritance or gift exceeding Euro 1,000,000.00 for each beneficiary;

- 6 per cent. if the transfer is made to brothers and sisters; in this case, the transfer is subject to tax on the value of the entire inheritance or gift exceeding Euro 100,000.00 for each beneficiary;
- 6 per cent. if the transfer is made to relatives up to the fourth degree, to persons related by direct affinity as well as to persons related by collateral affinity up to the third degree;
- 8 per cent in all other cases.

If the transfer is made in favour of persons with severe disabilities, the tax applies on the value of the entire inheritance or gift exceeding Euro 1,500,000.00 for each beneficiary.

### **Transfer tax**

The transfer of the Notes is not subject to any transfer tax in Italy. The transfer deed may be subject to Italian registration tax as follows: (i) public deeds and notarized deeds executed in Italy are subject to fixed registration tax at a fixed amount of Euro 200.00; (ii) private deeds are subject to registration tax at a rate of Euro 200.00 due only in case of use or voluntary registration or if the so called *caso d'uso* or *enunciazione* occurs.

### **Stamp duty**

Pursuant to Article 19(1) of Decree No. 201 of 6 December 2011 ("**Decree 201**"), a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients for the Notes deposited therewith. The stamp duty applies at the current rate of 0.2 per cent.; this stamp duty is determined on the basis of the market value or – if no market value figure is available – the nominal value or redemption amount of the Notes held. The stamp duty can be no lower than Euro 34.20. If the client is not an individual, the stamp duty cannot be higher than Euro 14,000.00.

### **Wealth Tax on securities deposited abroad**

Pursuant to Article 19(18) of Decree 201, Italian resident individuals holding the Notes outside the Italian territory are required to pay an additional tax the current rate of 0.2 per cent..

This tax is calculated on the market value of the Notes at the end of the relevant year or – if no market value figure is available – the nominal value or the redemption value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

### **Tax monitoring**

Pursuant to Italian Law Decree No. 167 of 28 June 1990, converted by Italian Law No. 227 of 4 August 1990, as amended, individuals resident in Italy who, during the fiscal year, hold (or are beneficial owners, as defined for anti-money laundering purposes, of) investments abroad or have financial activities abroad must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return).

This obligation does not exist in case the financial assets are given in administration or management to Italian banks, SIMs, fiduciary companies or other professional intermediaries, indicated in Article 1 of the mentioned Decree 167, or if one of such intermediaries intervenes, also as a counterparty, in their transfer, provided that income deriving from such financial assets is collected through the intervention of such an intermediary.

## SUBSCRIPTION, SALE AND SELLING RESTRICTIONS

### The Series Subscription Agreements

On or about the Issue Date of each Series of Notes, the Issuer, the relevant Subscribers and the Representative of the Noteholders will enter into a Series Subscription Agreement under the relevant Transaction pursuant to which, *inter alia*:

- (a) the Issuer will undertake to the relevant Subscribers that, subject to and in accordance with the provisions of the Series Subscription Agreement, the relevant Series of Notes will be issued on the relevant Issue Date; and
- (b) the relevant Subscribers will undertake to the Issuer that, subject to and in accordance with the provisions of the Series Subscription Agreement, on the Issue Date it will subscribe the relevant Series of Notes and pay the Issue Price thereof in accordance with the Conditions and the relevant Series Subscription Agreement.

In particular, pursuant to the relevant Series Subscription Agreement, the relevant Subscriber shall pay the Issue Price of the Notes of the relevant Series to the Issuer on the relevant Issue Date as specified in the Final Terms applicable to such Series.

Each Series Subscription Agreement is subject to a number of conditions and may be terminated by the relevant Subscriber in certain circumstances prior to payment to the Issuer of the Issue Price for the Notes of the relevant Series.

### The Junior Notes Conditions

Except for Junior Notes Conditions relating to the interest payable on the Junior Notes and the early redemption of the Junior Notes through the disposal of the Portfolio purchased in the context of the relevant Transaction following full redemption of the Rated Notes of the relevant Series, the Junior Notes Conditions are the same, *mutatis mutandis*, as the Rated Notes Conditions.

Under the Rated Notes Conditions and the Junior Notes Conditions, with reference to each Transaction, the obligations of the Issuer to make payment in respect of the relevant Class B Notes (if any) are subordinated to the obligations of the Issuer to make payments in respect of the relevant Class A Notes, the Other Issuer Creditors and the other creditors of the Issuer in accordance with the applicable Priority of Payments and the obligations of the Issuer to make payment in respect of the relevant Class J Notes are subordinated to the obligations of the Issuer to make payments in respect of the relevant Class B Notes (if any). Therefore, in case of losses by the Issuer, if the Issuer is not able to fulfil in full its obligations in respect of all its creditors, the Class J Noteholders and the Class B Noteholders of the relevant Series will be respectively the first and the second creditors to bear any shortfall.

## GENERAL RESTRICTIONS

The purchase, offer, sale and delivery of the Notes shall be made in compliance with all applicable laws and regulations in each jurisdiction in which the Notes are purchased, offered, sold or delivered. Furthermore, there will not be, directly or indirectly, offer, sale or delivery of any Notes or distribution or publication of any Base Prospectus, form of application, offering circular (including this Base 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.

### United States of America

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. 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 U.S.

Securities Act and applicable state securities laws.

Each Noteholder(s) under the relevant Series Subscription Agreement has represented, warranted and agreed that it will not offer, sell or deliver the Notes within the United States or to, or for the account or benefit of, U.S. persons (i) as part of its distribution at any time and (ii) otherwise until 40 calendar days after the completion of the distribution of all Rated Notes except in accordance with Rule 903 of the Regulation S promulgated under the U.S. Securities Act. None of the Noteholder(s) of the Notes nor its respective affiliates nor any persons acting respectively on behalf of the Noteholder(s) or on behalf of its respective affiliates will engage in any directed selling efforts with respect to the Notes, and it and they have complied and will comply with the offering restrictions requirements of Regulation S under the U.S. 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 registered under the U.S. Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903(b)(2)(iii), (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of securities as determined and certified by the Noteholder(s), except in either case in accordance with Regulation S under the U.S. Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the U.S. Securities Act.

The terms used in this paragraph have the meanings given to them by Regulation S under the U.S. Securities Act.

### **Republic of Italy**

Each Noteholder(s) under the relevant Subscription Agreement has represented, warranted and undertaken to the Issuer as follows:

#### *No offer to public*

the offering of the Notes has not been registered with *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) (the Italian securities and exchange commission) pursuant to Italian securities legislation and, accordingly, no Notes have been or may be offered, sold or delivered, nor may copies of the Base Prospectus or any other document relating to the Notes be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*) (“**Qualified Investors**”), as defined under Article 34-ter, paragraph 1, letter b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended (“**Regulation 11971**”) and Article 100 of the Consolidated Financial Act; or
- (b) in any other circumstances where an express exemption from compliance with the restrictions on offers to the public applies, as provided under Article 100 of the Consolidated Financial Act and Article 34-ter, paragraph 1, of Regulation 11971;

provided that, in any case, the offer or sale of the Senior Notes in Italy shall be effected in accordance with all relevant Italian securities, tax and other applicable laws and regulations;

#### *Offer to professional investors*

any offer, sale or delivery of the Notes in the Republic of Italy or distribution of copies of the Prospectus or any other document relating to the Notes in the Republic of Italy under paragraphs (a) and (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Consolidated Financial Act, CONSOB Regulation No. 20307 of 15 February 2018 and the Consolidated Banking Act, as amended;
- (ii) in compliance with Article 129 of the Consolidated Banking Act and with the implementing instructions of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request post-offering information on the offering or issue of securities in the Republic of Italy; and
- (iii) in accordance with any other applicable laws and regulations, including all relevant Italian securities, tax and exchange controls, laws and regulations and any limitations which may be imposed from time to time, inter alia, by CONSOB or the Bank of Italy.

*Please note that, in accordance with Article 100-bis of the Consolidated Financial Act, where no exemption under paragraph 4.4.1, letter (a) or (b) above applies, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the rules on offers of securities to be made to the public provided under the Consolidated Financial Act and Regulation 11971. Failure to comply with such rules may result, inter alia, in the sale of the Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by the investors.*

## **United Kingdom**

It has been represented and agreed under the relevant Series Subscription Agreement that:

- (i) 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
- (ii) 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.

## **General Restrictions**

The Issuer and the Noteholders shall comply with all applicable laws and regulations in each jurisdiction in or which it may offer or sell Notes. Furthermore, there will not be, directly or indirectly, offer, sell or deliver any Notes or distribution or publication of any prospectus, form of application, offering circular (including this Base 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**

Each Noteholder(s) under the relevant Subscription Agreement has represented, warranted and agreed that 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 EEA.

For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instrument (as amended, “**MiFID II**”); or
  - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, “**IDD**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

In relation to each Member State of the European Economic Area (each, a “**Relevant State**”), there has not been and there will not be an offer of the Notes to the public in that Relevant State other than on the basis of an approved prospectus in conformity with the Prospectus Regulation or:

1. *Qualified investor*: at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
2. *Fewer than 150 offerees*: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), as permitted under the Prospectus Regulation; or
3. *Other exempt offers*: 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 (1) to (3) above shall require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplemented a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

### **Prohibition of sales to UK Retail Investors**

Each Noteholder(s) under the relevant Subscription Agreement has represented, warranted and agreed that 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 (“**UK**”).

For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or
  - (ii) a customer within the meaning 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 UK domestic law by virtue of the EUWA; and

- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

**Prohibition of sales to Russian or Belarussian Investors**

Each Noteholder(s) under the relevant Subscription Agreement has represented, warranted and agreed that the Notes will not be sold to any Russian or Belarussian national or any natural person residing in Russia or Belarus or any legal person, entity or body established in Russia or Belarus, where such sale is prohibited by EU sanctions, in particular pursuant to Council Regulation (EU) No 833/2014, Council Regulation (EC) No 765/2006 and Council Regulation (EU) No 269/2014, each such regulation, as amended and implemented.

## GENERAL INFORMATION

### Listing and admission to trading

Application has been made to list on the official list of the Luxembourg Stock Exchange and to admit to trading the Rated Notes on its regulated market, which is a regulated market for the purposes of the Market in Financial Instruments Directive 2014/65/EU. In connection with the listing application, the constitutional documents of the Issuer and a legal notice relating to the issue of the Rated Notes, will be deposited prior to listing with the Listing Agent and the Representative of the Noteholders, where such documents will be available for inspection and where copies thereof may be obtained upon request. By approving this Base Prospectus, the *Commission de Surveillance du Secteur Financier* does not assume any responsibility as to the economic or financial soundness of the Programme described in this Base Prospectus or the quality or solvency of the Issuer.

### Authorisation

The Issuer has obtained all necessary consents, approvals and authorisations in Italy in connection with the establishment and the update of the Programme. The establishment of the Programme was authorised by a resolution of the Quotaholders' Meeting of the Issuer passed on 28 June 2017 and the update of the Programme was authorised by a resolution of the Quotaholders' Meeting of the Issuer passed on 21 July 2023.

### No material litigation

There have been no governmental, litigation or arbitration proceedings against or affecting the Issuer or any of its assets or revenues in the last twelve months, nor is the Issuer aware of any pending or threatened proceedings of such kind, which are or might be material, which may have, or have had in the recent past, significant effects on the Issuer and/or group's financial position or profitability.

### No Material Adverse Change

There has been no material adverse change in the financial or position or prospects of the Issuer since 31 December 2022.

### Issuer's accounts

The Issuer will produce proper accounts (*ordinaria contabilità interna*) and audited financial statements in respect of each financial year and will not produce interim financial statements. So long as any of the Rated Notes remain outstanding, copies of these documents will be promptly deposited after their approval at the registered office of the Issuer and the Representative of the Noteholders, where such documents will be available for and where copies of such documents be obtained free of charge upon request during usual business hours.

The auditors of the Issuer is EY S.p.A., who are registered in the special register (*albo speciale*) maintained by Consob and set out under Article 161 of the Financial Laws Consolidated Act and under No. 19644 in the Register of Accountancy Auditors (*Registro dei revisori contabili*) in compliance with the provisions of Legislative Decree No. 88 of January 27 1992. EY S.p.A.'s registered office is in Rome, Via Lombardia 31. EY S.p.A. will audit the Issuer's accounts in accordance with generally accepted auditing standards in Italy for each of the financial years ending on 31 December of each year from 2020 to 2028.

### Clearing systems

With reference to each Series of Notes, the Notes will be cleared through Monte Titoli by Euroclear and Clearstream, Luxembourg. Monte Titoli will act as depository for Euroclear and Clearstream, Luxembourg. The Common Codes, the International Securities Identification Numbers (ISINs) and (where applicable) the identification number for any other relevant clearing system for each Class of Notes of each Series will be set out in the relevant Final Terms.

The mailing addresses for Clearstream and Euroclear are the following:

Clearstream Banking, société anonyme with registered office at 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg.

Euroclear Bank S.A./N.V. with registered office at 1 Boulevard du Roi Albert II, B - 1210 Brussels.

### **Documents available for inspection**

Copies of the following documents will be available (i), in physical form, for inspection during usual office hours on any weekday at the Specified Offices of the Representative of the Noteholders and the Corporate Servicer until the Programme Maturity Date and (ii), a copy of such documentation, on or about the day of the relevant Issue Date of each Series of Notes, on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>):

- (i) the by-laws (*statuto*) and the deed of incorporation (*atto costitutivo*) of the Issuer;
- (ii) copies of the following documents:
  - Programme Receivables Purchase Agreement;
  - Programme Servicing Agreement;
  - Programme Warranty and Indemnity Agreement;
  - Programme Back-up Servicing Agreement;
  - Programme Intercreditor Agreement;
  - Programme Cash Allocation, Management and Payments Agreement;
  - Mandate Agreement;
  - Quotaholder's Agreement;
  - Corporate Services Agreement;
  - Series Documents relating to any Transaction, including the relevant Final Terms;
  - this Base Prospectus;
  - the relevant STS Notification;
  - the 2021 Financial Statements of the Issuer;
  - the 2022 Financial Statements of the Issuer.

The documents listed under paragraphs (ii) above constitute all the underlying documents that are essential for understanding each Transaction and include, but not limited to, each of the documents referred to in point (b) of the first subparagraph of article 7, paragraph 1, of the EU Securitisation Regulation.

This Base Prospectus will be also available on the Luxembourg Stock Exchange's website [www.luxse.com](http://www.luxse.com) (for the avoidance of doubt, such website does not constitute part of this Base Prospectus) and will be available, in accordance with the Prospectus Regulation, on the following website's section [www.iblbanca.it/investorrelations](http://www.iblbanca.it/investorrelations) of the Originator, once published.

### **Pre-pricing information**

Pursuant to the Intercreditor Agreement, IBL Banca has confirmed that it will make available to potential investors in the Notes before pricing on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>) the information and documents under point (a) of article 7,

paragraph 1 of the EU Securitisation Regulation upon request and the information and documents under points (b) and (d) of article 7(1) of the EU Securitisation Regulation in draft form, and (ii) as Originator, it will be, before pricing, in possession of the data relating to each 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) and of the information and documents under points (b) and (d) of the first subparagraph of article 7(1) of the EU Securitisation Regulation.

Moreover, IBL Banca has confirmed that (i) it will make available to potential investors in the Notes of the relevant Series before pricing, on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>), 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 cover a period of at least 5 (five) years, and (ii) as Originator, it will be in possession, before pricing, 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 cover a period of at least 5 (five) years.

In addition, IBL Banca has confirmed that (i) it will make available to potential investors in the Notes of the relevant Series before pricing, on the platform IntexCALC (being, as at the date of this Base Prospectus, [www.intex.com](http://www.intex.com)), all the information related to the relevant Portfolio and the relevant Transaction in order to allow investors to run a liability cash flow which precisely represents the contractual relationship between the Receivables and the payments flowing between the Originator, the investors in the Notes, other third parties and the Issuer, and (ii) as Originator, it has been in possession, before pricing, of a liability cash flow model which precisely represents the contractual relationship between the Receivables and the payments flowing between the Originator, the investors in the Notes, other third parties and the Issuer.

### **Post issuance reporting**

Pursuant to the Programme Cash Allocation, Management and Payments Agreement, IBL has undertaken to make available to investors in the Notes, after pricing and on an ongoing basis and to potential investors in the Notes upon request, on the platform IntexCALC (being, as at the date of this Base Prospectus, [www.intex.com](http://www.intex.com)), all the information related to the relevant portfolio in order to allow actual or potential investors to run a liability cash flow model (to be updated during the course of each Transaction) which precisely represents the contractual relationship between the Receivables and the payments flowing between the Originator, the investors in the Notes, other third parties and the Issuer.

With reference to each Transaction, so long as any of the Rated Notes of the relevant Series remains outstanding, copies of the relevant Payments Reports shall be made available for collection at the registered office of the Issuer and the Representative of the Noteholders on each relevant Calculation Date and on each date on which it is produced. In respect of each Transaction, the Payments Reports will be produced monthly and will contain details of amounts payable on the Payment Date to which it refers in accordance with the Priority of Payments, including the amount payable as principal and interest in respect of each Rated Note of the relevant Series.

In addition, with reference to each Transaction, so long as any of the Rated Notes of the relevant Series remains outstanding, each relevant Investor Report will be made available to Noteholders of the relevant Series on a monthly basis via the Originator's internet website currently located at [www.iblbanca.it/investorrelations](http://www.iblbanca.it/investorrelations). The Investor Report will contain information on the amounts received or collected in respect of the relevant Portfolio, the payments made on the Notes of the relevant Series with reference to the immediately preceding Interest Period, based on the information contained, respectively, in the Servicer's Report and in the Payments Report or in the Post Acceleration Payments Report, as the case may be, and any other information required by the Rating Agencies which are contained in the other reports prepared by the Agents of the Issuer in respect of such Transaction. It is not intended that Investor Report will be made available in any other format. The Originator's website does not form part of the information provided for the purposes of this Base Prospectus and disclaimers may be posted with respect to the information posted thereon. Registration may be required for access to such website and persons wishing to access the website will be required to certify that they are Noteholders of the relevant Series.

Moreover the Calculation Agent shall prepare the Sec Reg Investor Report and deliver it to the Originator who shall make it available, together with the Sec Reg Asset Level Report prepared by it to the investors in the Notes by publishing them on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>) and the Originator shall prepare and deliver to the investors in the Notes without undue delay the Inside Information Report and the Significant Event Report, in compliance with points (f) and (g) respectively of the first subparagraph of article 7(1) of the EU Securitisation Regulation and make them available to the investors in the Notes without undue delay by publishing it on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>).

Finally, IBL Banca has confirmed that it shall fulfil without delay or simultaneously (as the case may be), after the relevant Issue Date of each Series, the reporting requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation by making available the relevant information on the website of European DataWarehouse (being, as at the date of this Base Prospectus, <https://editor.eurodw.eu/>).

### **Transparency requirements under the EU Securitisation Regulation**

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

### **Conflicts of interest**

Conflicts of interest may potentially exist or may arise as a consequence of the various group companies having different roles in this transaction. For further details see section "*General Risk Factors – Potential Conflict of Interests*" above.

### **Subscribers transacting with the Issuer and the Originator**

Certain of the Subscribers and their affiliates have engaged, and may in the future engage, in lending, advisory, financing, investment banking and/or commercial banking transactions with, and may perform services to, the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, certain of the Subscribers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer and Originator's affiliates. Certain of the Subscribers or their affiliates that have a lending relationship with the Issuer and/or the Originators and their respective affiliates routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Subscribers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. Certain of the Subscribers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

### **Home Member State for the purpose of the Transparency Directive**

The Issuer has elected the Grand Duchy of Luxembourg as Home Member State for the purpose of the Transparency Directive.

### **Hyper-links to websites**

Other than the website mentioned under section "*Documents incorporated by reference*" below, any website included in this Base Prospectus are for information purposes only and do not form part of this Base Prospectus and has not been scrutinised or approved by the competent authority.

### **Legal Entity Identifier**

The Legal Entity Identifier (LEI) code of the Issuer is 8156009FC13322D4B035.

**No Re-Securitisation or Synthetic Securitisation in relation to each Transaction**

Each Transaction is not a Re-Securitisation or a Synthetic Securitisation.

**STS status**

Even though it is expected that each Transaction under the Programme will be, prior to the relevant Issue Date of each Series of Notes, included in the list published by ESMA referred to in article 27, paragraph 5, of the EU Securitisation Regulation, the STS status of a transaction is not static and investors should verify the current status of the transaction on ESMA's website.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated by reference in, and form part of, this Base Prospectus, and may be inspected during normal business hours at the registered office of the Issuer and the Representative of the Noteholders:

Documents	Information contained	Reference Page	Direct Hyperlink
2022 Financial Statements	<ul style="list-style-type: none"> <li>- Sole Director's Report on Operations</li> <li>- Balance Sheet</li> <li>- Income statement</li> <li>- Statement of the comprehensive income</li> <li>- Statement of changes in Quotaholders' Equity</li> <li>- Statement of cash flows</li> <li>- Notes to financial statements</li> </ul>	<ul style="list-style-type: none"> <li>4-17</li> <li>18</li> <li>19</li> <li>19</li> <li>20</li> <li>21</li> <li>22-120</li> </ul>	<a href="file:///C:/Users/JP030944/Downloads/Publication-2023-04-28.pdf">file:///C:/Users/JP030944/Downloads/Publication-2023-04-28.pdf</a>
Auditors' report to the 2022 Financial Statements	- Auditors' report on 2022 Financial Statements	1-5	<a href="file:///C:/Users/JP030944/Downloads/Publication-2023-04-28%20(1).pdf">file:///C:/Users/JP030944/Downloads/Publication-2023-04-28%20(1).pdf</a>
2021 Financial Statements	<ul style="list-style-type: none"> <li>- Sole Director's Report on Operations</li> <li>- Balance Sheet</li> <li>- Income statement</li> <li>- Statement of the comprehensive income</li> <li>- Statement of changes in Quotaholders' Equity</li> <li>- Statement of cash flows</li> <li>- Notes to financial statements</li> </ul>	<ul style="list-style-type: none"> <li>4-16</li> <li>17</li> <li>18</li> <li>18</li> <li>19</li> <li>20</li> <li>21-124</li> </ul>	<a href="file:///C:/Users/JP030944/Downloads/Publication-2022-04-26%20(1).pdf">file:///C:/Users/JP030944/Downloads/Publication-2022-04-26%20(1).pdf</a>
Auditors' report to the 2021 Financial Statements	- Auditors' report on 2021 Financial Statements	1-5	<a href="file:///C:/Users/JP030944/Downloads/Publication-2022-04-26.pdf">file:///C:/Users/JP030944/Downloads/Publication-2022-04-26.pdf</a>

This Base Prospectus and the documents incorporated by reference will be also available on the Luxembourg Stock Exchange website ([www.luxse.com](http://www.luxse.com)).

## GLOSSARY

**"Acceptance"** means the acceptance by the Issuer of each Transfer Agreement relating to a Portfolio to be transferred under the Programme, made pursuant to the Programme Receivables Purchase Agreement.

**"Account Bank Report"** means the relevant report to be prepared and delivered by the Account Banks to the Issuer, the Corporate Servicer and the Calculation Agent, pursuant to the Programme Cash Allocation, Management and Payments Agreement.

**"Account Banks"** means, collectively, the Collection Account Bank, the Transaction Bank and the Investment Account Bank (if any).

**"Accounting Cancellation"** (*storno*) means, with reference to each Portfolio, the reconciliation of the payments received by the Employers/Pension Authority in respect to a Receivable made by IBL Banca after the Valuation Date of such Portfolio, following which it results that on such Valuation Date such Receivable had an Outstanding Principal higher than the one on the basis of which the relevant Individual Purchase Price was calculated.

**"Accrued Interest"** means, on any given date and in relation to each Receivable included in a Portfolio, the portion of Interest Instalments accrued on such date but not yet due on such date pursuant to the relevant Loan Agreement.

**"Additional Remuneration"** means, in respect of the Class J Notes of any Series, on any relevant Payment Date, an amount equal to:

- (a) the relevant Series Available Funds as of such Payment Date; *less*
- (b) any and all amounts under items from *First* to *Seventeenth* (included) of the Pre Enforcement Priority of Payments, or from *First* to *Fourteenth* (included) of the Post Enforcement Priority of Payments, accrued under such items during the immediately preceding Collection Period (whether or not actually paid).

**"Additional Reserve"** means, in respect of each Transaction, a reserve created with a portion of the proceeds of the issue of the Class J Notes on the relevant Issue Date of the relevant Series, to be applied in accordance with the provisions of the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**"Additional Reserve Account"** means a euro denominated account to be established in the name of the Issuer with the Transaction Bank in accordance with the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA in respect of each Transaction.

**"Additional Reserve Amount"** means, at any time, the amounts standing to the credit of the relevant Additional Reserve Account.

**"Additional Reserve Initial Amount"** means, in respect of each Transaction, the amount credited on the relevant Additional Reserve Account upon issuance of the relevant Series of Notes, out of the proceeds thereof, as specified in the relevant Series CAMPA.

**"Additional Reserve Target Amount"** means, with reference to each Transaction, the amount specified as such under the relevant Series CAMPA and set out in the Final Terms applicable to the relevant Series of Notes.

**"Adjustment Purchase Price"** means, with reference to a Receivable erroneously excluded from a Portfolio pursuant to clause 4.1.2 of the Programme Receivables Purchase Agreement, an amount calculated according to clauses 4.3.1 and 4.3.2 thereof.

**"Agent"** means each of the Collection Account Bank, the Transaction Bank, the Investment Account Bank (if any), the Cash Manager, the Principal Paying Agent, the Italian Paying Agent, the Listing Agent, the Calculation Agent and the Back-up Calculation Agent, appointed pursuant to the Programme Cash Allocation Management and Payments Agreement and the Listing Agent Fee Letter.

**"Aggregate Notes Formula Redemption Amount"** means, with reference to each Series of Notes, in respect of any Payment Date, an amount calculated in accordance with the following formula:

$$A + B + J - CP - (LR + AR)$$

where:

A = the Principal Amount Outstanding of the Class A Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date;

B = the Principal Amount Outstanding of the Class B Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date ;

J = the Principal Amount Outstanding of the Class J Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date;

CP = the Collateral Portfolio Outstanding Principal Due on the last day of the immediately preceding Collection Period;

LR = the Liquidity Reserve Target Amount calculated with reference to the relevant Payment Date;  
And

AR = the Additional Reserve Target Amount calculated with reference to the relevant Payment Date.

**"AIFMD"** means Directive 2011/61/EU on Alternative Investment Fund Managers, as amended and supplemented from time to time.

**"AIFMR"** means the Delegated Regulation (EU) No. 231/2013, supplementing the AIFMD, as amended and supplemented from time to time.

**"Alitalia Group"** means the group of companies which are consolidated in the accounts (*bilancio*) of Alitalia – Società Aerea Italiana S.p.A., as resulting from time to time from the latest approved accounts (*ultimo bilancio approvato*) of Alitalia – Società Aerea Italiana S.p.A..

**"Amounts Not Pertaining to the Transaction"** has the meaning ascribed to the term "*Importi non relativi all'Operazione*" under clause 6.3 of the Programme Servicing Agreement.

**"Applicable Law"** means any law or regulation including, but not limited to: (a) any domestic or foreign statute or regulation; (b) any rule or practice of any authority, stock exchange or self-regulatory organisation with which the Agents are bound or accustomed to comply; and (c) any agreement entered into by the relevant Agent and any authority or between any two or more authorities.

**"Assigned Employer"** means the Employer/Pension Authority which is the obligor under the Salary Assignment or the Payment Delegation (as the case may be) in respect of a Loan from which the Receivables - transferred from IBL Banca to the Issuer pursuant to the relevant Transfer Agreement - have been originated.

**"Authority"** means any competent regulatory, prosecuting, tax or governmental authority in any jurisdiction, domestic or foreign.

**"Average Outstanding Principal"** means, in respect of each Transaction, the arithmetic mean of (i) the Collateral Portfolio Outstanding Principal Due at the beginning of a Collection Period and (ii) the Collateral Portfolio Outstanding Principal Due at the end of such Collection Period.

**"Back-up Calculation Agent"** means Zenith Service S.p.A. and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement.

**"Back-Up Collection Account"** means a euro denominated bank account to be established in the name of the Issuer with the Transaction Bank in accordance with the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA in respect of each Transaction.

**"Back-up Servicer"** means Zenith Service S.p.A. and any successor or assignee thereto in accordance with the Programme Back-up Servicing Agreement.

**"Base Prospectus"** means any prospectus prepared by the Issuer in connection with the Programme constituting a base prospectus for the purposes of article 8 of the Prospectus Regulation as revised, supplemented or amended from time to time by the Issuer, also constituting a *prospetto informativo* for the purposes of article 2, paragraph 3 of the Securitisation Law.

**"BMR"** means Regulation (EU) 2016/1011.

**"BoI Supervision Guidelines"** means the *Istruzioni di Vigilanza per le banche* issued by the Bank of Italy with Circular No. 229 of 21 April 1999, as amended and supplemented from time to time.

**"Business Day"** means any day (other than Saturday and Sunday) on which the banks are opened for ordinary business in Rome, Milan, and London and on which the TARGET2 (or any successor thereto) is open.

**"Calculation Agent"** means IBL Banca and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement.

**"Calculation Date"** means, in respect of each Transaction, the date falling 4 Business Days after each Servicer's Report Date.

**"Cancellation Date"** means, in respect of the Notes of any Series, the earlier of (a) the date on which all Notes of such Series have been redeemed in full or (b) the date on which (i) the Representative of the Noteholders has certified to the Issuer that the Collections in respect of all the Receivables comprised in the relevant Portfolio have been collected and that all judicial enforcement procedures in respect of such Portfolio have been exhausted or (ii) the Receivables comprised in the relevant Portfolio have been sold and the relevant proceeds have been received and applied in accordance with the applicable Priority of Payments, at which date any amount outstanding, whether in respect of interest or principal in respect of the Notes of such Series, shall be finally and definitively cancelled.

**"Cash Manager"** means IBL Banca and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement.

**"Cash Manager Report"** means the report (if any) to be prepared and delivered by the Cash Manager in accordance with the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**"Cash Manager Report Date"** means, in respect of each Transaction, the date falling three Business Days after each relevant Servicer's Report Date.

**"Cash Trapping Condition"** means, in respect of each Transaction, until the Rated Notes of the Series issued under such Transactions have been redeemed in full, the condition that will be deemed to be satisfied with reference to each Calculation Date if, during the relevant Collection Period, the Cumulative Net Default Ratio is lower than 3% (three per cent.).

**"CDQ Loan"** means each Loan assisted by a Salary Assignment.

"**Centrale dei Rischi**" has the meaning ascribed to such term under the Programme Receivables Purchase Agreement.

"**Citi London**" means Citibank N.A., London Branch.

"**Citi Milan**" means Citibank N.A., Milan Branch.

"**Class**" shall be a reference to a class of Notes of any Series issued under the Programme being the Class A Notes or the Class B Notes (if any) or the Class J Notes, as the case may be, and "**Classes**" shall be construed accordingly.

"**Class A Noteholders**" means the holders of the Class A Notes of any Series.

"**Class A Notes**" means the class A limited recourse asset-backed notes in respect of any Series issued by the Issuer under the Programme.

"**Class A Notes Formula Redemption Amount**" means, in respect of any Payment Date on which the Issuer has to make principal payments for the Class A Notes in accordance with the relevant Priority of Payments:

- (i) in the event that a Transaction Acceleration Event has not occurred, an amount equal to the lower of: (a) the Principal Amount Outstanding of the Class A Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date; and (b) the Aggregate Notes Formula Redemption Amount for that Payment Date;
- (ii) in the event that a Transaction Acceleration Event has occurred, the Principal Amount Outstanding of the Class A Notes.

"**Class B Noteholders**" means the holders of the Class B Notes of any Series.

"**Class B Notes**" means the class B limited recourse asset-backed notes that may be issued by the Issuer in respect of a Series under the Programme, as specified in the applicable Final Terms for such Series.

"**Class B Notes Formula Redemption Amount**" means, in respect of any Payment Date on which the Issuer has to make principal payments for the Class B Notes (if any) in accordance with the relevant Priority of Payments:

- (i) in the event that a Transaction Acceleration Event has not occurred, an amount equal to the lower of: (a) the Principal Amount Outstanding of the Class B Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date; and (b) the Aggregate Notes Formula Redemption Amount for that Payment Date less the Class A Notes Formula Redemption Amount for that Payment Date;
- (ii) in the event that a Transaction Acceleration Event has occurred, the Principal Amount Outstanding of the Class B Notes.

"**Class J Noteholders**" means the holders of the Class J Notes of any Series.

"**Class J Notes**" means the class J limited recourse asset-backed notes in respect of any Series issued by the Issuer under the Programme.

"**Class J Notes Conditions**" or "**Junior Notes Conditions**" means the terms and conditions of the Class J Notes.

"**Class J Notes Formula Redemption Amount**" means, with respect to any Payment Date on which the Issuer has to make principal payments for the Class J Notes in accordance with the relevant Priority of Payments:

- (i) in the event that a Transaction Acceleration Event has not occurred, an amount equal to the lower of: (a) the Principal Amount Outstanding of the Class J Notes on the day following the immediately preceding Payment Date or, in respect of the First Payment Date, on the relevant Issue Date; and (b) the Aggregate Notes Formula Redemption Amount for that Payment Date less (i) the Class A Notes Formula Redemption Amount and (ii) the Class B Notes Formula Redemption Amount (if applicable) for that Payment Date;
- (ii) in the event that a Transaction Acceleration Event has occurred, the Principal Amount Outstanding in respect of the Class J Notes.

**"Clean Up Call Option"** has the meaning ascribed to it under clause 14.2 of the Programme Receivables Purchase Agreement.

**"Clean Up Option Date"** means, in respect of each Transaction, any date in which the Outstanding Principal Due of the relevant Portfolio is equal to or lower than 10% of the Outstanding Principal Due of such Portfolio as of the relevant Valuation Date.

**"Clearstream"** means Clearstream Banking, Luxembourg with offices at 42 avenue JF Kennedy, L-1855 Luxembourg.

**"Co-Arrangers"** or **"Arrangers"** means IBL Banca and UniCredit (each an **"Arranger"**).

**"Collateral Account"** means a euro denominated account which may be established, in respect of each Transaction, in accordance with the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA, in the name of the Issuer with a bank which shall be an Eligible Institution, in the event that amounts are to be posted by a Series Swap Counterparty as collateral pursuant to the relevant Series Swap Agreement, for the deposit of such amounts.

**"Collateral Amounts"** means any amount which are to be posted by a Series Swap Counterparty as collateral pursuant to the relevant Series Swap Agreement (if any).

**"Collateral Portfolio"** means, on any given date, the aggregate of all outstanding Receivables comprised in the relevant Portfolio, other than any Defaulted Receivables as of that date and any Receivables in respect of which the Originator has made any indemnity payment or any Limited Recourse Loan pursuant to the Programme Warranty and Indemnity Agreement.

**"Collateral Portfolio Outstanding Principal Due"** means, on any given date, the Outstanding Principal Due of the Collateral Portfolio as at such date.

**"Collateral Security"** means, with reference to each Receivable included in any Portfolio purchased under the relevant Transaction, any pledge, guarantee, indemnity or other support agreement or security interest for the performance of such Receivable, including without limitation any Salary Assignment, Payment Delegation and/or Insurance Policy assisting the relevant Loan.

**"Collection Account"** (or also **"Collections Account"**) means a euro denominated account to be established in the name of the Issuer with the Collection Account Bank in accordance with the Programme Cash Allocation, Management and Payments Agreement in respect of each Transaction and the relevant Series CAMPA, provided that such definition will also include the relevant Back-Up Collection Account in the event provided for under clause 3.5.3 of the Programme Cash Allocation, Management and Payments Agreement.

**"Collection Account Bank"** means IBL Banca and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement.

**"Collection Date"** means with reference to each Transaction, the date on which the Servicer makes the reconciliation of the relevant Collection in respect of each Receivable included in the Portfolio transferred under such Transaction.

**"Collection Period"** means, with reference to each Transaction, each period which begins on the first calendar day (included) of each calendar month and ends, respectively, on the last calendar day (included) of such month, provided that the first Collection Period with respect to each Series shall begin on the relevant Valuation Date (excluded) and end on the last calendar day of the calendar month (included) on which the Issue Date of the relevant Series falls.

**"Collections"** means, in respect of each Portfolio transferred to the Issuer, all amounts received by the Master Servicer and/or the Servicer or any other person in respect of the Instalments due under the Receivables included in such Portfolio and any other amounts whatsoever received by the Master Servicer and/or the Servicer or any other person in respect of such Receivables, as of the relevant Collection Date and **"Collection"** means any of them.

**"Common Criteria"** means the objective criteria for the selection of each Portfolio specified in annex 1 to the Programme Receivables Purchase Agreement.

**"Conditions"** means, together, the Rated Notes Conditions and the Junior Notes Conditions and **"Condition"** means a condition of either of them.

**"CONSOB"** means *Commissione Nazionale per le Società e la Borsa*.

**"Consolidated Banking Act"** means the Italian Legislative Decree No. 385 of 1 September 1993, as amended and supplemented from time to time.

**"Consumer Code"** means the Italian Legislative Decree No. 206 of 6 September 2005, as amended and supplemented from time to time.

**"Corporate Servicer"** means IBL Banca and any successor or assignee thereto in accordance with the Corporate Services Agreement.

**"Corporate Services Agreement"** means the agreement executed on 4 August 2017 between the Issuer and the Corporate Servicer, as amended and supplemented from time to time.

**"CRA3"** means Commission Delegated Regulation (EU) no. 2015/3 of 30 September 2014.

**"CRA Regulation"** means each of the EU CRA Regulation and UK CRA Regulation, as amended and supplemented from time to time.

**"Credit and Collection Policy"** means the summary of the procedures or manuals for the granting, collection and recovery of loans used by IBL Banca in respect of the Receivables, as attached under annex 1 to the Programme Servicing Agreement.

**"Criteria"** means the criteria set out in annex 1 and annex 2 to the Programme Receivable Purchase Agreement, on the basis of which the Receivables which will be transferred under the Programme from time to time by the Originator, will be identified in pool (*in blocco*) pursuant to articles 1 and 4 of the Securitisation Law.

**"CRR"** means Regulation (EU) n° 575/2013 of the European Parliament and the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms amending the Regulation (EU) n° 648/2012 and amended by Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017.

**"CRR Assessment"** means the assessment made by PCS in relation to compliance of the Transactions carried out under this Base Prospectus with the criteria set forth in the CRR regarding STS-securitisations.

**"CSSF"** means the Commission de Surveillance du Secteur Financier.

**"Cumulative Default Trigger"** means 3% (three per cent.).

**"Cumulative Net Default Ratio"** means, in relation to each Transaction and each respective Portfolio, the percentage, in respect of any Collection Period, equivalent of a fraction obtained by dividing: (1) (i) the sum of the Outstanding Principal Due as at the Default Date of all the Receivables which have been classified as Defaulted Receivables from the relevant Valuation Date up to the last day of the relevant Collection Period, less (ii) the aggregate amount of Recoveries received in respect of such Defaulted Receivables from the date in which the relevant Receivable has been classified into default up to the last day of the relevant Collection Period; by (2) the Outstanding Principal Due of the Portfolio as at the relevant Valuation Date.

**"Damage"** means, indistinctively, a Job Damage or a Life Damage.

**"DBRS"** means (i) for the purpose of identifying which DBRS entity which has assigned the credit rating to the Rated Notes, DBRS Ratings GmbH and any successor to this rating activity, and (ii) in any other case, any entity that is part of DBRS Morningstar, which is either registered or not under the EU CRA Regulation, as it appears from the last 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
AAA	Aaa	AAA	AAA
AA(high)	Aa1	AA+	AA+
AA	Aa2	AA	AA
AA(low)	Aa3	AA-	AA-
A(high)	A1	A+	A+
A	A2	A	A
A(low)	A3	A-	A-
BBB(high)	Baa1	BBB+	BBB+
BBB	Baa2	BBB	BBB
BBB(low)	Baa3	BBB-	BBB-
BB(high)	Ba1	BB+	BB+
BB	Ba2	BB	BB
BB(low)	Ba3	BB-	BB-
B(high)	B1	B+	B+
B	B2	B	B
B(low)	B3	B-	B-
CCC(high)	Caa1	CCC+	CCC+
CCC	Caa2	CCC	CCC
CCC(low)	Caa3	CCC-	CCC-

CC	Ca	CC	CC
C	C	D	D

**"DBRS Minimum Rating"** means:

(a) if a Fitch long term public rating, a Moody's long term public rating and an S&P long term public rating (each, a Public Long Term Rating) are all available at such date, the DBRS Minimum Rating will be the DBRS Equivalent Rating of such Public Long Term Rating remaining after disregarding the highest and lowest of such Public Long Term Ratings from such rating agencies (provided that if such Public Long Term Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below) (for this purpose, if more than one Public Long Term Rating has the same highest DBRS Equivalent Rating or the same lowest DBRS Equivalent Rating, then in each case one of such Public Long Term Ratings shall be so disregarded); (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.

**"Debtor"** means any individual person who entered into a Loan Agreement as principal debtor or guarantor or who is obliged for the payment or repayment of amounts due in respect of a Loan or who has assumed the Debtor's obligation under an *accollo*, or otherwise and which will qualify as obligor pursuant to Commission Delegated Regulation (UE) 980/2019.

**"Decree 180/1950"** or **"DPR 180/1950"** means the Italian Presidential Decree No. 180 of 5 January 1950, as amended and supplemented from time to time.

**"Decree 239"** means the Italian Legislative Decree No. 239 of 1 April 1996, as amended and supplemented from time to time.

**"Decree 239 Deduction"** means any withholding or deduction for or on account of *"imposta sostitutiva"* under Decree 239.

**"Default Date"** means, with reference to the Defaulted Receivables deriving from Loans: (i) in respect of which there has been a delay in the payment of at least 8 Instalments, the last calendar day of the calendar month in which the Servicer has registered the last unpaid Instalment; (ii) which have been classified as defaulted (*in sofferenza*) by the Servicer, the last calendar day of the calendar month in which the Servicer has made such classification; (iii) in respect of which a Life Damage (*Sinistro Vita*) has occurred, the last calendar day of the calendar month in which the Servicer has notified the relevant Insurance Company of the occurrence thereof; (iv) in respect of which a Job Damage (*Sinistro Impiego*) has occurred, the earlier of (a) the date in which the Insurance Company has paid in full the relevant Indemnity to the Issuer, and (b) the last calendar day of the third month following the month in which the date of notification of the relevant Job Damage to the Insurance Company by the Servicer falls.

**"Defaulted Receivables"** means the Receivables deriving from Loans: (i) in respect of which there has been a delay in the payment of at least 8 Instalments; or (ii) which have been classified as defaulted (*in sofferenza*) by the Servicer; or (iii) in respect of which a Life Damage (*Sinistro Vita*) has

occurred and the Servicer has notified the relevant Insurance Company of the occurrence thereof; or (iv) in respect of which a Job Damage (*Sinistro Impiego*) has occurred and the Servicer has notified the relevant Insurance Company of the occurrence thereof and 3 (three) months have elapsed from the date of notification of the relevant Job Damage without the Insurance Company having paid in full the Indemnity to the Issuer nor the Servicer having registered a change of Employer/Pension Authority by the relevant Debtor.

**"Delinquent Receivables"** means the Receivables (which are not Defaulted Receivables) deriving from Loans for which there has been a delay in the payment of at least 4 Instalments.

**"Determination Date"** means, with reference to each Series of Notes issued under the Programme:

- (i) with respect to the Initial Interest Period, the day falling two Business Days prior to the relevant Issue Date of such Series (as specified in the relevant Final Terms applicable to such Series); and
- (ii) with respect to each subsequent Interest Period, the date falling two Business Days prior to the relevant Payment Date at the beginning of each Interest Period.

**"Documentation"** has the meaning ascribed to "*Documentazione*" under the Programme Receivables Purchase Agreement.

**"DP Loan"** means each Loan assisted by a Payment Delegation.

**"EEA"** means the European Economic Area.

**"Eligible Institution"** means any depository institution organised under the laws of any state which is a member of the European Union or of the United States:

- a) with a "Baa2" long-term rating by Moody's or, in the event of a depository institution which does not have a long-term rating by Moody's, a "P-2" short-term rating by Moody's;
- b) whose long term rating debt obligations are rated at least BBB (high) from DBRS; and
- c) with "F1" by Fitch with respect to the short-term deposit rating or, in case the deposit rating is not available, with respect to the short term Issuer's default rating or with "A-" by Fitch with respect to the long-term deposit rating or, in case the deposit rating is not available, with respect to the long-term Issuer's default rating;
- d) if rated by Scope, whose long-term and short term bank issuer ratings are rated at least, respectively, "BBB" and "S-2" by Scope, provided that a rating by Scope is (a) the public or subscription rating assigned by Scope or, if there is no public or subscription rating, (b) the private rating assigned by Scope or the internal credit assessment made by Scope,

or such other rating or ratings as may be agreed by the relevant Rating Agency from time to time as would maintain the then current ratings of the Notes.

For clarification, the DBRS rating is (a) the public rating assigned by DBRS or, if there is no public DBRS rating, then (b) the private rating assigned by DBRS. In the event of a depository institution which does not have a private rating nor a public rating from DBRS, then for DBRS the Eligible Institution will mean a depository institution whose DBRS Minimum Rating is at least BBB(high).

**"Eligible Investments"** means:

- (A) euro-denominated senior dematerialised unsubordinated debt financial instruments but excluding for the avoidance of doubt credit linked notes and money market funds, or
- (B) account or deposit with a maturity date falling not later than the next succeeding Eligible Investments Maturity Date, held with an Eligible Institution,

provided that, in all cases: (i) such investments are immediately repayable on demand, disposable without penalty or have a maturity date falling on or before the next following Eligible Investments Maturity Date; (ii) such investments provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount), and (iii) the debt securities or other debt instruments are issued by, or fully and unconditionally guaranteed on an unsubordinated basis by, an institution whose unsecured and unsubordinated debt obligations have the following ratings (or such other rating or ratings as may be agreed by the relevant Rating Agency from time to time as would maintain the then current ratings of the Notes):

- (1) with respect to Moody's ratings, either: (i) with a "Baa2" long-term rating by Moody's or, in the event of a depository institution which does not have a long-term rating by Moody's, a "P-2" short-term rating by Moody's; or (ii) such other lower rating being compliant with the criteria established by Moody's from time to time;
- (2) with respect to DBRS ratings, either: (i) "R-1(low)" by DBRS in respect of short-term debt and "BBB (high)" by DBRS in respect of long-term debt; or (ii) otherwise, which has the following ratings from at least 2 of the following rating agencies: (a) at least "A" by Fitch; (b) at least "A" by Standard & Poor's; (c) at least "A2" by Moody's;
- (3) with respect to Fitch ratings, either (i) "F1" by Fitch in respect of short-term debt or "A-" by Fitch in respect of long-term debt; or (ii) such other lower rating being compliant with the criteria established by Fitch from time to time;

provided that, in any event, (a) the Eligible Investments set out above will have a maturity of less than or equal to one month, and (b) none of the Eligible Investments set out above may consist, in whole or in part, actually or potentially, of (i) credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives nor may any amount available to the Issuer in the context of the Securitisation otherwise be invested in any such instruments at any time, or (ii) asset-backed securities, irrespective of their subordination, status or ranking, or (iii) swaps, other derivative instruments, or synthetic securities or any other instrument from time to time specified in the European Central Bank monetary policy regulations applicable from time to time.

**"Eligible Investments Maturity Date"** means, in respect of each Transaction, in relation to Eligible Investments deriving from the investment of the relevant Series Available Funds to be distributed on a certain Payment Date, the day falling on the second Business Day immediately preceding such Payment Date.

**"Eligible Public Administration"** means exclusively each of the following Public Administrations:

- Regions,
- Local Authorities,
- Public Owned Companies, except for any companies belonging to the Ferrovie dello Stato Group, any companies belonging to the Poste Italiane Group and any companies belonging to the Alitalia Group.

**"EMMI"** means the European Money Markets Institute.

**"EMIR"** means the European Regulation 648/2012 of 4 July 2012, known as the European Market Infrastructure Regulation, entered into force on 16 August 2012.

**"Employer/Pension Authority"** means the assigned debtor (*debitore ceduto*) of the receivables object of each Salary Assignment or the delegated person (*mandatario/delegato*) under each Payment Delegation.

**"ESMA"** means the European Securities and Markets Authority.

**"ESMA Website"** means <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

**"EU CRA Regulation"** means the credit rating agencies regulation under the Regulation (EU) No. 1060/2009, as amended and supplemented from time to time.

**"EU Insolvency Regulation"** means the Regulation (EU) No. 2015/848 of the European Parliament and of the Council, as amended and supplemented from time to time.

**"EU PRIIPs Regulation"** means Regulation (EU) No 1286/2014.

**"EU Prospectus Regulation"** means Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended and supplemented from time to time.

**"EU Securitisation Regulation"** means Regulation (EU) No. 2017/2402 (as amended and supplemented from time to time).

**"EURIBOR"** means the Euro-zone interbank offered rate for either one (1), three (3) or six (6) Euro deposits as specified in the applicable Final Terms, as determined by the Paying Agent (as benchmark administrator listed in the relevant registrar pursuant to the Article 36 of the BMR) in accordance with the Conditions, as it appears on the relevant Reuters Screen Page or (aa) such other page as may replace the relevant Reuters Screen Page on that service for the purpose of displaying such information or (bb) 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 such Reuters Screen Page at or about 11:00 a.m. (Milan time) on the relevant Determination Date (rounded to four decimal places with the midpoint rounded upwards) (the **"Screen Rate"**), provided that:

- (a) if the Screen Rate is unavailable at such time for either one (1), three (3) or six (6) month Euro deposits as applicable, then the rate for any relevant Interest Period shall be the arithmetic mean (rounded to four decimal places with the mid-point rounded up) of the rates notified to the Representative of the Noteholders at its request by each of the Reference Banks as the rate at which respectively one, three or six months Euro deposits in a representative amount are offered by that Reference Bank to leading banks in the Euro-zone inter-bank market at or about 11.00 a.m. (Milan time) on any Determination Date; or
- (b) if on any Determination Date, the Screen Rate is unavailable and only two of the Reference Banks provide such offered quotations to the Calculation Agent the relevant rate shall be determined, in the manner specified in item (a) above, on the basis of the offered quotations of those Reference Banks providing such quotations; or
- (c) if, on any Determination Date, the Screen Rate is unavailable and only one of the Reference Banks provides the Agent Bank with an offered quotation, the Rate of Interest for the relevant Interest Period shall be the rate of Interest in effect for the immediately preceding Interest Period when one of EURIBOR or item (b) above shall have been applied.

The Principal Paying Agent may, at any time, request the Issuer and the Representative of the Noteholders to agree, without the consent of the Noteholders, to amend EURIBOR (any such amended rate, an **"Alternative Base Rate"**) and make such other related or consequential amendments as are necessary or advisable in order to facilitate such change (any such change, a **"Base Rate Modification"**) provided that the following conditions are satisfied:

- (1) the Principal Paying Agent, on behalf of the Issuer, has provided the Representative of the Noteholders, the relevant Series Swap Counterparty and the Noteholders of the relevant Transaction with at least 30 (thirty) calendar days' prior written notice of any such proposed Base Rate Modification and has certified to the Representative of the Noteholders, the relevant Series Swap Counterparty and the Noteholders in such notice (such notice being a **"Base Rate Modification Certificate"**) that:

- (a) such Base Rate Modification is being undertaken due to:
    - (i) a prolonged and material disruption to EURIBOR, a material change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or be published;
    - (ii) a public statement by the EURIBOR administrator that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR);
    - (iii) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;
    - (iv) a public statement by the supervisor of the EURIBOR administrator that means EURIBOR may no longer be used or that its use is or will be subject to restrictions or adverse consequences; or
    - (v) the reasonable expectation of the Principal Paying Agent that any of the events specified in sub-paragraphs (i) to (iv) above will occur or exist within 6 (six) months of the proposed effective date of such Base Rate Modification; and
  - (b) such Alternative Base Rate is:
    - (i) a base rate published, endorsed, approved or recognised by the European Central Bank, any regulatory authority in Italy or the EU or any stock exchange on which the Rated Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);
    - (ii) the Euro Over Night Index Average (or any rate which is derived from, based upon or otherwise similar to the foregoing); or
    - (iii) a base rate utilised in a material number of publicly-listed new issues of Euro denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification;
2. the Rating Agencies of the relevant Series have been notified of such proposed Base Rate Modification and, based on such notification, the Principal Paying Agent is not aware that the then current ratings of the Rated Notes of such Series would be adversely affected by such Base Rate Modification; and
  3. the Originator pays all fees, costs and expenses (including legal fees) incurred by the Issuer and the Representative of the Noteholders or any other party to the Transaction Documents in connection with such Base Rate Modification.

Notwithstanding the above, no Base Rate Modification will become effective if within 30 (thirty) calendar days of the delivery of the Base Rate Modification Certificate, (i) any of the relevant Series Swap Counterparty does not consent to Base Rate Modification, or (ii) Noteholders representing at least 10 per cent. of the Principal Amount Outstanding of the Class A Notes of the relevant Series have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which the Class A Notes are held) that they do not consent to the Base Rate Modification (a "**Noteholder Base Rate Consent Event**"). Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Representative of the Noteholders' satisfaction (having regard to prevailing market practices) of the relevant Noteholder's title to the Class A Notes of such Series. If a Noteholder Base Rate Consent Event occurs, the Base Rate Modification will not become effective unless a resolution of the holders of the Class A Notes of the relevant Series is passed in favour of the Base Rate Modification in accordance with the

Rules of the Organisation of the Noteholders. The Principal Paying Agent, on behalf of the Issuer, will notify the Representative of the Noteholders, the relevant Series Swap Counterparties and the Noteholders in accordance with Condition 16 (*Notices*) on the date when the Base Rate Modification takes effect.

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

"**Euroclear**" means Euroclear Bank S.A./N.V., as operator of the Euroclear System, with offices at 1 boulevard du Roi Albert II, B-1210 Brussels.

"**European DataWarehouse**" means the securitisation repository pursuant to article 7, paragraph 2 of the STS Regulation where information and documents of each Transaction are made available.

"**Euro-Zone**" means the region comprised of Member States of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992).

"**EUWA**" means the European Union (Withdrawal) Act 2018 as amended by the European Union (Withdrawal Agreement) Act 2020.

"**Expenses**" means, in respect of each Transaction:

- (a) any and all documented fees, costs, expenses and taxes, required to be paid to any third party creditors (other than the Noteholders of the relevant Series and the Other Issuer Creditors of such Transaction) arising in connection with such Transaction and/or required to be paid (as determined in accordance with the Corporate Services Agreement, by reference to the number of the then outstanding Transactions carried out by the Issuer) in order to preserve the existence of the Issuer, to maintain it in good standing or to comply with applicable laws; and
- (b) any other documented costs, fees and expenses due to persons who are not parties to the relevant Series Documents which have been incurred in or in connection with the preservation or enforcement of the relevant Series Issuer's Segregated Assets,

which will be attributed *pro quota* to each Transaction in accordance with the provisions of the Corporate Services Agreement.

"**Expenses Account**" means a euro denominated account to be established in the name of the Issuer with the Collection Account Bank in accordance with the Programme Cash Allocation, Management and Payments Agreement in respect of each Transaction and the relevant Series CAMPA.

"**Extraordinary Resolution**" shall have the meaning ascribed to it in the Rules of the Organisation of the Noteholders.

"**Ferrovie dello Stato Group**" means the group of companies which are consolidated in the accounts (*bilancio*) of Ferrovie dello Stato Italiane S.p.A., as resulting from time to time from the latest approved accounts (*ultimo bilancio approvato*) of Ferrovie dello Stato Italiane S.p.A..

"**Final Maturity Date**" means, with reference to each Series, the date specified as such in the relevant Final Terms applicable to such Series.

"**Final Terms**" means, with reference to each Series of Notes issued under the Programme relating to each Transaction, the final terms prepared for the issuance of such Series of Notes pursuant to the Prospectus Directive.

"**Financial Laws Consolidation Act**" means the Italian Legislative Decree No. 58 of 24 February 1998, as amended and supplemented from time to time.

"**First Portfolio**" means the first Portfolio purchased by the Issuer in the context of the Programme on the Initial Signing Date pursuant to the Programme Receivable Purchase Agreement and the relevant Transfer Agreement.

"**Fitch**" means Fitch Ratings Ireland Limited (Sede secondaria Italiana) and their subsidiaries and any successor thereto.

"**Fixed Rate of Interest**" has the meaning given to such term in Condition 7.5.1.

"**Floating Rate of Interest**" has the meaning given to such term in Condition 7.5.2.

"**FSMA**" means the Financial Services and Markets Act 2000, as amended and supplemented from time to time.

"**Further Transfer Notice**" means the notice to be sent by the Originator to the Issuer in order to proceed with the sale of a Portfolio in the context of the Programme pursuant to the Programme Receivable Purchase Agreement.

"**Further Transfer Notice Date**" means the date on which the Originator, as the case may be, deliver a Further Transfer Notice to the Issuer.

"**GDPR**" means the General Data Protection Regulation adopted with Regulation (EU) 2016/679, as amended and supplemented from time to time.

"**Guarantor**" means any person having issued or released a Collateral Security.

"**Holder**" or "**holder**" of a Note means the ultimate owner of a Note.

"**IBL Banca**" means IBL – Istituto Bancario del Lavoro S.p.A. a bank incorporated under the laws of the Republic of Italy as a joint stock company (*società per azioni*), having its registered office at Rome, Via Venti Settembre 30, Italy, fiscal code and enrolment with the companies register of Rome number 00452550585, enrolled under number 5578 in the *albo delle banche* held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act, holding company (*capogruppo*) of the banking group (*gruppo bancario*) "IBL Banca" enrolled under number 3263.1 in the *albo dei gruppi bancari* held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act.

"**IBL Finance**" means IBL FINANCE S.R.L., a *società a responsabilità limitata* incorporated under the laws of the Republic of Italy pursuant to the Securitisation Law, having its registered office at Via di Campo Marzio 46, Rome, Italy, fiscal code and enrolment with the companies register of Rome under number 13264381008, enrolled in the *elenco delle società veicolo* held by the Bank of Italy pursuant to the Bank of Italy regulation dated 7 June 2017 and having as its sole corporate object the realisation of securitisation transactions pursuant to article 3 of the Securitisation Law.

"**IBL Servicing**" means IBL Servicing S.p.A., a financial intermediary incorporated under the laws of the Republic of Italy, having its registered office at Via Venti Settembre 30, 00187 - Rome, tax code and enrolment with the companies register of Rome no. 10218521002, enrolled under No. 27 (*codice meccanografico* 33596) of the register of the financial intermediaries held by the Bank of Italy, fully-owned by IBL Banca and subsidiary of the banking group (*gruppo bancario*) "IBL Banca", enrolled with the register of the banking groups (*albo dei gruppi bancari*) under no. 3263 pursuant to article 64 of the Consolidated Banking Act.

"**IDD**" means Directive 2016/97/EU.

**"Indemnity"** (*Indennizzo*) means the amount due by the Insurance Company to the Issuer upon occurrence of a Job Damage and/or a Life Damage, pursuant to the terms and conditions of the relevant Insurance Policy.

**"Individual Purchase Price"** means, in respect of each Receivable, an amount equal to the aggregate of the components set out in clause 3.1.1 of the Programme Receivable Purchase Agreement.

**"Initial Interest Period"** means the first Interest Period, which shall begin on (and include) the Issue Date of the relevant Series and end on (but exclude) the first relevant Payment Date, each as specified in the Final Terms applicable to such Series.

**"Initial Signing Date"** means 4 August 2017, as the date of execution of the Programme Receivables Purchase Agreement, the Programme Servicing Agreement, the Programme Warranty and Indemnity Agreement.

**"Inside Information Report"** means the report named as such to be prepared and delivered, by the Originator in accordance with the Agreement.

**"Insolvency Event"** means in respect of any company or corporation that:

- (a) such company or corporation has become subject to any applicable bankruptcy, liquidation, administration, insolvency, composition or reorganisation, or is failing or is likely to fail pursuant to article 17 of Legislative Decree No. 180 of 16 November 2015 (if applicable), or has entered into a "*concordato*" with its creditors or other debt restructuring arrangements (including, without limitation, "*fallimento*", "*liquidazione coatta amministrativa*", "*concordato preventivo*", and "*amministrazione straordinaria*", each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, including the seeking of liquidation, winding-up, reorganisation, dissolution, administration) or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a *pignoramento* or similar procedure having a similar effect, unless, in the opinion of the Representative of the Noteholders (who may in this respect rely on the advice of a lawyer selected by it), such proceedings are not being disputed in good faith with a reasonable prospect of success; or
- (b) an application for the commencement of any of the proceedings under (a) above is made in respect of or by such company or corporation or such proceedings are otherwise initiated against such company or corporation and, in the opinion of the Representative of the Noteholders (who may in this respect rely on the advice of a lawyer selected by it), the commencement of such proceedings are not being disputed in good faith with a reasonable prospect of success; or
- (c) such company or corporation takes any action for a re-adjustment of or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors (other than, in the case of the Issuer, the Other Issuer Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee, indemnity or assurance against loss given by it in respect of any indebtedness or applies for suspension of payments; or
- (d) an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution in any form of such company or corporation or any of the events under article 2484 of the Italian civil code occurs with respect to such company or corporation (except a winding-up for the purposes of, or pursuant to, a solvent amalgamation or reconstruction, the terms of which have been previously approved in writing by the Representative of the Noteholders); or
- (e) such company or corporation becomes subject to any proceedings equivalent or analogous to those above under the law of any jurisdiction in which such company or corporation is deemed to carry on business.

**"Instalment"** means, with respect to each Loan Agreement, from which the Receivables are originated, each instalment due from time to time by the relevant Debtor thereunder and which consists of an Interest Instalment and a Principal Instalment.

**"Insurance Company"** means each insurance company having entered into, or which will enter into, an Insurance Master Agreement with IBL Banca and that, therefore, has issued, or will issue, an Insurance Policy for the benefit of IBL Banca.

**"Insurance Master Agreement"** means each agreement entered into between IBL Banca and an Insurance Company which regulates the terms and conditions for the issue of the relevant Insurance Policies for the benefit of IBL Banca.

**"Insurance Policy"** means, with respect to each Loan Agreement, the insurance policies issued by the Insurance Companies for the benefit of IBL Banca, pursuant to the Insurance Master Agreements, to cover certain risks associated to the relevant Debtor, the relevant rights and actions deriving therefrom are included in the Receivables transferred to the Issuer pursuant to the Programme Receivables Purchase Agreement and whose benefit, following the assignment of the relevant Receivables to the Issuer pursuant to the Receivables Purchase Agreement, have been transferred to the Issuer.

**"Interest Basis"** means, with reference to each Series of Notes issued in the context of the relevant Transaction, the Fixed Rate of Interest or the Floating Rate of Interest.

**"Interest Instalment"** means the interest component of each Instalment under each relevant Loan.

**"Interest Payment Amount"** has the meaning ascribed to that term in Rated Note Condition 7.6 (*Calculation of Interest Payment Amounts*).

**"Interest Period"** means, with reference to each Series of Notes issued in the context of the relevant Transaction, each period from (and including) a Payment Date to (but excluding) the next following Payment Date, provided that the first Interest Period will commence on the Issue Date of such Series of Notes and end on the relevant first Payment Date (such first Payment Date as specified in the relevant Final Terms applicable to such Series).

**"Investment Account"** means, with reference to each Transaction, any cash investment account which, following the relevant Issue Date of the Series of Notes issued under such Transaction, may be opened by the Issuer with the Investment Account Bank (or with any other Eligible Institution) in accordance with the Programme Cash Allocation, Management and Payment Agreement and the relevant Series CAMPA, for the deposit of the bonds, debentures or other kinds of notes or financial instruments purchased as Eligible Investments.

**"Investment Account Bank"** means Citi London and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement.

**"Issue Date"** means, with reference to each Series of Notes issued under the Programme, the date defined as such in the relevant Final Terms applicable to such Series.

**"Issue Price"** means, with reference to each Transaction, in respect of each Class of Notes of the relevant Series issued under such Transaction, the price specified as applicable in the relevant Final Terms in respect of such Series.

**"Issuer"** means Marzio Finance S.r.l., a *società a responsabilità limitata* incorporated under the laws of the Republic of Italy pursuant to the Securitisation Law, having its registered office at Viale Parioli, 10, Rome, Italy, fiscal code and enrolment with the companies register of Rome under number 09840320965, enrolled in the *elenco delle società veicolo* held by the Bank of Italy pursuant to the Bank of Italy regulation dated 7 June 2017 and having as its sole corporate object the realisation of securitisation transactions pursuant to article 3 of the Securitisation Law.

**"Issuer's Rights"** has the meaning ascribed to the term *"Diritti di Credito"* under clause 2.1 of each Series Deed of Pledge relating to the rights of the Issuer pledged under such Series Deed of Pledge.

**"Issuer's Series Segregated Assets"** means, with reference to each Transaction, together, the Issuer's right, title and interest in and to the Portfolio purchased by the Issuer in the context of such Transaction, any monetary claim accrued by the Issuer in the context of such Transaction, the relevant collections and any financial assets purchased through such collections, which are segregated by operation of law from the Issuer's other assets pursuant to the Securitisation Law.

**"Italian Paying Agent"** means Citibank N.A., Milan Branch and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement and the Conditions.

**"Job Damage"** (*Sinistro Impiego*) means each event related and/or connected to the employment relationship of a Debtor covered under the relevant Insurance Policy, upon occurrence of which the relevant Insurance Company shall pay the Indemnity to IBL Banca - and, upon transfer of the Receivables to the Issuer, to the Issuer - in accordance with the terms and conditions of such Insurance Policy.

**"Joint Regulation"** means the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018 and published in the Official Gazette number 201 of 30 August 2018.

**"Junior Notes"** means the Class J Notes.

**"Junior Noteholders"** means the holders of the Class J Notes.

**"Junior Notes Conditions"** means the terms and conditions of the Junior Notes.

**"LCR Delegated Regulation"** means Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions.

**"LCR Assessment"** means the assessment made by PCS in relation to compliance of the Transactions carried out under the Programme with the criteria set forth in the LCR Delegated Regulation, as amended by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018.

**"Liabilities"** means in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgements, actions, proceedings or other liabilities whatsoever including legal fees and any taxes and penalties incurred by that person, together with any value added or similar tax charged or chargeable in respect of any sum referred to in this definition.

**"Life Damage"** (*Sinistro Vita*) means the death of a Debtor covered under the relevant Insurance Policy, upon occurrence of which the relevant Insurance Company shall pay the Indemnity to IBL Banca and, upon transfer of the Receivables to the Issuer, to the Issuer in accordance with the terms and conditions of such Insurance Policy.

**"Limited Recourse Loan"** means any limited recourse loan made by the Originator to the Issuer pursuant to clause 4.1 of the Programme Warranty and Indemnity Agreement.

**"Liquidity Reserve"** means, in respect of each Transaction, a reserve created with a portion of the proceeds of the issue of the Class J Notes on the relevant Issue Date of the relevant Series, to be applied in accordance with the provisions of the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**"Liquidity Reserve Account"** means a euro denominated account to be established in the name of the Issuer with the Transaction Bank in accordance with the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA in respect of each Transaction.

**"Liquidity Reserve Amount"** means, at any time, the amounts standing to the credit of the relevant Liquidity Reserve Account.

**"Liquidity Reserve Initial Amount"** means, in respect of each Transaction, the amount credited on the relevant Liquidity Reserve Account upon issuance of the relevant Series of Notes, out of the proceeds thereof, as specified in the relevant Series CAMPA.

**"Liquidity Reserve Target Amount"** means, with reference to each Transaction, the amount specified as such under the relevant Series CAMPA and set out in the Final Terms applicable to the relevant Series of Notes.

**"Listing Agent"** means Banque International à Luxembourg and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement and the Listing Agent Fee Letter.

**"Listing Agent Fee Letter"** means the fee letter entered into on or about the Initial Signing Date between the Issuer and the Listing Agent.

**"Loan"** means each personal loan granted by the Originator to a Debtor, on the basis of a Loan Agreement, to be reimbursed through a Salary Assignment or, alternatively, assisted by a Payment Delegation issued in favour of IBL Banca by the relevant Debtor, and furthermore assisted by an Insurance Policy, from which the Receivables transferred to the Issuer pursuant to the Programme Receivables Purchase Agreement and each Transfer Agreement arise.

**"Loan Agreement"** means each written agreement, from which a Receivable arises, entered into between IBL Banca and a Debtor and pursuant to which IBL Banca has granted a Loan.

**"Loan Early Termination"** means the full redemption of a Loan made by the relevant Debtor, before the maturity provided by the amortisation plan set out in the relevant Loan Agreement.

**"Local Authorities"** means the local territorial authorities set forth in article 2 paragraph 1 of the legislative decree 18 August 2000, No. 267 ("*Testo unico delle leggi sull'ordinamento degli enti locali*") and, in particular, municipalities (*comuni*), provinces (*province*), metropolitan cities (*città metropolitane*), mountain authority (*comunità montane*), island authorities (*comunità isolane*) and municipalities unions (*unioni di comuni*), as defined therein.

**"Management Fee"** means, for each Loan, the fees due for the management of the relevant Loan during the amortisation period, if applicable.

**"Management Fee Amortisation Plan"** means, for each Loan, the plan for the accrual of the Management Fee in favour of the Originator.

**"Management Fee Reserve"** means, with reference to each Transaction, a cash reserve of the Issuer created with a deposit made by the Originator on the Issue Date of the relevant Series of Notes issued under such Transaction, in accordance with the provisions of the Programme Receivables Purchase Agreement and the Programme Cash Allocation, Management and Payments Agreement.

**"Management Fee Prepayment Amount"** means, with reference to each Transaction, the Residual Management Fee for each Loan in respect of which a Loan Early Termination occurred, as specified by the Servicer in each relevant Servicer's Report relating to such Transaction, to be transferred for the amount set out in such Servicer's Report, from the relevant Management Fee Reserve Account to the relevant Payments Account, one Business Day before each Payment Date, to form part of the relevant Series Available Funds.

**"Management Fee Reserve Account"** means a euro denominated account to be established in the name of the Issuer with the Transaction Bank in accordance with the Programme Cash Allocation, Management and Payments Agreement in respect of each Transaction and the relevant Series CAMPA.

**"Management Fee Reserve Amount"** means, in respect of each Transaction, at any time, the balance of the amounts standing to the credit of the relevant Management Fee Reserve Account.

**"Management Fee Reserve Increased Amount"** means, in respect of each Loan and with reference to each Servicer's Report Date under each Transaction, the difference, if positive, between (i) the Management Fee Reserve Target Amount as of such Servicer's Report Date, and (ii) the Management Fee Reserve Target Amount as of the immediately preceding Servicer's Report Date (net of any amount of the Management Fee Prepayment Amount).

**"Management Fee Reserve Released Amount"** means, in relation to each Portfolio, with respect to each Loan, and with reference to each relevant Servicer's Report Date, the difference, if positive, between (i) the relevant Management Fee Reserve Target Amount as of the immediately preceding Servicer's Report Date (net of any Management Fee Prepayment Amount), and (ii) the Management Fee Reserve Target Amount as of such Servicer's Report Date.

**"Management Fee Reserve Target Amount"** means, with reference to each Transaction, an amount equal to 25% (twenty-five per cent.) of the relevant Residual Management Fee in respect of the Portfolio transferred under such Transaction.

**"Mandate Agreement"** means the mandate agreement entered into on the Initial Signing Date between the Issuer and the Representative of the Noteholders.

**"Margin"** means the percentage specified as such in the applicable Final Terms.

**"Master Servicer"** means IBL Servicing and any successor or assignee thereto in accordance with the provisions of the Programme Servicing Agreement.

**"Master Servicing Fee"** means the fee due to the Master Servicer, as determined in accordance with the Programme Servicing Agreement.

**"Master Servicer Termination Event"** means each of the events provided for under clause 11 of the Programme Servicing Agreement, which causes the termination of the appointment of the Servicer, in accordance with the provisions set forth thereunder.

**"Matrice dei Conti"** has the meaning ascribed to it under the BoI Supervision Guidelines.

**"Mezzanine Noteholders"** means the Class B Noteholders (if any).

**"Mezzanine Notes"** means the Class B Notes (if any).

**"MIFID II"** means Directive 2014/65/EU.

**"Monte Titoli"** means Monte Titoli S.p.A., a joint stock company having its registered office at Via Mantegna, 6, 20154 Milan, Italy.

**"Monte Titoli Account Holders"** means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository bank appointed by Euroclear and Clearstream.

**"Monte Titoli Mandate Agreement"** means the agreement entered into between the Issuer and Monte Titoli.

**"Moody's"** means Moody's Investors Service.

**"Most Senior Class of Notes"** means, with reference to each Transaction, respectively, (i) the Class A Notes; (ii) following the full repayment of all the Class A Notes, the Class B Notes (if any); (iii) following the full repayment of all the Class B Notes (if any), the Class J Notes.

**"Net Portfolio Yield"** means, with reference to each Transaction, with respect to any relevant Collection Period, the amount which is the aggregate of: (i) the Interest Instalments accrued on the relevant Portfolio during the relevant period whether or not actually paid less specific provisions for losses in respect of each single Receivable determined by the Servicer and any losses with respect to such period; (ii) any default interest (*interessi di mora*) accrued on the Receivables and paid during such period under the terms of the relevant Loan Agreement; (iii) the amount of any and all penalties paid in such period; (iv) any other revenues accrued to the Issuer under the Loan Agreement in such period.

**"New Insolvency Code"** means the new code of business crisis and insolvency approved by the Italian Parliament with the Legislative Decree no. 14 of 12 January 2019.

**"Noteholders"** means, together, the Rated Noteholders and the Junior Noteholders.

**"Notes"** means, together, the Rated Notes and the Junior Notes.

**"Notes Formula Redemption Amount"** means any of the Class A Notes Formula Redemption Amount, the Class B Notes Formula Redemption Amount (if any) and the Class J Notes Formula Redemption Amount, as the case may be.

**"Notice"** means any notice delivered under or in connection with any Programme Document or Series Document.

**"Obligations"** means all the obligations of the Issuer created by or arising under the Notes, the Programme Documents and the Series Documents.

**"Offer Date"** means the date which falls within 10 Business Days of the Valuation Date of the relevant Portfolio, as set out in the relevant Further Transfer Notice, in which the Originator deliver a proposal relating to a Transfer Agreement to the Issuer pursuant to the Programme Receivables Purchase Agreement, provided that there will not be more than one Offer Date per month.

**"Official Gazette"** means the *Gazzetta Ufficiale della Repubblica Italiana*.

**"Organisation of the Noteholders"** means, with reference to each Transaction, the association of the Noteholders, organised pursuant to the Rules of the Organisation of the Noteholders.

**"Originator"** (or also **"Seller"**) means IBL Banca.

**"Other Issuer Creditors"** means, with reference to each Transaction, the Originator, the Master Servicer, the Servicer, the Back-up Servicer, the Back Up Calculation Agent, the Representative of the Noteholders, the Calculation Agent, the Corporate Servicer, the Paying Agents, the Account Banks, the Cash Manager, the Programme Administrator, the relevant Series Swap Counterparty (if any) and any party who at any time accedes to the Programme Intercreditor Agreement.

**"Outstanding Balance"** means, on any given date and in relation to any Receivable, (i) the aggregate of the Outstanding Principal Due and the Interest Instalments due but not yet paid as at that date, plus (ii) any penalties (including any default interest) accrued on any Unpaid Instalments.

**"Outstanding Principal Due"** means, on any relevant date, in relation to any Receivable, the Outstanding Principal on such date for such Receivable.

**"PCS"** means Prime Collateralised Securities EU SAS.

**"Outstanding Principal"** means, on any relevant date, in relation to any Receivable, the aggregate of (i) all the Principal Instalments due and unpaid (also only in part) on such date and (ii) the Principal Instalments not yet due and not already paid on such date.

**"Outstanding Principal Not Yet Due"** means, on any relevant date, in relation to any Receivable, the aggregate of the Principal Instalments not yet due on such date.

**"Paying Agents"** means, collectively, the Italian Paying Agent and the Principal Paying Agent.

**"Payments Account"** (or also **"Payment Account"**) means, with reference to each Transaction, the euro denominated account established in the name of the Issuer with the Transaction Bank or such other substitute account as may be opened in accordance with the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA.

**"Payment Date"** means, with reference to all Series of Notes issued under the Programme by the Issuer, (a) prior to the delivery of a Transaction Acceleration Notice, the day falling monthly specified as such in the relevant Final Terms or, if such day is not a Business Day, the immediately following Business Day; and (b) following the delivery of a Transaction Acceleration Notice, any day on which any payment is required to be made by the Representative of the Noteholders in accordance with the Post Enforcement Priority of Payment, the Conditions and the Programme Intercreditor Agreement, provided that the first Payment Date in respect of each Series of Notes will be the date specified as such in the relevant Final Terms applicable to such Series.

**"Payment Delegation"** (or also **"DP"**) means the payment delegation of one fifth of the salary made, pursuant to the relevant Loan Agreement, by a Debtor in favour of IBL Banca, with reference to the payments due by such Debtor under the relevant Loan.

**"Payments Report"** (or also **"Payment Report"**) means, with reference to each Transaction, the report setting out all the payments to be made on each relevant Calculation Date, which shall be prepared and delivered by the Calculation Agent or the Back-Up Calculation Agent in accordance with the Programme Cash Allocation, Management and Payments Agreement and each relevant Series CAMPA.

**"Pool Audit Report"** means the report prepared by an appropriate and independent party pursuant to article 22 of the EU Securitisation Regulation and the relevant EBA Guidelines on STS Criteria., in order to verify that:

- 1) the data disclosed in the relevant Final Terms in respect of the Receivables is accurate;
- 2) on a statistical basis, the integrity and referability of the information provided in the documentation and in the IT systems, in respect of each selected position of the sample of portfolio; and
- 3) the data of the Receivables included in the Portfolio contained in the loan- by-loan data tape prepared by IBL Banca are compliant with the Criteria that are able to be tested prior to the relevant Issue Date.

**"Portfolio"** means each pool of Receivables sold by the Originator and purchased by the Issuer in the context of the Programme pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement.

**"Post Enforcement Priority of Payments"** means the Priority of Payments under the Rated Notes Condition 6.2 (*Post Acceleration Priority of Payments*).

**"Poste Italiane Group"** means the group of companies which are consolidated in the accounts (*bilancio*) of Poste Italiane S.p.A., as resulting from time to time from the latest approved accounts (*ultimo bilancio approvato*) of Poste Italiane S.p.A..

**"Post Acceleration Payments Report"** means, in respect of each Transaction, the report setting out all the payments to be made on the following Payment Date under the Post Acceleration Priority of Payments which, following the occurrence of a Transaction Acceleration Event and the delivery of a Transaction Acceleration Notice, shall be prepared and delivered by the Calculation Agent in accordance with the Programme Cash Allocation, Management and Payments Agreement and each Series CAMPA.

**"Pre Enforcement Priority of Payments"** means the Priority of Payments under the Rated Notes Condition 6.1 (*Pre Enforcement Priority of Payments*).

**"Previous Securitisation"** means the securitisation transaction carried out by IBL Finance through the issue on 22 May 2015 of the €2,009,800,000 Class A Asset Backed Fixed Rate Notes due December 2040 and the €223,220,000 Class B Asset Backed Variable Return Notes due December 2040.

**"Principal Amount Outstanding"** means, on any date:

- (a) in relation to each Class of Notes, the aggregate principal amount outstanding of all Notes in such Class; and
- (b) in relation to a Note, the principal amount of that Note upon issue, less the aggregate amount of all principal payments made on that Note that have been repaid on or prior to such date.

**"Principal Instalment"** means the principal component of each Instalment under each relevant Loan.

**"Principal Payment Amount"** shall have the meaning ascribed to it in Rated Notes Condition 8.6 (*Calculation of Principal Payment Amount and Principal Amount Outstanding*) and Junior Notes Condition 8.6 (*Calculation of Principal Payment Amount and Principal Amount Outstanding*).

**"Principal Paying Agent"** means Citi London and any successor or assignee thereto in accordance with the Cash Allocation, Management and Payments Agreement.

**"Priority of Payments"** means, with reference to each Transaction, the order of priority pursuant to which the relevant Series Available Funds shall be applied on each relevant Payment Date prior to and/or following the service of a Transaction Acceleration Notice, as the case may be, in accordance with the Rated Notes Conditions, the Junior Notes Conditions and the Programme Intercreditor Agreement.

**"PRIIPs Regulation"** means each of the EU PRIIPs Regulation and UK PRIIPs Regulation.

**"Privacy Law"** means any legislation applicable on data protection, including the GDPR, the Italian Legislative Decree No. 196 of 30 June 2003, as amended and supplemented from time to time, and the national legislation implementing the GDPR adopted pursuant to the legislative delegation provided by article 13 of Law No. 163 of 25 October 2017.

**"Proceeding"** has the meaning ascribed to "*Procedimento*" under the Receivables Purchase Agreement.

**"Programme"** means the programme established by the Originator and the Issuer pursuant to the Securitisation Law in the context of which the Originator may sell without recourse (*pro soluto*) and the Issuer shall purchase without recourse (*pro soluto*), pursuant to article 1 and 4 of the Securitisation Law, Portfolios of Receivables arising out from Loans originated by IBL Banca to be reimbursed through a Salary Assignment or, alternatively, assisted by a Payment Delegation issued in favour of IBL Banca by the relevant Debtor, pursuant to the Programme Receivables Purchase Agreement and each relevant Transfer Agreement.

**"Programme Administrator"** means IBL Banca and any successor or assignee thereto in accordance with the Programme Intercreditor Agreement.

**"Programme Back-up Servicing Agreement"** means the back-up servicing agreement entered into on 4 August 2017 between the Issuer and the Back-up Servicer in relation to the Programme and any relevant Transaction thereunder, as amended and supplemented from time to time.

**"Programme Cash Allocation, Management and Payments Agreement"** means the cash allocation, management and payments agreement entered into on 4 August 2017 between the Issuer, the Master Servicer, the Servicer, the Originator, the Representative of the Noteholders, each Account Bank, the Corporate Servicer, the Cash Manager, the Calculation Agent, the Back-up Calculation

Agent, the Programme Administrator and each Paying Agent in relation to the Programme and any relevant Transaction thereunder, as amended and supplemented from time to time.

**"Programme Documents"** means, together, the Programme Receivables Purchase Agreement, the Programme Servicing Agreement, the Programme Warranty and Indemnity Agreement, the Programme Back-up Servicing Agreement, the Programme Intercreditor Agreement, the Programme Cash Allocation Management and Payments Agreement, the Listing Agent Fee Letter, the Mandate Agreement, the Corporate Services Agreement, the Quotaholder's Agreement, the Conditions and any other document which may be entered into, from time to time, in connection with the Programme.

**"Programme Intercreditor Agreement"** means the intercreditor agreement entered into between the Issuer and the Other Issuer Creditors on 4 August 2017 in respect of the Programme, as amended and supplemented from time to time.

**"Programme Maturity Date"** means the earlier of (i) December 2050, (ii) the Cancellation Date in respect of the last Series of Notes issued under the Programme (as defined below), and (iii) the date of delivery of a Programme Purchase Termination Notice.

**"Programme Purchase Termination Event"** means any of the events provided for under Condition 12.5 (*Programme Purchase Termination Event*), the occurrence of which will prevent the Issuer from purchasing any additional Portfolio and issue any additional Series of Notes under the Programme.

**"Programme Purchase Termination Notice"** means the notice served by the Representative of the Noteholders and/or the Programme Administrator following the occurrence of a Programme Purchase Termination Event, in accordance with the Programme Intercreditor Agreement and the Conditions.

**"Programme Receivables Purchase Agreement"** means the receivables purchase agreement entered into on the Initial Signing Date between the Issuer and the Originator in respect of the Programme, as amended and supplemented from time to time.

**"Programme Servicing Agreement"** means the servicing agreement entered into on the Initial Signing Date between the Issuer, the Master Servicer and the Servicer in respect of the Programme, as amended and supplemented from time to time.

**"Programme Warranty and Indemnity Agreement"** means the warranty and indemnity agreement entered into on the Initial Signing Date between the Issuer and the Originator in respect of the Programme, as amended and supplemented from time to time.

**"Prospectus Regulation"** means each of the EU Prospectus Regulation and UK Prospectus Regulation, as amended and supplemented from time to time.

**"Prospetto dei Crediti"** has the meaning ascribed to such term under the Programme Receivables Purchase Agreement.

**"Public Entities"** (or also **"Public Administration"**) means any entity to which the provisions of articles 69 and 70 of the RD 2440/1923 apply.

**"Public Owned Companies"** means any limited companies (*società di capitali*) subject to the control, within the meaning of article 2359 of the Italian Civil Code, of one or more Public Administrations.

**"Purchase Price"** means the purchase price payable by the Issuer to the Originator in respect of each Portfolio, pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement.

**"Purchaser"** means the Issuer, as purchaser (*cessionario* or *acquirente*) under the Programme Receivables Purchase Agreement.

**"Quota Capital Account"** means the euro denominated account established in the name of the Issuer with IBL Banca with IBAN: IT08B032630320000000001153, or such other substitute account as may be opened in accordance with the Programme Cash Allocation, Management and Payments Agreement.

**"Quotaholder"** means Special Purpose Entity Management S.r.l..

**"Quotaholders' Agreement"** means the agreement executed on 4 August 2017 between the Issuer, the Quotaholder and the Representative of the Noteholders, as amended and supplemented from time to time.

**"Rate of Interest"** has the meaning ascribed to that term in Rated Notes Condition 7.5 (*Rate of Interest*).

**"Rated Noteholders"** means the holders from time to time of the Class A Notes and the Class B Notes (if any).

**"Rated Notes"** means, the Class A Notes and the Class B Notes (if any).

**"Rated Notes Conditions"** means the terms and conditions of the Rated Notes.

**"Rating Agencies"** means, in respect of any Series issued under the Programme, the rating agencies (two or more) whose name will be specified in the Final Terms applicable to the relevant Series.

**"Receivables"** means all rights and claims of the Issuer arising out from any Loan Agreement as of or starting from the relevant Valuation Date (excluded), including without limitation:

- (a) all rights and claims in respect of the Outstanding Principal;
- (b) all rights and claims in respect of the payment of interest (including the default interest) accrued on the Loans and not collected, including Accrued Interest, up to the relevant Valuation Date (excluded);
- (c) all rights and claims in respect of the payment of interest (including default interest) accruing on the Loans from the relevant Valuation Date (included);
- (d) all rights and claims in respect of payments of any amount deriving from damages suffered, costs, expenses, taxes and ancillary amounts due pursuant to the Loan Agreements;
- (e) any Collateral Security relating to the relevant Loan Agreement, including without limitation all rights and claims for the payment of portion of salary, pension and/or for the payment of any other indemnities (including the sums due as "*trattamento di fine rapporto*") due as a consequence of the Salary Assignment and/or the Payment Delegation which assists the relevant Loan, and furthermore all rights and claims relating to the Insurance Policies;
- (f) all privileges and priority rights (*diritti di prelazione*) transferable pursuant to the Securitisation Law supporting the aforesaid rights and claims, as well as any other right, claim and action (including any legal proceeding for the recovery of damages), substantial and procedural actions and defences inherent or otherwise ancillary to the aforesaid rights and claims, including, without limitation, the remedy of termination (*risoluzione contrattuale per inadempimento*) and the declaration of acceleration of the Debtor(s) (*decadenza dal beneficio del termine*),

provided that any amounts collected under any title in relation to a Loan with reference to the period before the relevant Valuation Date will belong exclusively to the Originator and, therefore, any amounts collected in relation to a Loan in one single payment without any distinction between the period before the relevant Valuation Date and the period after the relevant Valuation Date shall be allocated *pro quota* between the Originator and the Issuer accordingly.

**"Recoveries"** means any amount received or recovered by the Master Servicer and/or the Servicer in relation to any Defaulted Receivables.

**"Reference Banks"** has the meaning ascribed to such term under Condition 7.12 (*Reference Banks and Italian Paying Agent*).

**"Regions"** means the regions with special statute (*regioni a statuto speciale*) and the regions with ordinary statute (*regioni a statuto ordinario*) pursuant to article 114 of the Constitution of the Republic of Italy (*Costituzione della Repubblica Italiana*).

**"Regulated Market"** means the Luxembourg Stock Exchange's main regulated market, *Bourse de Luxembourg*.

**"Relevant Regulation"** means all laws and regulations and any other provisions issued by the Italian State Administration and the Public Entities which are applicable to Salary Assignment and the Payment Delegation, including articles 1260 *et seq.*, 1269 and 1723 of the Italian Civil Code, RD 2440/1923, DPR 180/1950, Presidential Decree No. 895/1950, Royal decree 29 July 1914 No. 850, Decree of *Ministero per le Comunicazioni* of 28 May 1929 No. 2708, Decree of *Ministero per le Comunicazioni* of 5 July 1932 No. 34, Circular of *Ministero del Tesoro* of 8 August 1996 No. 46, Circular of *Ministero del Tesoro* of 16 October 1996 No. 63, Decree of *Ministero dell'Economia e delle Finanze* of 27 December 2006 No. 313, Circular of *INPDAP* No. 8 of 30 March 2007, Circolare of *INPS* No. 91 of 31 May 2007, and any subsequent amendment and/or supplement thereto.

**"Remuneration"** means, in respect of the Class J Notes of any Series, on any Payment Date, an amount equal to the sum of:

- (a) the Net Portfolio Yield accrued as at the end of the immediately preceding Collection Period; *plus*
- (b) interest accrued on the relevant Series Issuer's Accounts up to the end of the immediately preceding Collection Period (whether or not actually paid); *plus*
- (c) interest accrued deriving from the Eligible Investments (if any) made up to the end of the immediately preceding Collection Period (whether or not actually paid); *plus*
- (d) any and all indemnities which became due in favour of the Issuer under any Programme Documents and any relevant Series Documents during the immediately preceding Collection Period (whether or not actually paid); *less*
- (e) any and all amounts under items from *First to Eighth* (included) and *Eleventh* (if applicable) of the Pre Enforcement Priority of Payments, or from *First to Eighth* (included) of the Post Enforcement Priority of Payments, accrued under such items during the immediately preceding Collection Period (whether or not actually paid).

**"Reporting Entity"** means the Originator acting as the reporting entity pursuant to the EU Securitisation Regulation.

**"Representative of the Noteholders"** means, in respect of each Series of Notes to be issued from time to time under the Programme by the Issuer, Banca Finint or any successor or assignee thereto in accordance with the Conditions and the Rules of Organisation of the Noteholders.

**"Residual Management Fee"** means, for each Loan (if applicable) and with reference to any date, the Management Fee which has not yet accrued on such Loan on the basis of the relevant Management Fee Amortisation Plan.

**"Retention Amount"** means, in respect of each Transaction, an amount equal to €20,000, provided that on the Payment Date on which the Notes of the relevant Series issued under such Transaction

are redeemed in full, the Retention Amount shall be the amount indicated by the Corporate Servicer as necessary to cover the corporate expenses of the Issuer following full redemption of such Notes.

**"Retention and Transparency Rules"** means, together, articles from 404 to 409 of the CRR, articles from 50 to 56 of the AIFMR, article 254 of the Solvency II Regulation, articles 6 and 7 of the EU Securitisation Regulation, the Circular No. 285 of 17 December 2013 ("*Disposizioni di Vigilanza per le Banche*") as amended from time to time, issued by the Bank of Italy, together with any applicable guidance, technical standards or related documents published by the European Banking Authority (including its predecessor, the Committee of European Banking Supervisors, and any successor or replacement agency or authority) and any delegated regulations of the European Commission in connection thereof and any other laws or regulations providing for retention and due diligence requirements in respect of securitisation transactions, as from time to time applicable and/or amended or supplemented.

**"Royal Decree 2440/1923"** or **"RD 2440/1923"** means the Italian Royal Decree No. 2440 of 18 November 1923, as amended and supplemented from time to time.

**"Rules of Organisation of the Noteholders"** or **"Rules"** means the rules of the organisation of the Noteholders attached as an Exhibit to the Rated Notes Conditions and the Junior Notes Conditions.

**"Salary Assignment"** (or also **"CDQ"**) means the assignment of one fifth of the salary and/or pension made, pursuant to the relevant Loan Agreement, by a Debtor in favour of IBL Banca, by way of satisfaction (*cessione in luogo dell'adempimento*) of the obligations arising under the relevant Loan.

**"Scheduled Instalment Date"** means any date on which an Instalment is due pursuant to a Loan Agreement.

**"Scope"** means Scope Ratings GmbH.

**"Sec Reg Asset Level Report"** means the report to be prepared and delivered by the Originator simultaneously with the Sec Reg Investor Report, on each Sec Reg Report Date, in compliance with article 7(1)(a) of the EU Securitisation Regulation, pursuant to the Servicing Agreement.

**"Sec Reg Investor Report"** means the report to be prepared and delivered by Calculation Agent, on behalf of the Originator, or by the Originator, directly or through agents, simultaneously with the Sec Reg Asset Level Report on each Sec Reg Report Date, in compliance with article 7(1)(e) of the EU Securitisation Regulation, pursuant Cash Allocation Management and Payments Agreement.

**"Sec Reg Report Date"** means the date falling within one month after each Payment Date of the relevant Transaction.

**"Securities Act"** means the U.S. Securities Act of 1933, as amended and supplemented from time to time.

**"Securitisation Law"** means the Italian Law No. 130 of 30 April 1999, as amended and supplemented from time to time.

**"Securitisation Regulation"** means each of the EU Securitisation Regulation and UK Securitisation Regulation, as amended and supplemented from time to time.

**"Security"** means the security created pursuant to the any Series Deed of Pledge and the Series Deed of Charge (if any).

**"Security Interest"** means:

- (a) any mortgage, charge, pledge, lien, privilege (*privilegio speciale*) or other security interest securing any obligation of any person;

- (b) any arrangement under which money or claims to money, or the benefit of, a bank or other account may be applied, set-off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person; or
- (c) any other type of preferential arrangement having a similar effect.

**"Senior Noteholders"** means the Class A Noteholders.

**"Senior Notes"** means the Class A Notes.

**"Series"** or **"Series of Notes"** means, with reference to each Transaction, the series of Notes to be issued by the Issuer under the Programme pursuant to the Base Prospectus and article 1 and 5 of the Securitisation Law, for the purpose of financing the purchase of the relevant Portfolio.

**"Series Available Funds"** means, with reference to each Transaction, on any relevant Payment Date of the relevant Series of Notes, the aggregate of:

- (i) all Collections and Recoveries collected by the Master Servicer and/or the Servicer in respect of the Receivables included in the relevant Portfolio during the immediately preceding relevant Collection Period;
- (ii) all amounts received by the Issuer from the Originator pursuant to the Programme Receivables Purchase Agreement and the relevant Transfer Agreement and the Programme Warranty and Indemnity Agreement during the immediately preceding relevant Collection Period;
- (iii) the amount standing to the credit of the Payments Account on the immediately preceding Payment Date after application of the relevant Priority of Payments on that Payment Date;
- (iv) any revenues and other amounts matured or deriving from the realisation, liquidation and any other proceeds on maturity of any Eligible Investments (including, for the avoidance of doubt, interest, premium or any other amount representing its yield) and credited to the relevant Payments Account not later than 2 (two) Business Days prior to such Payment Date;
- (v) any amount due and payable to the Issuer by the relevant Series Swap Counterparty under the relevant Series Swap Agreement on such Payment Date (if and to the extent paid) other than any Collateral Amounts, any termination payment required to be made under such Series Swap Agreement, any collateral payable or transferable (as the case may be) under such Series Swap Agreement, which will not be available to the Issuer to make payments to its creditors generally, but may only be applied in accordance with the provisions of the Programme Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA in respect of the Collateral Account;
- (vi) all amounts (other than the amounts already allocated under other items of the Series Available Funds) of interest accrued (net of any withholding or expenses, if due) and paid on the relevant Series Issuer's Accounts, other than the relevant Expenses Account, during the immediately preceding relevant Collection Period;
- (vii) all the proceeds deriving from the sale (in whole or in part), if any, of the relevant Portfolio and/or of other components of the relevant Issuer's Series Segregated Assets, in accordance with the provisions of the relevant Series Documents;
- (viii) all the proceeds deriving from the sale, if any, of individual Receivables included in the relevant Portfolio in accordance with the provisions of the relevant Series Documents during the immediately preceding relevant Collection Period;

- (ix) any amounts (other than the amounts already allocated under other items of the Series Available Funds) received by the Issuer from any party to the relevant Series Documents during the immediately preceding relevant Collection Period;
- (x) the relevant Additional Reserve Amount transferred from the relevant Additional Reserve Account to the relevant Payments Account on or prior to such Payment Date;
- (xi) the relevant Liquidity Reserve Amount transferred from the relevant Liquidity Reserve Account to the relevant Payments Account on or prior to such Payment Date;
- (xii) the Management Fee Prepayment Amount (if any) transferred from the relevant Management Fee Reserve Account to the relevant Payments Account on or prior to such Payment Date.

For the avoidance of doubt, following the delivery of a Transaction Acceleration Notice, the Series Available Funds, in respect of any Payment Date, shall also comprise any other amount standing to the credit of the relevant Series Issuer's Accounts as at the immediately preceding relevant Calculation Date.

**"Series CAMPA"** means, with reference to the each Transaction, the cash allocation, management and payments agreement executed by the relevant parties pursuant to the form annexed to the Programme Cash Allocation, Management and Payment Agreement and the provisions thereunder.

**"Series Deed of Charge"** means, in respect of the relevant Transaction, the English law deed of charge that may be entered into after the Issue Date between the Issuer and the Representative of the Noteholders (in its behalf and as trustee for the Noteholders and the Other Issuer Creditors), in the event that (i) the Investment Account is opened with the Investment Account Bank under such Transaction, in accordance with the provisions of the Cash Allocation, Management and Payments Agreement and the relevant Series CAMPA, and/or (ii) the Series Swap Agreement is entered into by the Issuer under such Transaction.

**"Series Deed of Pledge"** means the Italian law deed of pledge entered into on or about each Issue Date of each Series of Notes between the Issuer and the Representative of the Noteholders (acting on behalf of the Noteholders of the relevant Series and of the Other Issuer Creditors of the relevant Series) with reference to each Transaction and each Series of Notes.

**"Series Documents"** means, together, any documents executed by the Issuer and any Other Issuer Creditor, with reference to each Transaction, pursuant to the Programme Documents, including the applicable Final Terms relating to the Series of Notes issued under such Transaction.

**"Series Intercreditor Agreement"** means, with reference to each Series of Notes issued under the Programme in the context of each Transaction, the intercreditor agreement executed on or about the Issue Date of such Series between the Issuer and the Other Issuer Creditors.

**"Series Issuer's Accounts"** means, collectively, in respect of each Transaction, the Collection Account, the Payments Account, the Liquidity Reserve Account, the Additional Reserve Account, the Management Fee Reserve Account, the Investment Account (when opened), the Collateral Account (when opened) and the Expenses Account opened in the name of the Issuer with reference to such Transaction pursuant to the Programme Cash Allocation, Management and Payment Agreement and the relevant Series CAMPA and **"Series Issuer's Account"** means any of them.

**"Series Subscription Agreement"** means, with reference to each Series of Notes issued under the Programme in the context of each Transaction, the subscription agreement executed on or about the Issue Date of such Series between the Issuer, the Representative of the Noteholders and the relevant Subscriber(s), as initial subscriber(s) of the relevant Series of Notes.

**"Series Swap Agreement"** means, with reference to each Transaction, the interest rate hedging agreement or the interest rate option (or any other agreement having the same interest rate hedging economic and financial purpose) (if any) executed on the Issue Date of the relevant Series of Notes

between the Issuer and one or more Series Swap Counterparties, including any credit support annex entered into in connection to the relevant hedging transaction.

**"Series Swap Counterparty"** means, with reference to each Series of Notes, any of Crédit Agricole Corporate and Investment Bank, Société Générale S.A., Banco Santander S.A., JP Morgan AG and UniCredit, acting as swap counterparty (or swap counterparties) of the Issuer in connection with the relevant Series, as specified in the Final Terms applicable to such Series of Notes.

**"Servicer"** means IBL Banca and any successor or assignee thereto in accordance with the provisions of the Programme Servicing Agreement.

**"Servicer's Report"** means, with reference to each Transaction, the monthly report to be prepared and delivered by the Master Servicer, on each relevant Servicer's Report Date, pursuant to the Programme Servicing Agreement.

**"Servicer's Report Date"** means, with reference to each Transaction, the 10<sup>th</sup> Business Day following each relevant Collection Period.

**"Servicer Termination Event"** means each of the events provided for under clause 11 of the Programme Servicing Agreement, which causes the termination of the appointment of the Servicer, in accordance with the provisions set forth thereunder.

**"Servicing Fee"** means the fee due to the Servicer, as determined in accordance with the Programme Servicing Agreement.

**"Significant Event Report"** means the report named as such to be prepared and delivered, by the Originator in accordance with the Servicing Agreement.

**"Sistema Bancario Accentrato"** has the meaning ascribed to it under the Receivables Purchase Agreement.

**"Solvency II Regulation"** means the Delegated Act adopted on 10 October 2014 by the European Commission, as amended and supplemented from time to time.

**"Specific Criteria"** means the further objective criteria for the identification of the Receivables of each Portfolio which may be selected by the Originator in accordance with the provisions of the Programme Receivables Purchase Agreement and which will be set out in the relevant Transfer Agreement.

**"Specified Office"** means with respect to an Agent, or any additional Agent appointed pursuant to the Rated Notes Condition 10.4 (*Change of Paying Agent*) and the provisions of the Programme Cash Allocation, Management and Payments Agreement, the specified office notified to the Noteholders upon notification of the appointment of each such Agent in accordance with the Rated Notes Condition 10.4 (*Change of Paying Agent*) and in each such case, such other address as it may specify in accordance with the provisions of the Programme Cash Allocation, Management and Payment Agreement.

**"STS Verification"** means a report from PCS which verifies compliance of the Transactions carried out under this Base Prospectus 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.

**"Subscribers"** means any initial subscribers of any Series of Notes issued in respect of each Transaction under the Programme which will execute the relevant Series Subscription Agreement, including without limitation any manager, sole lead manager, joint lead manager and dealer under any Transaction and **"Subscriber"** means each of them.

**"Subsequent SPV"** means each securitisation company incorporated pursuant to the Securitisation Law for carrying out further securitisation transactions of receivables originated by IBL Banca of the same type of the Receivables transferred to the Issuer in the context of the Programme, to which the Issuer may transfer Portfolios of Receivables according to clause 16 of the Programme Receivables Purchase Agreement and Condition 18 (*Transfer of the Receivables by the Issuer to Subsequent SPVs*).

**"Supplemental Purchase Price"** means, in relation to any Receivable in respect of which an Accounting Cancellation ("*storno*") has been made, an amount calculated in accordance with clause 3.5 of the Programme Receivables Purchase Agreement.

**"TARGET System"** means the TARGET2 system.

**"TARGET2"** means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

**"Tax"** means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or any political sub-division thereof or any authority thereof or therein or otherwise imposed under Applicable Law.

**"Tax Deduction"** has the meaning ascribed to it under Rated Notes Condition 11 (*Taxation*).

**"Transaction"** means each transaction carried out in the context of the Programme pursuant to which the Issuer (i) will purchase a Portfolio from the Originator pursuant to the Programme Receivable Purchase Agreement and (ii) will issue a Series of Notes pursuant to article 1 and 5 of the Securitisation Law for the purpose of financing the purchase of such Portfolio.

**"Transaction Bank"** means Citibank N.A., Milan Branch and any successor or assignee thereto in accordance with the Programme Cash Allocation, Management and Payments Agreement.

**"Transfer Date"** means, with reference to each Transaction, the date on which the Originator has received the Acceptance of the relevant Transfer Agreement from the Issuer in accordance with the Programme Receivables Purchase Agreement.

**"Transaction Documents"** means, indistinctively, any of the Programme Documents and the relevant Series Documents.

**"Transaction Acceleration Event"** means any of the events described in Rated Notes Condition 12.1 (*Transaction Acceleration Events*).

**"Transaction Acceleration Notice"** means the notice served by the Representative of the Noteholders on the Issuer declaring the Notes of the relevant Series to be due and payable in full following the occurrence of a Transaction Acceleration Event as described in Rated Notes Condition 12.2 (*Delivery of a Transaction Acceleration Notice*).

**"UK CRA Regulation"** means the EU CRA Regulation, as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

**"UK MiFIR"** means the Regulation (EU) No 600/2014, as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

**"UK PRIIPs Regulation"** means the EU PRIIPs Regulation, as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

**"UK Prospectus Regulation"** means the EU Prospectus Regulation, as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

**"UK Securitisation Regulation"** means the EU Securitisation Regulation, as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

**"Unpaid Instalment"** means, with reference to a Loan, an Instalment which is due and unpaid.

**"Unpaid Management Fee Reserve Released Amount"** means, for each Loan and with reference to any date, the Management Fee Reserve Released Amount up to such date which has not been repaid yet to the Originator pursuant to the Programme Intercreditor Agreement and the other Programme Documents.

**"UniCredit"** means UniCredit Bank AG, with registered office at Arabellastraße 12, 81925 Munich, incorporated in Germany and registered with the Commercial Register at the Local Court (Amtsgericht) in Munich under number HRB 42148, incorporated as a stock corporation under the laws of the Federal Republic of Germany.

**"Usury Law"** means the Italian Law No. 108 of 7 March 1996, as amended and supplemented from time to time, and the Italian Law No. 24 of 28 February 2001, which converted into law the Italian Law Decree No. 394 of 29 December 2000, as amended and supplemented from time to time.

**"Valuation Date"** means, with reference to each Portfolio, the date specified as such in the relevant Transfer Agreement and in schedule 1 to the applicable Final Terms.

**"Variable Return"** means, together, the Remuneration and the Additional Remuneration (if any) which may be payable on the Class J Notes of any Series on each relevant Payment Date subject to the Junior Notes Conditions.

**"VAT"** means *Imposta sul Valore Aggiunto (IVA)* as defined in Italian D.P.R. number 633 of 26 October 1972, as amended and implemented from time to time and any other tax of a similar fiscal nature whether imposed in Italy (in place of or in addition to *IVA*) or elsewhere.

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