PROSPECTUS DATED 10 June 2014

Pursuant to article 5.3 of the Prospectus Directive, article 8 of the Luxembourg Law on Prospectus for Securities and article 2, sub-section 3, of the Securitisation Law

MARS 2600 S.R.L.

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

€ 216,000,000 Class A1 Asset Backed Floating Rate Notes due October 2050
Issue Price: 100 per cent
€ 216,000,000 Class A2 Asset Backed Fixed Rate Notes due October 2050
Issue Price: 100 per cent

Application has been made to the *Commission de Surveillance du Secteur Financier* (the ''**CSSF**'') for approval of this Prospectus. Application has been made to the Luxembourg Stock Exchange to list the € 216,000,000 Class A1 Asset Backed Floating Rate Notes due October 2050 (the "**Class A1 Notes**") and the € 216,000,000 Class A2 Asset Backed Fixed Rate Notes due October 2050 (the "**Class A2 Notes**" and, together with the Class A1 Notes, the "**Class A Notes**" or the "**Senior Notes**") of Mars 2600 S.r.l., a limited liability company incorporated under the laws of the Republic of Italy, having its registered office at Via Vittorio Alfieri 1, 31015 Conegliano (Treviso), Italy, enrolled with No. 330324 under the register of special purpose vehicles held by the Bank of Italy pursuant to regulation issued by the Bank of Italy on 29 April 2011 (the "**Issuer**") on the official list of the Luxembourg Stock Exchange and to trade the Senior Notes on the regulated market for the purposes of Directive 2004/39/EC (Regulated Market) of the Luxembourg Stock Exchange (as amended and supplemented from time to time, the "**Regulated Market of the Luxembourg Stock Exchange**"). The CSSF assumes no responsibility as to the economic and financial soundness of the transactions described in this Prospectus and the quality of solvency of the Issuer, consistently with the provisions of article 7, sub-section 7, of Luxembourg law of 10 July 2005 (as amended and supplemented from time to time, the "**Luxembourg Law on Prospectus for Securities**") implementing the Directive 2003/71/EC (as amended and supplemented from time to time, the "**Prospectus Directive**"). In connection with the issue of the Senior Notes, the Issuer will also issue the € 67,700,000 Class D Asset Backed Floating Rate Notes due October 2050 (the "**Class D Notes**" and, together with the Senior Notes, the "**Notes**"). No application has been made to list the Class D Notes on any stock exchange. The Class D Notes are not being offered pursuant to this Prospectus. The CSSF has neither approved nor reviewed information contained in this Prospectus in connection with Class D Notes and the CSSF assumes no responsibility in relation to issues of Class D Notes. The Notes will be issued on the date falling on or about 12 June 2014 (the "**Issue Date**"). This document constitutes a "*prospectus*" for the purpose of article 5.3 of the Prospectus Directive and article 8 of the Luxembourg Law on Prospectus for Securities and a "*prospetto informativo*" for the purposes of article 2, sub-section 3, of Law No. 130 of 30 April 1999 (as amended and supplemented from time to time, the "**Securitisation Law**"). This Prospectus will be published on the website of the Luxembourg Stock Exchange: www.bourse.lu.

The principal source of payment of interest on the Notes and Premium (if any) on the Class D Notes, as well as of repayment of principal on the Notes, will be collections and recoveries made in respect of a portfolio of monetary claims and related rights of the Originator (as hereinafter more fully defined, the "**Portfolio**" or the "**Receivables**") arising out of residential mortgage loan agreements (*mutui ipotecari*) and *fondiario* mortgage loan agreements (*mutui fondiari*) entered into with certain debtors. The Portfolio was purchased by the Issuer from the Originator pursuant to the Transfer Agreement (as defined below) on 9 April 2014.

By virtue of the operation of article 3 of the Securitisation Law and the Transaction Documents, the Issuer's right, title and interest in and to the Receivables and to any sums collected therefrom will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) will be available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders and to the Other Issuer Creditors or to any other creditors of the Issuer in respect of any costs, fees and expenses allocated to the Securitisation pursuant to the Transactions Intercreditor Agreement, in priority to the Issuer's obligations to any other creditor.

Interest on the Senior Notes will be payable by reference to successive interest periods (each, as more fully hereinafter described, an "**Interest Period**"). Interest on the Senior Notes will accrue on a daily basis and will be payable in arrears in Euro on 25 July 2014 and thereafter on 25 October, 25 January, 25 April and 25 July in each year or, if such day is not a Business Day, on the immediately following Business Day (each such date, a "**Payment Date**" unless a Trigger Notice has been served on the Issuer, in which case Payment Date shall mean such Business Day as determined by the Representative of the Noteholders on which payments are required). The rate of interest applicable to the Class A1 Notes for the Initial Interest Period and each subsequent Interest Period up to (and including) the Final Maturity Date, shall be the rate per annum equal to EURIBOR, as determined in accordance with Condition 5 (*Interest*), for 3 month deposits (except in respect of the Initial Interest Period (as defined in the Senior Notes Conditions) where EURIBOR for 3 month deposits will be substituted for the interpolated rate between 1 (one) month EURIBOR and 2 (two) month EURIBOR) plus a margin equal to (i) 1.30 per cent per annum up to (and including) the Step Up Date and (ii) 2.60 per cent per annum, from the Step Up Date (excluded) until redemption in full or cancellation of the Class A1 Notes, provided that no optional redemption has been exercised on the Step Up Date by the Issuer pursuant to Condition 6.3 (*Optional Redemption*) (the "**Relevant Margin**"). The rate of interest applicable to the Class A2 Notes shall be equal to (i) 1.80 per cent per annum up to (and including) the Step Up Date and and (ii) 3.10 per cent per annum from the Step Up Date (excluded) until redemption in full or cancellation of the Class A2 Notes, provided that no optional redemption has been exercised on the Step Up Date by the Issuer pursuant to Condition 6.3 (*Optional Redemption*) (the "**Class A2 Rate of Interest**").

The Senior Notes are expected, on issue, to be rated "A2 (sf)" by Moody's Investors Service Inc. ("**Moody's**") and "AA (sf)" by DBRS Ratings Limited ("**DBRS**" and, together with Moody's, the "**Rating Agencies**"). It is not expected that the Class D Notes will be assigned a credit rating. **A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision or withdrawal at any time by the assigning rating organisation**. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended and supplemented from time to time, the "**CRA Regulation**"). As of the date of this Prospectus, each of the Rating Agencies is established in the European Union and is registered under **CRA Regulation**, as it appears from the list published by the European Securities and Markets Authority on 21 May 2014.

As at the date of this Prospectus, payments in respect of the Notes may be subject to withholding or deduction for or on account of Italian substitute tax (a "**Decree 239 Deduction**"), in accordance with Decree No. 239 of 1 April 1996 (as amended, the "**Decree No. 239**"). If a Decree 239 Deduction or any other deduction or withholding for or on account of tax is applicable to payments of interest and/or repayments of principal on the Notes, such payments and/or repayments will made subject to such withholding or deduction without the Issuer or any other person being obliged to pay any additional amounts as a consequence. For further details see the section entitled "*Taxation*".

The Notes will be limited recourse obligations solely of the Issuer. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any of the Originator, the Servicer, the Back-up Servicer Facilitator, the Representative of the Noteholders, the Computation Agent, the Cash Manager, the Account Bank, the Principal Paying Agent, the Corporate Servicer, the Arrangers, the Joint Lead Managers, the Class A2 Notes Subscriber or the Quotaholders. 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.

As of the Issue Date, 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 depositary for Euroclear and Clearstream. 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 article 83-*bis* and following of the Consolidated Financial Act and the Resolution of 22 February 2008 jointly issued by CONSOB and Bank of Italy (named "*Disciplina dei servizi di gestione accentrata, di liquidazione, dei sistemi di garanzia e delle relative società di gestione*") containing rules on custody, clearing and settlement (as amended and supplemented from time to time, the "**Resolution 22 February 2008**"). No physical document of title will be issued in respect of the Notes.

Banca Sella, in its capacity as Originator, will retain a material net economic interest of not less than 5 (five) per cent in the Securitisation (calculated with respect to the Receivables comprised in the Portfolio) in accordance with Article 405 of Regulation (EU) no. 575/2013 (as amended and supplemented from time to time, the "**Capital Requirements Regulation**") and Article 51 of Regulation (EU) no. 231/2013 (as amended and supplemented from time to time, the "**AIFM Regulation**")

(which, in each case, does not take into account any corresponding national measures). As at the Issue Date, such interest will be comprised of an interest in the first loss tranche (being the Class D Notes) as required by Article 405 of the Capital Requirements Regulation and Article 51 of the AIFM Regulation.

Before the relevant maturity date, the Notes will be subject to mandatory and/or optional redemption in whole or in part in certain circumstances (as set out in Condition 6 (*Redemption, Purchase and Cancellation*)). Unless previously redeemed in full or cancelled in accordance with the relevant Terms and Conditions, the Notes will be redeemed on the Payment Date falling in October 2050 (the "**Final Maturity Date**"). The Notes, to the extent not redeemed in full by the Cancellation Date, shall be cancelled on such date.

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

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*".

Arrangers

BNP Paribas

Finanziaria Internazionale Securitisation Group S.p.A.

Joint Lead Managers

BNP Paribas, London Branch

NATIXIS

The Receivables transferred from Banca Sella to the Issuer under the Transfer Agreement have characteristics that demonstrate capacity to produce funds to serve payments due and payable on the Notes. However, Banca Sella, the Issuer, the Arrangers, the Joint Lead Managers and any other party to the Transaction Documents do not warrant the solvency (credit standing) of the Debtors.

None of the Issuer, the Arrangers, the Joint Lead Managers or any other party to the Transaction Documents other than Banca Sella has undertaken or will undertake any investigation, searches or other actions to verify the details of the Receivables sold by Banca Sella to the Issuer; nor has any of the Issuer, the Arrangers, the Joint Lead Managers or any other party to the Transaction Documents undertaken, nor will they undertake, any investigations, searches, or other actions to establish the creditworthiness of any Debtor. In the Warranty and Indemnity Agreement the Originator has given certain representations and warranties to the Issuer in relation to, inter alia*, the Receivables, the Loan Agreements, the Loans, the Collateral Securities, the Real Estate Assets and the Debtors. The Issuer accepts responsibility for the information contained in this 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), such information is true and does not omit anything likely to affect the import of such information. Save as described under the sections entitled "Subscription and Sale" and in the sections describing the Transaction Documents, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.*

Banca Sella accepts responsibility for the information contained in this Prospectus in the sections entitled "Risk Factors", "The Portfolio", "Credit and Collection Policies", "The Originator, the Servicer and the Cash Manager," "Regulatory Capital Requirements" and "Description of the Servicing Agreement" and any other information contained in this Prospectus relating to itself, the Receivables, the Loan Agreements, the Loans, the Collateral Securities, the Real Estate Assets and the Debtors. To the best of the knowledge and belief of Banca Sella (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. Securitisation Services accepts responsibility for the information contained in this Prospectus in the section entitled "The Computation Agent, the Corporate Servicer, the Back-up Servicer Facilitator and the Representative of the Noteholders" and any other information contained in this Prospectus relating to itself. To the best of the knowledge and belief of Securitisation Services (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.

BNP Paribas Securities Services, Milan Branch accepts responsibility for the information contained in this Prospectus in the section entitled "The Account Bank and the Principal Paying Agent" and any other information contained in this Prospectus relating to itself. To the best of the knowledge and belief of BNP Paribas Securities Services, Milan Branch (which has taken all reasonable care to ensure that such is the case), such information is true and does not omit anything likely to affect the import of such information.

The Joint Lead Managers have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, expressed or implied, is made and, to the fullest extent permitted by law, no responsibility or liability is accepted by the Joint Lead Managers as to the legality of the investment and/or the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer or the Originator (in any capacity) in connection with the Notes or their distribution.

No person has been authorised to give any information or to make any representation not contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Arrangers, the Joint Lead Managers, the Representative of the Noteholders, the Issuer, the Quotaholders or Banca Sella (in any capacity) or any party to the Transaction Documents. Neither the delivery of this Prospectus nor any sale or allotment made in connection with the offering of any of the Notes shall, under any circumstances, constitute a representation or imply that there has not been any change or any event reasonably likely to involve any change, in the condition (financial or otherwise) of the Issuer or Banca Sella or the information contained herein since the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Prospectus.

The Notes constitute direct limited recourse obligations of the Issuer. By operation of Italian law, the Issuer's right, title and interest in and to the Receivables will be segregated from all other assets of the Issuer and amounts deriving therefrom will only be available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the holders of the Notes and to pay any costs, fees and expenses payable to the Originator, the Servicer, the Back-up Servicer Facilitator, the Representative of the Noteholders, the Computation Agent, the Corporate Servicer, the Principal Paying Agent, the Cash Manager, the Account Bank, the Joint Lead Managers, the Class A2 Notes Subscriber and to any third party creditor in respect of any costs, fees or expenses allocated to the Securitisation pursuant to the Transactions Intercreditor Agreement. Amounts deriving from the Receivables will not be available to any other creditors of the Issuer (including any creditors of the Issuer under the Previous Securitisations and any further securitisation transaction carried out by the Issuer in accordance with the Terms and Conditions). The Noteholders will agree that the Issuer Available Funds will be applied by the Issuer in accordance with the relevant priority of payments as outlined in Condition 4 (Priority of Payments).

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

*The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") 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 Notes may not be offered or sold directly or indirectly, and neither this Prospectus nor any other prospectus or any prospectus, form of application, advertisement, other offering material or other information relating to the Issuer or the Notes may be issued, distributed or published in any country or jurisdiction (including the Republic of Italy, the United Kingdom and the United States), except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations. For a further description of certain restrictions on offers and sales of the Notes and the distribution of this Prospectus, see the section entitled "Subscription and Sale" below.

The Notes are complex instruments which involve a high degree of risk and are suitable for purchasing only by sophisticated investors which are capable of understanding the risk involved, In particular the Notes should not be purchased by or sold to individuals and other non-expert investors.

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

*All references in this Prospectus to "**Euro**", "**€**" and "**cents**" are to the single currency introduced in the member states of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957, as amended.*

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RISK FACTORS

The following paragraphs set out aspects of the issue of the Notes of which prospective noteholders should be aware.

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

Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations.

Securitisation Law

The Securitisation Law was enacted in Italy in May 1999. As at the date of this Prospectus, no interpretation of the application of the Securitisation Law has been issued by any Italian court or governmental or regulatory authority, except for, *inter alia*, (i) regulations issued by the Bank of Italy concerning, *inter alia*, the accounting treatment of securitisation transactions for special purpose companies incorporated under the Securitisation Law, such as the Issuer, and the duties of companies which carry out collection and recovery activities in the context of a securitisation transaction; (ii) the Decree of the Italian Ministry of Economy and Finance dated 17 February 2009 and the regulations issued by the Bank of Italy on 14 May 2009 and 25 September 2009, providing for the de-registration of the special purpose vehicles incorporated pursuant to the Securitisation Law from the Special Register held by the Bank of Italy pursuant to article 107 of the Consolidated Banking Act and the subsequent Decision of the Bank of Italy of 29 April 2011 which provides for the cancellation of the special purpose vehicles from the General Register held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act and for inscription in the special purpose vehicles register held by the Bank of Italy; (iii) the Circular no. 8/E issued by *Agenzia delle Entrate* on 6 February 2003 on the tax treatment of the issuers (see paragraph "Tax treatment of the Issuer" below); and (iv) the Decree of the Italian Ministry of Treasury dated 14 December 2006 no. 310 and the regulations of the Bank of Italy of 17 May 2007 on the covered bonds, as provided for by article 7-*bis* of the Securitisation Law. 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 Prospectus. In this respect, please consider that by means of Legislative Decree No. 141 of 13 August 2010, the Securitisation Law has been amended and supplemented in order to implement a new legal framework concerning financial intermediaries. The impact of such legislative intervention may not be, at the moment, fully assessed because all the implementing regulation have to be adopted by the Bank of Italy. Furthermore, pursuant to Italian Law Decree no. 145 of 23 December 2013 ("*Interventi urgenti di avvio del piano "Destinazione Italia", per il contenimento delle tariffe elettriche e del gas, per la riduzione dei premi RC-auto, per l'internazionalizzazione, lo sviluppo e la digitalizzazione delle imprese, nonché misure per la realizzazione di opere pubbliche ed EXPO 2015*"), as converted into law pursuant to Italian Law no. 9 of 21 February 2014 ("**Law No. 9**"), certain amendments to the Securitisation Law have come into force. In particular, Law No. 9 has provided, *inter alia*, that:

(a) the special purpose vehicles incorporated under the Securitisation Law may open segregated accounts with the servicers for the deposit of the collections received from the

debtors and the other amounts paid to the special purpose vehicles under the securitisation transactions; the sums deposited into such accounts will be segregated from the assets of the servicers with which the accounts are held, as well as from those of any other person holding deposits with the servicers, and will be available only to satisfy the obligations of the special purpose vehicles vis-à-vis the noteholders and the other creditors in relation to the securitisation transactions. In the event that the servicers become subject to any proceeding under Title IV of the Consolidated Banking Act or any insolvency proceeding or restructuring agreement, the sums deposited into such accounts will remain outside the servicers' estate and will not be subject to suspension of payments. Prospective Noteholders should be aware that, as at the date of this Prospectus, these provisions of Law No. 9 have not been the object of any official interpretation, nor implemented in any further regulation, nor tested in any case law. The Issuer, therefore, may not predict their impact as at the date of this Prospectus;

(b) the servicers or the sub-servicers may open accounts with banks for the deposit of the collections received from the debtors; any action from the creditors of the servicers on the sums deposited into such accounts will be prohibited (save for the amounts in excess of those pertaining to the special purpose vehicles). In the event that the servicers become subject to any insolvency proceeding or restructuring agreement, the sums deposited on such accounts, for an amount equal to the amounts pertaining to the special purpose vehicles, will remain outside the servicer's estate and will not be subject to suspension of payments. Prospective Noteholders should be aware that, as at the date of this Prospectus, these provisions of Law No. 9 have not been the object of any official interpretation, nor implemented in any further regulation, nor tested in any case law. The Issuer, therefore, may not predict their impact as at the date of this Prospectus;

(c) from the date of publication of the notice of transfer of the receivables in the Official Gazette, the debtors will not be entitled to set-off any claim arisen after such date with the amounts due to the special purpose vehicle in relation to the receivables; and

(d) payments made by debtors in relation to receivables in the framework of a securitisation under the Securitisation Law will not be subject to declaration of ineffectiveness pursuant to article 65 of the Italian Bankruptcy Law.

Suitability

Structured securities, such as the Notes, are sophisticated instruments, which can involve a significant degree of risk. Prospective investors in any Class of the Senior Notes should ensure that they understand the nature of the Senior Notes and the extent of their exposure to the relevant risk. 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 investment in the Senior Notes and that they consider the suitability of the Senior Notes as an investment in light of their own circumstances and financial condition. It follows that investment in the Notes is only suitable for investors who:

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

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

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

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

Furthermore, prospective investors in the Notes should not rely on or construe any communication (written or oral) of the Issuer, the Arrangers, the Joint Lead Managers or the Originator as investment advice or as a recommendation to invest in the Notes, it being understood that information and explanations related to the Conditions shall not be considered to be investment advice or a recommendation to invest in the Notes.No communication (written or oral) received from the Issuer, the Servicer, the Arrangers, the Joint Lead Managers, or the Originator or from any other person shall be deemed to be an assurance or guarantee as to the expected results of an investment in the Notes.

Source of Payments to Noteholders

The Notes will be limited recourse obligations solely of the Issuer. In particular, the Notes will not be obligations or responsibilities of or guaranteed by any of the Originator, the Servicer, the Back-up Servicer Facilitator, the Representative of the Noteholders, the Computation Agent, the Cash Manager, the Account Bank, the Principal Paying Agent, the Corporate Servicer, the Arrangers, the Joint Lead Managers or the Quotaholders. None of any such parties, other than the Issuer, will accept any liability whatsoever in respect of any failure by the Issuer to make any payment of any amount due under the Notes.

On the Issue Date, the Issuer will not have any assets other than (i) the Portfolio and its rights under the Transaction Documents to which it is a party; and (ii) the portfolios purchased in the context of the Previous Securitisations and its rights under the transaction documents to which it is a party under the Previous Securitisations. Consequently, following the occurrence of a Trigger Event or at the Final Maturity Date or otherwise, the funds available to the Issuer may be insufficient to pay interest on the Notes or to repay the Notes in full.

Limited recourse

The Notes will be limited recourse obligations solely of the Issuer. The Noteholders will receive payments in respect of principal and interest on the Notes only if and to the extent that the Issuer has sufficient Issuer Available Funds to make such payment in accordance with the applicable order of priority. To the extent such Issuer Available Funds are insufficient to pay in full all principal and interest and other amounts due in respect of the Notes, then the Noteholders will have no further claims against the Issuer or any other person in respect of any such unpaid amounts.

Upon enforcement of the security interests created in accordance with the Deed of Pledge, the Representative of the Noteholders will have recourse only to the Receivables and to the assets pledged pursuant to the Deed of Pledge.

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

Issuer's ability to meet its obligations under the Notes

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent on (i) the receipt by the Issuer of the Collections made on its behalf by the Servicer from the Portfolio, (ii)

the amounts standing to the credit of the Cash Reserve Account, and (iii) of any other amounts received by the Issuer pursuant to the provisions of the Transaction Documents.

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

The Notes will be limited recourse obligations of the Issuer. If there are not sufficient funds available to the Issuer to pay in full all principal and interest and other amounts due in respect of the Notes, then the Noteholders will have no further claims against the Issuer in respect of any such unpaid amounts. Following the service of a Trigger Notice, the only remedy available to the Noteholders and the Other Issuer Creditors is the exercise by the Representative of the Noteholders of the Issuer's Rights.

No independent investigation in relation to the Receivables

None of the Issuer, the Arrangers or the Joint Lead Managers nor 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 such persons undertaken, nor will any of them undertake, any investigations, searches or other actions to establish the creditworthiness of any Debtors.

Commingling Risk

Traditionally, the special purpose vehicles incorporated under the Securitisation Law are subject to the risk that, in case of insolvency of the servicers, the collections held by the servicers are lost or frozen. Such risk is usually mitigated through the transfer of the collections held by the servicers, within a very limited period of time, into bank accounts opened in the name of the issuers with Eligible Institutions. Furthermore, in case of insolvency of the servicers, the debtors are usually instructed to pay any amount due in respect to the receivables directly into bank accounts opened in the name of the issuers with Eligible Institutions.

Following the enactment of Law No. 9 (for further details, see the risk factor entitled "*Securitisation Law*" above) special purpose vehicles incorporated under the Securitisation Law may open segregated accounts with the servicers for the deposit of the collections received from the debtors and the other amounts paid to the special purpose vehicles under the securitisation transactions; the sums deposited into such accounts will be segregated from the assets of the servicers with which the accounts are held, as well as from those of any other person holding deposits with the servicers, and will be available only to satisfy the obligations of the special purpose vehicles *vis-à-vis* the noteholders and the other creditors in relation to the securitisation transactions. In the event that the servicers become subject to any insolvency proceeding or restructuring agreement, the sums deposited into such accounts will remain outside the servicers' estate and will not be subject to suspension of payments.

Given the recent enactement of Law No. 9 and in the absence of official interpretations and/or implementing rules, it is not possible to assess precisely whether the Issuer would be exempted from any risk that, in case of insolvency of the Servicer, the Collections held by the Servicer are lost or frozen.

Prospective Noteholders should note that, in order to mitigate any possible risk of commingling, under the Servicing Agreement the Servicer has undertaken to transfer forthwith all Collections

into the Collection Account on the same day of receipt. Furthermore, in case of termination of the appointment of the Servicer (or, in case of termination of the Servicer's appointment due to the occurrence of a Servicer Insolvency Event, the Substitute Servicer) shall immediately notify all parties involved (including, the Debtors, the Mortgagors and the Guarantors) to pay any amount due in respect of the Receivables directly into the Collection Account.

Liquidity and Credit Risk

The Issuer is subject to the risk of delay arising between the receipt of payments due from the Debtors and the Scheduled Instalment Dates. This risk is addressed in respect of the Notes through the Cash Reserve Account.

The Issuer is subject to the risk of failure by the Servicer to collect or to recover sufficient funds in respect of the Portfolio in order to enable the Issuer to discharge all amounts payable under the Notes when due.

The Issuer is also subject to the risk of default in payment by the Debtors and the failure to realise or to recover sufficient funds in respect of the relevant Loans in order to discharge all amounts due from those Debtors under the Loans. This risk is mitigated, with respect to the Senior Notes, by the credit support provided by (i) the Class D Notes, and (ii) the amounts standing to the credit of the Cash Reserve Account.

However, in each case, there can be no assurance that the levels of the Collections received or recovered from the Portfolio will be adequate to ensure timely and full receipt of amounts due under the Notes.

Interest rate risk

The Receivables have interest payment calculated on a fixed rate basis or a floating rate basis (which may be different from the EURIBOR applicable to payment of interest under the Class A1 Notes and the Class D Notes and may have different dates of fixing), whilst the Class A1 Notes and the Class D Notes will bear interest at a rate based on the EURIBOR as determined on each Interest Determination Date, subject to and in accordance with the relevant Terms and Conditions. As a result, there could be a rate mismatch between the Notes and the Portfolio. As a consequence of such mismatch, an increase of the level of the EURIBOR could adversely impact the ability of the Issuer to make payments on the Notes.

Prospective Noteholders should note that no hedging agreement has been entered into by the Issuer in order to reduce the impact of the interest rate and basis mismatch.

Risk of losses associated with declining values of the Real Estate Assets

The security for the Notes consists of, *inter alia*, the Issuer's interest in the Loans.

However, save as provided below, none of the Issuer, the Arrangers, the Joint Lead Managers or any other party to the Transaction Documents has undertaken or will undertake any investigations, searches or other due diligence as to the Debtors' status or the title to the Real Estate Assets. The only due diligence conducted was undertaken by the Originator (or on its behalf) at the time of the origination of the Loans, and such due diligence was largely limited to a review of the certificates of title prepared by the relevant Debtor's lawyers, site visits, third party valuations of the Real Estate Assets. No update of such due diligence has been performed in connection with the assignment of the Receivables to the Issuer.

No assurances can be given that the values of the Real Estate Assets will not decrease at a rate higher than that anticipated on the origination of the Receivables. Should this happen, it could have an adverse effect on the levels of recovery of the Collections.

In the event of a default by the Debtors, the full recovery of amounts due pursuant to the Mortgage Loan Agreements will largely depend upon the value of the Real Estate Assets at the relevant time.

The value of the Real Estate Assets depends on several factors, including their location and the manner in which the Real Estate Assets are maintained.

The value of the Real Estate Assets may be affected by changes in general and regional economic conditions such as an oversupply of space, a reduction in demand for commercial or residential real estate in an area, competition from other available space or increased operating costs. The value of the Real Estate Assets may also be affected by such factors as political developments, government regulations and changes in planning, zoning or tax laws, interest rate levels, inflation, the availability of financing and yields of alternative investments.

In accordance with the Loan Agreements all the relevant Real Estate Assets are covered with an Insurance Policy comprising loss payee clauses in favour of the Originator. However, there can be no assurance that all risks that could affect the value of the Real Estate Assets are or will be covered by the Insurance Policies or that, if such risks are covered, that the insured losses will be covered in full. Any loss incurred in relation to the Real Estate Assets which is not covered (or which is not covered in full) by the Insurance Policies could adversely affect the value of the Real Estate Assets and the ability of the Debtors to repay the relevant Loan Agreements.

Any property in the Republic of Italy may be subject to a compulsory purchase order in connection with general utility purposes at any time. If a compulsory purchase order is made regarding any Real Estate Asset, compensation would be payable to the relevant Debtor (as owner of such Real Estate Asset) on the basis of specific criteria set out in the applicable legislation. There can be no assurance that the amount of such compensation would at least be equal to the value of the relevant Real Estate Asset. In addition, there is often a delay between the completion of a compulsory purchase of a property and the date of payment of the statutory compensation. Any such delay, or a payment of statutory compensation to the Debtor that is lower than the value of the relevant Real Estate Asset, could have an adverse impact on the ability of the Issuer to meet its obligations to pay principal and interest under the Notes.

Yield and Prepayment Considerations

The yield to maturity, the amortisation plan and the weighted average life of the Notes will depend upon, *inter alia*, the amount and timing of repayment of principal (including prepayments) on the Mortgage Loans and on the actual date of exercise (if any) of the optional redemption rights of the Issuer pursuant to Condition 6.3 (*Redemption, Purchase and Cancellation - Optional redemption*) or Condition 6.4 (*Redemption, Purchase and Cancellation - Redemption for tax reasons*). Such yield, amortisation plan and weighted average life of the Notes may be adversely affected by a number of factors including, without limitation, a higher or lower rate of prepayment, delinquency and default on the Mortgage Loans, the exercise by the Originators of their right to repurchase individual Receivables pursuant to the relevant Receivables Purchase Agreement and/or by the Servicer to renegotiate the terms and conditions of the Mortgage Loan Agreements and/or to enter into settlement agreements in accordance with the provisions of the Servicing Agreement.

For further details, see the sections entitled "*Description of the Transfer Agreement*" and "*Description of the Servicing Agreement*".

Prepayments may also arise in connection with refinancing or sales of properties by Debtors voluntarily. The receipt of proceeds from Insurance Policies may also impact on the way in which the Mortgage Loans are repaid.

The level of prepayment, delinquency and default on payment of the relevant instalments or request for suspension or renegotiation under the Mortgage Loans cannot be predicted and is influenced by a wide variety of economic, market industry, social and other factors, including prevailing mortgage market interest rates and margin offered by the banking system, the availability of alternative financing, local and regional economic conditions as well as special legislation that may affect refinancing terms.

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

***Bersani Decree* and Legislative Decree 141**

Prepayment fee

Italian Legislative Decree No. 141 of 13 August 2010, as subsequently amended (the "**Legislative Decree 141**") has introduced in the Consolidated Banking Act article 120-*ter*, which replicates the provisions of article 7 of the Italian Decree No. 7 of 31 January 2007 (the "**Bersani Decree**"), now repealed.

Article 120-*ter* of the Consolidated Banking Act provides that any contractual clause imposing a prepayment penalty in case of early redemption of real estate loans (*mutui immobiliari*) is void with respect to real estate loan agreements entered into, with an individual as borrower for certain purposes. According to article 161, paragraph 7-*ter* of the Consolidated Banking Act, the above-mentioned article 120-*ter* is applicable to (i) real estate loan agreements entered into for the purchase of the primary residence ("*prima casa*"), on or after 2 February 2007 and (ii) real estate loan agreements entered into for the purpose of purchasing or refurbishing real estate properties destined to residential purposes or to carry out the borrower's own professional and economic activity, on or after 3 April 2007.

With respect to loan agreements entered into prior to 2 February 2007, article 7, paragraph 5 of the Bersani Decree, now repealed by Legislative Decree 141, provided that the Italian Banking Association and the main national consumer associations were entitled to reach, within three months from 2 February 2007, an agreement regarding the equitable renegotiation of prepayment penalties within certain maximum limits calculated on the residual amount of the loans (in each instance, the "**Substitutive Prepayment Penalty**"). The agreement reached on 2 May 2007 between ABI and national consumer associations (the "**Prepayment Penalty Agreement**") contains the following main provisions (as described in an ABI press release dated May 2007): (i) with respect to variable rate loan agreements, the Substitutive Prepayment Penalty should not exceed 0.50 per cent, and should be further reduced to: (a) 0.20 per cent, in case of early redemption of the loan carried out within the third year from the final maturity date; and (b) zero,

in case of early redemption of the loan carried out within two years from the final maturity date; (ii) with respect to fixed rate loan agreements entered into before 1 January 2001, the Substitutive Prepayment Penalty should not exceed 0.50 per cent, and should be further reduced to: (a) 0.20 per cent, in case of early redemption of the loan carried out within the third year from the final maturity date; and (b) zero, in case of early redemption of the loan carried out within two years from the final maturity date; (iii) with respect to fixed rate loan agreements entered into after 31 December 2000, the Substitutive Prepayment Penalty should be equal to: (a) 1.90 per cent if the relevant early redemption is carried out in the first half of loan's agreed duration; (b) 1.50 per cent if the relevant early redemption is carried out following the first half of loan's agreed duration, provided however that the Substitutive Prepayment Penalty should be further reduced to: (x) 0.20 per cent, in case of early redemption of the loan carried out within three years from the final maturity date; and (y) zero, in case of early redemption of the loan carried out within two years from the final maturity date.

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

Finally the Prepayment Penalty Agreement sets out specific solutions with respect to hybrid rate loans which are meant to apply to the hybrid rates the provisions, as more appropriate, relating respectively to fixed rate and variable rate loans. In relation to the provisions of the Prepayment Penalty Agreement, it is expected that further interpretative and supplemental indications may be issued, the specific impact of which cannot be accurately anticipated at this time.

Notwithstanding the fact that Legislative Decree 141 repealed article 7 of the Bersani Decree, article 161, paragraph 7-*ter* of the Consolidated Banking Act disposes that with respect to loan agreements entered into prior to 2 February 2007, the provisions provided for under the Prepayment Penalty Agreement continue to be applicable.

Prospective Noteholders should note that any prepayment fee provided for by the Loan Agreements which is greater than the maximum amount determined under the Prepayment Penalty Agreement, could be reduced to such maximum amount in accordance with the provisions of such agreement.

Prospective Noteholders should also note that no prepayment fee was taken into account for the purpose of determining the cash flows of the Securitisation or to make any estimate related therewith and with the Notes.

Prepayment of loans by voluntary subrogation of the debtor (surrogazione per volontà del debitore)

Legislative Decree 141 repealed article 8 (except for paragraphs 4-*bis*, 4-*ter* and 4-*quater*) of the Bersani Decree, replicating though, with some additions, such repealed provisions. The purpose of article 120-*quater* of the Consolidated Banking Act is to facilitate the exercise by the borrowers

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

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

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

Cancellation of Mortgage

Article 13 of the Bersani Decree has simplified the procedure for the cancellation of mortgages. Pursuant to article 8-*sexies* of Bersani Decree, the mortgage securing a loan granted by a creditor which exercises banking or financing activities is automatically discharged on the same date on which the relevant secured obligation has been discharged. Pursuant to article 13 of the Bersani Decree, within 30 days from the date of discharge of the secured obligation the relevant creditor shall be under the duty to (i) give the quittance to the relevant debtor evidencing the above date of discharge and (ii) communicate such discharge to the relevant land registry. Pursuant to article 13 of the Bersani Decree, the discharge of the mortgage does not take place in case, on the basis of grounded reasons, the relevant creditor communicates to the *Agenzia del Territorio* that the mortgage must be maintained.

Pursuant to article 13 of the Bersani Decree, in the absence of the above creditor's communication requesting the maintenance of the mortgage, upon expiration of 30 days from the date of discharge of the secured obligation, within the following day, the land registry shall cancel the relevant mortgage and make available to third parties the communication of discharge of the secured obligation provided by the relevant creditor.

Article 40-*bis* of the Consolidated Banking Act, as amended by Legislative Decree 141, provides for a simplified procedures meant to allow a more prompt cancellation of mortgages securing loans (more precisely, *mutui fondiari* only) granted by banks or financial intermediaries in the event of a documented repayment in full by the debtors of the amounts due under the loans.

Pursuant to the Servicing Agreement, the Servicer shall, in the name and on behalf of the Issuer, carry out the above referred activities relating to the cancellation of the Mortgages pursuant to the applicable provisions of law.

Fondo di solidarietà

Italian Law no. 244 of 24 December 2007, as amended by Italian Law no. 92 of 28 June 2012 ("**Law No. 244**"), has established a fund (*Fondo di solidarietà per i mutui per l'acquisto della prima casa*) managed by Consap S.p.A. ("**Consap**") for the purpose of supporting debtors of residential mortgage loans who are not capable of fulfilling their payment obligations (the "**Fund**").

The Decree of the Ministry of Economy and Finance no. 132 of 21 June 2010, as amended by the Decree no. 37 of 22 February 2013 (the "**Decree 132**"), has set out certain implementing rules in relation to the Fund.

According to the combined provisions of Law No. 244 and Decree 132, the admission to the Fund is subject to the following requirements being satisfied at the time of the filing of the relevant admission request:

(a) the debtor has undertaken a loan of maximum Euro 250,000 for the purchase of a real estate asset to be used as main house (*abitazione principale*), provided that such loan has been amortising for at least one year;

(b) the real estate asset is owned by the debtor and is located in the Republic of Italy, does not fall under cadastral categories A/1, A/8 and A/9 nor does it qualify as luxurious pursuant to the Ministerial Decree of 2 August 1969 and it constitutes the main house (*abitazione principale*) of the debtor;

(c) the debtor meets an equivalent economic situation index (indicatore della situazione economica equivalente or ISEE) not higher than Euro 30,000; and

(d) any of the following events has occurred in respect of the debtor:

  (i) with reference to the admission requests filed before the entry into force of Italian Law no. 92 of 28 June 2012: (A) loss of subordinated permanent work or expiry of the term of a parasubordinato work contract or similar contract, if the debtor remains unemployed for at least 3 months; (B) death or non self-sufficiency of any of the family member, if such member receives an income at least equal to 30 per cent of the overall income of the family domiciled at the debtor's house; (C) payment of duly documented expenses for medical cares or domestic assistance for an amount no lower than Euro 5,000 per annum; (D) expenses for necessary and urgent works of extraordinary maintenance, refurbishment or functional adjustment of the real estate asset; or (E) in case of floating rate loan, increase of the instalment o directly from the fluctuation of the rates of interest, for at least 25 per cent in case of semi-annual instalments and 20 per cent in case of monthly instalments, as compared to the immediately preceding instalment; or

  (ii) with reference to the admission requests filed after the entry into force of Italian Law no. 92 of 28 June 2012: (A) termination of subordinated work (except for termination by mutual consent, termination for old age where the debtor is entitled to receive an old-age pension, termination for just cause (*giusta causa*) or justified subjective cause (*giustificato motivo soggettivo*) and resignation the employee without just cause (*non per giusta causa*)), if the debtor is still unemployed; (B) termination of work pursuant to article 409, no. 3), of the Italian civil procedure code (except for termination by mutual consent, resignation of the employer without just cause (*non per giusta causa*) and resignation of the employee without just cause (*non per giusta causa*)), if the debtor is still unemployed; or (C) death or

serious handicap, pursuant to article 3, paragraph 3, of Italian Law no. 104 of 5 February 1992 or legal disability no lower than 80 per cent).

With reference to the admission requests filed after the entry into force of Italian Law no. 92 of 28 June 2012: (i) it has been provided that any of the events set forth in paragraph (d)(ii) above shall have occurred in the 3 years immediately preceding the filing of the relevant admission request; (ii) it has been clarified that, in the case of a loan undertaken by more than one debtor, the aforesaid events may refer to one of the debtors; (iii) it is no longer specified that such events shall cause a temporary inability of the debtor to pay the instalments on the relevant scheduled payment dates; and (iv) it has been clarified, inter alia, that the admission to the Fund is allowed to receivables subject to securitisation and to receivables which have already taken advantage of other suspension measures (provided that such measures, together with the admission to the Fund, do not lead to an overall suspension longer than 18 months).

In any event, the suspension may not be requested if any of the following circumstances has occurred at the time of the filing of the relevant admission request:

(a) with reference to the admission requests filed before the entry into force of Italian Law no. 92 of 28 June 2012, any proceeding has been commenced to enforce the securities;

(b) with reference to the admission requests filed after the entry into force of Italian Law no. 92 of 28 June 2012, (i) any payment delay for more than 90 (ninety) consecutive days or any acceleration event (decadenza dal beneficio del termine or risoluzione) has occurred under the relevant loan agreement, or any foreclosure proceeding on the real estate asset has been commenced by third parties; (ii) the loan already benefits from public subsidies; or (iii) the loan is assisted by an insurance policy covering the risk of occurrence of any of the events under paragraph (d)(ii) above, provided that such insurance policy guarantees the reimbursement of at least the amount of the instalments subject to suspension and is in force during the suspension period.

If the eligibility requirements described above are met, the debtor may request to suspend the payment of the instalments no more than twice and for an aggregate period no longer than 18 months during the life of the relevant loan agreement. Consap verifies that the eligibility requirements exist and authorises the lending bank to grant the suspension.

In the event that the suspension is granted:

(a) the term of the loan agreement and the relevant securities is extended for a corresponding period of time; at the expiry of the extended term, the instalments return to be due in the amount and within the timeframe originally provided for under the loan agreement, unless otherwise agreed between the parties;

(b) the Fund bears the interest accrued on the outstanding principal amount of the loan during the suspension period (net of the margin), calculated by applying (i) in respect of floating rate loans, the Euribor for the interest period indicated in the loan agreement or, in the absence of any specific interest period, for a reference period equal to the period between each scheduled payment date; or (ii) in respect of fixed rate loans, the IRS rate in Euro published on Reuters page ISDAFIX2 for a duration equal to the residual life of the loan agreement at the time of the granting of the suspension.

With reference to the admission requests filed after the entry into force of Italian Law no. 92 of 28 June 2012: (i) it has been clarified that the suspension does not imply the payment of any

commission or investigation expense (spesa di istruttoria) and takes place without any request for additional securities or guarantees; (ii) it has been specified that, in respect of loans which allow to opt for a fixed rate or a floating rate, interest under paragraph (b) above will be calculated by applying the rate of interest applicable at the time of the filing of the admission request; and (iii) it is no longer provided that the Fund bears also the notarial costs incurred in connection with the suspension.

In any case, the Fund operates within the limits of its budget. Pursuant to the Italian Law Decree no. 102 of 31 August 2013, converted into Italian Law no. 124 of 28 October 2013, the budget of the Fund is increased of Euro 20,000,000 for each of 2014 and 2015 years.

Prospective Noteholders should note that receivables arising from mortgage loan agreements already subject to suspension in accordance with Law No. 244 and Decree 132 as at the Valuation Date are not included in the Aggregate Portfolio. Prospective Noteholders should also note that, under the Servicing Agreement, the Servicer is entitled to suspend the payment of the instalments due in respect of the Receivables, provided that the Outstanding Principal of the Receivables subject to suspension, together with the Outstanding Principal of the Receivables subject to any other settlement agreement and/or renegotiation under the Servicing Agreement, shall not exceed, in aggregate, 15 per cent of the Outstanding Principal of all the Receivables comprised in the Portfolio as at the Valuation Date.

Law Decree No. 93 of 27 May 2008

Italian Law Decree No. 93 of 27 May 2008, converted into law No.126 of 24 July 2008 (the "**Decree 93**") has introduced certain provisions aimed at increasing the purchasing power of the consumers and enhancing the economic development in Italy. In particular, article 3 of Decree 93 sets out certain provisions in favour of borrowers under loans granted by banks or financial intermediaries. Such provisions, which affect floating rate loan agreements, executed no later than 29 May 2008, whose purpose is the acquisition of title to, or the restructuring of, residential real estate assets qualifying as primary domicile (*abitazione principale*), other than luxury real estate properties (A1, A8 and A9 properties), allow the borrowers to renegotiate their loan agreements at certain terms and conditions, specified in article 3 of Decree 93 and in the agreement between the Ministry of the Economics and Finance and the ABI (*Associazione Bancaria Italiana*) executed on 19 June 2008 (the "**2008 Convention**"), to which banks and financial intermediaries may accede. The re-negotiation of these loan agreements entails (i) a reduction of the amount of the outstanding instalments of the loan agreements; (ii) the creation of a new ancillary facility in favour of the borrower on which the difference between the original amount of the instalments and the reduced amount is credited. The Originator has acceded to the 2008 Convention on 13 August 2008.

Prospective Noteholders should note that the provisions of the Decree 93 and the 2008 Convention described above expired. Prospective Noteholders should also note that, pursuant to the Criteria, all loan agreements renegotiated under the Convention as at the Valuation Date are not comprised in the Portfolio.

***Accordo ABI Piano Famiglie* (Families Plan)**

On 18 December 2009, the ABI and certain consumers' associations signed a convention for the suspension of payment of the instalments due under mortgage loans granted to individual persons (the "***Accordo ABI Piano Famiglie***"). Upon its first expiry, the Accordo ABI Piano Famiglie was renewed several times until the last renewal in August 2012.

The *Accordo ABI Piano Famiglie* applied to loans (whether fixed, floating or both fixed and floating), also prior to the amortisation period, which (i) were secured by mortgages on residential real estate assets; and (ii) had been granted in a principal amount not higher than Euro 150,000 to individuals having a taxable income not higher than Euro 40,000.00 per annum, for the purchase, construction or refurbishment of the main residence (*abitazione principale*).

The loans whose receivables are securitised pursuant to the Securitisation Law were expressly included.

The *Accordo ABI Piano Famiglie* did not apply to (i) loans with payments delayed for more than consecutive 180 days at the date of the filing of the request for admission to the *Accordo ABI Piano Famiglie* by the relevant borrower or in respect of which the *decadenza dal beneficio del termine* of the borrower or the termination of the relevant loan agreement has occurred, also by way of notification of an *atto di precetto*, or a foreclosure proceeding on the mortgaged real estate asset has been commenced by third parties; (ii) loans with payments delayed for less than 180 days when the delay has started prior to the occurrence of any of the Eligibility Events (as defined below); (iii) loans with an original final term lower than 5 years; (iv) loans which benefit from public subsidies; (v) loans with floating rate, fixed instalments and variable duration; and (vi) loans in respect of which an insurance policy covering any of the Eligibility Events, provided that the amount of the coverage is at least equal to the amount of the instalments that would be suspended and the insurance policy is effective during the suspension period.

A borrower was eligible for the *Accordo ABI Piano Famiglie* if any of the following events occured between 1 January 2009 and 31 December 2011 (the "**Eligible Events**"): (i) termination of the employment (save for termination by mutual agreement, resignation not for good reason (*giusta causa*), retirement or termination for good reason (*giusta causa* or *giustificato motivo*)); (ii) termination of any of the employments provided for by article 409, no. 3, of the Italian civil procedure code (save for termination by mutual agreement, withdrawal of the employer for good reason (*giusta causa*) or withdrawal of the employee for good reason (*giusta causa*)); (iii) death or non self-sufficiency; (iv) suspension of the employment or reduction of the work hours for a period of at least 30 days, also prior to the admission to income support measures.

Considering all its subsequent renewals, the requests for the admission to the *Accordo ABI Piano Famiglie* can be filed by the borrowers from 1 February 2010 to 31 March 2013.

The Originator had adhered to the *Accordo ABI Piano Famiglie* for the suspension of payment of both principal and interest instalments. However, prospective Noteholders should note that, pursuant to the Criteria, receivables arising from mortgage loan agreements which were subject to suspension in accordance with the *Accordo ABI Piano Famiglie* as at the Valuation Date are not included in the Portfolio. Prospective Noteholders should also note that, under the Servicing Agreement, the Servicer is entitled to suspend the payment of the instalments due in respect of the Receivables, provided that the Outstanding Principal of the Receivables subject to suspension, together with the Outstanding Principal of the Receivables subject to any other settlement agreement and/or renegotiation under the Servicing Agreement, shall not exceed, in aggregate, 15 per cent of the Outstanding Principal of all the Receivables comprised in the Portfolio as at the Valuation Date.

Law no. 106 of 12 July 2011

According to article 8, paragraph 6, of Law Decree No. 70 of 13 May 2011 (the "**Decree 70**"), a further suspension has been enacted in relation to mortgages loans. The Decree 70 has been converted with amendments into Law no. 106 of 12 July 2011 (the "**Law 106**").

Law 106 applies to any mortgage loan agreement entered into or taken over further to the parcelling (*frazionamento*) of the mortgages for the purpose of purchasing or refurbishing real estate assets dedicated to residential use and having (i) an initial principal amount not higher than Euro 200,000, and (ii) floating interest rate and floating instalments for the entire life of the agreement (each, an "**Eligible Mortgage Loan Agreement**").

The renegotiation provided for by Law 106 may be requested by any borrower who (i) has entered into an Eligible Mortgage Loan Agreement prior to the date on which the Decree 70 has come into force, (ii) at the time of the request for the renegotiation, files a declaration of an authorised third party stating that the index of the equivalent economic situation (*indicatore della situazione economica equivalente (ISEE)*) is not higher than Euro 35,000, and (iii) save as otherwise agreed between such borrower and the relevant lender, has not delayed any payment of the scheduled instalments.

Following the renegotiation, the interest rate applicable to the mortgage loan for its residual life or, if so agreed by the borrower, for a shorter term will be a fixed interest rate equal to the lower of the interest rate swap (IRS) in Euro for 10 years and the IRS in Euro for the residual life of the mortgage loan (or, if not available, the quotation of the IRS for the preceding duration, as indicated on page ISDAFIX2 of Reuters), plus a margin equal to the spread set forth in the mortgage loan agreement.

The borrower and the lender may also agree upon a rescheduling of the amortisation plan with a postponement of the final repayment date for no more than 5 (five) years, provided that the residual life of the mortgage loan at the date of the renegotiation does not exceed 25 (twenty-five years.

A literal interpretation of the Law 106 seems to suggest that (i) mortgage loans that are securitised can be the subject of the suspension provisions set out in the Law 106 (i.e. they are not excluded for the mere fact that the creditor is no longer the originating bank) and (ii) in case of mortgage loans that are securitised, a renegotiation under the provisions of the Law 106 shall be made by the originating bank in a way that allows the repayment of the mortgage loan according to the amortisation plan existing immediately prior to the renegotiation (i.e. the Issuer shall be held harmless by the renegotiation). This would seem to imply that the originating bank should make available to the relevant debtors the funds necessary to pay in full the scheduled instalments to the Issuer. Reference in the Law 106 to the originating bank being subrogated to the Issuer in the mortgage following full repayment of the Issuer's claim seems to confirm this interpretation. However, in the absence of any implementing regulations, it is not possible to assess precisely the renegotiation mechanism provided for by Law 106.

Prospective Noteholders should note that the receivables arising from loan agreements in respect of which, as at the Valuation Date, a request for renegotiation pursuant to Law 106 has been submitted to Banca Sella are not comprised in the Portfolio. Prospective Noteholders should also note that the Originator may repurchase individual Receivables or pools of Receivables to make renegotiations in accordance with Law 106, by exercising the option to repurchase individual Receivables subject to the terms and conditions set out in the Intercreditor Agreement. For further details, see the section entitled "*Description of the Intercreditor Agreement*".

Law No. 3 of 27 January 2012

Articles from 6 to 19 of Italian Law No. 3 of 27 January 2012, as amended by Italian Law Decree no. 179 of 18 October 2012 converted into Italian Law no. 221 of 17 December 2012, (the "**Law No. 3**") have introduced a special composition procedure for the situations of crisis due to over-

indebtedness (*procedimento per la composizione delle crisi da sovraindebitamento*) (the "**Over-Indebtedness Composition Procedure**").

The Over-Indebtedness Composition Procedure applies to debtors who/which (i) are in a situation of persisting financial stress between their assets and liabilities and are definitively not capable of fulfilling on a regular basis their payment obligations, (ii) may not be subject to the insolvency proceedings set out in article 1 of the Italian Bankruptcy Law, and (iii) have not entered into the Over-Indebtedness Composition Procedure for the last 5 (five) years. The Over-Indebtedness Law applies both to small enterprises which are not subject to any other insolvency proceedings and to consumers.

The Over-Indebtedness Composition Procedure consists of a restructuring agreement between the debtor and its creditors (the "**Restructuring Agreement**"). The Restructuring Agreement is proposed by the debtor on the basis of a plan which must ensure the payment in full of the creditors who/which do not adhere to the agreement (the "**Plan**").

The Plan shall contain, *inter alia*: (i) the terms of the debt restructuring, including the re-scheduled payment dates and the modalities of payments, (ii) the modalities of liquidation (if any) of the assets; (iii) the security interests (if any) created in favour of the creditors. In addition, the Plan may provide for a payment standstill (*moratoria*) in respect of amounts due to the creditors who/which do not adhere to the Plan for a period not exceeding 1 year, subject to the conditions that (i) the Plan is capable of ensuring the payment of such amounts at the expiry of the standstill period, and (ii) the Plan is executed by an administrative receiver (*liquidatore*) appointed by the Court upon proposal of the Crisis Composition Body (as defined below), and (iii) the standstill (*moratoria*) does not apply to claims which may not be subject to attachment or seizure (*crediti impignorabili*).

The Restructuring Agreement shall be approved by such creditors representing at least 60% of the indebtedness of the debtor. If the approval is achieved, the Restructuring Agreement shall be validated by the Court, upon verification that all the requirements provided for by Law No. 3 are satisfied. The Court may order that until the Restructuring Agreement is approved (*omologazione*), any individual action is forbidden or suspended (if already pending).Law No. 3 provides for the establishment of composition bodies (*organismi di conciliazione*) (the "**Crisis Composition Bodies**"). The Crisis Composition Bodies should cooperate with the debtor and its creditors in any activity relating to the Over-Indebtedness Composition Procedure in order to achieve a successful composition. As at the date of this Prospectus, legislative works are under way before the Italian Ministry of Economic Development (*Ministero dello Sviluppo Economico*) and the Italian Ministry of Economy and Finance (*Ministero dell'Economia e delle Finanze*) to enact the ministerial decrees providing for, in accordance with article 20 of Law No. 3, the regulatory framework with respect to the establishment and operation of the Crisis Composition Bodies. Furthermore, it is only in December 2013 that the first Restructuring Agreement obtained the approval of the Court *(*reference is made to court order (*decreto di omologa*) issued by Tribunale di Pistoia on 27 December 2013) and, as at the date of this Prospectus, the number of Restructuring Agreements being reviewed by Courts is still limited.

In the light of the above, the precise scope of application of Law No. 3 and its impact on securitisation transactions may not be precisely assessed.

Prospective Noteholders should also note that, as at the Valuation Date and the Transfer Date, all the Receivables comprised in the Portfolio were performing (*in bonis*). Prospective Noteholders should also note that (i) under the Servicing Agreement, the Servicer has not been authorised to

enter into any Restructuring Agreement in accordance with Law No. 3, and (ii) under the Intercreditor Agreement, the Issuer has undertaken not to enter into any of such agreements.

Prepayments under Loan Agreements

Law No. 9 provides, *inter alia*, that payments due by the debtors in relation to receivables in the frame of a securitisation transaction under Securitisation Law are not subject to declaration of ineffectiveness pursuant to article 65 of the Italian Bankruptcy Law ("**Article 65**").

Article 65 establishes that payments made by a debtor with respect to debts that fall due on or after the date on which the relevant debtor is declared bankrupt are ineffective against the creditors of the relevant debtor, if such payments are made within the two years prior to the declaration of bankruptcy. Any such ineffective payment may therefore be clawed-back by the bankruptcy receiver of the debtor regardless of whether the debtor was insolvent at the time when the payment was made.

According to the prevailing opinion of Italian legal scholars and Decision No. 1153 of 10 April 1969 of the Italian Supreme Court, the provisions of article 65 would not apply to prepayments made by a debtor under a loan agreement, if the debtor exercises the right to prepay amounts due under the loan agreement in accordance with the terms of such agreement, as such payments which have been prepaid pursuant to a contractual right of the relevant debtor have to be considered as payments of a debt which falls due upon the exercise of such right and not as payments of a debt which is not yet due.

Pursuant to Decision No. 4842 of 5 April 2002 of the Italian Supreme Court, however, it has been held that the provisions of article 65 apply to payments of debts made on or before the date on which the relevant debts fall due, as such date has been fixed originally, irrespective of whether the loan agreement entitled the debtor to prepay the amounts due.

Moreover, pursuant to Decision No. 19978 of 18 July 2008 of the Italian Supreme Court, the Court held that the provisions of article 65 are not applicable in the event that the right of the borrower to prepay the relevant loan, and consequently obtain the cancellation of the relevant mortgage, as in the case of "*mutui fondiari"* is set forth by a specific provision of law and not by virtue of contractual provisions.

The aforesaid Decisions no. 4842 of 5 April 2002 and no. 19978 of 18 July 2008 have been confirmed by the Decision no. 17552 of 29 July 2009 of the Italian Supreme Court, according to which Article 65 applies to prepayments made under a loan agreement regardless of whether the right to prepay the loan is contemplated under the relevant loan agreement, save that such right is provided for by law.

Loans' Performance

The Portfolio is exclusively comprised of mortgage backed Receivables which were performing as at the Valuation Date (for further details, see the section entitled "*The Portfolio*"). There can be no guarantee that the Debtors will not default under such Receivables and that they will therefore continue to perform. The recovery of amounts due in relation to Defaulted Receivables will be subject to the effectiveness of enforcement proceedings in respect of the Portfolio which in Italy can take a considerable time depending on the type of action required and where such action is taken and on several other factors, including the following: proceedings in certain courts involved in the enforcement of the Loans and Mortgages may take longer than the national average; obtaining title deeds from land registries which are in the process of computerising their records

can take up to two or three years; further time is required if it is necessary to obtain an injunction decree (*decreto ingiuntivo*) and whether or not the relevant Debtor raises a defence or counterclaim to the proceedings; and it takes an average of 6 (six) to 8 (eight) years from the time lawyers commence enforcement proceedings until the time an auction date is set for the forced sale of any Real Estate Asset.

Law No. 302 of 3 August 1998 as amended by Law No. 80 of 14 May 2005, allowed a public notary (*notaio*), a lawyer (*avvocato*), an accountant (*commercialista*), or an expert accountant (*esperto contabile)* to conduct certain stages of the foreclosure procedures in place of the courts and is expected to reduce the length of foreclosure proceedings by between two and three years, although at the date of this Prospectus the impact which the law will have on the Receivables comprised in the Portfolio cannot be assessed.

Credit Risk on the Originator, the Servicer and the other parties to the Transaction Documents

The ability of the Issuer to make payments in respect of the Notes will depend to a significant extent upon the due performance by the Originator and the other parties to the Transaction Documents of their respective obligations under the Transaction Documents to which they are a party. 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 Portfolio and to recover the amounts relating to Defaulted Receivables (if any). In addition, the ability of the Issuer to make payments under the Notes may depend to an extent upon the due performance by the Originator of its obligations under the Warranty and Indemnity Agreement in respect of the Portfolio. The performance of such parties of their respective obligations under the relevant Transaction Documents may be influenced on the solvency of each relevant party.

It is not certain that a suitable Substitute Servicer could be found to service the Portfolio in the event that the Servicer becomes insolvent or its appointment under the Servicing Agreement is otherwise terminated. If such Substitute Servicer was to be found it is not certain whether it would service the Portfolio on the same terms as those provided for in the Servicing Agreement.

Pursuant to the Intercreditor Agreement, the Issuer has appointed a Back-up Servicer Facilitator which has undertaken, after consultation with the Servicer, to cooperate with the Issuer to do its best effort in order to identify an entity to be appointed as substitute servicer in accordance with the Servicing Agreement within 60 (sixty) days from the occurrence of any Servicer Insolvency Event.However, the ability of the Substitute Servicer to fully perform its duties would depend on the information and records available to it at the time of termination of the appointment of the Servicer and the absence of any material interruption in the administration of the Receivables upon the substitution of the Servicer. Therefore, no assurance can be given that the Substitute Servicer will continue to service the Portfolio on the same terms as those provided for by the Servicer.

Furthermore, the Originator faces significant competition from a large number of banks throughout Italy and abroad. The deregulation of the banking industry in Italy and throughout the European Union has intensified competition in both deposit-taking and lending activities, contributing to a progressive narrowing of spreads between deposit and loan rates. In addition, as with all European banks, the introduction of European Economic and Monetary Union ("**EMU**") pursuant to the Treaty establishing the European Communities, as amended by the Treaty on European Union, may eliminate markets in which the Originator has a comparative advantage and provide significantly more competition in other areas, such as electronic banking.

Claw-back of the sale of the Receivables

Assignments executed under the Securitisation Law are subject to claw-back (i) pursuant to article 67, paragraph 1, of the Italian Bankruptcy Law, if the adjudication of bankruptcy of the relevant originator is made within 3 months from the purchase of the relevant portfolio of receivables, provided that the sale price of the receivables exceeds the value of the receivables for more than 25 per cent and the issuer is not able to demonstrate that it was not aware of the insolvency of the originator, or (ii) pursuant to article 67, paragraph 2, of the Italian Bankruptcy Law, if the adjudication of bankruptcy of the relevant originator is made within 6 months from the purchase of the relevant portfolio of receivables, provided that the sale price of the receivables does not exceed the value of the receivables for more than 25 per cent and the insolvency receiver of the originator is able to demonstrate that the issuer was aware of the insolvency of the originator.

According to the Transfer Agreement, the Originator has provided the Issuer in respect of the Portfolio with (i) a solvency certificate in the form attached to the Transfer Agreement and (ii) a certificate of the competent companies' register issued within five days before the Transfer Date, stating that no insolvency proceeding is pending against the Originator. Furthermore, under the Warranty and Indemnity Agreement, the Originator has represented that it was solvent as at the Transfer Date and such representation shall be deemed to be repeated on the Issue Date.

In addition, in case of (i) disposal of the Portfolio following the occurrence of a Trigger Event or of a Tax Event and/or (ii) the Originator exercises the option granted to it by the Issuer to repurchase the Portfolio, individual Receivables or pools of Receivables in accordance with the terms set forth under the Intercreditor Agreement, the payment of the relevant sale price may be subject to claw back pursuant to article 67, paragraph 1 or 2, of the Italian civil code. The Intercreditor Agreement provides that the relevant purchaser shall deliver to the Issuer certificates evidencing its solvency. For further details, see the section entitled "*Description of the Intercreditor Agreement*".

Claw-back of other payments made to the Issuer

According to Article 4, paragraph 3, of the Securitisation Law, payments made by an assigned debtor to the Issuer are not subject to any claw-back action according to Article 67 of the Italian Bankruptcy Law.

Furthermore, pursuant to Law No. 9 payments made by debtors in relation to receivables in the framework of a securitisation under the Securitisation Law will not be subject to declaration of ineffectiveness pursuant to article 65 of the Italian Bankruptcy Law.

Save for what described above, all other payments made to the Issuer by any party under a Transaction Document in the one year or six-month, as applicable, suspect period prior to the date on which such party has been declared bankrupt or has been admitted to compulsory liquidation may be subject to claw-back action according to Article 67 of the Italian Bankruptcy Law. The relevant payment will be set aside and clawed back if the receiver gives evidence that the recipient of the payments had knowledge of the state of insolvency of such party 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 in its discretion may consider all relevant circumstances.

Italian Usury Law

Italian law No. 108 of 7 March 1996 (the "**Usury Law**") introduced legislation preventing lenders from applying interest rates equal to or higher than rates (the "**Usury Rates**") set every three months on the basis of a Decree issued by the Italian Treasury (the last such Decree having been issued on 17 December 2004).

In some judgements issued during 2000, the Italian Supreme Court (*Corte di Cassazione*) ruled that the Usury Law applied both to loans advanced prior to and after the entry into force of the Usury Law. Moreover, according to a certain interpretation of the Usury Law (which was generally considered, in the Italian legal community, to have been accepted in the above mentioned rulings of the *Corte di Cassazione*), if at any point in time the rate of interest payable on a loan (including a loan entered into before the entry into force of the Usury Law or a loan which, when entered into, was in compliance with the Usury Law) exceeded the then applicable Usury Rate, the contractual provision providing for the borrower's obligation to pay interest on the relevant loan became null and void in its entirety.

The Italian Government has intervened in this situation with Law Decree No. 394 of 29 December 2000 (the "**Usury Law Decree**"), converted into Law No. 24 by the Italian Parliament on 28 February 2001, which provides, *inter alia*, that interest is to be deemed usurious only if the interest rate agreed by the parties exceeds the Usury Rate applicable at the time the relevant agreement is reached. The Usury Law Decree has also provided that, as an extraordinary measure due to the exceptional fall in interest rates in the years 1998 and 1999, interest rates due on instalments payable after 2 January 2001 on loans already entered into on the date on which the Usury Law Decree came into force (such date being 31 December 2000) are to be substituted with a lower interest rate fixed in accordance with parameters fixed by the Usury Law Decree.

The validity of the Usury Law Decree has been challenged before the Italian Constitutional Court by certain consumers' associations claiming that the Usury Law Decree does not comply with the principles set out in the Italian Constitution. By Decision No. 29 of 14 February 2002, the Italian Constitutional Court has stated, *inter alia*, that the Usury Law Decree complies with the principles set out in the Italian Constitution except for such provisions of the Usury Law Decree providing that the interest rates due on instalments payable after 2 January 2001 on loans are to be substituted with lower interest rates fixed in accordance with the Usury Law Decree. By such decision the Italian Constitutional Court has established that the lower interest rates fixed in accordance with the Usury Law Decree are to be substituted on instalments payable from the date on which such Decree came into force (31 December 2000) and not on instalments payable after 2 January 2001. Furthermore, by Decision no. 12028 of 19 February 2010, Decision no. 28793 of 14 May 2010 and Decision no. 46669 of 23 November 2011, the Italian Supreme Court (*Corte di Cassazione*) has, *inter alia*, affirmed the overall prevalence of the Usury Law Decree by stating that credit institutions governed by Italian law are to be bound by the Usury Law Decree even in the face of diverging regulations issued by the Bank of Italy on the matter.Pursuant to the Warranty and Indemnity Agreement the Originator has represented that the interest rates applicable to the Loans are in compliance with the then applicable Usury Rate.

Prospective Noteholders should note that whilst the Originator has undertaken in the Warranty and Indemnity Agreement to indemnify the Issuer in respect of any damages, losses, claims, costs and expenses that may be incurred by the Issuer in connection with any loss or reduction in any interest accrued on the Loans as a result of the application of the Usury Law or of the Usury Law Decree, the ability of the Issuer to maintain scheduled payments of interest and principal on the Notes may be adversely affected as a result of a Loan being found to be in contravention with the Usury Law, thus allowing the relevant borrower to claim relief on any interest previously paid

and obliging the Issuer in the future to accept a reduced rate of interest, or potentially no interest, payable on such Loan.

Compound Interest (*Anatocismo*)

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

In this respect, it should be noted that article 25, paragraph 3, of Legislative Decree no. 342 of 4 August 1999 ("**Legislative Decree 342**") enacted by the Italian Government under a delegation granted pursuant to Law no. 142 of 19 February 1992 (the "**Law No. 142**") 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.) issued on 22 February 2000. Legislative Decree 342 has been challenged, however, before the Italian Constitutional Court (*Corte Costituzionale*) on grounds it falls outside the scope of the legislative powers delegated under Law No. 142. On these grounds, by decision no. 425 dated 9 October 2000 issued by the Italian Constitutional Court (*Corte Costituzionale*), article 25, paragraph 3, of Legislative Decree 342 has been declared as unconstitutional.

In the decision no. 21095/04, the *Sezioni Unite* of the Italian Supreme Court (*Corte di Cassazione*) have confirmed that the interpretation according to which the capitalisation of accrued interest on a quarterly basis is not to be considered as a customary rule (*uso normativo*) and have moreover expressly stated that such capitalisation is not valid even if made before the above described rulings of the Italian Supreme Court (*Corte di Cassazione*) which first stated the relevant principle in 1999. 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 Loan Agreements may be prejudiced.

With respect to this matter, a ruling dated 29 October 2008 by the Court of Bari declared some mortgage loan agreements (executed in 1988 and 1989) that were based upon the amortisation method known as "French amortisation" (i.e. mortgage loans with fixed instalments, made up of an amount of principal (that progressively increases) and an amount of interest (that decreases as repayments are made) calculated with a compound interest formula, as partially void. In the case at hand, the technical consultancy requested by the judge showed that the instalments were calculated with a compound interest formula not expressly stated in the agreement, and that from the application of such formula the effective interest was higher than the nominal interest. The borrowers were not able to realise, therefore, at the time of execution of the relevant mortgage loans, the effective high interest to be paid, as the nominal annual interest was that resulting from

the agreement while the effective interest could only be inferred from time to time on the basis of the amortisation plan. Considering that the calculation of compound interest is permitted only within the limits of article 1283 of the Italian civil code, as described above (i.e. the compounding has to follow the maturation of interest and never to precede it, as occurs in such French amortisation), the judge declared that the relevant mortgage loans were partially void and recalculated the amortisation plans with reference to the applicable legal rate, so determining an interest rate lower than to that paid by the borrowers.In line with the above ruling, article 1, paragraph 629, of Law no. 147 of 27 December 2013 has recently amended article 120, paragraph 2, of the Consolidated Banking Act, providing that interest shall not accrue on capitalised interest.

Prospective Noteholders should note that under the Warranty and Indemnity Agreement the Originator has represented that the Loan Agreements were entered into in compliance with, *inter alia,* the applicable provisions relating to compound interest (*anatocismo)*, the applicable transparency regulations as article 116 of the Consolidated Banking Law and the CICR resolution of 4 March 2003 as to the effective rate.

Rights of Set-off and Other Rights of the Debtors

Under general principles of Italian law, the borrowers are entitled to exercise rights of set-off in respect of amounts due under any mortgage loan against any amounts payable by the originator to the relevant borrower. The assignment of receivables under the Securitisation Law is governed by article 58 paragraphs 2, 3 and 4, of the Consolidated Banking Act. According to the prevailing interpretation of such provision, such assignment becomes enforceable against the relevant debtors as of the later of (i) the date of the publication of the notice in the Official Gazette and (ii) the date of its registration in the competent Companies' Register. Consequently, Debtors may exercise a right of set off against the Issuer grounded on claims against the Originator and/or the Issuer which have arisen before both the publication of the notice in the Official Gazette and the registration in the competent Companies Register have been completed.

Law No. 9 expressly states that, from the date of publication of the notice of transfer of the receivables in the Official Gazette, the debtors will not be entitled to set-off any claim arisen after such date with the amounts due to the special purpose vehicle in relation to the receivables.

The transfer of the Portfolio has been published in the Official Gazette of the Republic of Italy no. 41 of 17 April 2014 and registered in the companies' register of Treviso on 15 April 2014.

Under the terms of the Warranty and Indemnity Agreement, the Originator has represented and warranted that, as at the Valuation Date, the Transfer Date and the Issue Date, the Receivables are not and will not be subject to any set-off or counterclaim by the Debtors.

Servicing of the Portfolio

The Portfolio has been serviced by the Servicer starting from the Transfer Date pursuant to the Servicing Agreement. Previously, the Portfolio was serviced by Banca Sella, Banca Sella Holding or Banca Sella Sud Arditi Galati (as the case may be) as owner of the relevant Receivables. The net cash flows from the Portfolio may be affected by decisions made, actions taken and the collection procedures adopted by Banca Sella or otherwise resulting pursuant to the provisions of the Servicing Agreement.

The Servicer has undertaken to prepare and submit to the Issuer monthly and quarterly reports in the form set out in the Servicing Agreement not later than, respectively, each Monthly Servicer's

Report Date and each Quarterly Servicer's Report Date, containing information as to the Collections made in respect of the Portfolio during the preceding Monthly Collection Period and Quarterly Collection Period.

Ranking and subordination

In respect of the obligations of the Issuer to pay interest on the Notes, both prior to and following the delivery of a Trigger Notice, pursuant to the relevant Terms and Conditions:

(a) the Class A1 Notes and the Class A2 Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the repayment of principal on the Class A1 Notes and the Class A2 Notes, the payment of interest on the Class D Notes, the repayment of principal on the Class D Notes and the payment of the Premium (if any) on the Class D Notes; and

(b) the Class D Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the repayment of principal and the payment of the Premium (if any) on the Class D Notes, and subordinated to the payment of interest and the repayment of principal on the Class A1 Notes and the Class A2 Notes.

In respect of the obligations of the Issuer to repay principal on the Notes, both prior to and following the delivery of a Trigger Notice, pursuant to the relevant Terms and Conditions:

(a) the Class A1 Notes and the Class A2 Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the payment of interest on the Class D Notes, the repayment of principal on the Class D Notes and the payment of the Premium (if any) on the Class D Notes, and subordinated to the payment of interest on the Class A1 Notes and the Class A2 Notes; and

(b) the Class D Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the payment of the Premium (if any) on the Class D Notes, and subordinated to the payment of interest and the repayment of principal on the Class A1 Notes and the Class A2 Notes and the payment of interest on the Class D Notes.

As long as the Senior Notes are outstanding, the Senior Noteholders shall be entitled to determine the remedies to be exercised in connection with the Notes. Once the Senior Notes have been repaid in full, as long as the Class D Notes are outstanding, the Class D Noteholders shall be entitled to determine the remedies to be exercised in connection with the Notes.

Limited Rights

The protection and exercise of the Noteholders' rights against the Issuer and the security under the Notes is one of the duties of the Representative of the Noteholders. The Terms and Conditions limit the ability of each individual Noteholder to commence proceedings against the Issuer unless it has the prior approval of an Extraordinary Resolution of the Most Senior Class of Noteholders.

Claims of Unsecured Creditors of the Issuer

By operation of Italian law, the right, title and interest of the Issuer in and to the Portfolio will be segregated from all other assets of the Issuer (including, for the avoidance of doubt, any other portfolio purchased by the Issuer pursuant to the Securitisation Law) and amounts deriving therefrom will be available on a winding up of the Issuer only to satisfy the obligations of the

Issuer to the Noteholders, the Other Issuer Creditors and any other creditors of the Issuer in respect of any costs, fees and expenses allocated to the Securitisation pursuant to the Transactions Intercreditor Agreement. In respect of such costs, fees and expenses, the Issuer has established the Expense Account, into which the Retention Amount will be credited on the Issue Date and replenished on each Payment Date, in accordance with the applicable Priority of Payments and out of which any Expenses will be paid during each Interest Period. Amounts derived from the Portfolio will not be available to any other creditors of the Issuer (including any creditors of the Issuer under the Previous Securitisations and any further securitisation transaction carried out by the Issuer in accordance with the Terms and Conditions). However, under Italian law, any other creditor of the Issuer would be able to commence insolvency or winding up proceedings against the Issuer in respect of any unpaid debt. Under the Terms and Conditions, the Issuer has undertaken to the Noteholders, *inter alia*, not to engage in any activity whatsoever which is not incidental to or necessary in connection with any further securitisation or with any of the activities in which the Transaction Documents provide and envisage that the Issuer will engage.

Preferred Claims

According to a ruling of the Tribunal of Genoa, issued with reference to Italian law decree No. 669 of 31 December 1996 and converted into law No. 30 of 28 February 1997, claims of any person having concluded preliminary agreements (*contratti preliminari*) with the relevant mortgagor for the purchase of the Real Estate Assets which were registered in the relevant real estate registries (*Conservatorie dei Registri Immobiliari*) prior to the registration of the relevant Mortgage or even after such registration, would be preferred to the claims of the creditors of the relevant Mortgage.

The Representative of the Noteholders

The Terms and Conditions and the Intercreditor Agreement contain provisions requiring the Representative of the Noteholders to have regard 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 Class of Notes ranking highest in the order of priority then outstanding.

Due to the different ranking between the Senior Notes and the Class D Notes, the Senior Notes could, pursuant to the applicable Priority of Payments, amortise before the Class D Notes. Accordingly, as the Senior Notes amortise (and the Class D Notes remain fully outstanding), the Class D Noteholders could be increasingly exposed to the risk that the Representative of the Noteholders or the joint Meetings of Senior Noteholders assume decisions and adopt resolutions which are closer to their interests than to the interests of the Class D Noteholders.

In some circumstances, the Notes may become subject to early redemption. Early redemption of the Notes may in some cases be dependent upon receipt by the Representative of the Noteholders of a direction from, or resolution of, a specified proportion of the Noteholders.

In addition, pursuant to article 29(b)(i) of the Rules of the Organisation of the Noteholders, the Representative of the Noteholders may, without being required to obtain the consent of the Noteholders and on behalf of the same, agree or propose amendments or modifications to the Conditions (other than a Basic Terms Modification), these Rules or to any other Transaction Documents which, in the opinion of the Representative of the Noteholders, it is expedient to make in order correct a manifest error or an error of a formal, minor or technical nature provided that no

such amendment or modification or waiver shall be made or agreed which is or may be, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Noteholders and of the Other Issuer Creditors.

Further Securitisations

The Issuer may purchase and securitise further portfolios of monetary claims in addition to the Portfolio, on the condition that the new securitisation transaction is executed after the redemption in full or cancellation of the Notes, or before such time, provided that the Rating Agencies confirm in writing that the then current ratings of the Senior Notes will not be adversely affected by such securitisation transaction and with the prior written consent of the Representative of the Noteholders.

Under the terms of article 3 of the Securitisation Law, the assets relating to each securitisation transaction will by operation of law be segregated for all purposes from all other assets of the company that purchases the receivables. On a winding up of such a company such assets will only be available to holders of the notes issued to finance the acquisition of the relevant receivables and to certain creditors claiming payment of debts incurred by the company in connection with the securitisation of the relevant assets. In addition, the assets relating to a particular transaction will not be available to the holders of notes issued to finance any other securitisation transaction or to general creditors of the issuer company.

On 15 October 2005, the Issuer entered into a securitisation transaction (the "**October 2005 Transaction**") and issued the Euro 248,900,000 Class A Asset Backed Floating Rate Notes due 2038, the Euro 11,000,000 Class B Asset Backed Floating Rate Notes due 2038, the Euro 3,500,000 Class C Asset Backed Floating Rate Notes due 2038 and the Euro 3,500,000 Class D Asset Backed Notes due 2038 (together the "**October 2005 Notes**"), to finance the purchase from Banca Sella Holding of a portfolio of monetary claims and connected rights under mortgage residential loans pursuant to articles 1 and 4 of the Securitisation Law (the "**October 2005 Portfolio**").

On 18 April 2008, the Issuer entered into a securitisation transaction (the "**April 2008 Transaction**") and issued the Euro 207,300,000 Class A Asset Backed Floating Rate Notes due 2042, the Euro 8,100,000 Class B Asset Backed Floating Rate Notes due 2042, the Euro 2,800,000 Class C Asset Backed Floating Rate Notes due 2042 and the Euro 6,500,000 Class D Asset Backed Notes due 2042 (together the "**April 2008 Notes**"), to finance the purchase from Banca Sella of a portfolio of monetary claims and connected rights under mortgage residential loans pursuant to articles 1 and 4 of the Securitisation Law (the "**April 2008 Portfolio**"). On 23 January 2014 the April 2008 Transaction has been unwound and all April 2008 Notes have been early redeemed.

On 28 January 2009, the Issuer entered into a securitisation transaction (the "**January 2009 Transaction**") and issued the Euro 212,950,000 Class A Asset Backed Floating Rate Notes due 2055, the Euro 4,550,000 Class B Asset Backed Floating Rate Notes due 2055, the Euro 9,050,000 Class C Asset Backed Floating Rate Notes due 2055 and the Euro 4,600,000 Class D Asset Backed Notes due 2055 (together the "**January 2009 Notes**"), to finance the purchase from Banca Sella of a portfolio of monetary claims and connected rights under mortgage residential loans pursuant to articles 1 and 4 of the Securitisation Law (the "**January 2009 Portfolio**"). On 30 January 2014 the January 2009 Transaction has been unwound and all January 2009 Notes have been early redeemed.

On 14 March 2012, the Issuer entered into a securitisation transaction (the "**March 2012 Transaction**") and issued Euro 122,900,000 Class A1 Asset Backed Floating Rate Notes, Euro 235,400,000 Class A2 Asset Backed Fixed Rate Notes and Euro 48,000,000 Class D Asset Backed Floating Rate Notes due 2045 (together the "**March 2012 Notes**"), to finance the purchase from Banca Sella of a portfolio of monetary claims and connected rights under mortgage residential loans pursuant to articles 1 and 4 of the Securitisation Law (the "**March 2012 Portfolio**").

Eligibility of Senior Notes for Eurosystem monetary policy

The Senior Notes are intended to be held in a manner which will allow Eurosystem eligibility. This only means that the Senior Notes were upon issue deposited with the Monte Titoli system as a securities settlement system that fulfils the standards established by the European Central Bank and does not necessarily mean that the Senior Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem ("**Eurosystem Eligible Collateral**") either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria as specified by the European Central Bank. If the Senior Notes do not satisfy the criteria specified by the European Central Bank, there is a risk that the Senior Notes will not be Eurosystem Eligible Collateral. None of the Issuer, the Originator, the Arrangers and the Joint Lead Managers give any representation, warranty, confirmation or guarantee to any investor in the Senior Notes that the Senior Notes will, either upon issue, or at any or all times during their life, satisfy all or any requirements for Eurosystem eligibility and be recognised as Eurosystem Eligible Collateral. Any potential investor in the Senior Notes should make their own conclusions and seek their own advice with respect to whether or not the Senior Notes constitute Eurosystem Eligible Collateral.

Regulatory Capital Framework

The Basel Committee on Banking Supervision (the "**Basel Committee**") approved significant changes to the Basel II regulatory capital and liquidity framework (the "**Basel II Framework**") in 2011 (such changes being commonly referred to as "**Basel III**"). In particular, Basel III provides for a substantial strengthening of existing prudential rules, including requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards (referred to as the "**Liquidity Coverage Ratio**" and the "**Net Stable Funding Ratio**"). It is intended that member countries will implement the new capital standards and the new Liquidity Coverage Ratio as soon as possible (with provision for phased implementation, meaning that the measures will not apply in full until January 2019) and the Net Stable Funding Ratio from January 2018.

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

Implementation of the Basel framework and any changes as described above may have an impact on the capital requirements in respect of the Notes and/or on incentives to hold the Notes for investors that are subject to requirements that follow the relevant framework and, as a result, may affect the liquidity and/or value of the Notes.

In general, investors should consult their own advisers as to the regulatory capital requirements in respect of the Notes and as to the consequences to and effect on them of any changes to the Basel II framework (including the Basel III changes described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Regulatory Initiatives regarding Regulatory Capital Requirements 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 Originator, the Arrangers and the Joint Lead Managers makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment on the relevant Issue Date or at any time in the future.

In particular, investors should be aware of the EU risk retention and due diligence requirements which currently apply, or are expected to apply in the future, in respect of various types of EU regulated investors including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings and UCITS funds. Among other things, such requirements restrict a relevant investor from investing in asset-backed securities unless (i) that 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, in accordance with Article 405, paragraph 1(d), of the Capital Requirements Regulation and Article 51 of the AIFM Regulation or, in accordance with Article 405 of the Capital Requirements Regulation and Article 51 of the AIFM Regulation, any alternative permitted method to the extent that adequate disclosure on such alternative method has been given to the Noteholders. 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 penal capital charge on the notes acquired by the relevant investor.

Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear and this uncertainty is increased by certain legislative developments. In particular, in the context of the requirements which apply in respect of EU regulated credit institution investors, investment firms and authorised alternative investment fund managers, the corresponding interpretation materials (to be made in the form of technical standards) have not yet been finalised. No assurance can be provided that such final materials will not affect the compliance position of previously issued transactions and/or the requirements applying to relevant investors in general.

The risk retention and due diligence requirements described above apply, or are expected to apply, in respect of the Notes. Prospective Noteholders should therefore make themselves aware of such requirements (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other regulatory requirements applicable to them with

respect to their investment in the Notes. With respect to the commitment of the Originator to retain a material net economic interest in the securitisation and with respect to the information to be made available by the Issuer or another relevant party, please see the section entitled "*Regulatory Capital Requirements*".

Prospective Noteholders are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with any relevant requirements and none of the Issuer, the Originator, the Servicer, the Arrangers and the Joint Lead Managers makes any representation that the information described above is sufficient in all circumstances for such purposes. Prospective Noteholders who are uncertain as to the requirements that will need to be complied with in order to avoid the additional regulatory charges for non-compliance with the applicable provisions and any implementing rules in a relevant jurisdiction should seek guidance from their regulator.

The EU risk retention and due diligence requirements described above and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

Tax Treatment of the Issuer

Taxable income of the Issuer is determined in accordance with Italian Presidential Decree no. 917 of 22 December 1986, as subsequently amended by Italian Legislative Decree no. 344 of 12 December 2003. 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. In particular, pursuant to the regulations issued by the Bank of Italy on 29 March 2000 (*schemi di bilancio delle società per la cartolarizzazione dei crediti*), the assets and liabilities and the costs and revenues of the Issuer in relation to the Securitisation 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 Issuer Available Funds for the payment of such overhead and general expenses). Accordingly, 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 concerning the Italian taxation of a securitisation vehicle. According to the private ruling, the Revenue Agency has 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 Revenue Agency, with Circular no. 8/E of 6 February 2003 has taken the position that only amounts, if any, available to securitisation vehicles after fully discharging their obligations towards the Noteholders and any other creditors of the securitisation vehicles in respect of any fees, costs and expenses in relation to securitisation transactions should be considered as income for tax purposes of the securitisation vehicles. Consequently, according to the quoted position of the Revenue 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 any Italian 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.

As confirmed by the Revenue Agency (Ruling no. 222 issued on 5 December 2003 and Ruling no. 77 issued on 4 August 2010), the 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 bank will be subject to withholding tax on account of Italian income tax. At the date of this Prospectus such withholding tax is levied at the rate of 20 per cent. However, pursuant to the Decree No. 66 of 24 April 2014, the tax rate shall be increased up to 26 per cent for interest accrued starting from 1 July 2014.

Withholding Tax under the Senior Notes

Payments of interest under the Senior Notes may in certain circumstances be subject to withholding or deduction for or on account of Italian tax. As at the date of this Prospectus, according to the Decree No. 239, any beneficial owner of a payment of interest or other proceeds relating to the Notes will receive amounts payable on the Notes net of Italian substitute tax provided for by the Decree No. 239. At the date of this Prospectus such substitute tax is levied at the rate of 20 per cent. However, pursuant to the Decree No. 66 of 24 April 2014, the substitute tax shall be increased up to 26 per cent for interest accrued starting from 1 July 2014. A lower rate may be applicable under the relevant Double Tax Treaty. For further details, see the section entitled “Taxation” below.

In the event that any withholding or deduction for or on account of Italian tax is imposed in respect of payments to Noteholders of amounts due pursuant to the Notes, neither the Issuer nor any other person will be obliged to gross-up or otherwise compensate Noteholders for the lesser amounts the Noteholders will receive as a result of the imposition of any such withholding or deduction.

EU Savings Directive

Directive 2003/48/EC regarding the taxation of savings income (the “**EU Savings Directive**”) entered into force from 1 July 2005. The EU Savings Directive sets forth a specific exchange of information regime on interest payments made by paying agents established in a EU Member State to individuals resident in another EU Member State who are beneficial owners of the interest. Accordingly, qualified paying agents (within the meaning of the EU Savings Directive) are required to identify the beneficial owner of certain interest payments and collect the relevant data to be transferred to the competent tax authorities. The exchange of information between the competent authorities of the EU Member State of residence of the paying agent and the EU Member State of residence of the beneficial owner will allow the beneficial owner to be effectively taxed on its savings income.

EU Savings Directive provides that Austria and Luxembourg shall apply a 35 per cent withholding tax for a transitional period unless during such period they elect otherwise. EU Savings Directive provides for exemption from withholding tax to the extent that the beneficial owner of the relevant interest provides the paying agent with minimum data requirements. The mechanism of application of such withholding tax would, however, be governed by the implementing legislation of the relevant country to which the investors of the Notes shall refer to. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

On 10 April 2013, Luxembourg officially announced that it will no longer apply the withholding tax system as from 1 January 2015 and will provide details of payment of interest (or similar income) as from this date.

In addition, with effect from 1 July 2005, a number of non-EU countries, including Switzerland and certain dependent or associated territories of certain Member States, have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. The Member States have also entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by, such a person for an individual resident or certain limited types of entity established in one of those territories.

The EU Savings Directive has been implemented in the Republic of Italy by the Italian Legislative Decree no. 84 of 18 April 2005 (the "**Decree No. 84**"). Decree No. 84 is applied to interest payments by paying agents established in the Republic of Italy to beneficial owners who are individuals resident in a different EU Member State as well as in other jurisdictions that have adopted similar legislations. According to Article 1(1) of the Decree No. 84, the definition of paying agents includes, inter alia, banks, SGRs, fiduciary companies, financial intermediaries, and any economic operator that may be involved, commercially or professionally, in a payment of interest.

More specifically, according to Article 5 of Decree No. 84, paying agents shall provide the Italian tax authorities with the following information: identity and residence of the beneficial owner; name and address of the paying agent(s); account number of the beneficial owner; or, otherwise, information of the debt claim giving rise to the interest payment and amount of interest paid. For contractual relations entered into or transactions carried out in the absence of contractual relations on or after 1 January 2004, residence of the beneficial owner is ascertained on the basis of the address indicated in the passport (if any), in the official identity card or, if necessary, on the basis of any other evidence. Any beneficial owner holding an EU passport or identity card but resident for income tax purposes in a third country shall file a tax certificate issued by the State of residence. Any individual receiving an interest payment is deemed to be the beneficial owner unless he provides evidence that such payment was not received or secured for his own benefit.

Companies, similar entities subject to taxation on business profits, UCITs passported under Directive 85/611/EC and non-passported UCITs that have elected to be treated as if passported, are excluded from the application of Decree No. 84.

Mistakes, omissions and any other contravention may be fined under Decree No. 84 with sanctions from Euro 2,065 to euro 20,658.

Both payments of interest on the Notes or the realisation of the capitalised interest through a sale of the Notes would constitute "payments of interest" under Article 6 of the EU Savings Directive and, in relation to the Republic of Italy, Article 2 of Decree No. 84. Accordingly, such payment of interest in relation to the Notes would fall within the scope of the rules described in this section.

Please note that European Parliament and the Council of the European Union approved the Directive 2014/48/EU of 24 March 2014 according to which certain amendments to the EU Savings Directive shall be implemented by EU Member States within 1 January 2016.

Foreign Account Tax Compliance Act

On 18 March 2010 the United States of America enacted the Foreign Account Tax Compliance Act ("**FATCA**") which introduced a reporting and withholding regime that is applicable, under certain conditions, to foreign financial institutions, i.e. non-U.S. financial institutions, in connection with U.S. accountholders and investors. Such provisions impose detailed reporting requirements for foreign financial institutions. In particular, a foreign financial institution will be subject to 30 per cent U.S. withholding tax on certain payments unless it becomes a "participating foreign financial institution" by entering into an agreement with the Internal Revenue Service ("**IRS**") pursuant to which it will be required to report to the IRS the information required by the FATCA. This withholding tax applies on payments made after 31 December 2016. However, it does not apply to payments on financial instruments issued prior to January 2014 (or if later, the date that is 6 months after the date on which the final regulations that define "foreign pass-through payments" are published) unless the financial instruments are characterized as equity for U.S. federal income tax purposes. The FATCA rules may affect also a foreign entity that is not a foreign financial institution, but in this case a different procedure should be applied.

The IRS released several notices between 2010 and 2011 in order to provide guidelines for the application of such rules and, on 8 February 2012, the U.S. Treasury and the IRS released proposed regulations on the implementation of the FATCA. On 17 January 2013, the U.S. Treasury and the IRS released final regulations under the Foreign Account Tax Compliance Act (FATCA) provisions.

In this regard, on 8 February 2012, the Republic of Italy, together with France, Germany, Spain, United Kingdom and the United States released a joint statement regarding their intention to develop a common intergovernmental approach to FATCA, through the conclusion of bilateral agreements based on the Double Tax Treaties currently in force. Accordingly, on 26 July 2012, Governments of France, Germany, Italy, Spain and the United States released the "Model Intergovernmental Agreement to Improve Tax Compliance and to Implement FATCA", which establishes a framework for reporting by financial institutions of certain financial account information to their respective tax authorities, followed by automatic exchange of such information under existing Double Tax Treaties or tax information exchange agreements.

On 10 January 2014, the Republic of Italy and the United States signed an intergovernmental agreement to implement provisions of FATCA. The FATCA intergovernmental agreement ("IGA") allows for the automatic exchange of information between tax authorities and reflects an agreement negotiated between the United States and five European Union countries (France, Germany, Italy, Spain, and the United Kingdom). The automatic exchange of information under the IGA will take place on the basis of reciprocity. As of the date of this Prospectus, it is not completely clear how the provisions will affect the Notes and/or the parties of the Transaction Documents. FATCA is particularly complex and its application to the Issuer at this time is still subject to uncertainty. Prospective Noteholders should consult their own tax advisors to obtain a more detailed understanding of how they may be affected.

Financial transactions tax

Article 1, paragraphs from 491 to 500, of Italian Law 228 of 24 December 2012 ("**Law No. 228**"), introduced a tax on financial transactions, which is applicable to the transfer of the ownership of shares and other similar financial instruments and to certain derivative financial instruments. The financial transactions tax has been applied since 1 March 2013, with respect to shares and similar financial instruments, and since 1 September 2013, with respect to derivative financial instruments. The tax rates are 0.10 per cent (transactions executed on regulated markets) and 0.20 per cent (transactions not executed on regulated markets) with respect to transfer of the

ownership of shares and other similar financial instruments. As regards the derivative financial instruments, the tax depends on the notional value of the derivative and on the type of derivative.

On 21 February 2013, the Ministry of Economy and Finance issued a Decree in order to provide the implementing guidelines with respect to such tax. Such guidelines have been subsequently amended by the Decree the Ministry of Economy and Finance issued on 13 September 2013. Moreover, on 18 July 2013 the Revenue Agency issued the operating guidelines regarding the payment and the refund of the tax. Based upon the provisions currently in force, the Notes should not fall within the scope of such tax.

It is worth pointing out that on 14 February 2013 the European Commission adopted a proposal for a Council Directive implementing enhanced cooperation in the area of financial transactions tax.

Change of Law

The structure of the Securitisation and*, inter alia,* the issue of the Senior Notes and the ratings assigned to the Senior Notes are based on Italian law, tax and administrative practice in effect at the date hereof, and having due regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given that Italian law, tax or administrative practice will not change after the Issue Date or that such change will not adversely impact the structure of the transaction and the treatment of the Senior Notes.

Limited Secondary Market

There is not at present a very active and liquid secondary market for the Senior Notes. The Senior Notes will not be registered under the Securities Act and will be subject to significant restrictions on resale in the United States. Application has been made to list and to trade the Senior Notes on the official list of the Luxembourg Stock Exchange.

There can be no assurance that a secondary market for any of the Senior Notes will exist or that it will provide the holders of such Senior Notes with liquidity of investments or that it will continue until the final redemption or cancellation of such Senior Notes. Consequently, any purchaser of Senior Notes could not be able to sell to any third party such Notes and it should hold them until the final redemption or cancellation thereof.

In addition, prospective Senior Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date hereof), whereby there is a general reduction of liquidity in the secondary market for instruments similar to the Senior Notes. As a result of the current liquidity crisis, there exist significant additional risks to the Issuer and the investors which may affect the returns on the Senior Notes to investors.

There exist significant additional risks for the Issuer and investors as a result of the current challenging financial conditions.These risks include, among others, (i) the likelihood that the Issuer will find it harder to dispose of the Receivables in accordance with the Transaction Documents and (ii) the possibility that, on or after the Issue Date, the price at which assets can be sold by the Issuer will have deteriorated from their effective purchase price.

Limited nature of credit ratings

The credit ratings assigned to the Senior Notes reflect the relevant Rating Agencies' assessment only of the likelihood of timely payment of interest (pursuant to the Transaction Documents) and the ultimate repayment of principal on or before the Cancellation Date, not that such repayment of

principal will be paid when expected or scheduled. These ratings are based, among other things, on the Rating Agencies determination of the value of the Receivables and of the reliability of the payments on the Receivables.

Credit ratings are based on laws, regulations and practice, including as concerns tax matters, in effect at the date hereof and do not address the following:

(i) the likelihood of any repayment of principal other than on or before the Cancellation Date, such as the likelihood that the principal will be redeemed on the Senior Notes, as expected, on the scheduled redemption dates, whether in accordance with the Transaction Documents or not;

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

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

(iv) whether an investment in the Senior Notes is a suitable investment for a holder of the Senior Notes.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. The Class D Notes will not be assigned any credit rating. If any credit rating assigned to the Senior Notes is lowered or withdrawn, the market value of the relevant Notes may be adversely affected.

Agencies other than the Rating Agencies could seek to rate the Notes and, if such unsolicited ratings are lower than the comparable credit ratings assigned to the Senior Notes by the Rating Agencies, those shadow credit ratings could have an adverse effect on the value of the Notes.

Events affecting the credit rating of the Senior Notes

The credit ratings which will be assigned to the Senior Notes by Moody's and DBRS on the Issue Date will be based on a number of different factors including (without limitation) the credit quality of the Receivables, the transaction structure and documentation, certain events relating to the Servicer, the credit ratings of the Servicer, the Account Bank, the Principal Paying Agent and reflect the views of the Rating Agencies. Future events such as any deterioration of the Portfolio, the unavailability or the delay in the delivery of information, the failure by the Issuer and the Other Issuer Creditors to perform their respective obligations under the Transaction Documents and the revision, suspension or withdrawal of the credit rating of the unsecured, unsubordinated and unguaranteed debt obligations of third parties involved in the Securitisation could have an adverse impact on the credit ratings of the Senior Notes, which may be subject to revision or withdrawal at any time by the Rating Agencies.

In addition, in the event of downgrading of the rating of the unsecured, unsubordinated and unguaranteed debt obligations of third parties involved in the Securitisation, there is no guarantee that the Issuer will be in a position to secure a replacement for the relevant third party or there may be a significant delay in securing such a replacement and, consequently, the credit ratings of the Senior Notes may be affected.

Projections, forecasts and estimates

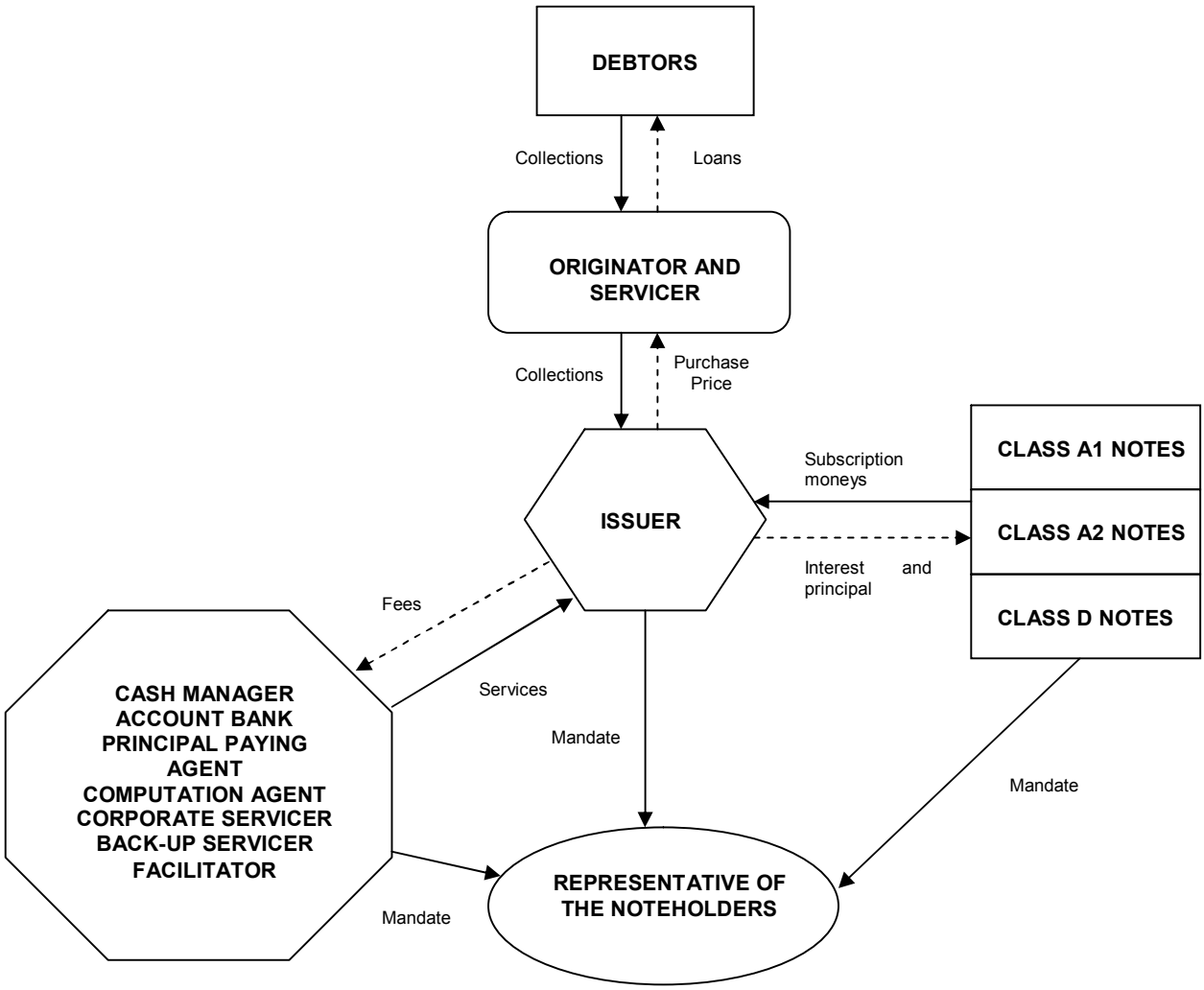
Forward-looking statements, including estimates, any other projections, forecasts and estimates in this Prospectus, are necessarily speculative and subjective in nature and some or all of the

assumptions underlying the projections may not materialise or may vary significantly from actual results.

Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements. Prospective Noteholders are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Prospectus and are based on assumptions that may prove to be inaccurate. No one undertakes any obligation to update or revise any forward-looking statements contained in this Prospectus to reflect events or circumstances occurring after the date of this Prospectus.

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

STRUCTURE DIAGRAM



TRANSACTION OVERVIEW

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 Prospectus and in the other Transaction Documents.

1. THE PRINCIPAL PARTIES

Issuer	Mars 2600. The issued quota capital of the Issuer is equal to €10,000 and is fully held by the Quotaholders. For further details, see the section entitled "*The Issuer*".
Originator	Banca Sella. For further details, see the section entitled "*The Originator*".
Servicer	Banca Sella. The Servicer will act as such pursuant to the Servicing Agreement.
Back-up Servicer Facilitator	Securitisation Services. The Back-up Servicer Facilitator will act as such pursuant to the Intercreditor Agreement.
Computation Agent	Securitisation Services. The Computation Agent will act as such pursuant to the Cash Allocation, Management and Payment Agreement.
Principal Paying Agent	BNP Paribas Securities Services, Milan Branch. The Principal Paying Agent will act as such pursuant to the Cash Allocation, Management and Payment Agreement.
Account Bank	BNP Paribas Securities Services, Milan Branch. The Account Bank will act as such pursuant to the Cash Allocation, Management and Payment Agreement.
Cash Manager	Banca Sella. The Cash Manager will act as such pursuant to the Cash Allocation, Management and Payment Agreement.
Representative of the Noteholders	Securitisation Services. The Representative of the Noteholders will act as such pursuant to the Subscription Agreements, the Intercreditor Agreement and the Mandate Agreement.
Corporate Servicer	Securitisation Services. The Corporate Servicer will act as such pursuant to the Corporate Services Agreement.
Arrangers	BNP Paribas.

	Finanziaria Internazionale.
Listing Agent	BNP Paribas Securities Services, Luxembourg Branch.
Joint Lead Managers	BNP Paribas, London Branch. Natixis
Class A2 Notes Subscriber and Class D Notes Subscriber	Banca Sella
Quotaholders	Banca Sella Holding and Stichting Mars 2615. For further details, see the section entitled "*The Issuer*".

As at the date of this Prospectus, there are no relationships of direct or indirect control or ownership among the parties listed above, except for the following: (i) Banca Sella Holding holds 92.44 per cent of the share capital of Banca Sella and (ii) Banca Sella Holding holds 10 per cent of the quota capital of the Issuer.

2. GENERAL DESCRIPTION OF THE NOTES

The Notes	The Notes will be issued by the Issuer on the Issue Date in the following classes:
The Senior Notes	€ 216,000,000 Class A1 Asset Backed Floating Rate Notes due October 2050; € 216,000,000 Class A2 Asset Backed Fixed Rate Notes due October 2050; and
The Class D Notes	€ 67,700,000 Class D Asset Backed Floating Rate Notes due October 2050.
Issue price	The Notes will be issued at the following percentages of their principal amount:

Class	*Issue Price*
Class A1	100 per cent
Class A2	100 per cent
Class D	100 per cent

Interest on the Senior Notes	The Class A1 Notes will bear interest on their Principal Amount Outstanding from (and including) the Issue Date at the rate per annum equal to EURIBOR, as determined in accordance with Condition 5 (*Interest*), for 3 month deposits (except in respect of the Initial Interest Period where EURIBOR for 3 month deposits will be substituted for the interpolated rate between 1 (one) month EURIBOR and 2 (two) month EURIBOR) plus a margin equal to

(i) 1.30 per cent per annum for the Initial Interest Period and each subsequent Interest Period up to (and including) the Step Up Date; and (ii) 2.60 per cent per annum from the Step Up Date (excluded) until redemption in full or cancellation of the Class A1 Notes, provided that no optional redemption has been exercised on the Step Up Date by the Issuer pursuant to Condition 6.3 (*Optional Redemption*) (the "**Relevant Margin**").

The Class A2 Notes will bear interest on their Principal Amount Outstanding equal to (i) 1.80 per cent per annum for the Initial Interest Period and each subsequent Interest Period up to (and including) the Step Up Date; and (ii) 3.10 per cent per annum from the Step Up Date (excluded) until redemption in full or cancellation of the Class A2 Notes, provided that no optional redemption has been exercised on the Step Up Date by the Issuer pursuant to Condition 6.3 (*Optional Redemption*) (the "**Class A2 Rate of Interest**").

Interest in respect of the Senior Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on each Payment Date in accordance with the relevant Priority of Payments. The first payment of interest in respect of the Senior Notes will be due on the Payment Date falling in July 2014 in respect of the period from (and including) the Issue Date to (but excluding) such Payment Date.

Interest and Premium on the Class D Notes

The Class D Notes will bear interest on their Principal Amount Outstanding from (and including) the Issue Date at the rate per annum equal to EURIBOR, as determined in accordance with Condition 5 (*Interest*), for 3 month deposits (except in respect of the Initial Interest Period where EURIBOR for 3 (three) month deposits will be substituted for the interpolated rate between 1 (one) month EURIBOR and 2 (two) month EURIBOR).

Interest in respect of the Class D Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on each Payment Date in accordance with the relevant Priority of Payments. The first payment of interest in respect of the Class D Notes will be due on the Payment Date falling in July 2014 in respect of the

period from (and including) the Issue Date to (but excluding) such Payment Date.

In addition, a Premium may or may not be payable on the Class D Notes in Euro on each Payment Date in accordance with the relevant Priority of Payments. The Premium on the Class D Notes will be equal to any Issuer Available Funds available after making all payments ranking in priority to the Premium and may be equal to 0 (zero).

Save for the rate of interest applicable on the Class D Notes and the Premium (if any) payable on the Class D Notes, the Class D Notes Conditions are substantially the same as the Senior Notes Conditions.

Form and Denominations

The denomination of the Senior Notes and the Class D Notes will be € 100,000. The Notes will be 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 have been 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 article 83-*bis* and following of the Consolidated Financial Act and the Resolution 22 February 2008. No physical document of title will be issued in respect of the Notes.

Ranking and subordination

In respect of the obligations of the Issuer to pay interest on the Notes, both prior to and following the delivery of a Trigger Notice, pursuant to the relevant Terms and Conditions:

(a) the Class A1 Notes and the Class A2 Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the repayment of principal on the Class A1 Notes and the Class A2 Notes, the payment of interest on the Class D Notes, the repayment of principal on the Class D Notes and the payment of the Premium (if any) on the Class D Notes; and

(b) the Class D Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the repayment of principal and the payment of the Premium (if any) on the Class D Notes, and subordinated

to the payment of interest and the repayment of principal on the Class A1 Notes and the Class A2 Notes.

In respect of the obligations of the Issuer to repay principal on the Notes, both prior to and following the delivery of a Trigger Notice, pursuant to the relevant Terms and Conditions:

(a) the Class A1 Notes and the Class A2 Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the payment of interest on the Class D Notes, the repayment of principal on the Class D Notes and the payment of the Premium (if any) on the Class D Notes, and subordinated to the payment of interest on the Class A1 Notes and the Class A2 Notes; and

(b) the Class D Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the payment of the Premium (if any) on the Class D Notes, and subordinated to the payment of interest and the repayment of principal on the Class A1 Notes and the Class A2 Notes and the payment of interest on the Class D Notes.

Limited recourse

The obligations of the Issuer towards each Noteholder (as well as towards each Other Issuer Creditor and any other creditor of the Issuer in respect of fees, costs and expenses allocated to the Securitisation pursuant to the Transaction Intercreditor Agreement) will be limited recourse obligations of the Issuer. In particular:

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

(b) sums payable to each Noteholder in respect of the Issuer's obligations to such Noteholder shall be limited to the lower of (i) the aggregate amount of all sums due and payable to such Noteholder, and (ii) the Issuer Available Funds, net of any sums which are payable by the Issuer in

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

(c) upon the Servicer having certified to the Representative of the Noteholders, and the Representative of the Noteholders having given notice in writing to the Noteholders, that there is no reasonable likelihood of there being any further realisations in respect of the Portfolio or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay any amount outstanding under the Notes, each Noteholder shall have no further claim against the Issuer in respect of any such outstanding amounts and any unpaid amounts shall be discharged in full.

Non petition

Only the Representative of the Noteholders may pursue the remedies available under the general law or under the Transaction Documents to obtain payment of the Obligations or enforce the Security, and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment of the Obligations or enforce the Security. In particular:

(a) no Noteholder (nor any person on its behalf) is entitled, otherwise than as 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;

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

(c) until the later of (i) the date falling one year and one day after the Final Maturity Date or, in case of early redemption in full or cancellation of the Notes in accordance with the relevant Terms and Conditions and to the extent article 65 of the Italian Bankruptcy Law applies, two years and one day after the date

of the early redemption in full or cancellation of the Notes; (ii) the date falling one year and one day after the final maturity date of the Previous Notes or, in case of early redemption in full or cancellation of the Previous Notes in accordance with the relevant terms and conditions of the Previous Notes and to the extent article 65 of the Italian Bankruptcy Law applies, two years and one day after the date of the early redemption in full or cancellation of thePrevious Notes; and (iii) the date falling one year and one day after the final maturity date of the notes issued by the Issuer in the context of any further securitisation transaction or, in case of early redemption in full or cancellation of such notes in accordance with the relevant terms and conditions of such notes and to the extent article 65 of the Italian Bankruptcy Law applies, two years and one day after the date of the early redemption in full or cancellation of such notes, 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 and only if the representatives of the noteholders of the October 2005 Transaction and the March 2012 Transaction, and any further securitisation transaction carried out by the Issuer have been so directed by the appropriate resolutions of their respective noteholders in accordance with the relevant transaction documents) is entitled to cause, initiate or join any person in initiating an Insolvency Event in relation to the Issuer; and

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

Withholding on the Notes

As at the date of this Prospectus, payments of interest under the Notes 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, neither the Issuer nor any other person shall have any obligation to pay any additional amount(s) to any holder of the Notes.

Mandatory Redemption

The Notes of each Class will be subject to mandatory redemption in full (or in part *pro rata*) on each Payment Date, in accordance with the provisions of the Terms and Conditions.

Optional Redemption

Unless previously redeemed in full, the Issuer may redeem the Senior Notes (in whole but not in part) and the Junior Notes (in whole or in part) at their Principal Amount Outstanding, together with interest accrued thereon up to the date fixed for redemption, on any Payment Date starting from the Payment Date falling in July 2022, provided that:

(a) no more than 60 (sixty) days and not less than 30 (thirty) days before such Payment Date, the Issuer has given written notice to the Representative of the Noteholders and the Noteholders in accordance with Condition 13 (*Notices*) of its intention to redeem the Notes;

(b) no Trigger Event has occurred on or prior to such Payment Date; and

(c) upon or prior to giving the notice referred to in paragraph (a) above, the Issuer has provided evidence satisfactory to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all of its outstanding liabilities in respect of the Senior Notes and any amount required to be paid under the applicable Priority of Payments in priority to or *pari passu* with the Senior Notes.

The Issuer may finance the early redemption of the Notes in accordance with Condition 6.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) through the sale of the Portfolio to the Originator. Under the Intercreditor Agreement, the Originator has been granted with an option to repurchase the Portfolio provided that no Trigger Notice has been served on the Issuer (for further details, see the section entitled "*Description of the Intercreditor Agreement*").

Redemption for Tax Reasons

If the Issuer or any other person would be required to deduct or withhold (other than in respect of a Decree 239 Deduction) from any payment of principal or interest on any Class of Notes (the "**Affected Class**

of Notes"), any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Italy or any political or administrative sub-division thereof or any authority thereof or therein, or amounts payable to the Issuer in respect of the Portfolio would be subject to withholding or deduction (the "**Tax Event**"), then the Issuer may redeem the Affected Class of Notes (in whole but not in part) at its Principal Amount Outstanding, together with interest accrued thereon up to the date fixed for redemption, on any Payment Date after the occurrence of the Tax Event, provided that:

(a) no more than 60 (sixty) days and not less than 30 (thirty) days before such Payment Date, the Issuer has given written notice to the Representative of the Noteholders and the Noteholders in accordance with Condition 13 (*Notices*) of its intention to redeem the Affected Class of Notes;

(b) no Trigger Event has occurred on or prior to such Payment Date;

(c) upon or prior to giving the notice referred to in paragraph (a) above, the Issuer has provided evidence satisfactory to the Representative of the Noteholders that (i) the occurrence of the Tax Event could not be avoided; and (ii) the Issuer will have the necessary funds (not subject to the interests of any person) to discharge all of its outstanding liabilities in respect of the Affected Class of Notes and any amount required to be paid under the applicable Priority of Payments in priority to or *pari passu* with the Affected Class of Notes.

Following the occurrence of a Tax Event, pursuant to the Intercreditor Agreement the Issuer may, or the Representative of the Noteholders shall, if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders, direct the Issuer to dispose of the Portfolio or any part thereof to finance the early redemption of the Affected Class of Notes in accordance with Condition 6.4 (*Redemption, Purchase and Cancellation - Redemption for tax reasons*). For further details, see the section entitled "*Description of the Intercreditor Agreement*".

Final Maturity Date	Unless previously redeemed in full or cancelled in accordance with the relevant Terms and Conditions, the Notes are due to be repaid in full at their respective Principal Amount Outstanding on the Payment Date falling in October 2050 (the "**Final Maturity Date**").
Cancellation Date	The Notes will be cancelled on the earlier of (i) the Final Maturity Date, (ii) the date on which the Notes have been early redeemed in full, and (iii) the date on which the Servicer has certified to the Representative of the Noteholders, and the Representative of the Noteholders has given notice to the Noteholders pursuant to Condition 13 (*Notices*) and to the Other Issuer Creditors pursuant to the Intercreditor Agreement on the basis of such certificate, that there is no reasonable likelihood of there being any further realisations in respect of the Portfolio or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay any amount outstanding under the Notes and the Transaction Documents (the "**Cancellation Date**"), at which date any amount outstanding, whether in respect of interest, principal or other amounts in respect of the Notes, shall be finally and definitively cancelled.
Source of Payments of the Notes	The principal source of payment of interest on the Notes and Premium (if any) on the Class D Notes, as well as of repayment of principal on the Notes, will be the Collections made in respect of the Receivables arising out of the Loan Agreements.
Estimated Weighted Average Life of the Senior Notes	Calculations as to the estimated weighted average life of the Senior Notes are based on various assumptions, relating also to unforeseeable circumstances. For further details, see the sections entitled "*Risk factors - Yield and Prepayment Considerations*" and "*Estimated Weighted Average Life of the Senior Notes*". **No assurance can be given that such assumptions and estimates will be accurate and, therefore, calculations as to the estimated weighted average life of the Senior Notes must be viewed with considerable caution.**

Segregation of the Portfolio

The Notes have the benefit of the provisions of article 3 of the Securitisation Law pursuant to which the Issuer's rights, title and interest in and to the Portfolio are segregated by operation of law from the Issuer's other assets. Both before and after a winding-up of the Issuer, amounts deriving from the Portfolio will be exclusively available for the purpose of satisfying the obligations of the Issuer to the Noteholders, the Other Issuer Creditors or to any other creditors of the Issuer in respect of any costs, fees and expenses allocated to the Securitisation pursuant to the Transactions Intercreditor Agreement. The Portfolio may not be seized or attached in any form by creditors of the Issuer other than the Noteholders, until full discharge by the Issuer of its payment obligations under the Notes or cancellation of the Notes. Pursuant to the terms of the Intercreditor Agreement and the Mandate Agreement, the Issuer has empowered the Representative of the Noteholders, following the delivery of a Trigger 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 the Transaction Documents taking such action in the name and on behalf of the Issuer as the Representative of the Noteholders may deem necessary to protect the interests of the Issuer, the Noteholders and the Other Issuer Creditors in respect of the Portfolio and the Issuer's Rights. Italian law governs the delegation of such power.

In addition, pursuant to the Deed of Pledge, security has been granted by the Issuer in favour of the Noteholders and the Other Issuer Creditors over (i) all monetary claims and rights and all the amounts (including payment for claims, indemnities, damages, penalties, credits and guarantees) to which the Issuer is entitled from time to time pursuant to the Transaction Documents; (ii) the credit balance of the Collection Account, the Payments Account and the Cash Reserve Account; and (iii) the Eligible Investments consisting of securities deposited from time to time into the Securities Account and all rights, title, interest and benefit to which the Issuer is entitled from time to time thereunder, as well as all monies, property and other rights which may from time to time be distributed or derived therefrom. For further details, see the section entitled "*Description of the Deed of Pledge*".

The Organisation of the Noteholders and the Representative of the Noteholders

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

Pursuant to the Rules of the Organisation of the Noteholders (attached as exhibit to the Terms and Conditions), for as long as any Note is outstanding, there shall at all times be a Representative of the Noteholders. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of the Noteholders, is made by the Noteholders subject to and in accordance with the Rules of the Organisation of the Noteholders, except for the initial Representative of the Noteholders appointed at the time of issue of the Notes, who has been appointed by the Joint Lead Managers in the Class A1 Notes Subscription Agreement, by the Class A2 Notes Subscriber in the Class A2 Notes Subscription Agreement and by the Class D Notes Subscriber in the Class D Notes Subscription Agreement. Each Noteholder is deemed to accept such appointment.

Listing and admission to trading

Application has been made to list the Senior Notes on the official list of the Luxembourg Stock Exchange and to trade the Senior Notes on the Regulated Market of the Luxembourg Stock Exchange. No application has been made to list the Class D Notes on any stock exchange. This Prospectus will be published on the website of the Luxembourg Stock Exchange: www.bourse.lu.

Rating

The Senior Notes are expected to be rated "A2 (sf)" by Moody's and "AA (sf)" by DBRS on the Issue Date.

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

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 CRA Regulation.

As of the date of this Prospectus, each of the Rating Agencies is established in the European Union and is

registered under the CRA Regulation, as it appears from the list published by European Securities and Markets Authority dated 21 May 2014.

Governing Law — The Notes will be governed by Italian law.

Purchase of the Notes — The Issuer may not purchase any Notes at any time.

3. ACCOUNTS

Collection Account — The Issuer has established with the Account Bank the Collection Account, into which the Collections made in respect of the Portfolio will be credited in accordance with the Servicing Agreement and the Cash Allocation, Management and Payment Agreement.

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

Payments Account — The Issuer has established with the Account Bank the Payments Account, into which (i) all amounts received by the Issuer under the Transaction Documents (other than the Collections, but including the proceeds deriving from the sale, if any, of the Portfolio or any part thereof and the repurchase, if any, of individual Receivables or pools of Receivables by the Originator pursuant to the Intercreditor Agreement) will be credited, and (iii) 2 (two) Business Days prior to each Payment Date, the amounts to be transferred from the Collection Account and the Cash Reserve Account will be credited.

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

Cash Reserve Account — The Issuer has established with the Account Bank the Cash Reserve Account, into which, on the Issue Date, the Cash Reserve Initial Amount will be credited.

On each Payment Date, the Cash Reserve Available Amount (if any) will be transferred into the Payments Account and applied, together with the other Issuer Available Funds, to make the payments due under the applicable Priority of Payments.

On each Payment Date prior to the delivery of a Trigger Notice up to (and excluding) the Payment Date on which the Senior Notes are redeemed in full or cancelled, the Issuer Available Funds will be credited, in accordance with the applicable Priority of Payments, to bring the balance of the Cash Reserve

Account up to (but not exceeding) the Required Cash Reserve Amount.

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

Securities Account

The Issuer has established with the Account Bank the Securities Account, into which all Eligible Investments consisting of securities purchased with the monies from time to time standing to the credit of the Collection Account and the Cash Reserve Account will be deposited.

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

Expense Account

The Issuer has established with Banca Monte Paschi di Siena S.p.A., Conegliano branch the Expense Account, into which, on the Issue Date, the Retention Amount and the Initial Expenses will be credited.

During each Interest Period, the Retention Amount will be used by the Issuer to pay the Expenses.

To the extent, on any Payment Date, the amount standing to the credit of the Expense Account is lower than the Retention Amount, the Issuer shall credit the Issuer Available Funds to the Expense Account to bring the balance of the Expense Account up to (but not exceeding) the Retention Amount, in accordance with the relevant Priority of Payments.

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

Quota Capital Account

The Issuer has established with Banca Monte dei Paschi di Siena S.p.A., Conegliano branch the Quota Capital Account, into which its contributed quota capital has been deposited.

4. CREDIT STRUCTURE

Issuer Available Funds

Issuer Available Funds means, in respect of any Payment Date, the aggregate of:

(a) all Collections received or recovered by the Servicer during the Quarterly Collection Period immediately preceding such Payment Date;

(b) all other amounts received or recovered by the Issuer in accordance with the terms of the Transfer Agreement, the Warranty and

Indemnity Agreement, the Servicing Agreement, the Intercreditor Agreement and any other Transaction Documents during the Quarterly Collection Period immediately preceding such Payment Date (including all amounts received from the sale, if any, of individual Receivables or pools of Receivables pursuant to the Intercreditor Agreement and any proceeds deriving from the enforcement of the Issuer's Rights);

(c) all amounts received from the sale, if any, of the Portfolio or any part thereof pursuant to the Intercreditor Agreement;

(d) all amounts of interest accrued and paid on the Collection Account, the Payments Account and the Cash Reserve Account during the Quarterly Collection Period immediately preceding such Payment Date;

(e) all amounts deriving from the Eligible Investments made pursuant to the Cash Allocation, Management and Payment Agreement due to be paid on the Eligible Investments Maturity Date immediately preceding such Payment Date;

(f) the Cash Reserve Available Amount (if any) relating to such Payment Date;

(g) the Issuer Available Funds relating to the immediately preceding Payment Date, to the extent not applied in full on that Payment Date due to the failure of the Computation Agent to receive the Quarterly Servicer's Report from the Servicer by the relevant Quarterly Servicer's Report Date in accordance with the Cash Allocation, Management and Payment Agreement or to any other reason; and

(h) any amounts (other than the amounts already allocated under other items of the Issuer Available Funds) received by the Issuer from any party to the Transaction Documents during the Quarterly Collection Period immediately preceding such Payment Date,

provided that, prior to the delivery of a Trigger Notice, if the Computation Agent does not receive the Quarterly Servicer's Report from the Servicer by the relevant Quarterly Servicer's Report Date, the Issuer

Available Funds in respect of the relevant Payment Date shall be limited to those necessary to make payments under items from *First* to *Fourth* (inclusive) of the applicable Priority of Payments.

Trigger Events

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

(i) *Non-payment:* The Issuer defaults in the payment of the amount of interest and/or principal due on the Most Senior Class of Notes and such default is not remedied within a period of 5 (five) Business Days from the due date thereof, provided that, if the Computation Agent does not receive the Quarterly Servicer's Report from the Servicer by the relevant Quarterly Servicer's Report Date, no principal amount will be due and payable on the Notes on the immediately following Payment Date in accordance with Condition 6.5 (*Redemption, Purchase and Cancellation - Notes Principal Payments, Redemption Amounts and Principal Amount Outstanding*); or

(ii) *Breach of other obligations:* The Issuer defaults in the performance or observance of any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party (other than any obligation specified in (i) above) which, in the Representative of the Noteholders' opinion, is materially prejudicial to the interests of the Noteholders, and such default remains unremedied for 30 (thirty) days after the Representative of the Noteholders having given written notice thereof to the Issuer requiring the same to be remedied (except where, in the sole opinion of the Representative of the Noteholders, such default is not capable of remedy in which case no term of 30 (thirty) days will be given); or

(iii) *Insolvency of the Issuer:* An Insolvency Event occurs in respect of the Issuer; or

(iv) *Unlawfulness*: It is or will become unlawful (in any respect deemed by the Representative of the Noteholders to be material) for the Issuer to perform or comply with any of its obligations

under or in respect of the Notes or any of the Transaction Documents to which it is a party,

then the Representative of the Noteholders:

(1) in the case of a Trigger Event under (i) or (iii) above, shall; and/or

(2) in the case of a Trigger Event under (ii) or (iv) above may or, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, shall,

give written notice (a "**Trigger Notice**") to the Issuer, with copy to the Servicer and the Computation Agent, following which all payments of principal, interest and other amounts due in respect of the Notes shall be made according to the order of priority set out in the Terms and Conditions and described under "*Priority of Payments following the delivery of a Trigger Notice*" below.

Priority of Payments prior to the delivery of a Trigger Notice

Prior to the delivery of a Trigger Notice, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full):

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 Expense Account have been insufficient to pay such costs during the immediately preceding Interest Period);

Second, to credit to the Expense Account such an amount as to bring the balance of the Expense Account up to (but not exceeding) the Retention Amount;

Third, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, (a) the remuneration due to the Representative of the Noteholders and any indemnity, proper costs and expenses incurred by the Representative of the Noteholders under the provisions of, or in connection with, any of the Transaction Documents; and (b) any amounts due and payable to the Account Bank, the Computation Agent, the Principal Paying Agent, the Cash Manager, the Corporate Servicer, the Back-up Servicer

Facilitator and the Servicer (including any amount to be paid to the Servicer as repayment of amounts erroneously transferred to the Issuer pursuant to the Servicing Agreement);

Fourth, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, the Interest Payment Amount due and payable on the Class A1 Notes and the Class A2 Notes;

Fifth, up to (and excluding) the Payment Date on which the Senior Notes are redeemed in full or cancelled, to credit to the Cash Reserve Account such an amount as to bring the balance of the Cash Reserve Account up to (but not exceeding) the Required Cash Reserve Amount;

Sixth, to repay, *pari passu* and *pro rata* according to the respective amounts thereof, the Principal Amount Outstanding of the Class A1 Notes and the Class A2 Notes;

Seventh, to pay any amounts due and payable to the Joint Lead Managers and the Class A2 Notes Subscriber under the Senior Notes Subscription Agreements;

Eighth, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any amounts due and payable to the Originator and the Class D Notes Subscriber under the Transaction Documents, to the extent not already paid or payable under other items of this Priority of Payments prior to the delivery of a Trigger Notice;

Nineth, to pay, *pari passu* and *pro rata*, the Interest Payment Amount due and payable on the Class D Notes;

Tenth, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class D Notes;

Eleventh, to pay, *pari passu* and *pro rata*, the Premium due and payable on the Class D Notes.

For the avoidance of doubt, the Issuer shall, if necessary, make the payments set out under items *First* also during each Interest Period.

Priority of Payments following the delivery of a Trigger Notice

Following the delivery of a Trigger Notice, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the

following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

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

Second, to credit to the Expense Account such an amount as to bring the balance of the Expense Account up to (but not exceeding) the Retention Amount;

Third, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, (a) the remuneration due to the Representative of the Noteholders and any indemnity, proper costs and expenses incurred by the Representative of the Noteholders under the provisions of, or in connection with, any of the Transaction Documents; and (b) any amounts due and payable to the Account Bank, the Computation Agent, the Principal Paying Agent, the Cash Manager, the Corporate Servicer, the Back-up Servicer Facilitator and the Servicer (including any amount to be paid to the Servicer as repayment of amounts erroneously transferred to the Issuer pursuant to the Servicing Agreement);

Fourth, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, the Interest Payment Amount due and payable on the Class A1 Notes and the Class A2 Notes;

Fifth, to repay, *pari passu* and *pro rata* according to the respective amounts thereof, the Principal Amount Outstanding of the Class A1 Notes and the Class A2 Notes;

Sixth, to pay any amounts due and payable to the Joint Lead Managers and the Class A2 Notes Subscriber under the Senior Notes Subscription Agreements;

Seventh, to pay, *pari passu* and *pro rata*, the Interest Payment Amount due and payable on the Class D Notes;

Eighth, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any amounts due and payable to the Originator and the Class D Notes Subscriber under the Transaction Documents, to the extent not already paid or payable under other items of this Priority of Payments following the delivery of a Trigger Notice;

Nineth, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class D Notes;

Tenth, to pay, *pari passu* and *pro rata*, the Premium due and payable on the Class D Notes.

5. TRANSFER AND ADMINISTRATION OF THE PORTFOLIO

Transfer of the Portfolio

Pursuant to the Transfer Agreement, the Originator assigned and transferred to the Issuer, without recourse (*pro soluto*), the Portfolio, in accordance with the Securitisation Law.

The Purchase Price in respect of the Portfolio will be payable by the Issuer on the Issue Date using the proceeds from the issue of the Notes.

For further details, see the sections entitled "*The Portfolio*" and "*Description of the Transfer Agreement*".

Warranties in relation to the Portfolio

Pursuant to the Warranty and Indemnity Agreement, the Originator has given certain representations and warranties in favour of the Issuer in relation to, *inter alia*, the Receivables, the Portfolio, the Loan Agreements, the Collateral Securities, the Real Estate Assets and the Debtors, and has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer incurred in connection with the purchase and ownership of the Portfolio.

For further details, see the section entitled *"Description of the Warranty and Indemnity Agreement"*.

Servicing Agreement

Pursuant to the Servicing Agreement, the Servicer has agreed to administer and service the Receivables on behalf of the Issuer and, in particular: (i) to collect

amounts due in respect thereof; (ii) to administer relationships with the Debtors; and (iii) to carry out, on behalf of the Issuer, certain activities in relation to the Receivables in accordance with the Servicing Agreement and the Credit and Collection Policies.

In particular, the Servicer will be the *"soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento"* and it will verify that the operations comply with the law and this Prospectus pursuant to article 2, paragraphs 3(c) and 6-bis, of the Securitisation Law.

In addition, the Servicer has undertaken to prepare and submit to the Issuer (i) on a monthly basis, the Monthly Servicer's Report, and (ii) on a quarterly basis, the Quarterly Servicer's Report, each in the form set out in the Servicing Agreement.

For further details see the section entitled *"Description of the Servicing Agreement"*.

6. OTHER TRANSACTION DOCUMENTS

Intercreditor Agreement

Pursuant to the Intercreditor Agreement, the Issuer and the Other Issuer Creditors have, *inter alia*, agreed to apply the Issuer Available Funds in accordance with the applicable Priority of Payments and set out the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to the Portfolio.

Furthermore, under the terms of the Intercreditor Agreement, the Issuer has appointed the Back-up Servicer Facilitator to cooperate with the Issuer to do its best effort in order to identify an entity to be appointed as substitute servicer in accordance with the Servicing Agreement and pursuant to the terms and conditions set forth thereunder.

For further details, see the section entitled *"Description of the Intercreditor Agreement"*.

Cash Allocation, Management and Payment Agreement

Pursuant to the Cash Allocation, Management and Payment Agreement, the Computation Agent, the Account Bank, the Principal Paying Agent and the Cash Manager have agreed to provide the Issuer with certain agency services and certain calculation, notification and reporting services, together with

account handling services, in relation to monies and securities from time to time standing to the credit of the Accounts.

For further details, see the section entitled *"Description of the Cash Allocation, Management and Payment Agreement"*.

Mandate Agreement

Pursuant to the Mandate Agreement, the Representative of the Noteholders will be entitled, subject to a Trigger Notice being served or following failure by the Issuer to exercise its rights under the Transaction Documents, to exercise, in the name and on behalf of the Issuer, all the Issuer's Rights arising out of the Transaction Documents.

For further details, see the section entitled "*Description of the Mandate Agreement*".

Quotaholders' Agreement

Pursuant to the Quotaholders' Agreement, the Quotaholders have set forth certain rules regarding the corporate governance and the management of the Issuer.

For further details, see the section entitled "*Description of the Quotaholders' Agreement* ".

Corporate Services Agreement

Pursuant to the Corporate Services Agreement, the Corporate Servicer has agreed to provide the Issuer with certain corporate administrative services.

For further details see the section entitled "*Description of the Corporate Services Agreement*".

Deed of Pledge

Pursuant to the Deed of Pledge, the Issuer has pledged, in favour of the Noteholders and the Other Issuer Creditors, (i) all monetary claims and rights and all the amounts (including payment for claims, indemnities, damages, penalties, credits and guarantees) to which the Issuer is entitled from time to time pursuant to the Transaction Documents; (ii) the credit balance of the Collection Account, the Payments Account and the Cash Reserve Account; and (iii) the Eligible Investments consisting of securities deposited from time to time into the Securities Account and all rights, title, interest and benefit to which the Issuer is entitled from time to time thereunder, as well as all monies, property and other rights which may from time to time be distributed or derived therefrom. Furthermore, under the Deed of Pledge the Issuer has undertaken to pledge, in favour of the Noteholders and the Other Issuer Creditors,

any Eligible Investment consisting of deposits, substantially on the same terms as those of the Deed of Pledge.

For further details see the section entitled "*Description of the Deed of Pledge*".

Transactions Intercreditor Agreement

Pursuant to the Transactions Intercreditor Agreement, the Issuer's Creditors, the March 2012 Issuer's Creditors and the October 2005 Issuer's Creditors have agreed, *inter alia*, to allocate among the Securitisation, the March 2012 Transaction and the October 2005 Transaction all fees, costs and expenses to be paid in connection with the activities carried out by the Corporate Servicer under the Corporate Services Agreement.

For further details see the section entitled "*Description of the Transactions Intercreditor Agreement*".

Master Definitions Agreement

Pursuant to the Master Definitions Agreement, the parties thereto have set out the definitions and principles of interpretation of the terms used in certain Transaction Documents.

THE PORTFOLIO

The Portfolio comprises debt obligations governed by Italian law and arising out of residential mortgage loans (*mutui ipotecari*) and *fondiario* mortgage loans (*mutui fondiari*) entered into with the Debtors (i) by Banca Sella or (ii) by Banca Sella Holding or Banca Sella Sud Arditi Galati and subsequently transferred to Banca Sella following a reorganisation of the Banca Sella Group (for further details on the reorganisation of the Banca Sella Group, see the section entitled "*The Originator, the Servicer and the Cash Manager*").

As at the Transfer Date, the Receivables were performing (*in bonis).* The information relating to the Portfolio contained in this Prospectus is, unless otherwise specified, a description of the Portfolio as at 31 March 2014, at 23:59 (Italian time) (the "**Valuation Date**").

The Loans

As at the Valuation Date, the Portfolio comprised debt obligations owed by 6,418 Debtors under 6,531 Loans. The Loan Agreements are governed by Italian Law.

The Receivables have been transferred to the Issuer pursuant to the terms of the Transfer Agreement, together with any ancillary rights of Banca Sella to guarantees or security interests and any related rights, which have been granted to Banca Sella to secure or ensure the payment and/or the recovery of any of the Receivables. The Purchase Price for the Portfolio is equal to the Outstanding Balance of the Portfolio (being, as at the Valuation Date, € 488,987,481.68).

The notice of the transfer of the Receivables has been published in the Official Gazette No. 41 on 17 April 2014. The transfer has been registered in the competent Companies' Register on 15 April 2014.

Eligibility Criteria for the Portfolio

Pursuant to the Transfer Agreement, Banca Sella has sold to the Issuer, and the Issuer has purchased from Banca Sella, the Receivables which, as at the Valuation Date, met the following criteria (the "**Criteria**"):

(a) they arise from residential mortgage loan agreements (*mutui ipotecari*) and *fondiario* mortgage loan agreements (*mutui fondiari*), whose purpose is the acquisition of title to, the construction of, or the refurbishment of residential real estate assets;

(b) they arise from loan agreements executed (i) after 15 July 1997 (excluded) and before 1 January 2006 (excluded), by Banca Sella Holding; (ii) starting from 1 January 2006 (included) until 22 October 2013 (included), by Banca Sella; and (iii) starting from 28 July 1998 (included) until 19 June 2013 (included), by Banca Sella Sud Arditi Galati;

(c) they do not have any due but unpaid instalments;

(d) they arise from loan agreements which provide for the final repayment on a date which falls not before 6 July 2014 (included) and not after 30 December 2043 (included);

(e) they arise from loan agreements with a "French amortisation" plan (i.e. loans with fixed instalments, made up of an amount of principal, that progressively increases, and an amount of interest, established at the execution date or, as the case may be, at the latest agreement on the amortisation plan, that decreases as repayments are made, calculated with a compound interest formula);

(f) if they arise from floating rate loans, the relevant loans have a margin higher than or equal to 0.70 per cent *per annum*;

(g) if they arise from floating rate loans, the relevant loans are indexed either to European Central Bank rate or to 1-month Euribor or 3-months Euribor or 6-months Euribor as provided for under the relevant loan agreement;

(h) the debtor has authorised the payment of the instalments through an automatic debit system on the account held by such debtor with Banca Sella or through RID (*Rapporto Interbancario Diretto*);

(i) the principal amount outstanding as at 31 March 2014 is equal to or higher than Euro 10,001.81 and not higher than Euro 543,827.88;

(j) they are secured by (i) a mortgage of first ranking; or (ii) a mortgage of a lower ranking in respect of which all the obligations secured by a mortgage/mortgages of a higher ranking have been fully discharged; or (iii) a mortgage over a real estate asset in respect of which a mortgage of a higher ranking has been already granted, if such mortgage of a higher ranking secures receivables *vis-à-vis* the same debtor which satisfy the Criteria;

(k) they are secured by a mortgage over one or more real estate assets located in the Republic of Italy with a prevailing residential purpose, the expression "prevailing residential purpose" meaning the case in which the aggregate value, calculated at the date of execution of the relative loan agreement, of the mortgaged real estate assets with a cadastral categories of "A1", "A2", "A3", "A4", "A5", "A6", "A7", "A8", "A9", "A11", is higher than the value of the other mortgaged real estate assets with other catastral categories;

(l) the original registered value of the mortgage is at least equal to 180 per cent of the loan amount granted;

(m) they have been fully drawn down and no further drawdowns shall be made by Banca Sella or they do not belong to the category of loans granted in relation to "working progress" (*stato avanzamento lavori*);

(n) Banca Sella is the sole lender;

(o) the pre-amortising period, if any, provided for under the relevant loan agreement has fully expired;

(p) they arise from loans which, at the time of the drawdown, were denominated in Euro and/or Italian Lira, and from the relevant loan agreements do not permit any exchange in a currency other than Euro;

(q) the debtor is an individual (*persona fisica*);

(r) the debtor has declared to be resident in Italy at the time of execution of the relevant loan agreement or by a subsequent notice to Banca Sella;

(s) the ratio between the amount drawn down under the relevant loan and the value of the mortgaged real estate asset (so-called "*loan to value*") does not exceed 85 per cent, it being understood that, should two or more Receivables relating to the same Debtor being secured by the same Real Estate Asset, the amount drawn down under the relevant loan has been calculated as the aggregate of the amounts drawn down;

(t) if they arise from fixed rate loans, the relevant loans have an interest rate which is equal to or higher than 4.00 per cent *per annum*;

(u) if they arise from floating rate loans having a cap to the floating rate, the relevant cap is equal to or higher than 5.30 per cent,

with express exclusion of:

(i) receivables arising from loan agreements which provide for the relevant debtor to postpone the final maturity date of the loan and to reschedule the due, but unpaid, instalments;

(ii) receivables arising from loan agreements whose contractual terms provide for the relevant debtor to amend the interest rate from fixed to floating or from floating to fixed;

(iii) receivables arising from loan agreements granted to current or former directors and/or employees and/or retired personnel of Banca Sella and/or of banks belonging to Banca Sella Group or from subsidised loan agreements granted to the employees and/or retired personnel of Banca Sella Group;

(iv) receivables arising from loan agreements executed pursuant to any law or regulation which provides for financial subsidies (*mutui agevolati*), public contributions of any nature, law reductions, maximum contractual limits for the interest rate and/or other provisions which grant financial aid or reductions to debtors, mortgagors or guarantors with regard to the repayment of principal and/or the payment of interest;

(v) receivables arising from loan agreements which have been renegotiated pursuant to article 3, paragraph 7, of Law Decree No. 93 of 27 May 2008, converted into Law No. 126 of 24 July 2008, as stated in the convention entered into on 19 June 2008 between the Ministry of Economics and Finance and the *Associazione Bancaria Italiana* (ABI);

(vi) receivables arising from loan agreements in respect of which, at the Valuation Date, a suspension of payment of loan instalments, either in their principal component or in their interests component, pursuant to contractual terms, provisions of law or conventions executed beatween the *Associazione Bancaria Italiana* (ABI) and the Consumers' Association is in force;

(vii) receivables arising from loan agreements in respect of which a request for renegotiation has been submitted in writing by the relevant client to Banca Sella but the relevant renegotiation procedure has not been completed by the Valuation Date.

For the avoidance of doubt, the Receivables which meet the above listed criteria and derive from previous securitisations unwound before the Valuation Date, are included in the Portfolio.

Notice of the transfer of the Receivables from the Originator to the Issuer has been (i) published in the Official Gazette No. 41 of 17 April 2014, and (ii) registered in the Companies' Register of Treviso on 15 April 2014.

Description of the Portfolio

The following tables set out details of the Portfolio deriving from information provided by Banca Sella as Originator and Servicer. The information in the following tables reflects the characteristics of the Portfolio as at the Valuation Date, unless otherwise specified.

Summary of the Portoflio (as at 31/March/2014)

Portfolio Statistics	Unit of measurement	Value
Number of Mortgage Loans	#	6,531
Number of Clients	#	6,418
Total Current Balance	€	488,987,482
Total Original Balance	€	673,942,925
Minimum Current Balance	€	10,009
Average Current Balance	€	74,872
Maximum Current Balance	€	544,256
Minimum Original Balance	€	15,000
Average Original Balance	€	103,191
Maximum Original Balance	€	1,103,000
WA CLTV (1)	%	45.6%
WA OLTV	%	57.3%
WA Seasoning	years	4.6
WA Initial Term	years	20.15
WA Remaining Term	years	15.50
WA Spread (floating rate loans)	%	2.08
WA Spread (floating rate loans with cap)	%	2.34
WA Interest Rate (fixed rate loans)	%	5.58
WA Cap Rate	%	6.25
Private Individual	%	100
First Lien	%	100
French Amortisation	%	100
Monthly Payment	%	95.6
Geo Distribution	%	
Northern Italy	%	63.2
Central Italy	%	17.6
Southern Italy	%	19.2

(1) LTV calculated as the ratio between loan amount and initial property valuation

BREAKDOWN BY CURRENT BALANCE

Amounts in Euro

Range (Euro)	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
0 - 25,000	904	13.84%	50,981,498.66	7.56%	56,395.46	15,851,593.66	3.24%	17,534.95
25,000 - 50,000	1,724	26.40%	112,049,277.52	16.63%	64,993.78	64,474,550.63	13.19%	37,398.23
50,000 - 75,000	1,376	21.07%	117,414,696.93	17.42%	85,330.45	85,473,948.11	17.48%	62,117.69
75,000 - 100,000	1,049	16.06%	115,332,517.09	17.11%	109,945.20	90,973,937.17	18.60%	86,724.44
100,000 - 125,000	550	8.42%	75,443,212.10	11.19%	137,169.48	61,703,711.59	12.62%	112,188.57
125,000 - 150,000	385	5.89%	60,890,238.97	9.03%	158,156.46	52,519,460.89	10.74%	136,414.18
150,000 - 250,000	424	6.49%	94,157,500.16	13.97%	222,069.58	78,761,453.90	16.11%	185,758.15
250,000 - 500,000	115	1.76%	44,626,984.02	6.62%	388,060.73	37,095,405.56	7.59%	322,568.74
500,000 - 750,000	4	0.06%	3,047,000.00	0.45%	761,750.00	2,133,420.17	0.44%	533,355.04
Total	**6,531**	**100.00%**	**673,942,925.45**	**100.00%**	**103,191.38**	**488,987,481.68**	**100.00%**	**74,871.76**

BREAKDOWN BY ORIGINAL AMOUNT

Amounts in Euro

Range (Euro)	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
0 - 25,000	21	0.32%	433,221.16	0.06%	20,629.58	365,183.55	0.07%	17,389.69
25,000 - 50,000	848	12.98%	32,502,880.19	4.82%	38,328.87	21,793,227.30	4.46%	25,699.56
50,000 - 75,000	1,622	24.84%	97,101,191.16	14.41%	59,865.10	66,768,064.57	13.65%	41,164.03
75,000 - 100,000	1,177	18.02%	98,625,910.33	14.63%	83,794.32	69,958,490.61	14.31%	59,437.97
100,000 - 125,000	1,200	18.37%	129,358,166.03	19.19%	107,798.47	94,187,312.52	19.26%	78,489.43
125,000 - 150,000	492	7.53%	65,817,975.55	9.77%	133,776.37	49,535,782.15	10.13%	100,682.48
150,000 - 250,000	903	13.83%	158,752,277.87	23.56%	175,805.40	119,747,944.57	24.49%	132,611.23
250,000 - 500,000	233	3.57%	70,817,703.16	10.51%	303,938.64	53,192,360.24	10.88%	228,293.39
500,000 - 1,500,000	35	0.54%	20,533,600.00	3.05%	586,674.29	13,439,116.17	2.75%	383,974.75
Total	**6,531**	**100.00%**	**673,942,925.45**	**100.00%**	**103,191.38**	**488,987,481.68**	**100.00%**	**74,871.76**

BREAKDOWN BY YEAR OF ORIGINATION

Amounts in Euro

Year	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
1997	2	0.04%	160,101.26	0.02%	80,050.63	42,694.46	0.01%	21,347.23
1998	4	0.05%	271,370.03	0.04%	67,842.51	67,902.49	0.01%	16,975.62
1999	17	0.22%	1,526,130.16	0.23%	89,772.36	415,224.32	0.08%	24,424.96
2000	75	1.19%	7,413,894.00	1.10%	98,851.92	1,697,066.56	0.35%	22,627.55
2001	82	1.24%	6,613,745.82	0.98%	80,655.44	1,991,869.29	0.41%	24,291.09
2002	106	1.51%	9,314,135.58	1.38%	87,869.20	3,637,331.70	0.74%	34,314.45
2003	330	4.81%	27,779,476.00	4.12%	84,180.23	12,752,997.33	2.61%	38,645.45
2004	261	4.09%	26,404,184.00	3.92%	101,165.46	13,924,855.14	2.85%	53,351.94
2005	415	6.32%	44,667,087.68	6.63%	107,631.54	24,603,273.25	5.03%	59,285.00
2006	669	10.04%	72,263,378.64	10.72%	108,017.01	43,737,775.80	8.94%	65,377.84
2007	682	10.59%	71,510,652.83	10.61%	104,854.33	48,623,200.75	9.94%	71,295.02
2008	887	13.67%	95,792,423.12	14.21%	107,995.97	68,032,390.50	13.91%	76,699.43
2009	291	4.39%	33,588,484.56	4.98%	115,424.35	24,839,505.37	5.08%	85,359.12
2010	321	4.75%	39,366,545.52	5.84%	122,637.21	30,705,022.75	6.28%	95,654.28
2011	677	10.58%	72,289,817.67	10.73%	106,779.64	62,483,314.23	12.78%	92,294.41
2012	835	13.12%	80,198,127.50	11.90%	96,045.66	71,462,273.80	14.61%	85,583.56
2013	877	13.39%	84,783,371.08	12.58%	96,674.31	79,970,783.94	16.35%	91,186.75
Total	**6,531**	**100.00%**	**673,942,925.45**	**100.00%**	**103,191.38**	**488,987,481.68**	**100.00%**	**74,871.76**

BREAKDOWN BY ORIGINAL TERM

Amounts in Euro

Range (Years)	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
0 - 6	32	0.49%	2,178,462.81	0.32%	68,076.96	972,288.34	0.20%	30,384.01
6 - 8	61	0.93%	5,541,811.58	0.82%	90,849.37	2,689,187.11	0.55%	44,085.03
8 - 10	107	1.64%	8,544,538.35	1.27%	79,855.50	3,609,934.28	0.74%	33,737.70
10 - 12	901	13.80%	69,574,113.74	10.32%	77,218.77	39,970,156.29	8.17%	44,361.99
12 - 14	202	3.09%	18,840,703.17	2.80%	93,270.81	9,958,574.02	2.04%	49,299.87
14 - 16	1,699	26.01%	142,563,191.98	21.15%	83,910.06	87,761,555.69	17.95%	51,654.83
16 - 18	164	2.51%	16,417,347.16	2.44%	100,105.78	10,065,013.72	2.06%	61,372.03
18 - 20	242	3.71%	26,586,279.31	3.94%	109,860.66	17,628,645.77	3.61%	72,845.64
20 - 22	1,583	24.24%	176,366,619.01	26.17%	111,412.90	139,782,424.12	28.59%	88,302.23
22 - 24	94	1.44%	11,934,300.10	1.77%	126,960.64	8,591,960.25	1.76%	91,403.83
24 - 26	952	14.58%	126,082,698.53	18.71%	132,439.81	106,851,749.84	21.85%	112,239.23
26 - 28	82	1.26%	9,859,918.11	1.46%	120,242.90	8,213,389.40	1.68%	100,163.29
28 - 30	60	0.92%	7,712,659.37	1.14%	128,544.32	6,258,656.29	1.28%	104,310.94
30 - 32	327	5.01%	47,800,868.57	7.09%	146,180.03	43,221,930.71	8.84%	132,177.16
32 - 34	20	0.31%	3,359,413.66	0.50%	167,970.68	2,929,465.94	0.60%	146,473.30
34 - 37	5	0.08%	580,000.00	0.09%	116,000.00	482,549.91	0.10%	96,509.98
Total	**6,531**	**100.00%**	**673,942,925.45**	**100.00%**	**103,191.38**	**488,987,481.68**	**100.00%**	**74,871.76**

BREAKDOWN BY RESIDUAL TERM

Amounts in Euro

Range (Years)	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
0 - 6	1,148	17.58%	94,839,918.69	14.07%	82,613.17	32,347,994.63	6.62%	28,177.70
6 - 8	593	9.08%	49,758,007.81	7.38%	83,908.95	27,098,582.33	5.54%	45,697.44
8 - 10	811	12.42%	67,718,915.61	10.05%	83,500.51	46,728,680.36	9.56%	57,618.59
10 - 12	439	6.72%	45,623,611.99	6.77%	103,926.22	30,142,267.32	6.16%	68,661.20
12 - 14	685	10.49%	67,583,855.87	10.03%	98,662.56	51,137,251.10	10.46%	74,652.92
14 - 16	596	9.13%	61,112,107.09	9.07%	102,537.09	48,867,498.77	9.99%	81,992.45
16 - 18	464	7.10%	57,374,707.11	8.51%	123,652.39	46,208,763.22	9.45%	99,587.85
18 - 20	850	13.01%	100,011,628.25	14.84%	117,660.74	88,139,394.64	18.02%	103,693.41
20 - 22	163	2.50%	22,463,866.77	3.33%	137,815.13	18,924,435.22	3.87%	116,100.83
22 - 24	268	4.10%	36,842,232.99	5.47%	137,471.02	33,401,597.78	6.83%	124,632.83
24 - 26	335	5.13%	44,107,977.23	6.54%	131,665.60	40,905,336.71	8.37%	122,105.48
26 - 28	102	1.56%	14,436,786.53	2.14%	141,537.12	13,374,483.50	2.74%	131,122.39
28 - 30	75	1.15%	11,750,309.51	1.74%	156,670.79	11,391,295.04	2.33%	151,883.93
30 - 32	2	0.03%	319,000.00	0.05%	159,500.00	319,901.06	0.07%	159,950.53
Total	**6,531**	**100.00%**	**673,942,925.45**	**100.00%**	**103,191.38**	**488,987,481.68**	**100.00%**	**74,871.76**

BREAKDOWN BY SEASONING

Amounts in Euro

Range (Years)	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
0 - 6	3,153	48.28%	325,856,850.41	48.35%	103,348.19	280,760,374.90	57.42%	89,045.47
6 - 8	1,579	24.18%	170,853,098.87	25.35%	108,203.36	116,879,432.04	23.90%	74,021.17
8 - 10	966	14.79%	102,270,299.32	15.17%	105,869.88	59,291,464.19	12.13%	61,378.33
10 - 12	594	9.10%	53,910,260.23	8.00%	90,758.01	26,030,343.82	5.32%	43,822.13
12 - 14	168	2.57%	13,804,591.80	2.05%	82,170.19	4,321,548.25	0.88%	25,723.50
14 - 16	66	1.01%	6,878,042.09	1.02%	104,212.76	1,619,291.12	0.33%	24,534.71
16 - 18	5	0.08%	369,782.73	0.05%	73,956.55	85,027.36	0.02%	17,005.47
Total	**6,531**	**100.00%**	**673,942,925.45**	**100.00%**	**103,191.38**	**488,987,481.68**	**100.00%**	**74,871.76**

BREAKDOWN BY ORIGINAL LTV

Amounts in Euro

Range (%)	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
0 - 10	38	0.58%	1,881,225.20	0.28%	49,505.93	1,332,478.64	0.27%	35,065.23
10 - 20	316	4.84%	20,581,985.45	3.05%	65,132.87	14,180,320.08	2.90%	44,874.43
20 - 30	649	9.94%	47,156,964.33	7.00%	72,660.96	32,632,649.31	6.67%	50,281.43
30 - 40	810	12.40%	71,130,014.52	10.55%	87,814.83	49,604,755.46	10.14%	61,240.44
40 - 50	943	14.44%	91,084,592.62	13.52%	96,590.24	65,759,710.71	13.45%	69,734.58
50 - 60	971	14.87%	101,912,168.67	15.12%	104,955.89	74,603,930.07	15.26%	76,832.06
60 - 70	1,191	18.24%	140,130,426.60	20.79%	117,657.79	106,681,464.86	21.82%	89,573.02
70 - 80	1,188	18.19%	144,888,949.51	21.50%	121,960.40	105,264,489.05	21.53%	88,606.47
80 - 90	425	6.51%	55,176,598.55	8.19%	129,827.29	38,927,683.50	7.96%	91,594.55
Total	**6,531**	**100.00%**	**673,942,925.45**	**100.00%**	**103,191.38**	**488,987,481.68**	**100.00%**	**74,871.76**

BREAKDOWN BY CURRENT LTV

Amounts in Euro

Range (%)	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
0 - 10	385	5.89%	30,810,219.94	4.57%	80,026.55	9,061,187.67	1.85%	23,535.55
10 - 20	1,076	16.48%	82,928,673.08	12.30%	77,071.26	40,491,704.17	8.28%	37,631.70
20 - 30	1,073	16.43%	96,533,377.75	14.32%	89,965.87	60,355,623.75	12.34%	56,249.42
30 - 40	1,019	15.60%	104,827,547.78	15.55%	102,872.96	75,328,391.51	15.40%	73,923.84
40 - 50	936	14.33%	103,833,641.71	15.41%	110,933.38	80,896,577.56	16.54%	86,427.97
50 - 60	950	14.55%	117,075,853.28	17.37%	123,237.74	97,709,766.84	19.98%	102,852.39
60 - 70	815	12.48%	99,315,553.52	14.74%	121,859.57	88,867,416.40	18.17%	109,039.77
70 - 80	269	4.12%	37,792,677.06	5.61%	140,493.22	35,471,677.93	7.25%	131,864.97
80 - 85	8	0.12%	825,381.33	0.12%	103,172.67	805,135.85	0.16%	100,641.98
Total	**6,531**	**100.00%**	**673,942,925.45**	**100.00%**	**103,191.38**	**488,987,481.68**	**100.00%**	**74,871.76**

BREAKDOWN BY INTEREST RATE TYPE

Amounts in Euro

Interest Rate Type	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
Fix	2,461	37.89%	216,391,686.70	32.11%	87,928.36	159,507,838.48	32.62%	64,814.24
Floating	2,782	42.46%	323,977,431.85	48.07%	116,454.86	229,142,386.07	46.86%	82,366.06
Floating with Cap	1,288	19.65%	133,573,806.90	19.82%	103,706.37	100,337,257.13	20.52%	77,901.60
Total	**6,531**	**100.00%**	**673,942,925.45**	**100.00%**	**103,191.38**	**488,987,481.68**	**100.00%**	**74,871.76**

BREAKDOWN BY CLASS OF SPREAD (FLOATING RATE LOANS)

Amounts in Euro

Range (%)	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
0.5 - 1	395	14.20%	53,405,969.99	16.48%	135,204.99	30,716,235.58	13.40%	77,762.62
1 - 1.5	770	27.68%	88,556,448.01	27.33%	115,008.37	50,625,675.42	22.09%	65,747.63
1.5 - 2	606	21.78%	68,842,958.44	21.25%	113,602.24	46,755,419.19	20.40%	77,154.16
2 - 2.5	128	4.60%	15,997,226.89	4.94%	124,978.34	12,848,588.48	5.61%	100,379.60
2.5 - 3	302	10.86%	35,556,278.50	10.97%	117,736.02	32,085,836.14	14.00%	106,244.49
3 - 3.5	242	8.70%	29,296,442.67	9.04%	121,059.68	26,549,830.89	11.59%	109,710.05
3.5 - 4	176	6.33%	17,176,107.81	5.30%	97,591.52	15,745,834.69	6.87%	89,464.97
4 - 4.5	161	5.79%	14,984,024.74	4.63%	93,068.48	13,713,407.04	5.98%	85,176.44
4.5 - 5	2	0.07%	161,974.80	0.05%	80,987.40	101,558.64	0.04%	50,779.32
Total	**2,782**	**100.00%**	**323,977,431.85**	**100.00%**	**116,454.86**	**229,142,386.07**	**100.00%**	**82,366.06**

BREAKDOWN BY CLASS OF SPREAD ((FLOATING RATE LOANS WITH CAP)

Amounts in Euro

Range (%)	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
0.5 - 1	12	0.93%	1,531,620.00	1.15%	127,635.00	796,259.17	0.79%	66,354.93
1 - 1.5	56	4.35%	5,590,225.10	4.19%	99,825.45	2,980,981.26	2.97%	53,231.81
1.5 - 2	420	32.61%	41,151,342.22	30.81%	97,979.39	25,787,996.20	25.70%	61,399.99
2 - 2.5	534	41.46%	57,880,469.02	43.33%	108,390.39	46,070,383.96	45.92%	86,274.13
2.5 - 3	110	8.54%	11,967,056.27	8.96%	108,791.42	10,424,081.38	10.39%	94,764.38
3 - 3.5	31	2.41%	3,568,138.65	2.67%	115,101.25	3,257,880.69	3.25%	105,092.93
3.5 - 4	27	2.10%	2,546,135.32	1.91%	94,301.31	2,347,205.96	2.34%	86,933.55
4 - 4.5	57	4.43%	5,668,029.32	4.24%	99,439.11	5,256,397.49	5.24%	92,217.50
4.5 - 5	41	3.18%	3,670,791.00	2.75%	89,531.49	3,416,071.02	3.40%	83,318.81
Total	**1,288**	**100.00%**	**133,573,806.90**	**100.00%**	**103,706.37**	**100,337,257.13**	**100.00%**	**77,901.60**

BREAKDOWN BY CLASS OF RATE (FIXED RATE LOANS)

Amounts in Euro

Range (%)	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
0 - 4.5	41	1.67%	4,189,719.08	1.94%	102,188.27	2,857,548.41	1.79%	69,696.30
4.5 - 5	277	11.26%	23,241,165.67	10.74%	83,903.13	14,761,037.29	9.25%	53,288.94
5 - 5.5	757	30.76%	63,622,877.24	29.40%	84,046.07	42,451,474.94	26.61%	56,078.57
5.5 - 6	986	40.07%	91,511,897.80	42.29%	92,811.26	71,074,330.71	44.56%	72,083.50
6 - 6.5	342	13.90%	29,229,175.17	13.51%	85,465.42	24,835,870.71	15.57%	72,619.51
6.5 - 7	53	2.15%	4,160,525.65	1.92%	78,500.48	3,208,975.06	2.01%	60,546.70
7 - 7.5	5	0.20%	436,326.09	0.20%	87,265.22	318,601.36	0.20%	63,720.27
Total	**2,461**	**100.00%**	**216,391,686.70**	**100.00%**	**87,928.36**	**159,507,838.48**	**100.00%**	**64,814.24**

BREAKDOWN BY CLASS OF CAP (FLOATING RATE LOANS WITH CAP)

Amounts in Euro

Range (%)	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
5 - 5.5	7	0.54%	863,000.00	0.65%	123,285.71	733,336.38	0.73%	104,762.34
5.5 - 6	461	35.79%	49,005,997.09	36.69%	106,303.68	36,692,651.91	36.57%	79,593.61
6 - 6.5	439	34.08%	45,157,938.76	33.81%	102,865.46	32,353,298.94	32.24%	73,697.72
6.5 - 7	194	15.06%	21,342,667.87	15.98%	110,013.75	16,980,486.59	16.92%	87,528.28
7 - 7.5	44	3.42%	4,046,527.99	3.03%	91,966.55	3,120,656.02	3.11%	70,924.00
7.5 - 8	60	4.66%	5,683,303.18	4.25%	94,721.72	4,771,743.76	4.76%	79,529.06
8 - 8.5	83	6.44%	7,474,372.01	5.60%	90,052.67	5,685,083.53	5.67%	68,494.98
Total	**1,288**	**100.00%**	**133,573,806.90**	**100.00%**	**103,706.37**	**100,337,257.13**	**100.00%**	**77,901.60**

BREAKDOWN BY PAYMENT FREQUENCY

Amounts in Euro

Payment Frequency	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
Monthly	6,096	93.69%	628,080,179.40	93.19%	103,031.53	467,403,607.40	95.59%	76,673.82
Quarterly	44	0.62%	5,988,413.67	0.89%	136,100.31	3,405,731.92	0.70%	77,403.00
Semi-annual	391	5.69%	39,874,332.38	5.92%	101,980.39	18,178,142.36	3.72%	46,491.41
Total	**6,531**	**100.00%**	**673,942,925.45**	**100.00%**	**103,191.38**	**488,987,481.68**	**100.00%**	**74,871.76**

BREAKDOWN BY GEOGRAPHIC AREA

Amounts in Euro

Macro-region	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
Northern Italy	4,544	69.40%	446,395,601.60	66.24%	98,238.47	309,134,832.31	63.22%	68,031.43
Central Italy	837	13.12%	110,620,139.78	16.41%	132,162.65	85,897,475.81	17.57%	102,625.42
Southern Italy	1,150	17.47%	116,927,184.07	17.35%	101,675.81	93,955,173.56	19.21%	81,700.15
Total	**6,531**	**100.00%**	**673,942,925.45**	**100.00%**	**103,191.38**	**488,987,481.68**	**100.00%**	**74,871.76**

BREAKDOWN BY REGION

Amounts in Euro

Region	Number of Mortgage Loans	%	Original Loan Amount	%	Average Size	Current Balance	%	Average Size
ABRUZZO	34	0.49%	3,356,619.00	0.50%	98,724.09	2,653,567.77	0.54%	78,046.11
CALABRIA	9	0.15%	938,574.83	0.14%	104,286.09	803,136.32	0.16%	89,237.37
CAMPANIA	157	2.35%	17,100,291.58	2.54%	108,919.05	14,789,992.98	3.02%	94,203.78
EMILIA-ROMAGNA	299	4.64%	37,742,992.31	5.60%	126,230.74	27,413,255.19	5.61%	91,683.13
FRIULI-VENEZIA GIULIA	2	0.01%	232,000.00	0.03%	116,000.00	189,792.95	0.04%	94,896.48
LAZIO	350	5.59%	48,962,327.86	7.27%	139,892.37	35,163,341.09	7.19%	100,466.69
LIGURIA	177	2.62%	19,997,820.97	2.97%	112,982.04	14,180,129.62	2.90%	80,113.73
LOMBARDIA	441	6.69%	54,549,842.45	8.09%	123,695.79	37,509,851.84	7.67%	85,056.35
MARCHE	88	1.33%	10,714,333.22	1.59%	121,753.79	8,789,822.60	1.80%	99,884.35
MOLISE	7	0.14%	563,427.00	0.08%	80,489.57	541,538.27	0.11%	77,362.61
PIEMONTE	3,465	52.93%	317,275,811.14	47.08%	91,565.89	218,396,993.86	44.66%	63,029.44
PUGLIA	502	7.87%	48,229,670.13	7.16%	96,075.04	38,738,599.99	7.92%	77,168.53
SARDEGNA	74	1.16%	7,566,003.53	1.12%	102,243.29	5,870,765.33	1.20%	79,334.67
SICILIA	408	5.95%	43,092,644.00	6.39%	105,619.23	33,752,678.94	6.90%	82,727.15
TOSCANA	354	5.53%	46,754,587.70	6.94%	132,075.11	38,583,148.34	7.89%	108,991.94
UMBRIA	4	0.04%	268,845.00	0.04%	67,211.25	166,057.74	0.03%	41,514.44
VALLE D'AOSTA	138	2.19%	14,306,444.73	2.12%	103,669.89	9,737,186.00	1.99%	70,559.32
VENETO	22	0.32%	2,290,690.00	0.34%	104,122.27	1,707,622.85	0.35%	77,619.22
Total	**6,531**	**100.00%**	**673,942,925.45**	**100.00%**	**103,191.38**	**488,987,481.68**	**100.00%**	**74,871.76**

THE ORIGINATOR, THE SERVICER, THE CASH MANAGER AND THE CLASS A2 NOTES SUBSCRIBER

Historical Background

Banca Sella S.p.A. ("**Banca Sella**" or the "**Originator**") derives from a banking institution founded, as a limited partnership under the name "Banca Gaudenzio Sella & C", in 1886 by some members of the Sella family. In 1949, "Banca Gaudenzio Sella & C" was transformed into a joint stock company and in 1965 changed its name to "Banca Sella S.p.A.". With effect from 1 January 2006, "Banca Sella S.p.A." changed its name into "Sella Holding Banca S.p.A." and transferred its Italian branch network, as well as its asset management and private banking activities, into a newly constituted bank, Banca Sella. With effect from 31 March 2008, Sella Holding Banca changed its name to "Banca Sella Holding S.p.A.".

Banca Sella is controlled by Banca Sella Holding S.p.A. ("**Banca Sella Holding**"), which directly holds 94.80 per cent of the ordinary shares of Banca Sella. Banca Sella Holding is the holding company of Banca Sella Group (which was established in 1992 and is regularly enrolled in the public register of Italian Banking Groups); its share capital is owned by the Sella family. Specific clauses in the Bank articles of association ("*Statuto*") protect Banca Sella Holding from hostile takeovers.

On 30 May 2011, (i) Banca Sella Sud Arditi Galati (a commercial bank part of the Group active, through 67 branches, in the Southern Italy regions of Puglia, Campania, Molise and Sicily) and Sella Servizi Bancari S.C.P.A. (a consortium company operating since 1 April 2009 to whom Group companies outsourced a large number of services, such as services supporting the management of the Group, business an commercial support services, administration services, control services and computer services) were merged into Banca Sella, and (ii) Banca Sella acquired from Banca Sella Holding the Electronic and Traditional Payments Systems, Customer Desk and Customers business units.

On 1 October 2011 Banca Sella Nord Est Bovio Calderari (a commercial bank part of the Group active through 41 branches in the North Eastern Italy regions of Veneto and Trentino Alto Adige) was merged into Banca Sella. On 10 June 2013 Banca Sella sold 27 of those branches to Cassa di Risparmio di Bolzano S.p.A..

Organisational Structure of Banca Sella

As at the date of this Prospectus, Banca Sella countes 293 branches located in 16 Italian regions. Historically, the Banca Sella branch network established its branches in the Piedmont region but, subsequently, it enlarged its operations in other important financial centers.

Banca Sella has its registered office at Piazza Gaudenzio Sella, 1, 13900 Biella, Italy.

Management

As at the date of this Prospectus, the Board of Directors of Banca Sella is composed of the following members:

Name	Position
Sella Maurizio	Chairman
Sella Franco	Vice Chairman
Valz Gen Donato	Managing Director and General Manager
Galati Elisabetta	Director
Gargiulo Luigi	Director
Parente Ferdinando	Director
Santini Carlo	Director
Sella Pietro	Director
Sella Sebastiano	Director
Terragnolo Silvana	Director
Tosolini Paolo	Director
Vicari Andrea	Director
Viola Attilio	Director

The Board of Directors is vested with powers for ordinary and extraordinary administration of Banca Sella except those which are expressly reserved to the exclusive authority of the shareholders by Italian law or by the article of association of Banca Sella.

Statutory Auditors

The Board of Statutory Auditors (*Collegio Sindacale*) controls the compliance of transactions with the Articles of Associations and the regulations and the decisions of the Board of Directors.

As at the date of this Prospectus, the Board of Statutory Auditors is composed of the following members:

Name	Position
Piccatti Paolo	Chairman
Foglia Taverna Riccardo	Auditor
Rizzo Vincenzo	Auditor
Frè Daniele	Supplementary auditor
Rayneri Michela	Supplementary auditor

Rating

Banca Sella has no rating but, as at the date of this Prospectus, the parent company Banca Sella Holding (which directly holds 92.44 per cent. of the ordinary shares of Banca Sella) is rated by Moody's as follows:

Long Term Bank Deposits:	Ba1
Short Term Bank Deposits:	NP
Bank Financial Strength:	D

Share Capital

As at 31 December 2013 the authorised and paid-in share capital of Banca Sella was equal to Euro 281,596,505, divided into 596,193,010 ordinary shares whose nominal value is Euro 0,50 each.

Main activities of Banca Sella

Banca Sella is a typical medium sized commercial bank whose activity is focused on financial services for individual and corporate customers.

Banca Sella offers short-term, medium-term and long-term loans. Corporate lending activity is directed towards small and medium sized companies, mostly active on a regional or local basis.

As at 31 December 2013, the current account financing amounted to Euro 1,062.7 millions, being 10.5 per cent of the total assets and 14.8 per cent of the total loans to customers in the balance sheet of the Bank.

Total loans to customers by technical forms as at 31 December 2013
(euro thousand)

		%
Current accounts	1,062,735	14.8
Repurchase agreements	-	-
Mortgages	3,819,418	53.0
Credit cards, personal loans and loans agreements by salary	309,841	4.3
Financial leasing	-	-
Factoring	-	-
Other transactions	2,008,344	27.9
Debt securities	212	-
Total	**7,200,550**	**100.0**

In relation to funding Banca Sella benefits from an historically large and stable customer base through its branch network. Banca Sella funds its loan book mainly through retail funds, customer deposit and bonds.

Direct deposits from customers as at 31 December 2013
(euro thousand)

			%
Current accounts and demand deposits		6,454,612	72.0
Time deposits		987,357	11.0
Outstanding securities		1,113,782	12.4
Loans		274,751	3.1
Other payables		133,696	1,5
Total		**8,964,198**	**100,0**

Financial Information of Banca Sella

(euro thousand)	**31/12/2013**	**31/12/2012**
BALANCE SHEET		
Total assets	10,088.2	9,919.8
Loans to customers	7,200.5	7,495.4
Guarantess given	269.7	322.4
Financial assets	1,261.7	872.3
Tangible and intangible fixed assets	76.0	79.7
Direct deposits from customers	8,964.2	8,994.4
Indirect deposits from customers	11,221.4	11,347.1

Total deposits	20,185.6	20,341.5
Capital for supervisory purposes	804.7	775.2
INCOME STATEMENT		
Net interest income	197.4	200.6
Net interest and other banking income	369.5	371.7
Operating costs	242.8	256.1
Net profit	20.4	7.0
STAFF AND BRANCHES		
Staff	2,912	2,996
Branches	293	319
PROFITABILITY RATIOS (%)		
R.O.E. (return on equity)	3.8	1.3
R.O.A. (return on assets)	0.2	0.1
Cost to income	65.9	66.1
CREDIT RISK RATIOS (%)		
Net impaired loans/Loans to customers	6.8	6.1
Net adjustments to loans/Loans to customers	1.5	1.3
CAPITAL ADEQUACY RATIOS (%)		
Tier 1 capital ratio	12.73	11.26
Total capital ratio	20.29	17.96

The information contained herein relates to and has been obtained from Banca Sella. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Banca Sella 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 POLICIES

(A) Description of the mortgage loans offered by Banca Sella

The products offered by Banca Sella include mortgage loans and land property (*fondiario*) loans.

The purpose of the loan is to support the purchase, construction or refurbishment of real estate assets, mainly homes. This kind of loan usually has a maximum life of 30 years, with an average life of 15 to 20 years. The majority of loans amortize through periodic payments of a fixed amount (French method), with a frequency chosen by the customer (generally monthly, quarterly or semi-annually) and an instalment maturity date which can be at any day of the month. Since November 2008, as a rule, the loan facility does not exceed 70 per cent of the cautionary value of the real estate asset (before November 2008, as a rule it did not exceed 85 per cent).

The mortgage is usually registered for an amount equal to 200 per cent of the loan, both for fixed and floating rate loans (for loans granted through subrogation, as a rule the mortgage is usually registered for an amount equal to at least 180 per cent of the amount of the loan at the moment of the subrogation). The mortgage is usually a first lien mortgage; second lien mortgages may be accepted only if the value of the underlying asset is sufficient to a guarantee both first lien and second lien mortgage.

Loans may be floating rate, fixed rate or floating rate with a cap to the interest rate.
The customer may decide to prepay the loan in full or in part. In case of partial prepayment in a limited number of instalments, the customer may decide either to reduce the amount of the following instalments to be paid (leaving the original life of the loan unchanged) or to maintain the amount of the following instalments unchanged (reducing the original life of the loan).

(B) The process of mortgage loan generation

Thanks to the multi-channel structure of Banca Sella, mortgage loans may be generated:
- at the branch, following a specific request of the customer;
- through the network of financial promoters of the subsidiaries of the Banca Sella Group;
- through internet.

Whatever the channel from which the request comes from, Banca Sella branches are required to meet and evaluate all applicants personally.

The first step in the handling of an application for a loan involves the gathering of information on the applicant and on any jointly liable person or guarantor, with the aim of (i) best understanding the applicant's financial needs in order to offer the most suited product and (ii) evaluating the credit standing of the customer from an economic and financial point of view. The loan application analysis is assigned to the branch which is also in charge of the objective analysis of the documents accompanying the application.

After gathering preliminary information, specific enquiries on the customer and on the real estate asset are made.

<u>Enquiries on the applicant</u>

- An enquiry on the data base of CRIF S.p.A. ("**CRIF**") is made to assess whether the customer is under protest or has any pending prejudicial questions in his/her name.

- An enquiry on the *Centrale Rischi* database and on the CRIF database is made to assess the debt position of the potential borrower in relation to loans to individuals.

- A copy of the applicant's latest income tax returns or latest payments slip is requested in order to evaluate the customer's income capacity.

- Information on the applicant and on his/her family.

- An enquiry on the applicant's working seniority is made.

- A test on the financial capacity of the applicant to pay back the loan is made. Banca Sella considers a debt to income ratio below 30 per cent to be critical. It is a duty of the staff meeting the applicant to make sure that the reimbursement capacity of the applicant is evaluated also taking into account different scenarios in the trend of interest rates.

- Should the applicant already be a customer of Banca Sella, special attention is paid to previous payment history and in general to the previous overall relationship.

Enquiries on the real estate assets

In addition to the evaluation of the applicant, for all applications of a loan, a technical and legal examination of the real estate asset offered as guarantee takes place through the analysis of any pending prejudicial questions, the evaluation of the real estate asset by a professional valuator and with a notary report providing all information concerning the ownership and attesting that the estate is free from encumbrances.

In addition to the above mentioned enquiries, for all the loans (before June 2004 for the loans exceeding € 100,000, since June 2004 to February 2008 for the loans exceeding € 50,000), the preparation of a thorough evaluation issued by a professional valuator approved by the originating bank is required. In the document the professional evaluator states the commercial value, the caution value and the immediately realizable value of the estate. The caution value is a cautionary amount which takes into account the value that might be recovered from the estate in case of accelerated sale of the same.

For loans below the above mentioned amounts, the evaluation of the asset was generally made based on the value stated in the preliminary transfer agreement or in the transfer deed, as well as using data bases of real estate agencies which give commercial evaluations according to the area in which the estate is and its external aspect.

Once the enquiries have been completed, a loan proposal document is produced containing all the terms of the loan together with the details of the possible additional guarantees. The proposal is evaluated by the decision making body, which, within the limits of its autonomy, may accept or refuse the proposal, modifying if necessary the original proposal (for example, requesting new guarantees or proposing an amount to be financed lower than the original one).

The above process is applied also to loans granted through subrogation.

(C) **Insurance policies to cover risks related to the product**

All loan contracts provide for the compulsory signing of an insurance policy to cover fire, fireball, explosion and blow-out risks: this insurance is binding in having Banca Sella as beneficiary (if admitted).

Through the insurance broker Brosel S.p.A. (belonging to the Banca Sella Group) an agreement has been set up with one of the main Italian insurance companies at favourable conditions for customers.

During the life of the loan no decrease of the insured amount may occur and no offsetting or cancellation of the insurance contract may take place without the written consent of Banca Sella. In case of damage, the company may pay the indemnity only with the consent of Banca Sella.

Pursuant to the above mentioned agreement, the premium is paid in whole by the customer at the moment of stipulation of the loan contract and for the entire life of the same, therefore cancelling the risk related to the non-payment of the premium. In case the customer draws up a different insurance policy, Banca Sella is authorized to directly debit the premium from the customer's account, in order to limit the risk related to the non-payment of the premium.

(D) **Collection policy for the reimbursement of the mortgage loan**

As a rule, the only way instalments may be paid is through direct debit of the debtor's account or RID (*Rapporto Interbancario Diretto*). Following the adherence of Banca Sella Group to the joint-action *Patti Chiari* "*Trasferibilità Rate Mutui*" and the enactment of Law no. 27 of 24 March 2012, debtors have the right to pay their instalments via RID linked to accounts held with other banks than Banca Sella.

On the scheduled maturity date, if the account balance is sufficient, the collection is automatically made through direct debit on the same account. If the account balance is not sufficient, the person in charge of the relationship with the customer, if suitable, has the power to authorize the debiting of the instalment on the account but only if the consequently generated overdraft falls within his/her authorization powers.

On a daily basis, instalments unpaid within five days from their maturity date are identified and a written request for payment is sent to customers.

On a weekly basis all branches automatically receive, through a procedure called "Customer Relationship Management" (CRM), a list of customers with unpaid instalments. Within 3 days from the receipt of such list, the branch must contact the customer in order to understand the reasons which led to the non-payment and to agree upon another maturity date for the same. Depending on the unpaid amount and the status of the loan, in case no agreement is reached in relation to the payment of the unpaid instalment within 20 days from the date in which the unpaid instalment is identified,the position is managed by phone collection or by the branch or by regional auditors.

Once, despite the intervention of the phone collection or regional auditors, the terms for the payment of the outstanding instalment expire and payment is not made by the customer nor a recovery plan is discussed and approved, the file relating to the loan is handled by the Legal

Department, which proceeds to inform the customer and any jointly liable persons of the acceleration of the loan and to start the steps necessary for the recovery of the loan.

In addition to branches activities, the Credit Control Department carries on a monitoring activity on the credit quality of the borrowers, using special procedures:

a) an instrument called "CADR" (Automated Risk Ranking) that ranks all the positions included in the credit portfolio (customers having been granted or actually utilising a loan) into 4 (four) classes, depending on the credit risk. Following the signalling of the risk class, the person in charge of the branch must indicate all the provisions and actions undertaken. The Management and monitoring of the CADR files, which have anomalies so important as to require an immediate intervention for the renegotiation of the debt position or the recovery or reduction of the credit risk, is made through the CRM procedure; and

b) the Tableau de board was introduced, which consents to monitor the trend of single factors composing credit risk.

The Credit Control Department performs regular checks in relation to lending activity and to the management of loans, including consistency checks vis-à-vis underwriting rules and guidelines.

(E) **Judicial proceedings for the recovery of the credit**

For the majority of land property (*fondiario*) loans, Banca Sella has already in its hand the writ of execution; should this not be the case, a petition to the chief judge must be presented, in order to request the issue of an injunction. Afterwards, Banca Sella issues an injunction to pay against the debtor, by which Banca Sella requires the payment of the entire loan procuring the acceleration of the loan.

Within the following 90 (ninety) days, Banca Sella proceed with the foreclosure order, through which the court bailiff summons the debtor not to use the estate that is the object of the guarantee. The foreclosure order is registered at the Land Registry Office.

After 10 (ten) days from the notice of the foreclosure, the creditor may require the sale of the foreclosed property, but he must previously send to the creditors a notice advising them of the fact that they have a pre-emption right on the property arising from public registrars. The foreclosure becomes ineffective after 90 (ninety) days if no executive deeds have taken place; in such case the process lapses and the judge orders the cancellation of the registration.

From the deposit of the sale petition 120 (one hundred and twenty) days elapse (which can be extended just once on justified grounds), within which, under pain of voidness of the foreclosure, the creditor must enclose the cadastral surveys and of the property register.

With the foreclosure the debtor becomes the custodian of the foreclosed property, but on the preceding creditor's petition or on the petition of any of the creditors who intervened, the judge, after having heard the debtor, may appoint a person other than the debtor, by so enabling a more transparent and quick placement of the property on the market. The choice of a different person is in any case necessary should the property not be occupied by the same debtor.

Within 30 (thirty) days from the deposit of the documentation, the judge appoints an expert by calling him for swearing of the oath and fixes the date of the hearing for the parties' examination

before 120 (one hundred and twenty) days. At least 45 (forty-five) days before such hearing the expert sends the creditor a copy of his report/assessment and they may in turn deposit their critical observations to such assessment provided that they present them previously to the expert, who will take part to the hearing in order to provide his explanations.

The parties may provide their observations at such hearing with respect to the timing and formalities of the sale and they must propose the exceptions to the executive deeds which can still be proposed, under pain of loss/forfeiture.

If there are no exceptions, or should on such exceptions no agreement be found, the judge orders to proceed with the sale without auction/bid (that with the reform of 2005 has become a preliminary and necessary step in order to subsequently proceed to the auction/bid sale). With the same provision he establishes the formalities for the deposit of the caution money and fixes, for the day following the expiry date for the offers, the hearing for the decisions on the offer and for the auction/bid among different offerors, and provides for the auction/bid sale in case no offer arises.

In case of a sale without auction/bid, the publication of the sale advise takes place and the offers must be deposited in a sealed envelope, on the external part of which the receiving registrar must write the name of the person who materially made the deposit, of the judge or of the professional expert delegated to sell, and the details of the hearing fixed for the examination of the offers. If the offer is just one, the judge summons the parties and if the offer exceeds 1/5 of the price fixed it will be accepted at once; on the contrary, if it does not exceed such limit, the judge cannot dispose the sale should the creditor make an exception, or if he believes that there are serious possibilities of a sale at better conditions with an auction/bid. If there are various offers the judge invites the offerors to compete on the highest offer.

In the auction/bid sale it is necessary to deposit a caution money, which will be given back to the bidder who was not the highest bidder right at the closing of the auction/bid, except for the case the same did not participate to the auction/bid without documented and justified grounds. In such case only 9/10 of the caution money is given back to him and the remaining part is kept as a sum deriving from the execution in every respect.

The adjudication is made to the last higher bidder, but it is not yet definitive, since in the following 10 (ten) days other new offers may take place, provided that they are higher than 1/5 of the price reached at the auction/bid. If this takes place, a competition takes place.

The provision concerning the deposit of the price by the highest bidder was modified by the 2005 reform in view of the fact that more and more frequently in the procedure the amounts to be deposited are normally provided through a loan contract. In such case it is possible to provide a direct deposit of the sums disbursed in favour of the procedure by establishing, at the same time, a first degree mortgage on the sold property. Therefore in the transfer decree one should mention the/mortgage loan contract and the Registrar must register the transfer decree together with the mortgage registry in favour of the person/entity who granted the loan.

With the 2005 amendment of the procedure the judge may delegate the sales operation not only to notaries, but also to the business consultants enrolled on special lists. The professional consultant must immediately provide for the determination of the value of the property, taking into

account also the assessment of the expert appointed by the judge and the possible observations deposited by the parties.

After the deposit of the price, the judge issues the transfer decree with which he orders the cancellation of the registrations of the foreclosure proceeding and of the mortgage registries (except for the case in which the latter refer to obligations taken by the highest bidder) and orders the debtor to release the property. Such order represents an executive title for the release.

In the case of landed property (*fondiario*) loans, once the auction/bid took place, the highest bidder pays (pursuant to article 41 of the Consolidated Banking Act) the part of the price corresponding to the whole credit of the Banca Sella directly to Banca Sella, outside the distribution plan.

RISK PROFILE OF BANCA SELLA GROUP

Banca Sella Group (the "**Group**"), through Banca Sella Holding and its subsidiaries, offers a wide range of financial services, including commercial banking, consumer credit, asset management, leasing, insurance, private banking, securities brokerage, e-banking and corporate finance. As commercial banking Banca Sella Group operates exclusively in Italy.

In performing these activities the Group is exposed to the following main relevant categories of risk:

- credit risk, the risk that, in the context of a loan transaction, the debtor fails to fulfill, even in part its obligations for repayment of principal and payment of interest. Credit risk includes the counterparty risk, i.e. the risk that the counterparty could default before the final settlement of the cash flows of an operation;

- market risk, risk associated with the possibility that unexpected changes in market factors (interest rates, exchange rates, price changes dependent on fluctuations in market variables and factors specific to the issuers or counterparties) could cause a change upwards or fall in the value of a position in securities or currencies held by a financial intermediary;

- operational risk, the risk of incurring losses resulting from inadequate or malfunctioning internal processes, people and systems, or from external events. It includes, among other, losses arising from fraud, human error, interruption, unavailability of systems, breach of contract and natural disasters. The definition of operational risk includes legal risk, but excludes strategic and reputational risks;

- concentration risk, risk arising from exposures to counterparties, including central counterparties, groups of connected counterparties and counterparties operating in the same economic sector, in the same geographic region or engaged in the same activity or the same merchandise, as well as by the application of credit risk mitigation techniques credit, including, in particular, the risks arising from indirect exposures, such as, for example, against individual providers of guarantees;

- residual risk, risk that the recognized techniques for mitigating credit risk used by the Grup are less effective than expected. It is divided into three components: risk of enforceability, risk of impairment, risk of infection;

- interest rate risk, risk arising from potential changes in interest rates which is reflected in the net present value of the assets and liabilities of the banking portfolio (banking book), due to the asymmetries in deadlines, time required to reset interest rates, as well as in the types of indexing;

- liquidity risk, risk that the bank is not able to meet its payment obligations due to both the inability to raise funds on the market (funding liquidity risk) and to dispose of its assets (market liquidity risk);

- strategic risk, current or prospective risk of a decline in earnings or capital arising from erroneous business decisions, incorrect implementation of the decisions taken, unexpected changes in the operating environment, poor or inadequate reactivity to the competitive context and the external changes;

- reputational risk, current or prospective risk of a decline in earnings or capital arising from a negative perception of the Group's image by customers, counterparts, the Group's shareholders, investors or supervisory authorities;

- risk arising from securitisation, the risk that the economic substance of a securitisation is not fully reflected in the assessment decisions and risk management. It is closely related to the risk of any inadequacies of the process and the structure of the securitization transaction.

Principles adopted by the Group for the mitigation, monitoring and management of the aforementioned risks are described in relevant Policies, approved by the Board of Directors of the Parent Company and endorsed by the Boards of Directors of Group companies falling within the scope of the same. Policies also contain risk indicators monitored (KRI) and the relevant thresholds and escalation actions foreseen in case of exceeding the limits approved.

RISK MANAGEMENT AND CONTROL

The Group has established organisational structure, processes, human resources and IT systems to ensure identification, control and management of all types of risks associated with its activities.

The organizational structure of the Group's "Internal Control System", in compliance with the supervisory authorities' requirements, is divided into three levels:

(i) the first level checks (or line controls) are intended to ensure the proper conduct of operations and are performed within the same operating structure or incorporated in procedures. To strengthen first level checks the Group also created centralized structures of control;

(ii) the second level checks (checks on risk management) have the objective of contributing to the definition of methodologies for risk measurement, to verify compliance with the limits assigned to the various operating functions and overseeing compliance with regulatory compliance. They are assigned to Compliance, Risk Management and Anti-Money Laundering functions; and

(iii) the third level controls, finally, are intended to identify anomalous trends, violations of procedures and regulations, and to evaluate the overall functioning of the Internal Control System. They are assigned the Internal Audit Department.

In application of Bank of Italy provisions issued under Circular no. 263/2006, as amended, the primary responsibility for the implementation and functioning of the control system and for the sound and prudent risk management is assigned to the corporate bodies of Group companies, each within their respective powers and consistent with the strategies and the Group's policy set out in relation to controls. The corporate bodies are represented by the body with strategic supervision function (Board of Directors), the body with the management function (CEO if present, otherwise the Board of Directors) and the body with control function (Statutory Auditors).

In particular, the Board of Directors defines and approves:

a) the business model, having awareness of the risks to which this model exposes the company and having understanding of how risks are identified and assessed;

b) the strategic plan and provides for its periodic review, in relation to evolution in the business and in the external environment, in order to ensure its effectiveness over time;

c) risk targets, tolerance threshold (if identified) and the policy for governing risks;

d) the guidelines of the Internal Control System, ensuring that it is consistent with the strategic plan and risk appetite approved and is able to capture the evolution of the business risks and the interaction between them;

e) the criteria for identifying the most important operations to be submitted to the preventive screening of risk control functions.

The Parent Company, Banca Sella Holding, has established, within its own Board of Directors, an Audit Committee composed of independent directors and invested with inquiry, advisory and purposeful functions in relation to the internal control system, which applies to all sectors and business structures. This Committee also performs the task of assessing the suitability of the corrective measures, proposed in case of anomalies in the audit and control processes, ensuring the constant and continuous monitoring of risks, the effectiveness and efficiency of business processes, the reliability and integrity of accounting and management information, compliance of operations with policies established by corporate governance bodies and with internal and external regulations.

In order to make more efficient and effective the control activity a number of committees with specific responsibilities for issues relating to internal control were set up. Among these:

(i) the Control Committee was established in order to ensure a constant and effective control of the main risks associated with the Group's operations; and

(ii) the Operational Risk Committee of the Parent Company has the function to examine, evaluate and authorize operations, organizational models, launch of new products and new businesses and typically every possible initiative generating operational, reputational, strategic, legal and compliance risks of significant amount.

With reference to second-level controls, the Risk Management function aims to actively contribute to the achievement of effective risk management and an efficient risk/return profile through the identification, measurement and control of the risks of the First and Second Pillar of Basel 3, the constant improvement of the tools and methods for the quantitative and qualitative assessment of exposure to risk themselves and operating in a way closely related to the management of economic and financial variables.

Operational procedures and checks carried out by the Risk Management function are detailed in policies governing macro-processes, risk management policies, as well as in other specific internal regulations (manuals and technical standards).

The Risk Management function prepares periodic reporting and information flows to corporate bodies and to supervisory authorities, in accordance with external and internal regulations.

In compliance with Circular 263/2006 and Circular 285/2013 (applicable from 1 January 2014) of the Bank of Italy, in April 2014 the parent company Banca Sella Holding prepared and sent an ICAAP Statement to the Bank of Italy. At present, in order to determine the regulatory capital requirements the Group uses the standard methods expected by the Bank of Italy for credit and market risks and the basic approach to measure the operational risk.

Furthermore, the Group has internal policies, practice and procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation.

REGULATORY CAPITAL REQUIREMENTS

Pursuant to the Intercreditor Agreement, the Originator has undertaken to, *inter alios*, the Issuer and the Representative of the Noteholders that it will (a) retain, on an ongoing basis, a material net economic interest in the Securitisation of not less than 5 per cent as referred to in article 405 of the Capital Requirements Regulation and article 51 of the AIFM Regulation and (b) provide (or cause to be provided) all information to Noteholders that is required to enable Noteholders to comply with articles 405 to 409 (included) of the Capital Requirements Regulation.

In particular, the Originator has undertaken to retain the Class D Notes with effect from the Issue Date and to disclose that it continues to fulfil the obligation to maintain the net economic interest in the Securitisation in accordance with option (d) of article 405 of the Capital Requirements Regulation and article 51 of Regulation (EU) no. 231/2013 or any permitted alternative method thereafter and to give relevant information to the Noteholders in this respect on a quarterly basis through the Investors Report.

Furthermore, under the Intercreditor Agreement the Originator has undertaken to ensure that prospective Noteholders have readily available access to all information as it would be necessary to conduct comprehensive and well informed stress tests and to fulfill their monitoring and due diligence duties in accordance with Article article 405 of the Capital Requirements Regulation and article 51 of the AIFM Regulation.

In the light of the above, the Originator has made available, on or about the date of this Prospectus, and will make available, as specified below, the information required under Article article 405 of the Capital Requirements Regulation and article 51 of the AIFM Regulation, which does not form part of this Prospectus as at the Issue Date but may be of assistance to certain categories of prospective investors before investing and which is specified under the terms of the Intercreditor Agreement.

In particular, in accordance with the Intercreditor Agreement,the Originator has undertaken that any of such information:

(a) on the Issue Date, will be included in the following sections of this Prospectus: "*Transaction Overview*", "*Risk Factors*", "*The Portfolio*", "*Credit and Collection Policies*", "*Description of the Servicing Agreement*" and "*Description of the Warranty and Indemnity Agreement*"; and

(b) following the Issue Date, will:

(i) on each Investors Report Date until the Notes are redeemed in full or cancelled, be included in the Investors Report issued by the Computation Agent, which will (A) contain, *inter alia*, (i) full performance information on the Portfolio, including statistics on prepayments, Delinquent Receivables and Defaulted Receivables; (ii) details with respect to the Interest Rate, Interest Payment Amount, Premium, Principal Amount Outstanding of the Notes, principal payments on the Notes and other payments made by the Issuer, and (iii) information on the material net economic interest (of at least 5 per cent) in the Securitisation maintained by the Originator in accordance with option (d) of Article 405 of the Capital Requirements Regulation and article 51 of the AIFM Regulation or any permitted alternative method thereafter; (B) be generally made available to the Noteholders and any other investor in the Notes and firms that generally provide services to the Noteholders and prospective investors by the Computation Agent upon request via

email to mars2600-5@finint.com and on the Computation Agent web-site (being, as at the date of this Prospectus, www.securitisation-services.com) and will be updated by the Computation Agent on each Investors Report Date until the Notes are redeemed in full or cancelled;

(ii) with reference to loan by loan information regarding each Loan included in the Portfolio, be made available by the Originator to the Noteholders, prospective investors and firms that generally provide services to the Noteholders and prospective investors until all the Notes are redeemed in full or cancelled upon request via email to tesoreria.unica@sella.it and will be updated by Banca Sella on a quarterly basis;

(iii) with reference to the further information which from time to time may be deemed necessary under Article 405 of the Capital Requirements Regulation in accordance with the market practice and not covered under points (i) and (ii) above, appear on website of the Originator.

Under the Intercreditor Agreement, the Originator has undertaken that the retention requirement is not to be subject to any credit risk mitigation, any short position or any other hedge, within the limits of 405 of the Capital Requirements Regulation and article 51 of the AIFM Regulation.

Prospective Noteholders are required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with each of Part Five of the Capital Requirements Regulation (including Article 405) and Section Five of Chapter III of the AIFM Regulation (including Article 51) and any corresponding national measure which may be relevant and none of the Issuer, the Originator, the Servicer, the Arrangers, the Joint Lead Managers or any other party to the Transaction Documents makes any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes.

For further information on the requirements referred to above and the corresponding risks (including the risks arising from the current absence of any corresponding final technical standards to assist with the interpretation of the requirements), please refer to the risk factor entitled "*Regulatory Capital Requirements*".

THE ISSUER

Introduction

The Issuer was incorporated in the Republic of Italy pursuant to the Securitisation Law on 23 November 2004 as a limited liability company under the name "Giasone Finance S.r.l." and changed its name to "Mars 2600 S.r.l." by an extraordinary resolution of the meeting of the quotaholders held on 5 August 2005. The registered office of the Issuer is in Via Vittorio Alfieri, 1, 31015 Conegliano (Treviso), Italy (telephone number (+39) 0438360477). The Issuer is registered with No. 03931160265 in the Companies' Register of Treviso and with No. 330324 in the register of the special purpose vehicles held by the Bank of Italy pursuant to the regulation issued by the Bank of Italy on 29 April 2011.

Since the date of its incorporation the Issuer has not engaged in any business other than the October 2005 Transaction, the April 2008 Transaction, the January 2009 Transaction, the March 2012 Transaction and the purchase of the Portfolio. No dividends have been declared or paid and no indebtedness, other than the Issuer's costs and expenses of incorporation and the indebtedness relating to the October 2005 Transaction, the April 2008 Transaction, the January 2009 Transaction, the March 2012 Transaction, has been incurred by the Issuer. Furthermore, the April 2008 Transaction and the January 2009 Transaction have been unwound on, respectively, 23 January 2014 and 30 January 2014 and all the relevant notes issued in the context of such transactions have been early redeemed. The Issuer has no employees and no subsidiaries. As set out in article 4 of its by-laws (*statuto*) the Issuer's partnership duration is up to 31 December 2050.

The authorised and issued capital of the Issuer is € 10,000, fully paid up. As at the date of this Prospectus, the Quotaholders are as follows:

- Stichting Mars 2615 holds 90 per cent of the quota capital of the Issuer; and

- Banca Sella Holding holds 10 per cent of the quota capital of the Issuer.

Stichting Mars 2615 is not directly or indirectly controlled by any other entity.

As at the date of this Prospectus, the shareholders of Banca Sella Holding are the following:

Shareholders	**Participation in the share capital (%)**
Sofise S.p.A.	46.10%
Selim S.p.A.	3.84%
Selban S.p.A.	4.98%
Finanziaria 1900 S.p.A.	45.08%

Sofise S.p.A., Selim S.p.A. and Selban S.p.A. are controlled by Maurizio Sella S.A.p.A. pursuant to article 2359 of the Italian civil code. The Issuer is indirectly controlled by Maurizio Sella S.A.p.A. pursuant to article 2359 of the Italian civil code.

Under the Quotaholders' Agreement, the Quotaholders have undertaken to exercise the voting rights and the other administrative rights in such a way as not to prejudice the interest of the Noteholders.

Issuer's Principal Activities

The principal corporate object of the Issuer as set out in article 3 of its by-laws (*statuto*) and in compliance with the Securitisation Law is to perform securitisation transactions (*operazioni di cartolarizzazione*).

The Issuer may carry out further securitisation transactions in addition to the Securitisation, subject to the provisions set forth in the Terms and Conditions and in the terms and conditions of the October 2005 Notes and the March 2012 Notes.

So long as any of the Notes remain outstanding, the Issuer shall not, without the prior consent of the Representative of the Noteholders, incur any other indebtedness for borrowed monies (except in relation to any further securitisation carried out in accordance with the Terms and Conditions) or engage in any business (other than acquiring and holding the assets on which the Notes are secured, issuing the Notes and entering into the Transaction Documents), pay any dividends, repay or otherwise return any equity capital, have any subsidiaries, employees or premises, consolidate or merge with any other person or convey or transfer its assets to any person (otherwise than as contemplated in the Terms and Conditions or the Intercreditor Agreement) or increase its capital.

The Issuer has undertaken to observe, *inter alia*, those restrictions in Condition 3 (*Covenants*).

Board of Directors and Statutory Auditors

The Board of Directors of the Issuer (whose business address is Via Vittorio Alfieri, 1, 31015 Conegliano (Treviso) Italy) is made up by the following: Mr. Andrea Perin, Mr. Alfredo Zambanini and Mrs. Claretta Mosca Siez. The members of the Board of Directors were appointed on 29 September 2005.

Mr. Andrea Perin is a director of Securitisation Services S.p.A., a company which provides services related to securitisation transactions, enrolled in the special register held by the Bank of Italy pursuant to article 107 of the Consolidated Banking Act, monitored by Bank of Italy. Securitisation Services acts as Representative of the Noteholders, Computation Agent, Corporate Servicer and Back-up Servicer Facilitator under the Securitisation.

Mr. Alfredo Zambanini is vice-chairman of Finanziaria 2010 S.p.A..

Mrs. Claretta Mosca Siez was enrolled, since 1986-1998, in the professional register of the labour counsellors (*albo professionale consulenti del lavoro*).

No Board of Statutory Auditors is provided to be appointed.

No Material Adverse Change

Since 31 December 2013,there has been no material adverse change or any development reasonably likely to involve a material adverse change in the financial position or prospects of the Issuer.

Legal and Arbitration Proceedings

In the previous twelve months as of the date of this Prospectus, there have been no pending or threatened governmental, legal or arbitration proceedings which may have or which have had material effects on the Issuer's financial position or profitability.

Capitalisation and Indebtedness Statement

As at the date of this Prospectus, the capitalisation of the Issuer, adjusted for the issue of the Notes, is as follows:

Capital	*Euro*
Issued, authorised and fully paid up capital	10,000
Loan Capital	*Euro*
Class A Asset Backed Floating Rate Notes due 2038	€ 42,461,145.28
Class B Asset Backed Floating Rate Notes due 2038	€ 11,000,000
Class C Asset Backed Floating Rate Notes due 2038	€ 3,500,000
Class D Asset Backed Notes due 2038	€ 3,500,000
Total Loan Capital of the October 2005 Notes	€ 60,461,145.28
Class A1 Asset Backed Floating Rate Notes due 2045	€ 90,528,615.52
Class A2 Asset Backed Fixed Rate Notes due 2045	€ 173,396,550.81
Class D Asset Backed Floating Rate Notes due 2045	€ 48,000,000
Total Loan Capital of the October 2012 Notes	€ 311,925,166.33
Class A1 Asset Backed Floating Rate Notes due 2050	€ 216,000,000
Class A2 Asset Backed Fixed Rate Notes due 2050	€ 216,000,000
Class D Asset Backed Floating Rate Notes due 2050	€ 67,700,000
Total Loan Capital of the Notes	€ 499,700,000
Total Capitalisation and Indebtedness	€ 872,096,311.61

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

Financial Statements and Auditors' Report

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

The financial statements of the Issuer as at 31 December 2012 and 31 December 2013 have been audited, without qualification and in accordance with generally accepted standards in the Republic of Italy, by Reconta Ernst & Young S.p.A. (with offices in Corso Vittorio Emanuele II, 83, 10128 Turin, Italy), as set forth in the auditors' reports incorporated by reference in this Prospectus (for further details, see the section entitled "*General Information*"). Reconta Ernst & Young S.p.A. is registered under No. 2 in the special register (*Albo Speciale*) held by CONSOB in

accordance with article 161 of the Consolidated Financial Act and under No. 70945 in the Register of Accountancy Auditors (*Registro dei Revisori Contabili*) pursuant to the provisions of Legislative Decree No. 88 of 27 January 1992, and is also a member of the ASSIREVI - *Associazione Nazionale Revisori Contabili*. The registered office of Reconta Ernst & Young S.p.A. is Via Po 32, 00198 Rome, Italy.

THE ACCOUNT BANK AND THE PRINCIPAL PAYING AGENT

BNP Paribas Securities Services, a wholly-owned subsidiary of the BNP Paribas Group, is a leading global custodian and securities services provider backed by a strong universal bank. It provides integrated solutions to all participants in the investment cycle including the buy-side, sell-side, corporates and issuers.

BNP Paribas Securities Services has a local presence in 34 countries across five continents, effecting global coverage of more than 100 markets.

At 31 December 2013 BNP Paribas Securities Services has USD 8,055 billion of assets under custody, USD 1,442 billion assets under administration, 7,067 administered funds and 8,225 employees.

BNP Paribas Securities Services currently has long-term senior debt ratings of “A+” (negative) from S&P’s, “A1” (stable) from Moody’s and “A+” (stable) from Fitch Ratings.

Fitch	Moody's	Standard & Poor's
Long term senior debt A+	Long term senior debt A1	Long term senior debt A+
Short term F1	Short term P-1	Short-term A-1
Outlook Stable	Outlook Negative	Outlook Negative

The information contained herein relates to and has been obtained from BNP Paribas Securities Services. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of BNP Paribas Securities Services since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE COMPUTATION AGENT, THE CORPORATE SERVICER, THE BACK-UP SERVICER FACILITATOR AND THE REPRESENTATIVE OF THE NOTEHOLDERS

Securitisation Services S.p.A. is a company incorporated under the laws of the Republic of Italy as a società per azioni, share capital of Euro 1,595,055 fully paid-up, having its registered office at Via Vittorio Alfieri, 1, 31015 Conegliano (TV), Italy, fiscal code and enrolment in the Companies' Register of Treviso number 03546510268, currently registered under number 31816 in the general register and in the special register held by the Bank of Italy pursuant to, respectively, articles 106 and 107 of the Consolidated Banking Act, subject to the activity of direction and coordination (*soggetta all'attività di direzione e coordinamento*) pursuant to article 2497 of the Italian civil code of Finanziaria Internazionale Holding S.p.A.

Securitisation Services S.p.A. is a professional Italian dealer specialising in managing and monitoring securitisation transactions. In particular, Securitisation Services S.p.A. acts as servicer, corporate servicer, computation agent, programme administrator, cash manager and representative of the noteholders in several structured finance deals.

In the context of the Securitisation, Securitisation Services S.p.A. acts as Computation Agent, Representative of the Noteholders, Back-up Servicer Facilitator and Corporate Servicer.

For the duties of Securitisation Services S.p.A. as Computation Agent arising from the Cash Allocation, Management and Payment Agreement entered into in the context of the Securitisation and for the provisions related to the termination of the appointment, and the replacement, of the Computation Agent, see the section entitled "*Description of the Cash Allocation, Management and Payment Agreement*".

The information contained herein relates to and has been obtained from Securitisatin Services. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Securitisation Services since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

USE OF PROCEEDS

The proceeds deriving from the issue of the Notes, being Euro 499,700,000 will be applied by the Issuer:

(a) to pay Euro 488,987,481.68 to the Originator as Purchase Price of the Portfolio;

(b) to credit Euro 9,779,000 into the Cash Reserve Account as Cash Reserve Initial Amount; and

(c) to credit Euro 918,518.32 (net of the underwriting commissions due to the Joint Lead Managers pursuant to the Class A1 Notes Subscription Agreement)into the Expense Account as Initial Expenses; and

(d) to credit Euro 15,000 into the Expense Account as Retention Amount.

DESCRIPTION OF THE TRANSFER AGREEMENT

The description of the Transfer Agreement set out below is a summary of certain features of the Transfer Agreement and is qualified by reference to the detailed provisions of such agreement. Prospective Noteholders may inspect a copy of the Transfer Agreement upon request at the registered office of the Representative of the Noteholders.

General

On 9 April 2014 the Originator and the Issuer entered into the Transfer Agreement, pursuant to which the Originator assigned and transferred without recourse (*pro soluto*) to the Issuer, and the Issuer purchased from the Originator, in accordance with the Securitisation Law, all of the Originator's rights, title and interest in and to the Receivables comprised in the Portfolio.

The Receivables have been selected by the Originator on the basis of the Criteria (for further details, see the section entitled "*The Portfolio*").

Under the terms of the Transfer Agreement, the transfer of the Receivables becomes effective in economic terms starting from the Valuation Date (excluded).

Purchase Price

The purchase price of the Portfolio (the "**Purchase Price**") is the aggregate of the individual purchase prices of all the Receivables comprised in the Portfolio (each an "**Individual Purchase Price**") and is equal to € 488,987,481.68. The Individual Purchase Price of each Receivable is equal to the Outstanding Balance of such Receivable as at the Valuation Date. The Purchase Price will be fully paid on the Issue Date.

The Transfer Agreement provides that (a) if, after the Valuation Date, any of the Loans included in the list of Receivables attached to the Transfer Agreement proves not to meet the Criteria, then the receivables relating to such Loans will be deemed not to have been assigned and transferred to the Issuer pursuant to the Transfer Agreement; and (b) if, after the Valuation Date, any of the Loans meeting the Criteria proves to have been erroneously excluded from the list of Receivables sold to the Issuer, then the Receivables relating to such Loans will be deemed to have been assigned and transferred to the Issuer pursuant to the Transfer Agreement at the Valuation Date. The Purchase Price shall be then adjusted in accordance with the provisions of the Transfer Agreement, provided that any payments to be made to the Originator as Adjustment Purchase Price will be paid out of the Issuer Available Funds in accordance with the applicable Priority of Payments.

Undertakings of the Originator

The Transfer Agreement contains certain undertakings by the Originator in respect of the Receivables. The Originator has undertaken to refrain from carrying out any activities with respect to the Receivables which may have a negative effect on 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 in the period of time between (i) the Valuation Date and (ii) the later of the date on which the notice of transfer of the Receivables is published in the Official Gazette and the date on which such transfer is registered in the competent Companies' Register. The Originator has also undertaken to refrain from any action which could cause the invalidity or a reduction in the amount of any of the Receivables.

Under the Transfer Agreement the Originator has also undertaken to indemnify the Issuer in respect of the amounts to be paid by the Issuer for any claw-back actions (*azioni revocatorie*) or declarations of ineffectiveness (*dichirazioni di inefficacia*) of payments received by the Originator in respect of the Receivables prior to the publication of the notice of transfer of the Receivables in the Official Gazette and the registration of such transfer in the competent Companies' Register.

Governing Law

The Transfer Agreement is governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE WARRANTY AND INDEMNITY AGREEMENT

The description of the Warranty and Indemnity Agreement set out below is a summary of certain features of the Warranty and Indemnity Agreement and is qualified by reference to the detailed provisions of such agreement. Prospective Noteholders may inspect a copy of the Warranty and Indemnity Agreement upon request at the registered office of the Representative of the Noteholders.

General

On 9 April 2014, the Issuer and the Originator entered into a Warranty and Indemnity Agreement, pursuant to which the Originator (i) has given certain representations and warranties in favour of the Issuer in relation to the Portfolio and (ii) 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.

The Warranty and Indemnity Agreement contains representations and warranties by the Originator in respect of, *inter alia*, the following categories:

(1) the Receivables;

(2) the transfer of the Receivables, the Transaction Documents and the Securitisation Law;

(3) the Loan Agreements and the Collateral Securities;

(4) the Loans;

(5) the Debtors;

(6) the Privacy Law;

(7) the Insurance Policies; and

(8) the Real Estate Assets.

Representations and Warranties

Under the Warranty and Indemnity Agreement Banca Sella has represented and warranted, *inter alia*, as follows:

- Each of the Receivables and the Mortgages relating to the Loans arises from agreements executed as public deeds (*atti pubblici*) or authenticated private deed (*scritture private autenticate*) between Banca Sella and the relevant Debtors.

- Each of the Receivables has been originated, or originated and acquired, in Italy in the ordinary course of the business of Banca Sella, Banca Sella Holding or Banca Sella Sud Arditi Galati and in accordance with the underwriting procedures at the time of origination.

- Each Loan Agreement and each other agreement, deed or document relating thereto is valid and effective and constitutes valid, legal and binding obligations of the Debtors enforceable in accordance with its terms.

- Banca Sella has selected each Loan Agreement with respect to the Receivables included in the Portfolio in compliance with the Criteria.

- As at the Valuation Date, each Debtor has made at least one scheduled payment under the Loan Agreement to which it is a party.

- The instalments in relation to the Loan Agreements are paid on a monthly, quarterly or semiannually basis by direct debit of the relevant amount on the bank account of the relevant Debtor opened at Banca Sella or by RID/SDD (SEPA Direct Debit).

- Each Loan Agreement has been executed and each Loan has been advanced, as at the Valuation Date and as at the date of the relevant Loan Agreement, by Banca Sella, Banca Sella Holding and Banca Sella Sud Arditi Galati in compliance with all applicable laws, rules and regulations, including, without limitation, all laws, rules and regulations relating to *fondiario* loans (*credito fondiario*) and mortgage loans (*credito ipotecario*), usury, personal data protection and disclosure at the time in force, as well as in accordance with the internal rules of Banca Sella, including underwriting and origination guidelines and lending policies and procedures adopted from time to time by Banca Sella and, in any case, a possible breach of the above mentioned laws and regulations has not had a negative impact on the validity, enforceability or possibility to collect the Loan Agreements, the Receivables, the Mortgages and/or the Guarantees.

- Each Loan has been fully advanced, disbursed and drawn down to or to the account of the relevant Debtor and there is no obligation on the part of Banca Sella to advance or disburse further amounts in connection therewith.

- Each Loan Agreement was entered into and executed without any fraud (*frode*) or wilful misrepresentation (*dolo*) by or on behalf of Banca Sella, Banca Sella Holding or Banca Sella Sud Arditi Galati, as the case may be, or any of their directors (*amministratori*), managers (*dirigenti*), officers (*funzionari*) and/or employees qualified as "quadri direttivi" (*quadri-"direttivi"*), which would entitle the relevant Debtor(s), Mortgagor(s) and/or Guarantor(s) to claim against Banca Sella, Banca Sella Holding or Banca Sella Sud Arditi Galati, as the case may be, for fraud or wilful misrepresentation or to repudiate any of the obligations under or in respect of the relevant Loan Agreement, Mortgage, Guarantee or other agreement, deed or document relating thereto.

- Each Loan Agreement was entered into substantially in the same form as the standard form agreements used by Banca Sella, Banca Sella Holding or Banca Sella Sud Arditi Galati, as the case may be, from time to time and in compliance with the lending and financial practices adopted by, respectively, Banca Sella, Banca Sella Holding and Banca Sella Sud Arditi Galati from time to time. Following the coming into force of the Legislative Decree No. 7 of 31 January 2007 and the Law No. 40 of 2 April 2007, enacting the Legislative Decree No. 7 2007 (as subsequently amended and/or replaced, the "**Bersani Decree**"), each Loan Agreement was entered into in compliance with the Bersani Decree. After the execution of each Loan Agreement, the general conditions of such agreement were not substantially modified in respect of the standard form agreements used by the Originator.

- With reference to each Receivable, the relevant Debtor is not and, as at the Valuation Date was not, entitled vis-à-vis Banca Sella to annul the relevant Loan Agreement nor to set-off claims vis-à-vis Banca Sella pursuant to the relevant Loan Agreement.

- Each Loan has been granted to the relevant Debtors on the basis of a prudential assessment of the value of the Real Estate Asset in respect of which the relevant

Mortgage has been created. Such assessment has been carried out (or, in certain cases, and limited to the Loans having an amount lower than Euro 100,000 and Euro 50,000 granted, respectively, prior to June 2004 and between June 2004 and February 2008, has been substantially confirmed) by a duly qualified expert independent from Banca Sella, Banca Sella Holding and Banca Sella Sud Arditi Galati, who has never had, directly or indirectly, an interest in the Real Estate Asset subject to assessment or in the relevant Loan and whose fee did not dipend on, nor was in any manner whatsoever influenced by, the approval of the relevant Loan or the creation of the relevant Mortgage. The value of the Real Estate Assets, as resulting from the assessment described above, and the value for which the relevant Mortgages have been created, are correctly indicated in Schedule B to the Transfer Agreement and in the documentation relating to each Receivable.

- The list of Loans set out in Schedule B to the Transfer Agreement is an accurate list of all of the Receivables comprised in the Portfolio and contains the indication of the Individual Purchase Price for each Receivable and the outstanding amount, as of the Valuation Date, of each Loan out of which such Receivables arise and all information contained therein is true and correct in all material respects.

- All the parties to the Loan Agreements were duly authorized to execute the Loan Agreements as well as any other document and to enter into all the deeds referred under the Loan Agreements or mentioned thereto, or otherwise required in order to create and perfect the Mortgages and the Guarantees; the Loan Agreements and all the other deeds and documents constitute valid, binding and enforceable obligations vis-à-vis the Debtors.

- At the Transfer Date, each Receivable was fully and unconditionally owned by and available to Banca Sella and was not subject to any lien, seizure or other charges in favour of any third party and was freely transferable to the Issuer.

- Banca Sella has full title of ownership of the Receivables and may freely transfer its own rights arising out of the Receivables, the Guarantees or the Mortgages to the Issuer. There are no clauses or provisions in the Loan Agreements, or in any other agreement, deed or document, pursuant to which Banca Sella is prevented from transferring, assigning or otherwise disposing of the Receivables, the Guarantees and/or the Mortgages or of any of them.

- The transfer of the Receivables to the Issuer pursuant to the Transfer Agreement shall not impair or affect in any manner whatsoever the obligation of the relevant Debtors to pay the amounts outstanding in respect of any Receivables.

- All the Loans are performing (*in bonis*). To Banca Sella's knowledge and belief, none of the Debtors is in financial difficulties or has materially breached any obligation pursuant to whatever loan agreement which could result in the non-payment, late payment or, in any case, negatively impact in a significant manner in respect of any Receivable.

- As of the Valuation Date no Loan fell within the definition of defaulted loan (*credito in sofferenza*), delinquent loan (*credito incagliato*), credit expired for at least 180 days, restructured debt (*credito ristrutturato*) under the Bank of Italy Supervisory Regulations or was in the process of being restructured (*credito in corso di ristrutturazione*) under such regulations. The scheduled amortisation plans disclosed are the up–to-date amortisation plans applied to the Debtors at the Valuation Date.

- As at the date on which the relevant Loan has been drawn down, each Debtor, the relevant Guarantor and/or the relevant Mortgagor drew income.

- As of the Valuation Date no Debtor has been reported to *Centrale dei Rischi* by Banca Sella, Banca Sella Holding or Banca Sella Sud Arditi Galati as debtor of defaulted loan (*credito in sofferenza*) or delinquent loan (*credito incagliato*).

- Each Mortgage has been duly granted, created, registered, renewed (when necessary) and preserved, is valid, binding and enforceable and has been duly and properly perfected, meets all requirements under all applicable laws or regulations and is not affected by any material defect whatsoever.

- Each Mortgage has been created simultaneously with the granting of the relevant Loan. The "hardening" period (*periodo di consolidamento*) applicable to each Mortgage has expired and the relevant security interest created thereby is not capable of being challenged under any applicable laws and regulations whether by way of claw-back action or otherwise including, without limitation, pursuant to article 67 of the Italian Bankruptcy Law.

- Each Mortgage is (i) a mortgage of first ranking; or (ii) a mortgage of a lower ranking in respect of which all the obligations secured by a mortgage/mortgages of a higher ranking have been fully discharged; or (iii) a mortgage over a real estate asset in respect of which a mortgage of a higher ranking has been already granted, if such mortgage of a higher ranking secures receivables *vis-à-vis* the same debtor which has been transferred from the Originator to the Issuer pursuant to the Transfer Agreement.

- No Debtor, Guarantor or Mortgagor is, or has been, since the date of execution of the relevant Mortgage Loan Agreement, in material breach of any obligation owed in respect of the relevant Receivables or under the relevant Guarantees or Mortgages and no steps have been taken by Banca Sella Sud Arditi Galati to enforce any relevant Guarantees or Mortgages as a result of such breach.

- Banca Sella, Banca Sella Holding and Banca Sella Sud Arditi Galati have not consented to any cancellation, release or reduction of any of the Mortgages which reduced the value of the relevant registration to a level lower than 180 per cent of the Original Loan Amount, except to the extent such cancellation, release or reduction is in accordance with applicable law or with the relevant credit and collection policies applicable from time to time. Any cancellation, release or reduction of any of the Mortgages carried out by Banca Sella, Banca Sella Holding and/or Banca Sella Sud Arditi Galati in compliance with what stated above has not had, in any case, a negative impact in a significant manner on the validity, enforceability or possibility to collect all or a relevant part of the Receivables.

- The construction of Real Estate Assets has been completed in all material respects.

- All the Real Estate Assets comply with all applicable planning and building laws and regulations (*legislazione edilizia, urbanistica e vincolistica*) or, otherwise, a valid petition of amnesty with reference to any existing irregularity had been duly filed with the competent authorities.

- To the best of Banca Sella's knowledge and belief, all the Real Estate Assets comply with all applicable laws and regulations concerning health and safety and environmental protection (*legislazione in materia di igiene, sicurezza e tutela ambientale*).

- Each Real Estate Asset is located in Italy.
- To the best of Banca Sella's knowledge and belief the Real Estate Assets are not damaged and do not present any material defect, are in good condition and there are no pending or threatened proceedings, seeking their restoration (*rimessa in pristino*), seizure (*sequestro*), or forfeiture (*confisca*) even partial.
- To the best of Banca Sella's knowledge and belief, the Real Estate Assets comply with applicable laws in respect of occupancy (*abitabilità ed agibilità*).
- Risks of fire and/or explosion of the Real Estate Assets are covered by Insurance Policies for an amount at least equal to the Original Loan Amount, the *premia* for which have been fully and timely paid. The rights deriving in favour of Banca Sella under the Insurance Policies can be assigned to the Issuer.
- Banca Sella, Banca Sella Holding and Banca Sella Sud Arditi Galati have not relieved or discharged any Debtor, Mortgagor or other Guarantor, or subordinated its rights to claims of those of other creditors thereof, or waived any rights, except in relation to payments made in a corresponding amount in satisfaction of the relevant Receivables. Any release or discharge of any Debtor, Mortgagor or other Guarantor carried out by Banca Sella, Banca Sella Holding and/or Banca Sella Sud Arditi Galati in compliance with what stated above has not had, in any case, a negative impact in a significant manner on the validity, enforceability or possibility to collect all or a relevant part of the Receivables.

- The books, records, data and the documents relating to the Loan Agreements, the Loans, all instalments and any other amounts paid or repaid thereunder have been maintained in all material respects complete, proper and up to date, and all such books, records, data and documents are kept by or are available to Banca Sella.
- All the information supplied by Banca Sella to the Issuer and/or their representative agents and consultants for the purpose or in connection with the Securitisation, including, without limitation, with respect to the Loans, the Receivables, the Real Estate Assets, as well as the application of the Criteria, is true, accurate and complete in every material respect and no material information available to Banca Sella has been omitted.
- There are no prejudicial registration, annotation (*iscrizioni o trascrizioni pregiudizievoli*) or third party claim in relation to any of the Real Estate Assets which may impair, affect or jeopardise in any manner whatsoever the relevant Mortgages, their enforceability and/or their ranking.
- The transfer of the Receivables to the Issuer is made in accordance with the Securitisation Law. The Receivables have specific objective common elements such as to constitute a portfolio of homogenous monetary rights within the meaning and for the purposes of Securitisation Law. The Criteria have been correctly applied in the selection of the Receivables.
- All the Debtors are individuals resident in Italy who did not enter into the Loan Agreements for business purposes and who are classified as "*Famiglie Consumatrici*" (SAE 600) pursuant to Circular No. 140 of 11 February 1991 issued by the Bank of Italy.

- The Receivables do not include Self-Certified Mortgage Loans or Equity Release Mortgage Loans (as defined under the Prime Collateralised Securities Rule Book).

Under the Warranty and Indemnity Agreement, Banca Sella has agreed to indemnify the Issuer from and against any and all damages, losses, claims, liabilities and related costs and expenses, including legal fees and disbursements (all the foregoing collectively the "**Indemnified Amounts**") awarded against or suffered or incurred by it or them arising out of or relating to the breach of any representation or warranty made under the Transfer Agreement, the Warranty and Indemnity Agreement and the Servicing Agreement. Without limiting or being limited by the foregoing, the Indemnified Amounts include losses or damages incurred by the Issuer and its representatives and agents relating to or resulting from:

(i) reliance on any representation or warranty made by Banca Sella to the Issuer under or in connection with the Transfer Agreement, the Warranty and Indemnity Agreement and the Servicing Agreement, which shall have been false, incorrect or misleading in any material respect when made or delivered;

(ii) the failure by Banca Sella to comply with any term, provision or covenant contained in the Transfer Agreement the Warranty and Indemnity Agreement or the Servicing Agreement; and/or

(iii) the exercise of whatever right or claim by the Debtor vis-à-vis Banca Sella with reference to a Receivable (including, as a mere example, the right to annul, to terminate or to set-off or to counter-claim).

Under the Warranty and Indemnity Agreement, upon the occurrence of the events listed under Clause 5.1 of such agreement, the Issuer shall have the right to terminate the assignment of the Receivables affected by the occurrence of the aforementioned events. Termination shall take effect upon payment by the Originator to the Issuer of all sums due under Clause 5 of the Warranty and Indemnity Agreement. The Originator shall return to the Issuer an amount equal to the Outstanding Balance of the relevant Receivables as of the date on which termination shall be effective, plus interest calculated pursuant to Clause 5.4 of the Warranty and Indemnity Agreement.

Governing Law

The Warranty and Indemnity Agreement is governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE SERVICING AGREEMENT

The description of the Servicing Agreement set out below is a summary of certain features of the Servicing Agreement and is qualified by reference to the detailed provisions of such agreement. Prospective Noteholders may inspect a copy of the Servicing Agreement at the registered office of the Representative of the Noteholders.

General

On 9 April 2014, the Issuer and Banca Sella entered into the Servicing Agreement pursuant to which the Issuer has appointed Banca Sella as Servicer of the Receivables and the Servicer has agreed to administer and service the Receivables.

Under the Servicing Agreement, the Servicer shall, on a daily basis, credit any Collection received or recovered in relation to the Receivables into the Collection Account. The receipt of the Collections in respect of the Loans is the responsibility of the Servicer.

Banca Sella will also act as the "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento*" pursuant to the Securitisation Law. In such capacity, Banca Sella shall also be responsible for ensuring that such operations comply with the provisions of Article 2, paragraph 3(c) and Article 2, paragraph 6-bis of the Securitisation Law.

The Servicer will also be responsible for carrying out, on behalf of the Issuer, in accordance with the Servicing Agreement and the Credit and Collections Policies, any activities related to the management of the Defaulted Receivables, including activities in connection with the enforcement and recovery of the Defaulted Receivables.

Obligations of the Servicer

Under the Servicing Agreement the Servicer has undertaken, *inter alia*:

(a) to carry out the administration and service of the Receivables and to manage the relevant recovery procedures in accordance with all applicable laws and regulations;

(b) to maintain an effective system of general and accounting controls so as to ensure the performance by the Servicer of its obligations under the Servicing Agreement;

(c) save where otherwise provided in the Credit and Collection Policies and the Servicing Agreement, not to release or consent to the cancellation of all or part of the Receivables unless ordered to do so by a competent judicial or other authority;

(d) to ensure adequate identification and segregation of the Collections and any other amounts related to the Receivables from all other funds of or held by the Servicer;

(e) to act under the terms of the Credit and Collection Policies and in accordance with the applicable laws and regulations and with diligence so as to ensure the performance of the obligations of the debtors and the payment of all amounts due under the Receivables;

(f) to obtain and comply with all authorisations, approvals, licenses and consents required for the fulfilment of its obligations under the Servicing Agreement or to ensure the legality, validity and effectiveness of the Servicing Agreement and to ensure that its obligations under the Transfer Agreement and the Warranty and Indemnity Agreement are lawfully fulfilled;

(g) to ensure that the Usury Law will not be breached in carrying out its functions under the Servicing Agreement.

The activities to be carried out by the Servicer include also the processing of administrative and accounting data in relation to the Receivables and the management of such data. The Servicer has represented to the Issuer that it has all skills, software, hardware, information technology and human resources necessary to comply with the efficiency standards required by the Servicing Agreement.

The Servicer has undertaken to use all due diligence to maintain all accounting records in respect of the Receivables and on the Defaulted Receivables and shall supply all relevant information to the Issuer to enable it to prepare its financial statements.

In the event of any material failure on the part of the Servicer to observe or perform any of its obligations under the Servicing Agreement, the Issuer and the Representative of the Noteholders shall be authorised to carry out all the necessary activities to perform the relevant obligation in accordance with the terms thereunder. The Servicing Agreement provides that the Servicer will indemnify the Issuer and the Representative of the Noteholders from and against any cost and expenses incurred by them in connection with performance of the relevant obligation.

Pursuant to the terms of the Servicing Agreement, the Issuer has authorised the Servicer to re-negotiate the terms of the Loan Agreements, to amend the amortisation plans of the relevant Loan Agreements (*modifiche temporali dei piani di ammortamento*) and make assumptions (*accolli*) in relation to the payment obligations of the Debtors under the Loan Agreements, only within the limits specified in the Servicing Agreement.

The Issuer and the Representative of the Noteholders have the right to inspect and take copies of the documentation and records relating to the Receivables in order to verify the performance by the Servicer of its obligations pursuant to the Servicing Agreement to the extent the Servicer has been informed reasonably in advance of such inspection.

The Servicer has acknowledged and accepted that, pursuant to the terms of the Servicing Agreement (in addition to the servicing fee due thereunder) it will not have any further recourse against the Issuer for any damages, losses, liabilities, costs or expenses incurred by the Servicer as a result of the performance of its obligations under the Servicing Agreement, except and to the extent that such damages are caused by the wilful misconduct (*dolo*) or gross negligence (*colpa grave*) of the Issuer.

Reports of the Servicer

Pursuant to the Servicing Agreement, the Servicer has undertaken to prepare and deliver (a) no later than each Monthly Servicer's Report Date, the relevant Monthly Servicer's Report to the Issuer, the Representative of the Noteholders, the Corporate Servicer and the Computation Agent; and (b) no later than each Quarterly Servicer's Report Date, the relevant Quarterly Servicer's Report to the Issuer, the Representative of the Noteholders, the Corporate Servicer, the Computation Agent and the Rating Agencies.

Servicing Fee

As consideration for the services provided by the Servicer, the Issuer will pay to Banca Sella the following servicing fee, in accordance with the applicable Priority of Payments:

(a) for the recovery activities: on each Payment Date, an amount equal to 0.05 per cent (including VAT, if applicable) of the Collections made by the Servicer in respect of the Defaulted Receivables during the Quarterly Collection Period immediately preceding such Payment Date, net of the expenses relating to such Collections; and

(b) for the administration, management and collection of the Receivables (other than the recovery activities specified in paragraph (a) above): on each Payment Date, an amount equal to 0.45 per cent (plus VAT, if applicable) of the Collections made by the Servicer in respect of the Receivables (excluding any Defaulted Receivable but including any Delinquent Receivable) made by the Servicer during the Quarterly Collection Period immediately preceding such Payment Date.

In addition to the fees referred to in paragraph (a) and (b) above, the Servicer will be entitled to receive a further fee (the "**Extra-Fee**") equal to the aggregate of (i) the funds (if any) remaining after the payments of all amounts due to the Noteholders and the Other Issuer Creditors in accordance with the applicable Priority of Payments (the "**Remaining Funds**"), and (ii) the receivables which may arise in favour of the Issuer after the redemption in full or cancellation of the Notes (the "**Remaining Claims**"). For this purpose, pursuant to the Servicing Agreement, the Issuer has undertaken to transfer to the Servicer, on the account previously indicated by the latter, the Remaining Funds, as well as to assign to the Servicer, pursuant to article 1198 of the Italian civil code, the Remaining Claims by way of satisfaction of its obligation to pay the Extra-Fee. It is understood that, following the transfer of the Remaining Funds and the assignment of the Remaining Claims to the Servicer, regardless of their amounts and departing from the provisions of article 1198, paragraph 1, of the Italian civil code, the Issuer shall be fully released from its obligation to pay the Extra-Fee and no further claims in relation to such fee may be filed by the Servicer against the Issuer. It is also understood that, in the absence of Remaining Funds and/or Remaining Claims, no Extra-Fee will be due by the Issuer to the Servicer.

On each Payment Date, the Issuer will reimburse to the Servicer any expenses (including, without limitation, the fees of external legal advisers) reasonably incurred and properly documented by the Servicer in connection with the recovery of the Defaulted Receivables during the immediately preceding Quarterly Collection Period, in accordance with the applicable Priority of Payments.

Termination of the Appointment of the Servicer

The Servicer may not withdraw from the Servicing Agreement before the Cancellation Date.

The Issuer and the Representative of the Noteholders may terminate the Servicer's appointment and, on the basis of the indications provided to them by the Back-up Servicer Facilitator within 30 days from the date on which the Representative of the Noteholders has communicated the termination of the Servicer's appointment pursuant to the Servicing Agreement, appoint as substitute Servicer an entity which complies with the requirements set forth under article 12.3 of the Servicing Agreement (the "**Substitute Servicer**"), if a Servicer Termination Event occurs. The Servicer Termination Events include the following events:

(i) the Servicer being declared insolvent, the competent judicial authorities ruling to liquidate the Servicer or to appoint a liquidator or receiver, the Servicer passing a corporate resolution for its winding-up or liquidation, the Servicer being admitted into one of the proceedings set forth under Title IV of the Consolidated Banking Act or the Servicer passing a corporate resolution for its admission into one of the proceedings set forth under Title IV of the Consolidated Banking Act (each, a "**Servicer Insolvency Event**");

(ii) the breach of an obligation of the Servicer to transfer, deposit or pay an amount exceeding in aggregate Euro 10.000 (ten thousand) pursuant to the Servicing Agreement and the Servicer does not comply with a request to such effect by the Issuer or the Representative of the Noteholders within 10 (ten) days from such request;

(iii) a breach of the Servicing Agreement, the Transfer Agreement or the Warranty and Indemnity Agreement by the Servicer, which remains unremedied for a period longer than 7 (seven) days after receipt of a written request for remedy;

(iv) any of the representations and/or warranties in the Transfer Agreement, the Warranty and Indemnity Agreement, the Servicing Agreement or any other Transaction Document to which Banca Sella is a party proves to be materially untrue, misleading or false; and

(v) the Servicer ceases to meet any requirement imposed by law, Bank of Italy or any other competent authority with regard to entities acting as servicer in the context of securitisation transactions of receivables, or the Servicer fails to meet any requirement which may be imposed by law, Bank of Italy or any other competent authority to carry out servicing activity in the future.

Pursuant to the Servicing Agreement, the selection of the Substitute Servicer shall be carried out on the basis of the information provided by the Back-up Servicer Facilitator to the Issuer and the Representative of the Noteholders in the 30 (thirty) days from the date the Back-up Servicer Facilitator receives, *inter alios*, the notice sent by the Representative of the Noteholders communicating the termination of the Servicer's appointment. The Servicer shall continue to perform the servicing activities until the Substitute Servicer assumes the role of servicer executing a new servicing agreement in line with the Servicing Agreement and acceding to the Intercreditor Agreement and the other Transaction Documents to which the Servicer is a party. Furtermore, the Servicer (or, in case of termination of the Servicer's appointment due to the occurrence of a Servicer Insolvency Event, the Substitute Servicer) shall immediately notify all the parties involved (including the Debtors, Guarantors and the Mortgagors) to pay any amount due in relation to the Receivables directly into the Collection Account.

Governing Law

The Servicing Agreement is governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE CASH ALLOCATION, MANAGEMENT AND PAYMENT AGREEMENT

The description of the Cash Allocation, Management and Payment Agreement set out below is a summary of certain features of the Cash Allocation, Management and Payment Agreement and is qualified by reference to the detailed provisions of such agreement. Prospective Noteholders may inspect a copy of the Cash Allocation, Management and Payment Agreement upon request at the registered office of the Representative of the Noteholders.

General

Pursuant to the Cash Allocation, Management and Payment Agreement entered into on or about the Issue Date, the Computation Agent, the Account Bank, the Principal Paying Agent and the Cash Manager (collectively, the "**Agents**") have agreed to provide the Issuer with certain calculation, notification, reporting and agency services together with account handling, investment and cash management services in respect of the Receivables.

Account Bank

The Account Bank has agreed to (i) open in the name of the Issuer and manage in accordance with the Cash Allocation, Management and Payment Agreement, the Accounts (other than the Expense Account); and (ii) provide the Issuer with certain reporting services together with certain handling services in relation to monies and securities from time to time standing to the credit of the Accounts. In particular, the Account Bank shall (i) on each Account Bank Report Date, deliver to the Issuer, the Representative of the Noteholders, the Cash Manager and the Computation Agent a copy of the Account Bank Report setting out information concerning, *inter alia*, the transfers and the balances relating to the Accounts during the relevant Quarterly Collection Period; and (ii) on each Securities Account Report Date, deliver to the Issuer, the Representative of the Noteholders, the Cash Manager and the Computation Agent a copy of the Securities Account Report setting out certain information in respect of the Eligible Investments consisting of securities from time to time deposited into the Securities Account.

The Account Bank shall at all times be an Eligible Institution. If the Account Bank ceases to be an Eligible Institution, it shall promptly give notice of such event to the other parties to the Cash Allocation, Management and Payment Agreement and the Rating Agencies and shall be required to procure, within 30 (thirty) days from the date on which it has ceased to be an Eligible Institution, the transfer of the balance of the Collection Account, the Payments Account, the Cash Reserve Account and the Securities Account to another Eligible Institution identified by the Account Bank with the assistance and cooperation of the Issuer (which shall take any reasonable step in this regard), which shall assume the role of Account Bank upon the terms of the Cash Allocation, Management and Payment Agreement and shall agree to become a party to the Intercreditor Agreement and of any other relevant Transaction Documents. Any costs and expenses relating to the transfer of such Accounts shall be borne by the Account Bank which has ceased to be an Eligible Institution.

Cash Manager

The Cash Manager has agreed to provide the Issuer with certain cash management services in relation to the funds standing to the credit of the Collection Account and the Cash Reserve Account. Upon notification by the Account Bank that the cleared credit balance of any of the Collection Account and the Cash Reserve Account exceeds Euro 500,000, the Cash Manager shall, in the name and on behalf of the Issuer, select the Eligible Investments in which amounts standing to the credit of the Collection Account and the Cash Reserve Account will be invested

and shall instruct the Account Bank accordingly (provided that any such Eligible Investment shall have a maturity date falling not beyond the Eligible Investment Maturity Date). The Cash Manager may disinvest and liquidate an Eligible Investment prior to its Eligible Investment Maturity Date only if it economically advantageous for the Issuer and instruct the Account Bank accordingly. Eligible Investments shall not be made in the period starting on the third Business Day preceding a Payment Date and ending on such Payment Date (both included).

Computation Agent

The Computation Agent has agreed to provide the Issuer with certain other calculation, monitoring and reporting services. The Computation Agent shall prepare, on or prior to each Investors Report Date, the Investors Report setting out certain information with respect to the Notes.

In addition, prior to the delivery of a Trigger Notice, the Computation Agent shall, on each Quarterly Calculation Date, prepare and deliver to the Issuer, the Representative of the Noteholders, the Rating Agencies, the Corporate Servicer, the Account Bank, the Principal Paying Agent and, in copy, the Servicer the Quarterly Payments Report with respect to the relevant Quarterly Collection Period. The Servicer shall monitor and supervise the Quarterly Payments Report prepared by the Computation Agent.

Prior to the delivery of a Trigger Notice, if the Computation Agent does not receive the Quarterly Servicer's Report from the Servicer by the relevant Quarterly Servicer's Report Date, then (i) the Computation Agent shall prepare the Quarterly Payments Report and the Investors Report on the basis of the provisions of the Transaction Documents and any other information available on the relevant Quarterly Calculation Date (including, without limitation, the balance standing to the credit of the Accounts), irrespective of its completeness; and (ii) only amounts to be paid under items from *First* to *Fourth* (inclusive) of the applicable Priority of Payments shall be due and payable, to the extent there are sufficient Issuer Available Funds to make such payments (the "**Provisional Payments**"). On the immediately following Quarterly Calculation Date and subject to the timely receipt of the relevant Quarterly Servicer's Report from the Servicer, the Computation Agent shall, in determining the amounts due and payable on the immediately following Payment Date under items from *First* to *Fourth* (inclusive) of the applicable Priority of Payments, make any necessary adjustment to take into account the difference (if any) between the Provisional Payments made on the immediately preceding Payment Date and the actual amounts that would have been due on that Payment Date. Upon the service of a Trigger Notice by the Representative of the Noteholders, the Computation Agent shall prepare and deliver to the Representative of the Noteholders, each of the Other Issuer Creditors and the Rating Agencies the Post Trigger Report containing the amount of the Issuer Available Funds and the amounts of each of the payments and allocations to be made by the Issuer pursuant to the Intercreditor Agreement. Following the delivery of a Trigger Notice, if the Computation Agent does not receive the Quarterly Servicer's Report from the Servicer by the relevant Quarterly Servicer's Report Date or the Originator fails to deliver to the Computation Agent in a timely manner the information to be provided pursuant to the Intercreditor Agreement for the purposes of Articles 405 to 409 (inclusive) of the Capital Requirements Regulation, the Computation Agent shall prepare the Post Trigger Report and the Investors Report on the basis of the Transaction Documents and the information available on the relevant Quarterly Calculation Date or such other date on which the Post Trigger Report shall be made, irrespective of its completeness, so that, insofar as there are sufficient Issuer Available Funds, all payments due under the applicable Priority of Payments are made.

Principal Paying Agent

The Principal Paying Agent has agreed to provide the Issuer with certain calculation, payment and agency services in relation to the Notes, including without limitation, calculating the Class A1 Rate of Interest, making payments to the Noteholders, giving notices and issuing certificates and instructions in connection with any meeting of the Noteholders.

The Principal Paying Agent shall at all times be an Eligible Institution. If the Principal Paying Agent ceases to be an Eligible Institution, it shall promptly give notice of such event to the other parties to the Cash Allocation, Management and Payment Agreement and the Rating Agencies and shall be required to procure, within 30 (thirty) days from the date on which it has ceased to be an Eligible Institution, that another Eligible Institution identified by the Principal Paying Agent with the assistance and cooperation of the Issuer (which shall take any reasonable step in this regard) assumes the role of Principal Paying Agent upon the terms of the Cash Allocation, Management and Payment Agreement and agrees to become a party to the Intercreditor Agreement and of any other relevant Transaction Documents. Any costs and expenses relating to the transfer of the data and information in possession of the Principal Paying Agent shall be borne by the Principal Paying Agent which has ceased to be an Eligible Institution.

No rating triggers are provided for under the Transaction Documents other than those relating to the loss of status of Eligible Institution by the Account Bank and the Principal Paying Agent pursuant to the Cash Allocation, Management and Payment Agreement.

Payments to Noteholders and Other Issuer Creditors

Under the Cash Allocation, Management and Payment Agreement, the Issuer has instructed the Account Bank to arrange for the transfer to the Payments Account from the other Accounts of amounts sufficient to make, on the relevant Payment Date, the payments specified in the relevant Quarterly Payments Report. In particular:

(i) payments in favour of the Noteholders shall be made by transferring the full amount thereof to the Principal Paying Agent, which shall make the payments on relevant Payment Date; and

(ii) payments to the Other Issuer Creditors and any other third party creditors shall be made by the Account Bank on relevant Payment Date,

in each case to the extent that Issuer Available Funds are available for such purposes and in accordance with the applicable Priority of Payments. No payments may be made out of the Accounts which would thereby cause or result in such accounts becoming overdrawn.

Termination

If any of the events set forth under clause 20.1 of the Cash Allocation, Management and Payment Agreement (hereinafter, for the purposes of this section, a "**Default Event**") occurs, then either the Representative of the Noteholders, in accordance with the Mandate Agreement, or the Issuer may, provided that (in the case of the Issuer) the Representative of the Noteholders consents in writing to such termination, forthwith or at any time thereafter while such event continues, by notice in writing to the Computation Agent (in the case of a Default Event relating to the Computation Agent), the Account Bank (in the case of a Default Event relating to the Account Bank), the Principal Paying Agent (in the case of a Default Event relating to the Principal Paying Agent) and/or the Cash Manager (in the case of a Default Event relating to the Cash Manager), as the case may be, copied to the other parties and the Rating Agencies, terminate the appointment of the relevant Agent under the terms of the Cash Allocation, Management and

Payment Agreement, with effect from a date specified in the notice (which cannot be earlier than the date of the notice nor, if later, than the date when a substitute Agent has been appointed). Such termination will be subject to and conditional upon a substitute Computation Agent, Account Bank, Principal Paying Agent or Cash Manager (being, in the case of the Account Bank and the Principal Paying Agent, an Eligible Institution), as the case may be, being appointed by the Issuer, with the prior written approval of the Representative of the Noteholders, on substantially the same terms as those set out in the Cash Allocation, Management and Payment Agreement. Neither the Computation Agent, the Account Bank, the Principal Paying Agent and the Cash Manager, as the case may be, shall be released from its obligations under the Cash Allocation, Management and Payment Agreement until such substitute Computation Agent, Account Bank, Principal Paying Agent and Cash Manager, as the case may be, has entered into such new agreement and it has adhered to the Intercreditor Agreement and the other relevant Transaction Documents.

Resignation

Each of the Agents may resign from its appointment under the Cash Allocation, Management and Payment Agreement, upon giving not less than 3 (three) months (or such shorter period as the Representative of the Noteholders may agree) prior written notice of termination to the Representative of the Noteholders, the Issuer and the other parties. Such resignation will be subject to and conditional upon, *inter alia*, a substitute Computation Agent, Principal Paying Agent, Cash Manager or Account Bank (being, in the case of the Account Bank and the Principal Paying Agent, an Eligible Institution), as the case may be, being appointed by the Issuer, with the prior written approval of the Representative of the Noteholders, on substantially the same terms as those set out in the Cash Allocation, Management and Payment Agreement. Neither the Computation Agent, the Principal Paying Agent, the Cash Manager and the Account Bank, as the case may be, shall be released from its obligations under the Cash Allocation, Management and Payment Agreement until such substitute Computation Agent, Principal Paying Agent, Cash Manager and Account Bank, as the case may be, has entered into such new agreement and it has adhered to the Intercreditor Agreement and the other relevant Transaction Documents.

Termination Notice

The Issuer may, subject to the prior written approval of the Representative of the Noteholders, terminate the appointment of any of the Computation Agent, the Principal Paying Agent, the Cash Manager and the Account Bank under the Cash Allocation, Management and Payment Agreement in any circumstances (whether or not a Default Event has occurred) by giving 3 (three) months prior written notice of such termination to any of the Computation Agent, the Principal Paying Agent, the Cash Manager, the Account Bank and the Rating Agencies, provided that (for so long as the Senior Notes are listed on the official list of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require) the Issuer at all times maintains a paying agent with a specified office in Luxembourg. In the event of such termination of the appointment, the Computation Agent, the Principal Paying Agent, the Cash Manager and the Account Bank shall have no right of compensation or to damages, notwithstanding their right to be paid any fees that may be owed to them up until the date on which they provide their service under the Transaction Documents.

Governing Law

The Cash Allocation, Management and Payment Agreement is governed by, and shall be construed in accordance, with Italian law.

DESCRIPTION OF THE INTERCREDITOR AGREEMENT

The description of the Intercreditor Agreement set out below is a summary of certain features of the Intercreditor Agreement and is qualified by reference to the detailed provisions of such agreement. Prospective Noteholders may inspect a copy of the Intercreditor Agreement at the registered office of the Representative of the Noteholders.

General

On or about the Issue Date, the Issuer, the Representative of the Noteholders (on its own behalf and as agent for the Noteholders), the Originator, the Servicer, the Class A2 Notes Subscriber, the Class D Notes Subscriber, the Joint Lead Managers, the Back-up Servicer Facilitator, the Account Bank, the Principal Paying Agent, the Cash Manager, the Corporate Servicer and the Computation Agent have entered into the Intercreditor Agreement, pursuant to which provision is made as to the application of the Issuer Available Funds in accordance with the applicable Priority of Payments and as to the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to the Portfolio.

Pursuant to the Intercreditor Agreement the parties thereto have acknowledged and agreed that the Issuer may request or agree to any variation of any rights relating to any Account, close any Account and/or open new accounts under the Securitisation in accordance with the Securitisation Law and the relevant implementing rules or interpretations (with particular respect to the amendments introduced by Law 9 of 21 February 2014 in relation to the possibility for the issuer of a securitisation to open segregated accounts with the servicer of the relevant transaction) and the Rating Agencies' criteria (as from time to time amended or supplemented in this respect) by giving prior notice to the Representative of the Noteholders (without the need of its consent) and to the Rating Agencies and provided that the then current ratings of the Senior Notes would not be adversely affected by any such variation of rights relating to any Account, closing of any Account and/or opening of new accounts.

The Intercreditor Agreement also sets out, *inter alia*, the Priority of Payments to be followed by the Issuer in connection with the Securitisation.

The obligations owed by the Issuer to each of the Other Issuer Creditors, including without limitation, the obligations under any Transaction Document to which such Other Issuer Creditor is a party, will be limited recourse obligations of the Issuer. Each of the Other Issuer Creditors will have a claim against the Issuer only to the extent of the Issuer Available Funds, in each case subject to and as provided in the Intercreditor Agreement and the other Transaction Documents.

Under the terms of the Intercreditor Agreement each of the Other Issuer Creditors have acknowledged and agreed, *inter alia*, that until the later of (i) the date falling one year and one day after the Final Maturity Date or, in case of early redemption in full or cancellation of the Notes in accordance with the relevant Terms and Conditions and to the extent article 65 of the Italian Bankruptcy Law applies, two years and one day after the date of the early redemption in full or cancellation of the Notes; (ii) the date falling one year and one day after the final maturity date of the Previous Notes or, in case of early redemption in full or cancellation of the Previous Notes in accordance with the relevant terms and conditions of the Previous Notes and to the extent article 65 of the Italian Bankruptcy Law applies, two years and one day after the date of the early redemption in full or cancellation of the Previous Notes; and (iii) the date falling one year and one day after the final maturity date of the notes issued by the Issuer in the context of any further securitisation transaction or, in case of early redemption in full or cancellation of such notes in

accordance with the relevant terms and conditions of such notes and to the extent article 65 of the Italian Bankruptcy Law applies, two years and one day after the date of the early redemption in full or cancellation of such notes, none of the Other Issuer Creditors (nor any person on their behalf, other than the Representative of the Noteholders when so directed by an Extraordinary Resolution of the Noteholders and only if the representatives of the noteholders of the October 2005 Transaction and the March 2012 Transaction, collectively, and any further securitisation transaction carried out by the Issuer have been so directed by the appropriate resolutions of their respective noteholders in accordance with the relevant transaction documents) is entitled to cause, initiate or join any person in initiating an Insolvency Event in relation to the Issuer.

Under the terms of the Intercreditor Agreement, the Issuer has undertaken, upon the service of a Trigger Notice, to comply with all directions of the Representative of the Noteholders, acting pursuant to the Terms and Conditions, in relation to the management and administration of the Portfolio.

Furthermore, under the terms of the Intercreditor Agreement, the Issuer has appointed the Back-up Servicer Facilitator to cooperate with the Issuer to do its best effort in order to identify an entity to be appointed as substitute servicer in accordance with the Servicing Agreement and pursuant to the terms and conditions set forth thereunder.

Disposal of the Portfolio upon Trigger Event

Following the delivery of a Trigger Notice, the Issuer may (with the prior 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 Most Senior Class of Noteholders) direct the Issuer to dispose of the Portfolio provided that:

(a) a sufficient amount would be realised from such disposal to allow discharge in full of all amounts owing to the Senior Noteholders and amounts ranking in priority thereto or *pari passu* therewith or, if such amount would not be realised, the lower amount which may be realised from such disposal, provided that in each case the purchase price of the Portfolio shall be determined by a third party expert independent from the Originator as described below;

(b) the relevant purchaser has obtained all the necessary approvals and authorisations;

(c) the relevant purchaser has produced:

  (i) a certificate signed by its legal representative stating that such purchaser is solvent;

  (ii) a certificate (*certificato di iscrizione nella sezione ordinaria*) issued by the competent Companies' Register and dated not more than 10 (ten) days before the date on which the Portfolio will be disposed, stating that no insolvency proceeding is pending against the relevant purchaser;

  (iii) a certificate (*certificato sezione fallimentare*) issued by the competent Court and dated not more than 10 (ten) days before the date on which the Portfolio will be disposed, stating that no insolvency proceeding is pending against the relevant purchaser (unless such certificate is not issued by the competent Court due to internal rules);

  (iv) any other evidence of its solvency which may be required by the Representative of the Noteholders; and

(d) the Rating Agencies have been notified in advance of such disposal.

The purchase price of the Portfolio shall be equal to the Outstanding Balance of the Receivables comprised in the Portfolio, provided that, if the Portfolio includes Defaulted Receivables, the purchase price shall be equal to the fair market value of the Portfolio, as determined by a third party expert independent from the Originator. The purchase price of the Portfolio shall be unconditionally paid on the relevant date of disposal by credit transfer in Euro and in same day, freely transferable, cleared funds into the Payments Account and the disposal of the Portfolio will be effective subject to the actual payment in full of the purchase price.

Any costs, fees and expenses incurred in connection with the disposal of the Portfolio following the occurrence of a Trigger Event shall be borne by the relevant purchaser.

The disposal of the Portfolio (or such part of the Portfolio) shall be made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of the Receivables comprised in the Portfolio (or such part of the Portfolio) departing from article 1266, paragraph 1, of the Italian civil code), and the relevant purchase agreement shall be expressly qualified by the parties as *contratto aleatorio* pursuant to article 1469 of the Italian civil code.

Disposal of the Portfolio following the occurrence of a Tax Event

Following the occurrence of a Tax Event and in accordance with the Terms and Conditions, the Issuer may, or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution ofthe Most Senior Class of Noteholders) direct the Issuer to, dispose of the Portfolio or any part thereof to finance the early redemption of the Affected Class of Notes under Condition 6.4 (*Redemption for tax reasons*) provided that:

(a) a sufficient amount would be realised from such disposal to allow discharge in full of all amounts owing to the holders of the Affected Class of Notes and amounts ranking in priority thereto or *pari passu* therewith, provided that the purchase price of the Portfolio (or the part of the Portfolio to be disposed of) shall be determined by a third party expert independent from the Originator as described below;

(b) the relevant purchaser has obtained all the necessary approvals and authorisations;

(c) the relevant purchaser has produced:

  (i) a certificate signed by its legal representative stating that such purchaser is solvent;

  (ii) a certificate (*certificato di iscrizione nella sezione ordinaria*) issued by the competent Companies' Register and dated not more than 10 (ten) days before the date on which the Portfolio will be disposed, stating that no insolvency proceeding is pending against the relevant purchaser;

  (iii) a certificate (*certificato sezione fallimentare*) issued by the competent Court and dated not more than 10 (ten) days before the date on which the Portfolio will be disposed, stating that no insolvency proceeding is pending against the relevant purchaser (unless such certificate is not issued by the competent Court due to internal rules);

(iv) any other evidence of its solvency which may be required by the Representative of the Noteholders; and

(d) the Rating Agencies have been notified in advance of such disposal.

The purchase price of the Portfolio (or the part of the Portfolio to be disposed of) shall be equal to the Outstanding Balance of the Receivables comprised in the Portfolio (or such part of the Portfolio), provided that, if the Portfolio (or such part of the Portfolio) includes Defaulted Receivables, the purchase price shall be equal to the fair market value of the Portfolio (or such part of the Portfolio), as determined by a third party expert independent from the Originator. The purchase price of the Portfolio (or such part of the Portfolio) shall be unconditionally paid on the relevant date of disposal by credit transfer in Euro and in same day, freely transferable, cleared funds into the Payments Account and the disposal of the Portfolio (or such part of the Portfolio) will be effective subject to the actual payment in full of the purchase price.

Any costs, fees and expenses incurred in connection with the disposal of the Portfolio following the occurrence of a Tax Event shall be borne by the relevant purchaser.

The disposal of the Portfolio (or such part of the Portfolio) shall be made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of the Receivables comprised in the Portfolio (or such part of the Portfolio) departing from article 1266, paragraph 1, of the Italian civil code), and the relevant purchase agreement shall be expressly qualified by the parties as *contratto aleatorio* pursuant to article 1469 of the Italian civil code.

Option to repurchase the Portfolio in favour of Originator

Under the Intercreditor Agreement, the Issuer has irrevocably granted to the Originator an option, pursuant to article 1331 of the Italian civil code, to repurchase (in whole but not in part) the Portfolio then outstanding on any date falling after the Payment Date falling in July 2022 provided that no Trigger Notice has been served on the Issuer.

In order to exercise the above mentioned option the Originator shall have:

(a) obtained all the necessary approvals and authorisations;

(b) sent a written notice to the Issuer at least 60 (sixty) days before the Payment Date upon which such option will be exercised;

(c) delivered to the Issuer the following documents:

(i) a certificate signed by its legal representative stating that the Originator is solvent;

(ii) a certificate (*certificato di iscrizione alla sezione ordinaria*) issued by the competent Companies' Register and dated no more than 10 (ten) days before the date on which the Portfolio will be disposed, stating that no insolvency proceeding is pending against the Originator;

(iii) a certificate (*certificato sezione fallimentare*) issued by the competent Court and dated not more than 10 (ten) days before the date on which the Portfolio will be disposed, stating that no insolvency proceeding is pending against the relevant

purchaser (unless such certificate is not issued by the competent Court due to internal rules);

(iv) any other evidence of its solvency which may be required by the Representative of the Noteholders; and

(d) no Trigger Notice has been served on the Issuer.

The Issuer shall notify in advance the Rating Agencies of the exercise of such option.

The purchase price of the Receivables shall be equal to (i) in respect of Receivables which are Defaulted Receivables, an amount equal to the fair market value of the Receivables, as determined by a third party expert independent from the Originator; and (ii) in respect of the Receivables other than the Defaulted Receivables, the Outstanding Balance of such Receivables, as determined on the basis of the last available Quarterly Servicer's Report. Any costs, fees and expenses incurred in connection with the exercise of the option to repurchase the Portfolio shall be borne by the Originator.

The repurchase of the Portfolio shall be made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of the Receivables comprised in the Portfolio departing from article 1266, paragraph 1, of the Italian civil code), and the relevant repurchase agreement shall be expressly qualified by the parties as *contratto aleatorio* pursuant to article 1469 of the Italian civil code.

Option to repurchase individual Receivables or pools of Receivables

Under the Intercreditor Agreement, the Issuer has irrevocably granted to the Originator an option, pursuant to article 1331 of the Italian Civil Code, to repurchase individual Receivables or pools of Receivables comprised in the Portfolio provided that the purchase price of such Receivables shall be equal to: (i) in respect of the Receivables which are Defaulted Receivables, an amount equal to the Net Outstanding Balance of such Receivables, as determined on the basis of the last available Monthly Servicer's Report; and (ii) in respect of the Receivables other than the Defaulted Receivables, the Outstanding Balance of such Receivables, as determined on the basis of the last available Monthly Servicer's Report.

Individual Receivables or pools of Receivables shall be repurchased by the Originator only in extraordinary circumstances and in order to avoid that any of clients of the Originator which are also Debtors are treated unfavourably in respect of other clients of the Originator. In any event, the Originator is entitled to repurchase individual Receivables or pools of Receivables up to an amount in aggregate equal to 5 per cent of the Portfolio as at the Valuation Date without the prior consent of the Representative of the Noteholders. In order for the Originator to repurchase individual Receivables or pools of Receivables for an aggregate amount exceeding 5 per cent of the Portfolio as at the Valuation Date, under the Intercreditor Agreement the Representative of the Noteholders' prior written consent will be required.

Any costs, fees and expenses incurred in connection with the repurchase of individual Receivables or pools of Receivables shall be borne by the Originator.

The repurchase of the Portfolio shall be made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of the Receivables comprised in the Portfolio departing from article 1266,

paragraph 1, of the Italian civil code), and the relevant repurchase agreement shall be expressly qualified by the parties as *contratto aleatorio* pursuant to article 1469 of the Italian civil code

Regulatory Capital Requirements Undertakings

Pursuant to the Intercreditor Agreement, the Senior Notes Subscription Agreements and the Class D Notes Subscription Agreement, the Originator has undertaken to the Issuer and the Representative of the Noteholders that it will retain on the Issue Date, and maintain on an ongoing basis, a material net economic interest of at least 5 (five) per cent in the Securitisation (calculated with respect to the Receivables comprised in the Portfolio), in accordance with paragraph (d) of Article 405 of the Capital Requirements Regulation and Article 51 of the AIFM Regulation or, in accordance with Article 405 of the Capital Requirements Regulation and Article 51 of the AIFM Regulation, any alternative permitted method to the extent that adequate disclosure on such alternative method has been given to the Noteholders. In particular, the Originator has undertaken (i) to retain on the Issue Date, and maintain on an ongoing basis, a material net economic interest of at least 5 (five) per cent in the Securitisation (calculated with respect to the Receivables comprised in the Portfolio), and (ii) provide (or cause to be provided) all information to Noteholders that is required to enable Noteholders to comply with article 405 to 409 (included) of the Capital Requirements Regulation. For further details, see the section entitled "*Regulatory Capital Requirements*".

Governing Law

The Intercreditor Agreement is governed by, and shall be construed in accordance, with Italian law.

DESCRIPTION OF THE DEED OF PLEDGE

The description of the Deed of Pledge set out below is a summary of certain features of the Deed of Pledge and is qualified by reference to the detailed provisions of such deed. Prospective Noteholders may inspect a copy of the Deed of Pledge at the registered office of the Representative of the Noteholders.

In order to ensure the segregation of and create a pledge over the rights of the Issuer arising out of the Transaction Documents, on or about the Issue Date the Issuer, the Representative of the Noteholders (acting on behalf of the Noteholders) and the Other Issuer Creditors entered into an Italian law Deed of Pledge.

Pursuant to the Deed of Pledge, without prejudice and in addition to any security, guarantees and other rights provided by the Securitisation Law securing the discharge of the Issuer's obligations towards the Noteholders and the Other Issuer Creditors, the Issuer has pledged, in favour of the Noteholders and the Other Issuer Creditors, (i) all monetary claims and rights and all the amounts (including payment for claims, indemnities, damages, penalties, credits and guarantees) to which the Issuer is entitled from time to time pursuant to the Transaction Documents; (ii) the credit balance of the Collection Account, the Payments Account and the Cash Reserve Account; and (iii) the Eligible Investments consisting of securities deposited from time to time into the Securities Account and all rights, title, interest and benefit to which the Issuer is entitled from time to time thereunder, as well as all monies, property and other rights which may from time to time be distributed or derived therefrom. Furthermore, under the Deed of Pledge the Issuer has undertaken to pledge, in favour of the Noteholders and the Other Issuer Creditors, any Eligible Investment consisting of deposits, substantially on the same terms as those of the Deed of Pledge.

The Deed of Pledge is governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE MANDATE AGREEMENT

The description of the Mandate Agreement set out below is a summary of certain features of the Mandate Agreement and is qualified by reference to the detailed provisions of such agreement. Prospective Noteholders may inspect a copy of the Mandate Agreement at the registered office of the Representative of the Noteholders.

General

On or about the Issue Date, the Issuer and the Representative of the Noteholders entered into the Mandate Agreement, which provides that, subject to, *inter alia*, a Trigger Notice being served upon the Issuer or upon failure by the Issuer to exercise its rights under the Transaction Documents, the Representative of the Noteholders shall be entitled to exercise all the Issuer's Rights arising out of the Transaction Documents.

Governing Law

The Mandate Agreement is governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE CORPORATE SERVICES AGREEMENT

The description of the Corporate Services Agreement set out below is a summary of certain features of the Corporate Services Agreement and is qualified by reference to the detailed provisions of such agreement. Prospective Noteholders may inspect a copy of the Corporate Services Agreement at the registered office of the Representative of the Noteholders.

General

Under the Corporate Services Agreement dated 18 October 2005, as amended on 18 April 2008, on 28 January 2009, on 16 May 2011, on 13 March 2012 and as further amended on or about the Issue Date between the Issuer and the Corporate Servicer, the Corporate Servicer has agreed to provide the Issuer with certain corporate administration and management services. These services include, *inter alia*, the safekeeping of documentation pertaining to meetings of the Issuer's quotaholders and directors, maintaining the quotaholders' register, preparing VAT (value added tax) and other tax and accounting records, preparing the Issuer's annual balance sheet, administering all matters relating to the taxation of the Issuer and liasing with the Representative of the Noteholders.

Governing Law

The Corporate Services Agreement is governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE QUOTAHOLDERS' AGREEMENT

The description of the Quotaholders' Agreement set out below is a summary of certain features of the Quotaholders' Agreement and is qualified by reference to the detailed provisions of such agreement. Prospective Noteholders may inspect a copy of the Quotaholders' Agreement at the registered office of the Representative of the Noteholders.

General

Under the Quotaholders' Agreement dated 18 October 2005, as amended on 18 April 2008, on 28 January 2009, on 16 May 2011, on 13 March 2012 and as further amended on or about the Issue Date, the Quotaholders have assumed certain undertakings *vis-à-vis* the representative of the noteholders of the October 2005 Transaction, the representative of the noteholders of the March 2012 Transaction and the Representative of the Noteholders in relation to the management of the Issuer and the exercise of its rights as Quotaholders of the Issuer. The Quotaholders have also agreed not to dispose of, or charge or pledge, the quotas in the Issuer without the prior written consent of the representative of the noteholders of the October 2005 Transaction, the representative of the noteholders of the March 2012 Transaction and of the Representative of the Noteholders.

Governing Law

The Quotaholders' Agreement is governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE TRANSACTIONS INTERCREDITOR AGREEMENT

The description of the Transactions Intercreditor Agreement set out below is a summary of certain features of the Transactions Intercreditor Agreement and is qualified by reference to the detailed provisions of such agreement. Prospective Noteholders may inspect a copy of the Transactions Intercreditor Agreement at the registered office of each of the Representative of the Noteholders.

General

On or about the Issue Date, the Issuer's Creditors, the March 2012 Issuer's Creditors and the October 2005 Issuer's Creditors have entered into the Transactions Intercreditor Agreement. Pursuant to the Transactions Intercreditor Agreement, the Issuer's Creditors, the March 2012 Issuer's Creditors and the October 2005 Issuer's Creditors have agreed, *inter alia*, to allocate among the Securitisation, the March 2012 Transaction and the October 2005 Transaction all fees, costs and expenses to be paid in connection with the activities carried out by the Corporate Servicer under the Corporate Services Agreement.

Governing Law

The Transactions Intercreditor Agreement is governed by, and shall be construed in accordance with, Italian law.

THE ACCOUNTS

The Issuer has opened and shall at all times maintain with BNP Paribas Securities Services, Milan Branch, as Account Bank, the Collection Account, the Payments Account, the Cash Reserve Account and the Securities Account.

The Account Bank shall at all times be an Eligible Institution. Pursuant to the terms of the Cash Allocation, Management and Payment Agreement, if the Account Bank ceases to be an Eligible Institution, it shall promptly give notice of such event to the other parties to the Cash Allocation, Management and Payment Agreement and the Rating Agencies and shall be required to procure, within 30 (thirty) days from the date on which it has ceased to be an Eligible Institution, the transfer of the balance of the Collection Account, the Payments Account, the Cash Reserve Account and the Securities Account to another Eligible Institution identified by the Account Bank with the assistance and cooperation of the Issuer (which shall take any reasonable step in this regard), which shall assume the role of Account Bank upon the terms of the Cash Allocation, Management and Payment Agreement and shall agree to become a party to the Intercreditor Agreement and of any other relevant Transaction Documents. Any costs and expenses relating to the transfer of such Accounts shall be borne by the Account Bank which has ceased to be an Eligible Institution.

The Issuer has also opened and shall at all times maintain with Banca Monte Paschi di Siena S.p.A., Conegliano branch the Expense Account.

Set out below are the payments to be made into and out of each of the Accounts.

1. Collection Account

Credit

(a) On the Issue Date, all the Collections received or recovered from the Valuation Date (excluded) up to the Issue Date (excluded) will be credited to the Collection Account.

(b) On a daily basis, all the Collections received or recovered from the Issue Date (included) will be credited to the Collection Account.

(c) All amounts on account of principal deriving from the Eligible Investments made using funds standing to the credit of the Collection Account, including any amount on account of principal deriving from the realisation or liquidation of such Eligible Investments and any other amount on account of principal on maturity of such Eligible Investments, will be credited to the Collection Account.

(d) All amounts on account of interest, premium or other profit deriving from the Eligible Investments made using funds standing to the credit of the Collection Account, including any amount on account of interest, premium or other profit deriving from the realisation or liquidation of such Eligible Investments and any other amount on account of interest, premium or other profit on maturity of such Eligible Investments, will be credited to the Collection Account.

(e) Interest accrued on the Collection Account will be credited.

Debit

(a) In accordance with the provisions of the Cash Allocation, Management and Payment Agreement, the amounts standing to the credit of the Collection Account will be used to purchase the Eligible Investments.

(b) 2 (two) Business Days before each Payment Date, the Issuer Available Funds relating to such Payment Date standing to the credit of the Collection Account will be transferred into the Payments Account.

2. Payments Account

Credit

(a) On the Issue Date, the proceeds deriving from the subscription of the Notes will be credited.

(b) All other amounts received by the Issuer under any of the Transaction Documents (other than the Collections, but including the proceeds deriving from the sale, if any, of the Portfolio or any part thereof or the repurchase, if any, of individual or pools of Receivables by the Originator pursuant to the Intercreditor Agreement) will be credited to the Payments Account.

(c) 2 (two) Business Days before each Payment Date, the amounts to be transferred from the Collection Account and the Cash Reserve Account will be credited to the Payments Account.

(d) Interest accrued on the Payments Account will be credited.

Debit

(a) On the Issue Date, (i) an amount equal to the Purchase Price due to the Originator under the Transfer Agreement will be paid to the the Originator, (ii) an amount equal to the Retention Amount and the Initial Expenses will be transferred into the Expense Account, and (iii) an amount equal to the Cash Reserve Initial Amount will be transferred into the Cash Reserve Account.

(b) On each Payment Date, the Issuer Available Funds relating to such Payment Date standing to the credit of the Payments Account will be applied, as specified in the Quarterly Payments Report or the Post Trigger Report, as the case may be, to make the payments due by the Issuer in accordance with the applicable Priority of Payments.

3. Cash Reserve Account

Credit

(a) On the Issue Date, an amount equal to the Cash Reserve Initial Amount will be transferred from the Payments Account.

(b) On each Payment Date prior to the delivery of a Trigger Notice up to (and excluding) the Payment Date on which the Senior Notes are redeemed in full or cancelled, the Issuer Available Funds will be credited, in accordance with the applicable Priority of Payments, to bring the balance of the Cash Reserve Account up to (but not exceeding) the Required Cash Reserve Amount.

(c) All amounts on account of principal deriving from the Eligible Investments made using funds standing to the credit of the Cash Reserve Account, including any amount on account of principal deriving from the realisation or liquidation of such Eligible Investments and any other amount on account of principal on maturity of such Eligible Investments, will be credited to the Cash Reserve Account.

(d) All amounts on account of interest, premium or other profit deriving from the Eligible Investments made using funds standing to the credit of the Cash Reserve Account, including any amount on account of interest, premium or other profit deriving from the realisation or liquidation of such Eligible Investments and any other amount on account of interest, premium or other profit on maturity of such Eligible Investments, will be credited to the Cash Reserve Account.

(e) Interest accrued on the Cash Reserve Account will be credited.

Debit

(a) In accordance with the provisions of the Cash Allocation, Management and Payment Agreement, the amounts standing to the credit of the Cash Reserve Account will be used to purchase the Eligible Investments.

(b) 2 (two) Business Days before each Payment Date up to (and including) the Payment Date on which the Senior Notes are redeemed in full or cancelled, the Cash Reserve Available Amount (if any) will be transferred into the Payments Account.

4. Securities Account

Credit

Any Eligible Investments consisting of securities will be deposited into the Securities Account.

Debit

Any liquidated Eligible Investments consisting of securities will be transferred out of the Securities Account.

5. Expense Account

Credit

(a) On the Issue Date, an amount equal to the Retention Amount and the Initial Expenses will be credited to the Expense Account.

(b) The Initial Expenses will be paid out of the Expenses Account.

(c) To the extent, on any Payment Date, the amount standing to the credit of the Expense Account is lower than the Retention Amount, the Issuer Available Funds will be credited to the Expense Account, in accordance with the applicable Priority of Payments, to bring the balance of the Expense Account up to (but not exceeding) the Retention Amount.

(d) Interest accrued on the Expense Account will be credited into the Expense Account.

Debit

Any Expenses will be paid out of the Expense Account during each Interest Period.

ESTIMATED WEIGHTED AVERAGE LIFE OF THE SENIOR NOTES

The estimated weighted average life of the Senior Notes cannot be predicted, as the actual rate at which the Mortgage Loans will be repaid and a number of other relevant factors are unknown. Calculations as to the estimated weighted average life of the Senior Notes can be made based on certain assumptions. These estimates have certain inherent limitations. No representations can be made that such estimates are accurate, or that all assumptions relating to such estimates have been considered or stated or that such estimates will be realised.

The following tables show the estimated weighted average life and the expected maturity of the Senior Notes and have been, inter alia, prepared based on the characteristics of the Receivables included in the Portfolio and on the following additional assumptions:

(a) all Receivables are duly and timely paid and there are no Delinquent Receivables or Defaulted Receivables at any time;

(b) the constant prepayment rate, as per table below, has been applied to the Portfolio in homogeneous terms;

(c) no Trigger Event occurs;

(d) no optional redemption pursuant to Condition 6.4 (*Redemption, Purchase and Cancellation - Redemption for tax reasons*) occurs;

(e) optional redemption pursuant to Condition 6.3 (*Redemption, Purchase and Cancellation - Optional redemption*) occurs on the Payment Date falling in July 2022;

(f) no purchase, sale, indemnity or renegotiation on the Portfolio is made according to the Transaction Documents;

(g) the terms of the Mortgage Loans will not be affected by any legal provision authorising borrowers to suspend payment of interest and/or principal instalments;

(h) no variation in the interest rates occurs;

(i) floating rate Mortgage Loans and floating rate Mortgage loans with cap have been assumed indexed to a constant base rate of 0.3% plus relevant spread, taking into account contractual interest floor rates and/or interest cap rate; interest rate on Class A1 Notes has been assumed indexed to a constant Euribor rate of 0.3%; and

(j) servicing fees and senior expenses have been assumed as per Transaction Documents.

The actual performance of the Portfolio is likely to differ from the assumptions used in constructing the tables set forth below, which is hypothetical in nature and is provided only to give a general sense of how the principal cash-flows might behave. Any difference between such assumptions and the actual characteristics and performance of the Receivables will cause the estimated weighted average life and the principal payment window of the Senior Notes to differ (which difference could be material) from the corresponding information in the following tables.

CONSTANT PREPAYMENT RATE (%PER ANNUM)	CLASS A1 NOTES AND CLASS A2 NOTES	
	Estimated Weighted Average Life (years)	Estimated Maturity
2.0%	4.62	25 July 2022
4.0%	4.19	25 July 2022
6.0%	3.80	25 July 2022

The estimated maturity and the estimated weighted average life of the Senior Notes are subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and estimates above will prove in any way to be realistic and they must therefore be viewed with considerable caution.

TERMS AND CONDITIONS OF THE SENIOR NOTES

*The following is the text of the terms and conditions of the Senior Notes (the "**Senior Notes Conditions**"). In these Senior Notes Conditions, references to the "holder" of a Senior Note or to the "Senior Noteholders" are to the ultimate owners of the Senior Notes, issued in bearer form and dematerialised and evidenced as book entries with Monte Titoli S.p.A. ("**Monte Titoli**") in accordance with the provisions of (i) article 83-bis and following of the Consolidated Financial Act, and (ii) the Resolution 22 February 2008. The Senior Noteholders are deemed to have notice of and are bound by, and shall have the benefit of,* inter alia*, the terms of the Rules of the Organisation of Noteholders.*

INTRODUCTION

The € 216,000,000 Class A1 Asset Backed Floating Rate Notes due October 2050 (the "**Class A1 Notes**"), the € 216,000,000 Class A2 Asset Backed Fixed Rate Notes due October 2050 (the "**Class A2 Notes**" and, together with the Class A1 Notes, the "**Senior Notes**") and the € 67,700,000 Class D Asset Backed Floating Rate Notes due October 2050 (the "**Class D Notes**" and, together with the Senior Notes, the "**Notes**") have been issued by Mars 2600 S.r.l. (the "**Issuer**") on or about 12 June 2014 (the "**Issue Date**") to finance the purchase of a portfolio of residential mortgage loan receivables and related rights from Banca Sella S.p.A. (the "**Originator**" or "**Banca Sella**").

Any reference in these Senior Notes Conditions to a "**Class**" of Notes or a "**Class**" of holders of Notes shall be a reference to the Class A1 Notes, the Class A2 Notes or the Class D Notes, as the case may be, or to the respective holders thereof.

The principal source of payment of interest on the Notes and Premium (if any) on the Class D Notes, as well as of repayment of principal on the Notes, will be collections and recoveries made in respect of a portfolio of monetary claims and related rights (the "**Receivables**" or the "**Portfolio**") arising out of residential mortgage loan agreements (*mutui ipotecari*) and *fondiario* mortgage loan agreements (*mutui fondiari*) (collectively, the "**Loan Agreements**") entered into with certain debtors (i) by Banca Sella, or (ii) by Banca Sella Holding S.p.A. ("**Banca Sella Holding**") or Banca Sella Sud Arditi Galati S.p.A. ("**Banca Sella Sud Arditi Galati**") and subsequently transferred to Banca Sella following a reorganisation of the Banca Sella Group. The Portfolio has been purchased by the Issuer from Banca Sella pursuant to a transfer agreement entered into on 9 April 2014 (the "**Transfer Agreement**").

The Portfolio will be segregated from all other assets of the Issuer by operation of Law No. 130 of 30 April 1999 (as amended and supplemented from time to time, the "**Securitisation Law**") and amounts deriving therefrom will be available, both before and after a winding-up of the Issuer, to satisfy the obligations of the Issuer towards the Noteholders, to pay costs, fees or expenses due to the Other Issuer Creditors under the Transaction Documents and to pay costs, fees or expenses due to any other creditor of the Issuer and allocated to the securitisation of the Receivables made by the Issuer through the issuance of the Notes (the "**Securitisation**") pursuant to the Transactions Intercreditor Agreement (as defined below). Amounts deriving from the Portfolio will not be available to any other creditor of the Issuer (including any creditors of the Issuer under the Previous Securitisations and any further securitisation transaction carried out by the Issuer in accordance with these Senior Notes Conditions).

By a subscription agreement dated on or about the Issue Date (the "**Class A1 Notes Subscription Agreement**", which expression includes such subscription agreement as from time

to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time modified) between the Issuer, Banca Sella as Originator, Securitisation Services S.p.A. as representative of the Noteholders (the "**Representative of the Noteholders**"), BNP Paribas, London Branch as joint lead manager and Natixis as joint lead manager (and, collectively with BNP Paribas, London Branch, the "**Joint Lead Managers**"), the Joint Lead Managers have agreed to subscribe for the Class A1 Notes, subject to the terms and conditions set out thereunder.

By a subscription agreement dated on or about the Issue Date (the "**Class A2 Notes Subscription Agreement**", which expression includes such subscription agreement as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time modified, and together with the Class A1 Notes Subscription Agreement, the "**Senior Notes Subscription Agreements**") between the Issuer, Banca Sella as Originator and subscriber of the Class A2 Notes (the "**Class A2 Notes Subscriber**"), Securitisation Services S.p.A. as representative of the Noteholders (the "**Representative of the Noteholders**"), the Class A2 Notes Subscriber has agreed to subscribe for the Class A2 Notes, subject to the terms and conditions set out thereunder.

By a further subscription agreement dated on or about the Issue Date (the "**Class D Notes Subscription Agreement**", which expression includes such subscription agreement as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time modified and, together with the Senior Notes Subscription Agreements, the "**Subscription Agreements**") between the Issuer, Banca Sella as subscriber of the Class D Notes (the "**Class D Notes Subscriber**") and the Representative of the Noteholders, the Class D Notes Subscriber has agreed to subscribe for the Class D Notes, subject to the terms and conditions set out thereunder.

By a warranty and indemnity agreement entered into on 9 April 2014 (the "**Warranty and Indemnity Agreement**", which expression includes such warranty and indemnity agreement as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time modified) between the Issuer and the Originator, the Originator has given certain representations and warranties in favour of the Issuer in relation to the Portfolio and certain other matters and has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer incurred in connection with the purchase and ownership of the Portfolio.

By a servicing agreement entered into on 9 April 2014 (the "**Servicing Agreement**"which expression includes such servicing agreement as modified from time to time in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time modified) between the Issuer and Banca Sella as servicer (the "**Servicer**"), Banca Sella has agreed to administer, service and collect amounts in respect of the Portfolio on behalf of the Issuer. Banca Sella will be the "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e di pagamento*" pursuant to the Securitisation Law and will be responsible for ensuring that such operations comply with the law and the Prospectus.

By a corporate services agreement dated on 18 October 2005, as amended on 18 April 2008, on 28 January 2009, on 16 May 2011 and on 13 March 2012 and as further amended on or about the Issue Date (the "**Corporate Services Agreement**", which expression includes such corporate services agreement as from time to time modified in accordance with the provision therein contained and any deed or document expressed to be supplemental thereto, as from time to time modified), between Securitisation Services S.p.A. as corporate servicer (the "**Corporate**

Servicer") and the Issuer, the Corporate Servicer has agreed to provide to the Issuer with certain services in relation to the management of the Issuer.

By a cash allocation, management and payment agreement dated on or about the Issue Date (the "**Cash Allocation, Management and Payment Agreement**", which expression includes such cash allocation, management and payment agreement as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time modified) between the Issuer, the Representative of the Noteholders, Securitisation Services S.p.A. as computation agent (the "**Computation Agent**") and as Corporate Servicer, BNP Paribas Securities Services, Milan Branch as principal paying agent (the "**Principal Paying Agent**") and as account bank (the "**Account Bank**"), Banca Sella as cash manager (the "**Cash Manager**") and as Servicer, the Computation Agent, the Principal Paying Agent, the Account Bank and the Cash Manager have agreed to provide the Issuer with certain calculation, notification, reporting and agency services together with account handling and cash management services in relation to monies and securities from time to time standing to the credit of the Accounts. The Cash Allocation, Management and Payment Agreement also contains provisions for, *inter alia*, the payment of principal and interest in respect of the Notes.

By a Monte Titoli mandate agreement dated 19 September 2005 (the "**Monte Titoli Mandate Agreement**", which expression includes such mandate agreement as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time modified) between the Issuer and Monte Titoli, Monte Titoli has agreed to provide the Issuer with certain depository and administration services in relation to the Notes.

By an intercreditor agreement dated on or about the Issue Date (the "**Intercreditor Agreement**", which expression includes such intercreditor agreement as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time modified) between the Issuer, the Originator, the Class A2 Notes Subscriber, the Class D Notes Subscriber, the Joint Lead Managers, the Representative of the Noteholders, the Corporate Servicer, the Servicer, the Back-up Servicer Facilitator, the Computation Agent, the Account Bank, the Cash Manager and the Principal Paying Agent, provision is made as to the application of the Issuer Available Funds in accordance with the applicable Priority of Payments and as to the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to the Portfolio.

By an Italian law deed of pledge dated on or about the Issue Date (the "**Deed of Pledge**", which expression includes such deed of pledge as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time modified) between the Issuer, the Representative of the Noteholders and the Other Issuer Creditors, the Issuer has pledged, in favour of the Noteholders and the Other Issuer Creditors, (i) all monetary claims and rights and all the amounts (including payment for claims, indemnities, damages, penalties, credits and guarantees) to which the Issuer is entitled from time to time pursuant to the Transaction Documents; (ii) the credit balance of the Collection Account, the Payments Account and the Cash Reserve Account; and (iii) the Eligible Investments consisting of securities deposited from time to time into the Securities Account and all rights, title, interest and benefit to which the Issuer is entitled from time to time thereunder, as well as all monies, property and other rights which may from time to time be distributed or derived therefrom. Furthermore, under the Deed of Pledge the Issuer has undertaken to pledge, in favour of the Noteholders and the Other Issuer Creditors, any Eligible Investment consisting of deposits, substantially on the same terms as those of the Deed of Pledge.

By a mandate agreement dated on or about the Issue Date (the "**Mandate Agreement**", which expression includes such mandate agreement as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time modified) between the Issuer and the Representative of the Noteholders, the Representative of the Noteholders shall, subject to a Trigger Notice being served or following failure by the Issuer to exercise its rights under the Transaction Documents, be entitled to exercise, in the name and on behalf of the Issuer, all the Issuer's Rights arising out of the Transaction Documents.

By a quotaholders' agreement entered into on 18 October 2005, as amended on 18 April 2008, on 28 January 2009, on 16 May 2011, and on 13 March 2012 as further amended on or about the Issue Date (the "**Quotaholders' Agreement**", which expression includes such quotaholders' agreement as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time modified) between the Issuer, Banca Sella Holding and Stichting Mars 2615 as quotaholders (the "**Quotaholders**") and the Representative of the Noteholders (as third party beneficiary pursuant to article 1411 of the Italian civil code), certain rules have been set forth in relation to the management of the Issuer.

By a transactions intercreditor agreement entered into on or about the Issue Date (the "**Transactions Intercreditor Agreement**") the Issuer's Creditors, the March 2012 Issuer's Creditors and the October 2005 Issuer's Creditors have agreed, *inter alia*, to allocate among the Securitisation, the March 2012 Transaction and the October 2005 Transaction all fees, costs and expenses to be paid in connection with the activities carried out by the Corporate Servicer under the Corporate Services Agreement.

By a master definitions agreement dated on or about the Issue Date (the "**Master Definitions Agreement**", which expression includes such master definitions agreement as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time modified) between all the parties to each of the Transaction Documents, the definitions of certain terms used in the Transaction Documents have been set forth.

These Senior Notes Conditions include summaries of, and are subject to, the detailed provisions of the Prospectus, the Transfer Agreement, the Subscription Agreements, the Warranty and Indemnity Agreement, the Servicing Agreement, the Corporate Services Agreement, the Cash Allocation, Management and Payment Agreement, the Monte Titoli Mandate Agreement, the Intercreditor Agreement, the Deed of Pledge, the Mandate Agreement, the Quotaholders' Agreement, the Transactions Intercreditor Agreement and the Master Definitions Agreement (together, the "**Transaction Documents**"). Until all the Notes are redeemed in full or cancelled, copies of the Transaction Documents are available for inspection during normal business hours at the office of the Representative of the Noteholders, being, as at the Issue Date, Via Vittorio Alfieri, 1, 31015 Conegliano (Treviso), Italy.

The rights and powers of the Class A1 Noteholders and the Class A2 Noteholders (together, the "**Class A Noteholders**" or the "**Senior Noteholders**"), and the Class D Noteholders (together with the Senior Noteholders, the "**Noteholders**") may only be exercised in accordance with the rules of organisation of Noteholders (respectively, the "**Rules of Organisation of Noteholders**" and the "**Organisation of Noteholders**") which are attached to these Senior Notes Conditions as exhibit and are deemed to form part of these Senior Notes Conditions.

INTERPRETATION

Unless otherwise defined in these Senior Notes Conditions, words and expressions used in these Senior Notes Conditions have the meanings and constructions ascribed to them in the Glossary to the Prospectus.

In these Senior Notes Conditions the following expressions shall, except where the context otherwise requires and save where defined therein, have the following meanings:

"**Account**" means any of the Collection Account, the Payments Account, the Cash Reserve Account, the Expense Account and the Securities Account, and "**Accounts**" means any one or all of them (as the case may be).

"**Account Bank**" means BNP Paribas Securities Services, Milan Branch or any other person, which qualifies as Eligible Institution, acting as account bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Accrued Interest**" means, as of any relevant date and in relation to any Receivable, the portion of the Interest Instalment falling due on the next Scheduled Instalment Date which has accrued and is not paid as at that date.

"**Adjustment Purchase Price**" means in relation to any Receivable transferred to the Issuer pursuant to the Transfer Agreement, but which was erroneously excluded from the list of Receivables attached to the Transfer Agreement, the price of such Receivable calculated in accordance with clause 6 of the Transfer Agreement.

"**Affected Class of Notes**" shall have the meaning ascribed to it Condition 6.4 (*Redemption, Purchase and Cancellation - Redemption for tax reasons*).

"**Agents**" means, collectively, the Computation Agent, the Principal Paying Agent, the Account Bank and the Cash Manager.

"**April 2008 Issuer's Creditors**" means the holders of the April 2008 Notes and the other Issuer's creditors of the April 2008 Transaction.

"**April 2008 Notes**" means the Euro 207,300,000 Class A Asset Backed Floating Rate Notes due 2042, the Euro 8,100,000 Class B Asset Backed Floating Rate Notes due 2042, the Euro 2,800,000 Class C Asset Backed Floating Rate Notes due 2042 and the Euro 6,500,000 Class D Asset Backed Notes due 2042.

"**April 2008 Transaction**" means the securitisation transaction entered into on 18 April 2008 by the Issuer through the issuance of the April 2008 Notes.

"**Back-up Servicer Facilitator**" means Securitisation Services or any other person acting as back-up servicer facilitator pursuant to the Intercreditor Agreement from time to time.

"**Banca Sella**" means Banca Sella S.p.A., a bank incorporated under the laws of the Republic of Italy, whose registered office is at Piazza Gaudenzio Sella 1, 13900 Biella, VAT Code and enrolment with the Companies' Register of Biella No. 02224410023, registered under No. 5626 with the roll of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

"**Banca Sella Group**" means the bank group regularly enrolled under No. 03311.8 in the public register of Italian Banking Groups, having Banca Sella Holding as holding company.

"**Banca Sella Holding**" means Banca Sella Holding S.p.A., a company incorporated under the laws of the Republic of Italy, whose registered office is at Piazza Gaudenzio Sella 1, 13900 Biella, Italy, Fiscal Code and enrolment with the Biella Company Register number 01709430027, registered under No. 5625 with the roll of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

"**BNP Paribas**" means BNP Paribas, a credit institution incorporated as a société anonyme under the laws of France, enrolled in the Companies' Register of Paris, having its registered office at 16, Boulevard des Italiens, 75009 Paris, France, acting through its Milan branch located in Piazza San Fedele 1/3, 20121 Milan, Italy.

"**BNP Paribas, London Branch**" means BNP Paribas, a credit institution incorporated as a *société anonyme* under the laws of France, enrolled in the Companies' Register of Paris, having its registered office at 16, Boulevard des Italiens, 75009 Paris, France, acting through its London branch located in 10 Harewood Avenue, London NW1 6AA, United Kingdom.

"**BNP Paribas Securities Services, Milan Branch**" means the Milan branch of BNP Paribas Securities Services, a company incorporated as a *société en commandite par actions* under the laws of France, having its registered office at 3 Rue d'Antin, 75002 Paris, with offices at Via Ansperto, 5, 20123 Milan, Italy.

"**Business Day**" means any day (other than Saturday or Sunday) on which the Trans-European Automated Real Time Gross Transfer System 2 (TARGET 2) (or any successor thereto) is open.

"**Cancellation Date**" means the earlier of (i) the Final Maturity Date, (ii) the date on which the Notes have been early redeemed in full and (iii) the date on which the Servicer has certified to the Representative of the Noteholders, and the Representative of the Noteholders has given notice to the Noteholders pursuant to Condition 13 (*Notices*) and to the Other Issuer Creditors pursuant to the Intercreditor Agreement on the basis of such certificate, that there is no reasonable likelihood of there being any further realisations in respect of the Portfolio or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay any amount outstanding under the Notes and the Transaction Documents.

"**Cash Allocation Management and Payment Agreement**" means the cash allocation management and payment agreement executed on or about the Issue Date between the Issuer, the Servicer, the Computation Agent, the Account Bank, the Cash Manager, the Principal Paying Agent, the Corporate Servicer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Cash Manager**" means Banca Sella or any other person acting as cash manager pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Cash Reserve Account**" means the Euro denominated account with IBAN IT 46 O 03479 01600 000800950302, opened in the name of the Issuer with the Account Bank.

"**Cash Reserve Amortisation Conditions**" means, in respect of any Payment Date prior to the delivery of a Trigger Notice up to (and excluding) the Payment Date on which the Senior Notes are redeemed in full or cancelled, each of the following conditions upon the occurrence of which the balance of the Cash Reserve Account shall be used, in an amount equal to the relevant Cash Reserve Available Amount, to repay principal on the Senior Notes after making payments due under items from *First* to *Fourth* of the relevant Priority of Payments:

(a) the aggregate Principal Amount Outstanding of the Senior Notes as at the Quarterly Calculation Date immediately preceding such Payment Date does not exceed 50 per cent of the aggregate Principal Amount Outstanding of the Senior Notes as at the Issue Date; and

(b) the Cumulative Net Default Ratio as at the last day of the Quarterly Collection Period immediately preceding such Payment Date is not higher than 3 per cent.

"**Cash Reserve Available Amount**" means:

(a) in respect of any Payment Date prior to the delivery of a Trigger Notice up to (and excluding) the Payment Date on which the Senior Notes are redeemed in full or cancelled:

(i) an amount equal to the absolute value of the difference, if negative, between (A) the Issuer Available Funds (without taking into account the Cash Reserve Available Amount) in respect of such Payment Date, and (B) the amounts due on such Payment Date under items from *First* to *Fourth* of the Priority of Payments prior to the delivery of a Trigger Notice; and

(ii) if the Cash Reserve Amortisation Conditions are met, an amount equal to the difference, if positive, between (A) the balance of the Cash Reserve Account as at the Quarterly Calculation Date immediately preceding such Payment Date (net of any amount to be applied as Cash Reserve Available Amount pursuant to paragraph (i) above), and (B) the Required Cash Reserve Amount in respect of such Payment Date; or

(b) in respect of the Payment Date prior to the delivery of a Trigger Notice on which the Issuer Available Funds (inclusive of the balance of the Cash Reserve Account) are sufficient to repay in full the Senior Notes, an amount equal to the balance of the Cash Reserve Account as at the Quarterly Calculation Date immediately preceding such Payment Date; or

(c) in respect of the Payment Date following the delivery of a Trigger Notice, an amount equal to the balance of the Cash Reserve Account as at the Quarterly Calculation Date (or such other calculation date as determined pursuant to the Cash Allocation, Management and Payment Agreement) immediately preceding such Payment Date.

"**Cash Reserve Initial Amount**" means an amount equal to Euro 9,779,000.

"**Class**" shall be a reference to a class of Notes, being the Class A1 Notes, the Class A2 Notes or the Class D Notes and "**Classes**" shall be construed accordingly.

"**Class A Noteholder**" means a Class A1 Noteholder or a Class A2 Noteholder, as the case may be, and "**Class A Noteholders**" means all of them.

"**Class A Notes**" means, collectively, the Class A1 Notes and the Class A2 Notes.

"**Class A1 Noteholder**" means the Holder of a Class A1 Note.

"**Class A1 Notes**" means the € 216,000,000 Class A1 Asset Backed Floating Rate Notes due October 2050.

"**Class A1 Notes Subscription Agreement**" means the subscription agreement in relation to the Class A1 Notes executed on or about the Issue Date between the Issuer, the Representative of

the Noteholders, the Originator and the Joint Lead Managers, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Class A1 Rate of Interest**" shall have the meaning ascribed to it in Condition 5.2 (*Interest - Rate of Interest*).

"**Class A2 Noteholder**" means the Holder of a Class A2 Note.

"**Class A2 Notes**" means the € 216,000,000 Class A2 Asset Backed Fixed Rate Notes due October 2050.

"**Class A2 Notes Subscriber**" means Banca Sella.

"**Class A2 Notes Subscription Agreement**" means the subscription agreement in relation to the Class A2 Notes executed on or about the Issue Date between the Issuer, the Representative of the Noteholders, the Originator and the Class A2 Notes Subscriber, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Class A2 Rate of Interest**" shall have the meaning ascribed to it in Condition 5.2 (*Interest - Rate of Interest*).

"**Class D Noteholder**" means the Holder of a Class D Note and "**Class D Noteholders**" means all of them.

"**Class D Notes**" means the € 67,700,000 Class D Asset Backed Floating Rate Notes due October 2050.

"**Class D Notes Conditions**" means the terms and conditions of the Class D Notes, as from time to time modified in accordance with the provisions herein contained.

"**Class D Notes Subscriber**" means Banca Sella.

"**Class D Notes Subscription Agreement**" means the subscription agreement in relation to the Class D Notes executed on or about the Issue Date between the Class D Notes Subscriber, the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Clearstream**" means Clearstream Banking, société anonyme.

"**Collection Account**" means the Euro denominated Account with IBAN IT 92 M 03479 01600 000800950300, opened in the name of the Issuer with the Account Bank.

"**Collections**" means all amounts received or recovered by the Servicer in respect of the Receivables.

"**Computation Agent**" means Securitisation Services or any other person acting as computation agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Condition**" means a condition of the Senior Notes Conditions and/or the Class D Notes Conditions, as the context may require.

"**CONSOB**" means *Commissione Nazionale per le Società e la Borsa*.

"**Consolidated Banking Act**" means Legislative Decree No. 385 of 1 September 1993, as amended and supplemented from time to time.

"**Consolidated Financial Act**" means the Italian Legislative Decree No. 58 of 24 February 1998, as amended and supplemented from time to time.

"**Corporate Servicer**" means Securitisation Services or any other person acting as corporate servicer pursuant to the Corporate Services Agreement from time to time.

"**Corporate Services Agreement**" means the corporate services agreement executed on 18 October 2005, as amended on 18 April 2008, on 28 January 2009, on 16 May 2011 and on 13 March 2012 and as further amended on or about the Issue Date between the Issuer and the Corporate Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**CRA Regulation**" means Regulation (EC) No. 1060/2009, as amended.

"**Credit and Collections Policies**" means the procedures for the management, collection and recovery of Receivables attached as Schedule A to the Servicing Agreement.

"**Criteria**" means the objective criteria for the identification of the Receivables specified in Schedule A of the Transfer Agreement and described in the section of the Prospectus entitled "*The Portfolio*".

"**Cumulative Net Default Ratio**" means, on each Quarterly Servicer's Report Date, the ratio between:

(a) an amount equal to the difference between (i) the aggregate Outstanding Principal as at the relevant Default Date of all the Receivables which have been classified as Defaulted Receivables from the Valuation Date up to the last day of the Quarterly Collection Period immediately preceding such Quarterly Servicer's Report Date; and (ii) the aggregate of the Collections recovered in respect of such Defaulted Receivables (excluding any proceeds deriving from the repurchase by the Originator of such Defaulted Receivables in accordance with the Intercreditor Agreement) from the relevant Default Date up to the last day of the Quarterly Collection Period immediately preceding such Quarterly Servicer's Report Date; and

(b) the aggregate Outstanding Principal of the Receivables as at the Valuation Date.

"**DBRS**" means DBRS Ratings Limited.

"**DBRS Equivalent Rating**" means the DBRS rating equivalent of any of the below ratings by Fitch, Moody's or S&P:

DBRS	Moody's	S&P	Fitch
AAA	Aaa	AAA	AAA
AA(high)	Aa1	AA+	AA+
AA	Aa2	AA	AA
AA(low)	Aa3	AA-	AA-
A(high)	A1	A+	A+

A	A2	A	A
A(low)	A3	A-	A-
BBB(high)	Baa1	BBB+	BBB+
BBB	Baa2	BBB	BBB
BBB(low)	Baa3	BBB-	BBB-
BB(high)	Ba1	BB+	BB+
BB	Ba2	BB	BB
BB(low)	Ba3	BB-	BB-
B(high)	B1	B+	B+
B	B2	B	B
B(low)	B3	B-	B-
CCC(high)	Caa1	CCC+	CCC+
CCC	Caa2	CCC	CCC
CCC(low)	Caa3	CCC-	CCC-
CC	Ca	CC	CC
C	C	D	D

"**DBRS Minimum Rating**" means:

(a) if a public long term rating by Fitch, a public long term rating by Moody's and a public long term rating by S&P in respect of the Eligible Investment or the Eligible Institution 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 (i) 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 (ii) 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 paragraph (a) above, but public long term ratings by any two of Fitch, Moody's and S&P are available at such date, the DBRS Equivalent Rating of the lower 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);

(c) if the DBRS Minimum Rating cannot be determined under paragraphs (a) and (b) above, but public long term ratings by any one of Fitch, Moody's and S&P are available at such date, then the DBRS Equivalent Rating will be such public long term rating (provided that if such public long term rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below).

If at any time the DBRS Minimum Rating cannot be determined under paragraphs (a) to (c) above, then a DBRS Minimum Rating of "C" shall apply at such time.

"**Debtor**" means any borrower and any other person or entity who or which entered into a Loan Agreement as principal debtor or who is liable for the payment or repayment of amounts due under a Loan Agreement, as a consequence of having assumed the borrower's obligation under an assumption (*accollo*) or otherwise.

"**Decree No. 239**" means Italian Legislative Decree No. 239 of 1 April 1996, as amended and supplemented from time to time and any related regulations.

"**Decree 239 Deduction**" means any withholding or deduction for or on account of "*imposta sostitutiva*" under Decree No. 239.

"**Deed of Pledge**" means the Italian law deed of pledge executed on or about the Issue Date between the Issuer, the Representative of the Noteholders (acting on behalf of the Noteholders) and the Other Issuer Creditors, 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.

"**Default Date**" means the date on which a Receivable is classified as a Defaulted Receivable, as indicated in the relevant Monthly Servicer's Report.

"**Defaulted Receivables**" means any Receivables where either (A) (i) 2 (two) semi-annual instalments in respect of such Receivables are past due and unpaid or (ii) 3 (three) quarterly instalments in respect of such Receivables are past due and unpaid or (iii) 7 (seven) monthly instalments in respect of such Receivables are past due and unpaid; or (B) the relevant Debtor has been classified as being "*in sofferenza*" by the Servicer in accordance with the Credit and Collection Policies.

"**Delinquent Instalment**" means an Instalment which remains unpaid by the Debtor in respect thereof for 31 (thirty-one) days or more after the relevant Scheduled Instalment Date.

"**Delinquent Receivables**" means any Receivable which is not a Defaulted Receivable and with respect to which there is one or more Delinquent Instalment(s).

"**Eligible Institution**" means a depository institution organised under the laws of any State which is a member of the European Union or of the United States of America whose unsecured and unsubordinated debt obligations (or whose obligations under the Transaction Documents to which it is a party are guaranteed by a depository institution organised under the laws of any state which is a member of the European Union or of the United States of America, whose unsecured and unsubordinated debt obligations) are rated at least as follows:

(a) by DBRS:

(i) a public or private rating of at least "A" by DBRS in respect of long term debt; or

(ii) if there is no such public or private rating, the DBRS Minimum Rating of "A",

or such other rating being compliant with the criteria established by DBRS from time to time; and

(b) by Moody's:

a public rating at least "P-1" by Moody's in respect of its short term debt (or, if no public rating of Moody's in respect of its short term debt is available, a public rating of at least

"A3" by Moody's in respect of its long term debt) or such other rating being compliant with the criteria established by Moody's from time to time.

"**Eligible Investments**" means:

(a) any dematerialised (i) Euro denominated senior (unsubordinated) debt securities, (ii) other debt instruments, or (iii) commercial paper issued by, or fully and unconditionally guaranteed on an unsubordinated basis by, an institution whose unsecured and unsubordinated debt obligations have at least the following ratings:

(A) with respect to Moody's: with regard to investments having a maturity equal to or lower than 3 (three) months, a public rating of "A2" by Moody's in respect of long term debt or a public rating of "P-1" by Moody's in respect of short-term debt or such other rating being compliant with the criteria established by Moody's from time to time; and

(B) with respect to DBRS, (1) with regard to investments having a maturity of less than 30 calendar days, (a) if such investments are rated by DBRS, "R-1 (middle)" in respect of short-term debt or "A" in respect of long-term debt; or (b) if such investments are not rated by DBRS, a DBRS Minimum Rating of "A" in respect of long-term debt, or (2) with regard to investments having a maturity between 30 and 90 calendar days, (a) if such investments are rated by DBRS, "R-1 (middle)" in respect of short term debt or "AA (low)" in respect of long term debt, or (b) if such investments are not rated by DBRS, a DBRS Minimum Rating of "AA (low)" in respect of long-term debt, or (3) such other rating being compliant with the criteria established by DBRS from time to time; or

(b) any other investment that, upon prior written notice to Moody's and DBRS, does not adversely affect the current ratings of the Senior Notes,

provided that, in all cases (a) such investments (i) have a maturity date falling on or before the Eligible Investment Maturity Date and that in any case does not exceed 90 calendar days; (ii) provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount) or in case of repayment or disposal, the principal amount upon repayment or disposal is at least equal to the principal amount invested; and (b) in the event of downgrade below the rating allowed under this definition, the securities shall be sold, if it could be achieved without a loss, or otherwise shall be allowed to mature; and further provided that, in each case, no such investment shall be made, in whole or in part, actually or potentially, in credit linked notes, swaps, other derivatives instruments, synthetic securities or tranches of other asset-backed securities, or any other instrument that does not comply with the criteria set out in the guidelines of the European Central Bank on monetary policy instruments and procedures of the Eurosystem, as amended and supplemented from time to time.

"**Eligible Investments Maturity Date**" means, with reference to each Eligible Investment, the earlier of: (i) the maturity date of such Eligible Investment, and (ii) the day falling 2 (two) Business Days prior to each Payment Date on which the proceeds of such Eligible Investment shall be made available to be applied in the relevant Priority of Payments.

"**EURIBOR**" shall have the meaning ascribed to it in Condition 5 (*Interest*).

"**Euro**", "**€**" and "**cents**" 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 the European Union of 7 February 1992 establishing the European Union and the European Council of Madrid of 16 December 1995.

"**Euroclear**" means Euroclear Bank S.A./N.V., as operator of the Euroclear System.

"**Euro-Zone**" means the region comprised of Member States of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992).

"**Expense Account**" means the Euro denominated account with IBAN IT41W0103061621000001328436, opened in the name of the Issuer with Monte dei Paschi di Siena S.p.A., Conegliano branch.

"**Expenses**" means any documented fees, costs, expenses and taxes required to be paid to any third party creditors (other than the Noteholders and the Other Issuer Creditors) arising in connection with the Securitisation, and any other documented costs and expenses required to be paid in order to preserve the existence of the Issuer, to maintain it in good standing, to preserve and enforce the Issuer's Rights or to comply with applicable legislation.

"**Extraordinary Resolution**" shall have the meaning ascribed to it in the Rules of the Organisation of the Noteholders.

"**Final Maturity Date**" means the Payment Date falling in October 2050.

"**Finanziaria Internazionale**" means Finanziaria Internazionale Securitisation Group S.p.A., a company incorporated under the laws of the Republic of Italy as a società per azioni, having its registered office at Via V. Alfieri, 1 31015 Conegliano (TV), Italy, fiscal code and enrolment with the Register of Enterprises of Treviso number 00508480340.

"**First Payment Date**" means the Payment Date falling on 25 July 2014.

"***Fondiario* Loan Agreements**" means the *fondiario* mortgage loan agreements pursuant to which the *Fondiario* Mortgage Loans have been granted.

"***Fondiario* Mortgage Loan**" means a loan granted by Banca Sella to a borrower and secured by a Mortgage, which qualifies as a *mutuo fondiario* for the purposes of Italian law and regulations in force as at the Transfer Date and whose Receivables have been transferred by Banca Sella to the Issuer pursuant to the Transfer Agreement.

"**Guarantee**" means any guarantee (other any Mortgages) given to the Originator guaranteeing the repayment of the Receivables.

"**Guarantor**" means any person, other than a Mortgagor, who has granted a Guarantee.

"**Holder**" of a Note means the beneficial owner of a Note.

"**Initial Interest Period**" means the first Interest Period commencing on (and including) the Issue Date and ending on (but excluding) the First Payment Date.

"**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 (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, and including also any equivalent or analogous proceedings under the law of any jurisdiction in which such company or corporation is deemed to carry on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration) or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a *pignoramento* or similar procedure having a similar effect (other than in the case of the Issuer, any portfolio of assets purchased by the Issuer in the context of the Previous Securitisations and any further securitisation transactions carried out by the Issuer in accordance with the Terms and Conditions), unless in the opinion of the Representative of the Noteholders, such proceedings are 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, 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 deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors (other than, in the case of the Issuer, the Other Issuer Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it or applies for suspension of payments; or

(d) an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution in any form of such company or corporation (expect a winding-up for the purposes of or pursuant to a solvent amalgamation or reconstruction, the terms of which have been previously approved in writing by the Representative of the Noteholders) or any of the events under article 2484 of the Italian civil code occurs with respect to such company or corporation.

"**Instalment**" means, with respect to each Loan Agreement, each instalment due from the relevant Debtor thereunder and which consists of an Interest Instalment and a Principal Instalment.

"**Insurance Policy**" means an insurance policy taken out in relation to a Real Estate Asset and, in certain cases, the related Loan.

"**Intercreditor Agreement**" means the intercreditor agreement executed on or about the Issue Date between the Issuer, the Representative of the Noteholders (on its own behalf and as agent for the Noteholders), the Originator, the Servicer, the Back-up Servicer Facilitator, the Account Bank, the Cash Manager, the Corporate Servicer, the Principal Paying Agent, the Computation Agent, the Joint Lead Managers, the Class A2 Notes Subscriber and the Class D Notes Subscriber, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Interest Determination Date**" means, with respect to the Initial Interest Period, the date falling 2 (two) Business Days prior to the Issue Date and, with respect to each subsequent Interest Period,

the date falling 2 (two) Business Days prior to the Payment Date at the beginning of such Interest Period.

"**Interest Instalment**" means the interest component of each Instalment.

"**Interest Payment Amount**" has the meaning given to it in Condition 5.3 (*Interest - Determination of Rates of Interest and Calculation of Interest Payments*).

"**Interest Period**" means each period from (and including) a Payment Date to (but excluding) the next following Payment Date.

"**Investors Report**" means the quarterly report containing a glossary of the defined terms used in such report, issued by the Computation Agent on each Investors Report Date and setting out certain information with respect to the Senior Notes, including (i) the amount of the Notes privately-placed with investors which are not in the Banca Sella Group, the amount of the Notes retained by a member of the Banca Sella Group and the amount of the Notes publicly-placed with investors which are not in the Banca Sella Group, (ii) to the extent permissible, any amount of the Notes initially retained by a member of the Banca Sella Group but subsequently placed with investors which are not in the Banca Sella Group, and (iii) performance information on the Receivables.

"**Investors Report Date**" means the last Business Day of January, April, July and October of each year, provided that the first Investors Report Date will fall in July 2014.

"**Issue Date**" means the date falling on or about 12 June 2014.

"**Issue Price**" means the following percentages of the principal amount of the Notes at which the Notes will be issued:

Class	*Issue Price*
Class A1	100 per cent;
Class A2	100 per cent;
Class D	100 per cent.

"**Issuer**" means Mars 2600.

"**Issuer Available Funds**" means, in respect of any Payment Date, the aggregate of:

(a) all Collections received or recovered by the Servicer during the Quarterly Collection Period immediately preceding such Payment Date;

(b) all other amounts received or recovered by the Issuer in accordance with the terms of the Transfer Agreement, the Warranty and Indemnity Agreement, the Servicing Agreement, the Intercreditor Agreement and any other Transaction Documents during the Quarterly Collection Period immediately preceding such Payment Date (including all amounts received from the sale, if any, of individual Receivables or pools of Receivables pursuant to the Intercreditor Agreement and any proceeds deriving from the enforcement of the Issuer's Rights);

(c) all amounts received from the sale, if any, of the Portfolio or any part thereof pursuant to the Intercreditor Agreement;

(d) all amounts of interest accrued and paid on the Collection Account, the Payments Account and the Cash Reserve Account during the Quarterly Collection Period immediately preceding such Payment Date;

(e) all amounts deriving from the Eligible Investments made pursuant to the Cash Allocation, Management and Payment Agreement due to be paid on the Eligible Investments Maturity Date immediately preceding such Payment Date;

(f) the Cash Reserve Available Amount (if any) relating to such Payment Date;

(g) the Issuer Available Funds relating to the immediately preceding Payment Date, to the extent not applied in full on that Payment Date due to the failure of the Computation Agent to receive the Quarterly Servicer's Report from the Servicer by the relevant Quarterly Servicer's Report Date in accordance with the Cash Allocation, Management and Payment Agreement or to any other reason; and

(h) any amounts (other than the amounts already allocated under other items of the Issuer Available Funds) received by the Issuer from any party to the Transaction Documents during the Quarterly Collection Period immediately preceding such Payment Date,

provided that, prior to the delivery of a Trigger Notice, if the Computation Agent does not receive the Quarterly Servicer's Report from the Servicer by the relevant Quarterly Servicer's Report Date, the Issuer Available Funds in respect of the relevant Payment Date shall be limited to those necessary to make payments under items from *First* to *Fourth* (inclusive) of the applicable Priority of Payments.

"**Issuer's Creditors**" means (i) the Noteholders; (ii) the Other Issuer Creditors; and (iii) any other third party creditors in respect of any costs, fees or expenses incurred by the Issuer and allocated to the Securitisation pursuant to the Transactions Intercreditor Agreement.

"**Issuer's Rights**" mean the Issuer's rights under the Transaction Documents.

"**Italian Bankruptcy Law**" means Italian Royal Decree No. 267 of 16 March 1942, as amended and supplemented from time to time.

"**Italy**" means the Republic of Italy.

"**January 2009 Notes**" means the Euro 212,950,000 Class A Asset Backed Floating Rate Notes due 2055, the Euro 4,550,000 Class B Asset Backed Floating Rate Notes due 2055, the Euro 9,050,000 Class C Asset Backed Floating Rate Notes due 2055 and the Euro 4,600,000 Class D Asset Backed Notes due 2055.

"**January 2009 Transaction**" means the securitisation transaction entered into on 29 January 2009 by the Issuer through the issuance of the January 2009 Notes.

"**Joint Lead Managers**" means BNP Paribas, London Branch and Natixis.

"**Junior Notes**" means the Class D Notes.

"**Loan Agreements**" means, collectively, the Mortgage Loan Agreements and the *Fondiario* Loan Agreements.

"**Loans**" means, collectively, the Mortgage Loans and the *Fondiario* Mortgage Loans.

"**Luxembourg Law on Prospectus for Securities**" means Luxembourg law of 10 July 2005 on prospectus for securities, as amended and supplemented from time to time.

"**Mandate Agreement**" means the mandate agreement executed on or about the Issue Date between the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**March 2012 Issuer's Creditors**" means the holders of the March 2012 Notes and the other Issuer's creditors of the March 2012 Transaction.

"**March 2012 Notes**" means the Euro 122,900,000 Class A1 Asset Backed Floating Rate Notes due 2045, the Euro 235,400,000 Class A2 Asset Backed Fixed Rate Notes due 2045 and the Euro 48,000,000 Class D Asset Backed Floating Rate Notes due 2045.

"**March 2012 Transaction**" means the securitisation transaction carried out in March 2012 by the Issuer through the issuance of the March 2012 Notes.

"**Mars 2600**" means Mars 2600 S.r.l., a company incorporated under the laws of the Republic of Italy, Fiscal Code and enrolment with the Companies' Register of Treviso under No. 03931160265, enrolled enrolled with No. 330324 under the register of special purpose vehicles held by the Bank of Italy pursuant to regulation issued by the Bank of Italy on 29 April 2011 and having as its sole corporate object the realisation of securitisation transactions pursuant to the Securitisation Law.

"**Master Definitions Agreement**" means the master definitions agreement executed on or about the Issue Date between all the parties to each of the Transaction Documents, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Meeting**" means a meeting of Noteholders duly convened (whether originally convened or resumed following an adjournment) and held in accordance with the provisions contained in the Rules of the Organisation of the Noteholders.

"**Moody's**" means Moody's Investors Service Inc.

"**Monte Titoli**" means Monte Titoli S.p.A., a joint stock company incorporated under the laws of Italy, having its registered office at Piazza degli Affari 6, 20123 Milan.

"**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli including any depository banks appointed by Euroclear and Clearstream.

"**Monte Titoli Mandate Agreement**" means the agreement entered into on 19 September 2005 between the Issuer and Monte Titoli, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Monthly Collection Period**" means each period of one month, commencing on (and including) the first calendar day of a month and ending on (and including) the last calendar day of such month, provided that the first Monthly Collection Period will commence on (and excluding the Valuation Date and end on (and including) 30 June 2014.

"**Monthly Servicer's Report**" means the monthly report setting out certain information in relation to the performance of the Receivables during the preceding Monthly Collection Period, which shall be delivered by the Servicer on each Monthly Servicer's Report Date pursuant to the Servicing Agreement.

"**Monthly Servicer's Report Date**" means the fifteenth day of each month or, if such day is not a Business Day, the immediately following Business Day and, in the case of the first Monthly Servicer's Report Date, 15 July 2014.

"**Mortgage Loan**" means a loan granted by Banca Sella to a borrower and secured by a Mortgage, which qualifies as a *mutuo ipotecario* for the purposes of Italian law and regulations in force as at the Transfer Date and whose Receivables have been transferred by Banca Sella to the Issuer pursuant to the Transfer Agreement.

"**Mortgage Loan Agreements**" means the mortgage loan agreements pursuant to which the Mortgage Loans have been granted.

"**Mortgages**" means the mortgage securities (*ipoteche*) created on the Real Estate Assets pursuant to Italian law in order to secure claims in respect of the Receivables.

"**Mortgagor**" means any person, other than a Debtor, who has granted a Mortgage in favour of Banca Sella to secure the payment or repayment of any amounts payable in respect of a Loan, and/or his/her successor in interest.

"**Most Senior Class of Noteholders**" means the holders of the Most Senior Class of Notes.

"**Most Senior Class of Notes**" means (i) the Class A Notes; or (ii) following the repayment in full of the Class A Notes, the Class D Notes.

"**Natixis**" means Natixis S.A., a *société anonyme* incorporated under the laws of France, registered with the Trade and Companies Register of Paris under no. 542 044 524, having its registered office at 30, avenue Pierre Mendès-France, 75013 Paris, France.

"**Noteholders**" means, collectively, the Holders of the Class A1 Notes, the Class A2 Notes and the Class D Notes.

"**Notes**" means, collectively, the Class A1 Notes, the Class A2 Notes and the Class D Notes.

"**Obligations**" means the obligations of the Issuer under the Transaction Documents.

"**October 2005 Issuer's Creditors**" means the holders of the October 2005 Notes and the other Issuer's creditors of the October 2005 Transaction.

"**October 2005 Notes**" means the Euro 248,900,000 Class A Asset Backed Floating Rate Notes due 2038, the Euro 11,000,000 Class B Asset Backed Floating Rate Notes due 2038, the Euro 3,500,000 Class C Asset Backed Floating Rate Notes due 2038 and the Euro 3,500,000 Class D Asset Backed Notes due 2038.

"**October 2005 Transaction**" means the securitisation transaction entered into on 15 October 2005 by the Issuer through the issuance of the October 2005 Notes.

"**Organisation of the Noteholders**" means the association of the Noteholders, organized pursuant to the Rules of the Organisation of the Noteholders.

"**Originator**" means Banca Sella.

"**Other Issuer Creditors**" means the Originator, the Servicer, the Back-up Servicer Facilitator, the Representative of the Noteholders, the Computation Agent, the Corporate Servicer, the Principal Paying Agent, the Cash Manager, the Account Bank, the Joint Lead Managers, the Class A2 Notes Subscriber, the Class D Notes Subscriber and any other person which may accede to the Intercreditor Agreement from time to time.

"**Outstanding Balance**" means, on any given date and in relation to any Receivable, the aggregate of the Outstanding Principal and the Interest Instalments due but unpaid as at that day and any outstanding penalties for accrued and unpaid Instalments with respect thereto.

"**Outstanding Principal**" means, on any given date and in relation to any Receivable, the aggregate of (i) all Principal Instalments due on any subsequent Scheduled Instalment Date, (ii) any Principal Instalments due but unpaid as at that date and (iii) the Accrued Interest as at that date.

"**Payments Account**" means the Euro denominated account with IBAN IT 69 N 03479 01600 000800950301, opened in the name of the Issuer with the Account Bank.

"**Payment Date**" means (i) prior to the delivery of a Trigger Notice, 25 January, 25 April, 25 July and 25 October in each year or, if such day is not a Business Day, the immediately following Business Day, provided that the First Payment Date will be 25 July 2014; or (ii) following the delivery of a Trigger Notice, such Business Day as determined by the Representative of the Noteholders on which payments are required to be made.

"**Portfolio**" means the portfolio of Receivables purchased by the Issuer from Banca Sella pursuant to the terms of the Transfer Agreement.

"**Post Trigger Report**" means the report setting out all the payments to be made under the Priority of Payments following the delivery of Trigger Notice, which shall be delivered by the Computation Agent after a Trigger Notice has been served to the Issuer, the Representative of the Noteholders, the Other Issuer Creditors and the Rating Agencies, pursuant to the Cash Allocation, Management and Payment Agreement.

"**Premium**" means the premium payable on the Class D Notes, which will be equal to any Issuer Available Funds available after making all payments ranking in priority to the Premium and may be equal to 0 (zero).

"**Previous Notes**" means, collectively, the October 2005 Notes, the April 2008 Notes, the January 2009 Notes and the March 2012 Notes.

"**Previous Securitisations**" means, collectively, the October 2005 Transaction, the April 2008 Transaction, the January 2009 Transaction and the March 2012 Transaction.

"**Principal Amount Outstanding**" means, with respect to any Note on any date, the principal amount thereof upon issue less the aggregate amount of all principal payments that have been made in respect of that Note prior to such date.

"**Principal Instalment**" means the principal component of each Instalment.

"**Principal Paying Agent**" means BNP Paribas Securities Services, Milan Branch or any other person, which shall qualify as Eligible Institution, acting as principal paying agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Priority of Payments**" means the Priority of Payments prior to the delivery of a Trigger Notice or the Priority of Payments following the delivery of a Trigger Notice, as the case may be.

"**Priority of Payments following the delivery of a Trigger Notice**" means the order of priority in which the Issuer Available Funds shall be applied following the delivery of a Trigger Notice in accordance with Condition 4.2 (*Priority of Payments - Priority of Payments following the delivery of a Trigger Notice*).

"**Priority of Payments prior to the delivery of a Trigger Notice**" means the order of priority in which the Issuer Available Funds shall be applied prior to the delivery of a Trigger Notice in accordance with Condition 4.1 (*Priority of Payments - Priority of Payments following the delivery of a Trigger Notice*).

"**Purchase Price**" means the purchase price paid to the Originator by the Issuer as consideration for the acquisition of the Portfolio pursuant to the Transfer Agreement and equal to the aggregate of the individual purchase prices of all the Receivables comprised in the Portfolio.

"**Quarterly Calculation Date**" means the third Business Day before each Payment Date.

"**Quarterly Collection Period**" means each quarterly period commencing on (and including) 1 January, 1 April, 1 July and 1 October of each year and ending respectively on (and including) 31 March, 30 June, 30 September and 31 December of each year, provided that the first Quarterly Collection Period will commence on (and excluding) the Valuation Date and end on (and including) 30 June 2014.

"**Quarterly Payments Report**" means the quarterly report setting out all the payments to be made on the following Payment Date under the relevant Priority of Payments which shall be delivered on each Quarterly Calculation Date by the Computation Agent to the Issuer, the Representative of the Noteholders, the Servicer, the Account Bank, the Principal Paying Agent, the Corporate Servicer and the Rating Agencies, pursuant to the Cash Allocation, Management and Payment Agreement.

"**Quarterly Servicer's Report Date**" means the fifteenth day following the end of each Quarterly Collection Period or, if such day is not a Business Day, the immediately following Business Day, provided that the first Quarterly Servicer's Report Date will be 15 July 2014.

"**Quota Capital Account**" means the Euro denominated account with IBAN IT36Z0103061621000001141338, opened in the name of the Issuer with Monte dei Paschi di Siena S.p.A., Conegliano branch.

"**Quotaholders**" means Stichting Mars 2615 and Banca Sella Holding.

"**Quotaholders' Agreement**" means the quotaholders' agreement entered into on 18 October 2005, as amended on 18 April 2008, on 28 January 2009, on 16 May 2011 and on 13 March 2012 and as further amended on or about the Issue Date between the Issuer, the Quotaholders and the Representative of the Noteholders (as third party beneficiary pursuant to article 1411 of the Italian civil code), as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Rating Agencies**" means Moody's and DBRS.

"**Real Estate Assets**" means the real estate properties which have been mortgaged in order to secure payment of the Receivables pursuant to the Loan Agreements.

"**Receivables**" means all and whatever claim of the Issuer arising from the Loans and the Loan Agreements which, as at the Valuation Date, comply with the Criteria, including without limitation:

(a) all claims in respect of the repayment of principal of the Loans as at the Valuation Date;

(b) all claims in respect of the payment of interest accrued for whatever reason from the Loan Agreements up to the Valuation Date;

(c) all claims in respect of payments of interest which will accrue for whatever reason from the Loan Agreements as of the Valuation Date;

(d) all claims in respect of the reimbursement of expenses, costs, indemnities and damages, as well as any other sum or money due to Banca Sella in respect of the Loan Agreements or the Loans;

together with the Mortgages, the Guarantees, the privileges and priority rights (*diritti di prelazione*) supporting the aforesaid claims (but excluding the *fideiussioni omnibus*) as well as any other right, claim and action (including any legal proceeding for the recovery of suffered damages), substantial and procedural action and defence inherent or otherwise ancillary to the aforesaid rights and claims and their exercise in accordance with the relevant Loan and all the other deeds and agreements related thereto and/or pursuant to the applicable laws and regulations, including, without limitation, the remedy of termination (*risoluzione contrattuale per inadempimento*) and the declaration of acceleration of the Debtors (decadenza dal beneficio del termine) as well as any other right of Banca Sella in respect of the Insurance Policies.

"**Reference Banks**" means three (3) major banks in the Euro-Zone inter-bank market selected by the Principal Paying Agent with the approval of the Representative of the Noteholders.

"**Relevant Margin**" has the meaning given to it in Condition 5.2 (*Interest - Rate of Interest*).

"**Representative of the Noteholders**" means Securitisation Services or any other person acting as representative of the Noteholders pursuant to the Rules of the Organisation of the Noteholders from time to time.

"**Required Cash Reserve Amount**" means:

(a) in respect of any Payment Date up to (and excluding) the Payment Date on which the Senior Notes are redeemed in full or cancelled:

  (i) if the Cash Reserve Amortisation Conditions are not met, the balance of the Cash Reserve Account as at the Quarterly Calculation Date immediately preceding such Payment Date;

  (ii) if the Cash Reserve Amortisation Conditions are met, an amount equal to the higher of (A) 4.52 per cent of the aggregate Principal Amount Outstanding of the Senior Notes as at the Quarterly Calculation Date immediately preceding such Payment Date, and (B) Euro 2,160,000; or

(b) in respect of the Payment Date prior to the delivery of a Trigger Notice on which the Issuer Available Funds (inclusive of the balance of the Cash Reserve Account) are sufficient to repay in full the Senior Notes, an amount equal to 0 (zero); or

(c) in respect of the Payment Date following the delivery of a Trigger Notice, an amount equal to 0 (zero).

"**Resolution 22 February 2008**" means the resolution of 22 February 2008 jointly issued by CONSOB and Bank of Italy (named "*Disciplina dei servizi di gestione accentrata, di liquidazione, dei sistemi di garanzia e delle relative società di gestione*") containing rules on custody, clearing and settlement (as amended and supplemented from time to time).

"**Retention Amount**" means an amount equal to € 15,000.

"**Rules of the Organisation of the Noteholders**" means the rules of the organisation of Noteholders attached as exhibit to the Terms and Conditions, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereof.

"**Scheduled Instalment Date**" means any date on which payment is due pursuant to each Loan Agreement.

"**Screen Rate**" shall have the meaning ascribed to it Condition 5 (*Interest*).

"**Securities Account**" means the securities account with No. 950300, opened in the name of the Issuer with the Account Bank.

"**Securitisation**" means the securitisation of the Receivables made by the Issuer through the issuance of the Notes.

"**Securitisation Law**" means Italian Law No. 130 of 30 April 1999, as subsequently amended and supplemented from time to time.

"**Securitisation Services**" means Securitisation Services S.p.A., a joint stock company incorporated under the laws of Italy, registered with No. 03546510268 in the Companies' Register of Treviso, registered with No. 31816 in the register held by the Bank of Italy pursuant to Article 106 of the Consolidated Banking Act and in the register held by the Bank of Italy pursuant to Article 107 of the Consolidated Banking Act, having its registered office at Via Vittorio Alfieri, 1, 31015 Conegliano (Treviso), Italy, subject to the activity of direction and coordination (*attività di direzione e coordinamento*) of Finanziaria Internazionale Holding S.p.A.

"**Security**" means the security created under the Deed of Pledge.

"**Security Interest**" means any mortgage, charge pledge, lien, right of set-off, special privilege (*privilegio speciale*), assignment by way of security, retention of title or any other security interest whatsoever or any other agreement or arrangement having the effect of conferring security.

"**Senior Noteholder**" means the Holder of a Senior Note and "**Senior Noteholders**" means all of them.

"**Senior Notes**" means, collectively, the Class A1 Notes and the Class A2 Notes or, as the case may be, either of them.

"**Senior Notes Conditions**" means these terms and conditions of the Senior Notes, as from time to time modified in accordance with the provisions herein contained.

"**Senior Notes Subscription Agreements**" means, collectively, the Class A1 Notes Subscription Agreement and the Class A2 Notes Subscription Agreement.

"**Servicer**" means Banca Sella or any other person acting as servicer pursuant to the Servicing Agreement from time to time.

"**Servicing Agreement**" means the servicing agreement entered into on 9 April 2014 between the Issuer and the Servicer,as from time to time further modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Step Up Date**" means 25 July 2022.

"**Stichting Mars 2615**" means Stichting Mars 2615, a foundation (*stichting*) incorporated under the laws of The Netherlands, having its registered office at Barbara Strozzilaan 101, 1083 HN Amsterdam, The Netherlands.

"**Subscription Agreements**" means, collectively, the Senior Notes Subscription Agreements and the Class D Notes Subscription Agreement.

"**Tax Event**" shall have the meaning ascribed to it in Condition 6.4 (*Redemption, purchase and cancellation - Redemption for tax reasons*).

"**Terms and Conditions**" means the Senior Notes Conditions and/or the Class D Notes Conditions, as the context may require.

"**Transaction Documents**" means the Transfer Agreement, the Subscription Agreements, the Warranty and Indemnity Agreement, the Servicing Agreement, the Corporate Services Agreement, the Cash Allocation, Management and Payment Agreement, the Monte Titoli Mandate Agreement, the Intercreditor Agreement, the Deed of Pledge, the Transactions Intercreditor Agreement, the Mandate Agreement, the Quotaholders' Agreement, the Master Definitions Agreement and the Prospectus.

"**Transactions Intercreditor Agreement**" means the transactions intercreditor agreement entered into on or about the Issue Date between the Issuer's Creditors, the March 2012 Issuer's Creditors and the October 2005 Issuer's Creditors in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Transfer Agreement**" means the transfer agreement entered into on 9 April 2014 between the Originator and the Issuer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Transfer Date**" means 9 April 2014.

"**Trigger Event**" means any of the events described in Condition 10 (*Trigger Events*).

"**Trigger Notice**" means the notice described in Condition 10 (*Trigger Events*).

"**Valuation Date**" means 31 March 2014, at 23:59 (Italian time).

"**Warranty and Indemnity Agreement**" means the warranty and indemnity agreement entered into on 9 April 2014 between the Originator and the Issuer, as from time to time modified in accordance with the provisions herein contained and including any agreement or other document expressed to be supplemental thereof.

In these Senior Notes Conditions, unless otherwise specified or unless the context otherwise requires:

(a) the exhibits hereto constitute an integral and essential part of these Senior Notes Conditions and shall have the force of and shall take effect as covenants; and

(b) headings and subheadings are for ease of reference only and shall not affect the construction of these Senior Notes Conditions.

1. FORM, DENOMINATION AND TITLE

1.1 The Senior Notes are in bearer form and dematerialised and will be wholly and exclusively deposited with Monte Titoli in accordance with the provisions of article 83-*bis* and following of the Consolidated Financial Act and the Resolution 22 February 2008, through Monte Titoli Account Holders.

1.2 The Senior Notes will be held by Monte Titoli on behalf of the Senior Noteholders until redemption for the account of the relevant Monte Titoli Account Holder. Title to the Senior Notes will be evidenced by one or more book entries in accordance with the provisions of article 83-*bis* and following of the Consolidated Financial Act and the Resolution 22 February 2008. No physical document of title will be issued in respect of the Senior Notes.

1.3 The Senior Notes are issued in the denomination of € 100,000.

1.4 The rights arising from the Deed of Pledge are included in each Senior Note.

2. STATUS, PRIORITY AND SEGREGATION

2.1 *Status:* The Senior Notes constitute limited recourse obligations of the Issuer and, accordingly, the extent of the obligation of the Issuer to make payments under the Senior Notes is limited to the amounts received or recovered by the Issuer in respect of the Portfolio and the Issuer's Rights subject to amount required under the applicable Priority of Payments to be paid in priority to or *pari passu* with the Senior Notes. By holding the Senior Notes, the Senior Noteholders acknowledge that the limited recourse nature of the Senior Notes produces the effects of a *contratto aleatorio* under Italian law and are deemed to accept the consequences thereof, including but not limited to the provisions under article 1469 of the Italian civil code. By operation of the Securitisation Law, the Issuer's right, title and interest in and to the Portfolio are segregated from all other assets of the Issuer and (to the extent permitted by Italian law) amounts deriving therefrom will only be available both prior to and following a winding-up of the Issuer to satisfy the obligations of the Issuer towards the Noteholders and the Other Issuer Creditors according to the applicable Priority of Payments and to any third party creditors in respect of costs, fees and expenses incurred by the Issuer *vis-à-vis* such third party creditors and allocated to the Securitisation pursuant to the Transactions Intercreditor Agreement. In addition, the Notes have the benefit of security over certain assets of the Issuer pursuant to the Deed of Pledge.

2.2 *Ranking and subordination*: In respect of the obligations of the Issuer to pay interest on the Notes, both prior to and following the delivery of a Trigger Notice, pursuant to these Senior Notes Conditions:

(a) the Class A1 Notes and the Class A2 Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the repayment of principal on the Class A1 Notes and the Class A2 Notes, the payment of interest on the Class D Notes, the repayment of principal on the Class D Notes and the payment of the Premium (if any) on the Class D Notes; and

(b) the Class D Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the repayment of principal and the payment of

the Premium (if any) on the Class D Notes, and subordinated to the payment of interest and the repayment of principal on the Class A1 Notes and the Class A2 Notes.

In respect of the obligations of the Issuer to repay principal on the Notes, both prior to and following the delivery of a Trigger Notice, pursuant to these Senior Notes Conditions:

(a) the Class A1 Notes and the Class A2 Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the payment of interest on the Class D Notes, the repayment of principal on the Class D Notes and the payment of the Premium (if any) on the Class D Notes, and subordinated to the payment of interest on the Class A1 Notes and the Class A2 Notes; and

(b) the Class D Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the payment of the Premium (if any) on the Class D Notes, and subordinated to the payment of interest and the repayment of principal on the Class A1 Notes and the Class A2 Notes and the payment of interest on the Class D Notes.

2.3 The Intercreditor Agreement and the Rules of the Organisation of the Noteholders contain provisions regarding the protection of the respective interests of all Noteholders in connection with the exercise of the powers, authorities, rights, duties and discretions of the Representative of the Noteholders under or in relation to the Notes or any of the Transaction Documents. If, however, in the opinion of the Representative of the Noteholders, there is a conflict between the interests of the Class A Noteholders and the interests of the Class D Noteholders, the Representative of the Noteholders is required under the Rules of the Organisation of the Noteholders to have regard only to the interests of the Class A Noteholders, until the Class A Notes have been entirely redeemed.

3. COVENANTS

For so long as any amount remains outstanding in respect of the Notes of any Class, the Issuer shall not, save with the prior written consent of the Representative of the Noteholders, or as provided in or contemplated by any of the Transaction Documents:

3.1 *Negative pledge:* create or permit to subsist any Security Interest whatsoever over the Portfolio or any part thereof or over any of its other assets or sell, lend, part with or otherwise dispose of all or any part of the Portfolio or any of its assets; or

3.2 *Restrictions on activities:*

(a) engage in any activity whatsoever which is not incidental to or necessary in connection with the Securitisation, the Previous Securitisations or any further securitisation transaction carried out by the Issuer in accordance with these Senior Notes Conditions, or with any of the activities in which the Transaction Documents, the transaction documents of the Previous Securitisations or the transaction documents of any further securitisation transaction carried out by the Issuer in accordance with these Senior Notes Conditions provide or envisage that the Issuer will engage; or

(b) have any *società controllata* (as defined in article 2359 of the Italian civil code) or any employees or premises; or

(c) at any time approve or agree or consent to any act or thing whatsoever which may be materially prejudicial to the interests of the Noteholders under the Transaction Documents and shall not do, or permit to be done, any act or thing in relation thereto which may be materially prejudicial to the interests of the Noteholders under the Transaction Documents; or

3.3 *Dividends or Distributions*: pay any dividend or make any other distribution or return or repay any equity capital to its quotaholders, or increase its capital, save as required by the applicable law; or

3.4 *De-registrations*: ask for de-registration from the register of special purpose vehicles held by the Bank of Italy pursuant to the regulation issued by the Bank of Italy on 29 April 2011, for as long as such regulation or any other applicable law or regulation requires a special purpose vehicle incorporated pursuant to the Securitisation Law to be registered thereon; or

3.5 *Borrowings*: incur any indebtedness in respect of borrowed money whatsoever or give any guarantee in respect of indebtedness or of any obligation of any person (other than any indebtedness incurred under the Previous Securitisation or any further securitisation transaction carried out by the Issuer in accordance with these Senior Notes Conditions); or

3.6 *Merger*: consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person; or

3.7 *No variation or waiver*: permit any of the Transaction Documents to which it is party to be amended, terminated or discharged, or exercise any powers of consent or waiver pursuant to the terms of any of the other Transaction Documents to which it is a party, or permit any party to any of the Transaction Documents to which it is a party to be released from such obligations; or

3.8 *Bank Accounts*: have an interest in any bank account other than the Quota Capital Account, the Accounts, any new accounts opened by the Issuer in accordance with the Intercreditor Agreement and the accounts opened in the context of the Previous Securitisations and any further securitisation transaction carried out by the Issuer in accordance with these Senior Notes Conditions; or

3.9 *Statutory Documents*: amend, supplement or otherwise modify its *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

3.10 *Separateness*: permit or consent to any of the following occurring:

(a) its books and records being maintained with or commingled with those of any other person or entity or those relating to the Previous Securitisations or any further securitisation transaction carried out by the Issuer in accordance with these Senior Notes Conditions;

(b) its bank accounts and the debts represented thereby being commingled with those of any other person or entity or those relating to the Previous Securitisations and any further securitisation transaction carried out by the Issuer in accordance with these Senior Notes Conditions;

(c) its assets or revenues being commingled with those of any other person or entity; or

(d) its business being conducted other than in its own name;

and, in addition to the above and without limitation, the Issuer shall procure that, with respect to itself:

(e) financial statements relating to its financial affairs under the Securitisation are and will be maintained separate from those relating to the Previous Securitisations and any further securitisation transaction carried out by the Issuer in accordance with these Senior Notes Conditions;

(f) all corporate formalities with respect to its affairs are observed;

(g) separate stationery, invoices and cheques are used;

(h) it always holds itself out as a separate entity; and

(i) any known misunderstandings regarding its separate identity are corrected as soon as possible.

Nothing in these Senior Notes Conditions shall prevent or restrict the Issuer from carrying out any one or more other securitisation transactions pursuant to the Securitisation Law or, without limiting the generality of the foregoing, implementing, entering into, making or executing any document, deed or agreement in connection with any further securitisation transaction, in all cases with the prior written consent of the Representative of the Noteholders and subject to the Rating Agencies' prior confirmation that any such securitisation transaction would not adversely affect the then current rating of any of the Senior Notes and any other notes issued by the Issuer.

4. PRIORITY OF PAYMENTS

4.1 *Priority of Payments prior to the delivery of a Trigger Notice.* Prior to the delivery of a Trigger Notice, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full):

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 Expense Account have been insufficient to pay such costs during the immediately preceding Interest Period);

Second, to credit to the Expense Account such an amount as to bring the balance of the Expense Account up to (but not exceeding) the Retention Amount;

Third, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, (a) the remuneration due to the Representative of the Noteholders and any indemnity, proper costs and expenses incurred by the Representative of the Noteholders under the provisions of, or in connection with, any of the Transaction Documents; and (b) any amounts due and payable to the Account Bank, the Computation Agent, the Principal Paying Agent, the Cash Manager, the Corporate Servicer, the Back-up Servicer Facilitator and the Servicer (including any amount to be paid to the Servicer as repayment of amounts erroneously transferred to the Issuer pursuant to the Servicing Agreement);

Fourth, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, the Interest Payment Amount due and payable on the Class A1 Notes and the Class A2 Notes;

Fifth, up to (and excluding) the Payment Date on which the Senior Notes are redeemed in full or cancelled, to credit to the Cash Reserve Account such an amount as to bring the balance of the Cash Reserve Account up to (but not exceeding) the Required Cash Reserve Amount;

Sixth, to repay, *pari passu* and *pro rata* according to the respective amounts thereof, the Principal Amount Outstanding of the Class A1 Notes and the Class A2 Notes;

Seventh, to pay any amounts due and payable to the Joint Lead Managers and the Class A2 Notes Subscriber under the Senior Notes Subscription Agreements;

Eighth, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any amounts due and payable to the Originator and the Class D Notes Subscriber under the Transaction Documents, to the extent not already paid or payable under other items of this Priority of Payments prior to the delivery of a Trigger Notice;

Nineth, to pay, *pari passu* and *pro rata*, the Interest Payment Amount due and payable on the Class D Notes;

Tenth, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class D Notes;

Eleventh, to pay, *pari passu* and *pro rata*, the Premium due and payable on the Class D Notes.

For the avoidance of doubt, the Issuer shall, if necessary, make the payments set out under items *First* also during each Interest Period.

4.2 *Priority of Payments following the delivery of a Trigger Notice.* Following the delivery of a Trigger Notice, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

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

Second, to credit to the Expense Account such an amount as to bring the balance of the Expense Account up to (but not exceeding) the Retention Amount;

Third, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, (a) the remuneration due to the Representative of the Noteholders and any indemnity, proper costs and expenses incurred by the Representative of the Noteholders under the provisions of, or in connection with, any of the Transaction Documents; and (b) any amounts due and payable to the Account Bank, the Computation Agent, the Principal Paying Agent, the Cash Manager, the Corporate Servicer, the Back-up Servicer Facilitator

and the Servicer (including any amount to be paid to the Servicer as repayment of amounts erroneously transferred to the Issuer pursuant to the Servicing Agreement);

Fourth, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, the Interest Payment Amount due and payable on the Class A1 Notes and the Class A2 Notes;

Fifth, to repay, *pari passu* and *pro rata* according to the respective amounts thereof, the Principal Amount Outstanding of the Class A1 Notes and the Class A2 Notes;

Sixth, to pay any amounts due and payable to the Joint Lead Managers and the Class A2 Notes Subscriber under the Senior Notes Subscription Agreements;

Seventh, to pay, *pari passu* and *pro rata*, the Interest Payment Amount due and payable on the Class D Notes;

Eighth, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any amounts due and payable to the Originator and the Class D Notes Subscriber under the Transaction Documents, to the extent not already paid or payable under other items of this Priority of Payments following the delivery of a Trigger Notice;

Nineth, to repay, *pari passu* and *pro rata*, the Principal Amount Outstanding of the Class D Notes;

Tenth, to pay, *pari passu* and *pro rata*, the Premium due and payable on the Class D Notes.

5. INTEREST

5.1 *Payment Dates and Interest Periods*: Each Senior Note bears interest on its Principal Amount Outstanding from (and including) the Issue Date. Interest in respect of the Senior Notes shall accrue on a daily basis and is payable in Euro quarterly in arrears on each Payment Date in respect of the Interest Period ending immediately prior thereto. The First Payment Date is on 25 July 2014 in respect of the Initial Interest Period.

5.2 *Rate of Interest*: The rate of interest payable from time to time in respect of the Class A1 Notes (the "**Class A1 Rate of Interest**") will be determined by the Principal Paying Agent on each Interest Determination Date.

The Class A1 Rate of Interest for the Initial Interest Period and each subsequent Interest Period, from the Issue Date and up to and including the Final Maturity Date, shall be the aggregate of:

5.2.1 The Relevant Margin (as defined below); and

5.2.2

(a) the Euro-Zone Inter-bank offered rate for 3 (three) month Euro deposits which appears on Bloomberg Page EUR003M except in respect of the Initial Interest Period where it shall be the interpolated rate between the Euro-Zone Inter-bank offered rate for 1 (one) month deposits in Euro and the Euro-Zone Inter-bank offered rate for 2 (two) month deposits in Euro, rounded to four decimal places with the mid point rounded up, which appear on the relevant Bloomberg Page); or

(i) such other page as may replace the relevant Bloomberg Page on that service for the purpose of displaying such information; or

(ii) if that service ceases to display such information, such page as displays such information on such equivalent service (or, if more than one, that one which is approved by the Representative of the Noteholders) as may replace the relevant Bloomberg Page (the "**Screen Rate**"),

at or about 11.00 a.m. (Brussels time) on the Interest Determination Date; or

(b) if the Screen Rate is unavailable at such time for Euro deposits for the relevant period, then the rate for any relevant period shall be the arithmetic mean (rounded to four decimal places with the mid-point rounded up) of the rates notified to the Principal Paying Agent at its request by each of the Reference Banks as the rate at which deposits in Euro for the relevant period in a representative amount are offered by each Reference Bank to leading banks in the Euro-Zone Inter-bank market at or about 11.00 a.m. (Brussels time) on that date; or

(c) if, on any Interest Determination Date, the Screen Rate is unavailable and only 2 (two) of the Reference Banks provide such offered quotations to the Principal Paying Agent, the relevant rate shall be determined, as aforesaid, on the basis of the offered quotations of those Reference Banks providing such quotations; or

(d) if, on any Interest Determination Date, the Screen Rate is unavailable and only 1 (one) of the Reference Banks provides the Principal Paying Agent with such an offered quotation, the Class A1 Rate of Interest for the relevant Interest Period shall be the Class A1 Rate of Interest in effect for the immediately preceding Interest Period which one of sub-paragraph (a) or (b) above shall have been applied to.

The rate as so determined in accordance with this sub-paragraph 5.2.2 is referred to herein as "**EURIBOR**".

"**Relevant Margin**" means, in respect of the Class A1 Notes, (i) 1.30 per cent per annum for the Initial Interest Period and each subsequent Interest Period up to (and including) the Step Up Date; and (ii) 2.60 per cent per annum from the Step Up Date (excluded) until redemption in full or cancellation of the Class A1 Notes, provided that no optional redemption has been exercised on the Step Up Date by the Issuer pursuant to Condition 6.3 (*Optional Redemption*)

There shall be no maximum or minimum Class A1 Rate of Interest.

The rate of interest applicable to the Class A2 Notes shall be equal to (i) 1.80 per cent per annum for the Initial Interest Period and each subsequent Interest Period up to (and including) the Step Up Date; and (ii) 3.10 per cent per annum from the Step Up Date (excluded) until redemption in full or cancellation of the Class A2 Notes, provided that no optional redemption has been exercised on the Step Up Date by the Issuer pursuant to Condition 6.3 (*Optional Redemption*) (the "**Class A2 Rate of Interest**").

5.3 *Determination of Rates of Interest and Calculation of Interest Payments*: The Issuer shall, on each Interest Determination Date, determine (or cause the Principal Paying Agent to determine) and notify (or cause the Principal Paying Agent to notify) to the Representative of the Noteholders:

(i) the Class A1 Rate of Interest applicable to the Interest Period beginning after such Interest Determination Date (or in the case of the Initial Interest Period, beginning on and including the Issue Date) in respect of the Class A1 Notes; and

(ii) the Euro amount (the "**Interest Payment Amount**") payable as interest on the Senior Notes in respect of such Interest Period. The Interest Payment Amount payable on the Class A1 Notes in respect of any Interest Period shall be determined by the Principal Paying Agent by applying the relevant Class A1 Rate of Interest to the Principal Amount Outstanding of the Class A1 Notes on the Payment Date (or, in the case of the Initial Interest Period, the Issue Date), at the commencement of such Interest Period (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 365; or if any of the days elapsed during such Interest Period fall in a leap year, the sum of (A) the actual number of those days falling in a leap year divided by 366 and (B) the actual number of those days falling in a non-leap year divided by 365), and rounding the resultant figure to the nearest cent (half a cent being rounded up). The Interest Payment Amount payable on the Class A2 Notes in respect of any Interest Period shall be determined by the Principal Paying Agent by applying the Class A2 Rate of Interest to the Principal Amount Outstanding of the Class A2 Notes on the Payment Date (or, in the case of the Initial Interest Period, the Issue Date), at the commencement of such Interest Period (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 365; or if any of the days elapsed during such Interest Period fall in a leap year, the sum of (A) the actual number of those days falling in a leap year divided by 366 and (B) the actual number of those days falling in a non-leap year divided by 365), and rounding the resultant figure to the nearest cent (half a cent being rounded up).

5.4 *Publication of the Class A1 Rate of Interest and the Interest Payment Amount:* The Principal Paying Agent will cause the Class A1 Rate of Interest applicable on the Class A1 Notes, the Relevant Margin applicable on the Class A1 Notes and the Interest Payment Amount applicable to the Senior Notes for each Interest Period and the Payment Date in respect of such Interest Payment Amount to be notified promptly after determination (and in any event not later than the first day of each relevant Interest Period) to the Issuer, the Servicer, the Representative of the Noteholders, the Account Bank, the Computation Agent, the Corporate Servicer, Monte Titoli and the Luxembourg Stock Exchange and will cause the same to be published in accordance with Condition 13 (*Notices*) on or as soon as possible after the relevant Interest Determination Date.

5.5 *Determination or calculation by the Representative of the Noteholders*: If the Principal Paying Agent does not at any time for any reason determine the Class A1 Rate of Interest applicable to the Class A1 Notes and/or calculate the Interest Payment Amount for the Senior Notes in accordance with the foregoing provisions of this Condition 5 (*Interest*), the

Representative of the Noteholders as legal representative of the Organisation of Noteholders shall:

(i) determine the Class A1 Rate of Interest applicable to the Class A1 Notes at such rate as (having regard to the procedure described above) it shall consider fair and reasonable in all the circumstances; and/or

(ii) calculate the Interest Payment Amount for the Senior Notes in the manner specified in Condition 5.3 (*Interest - Determination of Rates of Interest and Calculation of Interest Payments*) above,

and any such determination and/or calculation shall be deemed to have been made by the Principal Paying Agent.

5.6 *Notifications to be final:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 5 (*Interest*), whether by the Reference Banks (or any of them), the Principal Paying Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful default (*dolo*), gross negligence (*colpa grave*), bad faith or manifest error) be binding on the Reference Banks, the Principal Paying Agent, the Computation Agent, the Issuer, the Account Bank, the Representative of the Noteholders and all Senior Noteholders and (in such absence as aforesaid) no liability to the Senior Noteholders shall attach to the Reference Banks, the Principal Paying Agent, the Computation Agent, the Issuer or the Representative of the Noteholders in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretion hereunder.

5.7 *Reference Banks and Principal Paying Agent*: The Issuer shall ensure that, so long as any of the Senior Notes remain outstanding, there shall at all times be 3 (three) Reference Banks and a Principal Paying Agent. In the event of any such bank being unable or unwilling to continue to act as a Reference Bank, the Issuer shall appoint such other bank as may have been previously approved in writing by the Representative of the Noteholders to act as such in its place. The Principal Paying Agent may not resign until a successor approved in writing by the Representative of the Noteholders has been appointed. If a new Principal Paying Agent is appointed, a notice of such appointment will be published in accordance with Condition 13 (*Notices*).

5.8 *Unpaid Interest with respect to the Senior Notes:* Unpaid interest on the Senior Notes shall accrue no interest.

6. REDEMPTION, PURCHASE AND CANCELLATION

6.1 *Senior Notes Final Maturity Date:* Unless previously redeemed in full as provided in this Condition 6 (*Redemption, Purchase and Cancellation*), the Issuer shall redeem the Senior Notes at their Principal Amount Outstanding on the Final Maturity Date.

The Issuer may not redeem the Senior Notes in whole or in part prior to that date except as provided below in Condition 6.2 (*Redemption, Purchase and Cancellation - Mandatory Redemption*), 6.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) and 6.4 (*Redemption, Purchase and Cancellation - Redemption for tax reasons*), but without prejudice to Condition 10 (*Trigger Events*).

6.2 *Mandatory Redemption*: The Notes of each Class will be subject to mandatory redemption in full (or in part *pro rata*) on each Payment Date, in each case if in respect of such

Payment Date there are sufficient Issuer Available Funds which may be applied for this purpose in accordance with the applicable Priority of Payments set out in Condition 4 (*Priority of Payments*).

6.3 *Optional Redemption*: Unless previously redeemed in full, the Issuer may redeem the Senior Notes (in whole but not in part) and the Junior Notes (in whole or in part) at their Principal Amount Outstanding, together with interest accrued thereon up to the date fixed for redemption, on any Payment Date starting from the Payment Date falling in July 2022, provided that:

(a) no more than 60 (sixty) days and not less than 30 (thirty) days before such Payment Date, the Issuer has given written notice to the Representative of the Noteholders and the Noteholders in accordance with Condition 13 (*Notices*) of its intention to redeem the Notes;

(b) no Trigger Event has occurred on or prior to such Payment Date; and

(c) upon or prior to giving the notice referred to in paragraph (a) above, the Issuer has provided evidence satisfactory to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all of its outstanding liabilities in respect of the Senior Notes and any amount required to be paid under the applicable Priority of Payments in priority to or *pari passu* with the Senior Notes.

6.4 *Redemption for tax reasons*: If the Issuer or any other person would be required to deduct or withhold (other than in respect of a Decree 239 Deduction) from any payment of principal or interest on any Class of Notes (the "**Affected Class of Notes**"), any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Italy or any political or administrative sub-division thereof or any authority thereof or therein, or amounts payable to the Issuer in respect of the Portfolio would be subject to withholding or deduction (the "**Tax Event**"), then the Issuer may redeem the Affected Class of Notes (in whole but not in part) at its Principal Amount Outstanding, together with interest accrued thereon up to the date fixed for redemption, on any Payment Date after the occurrence of the Tax Event, provided that:

(a) no more than 60 (sixty) days and not less than 30 (thirty) days before such Payment Date, the Issuer has given written notice to the Representative of the Noteholders and the Noteholders in accordance with Condition 13 (*Notices*) of its intention to redeem the Affected Class of Notes;

(b) no Trigger Event has occurred on or prior to such Payment Date;

(c) upon or prior to giving the notice referred to in paragraph (a) above, the Issuer has provided evidence satisfactory to the Representative of the Noteholders that (i) the occurrence of the Tax Event could not be avoided; and (ii) the Issuer will have the necessary funds (not subject to the interests of any person) to discharge all of its outstanding liabilities in respect of the Affected Class of Notes and any amount required to be paid under the applicable Priority of Payments in priority to or *pari passu* with the Affected Class of Notes.

Following the occurrence of a Tax Event, the Issuer may, or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders then outstanding) direct the Issuer to, dispose of the Portfolio or any part thereof to finance the early redemption of the relevant Notes under this Condition 6.4 (*Redemption for tax reasons*), subject to the terms and conditions of the Intercreditor Agreement.

6.5 *Notes Principal Payments, Redemption Amounts and Principal Amount Outstanding*: On each Quarterly Calculation Date, the Issuer shall procure that the Computation Agent determines:

(i) the amount of the Issuer Available Funds;

(ii) the principal payment (if any) due on the Senior Notes and on each Senior Note on the next following Payment Date; and

(iii) the Principal Amount Outstanding in respect of the Senior Notes on the next following Payment Date (after deducting any principal payment due to be made on that Payment Date).

Each determination by or on behalf of the Issuer of Issuer Available Funds, any principal payment on the Senior Notes and the Principal Amount Outstanding of the Senior Notes shall in each case (in the absence of wilful default (*dolo*), gross negligence (*colpa grave*), bad faith or manifest error) be final and binding on all persons.

The Issuer will, on each Quarterly Calculation Date, cause each determination of a principal payment on the Senior Notes and each Senior Note (if any) and Principal Amount Outstanding on the Senior Notes to be notified by the Computation Agent (through the Quarterly Payments Report or the Post Trigger Report, as the case may be) to the Representative of the Noteholders, the Rating Agencies, the Principal Paying Agent and the Luxembourg Stock Exchange. The Issuer will cause notice of each determination of a principal payment on the Senior Notes and each Senior Note and of Principal Amount Outstanding on the Senior Notes to be given to Monte Titoli and in accordance with Condition 13 (*Notices*).

The principal amount redeemable in respect of each Senior Note shall be a *pro rata* share of the aggregate amount determined in accordance with Condition 6.2 (*Redemption, Purchase and Cancellation - Mandatory Redemption Amounts*) to be available for redemption of the Senior Notes on such date, calculated with reference to the ratio between (A) the then Principal Amount Outstanding of such Senior Note and (B) the then Principal Amount Outstanding of all the Senior Notes (rounded down to the nearest cent), provided always that no such principal payment may exceed the Principal Amount Outstanding of the relevant Senior Note.

If no principal payment on the Senior Notes and each Senior Note or Principal Amount Outstanding of the Senior Notes is determined by or on behalf of the Issuer in accordance with the preceding provisions of this Condition 6.5 (*Redemption, Purchase and Cancellation - Notes Principal Payments, Redemption Amounts and Principal Amount Outstanding*), such principal payment on the Senior Notes and each Senior Note and Principal Amount Outstanding on the Senior Notes shall be determined by the Representative of the Noteholders in accordance with this Condition 6 (*Redemption,*

Purchase and Cancellation) and each such determination or calculation shall be deemed to have been made by the Issuer.

If the Computation Agent does not receive the Quarterly Servicer's Report from the Servicer by the relevant Quarterly Servicer's Report Date, no principal amount will be due and payable in respect of the Notes on the immediately following Payment Date.

6.6 *Notice of Redemption*: Any notice of redemption as set out in Condition 6.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) and 6.4 (*Redemption, Purchase and Cancellation - Redemption for tax reasons*) must be given in accordance with Condition 13 (*Notices*) and shall be irrevocable and, upon the expiration of such notice, the Issuer shall be bound to redeem the Senior Notes in accordance with this Condition 6 (*Redemption, Purchase and Cancellation*).

6.7 *No purchase by Issuer:* The Issuer is not permitted to purchase any of the Notes.

6.8 *Cancellation:* The Notes shall be cancelled on the earlier (i) the Final Maturity Date, (ii) the date on which the Notes have been early redeemed in full, and (iii) the date on which the Servicer has certified to the Representative of the Noteholders, and the Representative of the Noteholders has given notice to the Noteholders pursuant to Condition 13 (*Notices*) and to the Other Issuer Creditors pursuant to the Intercreditor Agreement on the basis of such certificate, that there is no reasonable likelihood of there being any further realisations in respect of the Portfolio or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay any amount outstanding under the Notes and the Transaction Documents (the "**Cancellation Date**"), at which date any amount outstanding, whether in respect of interest, principal or other amounts in respect of the Notes, shall be finally and definitively cancelled. Upon cancellation the Notes may not be resold or re-issued.

7. PAYMENTS

7.1 Payment of principal and interest in respect of the Senior Notes will be credited, according to the instructions of Monte Titoli, by the Principal Paying Agent on behalf of the Issuer to the accounts of those banks and authorised brokers whose accounts with Monte Titoli are credited with those Senior Notes and thereafter credited by such banks and authorised brokers from such aforementioned accounts to the accounts of the beneficial owners of those Senior Notes or through Euroclear and Clearstream to the accounts with Euroclear and Clearstream of the beneficial owners of those Senior Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream, as the case may be.

As the payment is made through Euroclear and Clearstream the financial services are ensured in Luxembourg.

7.2 Payments of principal and interest in respect of the Senior Notes are subject in all cases to any fiscal or other laws and regulations applicable thereto.

7.3 The Issuer reserves the right, subject to the prior written approval of the Representative of the Noteholders, at any time to vary or terminate the appointment of the Principal Paying Agent and to appoint another Principal Paying Agent. The Issuer will cause at least 30 (thirty) days' prior notice of any replacement of the Principal Paying Agent to be given in accordance with Condition 13 (*Notices*).

8. TAXATION

All payments in respect of the Senior Notes will be made without withholding or deduction for or on account of any present or future taxes, duties or charges of whatsoever nature other than a Decree 239 Deduction or any other withholding or deduction required to be made by applicable law. Neither the Issuer nor any other person shall be obliged to pay any additional amount to any holder of Notes on account of such withholding or deduction.

9. PRESCRIPTION

Claims against the Issuer for payments in respect of the Senior Notes shall be subject to limitation of action (*prescrizione*) 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.

10. TRIGGER EVENTS

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

(i) *Non-payment*: The Issuer defaults in the payment of the amount of interest and/or principal due on the Most Senior Class of Notes and such default is not remedied within a period of 5 (five) Business Days from the due date thereof, provided that, if the Computation Agent does not receive the Quarterly Servicer's Report from the Servicer by the relevant Quarterly Servicer's Report Date, no principal amount will be due and payable on the Notes on the immediately following Payment Date in accordance with Condition 6.5 (*Redemption, Purchase and Cancellation - Notes Principal Payments, Redemption Amounts and Principal Amount Outstanding*); or

(ii) *Breach of other obligations:* The Issuer defaults in the performance or observance of any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party (other than any obligation specified in (i) above) which, in the Representative of the Noteholders' opinion, is materially prejudicial to the interests of the Noteholders and such default remains unremedied for 30 (thirty) days after the Representative of the Noteholders having given written notice thereof to the Issuer requiring the same to be remedied (except where, in the sole opinion of the Representative of the Noteholders, such default is not capable of remedy in which case no term of 30 (thirty) days will be given); or

(iii) *Insolvency of the Issuer:* An Insolvency Event occurs in respect of the Issuer; or

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

then the Representative of the Noteholders:

(1) in the case of a Trigger Event under (i) or (iii) above, shall; and/or

(2) in the case of a Trigger Event under (ii) or (iv) above may or, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, shall,

give written notice (a "**Trigger Notice**") to the Issuer, with copy to the Servicer and the Computation Agent, following which all payments of principal, interest and other amounts due in respect of the Notes shall be made according to the Priority of Payments set out in

Condition 4.2 (*Priority of Payments - Priority of Payments following the delivery of a Trigger Notice*).

11. ACTIONS FOLLOWING THE DELIVERY OF A TRIGGER NOTICE

11.1 At any time after a Trigger Notice has been served, the Representative of the Noteholders may and shall, if so requested or authorised by an Extraordinary Resolution of the Most Senior Class of Noteholders, take such steps and/or institute such proceedings against the Issuer as it may think fit to ensure repayment of the Senior Notes and payment of accrued interest thereon in accordance with the Priority of Payments set out in Condition 4.2 (*Priority of Payments - Priority of Payments following the delivery of a Trigger Notice*).

11.2 All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Condition 10 (*Trigger Events*) or this Condition 11 (*Actions following the delivery of a Trigger Notice*) by the Representative of the Noteholders shall (in the absence of wilful default (*dolo*), gross negligence (*colpa grave*), bad faith or manifest error) be binding on the Issuer and all Senior Noteholders and (in such absence as aforesaid) no liability to the Senior Noteholders or the Issuer shall attach to the Representative of the Noteholders in connection with the exercise or non-exercise by it of its powers, duties and discretion hereunder.

11.3 No Noteholder shall be entitled to proceed directly against the Issuer, as set out in Condition 14 (*Non Petition and Limited Recourse*) below.

11.4 If the Representative of the Noteholders takes action to ensure the Noteholders' rights in respect of the Portfolio and the Issuer's Rights and after payment of all other claims ranking in priority to the Senior Notes under the Terms and Conditions and the Intercreditor Agreement, if the remaining proceeds of such action (the Representative of the Noteholders having taken action to ensure the Noteholders' rights in respect of the entire Portfolio and all the Issuer's Rights) are insufficient to pay in full all principal and interest and other amounts whatsoever due in respect of the Senior Notes and all other claims ranking *pari passu* therewith, then the Senior Noteholders' claims against the Issuer will be limited to their *pro rata* share of such remaining proceeds (if any) and the obligations of the Issuer to the Senior Noteholders will be discharged in full and any amount in respect of principal, interest or other amounts due under the Senior Notes will be finally and definitively cancelled.

11.5 Following the delivery of a Trigger 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 Most Senior Class of Noteholders then outstanding) direct the Issuer to, dispose of the Portfolio, subject to the terms and conditions of the Intercreditor Agreement.

12. THE REPRESENTATIVE OF THE NOTEHOLDERS

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

12.2 *Appointment of the Representative of the Noteholders:* Pursuant to the Rules of the Organisation of Noteholders, for as long as any Senior Note is outstanding, there shall at

all times be a Representative of the Noteholders. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of the Noteholders, is made by the Noteholders subject to and in accordance with the Rules of the Organisation of Noteholders, except for the initial Representative of the Noteholders appointed at the time of issue of the Senior Notes, who is appointed by the Joint Lead Managers in the Class A1 Notes Subscription Agreement, by the Class A2 Notes Subscriber in the Class A2 Notes Subscription Agreement and by the Class D Notes Subscriber in the Class D Notes Subscription Agreement. Each Senior Noteholder is deemed to accept such appointment.

13. NOTICES

13.1 Any notice regarding the Senior Notes, as long as the Notes are held through Monte Titoli, shall be deemed to have been duly given if given through the systems of Monte Titoli, and, as long as the Senior Notes are listed on the official list of the Luxembourg Stock Exchange and the rules of such exchange so require, if published on the website of the Luxembourg Stock Exchange (which, on the Issue Date, is *www.bourse.lu*). 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 described above.

13.2 The Representative of the Noteholders shall be at liberty to sanction some other method of giving notice to Noteholders if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Senior Notes are then listed and provided that notice of such other method is given to the Senior Noteholders in such manner as the Representative of the Noteholders shall require.

14. NON PETITION AND LIMITED RECOURSE

14.1 *Non Petition*

Only the Representative of the Noteholders may pursue the remedies available under the general law or under the Transaction Documents to obtain payment of the Obligations or enforce the Security, and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment of the Obligations or enforce the Security. In particular:

14.1.1 no Noteholder (nor any person on its behalf) is entitled, otherwise than as 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;

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

14.1.3 until the later of (i) the date falling one year and one day after the Final Maturity Date or, in case of early redemption in full or cancellation of the Notes in accordance with the relevant Terms and Conditions and to the extent article 65 of the Italian Bankruptcy Law applies, two years and one day after the date of the early redemption in full or cancellation of the Notes; (ii) the date falling one year

and one day after the final maturity date of the Previous Notes or, in case of early redemption in full or cancellation of the Previous Notes in accordance with the relevant terms and conditions of the Previous Notes and to the extent article 65 of the Italian Bankruptcy Law applies, two years and one day after the date of the early redemption in full or cancellation of the Previous Notes; and (iii) the date falling one year and one day after the final maturity date of the notes issued by the Issuer in the context of any further securitisation transaction or, in case of early redemption in full or cancellation of such notes in accordance with the relevant terms and conditions of such notes and to the extent article 65 of the Italian Bankruptcy Law applies, two years and one day after the date of the early redemption in full or cancellation of such notes, 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 and only if the representatives of the noteholders of the October 2005 Transaction and the March 2012 Transaction and any further securitisation transaction carried out by the Issuer have been so directed by the appropriate resolutions of their respective noteholders in accordance with the relevant transaction documents) is entitled to cause, initiate or join any person in initiating an Insolvency Event in relation to the Issuer; and

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

14.2 *Limited Recourse*

14.2.1 All obligations of the Issuer to each Noteholder are limited recourse obligations of the Issuer as set out below.

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

14.2.3 Sums payable to each Noteholder in respect of the Issuer's obligations to such Noteholder shall be limited to the lower of (a) the aggregate amount of all sums due and payable to such Noteholder, and (b) the Issuer Available Funds, net of any sums which are payable by the Issuer in accordance with the relevant Priority of Payments in priority to or *pari passu* with sums payable to such Noteholder.

14.2.4 Upon the Servicer having certified to the Representative of the Noteholders, and the Representative of the Noteholders having given notice to the Noteholders on the basis of such certificate pursuant to Condition 13 (*Notices*), that there is no reasonable likelihood of there being any further realisations in respect of the Portfolio or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay any amount outstanding under the Notes, each Noteholder shall have no further claim against the Issuer in respect of any such outstanding amounts and any unpaid amounts shall be discharged in full.

15. GOVERNING LAW AND JURISDICTION

15.1 The Senior Notes are governed by Italian law.

15.2 All the Transaction Documents are governed by Italian law.

15.3 The Courts of Milan are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes.

EXHIBIT

TO THE SENIOR NOTES CONDITIONS

RULES OF THE ORGANISATION OF THE NOTEHOLDERS

TITLE I

GENERAL PROVISIONS

Article 1

General

The Organisation of the Noteholders is created concurrently with subscription of the Notes, and is governed by these Rules of the Organisation of the Noteholders (the "**Rules of the Organisation**").

These Rules of the Organisation shall remain in force and effect until full repayment or cancellation of all the Notes.

The contents of these Rules of the Organisation are deemed to be an integral part of each Note issued by the Issuer.

Article 2

Definitions

Unless otherwise provided in these Rules of the Organisation, any capitalised term shall have the meaning attributed to it in the Terms and Conditions.

Any reference herein to an "Article" shall be a reference to an article of these Rules of the Organisation.

In these Rules of the Organisation, the terms below shall have the following meanings:

"**Arbitration Panel**" means the arbitration panel established in accordance with Article 33;

"**Basic Terms Modification**" means any proposed modification which results in:

(a) a change in the date of maturity of the Notes of any Class;

(b) a change in any date fixed for the payment of principal or interest in respect of the Notes of any Class;

(c) the reduction or cancellation of the amount of principal or interest payable on any date in respect of the Notes of any Class or any alteration in the method calculating the amount of any payment in respect of the Notes of any Class on redemption or maturity;

(d) a change in the majority required to pass any resolution or the quorum required at any Meeting;

(e) a change in the currency in which payments are due in respect of any Class of Notes;

(f) a variation in the authorisation or consent by the Noteholders, as pledgees, to the funds being managed as provided in the Transaction Documents;

(g) an alteration of the priority of payments of interest or principal in respect of any of the Notes;

(h) 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; or

(i) a change to this definition.

"**Blocked Notes**" means Notes which have been blocked in an account with a clearing system or otherwise are held to the order of or under the control of the Principal Paying Agent for the purpose of obtaining from the Principal Paying Agent 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, the instruction issued by the Principal Paying Agent (a) certifying, inter alia, that the Principal Paying Agent has been instructed by the holder of the relevant Notes to cast the votes attributable to such Blocked Notes in a particular way on each resolution to be put to the relevant Meeting and that during the period of 48 hours before the time fixed for the Meeting such instructions may not be amended or revoked and (b) authorising a Proxy to vote in accordance with such instructions;

"**Chairman**" means, in relation to any Meeting, the individual who takes the chair in accordance with Title II, Article 8 of these Rules of the Organisation;

"**Class**" means a class of Notes, it being understood that, for the purposes of these Rules, the Class A1 Notes and the Class A2 Notes shall be considered as a single Class.

"**Extraordinary Resolution**" means a resolution passed at a Meeting, duly convened and held in accordance with the provisions contained in these Rules of the Organisation;

"**Issuer**" means Mars 2600 S.r.l.;

"**Meeting**" means a meeting of Noteholders of any class or classes (whether originally convened or resumed following an adjournment);

"**Ordinary Resolution**" means a resolution passed at a Meeting, duly convened and held in accordance with the provisions contained in these Rules of the Organisation;

"**Principal Amount Outstanding**" means on any day in relation to the relevant Notes the principal amount of such Notes upon issue less the aggregate amount of any principal payments in respect of such Notes which has been paid up to that day;

"**Proxy**" means any person to which the powers to vote at a Meeting have been duly granted;

"**Relevant Fraction**" means:

(a) for voting on an Ordinary Resolution, one-half of the Principal Amount Outstanding of the outstanding Notes of each relevant Class;

(b) for voting on any Extraordinary Resolution other than one relating to a Basic Terms Modification, two-thirds of the Principal Amount Outstanding of the outstanding Notes of each relevant Class; and

(c) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, (which must be proposed separately to each Class of Noteholders) three-quarters of the Principal Amount Outstanding of the outstanding Notes of each relevant Class;

provided, however, that, in the case of a Meeting postponed pursuant to Article 10, it shall mean:

(a) for all voting other than on an Extraordinary Resolution relating to a Basic Terms Modification, the fraction of the Principal Amount Outstanding of the outstanding Notes represented or held by Voters present at the Meeting; and

(b) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, one-half of the Principal Amount Outstanding of the outstanding Notes in that Class;

further provided that, in order to avoid conflict of interest that may arise as a result of the Originator having multiple roles in the Securitisation, those Class A Notes which are held by the Originator and/or its Affiliates shall not be deemed to bear voting rights and therefore shall not be taken into account for the purposes of (i) the quorum necessary to convene a Meeting of Noteholders and (ii) the quorum required to resolve in accordance with the Conditions on any of the following Businesses:

(i) the revocation of the Originator in its capacity as Servicer;

(ii) the delivery of a Trigger Notice upon the occurrence of a Trigger Event in accordance with Condition 10 (*Trigger Events*);

(iii) the direction of the disposal of the Portfolio after the delivery of a Trigger Notice upon occurrence of a Trigger Event in accordance with Condition 10 (*Trigger Events*);

(iv) the enforcement of any of the Issuer's rights under the Transaction Documents against the Originator in any role under the Securitisation; and

(v) any Business related to any other matter in relation to which, in the reasonable opinion of the Representative of the Noteholders, may exist a conflict of interest between the Class A Noteholders (in such capacity) and the Originator in any role (other than as Class A Noteholder) under the Securitisation.

Any Class A Note excluded from the voting rights pursuant to the above provisions an "**Excluded Note**".

It remains understood that the above restriction on voting rights does not apply in case the then outstanding Class A Notes are entirely held by the Originator and/or its Affiliates.

"**Voter**" means, in relation to any Meeting, the holder of a Voting Certificate or a Proxy;

"**Voting Certificate**" means, in relation to any Meeting:

(a) a certificate issued by a Monte Titoli Account Holder in accordance with the Resolution 22 February 2008; or

(a) a certificate issued by the Principal Paying Agent 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 to the Principal 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 who at that time are entitled to participate in a Meeting in accordance with the provisions of these Rules of the Organisation, 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 Principal Paying Agent has its specified office; and

"**48 hours**" means 2 consecutive periods of 24 hours.

Article 3

Purpose of the Organisation

Each Noteholder is a member of the Organisation of the Noteholders.

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 of desirable to protect the interests of the Noteholders.

TITLE II

MEETINGS OF NOTEHOLDERS

Article 4

General Provisions

Within 14 days of the conclusion of each Meeting, the Issuer shall give notice, in accordance with Condition 13 (*Notices*), of the result of the votes on each resolution put to the Meeting. Such notice shall also be sent by the Issuer (or its agents) to the Principal Paying Agent and the Representative of the Noteholders.

Subject to the provisions of these Rules of the Organisation and the Terms and Conditions, if the Representative of the Noteholders considers it is not detrimental to the holders of any relevant Class of Notes, joint meetings of the Class A Noteholders and the Class D Noteholders may be held to consider the same resolution and/or, as the case may be, the same Extraordinary Resolution and the provisions of these Rules of the Organisation shall apply *mutatis mutandis* thereto.

Subject to Article 20 below, the following provisions shall apply 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 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 such 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;

(c) business which, in the 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.

In this paragraph "**business**" includes (without limitation) the passing or rejection of any resolution.

Article 5

Validity of Block Voting Instructions and Voting Certificates

A Block Voting Instruction or a Voting Certificate shall be valid only if it is deposited at the specified office of the Principal 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, a notarially certified copy of each Voting
Certificate or satisfactory evidence of the identity of each Proxy shall be produced at the Meeting but the Representative of the Noteholders shall not be obliged to investigate the identity of any Proxy.

A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note

Article 6

Convening the Meeting

The Representative of the Noteholders may convene a Meeting at any time. The Representative of the Noteholders shall convene a Meeting at any time it is requested to do so in writing by (a) Noteholders representing at least one-tenth of the aggregate Principal Amount Outstanding of all the Notes then outstanding, or (b) the Issuer.

Whenever the Issuer requests the Representative of the Noteholders to convene the Meeting, it shall immediately send a communication in writing to that effect to the Representative of the Noteholders specifying the proposed day, time and place of the Meeting and the items to be included in the agenda.

Every Meeting will be held on a date and at a time and place selected or approved by the Representative of the Noteholders.

Meetings may be held where the attendees are located at different places connected by audio-conference or videoconference, provided that:

a) the Chairman may, also through its chairman office, ascertain the identity and legitimacy of those present, monitor the meeting, acknowledge and announce the outcome of the voting process;

b) the person drawing up the minutes may hear well the meeting events being the subject-matter of the minutes;

c) each attending person may follow and intervene in the discussions and vote the items on the agenda in real time; and

d) the notice of the Meeting expressly states, where applicable, the places having teleconference or videoconference equipment providing a connection where those attending can go, the Meeting being deemed to take place where the Chairman and the person drawing up the minutes will be.

Article 7

Notices

At least 21 days' notice (exclusive of the day notice is delivered and of the day on which the relevant Meeting is to be held), specifying the day, time and place of the Meeting, must be given by the Principal Paying Agent (upon instruction from the Representative of the Noteholders) to the relevant Noteholders and the Representative of the Noteholders, with copy to the Issuer. The notice shall set out the full text of any resolution to be voted on.

Notwithstanding that the formalities required by this Article 7, a Meeting is validly held if the entire Principal Amount Outstanding of the relevant Class or Classes is represented thereat, the Issuer and the Representative of the Noteholders are present.

Article 8

Chairman of the Meeting

The Meeting is chaired by an individual nominated by the Representative of the Noteholders. If the Representative of the Noteholders fails to make such nomination or the individual so nominated 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.

The Chairman ascertains that the Meeting has been duly convened and validly constituted, leads and moderates the debate, and defines the terms for voting.

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.

Article 9

Quorum

The quorum at any Meeting shall be at least two Voters representing or holding not less than the Relevant Fraction of the aggregate Principal Amount Outstanding of the Notes of the relevant Class or Classes.

Article 10

Adjournment for lack of quorum

If a quorum is not reached within 15 minutes after the time fixed for any Meeting:

(a) if such Meeting was requested by Noteholders, the Meeting shall be dissolved; or

(b) otherwise, the Meeting shall be adjourned to a new date no earlier than 14 days after and no later than 42 days after the original date of such Meeting, and to such place as the Chairman determines with the approval of the Representative of the Noteholders provided that no meeting may be adjourned more than once for want of a quorum.

Article 11

Adjourned Meeting

Except as provided in Article 10, the Chairman may, with the prior consent of the Meeting, adjourn such Meeting to another time and place. 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.

Article 12

Notice following adjournment

If a Meeting is adjourned in accordance with the provisions of Article 10 above, Articles 6 and 7 above shall apply to the resumed meeting except:

(a) 10-days' notice (exclusive of the day on which the notice is delivered and of the day on which the Meeting is to be resumed) shall be sufficient; and

(b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice to resume any Meeting adjourned for reasons other than those described in Article 10.

Article 13

Participation

The following categories of persons may attend and speak at a Meeting:

(a) Voters;

(b) the Directors and the Auditors of the Issuer;

(c) representatives of the Representative of the Noteholders;

(d) any other person authorised by the Issuer, the Representative of the Noteholders or by virtue of a resolution of the relevant Meeting; and

(e) the holders of the Excluded Notes.

Article 14

Voting by show of hands

Every question submitted to a Meeting shall be decided in the first instance by a vote by show of hands.

If before the vote by show of hands the Chairman or one or more Voters who represent or hold at least one-tenth of the aggregate Principal Amount Outstanding of the relevant Class or Classes request to vote pursuant to Article 15 below the question shall be voted on in compliance with the provisions of Article 15. No request to vote by poll shall hinder the continuation of the Meeting in relation to the other items on the agenda.

A resolution is only passed on a vote by show of hands if unanimously approved by the Voters at the Meeting and, to the extent that Noteholders are attending the Meeting by audio-conference, upon a vote being taken by a show of hands, such Noteholders shall vote through oral declaration. The Chairman’s declaration that on a 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.

Article 15

Voting by poll

A pool may be taken immediately or after any adjournment as is decided by the Chairman but any pool demanded on the election of a Chairman or on any question of adjournment shall be taken immediately.

The Chairman sets the rules 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 rules set 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.

Article 16

Votes

Each Voter shall have:

(a) one vote, when voting by a show of hands; and

(b) one vote for each Euro 100,000 of in aggregate Principal Amount Outstanding of Notes represented or held by the Voter, when voting by poll.

Unless the terms of any Block Voting Instruction 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 manner. In the case of a voting tie, the Chairman shall have the casting vote.

Article 17

Voting by Proxy

Any vote by a Proxy in accordance with the relevant Block Voting Instruction shall be valid even if such Block Voting Instruction or any instruction pursuant to which it has been given had been amended or revoked provided that none of the Principal Paying Agent, 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. 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 pursuant to Article 10. If a Meeting is adjourned pursuant to Article 10, any person appointed to vote in such Meeting must be appointed again by virtue of a Block Voting Instruction or Voting Certificate to vote at the resumed Meeting.

Article 18

Ordinary Resolutions

Save as provided by Article 19 and subject to the provisions of Article 20, a Meeting shall have the exclusive power exercisable by Ordinary Resolution to:

(a) waive (including to waive a prior breach) any breach by the Issuer of its obligations arising under the Transaction Documents or the Notes, or waive a Trigger Event if not previously authorised by the Representative of the Noteholders in accordance with the Transaction Documents; and

(b) determine any other matters submitted to the Meeting in accordance with the provisions of these Rules of the Organisation.

Article 19

Extraordinary Resolutions

A Meeting, subject to Article 20 below, shall have exclusive power exercisable by Extraordinary Resolution only to:

(a) approve any Basic Terms Modification;

(b) approve any proposal by the Issuer or the Representative of the Noteholders for any alteration or waiver of the rights of the Noteholders against the Issuer;

(c) approve any scheme or proposal related to the mandatory exchange or substitution of any Class of Notes;

(d) approve any amendments of the provisions of (i) these Rules of the Organisation, (ii) the Terms and Conditions, (iii) the Intercreditor Agreement, (iv) the Cash Allocation, Management and Payment Agreement, or (v) any other Transaction Document which shall be proposed by the Issuer, the Representative of the Noteholders and/or any other party thereto;

(e) discharge or exonerate, including prior discharge or exoneration, the Representative of the Noteholders from any liability in relation to any act or omission for which the Representative of the Noteholders has or may become liable pursuant or in relation to these Rules of the Organisation, the Terms and Conditions or any other Transaction Document;

(f) grant any authority, order or sanction which, under the provisions of these Rules of the Organisation or of the Terms and Conditions, must be granted pursuant to an Extraordinary Resolution (including the issue of a Trigger Notice as a result of a Trigger Event pursuant to Condition 10);

(g) authorise and ratify the actions of the Representative of the Noteholders in compliance with these Rules of the Organisation, the Intercreditor Agreement and any other Transaction Document;

(h) authorise the Representative of the Noteholders or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;

(i) appoint and remove the Representative of the Noteholders; and

(j) authorise or object to individual actions or remedies of Noteholders under Article 24.

Article 20

Relationship between Classes and conflict of interests

No Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes (to the extent that there are Notes outstanding in each such other Class).

No Extraordinary Resolution to approve any matter other than a Basic Terms Modification of any Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes ranking senior to such Class (to the extent that there are Notes outstanding ranking senior to such Class).

Any resolution passed at a Meeting of the Noteholders of one or more classes of Notes duly convened and held in accordance with these Rules of the Organisation shall be binding upon all Noteholders of such class or classes, whether or not present at such Meeting and whether or not dissenting and whether or not voting and, except in the case of meeting relating to a Basic Term Modification:

(a) any resolution passed at a meeting of the Class A Noteholders duly convened and held as aforesaid shall also be binding upon all the Class D Noteholders;

(b) in each case, all of the relevant Classes of Noteholders shall be bound to give effect to any such resolutions accordingly.

If, however, in the opinion of the Representative of the Noteholders, there is a conflict between the interests of the Class A Noteholders and the interests of the Class D Noteholders, the Representative of the Noteholders is required to have regard only to the interests of the Class A Noteholders, until the Class A Notes have been entirely redeemed.

Article 21

Challenge of Resolution

Any absent or dissenting Noteholder has the right to challenge Resolutions which are not passed in compliance with the provisions of these Rules of the Organisation.

Article 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 shall be regard as having been duly passed and transacted.

Article 23

Written Resolution

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

Article 24

Individual Actions and Remedies

The right of each Noteholder to bring individual actions or use other individual remedies to enforce his/her rights under the Notes shall be subject to a Meeting, in the interest of the Noteholders, not passing a resolution objecting to such individual action or other remedy on the grounds that it is not convenient at the time when the Meeting is held. In this respect, the following provisions shall apply:

(a) the Noteholder intending to enforce his/her rights under the Notes will notify the Representative of the Noteholders of his/her intention;

(b) the Representative of the Noteholders will, without delay, call a Meeting in accordance with these Rules of the Organisation;

(c) if the Meeting passes a resolution objecting to the enforcement of the individual action or remedy, the Noteholder will be prevented from taking such action or remedy (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.

No Noteholder will be allowed to take any individual action or remedy to enforce his/her rights under the Notes unless a Meeting of Noteholders has been held to resolve on such action or remedy in accordance with the provisions of this Article 24.

Article 25

Further Regulations

Subject to all other provisions in this Rules of Organisation, 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

Article 26

Appointment, Removal and Remuneration

The appointment of the Representative of the Noteholders takes place by Extraordinary Resolution of the Most Senior Class of Noteholders in accordance with the provisions of this Article 26, except for the appointment of the first Representative of the Noteholders which will be Securitisation Services S.p.A.

The Representative of the Noteholders shall be:

(a) a bank incorporated in any jurisdiction of the European Union, or a bank incorporated in any other jurisdiction acting through an Italian Branch; or

(b) a company or financial institution enrolled with the register held by the Bank of Italy pursuant to Article 106 of the Consolidated Banking Act; or

(c) any other entity which is not prohibited from acting in the capacity of Representative of the Noteholders pursuant to the law.

Unless the Representative of the Noteholders is removed by resolution pursuant to Title II or it resigns in accordance with Article 28 below, it shall remain in office until full repayment or cancellation of all the Notes. The Noteholders may remove the Representative of the Noteholders by resolution of the Most Senior Class of the Notes at any time.

In the event of a termination of the appointment of the Representative of the Noteholders for any reason whatsoever, such Representative of the Noteholders shall remain in office until a substitute Representative of the Noteholders, which shall be a subject among those listed in (a), (b), and (c) above accepts its appointment, 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.

The directors and auditors of the Issuer cannot be appointed as Representative of the Noteholders, and if appointed as such they shall be automatically removed.

The Issuer shall pay to the Representative of the Noteholders for its services as Representative of the Noteholders, an on-going annual fee, as agreed either in the initial agreement(s) for the issue of and subscription for the Notes or in a separate fee letter. Such fees shall accrue from day to day and shall be payable in accordance with the Priority of Payments. Such fee shall accrue from day to day and will be paid quarterly in arrears in accordance with the applicable Priority of Payments up to (and including) the date when the Notes shall have been repaid in full or cancelled in accordance with the Conditions.

Article 27

Duties and Powers of the Representative of the Noteholders

The Representative of the Noteholders is the legal representative of the Organisation of the Noteholders.

The Representative of the Noteholders is responsible for implementing all resolutions of the Noteholders 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. The Representative of the Noteholders has the right to convene Meetings to propose any course of action which it considers from time to time necessary or desirable.

The Representative of the Noteholders may also, whenever it considers it expedient and in the interest of the Noteholders, whether by power of attorney or otherwise, delegate to any person(s) specific activities vested in it as aforesaid. The terms and conditions (including power to sub-delegate) of such appointment shall be established by the Representative of the Noteholders depending on what it deems suitable in the interest of the Noteholders. The Representative of the Noteholders shall not, other than in the normal course of its business, 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 any misconduct, omission or default on the part of such delegate or sub-delegate. As soon as reasonably practicable, the Representative of the Noteholders shall 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

The Representative of the Noteholders is authorised to represent the Organisation of the Noteholders, *inter alia*, in any judicial proceedings.

Article 28

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 by an Extraordinary Resolution of the holders of the Most Senior Class of Notes and such new Representative of the Noteholders has accepted its appointment.

Article 29

Exoneration of the Representative of the Noteholders

The Representative of the Noteholders shall not assume any obligations or responsibilities in addition to those expressly provided herein and in the Transaction Documents.

(a) Without limiting the generality of the foregoing, the Representative of the Noteholders:

(i) shall not be under any obligation to take any steps to ascertain whether a Trigger Event or any other event, condition or act, the occurrence of which would cause a right or remedy to become exercisable by the Representative of the Noteholders hereunder or under any 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 Trigger Event has occurred;

(ii) 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 the Terms and Conditions and hereunder or, as the case may be, in any Transaction

Document to which each such party is a party, 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 carefully observing and performing all their respective obligations;

(iii) shall not be under any obligation to give notice to any person of its activities in performance of the provisions of these Rules of the Organisation or any other Transaction Document;

(iv) shall not be responsible for or for investigating the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules of the Organisation or of any Transaction Document, or of any other document or any obligation or rights created or purported to be created hereby or thereby or pursuant hereto or thereto, and (without prejudice to the generality of the foregoing) it shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for (i) the nature, status, creditworthiness or solvency of the Issuer, (ii) the existence, accuracy or sufficiency of any legal or other opinion, search, report, certificate, valuation or investigation delivered or obtained or required to be delivered or obtained at any time in connection herewith; (iii) the suitability, adequacy or sufficiency of any collection procedure operated by the Servicer or compliance therewith; (iv) the failure by the Issuer to obtain or comply with any licence, consent or other authority in connection with the purchase or administration of the Portfolio; and (v) any accounts, books, records or files maintained by the Issuer, the Servicer, the Principal Paying Agent or any other person in respect of the Portfolio;

(v) 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;

(vi) shall have no responsibility to procure that the Rating Agencies or any other credit or Rating Agencies or any other subject maintain the rating of the Notes;

(vii) shall not be responsible for investigating any matter which is the subject of any recital, statement, warranty or representation by any party other than the Representative of the Noteholders contained herein or in any Transaction Document;

(viii) 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;

(ix) 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 of the Organisation or any Transaction Document;

(x) shall not be under any obligation to guarantee or procure the repayment of the Portfolio or any part thereof;

(xi) shall not be obliged to evaluate the consequences that any modification of these Rules of the Organisation or any of the Transaction Documents or exercise of its rights, powers and authorities may have for any individual Noteholder;

(xii) shall not (unless and to the extent ordered to do so by a court of competent jurisdiction) be under any obligation to disclose to any Noteholder, any Other Issuer Creditor or any other party any confidential, financial, price sensitive or other information made available to the Representative of the Noteholders by the Issuer or any other person in connection with these Rules of the Organisation and no Noteholder, Other Issuer Creditor or any other party shall be entitled to take any action to obtain from the Representative of the Noteholders any such information; and

(xiii) shall not be responsible for (except as otherwise provided in the Terms and Conditions or in the Transaction Documents) making or verifying any determination or calculation in respect of the Portfolio and the Notes.

(b) The Representative of the Noteholders:

(i) may, without being required to obtain the consent of the Noteholders and on behalf of the same, agree or propose amendments or modifications to the Conditions (other than a Basic Terms Modification), to these Rules of the Organisation or to any of the Transaction Documents which, in the opinion of the Representative of the Noteholders, it is expedient to make in order to correct a manifest error or an error of a formal, minor or technical nature provided that no such amendment or modification or waiver shall be made or agreed which is or may be, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Noteholders and of the Other Issuer Creditors. Any such modification shall be binding on the Noteholders and the Other Issuer Creditors 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;

(ii) may agree to any amendment or modification to these Rules of the Organisation (other than in respect of a Basic Terms Modification or any provision in these Rules of the Organisation which makes a reference to the definition of "Basic Terms Modification") or to the Transaction Documents which, in the opinion the Representative of the Noteholders, is for the common interest of the Noteholders;

(iii) may act on the advice of or a certificate or opinion of or any information obtained from any lawyer, accountant, banker, broker, credit or Rating Agencies or other expert whether obtained by the Issuer, the Representative of the Noteholders or otherwise, and shall not be responsible for any loss incurred by so acting in the absence of gross negligence (*colpa grave*) or wilful default (*dolo*) on the part of the Representative of the Noteholders;

(iv) may call for, and shall be at liberty to accept as sufficient evidence of any fact or matter, a certificate duly signed by the Issuer, and the Representative of the Noteholders shall not be bound in any such case to call for further evidence or be responsible for any loss that may be incurred as a result of acting on such certificate unless it has information which casts a doubt on the truthfulness of the certificates signed by the Issuer;

(v) save as expressly otherwise provided herein, shall have absolute discretion as to the exercise, non-exercise or refraining from exercise of any right, power and discretion vested in the Representative of the Noteholders by these Rules of the Organisation or by operation of law, and the Representative of the Noteholders

shall not be responsible for any loss, cost, damage, expense or inconvenience resulting from the exercise, non-exercise or refraining from exercise thereof except insofar as the same are incurred as a result of its wilful default (*dolo*) or gross negligence (*colpa grave*);

(vi) 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 to its satisfaction against all actions, proceedings, claims and demands which may be brought against it and against all costs, charges, damages, expenses and liabilities which it may incur by taking such action;

(vii) shall not be deemed responsible for having acted pursuant to instructions received from the Meeting, even if it is later discovered that the Meeting had not been validly convened or constituted, and that such resolution had not been duly approved or was not otherwise valid or binding for the Noteholders;

(viii) 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 Resolution 22 February 2008;

(ix) may certify whether or not a Trigger Event is in its opinion prejudicial to the interest of the Noteholders and any such certification shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other subject party to the Transaction Documents;

(x) may determine whether or not a default in the performance by the Issuer of any obligation under the provisions of these Rules of the Organisation, the Notes or any other Transaction Documents may be remedied, and if the Representative of the Noteholders certifies that any such default is, in its 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 subject party to the Transaction Documents;

(xi) may assume without enquiry that no Notes are, at any given time, held by or for the benefit of the Issuer;

(xii) shall have the right to call for (or have the Issuer call for) and to rely on written attestations issued by any one of the parties to the Intercreditor Agreement, or by any Other Issuer Creditor, or by the Rating Agencies. The Representative of the Noteholders shall not be required to seek additional evidence 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; and

(xiii) shall be entitled to assume, for the purposes of exercising any power, authority, duty or discretion under or in relation to these Rules of the Organisation that such exercise will not be materially prejudicial to the interest of the Noteholders if, along with other factors, the Rating Agencies have confirmed that the then current rating of the Notes would not be adversely affected by such exercise, or have otherwise given their consent. If the Representative of the Noteholders, in order to properly exercise its rights or fulfil its obligations, deems it necessary to obtain the valuation

of the Rating Agencies regarding how a specific act would affect the rating of the Notes, the Representative of the Noteholders shall so inform the Issuer, which will have to obtain the valuation at its expense on behalf of the Representative of the Noteholders, unless the Representative of the Noteholders wishes to seek and obtain the valuation itself.

Any consent or approval given by the Representative of the Noteholders under these Rules of the Organisation 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.

No provision of these Rules of the Organisation shall require the Representative of the Noteholders to do anything which may be illegal or contrary to applicable law or regulations or to expend or otherwise risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its powers or discretion, and the Representative of the Noteholders may refrain from taking any action which would or might, in its 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 opinion, is necessary to comply with any such law, regulation or directive as aforesaid.

Article 30

Deed of Pledge

The Representative of the Noteholders shall have the right to exercise all the rights granted by the Issuer to Noteholders which have the benefit of the Deed of Pledge. The beneficiaries of the Deed of Pledge are referred to as the "Secured Noteholders".

The Representative of the Noteholders, acting on behalf of the Secured Noteholders, shall be entitled to:

(a) appoint and entrust the Issuer to collect, on the Secured Noteholders' interest and behalf, any amounts deriving from the pledged assets and the related rights, and shall be entitled to give instructions, jointly with the Issuer, to the respective debtors of the pledged assets to effect the payments related to such assets standing to the credit of the Accounts;

(b) attest that the accounts to which payments have been made in respect of the pledged assets shall be deposit accounts for the purpose of article 2803 of the Italian civil code, and procure that such accounts are operated in compliance with the provisions of the Cash Allocation, Management and Payment Agreement and the Intercreditor Agreement. For such purpose and until a Trigger Notice is served, the Representative of the Noteholders, acting in the name and on behalf of the Secured Noteholders, shall appoint the Issuer to manage the Accounts in compliance with the Cash Allocation, Management and Payment Agreement;

(c) procure that all monies and securities standing to the credit of the relevant Accounts from time to time are applied in accordance with the Cash Allocation, Management and Payment Agreement and the Intercreditor Agreement; and

(d) procure that the funds from time to time deriving from the pledged assets and the amounts standing to the credit of the relevant Accounts are applied towards satisfaction of the amounts due to the Secured Noteholders and the other relevant parties according to the

applicable Priority of Payments set forth in the Terms and Conditions. The Secured Noteholders irrevocably waive any right they may have in relation to any amount deriving from time to time from the pledged assets or credited to the Accounts which is not in accordance with the provisions of this Article 30. 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 assets under the Deed of Pledge except in accordance with the provisions of this Article 30 and the Intercreditor Agreement.

Article 31

Indemnity

Pursuant to the Subscription Agreements, the Issuer has covenanted and undertaken to reimburse, pay or discharge (on a full indemnity basis) upon demand, to the extent not already reimbursed, paid or discharged by the Noteholders, all costs, liabilities, losses, charges, expenses, damages, actions, proceedings, receivables and demand (including, without limitation, legal fees and any applicable tax, value added tax or similar tax) properly incurred by or made against the Representative of the Noteholders or any subject 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, authority and discretion and the performance of its duties under and otherwise in relation to these Rules of the Organisation and the Transaction 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 Transaction Documents against the Issuer, or any other person to enforce any obligation under these Rules of the Organisation, the Notes or the Transaction Documents, except insofar as any such expense is incurred as a result of the fraud (*frode*), gross negligence (*colpa grave*) or wilful default (*dolo*) of the Representative of the Noteholders.

TITLE IV

THE ORGANISATION OF THE NOTEHOLDERS AFTER SERVICE OF A TRIGGER NOTICE

Article 32

Powers

It is hereby acknowledged that, upon service of a Trigger Notice, 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 interest of the Other Issuer Creditors, pursuant to articles 1411 and 1723 of the Italian Civil Code - to exercise certain rights in relation to the Portfolio. Therefore, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, will be authorised, pursuant to the terms of the Mandate Agreement, to exercise, in the name and on behalf of the Issuer and as *mandatario in rem propriam* of the Issuer, any and all of the Issuer's Rights under the Transaction Documents, including the right to give directions and instructions to the relevant parties to the relevant Transaction Documents.

TITLE V

GOVERNING LAW AND ALTERNATIVE DISPUTES RESOLUTIONS

Article 33

These Rules of the Organisation are governed by, and will be construed in accordance with, the laws of the Republic of Italy.

All disputes arising out of or in connection with these Rules of the Organisation, including those concerning its validity, interpretation, performance and termination, shall be settled independently of the number of parties, by an arbitral tribunal consisting of three arbitrators, one being the President, all of them directly appointed by the Chamber of National and International Arbitration of Milan. The arbitration shall be conducted in accordance with the Rules of the Organisation of International Arbitration of the National and International Chamber of Commerce of Milan (*Regole di Arbitrato Internazionale della Camera di Commercio Nazionale e Internazionale di Milano*), which each of the Noteholders acknowledges to know and accept in their entirety.

The arbitrators shall decide according to the laws of the Republic of Italy and not *ex aequo et bono*.

The seat of the Arbitration will be Milan.

The language of the arbitration will be English.

The Courts of Milan shall have exclusive jurisdiction over any dispute that cannot be settled by arbitration in accordance with the provisions of this Article 33.

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 the Republic of Italy.

It applies to securitisation transactions involving the "true" sale (by way of non-gratuitous assignment) of receivables, where the sale is to a company created in accordance with article 3 of the Securitisation Law 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 receivables and all costs and expenses associated with the securitisation transaction.

As at the date of this Prospectus, no interpretation of the application of the Securitisation Law has been issued by any Italian court or governmental or regulatory authority, except for, *inter alia*, (i) regulations issued by the Bank of Italy concerning, *inter alia*, the accounting treatment of securitisation transactions for special purpose companies incorporated under the Securitisation Law, such as the Issuer, and the duties of companies which carry out collection and recovery activities in the context of a securitisation transaction; (ii) the Decree of the Italian Ministry of Economy and Finance dated 17 February 2009 and the regulations issued by the Bank of Italy on 14 May 2009 and 25 September 2009, providing for the de-registration of the special purpose vehicles incorporated pursuant to the Securitisation Law from the Special Register held by the Bank of Italy pursuant to article 107 of the Consolidated Banking Act and the subsequent Decision of the Bank of Italy of 29 April 2011 which provides for the cancellation of the special purpose vehicles from the General Register held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act and for inscription in the special purpose vehicles register held by the Bank of Italy; (iii) the Circular no. 8/E issued by Agenzia delle Entrate on 6 February 2003 on the tax treatment of the issuers; and (iv) the Decree of the Italian Ministry of Treasury dated 14 December 2006 no. 310 and the regulations of the Bank of Italy of 17 May 2007 on the covered bonds, as provided for by article 7-bis of the Securitisation Law. Consequently, it is possible that such or different authorities may issue further regulations relating to the Securitisation Law or the interpretation thereof. In this respect, please consider that by means of Legislative Decree No. 141 of 13 August 2010, the Securitisation Law has been recently amended and supplemented in order to implement a new legal framework concerning financial intermediaries; in the meantime, grandfathering provisions are applicable. Furthermore, pursuant to Law No. 9, certain amendments to the Securitisation Law have come into force. In particular, Law No. 9 has provided, *inter alia*, that:

(a) the special purpose vehicles incorporated under the Securitisation Law may open segregated accounts with the servicers for the deposit of the collections received from the debtors and the other amounts paid to the special purpose vehicles under the securitisation transactions; the sums deposited into such accounts will be segregated from the assets of the servicers with which the accounts are held, as well as from those of any other person holding deposits with the servicers, and will be available only to satisfy the obligations of the special purpose vehicles vis-à-vis the noteholders and the other creditors in relation to the securitisation transactions. In the event that the servicers become subject to any proceeding under Title IV of the Consolidated Banking Act or any

insolvency proceeding or restructuring agreement, the sums deposited into such accounts will remain outside the servicers' estate and will not be subject to suspension of payments;

(b) the servicers or the sub-servicers may open accounts with banks for the deposit of the collections received from the debtors; any action from the creditors of the servicers on the sums deposited into such accounts will be prohibited (save for the amounts in excess of those pertaining to the special purpose vehicles). In the event that the servicers become subject to any insolvency proceeding or restructuring agreement, the sums deposited on such accounts, for an amount equal to the amounts pertaining to the special purpose vehicles, will remain outside the servicer's estate and will not be subject to suspension of payments;

(c) from the date of publication of the notice of transfer of the receivables in the Official Gazette, the debtors will not be entitled to set-off any claim arisen after such date with the amounts due to the special purpose vehicle in relation to the receivables; and

(d) payments made by debtors in relation to receivables in the framework of a securitisation under the Securitisation Law will not be subject to declaration of ineffectiveness pursuant to article 65 of the Italian Bankruptcy Law.

Ring-fencing of the assets

Under the terms of article 3 of the Securitisation Law, the assets relating to each securitisation transaction will, by operation of law, be segregated for all purposes from all other assets of the company which purchases the receivables (including any other receivables purchased by the Issuer pursuant to the Securitisation Law). Prior to and on a winding up of such a company such assets will only be available to holders of the notes issued to finance the acquisition of the relevant receivables and to certain creditors claiming payment of debts incurred by the company in connection with the securitisation of the relevant assets. In addition, the assets relating to a particular transaction will not be available to the holders of notes issued to finance any other securitisation transaction or to general creditors of the issuer company.

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.

As of date of the publication of the notice in the Official Gazette of the Republic of Italy and registration in the Companies' Register, the assignment becomes enforceable against:

(i) the debtors in respect of the receivables and any creditors of the assignor who have not prior to the date of publication of the notice and registration in the Companies' Register commenced enforcement proceedings in respect of the relevant receivables, provided that following the registration of the assignment in the Companies' Register and the publication of the notice in the Official Gazette, the claw-back provisions set forth in article 67 of the

Italian Bankruptcy Law will not apply to payments made by the Debtors to the Issuer in respect of the Portfolio to which the relevant registration of the assignment and the publication of the relevant notice relate;

(ii) the liquidator or other bankruptcy official of the debtors in respect of the receivables (so that any payments made by such a debtor to the purchasing company may not be subject to any claw-back action pursuant to articles 65 and 67 of the Italian Bankruptcy Law); and

(iii) other permitted assignees of the assignor who have not perfected their assignment prior to the date of publication and registration in the Companies' Register.

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 Issuer, without the need for any formality or annotation.

As from the date of publication of the notice of the assignment in the Official Gazette of the Republic of Italy and registration in the Companies' Register, no legal action may be brought against the receivables assigned or the sums derived therefrom other than for the purposes of enforcing the rights of the Noteholders issued for the purpose of financing the acquisition of the relevant receivables and to meet the costs of the transaction.

The notice of transfer of the Receivables from the Originator to the Issuer has been published in the Official Gazette No. 41 of 17 April 2014, and (ii) registered in the Companies' Register of Treviso on 15 April 2014. Assignments executed under the Securitisation Law are subject to revocation on bankruptcy under article 67 of Royal Decree number 267 of 16 March 1942 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 67 applies, within six months of the securitisation transaction.

The Issuer

Under the regime normally prescribed for Italian companies under the Italian civil code, it is generally unlawful for any company (other than banks) to issue securities for an amount exceeding two times the company's share capital. Under the provisions of the Securitisation Law, the standard provisions described above are inapplicable to the Issuer.

The Issuer must be registered on the register of special purpose vehicles held by the Bank of Italy pursuant to the regulation issued by the Bank of Italy on 29 April 2011.

Foreclosure proceedings

Mortgages may be "voluntary" (*ipoteche volontarie*), where granted by a borrower or a third party guarantor by way of a deed, or "judicial" (*ipoteche giudiziarie*), where registered in the appropriate land registry (*Conservatoria dei Registri Immobiliari*) following a court order or injunction to pay amounts in respect of any outstanding debt or unperformed obligation.

A mortgage lender (whose debt is secured by a mortgage whether "voluntary" or "judicial") may commence foreclosure proceedings by seeking a court order or injunction for payment in the form of a *titolo esecutivo* from the court in whose jurisdiction the mortgaged property is located. This court order or injunction must be served on the debtor.

If the mortgage loan was executed in the form of a public deed, a mortgage lender can serve a copy of the mortgage loan agreement, stamped by a notary public with an order for the execution

thereof (*formula esecutiva*) directly on the debtor without the need to obtain a *titolo esecutivo* from the court. An *atto di precetto* is notified to the debtor together with either the *titolo esecutivo* or the loan agreement, as the case may be.

Within 10 days of filing, but not later than 90 days from the date on which notice of the *atto di precetto* is served, the mortgage lender may request the attachment of the mortgaged property. The property will be attached by a court order, which must then be filed with the appropriate land registry (*Conservatoria dei Registri Immobiliari*). The court will, at the request of the mortgage lender, appoint a custodian to manage the mortgaged property in the interests of the mortgage lender. If the mortgage lender does not make such a request, the debtor will automatically become the custodian of such property.

The mortgage lender is required to search the land registry to ascertain the identity of the current owner of the property and must then serve notice of the request for attachment on the current owner, even if no transfer of the property from the original borrower or mortgagor to a third party purchaser has been previously notified to the mortgage lender. Not earlier than 10 days and not later than 90 days after serving the attachment order, the mortgage lender may request the court to sell the mortgaged property. The court may delay its decision in respect of the mortgage lender's request in order to hear any challenge by the debtor to the attachment.

Technical delays may be caused by the need to append to the mortgage lender's request for attachment copies of the relevant mortgage and cadastral certificates, which usually take some time to obtain. Law No. 302 of 3 August 1998 as amended by Law No. 80 of 14 May 2005, should reduce the duration of the foreclosure proceedings by allowing the mortgage lender to substitute such cadastral certificates with certificates obtained from public notaries and by allowing a public notary (notaio), a lawyer (*avvocato*), an accountant (*commercialista*) or an expert accountant (*esperto contaibile*) to conduct various activities which were before exclusively within the powers of the courts.

If the court decides to proceed with an auction (*vendita con incanto*) of the mortgaged property, it will usually appoint an expert to value the property. The court will then order the sale by auction. The court determines on the basis of the expert's appraisal the minimum bid price for the property at the auction. If an auction fails to result in the sale of the property, the court will arrange a new auction with a lower minimum bid price. The courts have discretion to decide whether, and to what extent, the bid price should be reduced (the maximum permitted reduction being one-fifth of the minimum bid price of the previous auction). In practice, the courts tend to apply the one-fourth reduction. In the event that no offers are made during an auction, the mortgage lender may apply to the court for a direct assignment of the mortgaged property to the mortgage lender itself. In practice, however, the courts tend to hold auctions until the mortgaged property is sold.

The sale proceeds, after deduction of the expenses of the foreclosure proceedings and any expenses for the cancellation of the mortgages, will be applied in satisfaction of the claims of the mortgage lender in priority to the claims of any other creditor of the debtor (except for the claims for taxes due in relation to the mortgaged property and for which the collector of taxes participates in the foreclosure proceedings).

Pursuant to article 2855 of the Italian Civil Code the claims of a mortgage lender in respect of interest may be satisfied in priority to the claims of all other unsecured creditors in an amount equal to the aggregate of (i) the interest accrued at the contractual rate in the calendar year in which the initial stage of the foreclosure proceedings are taken and in the two preceding calendar years and (ii) the interest accrued at the legal rate (currently one per cent) until the date on which

the mortgaged property is sold. Any amount recovered in excess of this will be applied to satisfy the claims of any other creditor participating in the foreclosure proceedings. The mortgage lender will be entitled to participate in the distribution of any such excess as an unsecured creditor. The balance, if any, will then be paid to the debtor.

Upon payment in full of the purchase price by the purchaser within the specified time period, title to the property will be transferred after the court issues an official decree ordering the transfer. In the event that proceedings have been commenced by creditors other than the mortgage lender, the mortgage lender will have priority over such other creditors in having recourse to the assets of the borrower during such proceedings, such recourse being limited to the value of the mortgaged property.

The average length of foreclosure proceedings, from the court order or injunction of payment to the final sharing out, is between 6 (six) and 8 (eight) years. In the medium-sized Central and Northern Italian cities it can be significantly less whereas in major cities or in Southern Italy the duration of the procedure can significantly exceed the average.

***Mutui fondiari* foreclosure proceedings**

Foreclosure proceedings in respect of *mutui fondiari* commenced after 1 January 1994 are currently regulated by article 38 (and following) of the Consolidated Banking Act in which several exceptions to the rules applying to foreclosure proceedings in general are provided for. In particular, there is no requirement to serve a copy of the loan agreement directly on the borrower and the mortgage lender of *mutui fondiari* is entitled to commence or continue foreclosure proceedings after the debtor is declared insolvent or insolvency proceedings have been commenced.

Moreover, the custodian appointed to manage the mortgaged property in the interest of the *fondiario* lender pays directly to the same the revenues recovered on the mortgaged property (net of administration expenses and taxes). After the sale of the mortgaged property, the court orders the purchaser (or the assignee in the case of an assignment) to pay that part of the price corresponding to the *mutui fondiari* lender's debt directly to the same.

Pursuant to article 58 of the Consolidated Banking Act, the Issuer will be entitled to benefit from such procedural advantages which apply in favour of a lender of a *mutui fondiari* loan.

Foreclosure proceedings for *mutui fondiari* commenced on or before 31 December 1993 are regulated by Regio Decreto No. 646 of 16 July 1905 which confers on the *mutuo fondiario* lender rights and privileges which are not conferred by the Consolidated Banking Act with respect to foreclosure proceedings on *mutui fondiari* commenced on or after 1 January 1994. Such additional rights and privileges include the right of the bank to commence foreclosure proceedings against the borrower even after the real estate has been sold to a third party who has substituted the borrower as debtor under the *mutuo fondiario* provided that the name of such third party has not been notified to the lender. Further rights include the right of the bank to apply for the real estate to be valued by the Tribunal after commencement of foreclosure proceedings, at the value indicated in the *mutuo fondiario* agreement without having to have a further expert appraisal.

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 a borrower's moveable property which is located on a third party's premises.

TAXATION

The following is a general summary of current Italian law and practice relating to certain Italian tax considerations concerning the purchase, ownership and disposal of the Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to your decision to purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of Notes, some of which may be subject to special rules. The following summary 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 the Republic of Italy.

This summary is based upon tax laws enforced, and practice applied, within the Republic of Italy in effect on the date of this Prospectus which are subject to change potentially retroactively. Prospective Noteholders should consult their tax advisers as to the consequences under Italian tax law, under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of 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.

Prospective Noteholders who may be unsure as to their tax position should seek their own professional advice.

Italian Tax Treatment of the Notes - General

Decree No. 239 regulates the tax treatment of interest, premiums and other income (hereinafter collectively referred to as "**Interest**") deriving from bonds and similar securities issued, *inter alia*, by Italian resident banks. Pursuant to Article 6 of the Securitisation Law, the tax treatment provided by Decree No. 239 shall be applied also to securities issued by special purpose vehicles.

Italian Resident Noteholders

Pursuant to Decree No. 239, payments of Interest relating to Notes issued by the Issuer that fall within the definitions set out above are subject to a tax, referred to as imposta sostitutiva, levied at the rate of 20 per cent (either when Interest is paid or when payment thereof is obtained by the holder on a sale of the Notes) where an Italian resident holder of Notes is the beneficial owner of the relevant payment of Interest, and is:

(a) an individual holding Notes otherwise than in connection with an entrepreneurial activity, unless he has entrusted the management of his financial assets, including the Notes, to an authorised intermediary and has opted for the so-called *risparmio gestito regime* (the "**Asset Management Option**") pursuant to Article 7 of the Italian Legislative Decree no. 461 of 21 November 1997, as amended ("**Decree No. 461**"); or

(b) a partnership (other than a *società in nome colettivo* or *società in accomandita semplice* or similar partnership) or a *de facto* partnership not carrying out commercial activities or professional associations; or

(c) a private or public institution not carrying out commercial activities; or

(d) an investor exempt from Italian corporate income taxation.

All the above categories are usually referred as "net recipients".

Pursuant to the Decree No. 66 of 24 April 2014, published in the Official Gazette No. 95 of 24 April 2014, (the "**Decree 66**"), the 20 per cent imposta sostitutiva shall be increased to 26 per cent for Interest accrued starting from 1 July 2014.

Where the resident holders of the Notes described in (a) and (c) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as payment on account of income tax. In this case, Interest deriving from the Notes is included in the taxable income and the *imposta sostitutiva* suffered may be deducted from the income tax due.

Pursuant to Decree No. 239, the 20 per cent imposta sostitutiva is applied by banks, *società di intermediazione mobiliare* ("*SIMs*"), fiduciary companies, *società di gestione del risparmio* ("*SGRs*"), stockbrokers and other qualified entities resident in the Republic of Italy (the "**Intermediaries**", and each an "**Intermediary**"), or by permanent establishments in the Republic of Italy of foreign banks or intermediaries, who are required to act in connection with the collection of Interest or in the transfer or disposal of Notes, including in their capacity as transferees.

Payments of Interest in respect of Notes issued by the Issuer that fall within the definitions set out above in "Italian Tax Treatment of the Notes - General" are not subject to the 20 per cent imposta sostitutiva if made to beneficial owners who are:

(a) Italian resident corporations or permanent establishments in the Republic of Italy of foreign corporations to which the Notes are effectively connected;

(b) Italian resident collective investment funds, *società di investimento a capitale variabile* ("*SICAVs*"), Italian resident pension funds referred to in Legislative Decree no. 252 of 5 December 2005 ("**Pension Fund**"), Italian resident real estate investment funds established after 26 September 2001 pursuant to article 37 of Legislative Decree no. 58 of 24 February 1998 and article 14-bis of Law no. 86 of 25 January 1994, or in any case subject to the tax treatment provided for by Law Decree no. 351 of 25 September 2001 ("**Decree No. 351**"), converted into law with amendments by Law no. 410 of 23 November 2001 ("**Real Estate Investment Funds**"); and

(c) Italian resident individuals holding Notes otherwise than in connection with entrepreneurial activity who have entrusted the management of their financial assets, including the Notes, to an authorised financial intermediary and have opted for the Assets Management Option.

Such categories are usually referred as "gross recipients". To ensure payment of Interest in respect of the Notes without the application of the *imposta sostitutiva*, gross recipients must:

(a) be the beneficial owners of payments of Interest on the Notes; and

(b) deposit the Notes together with the coupons relating to such Notes in due time directly or indirectly with an Italian authorised financial Intermediary (or permanent establishment in the Republic of Italy of a foreign intermediary).

Where the Notes are not deposited with an authorised Intermediary (or permanent establishment in the Republic of Italy of foreign intermediary), imposta sostitutiva is applied and withheld:

(a) by any Italian bank or any Italian intermediary paying interest to the Noteholder; or

(b) by the Issuer.

In this case, gross recipients that are Italian resident corporations, or permanent establishments in the Republic of Italy of foreign corporations to which the Notes are effectively connected, are

entitled to deduct the *imposta sostitutiva* from corporate income taxes due ("*IRES*"). In particular, interest accrued on the Notes would be included in the taxable income subject to corporate income tax - "*IRES*" (and in certain circumstances, depending on the "status" of the Noteholder, also in the tax basis for purposes of regional tax on productive activities - "*IRAP*") of beneficial owners who are Italian resident corporations or permanent establishments in the Republic of Italy of foreign corporations to which to Notes are effectively connected, subject to tax in the Republic of Italy in accordance with ordinary tax rules. Italian resident individuals holding Notes otherwise than in connection with entrepreneurial activity who have opted for the Asset Management Option are subject to annual substitute tax at the rate of 20 per cent (the "**Asset Management Tax**") on the increase in value of the managed assets accrued at the end of each tax year (which increase would include Interest accrued on the Notes).

It is worth pointing out that pursuant to the Decree 66, the Asset Management Tax shall be increased to 26 per cent starting from 1 July 2014.

The Assets Management Tax is applied on behalf of the taxpayer by the managing authorised intermediary.

Special rules apply to Interest accrued and paid to Noteholders which are Italian resident collective investment funds and SICAVs, Italian resident pension funds and Italian resident real estate investment funds. In such respect please consider the following:

(a) where the Noteholder is an Italian open-ended or a closed-ended investment fund or a SICAV, Interest relating to the Notes will neither be subject to imposta sostitutiva, nor to any other income tax in the hands of the investment fund (as such funds are exempt entities for Italian income tax purposes);

(b) where the Noteholder is an Italian Pension Fund, Interest relating to the Notes will not be subject to imposta sostitutiva. In this case the Interest is included in the portfolio profit and it is subject to 11 per cent tax;

(c) where the Noteholder is an Italian Real Estate Investment Fund, Interest relating to the Notes will neither be subject to *imposta sostitutiva*, nor to any other income tax in the hands of the real estate fund (as such funds are exempt entities for Italian income tax purposes).

Non-Italian Resident Noteholders

Pursuant to Decree No. 239, payments of Interest in respect of Notes issued by the Issuer falling within the definitions set out in "Italian Tax Treatment of the Notes - General" above and paid to non-Italian resident Noteholders with no permanent establishment in the Republic of Italy to which the Notes are effectively connected will not be subject to *imposta sostitutiva* provided that:

(a) such Noteholders are the beneficial owners of the Interest payments received under the Notes;

(b) such Noteholders are resident, for tax purposes, in a country included in the Decree of the Minister of Finance 4 September 1996 (i.e. a country which allows an adequate exchange of information with the Italian Tax Authority; and

(c) all the requirements and procedures set forth in Decree No. 239 and in the relevant implementation rules, as subsequently amended, in order to benefit from the exemption from *imposta sostitutiva* are met or complied with in due time.

Decree No. 239 also provides for additional exemptions from *imposta sostitutiva* for payments of Interest in respect of the Notes made to: (i) international entities and organisations set up in accordance with international agreements which have entered into force in the Republic of Italy (so called "supranational entities and organisations"); (ii) central banks or entities also authorised to manage the official reserves of a State; or (iii) "qualified investors" (e.g. investment funds, pensions funds, etc.) established in any of the countries listed in Ministerial Decree 4 September 1996, as amended by a Ministerial Decree to be enacted according to the provision set forth by article 168-bis of the Decree 917, even if they do not qualify as "persons" in their own country of establishment under the relevant Double Tax Treaty.

To ensure payment of Interest in respect of the Notes without the application of the 20 per cent *imposta sostitutiva*, non-Italian resident investors indicated above must:

(a) deposit the Notes in due time together with the coupons relating to such Notes directly or indirectly with an Intermediary, or a permanent establishment in the Republic of Italy of a non-Italian bank or financial intermediary, or with a non-Italian resident operator participating in a centralised securities management system which is in contact via computer with the Ministry of Economy and Finance; and

(b) file in due time with the relevant depository a declaration (self-certification) stating, *inter alia*, that the Noteholder is a resident, for tax purposes, in a country which recognises the Italian tax authorities' right to an adequate exchange of information as listed in Ministerial Decree 4 September 1996, as amended by a Ministerial Decree to be enacted according to the provision set forth by article 168-bis of the Decree 917. Such declaration which must comply with the requirements set forth by a Decree of the Ministry for the Economy and Finance of 12 December 2001, as amended, is valid until withdrawn or revoked and need not be submitted where a certificate, declaration or other similar document meant for equivalent uses was previously submitted to the same depository. The declaration is not requested for non-Italian resident investors that are international entities and organisations established in accordance with international agreements ratified in the Republic of Italy and central banks or entities which manage, inter alia, the official reserves of a foreign State.

Failure of a non-resident Noteholder to comply in due time with the procedures set forth in Decree 239 and in the relevant implementation rules will result in the application of imposta sostitutiva on Interests payments made to a non-resident Noteholder.

Should the above exemptions not be applicable, non-Italian resident Noteholders may be entitled to claim, if certain relevant conditions are met, a reduction of the 20 per cent imposta sostitutiva under the Double Taxation Treaties, if any, between the Republic of Italy and its State of residence, subject to filing of required documentation (generally 10 per cent, or the other applicable rates, if more favourable) in a timely manner.

Taxation of capital gains

Italian resident Noteholders

Pursuant to Decree No. 461, a 20 per cent substitute tax (the "**Capital Gains Tax**") applies to capital gains realised by Italian resident individuals not engaged in entrepreneurial activity to which the Notes are connected, on any sale or transfer for consideration of the Notes or redemption thereof.

Pursuant to the Decree 66, the 20 per cent imposta sostitutiva shall be increased to 26 per cent for capital gains realised starting from 1 July 2014.

Under the so called "tax return regime", which is the standard regime for taxation of capital gains realised by Italian resident individuals not engaged in entrepreneurial activities, the 20 per cent Capital Gains Tax will be chargeable, on a cumulative basis, on all capital gains net of any relevant incurred capital losses realised by Italian resident individual not engaged in entrepreneurial activities pursuant to all investment transactions carried out during any given tax year. The capital gains realised in a year net of any relevant incurred capital losses must be detailed in the relevant annual tax return to be filed with Italian tax authorities and Capital Gains Tax must be paid on such capital gains by Italian resident individuals together with any income tax due for the relevant tax year. Capital losses in excess of capital gains may be carried forward against capital gains of the same kind for up to the fourth subsequent tax year. Capital losses realised before 1 January 2012 may be carried forward to be offset against subsequent capital gains realised from 1 January 2012 up to 30 June 2014 for an overall amount of 62.5 per cent of the relevant capital losses. Capital losses realised before 1 January 2012 may be carried forward to be offset against subsequent capital gains realised from 1 July 2014 for an overall amount of 48.08 per cent of the relevant capital losses. Capital losses realised between 1 January 2012 and 30 June 2014 may be carried forward to be offset against subsequent capital gains realised from 1 July 2014 for an overall amount of 76.92 per cent of the relevant capital losses.

Alternatively, holders of the Notes who are Italian resident individuals not engaged in entrepreneurial activities to which the Notes are connected, may elect to pay Capital Gains Tax separately on capital gains realised on each sale or transfer or redemption of the Notes ("*risparmio amministrato*" regime). Such separate taxation of capital gains is allowed subject to*:*

(a) the Notes being deposited with an Intermediary (or permanent establishment in the Republic of Italy of a foreign intermediary); and

(b) an express election for the so called risparmio amministrato regime being made in writing in due time by the relevant holder of the Notes.

The Intermediary is responsible for accounting for imposta sostitutiva in respect of capital gains realised on each sale or transfer or redemption of the Notes, as well as on capital gains realised at revocation of its mandate, net of any relevant incurred capital losses, and is required to pay the relevant amount to the Italian tax authorities on behalf of the holder of the Notes, deducting a corresponding amount from proceeds to be credited to the holder of the Notes; where a sale or transfer or redemption of the Notes results in a capital loss, the Intermediary is entitled to deduct such loss from gains of the same kind subsequently realised on assets held by the holder of the Notes within the same relationship of deposit in the same tax year or in the following tax years up to the fourth. Capital losses realised before 1 January 2012 may be carried forward to be offset against subsequent capital gains realised from 1 January 2012 up to 30 June 2014 for an overall amount of 62.5 per cent of the relevant capital losses. Capital losses realised before 1 January 2012 may be carried forward to be offset against subsequent capital gains realised from 1 July 2014 for an overall amount of 48.08 per cent of the relevant capital losses. Capital losses realised between 1 January 2012 and 30 June 2014 may be carried forward to be offset against subsequent capital gains realised from 1 July 2014 for an overall amount of 76.92 per cent of the relevant capital losses.

Under the *risparmio amministrato* regime, the realised capital gain is not required to be included in the annual income tax return of the Noteholder and the Noteholder remains anonymous.

Special rules apply if the Notes are part of a portfolio managed under the Asset Management Option by an Italian asset management company or an authorised intermediary. In such case, capital gains on the Notes will not be subject to 20 per cent imposta sostitutiva on capital gains but will respectively contribute to determine the taxable base of the Asset Management Tax.

In particular, under the Asset Management Option, any appreciation of the Notes, even if not realised, will contribute to determine the annual accrued appreciation of the managed portfolio, subject to the Asset Management Tax. Any depreciation of the managed portfolio accrued at year end may be carried forward against appreciation accrued in each of the four subsequent years. Any investment portfolio losses realised before 1 January 2012 may be carried forward to be offset against subsequent net profit accrued from 1 January 2012 up to 30 June 2014 for an overall amount of 62.5 per cent of the relevant losses. Any investment portfolio losses realised before 1 January 2012 may be carried forward to be offset against subsequent net profit accrued from 1 July 2014 for an overall amount of 48.08 per cent of the relevant losses. Any investment portfolio losses realised between 1 January 2012 and 30 June 2014 may be carried forward to be offset against subsequent net profit accrued from 1 July 2014 for an overall amount of 76.92 per cent of the relevant losses.

Under the Asset Management Option the realised capital gain is not required to be included in the annual income tax return of the Noteholder and the Noteholder remains anonymous.

Any capital gains realised by Italian resident individuals engaged in entrepreneurial activity to which the Notes are connected, Italian resident corporation or similar commercial entities or permanent establishments in the Republic of Italy of non-Italian resident corporations to which the Notes are connected, will be included in their business income (and, in certain cases, may also be included in the taxable net value of production for IRAP purposes), subject to income tax in the Republic of Italy according to the relevant ordinary tax rules.

Special rules apply to capital gains realised by Noteholders which are Italian resident collective investment funds and SICAVs, Italian resident pension funds referred to in Legislative Decree No. 124 of 21 April 1993 and Italian resident real estate investment funds. In particular please consider the following:

(a) where the Noteholder is an Italian open-ended or a closed-ended investment fund or a SICAV, capital gains realised on the Notes will neither be subject to Capital Gains Tax, nor to any other income tax in the hands of the investment fund (as such funds are exempt entities for Italian income tax purposes);

(b) where the Noteholder is an Italian Pension Fund capital gains realised on the Notes will not be subject to Capital Gains Tax, but must be included in the results of the relevant portfolio in the tax period and will be subject to an 11 per cent substitute tax;

(c) where the Noteholder is an Italian Real Estate Investment Fund capital gains realised on the Notes will neither be subject to Capital Gains Tax, nor to any other income tax in the hands of the real estate fund (as such funds are exempt entities for Italian income tax purposes).

Non-Italian resident Noteholders

The 20 per cent Capital Gains Tax may in certain circumstances be due on any capital gains realised upon sale, transfer, or redemption of the Notes, or upon the occurrence of any other event assimilated to a disposal of the Notes for Italian tax purposes, by non-Italian resident

individuals and corporations without a permanent establishment in the Republic of Italy to which the Notes are effectively connected, if the Notes are held or deemed to be in the Republic of Italy. However, any such capital gains are not taxable (i.e. they are exempt from taxation) in the Republic of Italy to the extent that the Notes are traded on a regulated market in the Republic of Italy or abroad, irrespectively of the place in which they are held or deemed to be held.

Where the Notes are not traded on a regulated market in the Republic of Italy or abroad:

(a) pursuant to the provisions of Decree No. 461 and Law Decree 350 of 25 September 2001, non-Italian resident Noteholders that qualify for the exemption from imposta sostitutiva under the applicable provisions of Decree 239 - as described above under section "Taxation of Income - Non-Italian resident Noteholders" - are exempt from Capital Gains Tax in the Republic of Italy, subject to filing of the required documentation in a timely manner; and

(b) in any event, non-Italian resident individuals or entities without a permanent establishment in the Republic of Italy to which the Notes are effectively connected, that may benefit from a Double Tax Treaty between the Republic of Italy and their country of residence 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 the Republic of Italy, subject to filing of required documentation in a timely manner, on any capital gains realised upon sale for consideration or redemption of Notes.

Inheritance and Gift Tax

Pursuant to Law Decree no. 262 of 3 October 2006, converted into Law no. 286 of 24 November 2006 as amended by Law no. 296 of 27 December 2006, the transfers of any valuable asset (such as the Notes) as a result of death or in case of donation are taxed as follows:

(a) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent on the value of the inheritance or the gift exceeding Euro 1,000,000.00;

(b) transfer in favour of relatives to the fourth degree or relatives-in-law to the third degree are subject to an inheritance and gift tax at a rate of 6 per cent on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent inheritance and gift tax on the value of the inheritance or the gift exceeding Euro 100,000.00; and

(c) any other transfer is subject to an inheritance and gift tax applied at a rate of 8 per cent on the entire value of the inheritance or the gift.

Transfer Tax

The transfer deed may be subject to registration tax at the fixed amount of Euro 200.00. No registration tax is due if the relevant transfer deed is executed outside the Italian territory or in form of "exchange of correspondence". In such a case registration tax is due only in case of voluntary registration, in "case of use" (*caso d'uso*) or in case of cross reference in a deed, agreement, or other document entered into, executed or signed by the same parties thereto and registered with the competent Registration Tax Office or in any judicial decision (*enunciazione*). "Case of use", according to Article 6 of the Presidential Decree no. 131 of 26 April 1986, would occur if the relevant document is deposited with a central or local government office or with a court chancery in connection with an administrative procedure.

Moreover, pursuant to Article 1, paragraphs from 491 to 500, Law no. 228, a financial transaction tax is applicable to the transfer of the ownership of shares and other similar financial instruments and to certain derivative financial instruments. In such regard, please note that the Notes should not fall within the scope of such tax, since the Notes do not represent any participation in the Issuer's equity (*capitale sociale*).

Tax Monitoring

Pursuant to Law Decree no. 167 of 28 June, 1990, converted by Law no. 227 of 4 August 1990, as amended, individuals resident in the Republic of Italy who, at the end of the fiscal year, hold investments abroad or have financial activities abroad must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return).

Please note that Law no. 97 of 6 August 2013 introduced significant amendments with respect to penalties applicable in case of breach of tax monitoring rules.

Wealth tax on financial assets deposited abroad

According to Article 19 of Decree no. 201 of 6 December 2011, converted into law by Law no. 214 of 22 December 2011 ("**Decree No. 201**"), Italian resident individuals holding financial assets - including the Notes - outside of the Italian territory are required to pay a wealth tax at the rate of 0.2 per cent. The tax applies on the market value at the end of the relevant year or - in the lack of the market value - on the nominal value or redemption value of such financial assets held outside of the Italian territory.

Stamp duty

According to Article 13(2-ter) of the Tariff Part 1 attached to the Decree 26 October 1972, no. 642, as amended, a proportional stamp duty applies on a yearly basis to the periodic reporting communications regarding "financial products" sent by financial intermediaries to their clients. Such stamp duty is levied at the rate of 0.2 per cent on the market value or - in the lack of a market value – on the nominal value or the redemption amount of any "financial products". The stamp duty cannot exceed the amount of Euro 14,000.00 for Noteholders which are not individuals.

According to the Decree of the Ministry of Finance 24 May 2012, which has implemented the provision of Decree 201, "financial products" are those mentioned in Article 1 of the Consolidated Financial Act (as provided by Article 1(c) of the Ministerial Decree 24 May 2012). In particular, pursuant to Article 1, paragraph 1, letter u), of the Consolidated Financial Act, "financial products" means financial instruments and any other kind of financial investment. Therefore, the stamp duty seems to be applicable to the value of the Notes included in any statement sent to the clients, as the Notes are to be characterized for tax purposes as "financial instruments".

SUBSCRIPTION AND SALE

The Class A1 Notes Subscription Agreement

Pursuant to the Class A1 Notes Subscription Agreement, the Joint Lead Managers have agreed to subscribe for the Class A1 Notes, subject to the terms and conditions set out thereunder. Pursuant to the Class A1 Notes Subscription Agreement, the obligations of the Joint Leads Managers are several and not joint nor joint and several.

The Class A1 Notes Subscription Agreement is subject to a number of conditions and may be terminated by the Joint Lead Managers in certain circumstances prior to payment for the Class A1 Notes to the Issuer. The Issuer and the Originator have agreed to indemnify the Joint Lead Managers against certain liabilities in connection with the issue of the Class A1 Notes.

Pursuant to the Class A1 Notes Subscription Agreement, the Originator has undertaken to the Issuer and the Representative of the Noteholders that it will retain on the Issue Date, and maintain on an ongoing basis, a material net economic interest of at least 5 (five) per cent in the Securitisation (calculated with respect to the Receivables comprised in the Portfolio), in accordance with paragraph (1)(d) of Article 405 of the Capital Requirements Regulation and Article 51 of the AIFM Regulation or, in accordance with Article 405 of the Capital Requirements Regulation and Article 51 of the AIFM Regulation, any alternative permitted method to the extent that adequate disclosure on such alternative method has been given to the Noteholders. In particular, the Originator has undertaken (i) to retain on the Issue Date, and maintain on an ongoing basis, a material net economic interest of at least 5 (five) per cent in the Securitisation (calculated with respect to the Receivables comprised in the Portfolio) by holding an interest in the first loss tranche (being the Class D Notes), and (ii) to disclose that it continues to fulfil the obligation to maintain the net economic interest in the Securitisation in accordance with paragraph (1)(d) of Article 405 of the Capital Requirements Regulation and Article 51 of the AIFM Regulation and to give relevant information required to be given to the Noteholders pursuant to Articles 405 to 409 and (inclusive) of the Capital Requirements Regulation on a quarterly basis through the Investors Report. For further details, see the section entitled "*Regulatory Capital Requirements*".

The Class A1 Notes Subscription Agreement is governed by, and shall be construed in accordance with, Italian law.

The Class A2 Notes Subscription Agreement

Pursuant to the Class A2 Notes Subscription Agreement, the Class A2 Notes Subscriber has agreed to subscribe for the Class A2 Notes, subject to the terms and conditions set out thereunder.

The Class A2 Notes Subscription Agreement is subject to a number of conditions and may be terminated by the Class A2 Notes Subscriber in certain circumstances prior to payment for the Class A2 Notes to the Issuer. The Issuer has agreed to indemnify the Class A2 Notes Subscriber against certain liabilities in connection with the issue of the Class A2 Notes.

The Issuer will not pay any commission or concession to Banca Sella in respect of its subscription of the Class A2 Notes.

Pursuant to the Class A2 Notes Subscription Agreement, the Originator has undertaken to the Issuer and the Representative of the Noteholders that it will retain on the Issue Date, and maintain on an ongoing basis, a material net economic interest of at least 5 (five) per cent in the

Securitisation (calculated with respect to the Receivables comprised in the Portfolio), in accordance with paragraph (1)(d) of Article 405 of the Capital Requirements Regulation and Article 51 of the AIFM Regulation or, in accordance with Article 405 of the Capital Requirements Regulation and Article 51 of the AIFM Regulation, any alternative permitted method to the extent that adequate disclosure on such alternative method has been given to the Noteholders. In particular, the Originator has undertaken (i) to retain on the Issue Date, and maintain on an ongoing basis, a material net economic interest of at least 5 (five) per cent in the Securitisation (calculated with respect to the Receivables comprised in the Portfolio) by holding an interest in the first loss tranche (being the Class D Notes), and (ii) to disclose that it continues to fulfil the obligation to maintain the net economic interest in the Securitisation in accordance with paragraph (1)(d) of Article 405 of the Capital Requirements Regulation and Article 51 of the AIFM Regulation and to give relevant information required to be given to the Noteholders pursuant to Articles 405 to 409 and (inclusive) of the Capital Requirements Regulation on a quarterly basis through the Investors Report. For further details, see the section entitled "*Regulatory Capital Requirements"*.

The Class A2 Notes Subscription Agreement is governed by, and shall be construed in accordance with, Italian law.

The Class D Notes Subscription Agreement and the Class D Notes Conditions

Pursuant to the Class D Notes Subscription Agreement, the Class D Notes Subscriber has agreed to subscribe for the Class D Notes, subject to the terms and conditions set out thereunder.

Save for the rate of interest applicable on the Class D Notes and the Premium payable on the Class D Notes, the Class D Notes Conditions are substantially the same as the Senior Notes Conditions.

In respect of the obligation of the Issuer to make payment on the Notes, under the Terms and Conditions the payment obligations of the Issuer in respect of the Class D Notes are subordinated to its payment obligations in respect of the Senior Notes, the Other Issuer Creditors and any other creditors of the Issuer ranking in priority thereto, as provided by the applicable Priority of Payments.

The Issuer will not pay any commission or concession to Banca Sella in respect of its subscription of the Class D Notes.

The Class D Notes Subscription Agreement is governed by, and shall be construed in accordance with, Italian law.

Selling Restrictions

1. *General*

Each of the Joint Lead Managers (with respect to the Class A1 Notes), the Originator (with respect to the Class A2 Notes) and the Issuer shall comply with all applicable laws and regulations in each jurisdiction in which each of them may offer or sell the Senior Notes. Furthermore, there will not be, directly or indirectly, any offer, sale or delivery of any Senior Notes or distribution or publication of any prospectus, form of application, offering circular (including the Prospectus), advertisement or other offering material in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Unless otherwise herein provided, no action will be taken to obtain permission for public offering of the Senior Notes in any country where action would be required for such purpose.

2. *EEA Standard Selling Restriction*

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each of the Joint Lead Managers (with respect to the Class A1 Notes), the Originator (with respect to the Class A2 Notes) and the Issuer has represented and agreed that, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), there has not been and there will not be an offer of the Senior Notes to the public in that Relevant Member State other than on the basis of an approved prospectus in conformity with the Prospectus Directive or:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive.

For the purposes of the above, the expression an "**offer of the Senior Notes to the public**" in relation to any Senior Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Senior Notes to be offered so as to enable an investor to decide to purchase or subscribe the Senior Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU. Any purchase, sale, offer and delivery of all or part of the Junior Notes shall be made in compliance with Article 405 of the Capital Requirements Regulation.

3. *United States*

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or any other state securities laws and may not be offered or sold within the United States or to or for the account or benefit of a U.S. person except in accordance with Regulation S under the Securities Act ("**Regulation S**") or in transactions exempt from the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States of America. Terms used in this paragraph have the meanings given to them by Regulation S.

The Senior Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the regulations thereunder. Each of the Issuer and the Joint Lead Managers has represented, warranted and agreed that it has not offered or sold the Senior Notes and will not offer or sell any Senior Notes constituting part of its allotment within the United States or to, or for the benefit of, a U.S. person except in accordance with Rule 903 of Regulation S.

Each of the Joint Lead Managers (with respect to the Class A1 Notes), the Originator (with respect to the Class A2 Notes) and the Issuer has represented and agreed that neither it, nor its affiliates, nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the applicable Senior Notes, and that it has and they have complied and will comply with the offering restrictions requirements of Regulation S.

In addition, until the expiration of 40 days after the commencement of the offering, an offer or sale of the Senior Notes within the United States by any dealer, distributor or other person (whether or not participating in this offering) may violate the requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

4. *Republic of Italy*

The offering of the Senior Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") (the Italian securities and exchange commission) pursuant to Italian securities legislation and, accordingly, each of the Joint Lead Managers (with respect to the Class A1 Notes), the Originator (with respect to the Class A2 Notes) and the Issuer has represented and agreed that it has not offered, sold or distributed, and will not offer, sell or distribute, any of the relevant class of the Notes or any copy of the Prospectus or any other offer document in the Republic of Italy by means of an offer to the public of financial products under the meaning of article 1, paragraph 1, letter t) of the Consolidated Financial Act, unless an exemption applies. Accordingly, the Senior Notes shall only be offered, sold or delivered and copies of the Prospectus or any other offering material relating to the Senior Notes may only be distributed in the Republic of Italy:

(a) to "qualified investors" (investitori qualificati), pursuant to article 100 of the Consolidated Financial Act and article 34-ter, paragraph 1, letter (b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the "CONSOB Regulation"); 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 of the CONSOB Regulation.

Moreover, and subject to the foregoing, any offer, sale or delivery of the Senior Notes or distribution of copies of the Prospectus or any other document relating to the Senior Notes in the Republic of Italy under paragraphs (a) or (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, the Consolidated Banking Act and CONSOB Regulation 16190 of 29 October 2007, all 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, 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.

5. *France*

Each of the Joint Lead Managers (with respect to the Class A1 Notes), the Originator (with respect to the Class A2 Notes) and the Issuer has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, Senior Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Prospectus or any other document relating to the Senior Notes, and that such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (investisseurs qualifiés), other than individuals, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code monétaire et financier.

6. *United Kingdom*

Each of the Joint Lead Managers (with respect to the Class A1 Notes), the Originator (with respect to the Class A2 Notes) and the Issuer has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 "FSMA") received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Class A1 Notes or the Class A2 Notes, as applicable in, from or otherwise involving the United Kingdom.

GENERAL INFORMATION

Listing and admission to trading

Application has been made to list the Senior Notes on the official list of the Luxembourg Stock Exchange and to trade the Senior Notes on the Regulated Market of the Luxembourg Stock Exchange. This Prospectus will be published on the website of the Luxembourg Stock Exchange: www.bourse.lu.

Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Italy in connection with the issue and performance of the Notes. The Issuer is managed by a Board of Directors. Therefore, in accordance with Italian law, the issue of the Notes has been authorised by two resolutions of the Board of Directors dated 4 April 2014 and 5 June 2014.

Clearing of the Notes

The Notes have been accepted for clearance through Monte Titoli, Euroclear and Clearstream as follows:

Class	*ISIN*	*COMMON CODE*
Class A1	IT0005023301	106855196
Class A2	IT0005023509	106855498
Class D	IT0005023517	Not applicable

No Material Adverse Change

Since 31 December 2013, there has been no material adverse change or any development reasonably likely to involve a material adverse change in the financial position or prospects of the Issuer.

Legal and Arbitration Proceedings

In the previous twelve months as of the date of this Prospectus, there have been no pending or threatened governmental, legal or arbitration proceedings which may have or which have had material effects on the Issuer's financial position or profitability.

Documents available for inspection

Until all the Notes are redeemed in full or cancelled, copies of the following documents may be inspected during normal business hours at the registered office of the Representative of the Noteholders:

(i) Transfer Agreement;

(ii) Warranty and Indemnity Agreement;

(iii) Servicing Agreement;

(iv) Intercreditor Agreement;

(v) Cash Allocation, Management and Payment Agreement;

(vi) Deed of Pledge;

(vii) Mandate Agreement;

(viii) Quotaholders' Agreement;

(ix) Corporate Services Agreement;

(x) Subscription Agreements;

(xi) Monte Titoli Mandate Agreement;

(xii) Transactions Intercreditor Agreement;

(xiii) Master Definitions Agreement;

(xiv) the memorandum and articles of association of the Issuer and

(xv) the Issuer's financial statements and the relevant auditor's reports.

Financial statements available

The Issuer will produce financial statements in respect of each financial year. Such financial statements will be audited, and the Issuer will not produce interim financial statements. So long as any of the Senior Notes remains outstanding, upon publication, copies of the Issuer's annual audited financial statements shall be made available for collection at the registered offices of the Listing Agent.

The audit reports with respect to the financial statements of the Issuer as of 31 December 2012 and 31 December 2013 are incorporated by reference in this Prospectus.

Post issuance reporting

So long as any of the Senior Notes remains outstanding, on each Investors Report Date (starting from the first Investors Report Date as of 31 July 2014), the Investors Reports (or the Post Trigger Report if a Trigger Notice has been delivered to the Issuer) shall be made available for collection at the registered office of the Listing Agent.

Furthermore, from the Issue Date and so long as any Senior Notes remain outstanding, (i) a cash flow model will be made available to investors either directly or indirectly through one or more entities who provide such cash flow models to investors generally; and (ii) loan level data and regular updates to such information will be made available in a recognised data repository.

Fees and expenses

The estimated annual fees and expenses payable by the Issuer in connection with the transaction described herein amount to approximately € 110,000 (excluding servicing fees and any VAT, if applicable).

The estimated total expenses payable in connection with the admission of the Senior Notes to trading on the Regulated Market of the Luxembourg Stock Exchange amount approximately to € 19,000 (excluding any VAT, if applicable) and will be borne by the Issuer as part of the Initial Expenses.

DOCUMENTS INCORPORATED BY REFERENCE

The Issuer's audited financial statements as of 31 December 2012 and 31 December 2013 and the auditor's reports as to the Issuer's financial statements as at 31 December 2012 and 31 December 2013 are incorporated by reference in this Prospectus.

Document	***Information contained***
Financial statements as at 31 December 2012	- balance sheet: page 12 - income statement: page 13 - notes to the financial statements: pages 18 and following
Auditor's report as to financial statements as at 31 December 2012	All document
Financial statements as at 31 December 2013	- balance sheet: page 14 - income statement: page 15 - notes to the financial statements: pages 20 and following
Auditor's report as to financial statements as at 31 December 2013	All document

The information incorporated by reference that is not included in the cross-reference list above is considered as additional information and is not required by the relevant schedules of Commission Regulation (EC) No. 809/2004.

Any documents incorporated by reference will be published on the Luxembourg Stock Exchange website www.bourse.lu.

GLOSSARY

"**Account**" means any of the Collection Account, the Payments Account, the Cash Reserve Account, the Expense Account and the Securities Account, and "**Accounts**" means any one or all of them (as the case may be).

"**Account Bank**" means BNP Paribas Securities Services, Milan Branch or any other person, which qualifies as Eligible Institution, acting as account bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Account Bank Report**" means the monthly report to be prepared by the Account Bank pursuant to the Cash Allocation, Management and Payment Agreement, setting out certain information with reference to each month, in respect of the amounts standing to the credit of each of the Collection Account, the Expense Account, the Payments Account and the Cash Reserve Account.

"**Account Bank Report Date**" means the tenth day of each month or, if such day is not a Business Day, the immediately following Business Day.

"**Accrued Interest**" means, as of any relevant date and in relation to any Receivable, the portion of the Interest Instalment falling due on the next Scheduled Instalment Date which has accrued and is not paid as at that date.

"**Adjustment Purchase Price**" means in relation to any Receivable transferred to the Issuer pursuant to the Transfer Agreement, but which was erroneously excluded from the list of Receivables attached to the Transfer Agreement, the price of such Receivablecalculated in accordance with clause 6 of the Transfer Agreement.

"**AIFM Regulation**" means Regulation (EU) no. 231/2013, as amended and supplemented from time to time.

"**Affected Class of Notes**" shall have the meaning ascribed to it Condition 6.4 (*Redemption, Purchase and Cancellation - Redemption for tax reasons*).

"**Agents**" means, collectively, the Computation Agent, the Principal Paying Agent, the Account Bank and the Cash Manager.

"**April 2008 Notes**" means the Euro 207,300,000 Class A Asset Backed Floating Rate Notes due 2042, the Euro 8,100,000 Class B Asset Backed Floating Rate Notes due 2042, the Euro 2,800,000 Class C Asset Backed Floating Rate Notes due 2042 and the Euro 6,500,000 Class D Asset Backed Notes due 2042.

"**April 2008 Transaction**" means the securitisation transaction entered into on 18 April 2008 by the Issuer through the issuance of the April 2008 Notes.

"**Arrangers**" means BNP Paribas and Finanziaria Internazionale.

"**Back-up Servicer Facilitator**" means Securitisation Services or any other person acting as back-up servicer facilitator pursuant to the Intercreditor Agreement from time to time.

"**Banca Sella**" means Banca Sella S.p.A., a bank incorporated under the laws of the Republic of Italy, whose registered office is at Piazza Gaudenzio Sella 1, 13900 Biella, VAT Code and enrolment with the Companies' Register of Biella No. 02224410023, registered under No. 5626 with the roll of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

"**Banca Sella Group**" means the bank group regularly enrolled under No. 03311.8 in the public register of Italian Banking Groups, having Banca Sella Holding as holding company.

"**Banca Sella Holding**" means Banca Sella Holding S.p.A., a company incorporated under the laws of the Republic of Italy, whose registered office is at Piazza Gaudenzio Sella 1, 13900 Biella, Italy, Fiscal Code and enrolment with the Biella Company Register number 01709430027, registered under No. 5625 with the roll of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act.

"**Bank of Italy Supervisory Regulations**" means the Supervisory Regulations for Banks and/or the Supervisory Regulations for Financial Intermediaries, as the case may be.

"**BNP Paribas**" means BNP Paribas, a credit institution incorporated as a *société anonyme* under the laws of France, enrolled in the Companies' Register of Paris, having its registered office at 16, Boulevard des Italiens, 75009 Paris, France, acting through its Milan branch located in Piazza San Fedele 1/3, 20121 Milan, Italy.

"**BNP Paribas, London Branch**" means BNP Paribas, a credit institution incorporated as a *société anonyme* under the laws of France, enrolled in the Companies' Register of Paris, having its registered office at 16, Boulevard des Italiens, 75009 Paris, France, acting through its London branch located in 10 Harewood Avenue, London NW1 6AA, United Kingdom.

"**BNP Paribas Securities Services, Milan Branch**" means BNP Paribas Securities Services, a company incorporated as a *société en commandite par actions* under the laws of France, having its registered office at 3 Rue d'Antin, 75002 Paris, with offices at Via Ansperto, 5, 20123 Milan, Italy.

"**Business Day**" means any day (other than Saturday or Sunday) on which the Trans-European Automated Real Time Gross Transfer System 2 (TARGET 2) (or any successor thereto) is open.

"**Cancellation Date**" means the earlier of (i) the Final Maturity Date, (ii) the date on which the Notes have been early redeemed in full and (iii) the date on which the Servicer has certified to the Representative of the Noteholders, and the Representative of the Noteholders has given notice to the Noteholders pursuant to Condition 13 (*Notices*) and to the Other Issuer Creditors pursuant to the Intercreditor Agreement on the basis of such certificate, that there is no reasonable likelihood of there being any further realisations in respect of the Portfolio or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay any amount outstanding under the Notes and the Transaction Documents.

"**Capital Requirements Regulation**" means Regulation (EU) no. 575/2013, as amended and supplemented from time to time.

"**Cash Allocation Management and Payment Agreement**" means the cash allocation management and payment agreement executed on or about the Issue Date between the Issuer, the Servicer, the Computation Agent, the Account Bank, the Cash Manager, the Principal Paying Agent, the Corporate Servicer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Cash Manager**" means Banca Sella or any other person acting as cash manager pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Cash Reserve Account**" means the Euro denominated account with IBAN IT 46 O 03479 01600 000800950302, opened in the name of the Issuer with the Account Bank.

"**Cash Reserve Amortisation Conditions**" means, in respect of any Payment Date prior to the delivery of a Trigger Notice up to (and excluding) the Payment Date on which the Senior Notes are redeemed in full or cancelled, each of the following conditions upon the occurrence of which the balance of the Cash Reserve Account shall be used, in an amount equal to the relevant Cash Reserve Available Amount, to repay principal on the Senior Notes after making payments due under items from *First* to *Fourth* of the relevant Priority of Payments:

(a) the aggregate Principal Amount Outstanding of the Senior Notes as at the Quarterly Calculation Date immediately preceding such Payment Date does not exceed 50 per cent of the aggregate Principal Amount Outstanding of the Senior Notes as at the Issue Date; and

(b) the Cumulative Net Default Ratio as at the last day of the Quarterly Collection Period immediately preceding such Payment Date is not higher than 3 per cent.

"**Cash Reserve Available Amount**" means:

(a) in respect of any Payment Date prior to the delivery of a Trigger Notice up to (and excluding) the Payment Date on which the Senior Notes are redeemed in full or cancelled:

  (i) an amount equal to the absolute value of the difference, if negative, between (A) the Issuer Available Funds (without taking into account the Cash Reserve Available Amount) in respect of such Payment Date, and (B) the amounts due on such Payment Date under items from *First* to *Fourth* of the Priority of Payments prior to the delivery of a Trigger Notice; and

  (ii) if the Cash Reserve Amortisation Conditions are met, an amount equal to the difference, if positive, between (A) the balance of the Cash Reserve Account as at the Quarterly Calculation Date immediately preceding such Payment Date (net of any amount to be applied as Cash Reserve Available Amount pursuant to paragraph (i) above), and (B) the Required Cash Reserve Amount in respect of such Payment Date; or

(b) in respect of the Payment Date prior to the delivery of a Trigger Notice on which the Issuer Available Funds (inclusive of the balance of the Cash Reserve Account) are sufficient to repay in full the Senior Notes, an amount equal to the balance of the Cash Reserve Account as at the Quarterly Calculation Date immediately preceding such Payment Date; or

(c) in respect of the Payment Date following the delivery of a Trigger Notice, an amount equal to the balance of the Cash Reserve Account as at the Quarterly Calculation Date (or such other calculation date as determined pursuant to the Cash Allocation, Management and Payment Agreement) immediately preceding such Payment Date.

"**Cash Reserve Initial Amount**" means an amount equal to Euro 9,779,000.

"**Class**" shall be a reference to a class of Notes, being the Class A1 Notes, the Class A2 Notes or the Class D Notes and "**Classes**" shall be construed accordingly.

"**Class A Noteholder**" means a Class A1 Noteholder or a Class A2 Noteholder, as the case may be, and "**Class A Noteholders**" means all of them.

"**Class A Notes**" means, collectively, the Class A1 Notes and the Class A2 Notes.

"**Class A1 Noteholder**" means the Holder of a Class A1 Note.

"**Class A1 Notes**" means the € 216,000,000 Class A1 Asset Backed Floating Rate Notes due October 2050.

"**Class A1 Notes Subscription Agreement**" means the subscription agreement in relation to the Class A1 Notes executed on or about the Issue Date between the Issuer, the Representative of the Noteholders, the Originator and the Joint Lead Managers, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Class A1 Rate of Interest**" shall have the meaning ascribed to it in Condition 5.2 (*Interest - Rate of Interest*).

"**Class A2 Noteholder**" means the Holder of a Class A2 Note.

"**Class A2 Notes**" means the € 216,000,000 Class A2 Asset Backed Fixed Rate Notes due October 2050.

"**Class A2 Notes Subscriber**" means Banca Sella.

"**Class A2 Notes Subscription Agreement**" means the subscription agreement in relation to the Class A2 Notes executed on or about the Issue Date between the Issuer, the Representative of the Noteholders, the Originator and the Class A2 Notes Subscriber, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Class A2 Rate of Interest**" shall have the meaning ascribed to it in Condition 5.2 (*Interest - Rate of Interest*).

"**Class D Noteholder**" means the Holder of a Class D Note and "**Class D Noteholders**" means all of them.

"**Class D Notes**" means the € 67,700,000 Class D Asset Backed Floating Rate Notes due October 2050.

"**Class D Notes Conditions**" means the terms and conditions of the Class D Notes, as from time to time modified in accordance with the provisions herein contained.

"**Class D Notes Subscriber**" means Banca Sella.

"**Class D Notes Subscription Agreement**" means the subscription agreement in relation to the Class D Notes executed on or about the Issue Date between the Class D Notes Subscriber, the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Clearstream**" means Clearstream Banking, société anonyme.

"**Collateral Securities**" means the Guarantees and the Mortgages.

"**Collection Account**" means the Euro denominated Account with IBAN IT 92 M 03479 01600 000800950300, opened in the name of the Issuer with the Account Bank.

"**Collections**" means all amounts received or recovered by the Servicer in respect of the Receivables.

"**Computation Agent**" means Securitisation Services or any other person acting as computation agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Condition**" means a condition of the Senior Notes Conditions and/or the Class D Notes Conditions, as the context may require.

"**CONSOB**" means *Commissione Nazionale per le Società e la Borsa*.

"**Consolidated Banking Act**" means Legislative Decree No. 385 of 1 September 1993, as amended and supplemented from time to time.

"**Consolidated Financial Act**" means the Italian Legislative Decree No. 58 of 24 February 1998, as amended and supplemented from time to time.

"**Corporate Servicer**" means Securitisation Services or any other person acting as corporate servicer pursuant to the Corporate Services Agreement from time to time.

"**Corporate Services Agreement**" means the corporate services agreement executed on 18 October 2005, as amended on 18 April 2008, on 28 January 2009, on 16 May 2011, on 13 March 2012 and as further amended on or about the Issue Date between the Issuer and the Corporate Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**CRA Regulation**" means Regulation (EC) No. 1060/2009, as amended and supplemented from time to time.

"**Credit and Collections Policies**" means the procedures for the management, collection and recovery of Receivables attached as Schedule A to the Servicing Agreement.

"**Criteria**" means the objective criteria for the identification of the Receivables specified in Schedule A of the Transfer Agreement and described in the section entitled "*The Portfolio*".

"**Cumulative Net Default Ratio**" means, on each Quarterly Servicer's Report Date, the ratio between:

(a) an amount equal to the difference between (i) the aggregate Outstanding Principal as at the relevant Default Date of all the Receivables which have been classified as Defaulted Receivables from the Valuation Date up to the last day of the Quarterly Collection Period immediately preceding such Quarterly Servicer's Report Date; and (ii) the aggregate of the Collections recovered in respect of such Defaulted Receivables (excluding any proceeds deriving from the repurchase by the Originator of such Defaulted Receivables in accordance with the Intercreditor Agreement) from the relevant Default Date up to the last day of the Quarterly Collection Period immediately preceding such Quarterly Servicer's Report Date; and

(b) the aggregate Outstanding Principal of the Receivables as at the Valuation Date.

"**DBRS**" means DBRS Ratings Limited.

"**DBRS Equivalent Rating**" means the DBRS rating equivalent of any of the below ratings by Fitch, Moody's or S&P:

DBRS	Moody's	S&P	Fitch
AAA	Aaa	AAA	AAA
AA(high)	Aa1	AA+	AA+
AA	Aa2	AA	AA
AA(low)	Aa3	AA-	AA-
A(high)	A1	A+	A+
A	A2	A	A
A(low)	A3	A-	A-
BBB(high)	Baa1	BBB+	BBB+
BBB	Baa2	BBB	BBB
BBB(low)	Baa3	BBB-	BBB-
BB(high)	Ba1	BB+	BB+
BB	Ba2	BB	BB
BB(low)	Ba3	BB-	BB-
B(high)	B1	B+	B+
B	B2	B	B
B(low)	B3	B-	B-
CCC(high)	Caa1	CCC+	CCC+
CCC	Caa2	CCC	CCC
CCC(low)	Caa3	CCC-	CCC-
CC	Ca	CC	CC
C	C	D	D

"**DBRS Minimum Rating**" means:

(a) if a public long term rating by Fitch, a public long term rating by Moody's and a public long term rating by S&P in respect of the Eligible Investment or the Eligible Institution 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 (i) 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 (ii) 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 paragraph (a) above, but public long term ratings by any two of Fitch, Moody's and S&P are available at such date, the DBRS Equivalent Rating of the lower 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);

(c) if the DBRS Minimum Rating cannot be determined under paragraphs (a) and (b) above, but public long term ratings by any one of Fitch, Moody's and S&P are available at such date, then the DBRS Equivalent Rating will be such public long term rating (provided that if such public long term tating 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 paragraphs (a) to (c) above, then a DBRS Minimum Rating of "C" shall apply at such time.

"**Debtor**" means any borrower and any other person or entity who or which entered into a Loan Agreement as principal debtor or who is liable for the payment or repayment of amounts due under a Loan Agreement, as a consequence of having assumed the borrower's obligation under an assumption (*accollo*) or otherwise.

"**Decree No. 239**" means Italian Legislative Decree No. 239 of 1 April 1996, as amended and supplemented from time to time and any related regulations.

"**Decree 239 Deduction**" means any withholding or deduction for or on account of "*imposta sostitutiva*" under Decree No. 239.

"**Deed of Pledge**" means the Italian law deed of pledge executed on or about the Issue Date between the Issuer, the Representative of the Noteholders (acting on behalf of the Noteholders) and the Other Issuer Creditors, 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.

"**Default Date**" means the date on which a Receivable is classified as a Defaulted Receivable, as indicated in the relevant Monthly Servicer's Report.

"**Defaulted Receivables**" means any Receivables where either (A) (i) 2 (two) semi-annual instalments in respect of such Receivables are past due and unpaid or (ii) 3 (three) quarterly instalments in respect of such Receivables are past due and unpaid or (iii) 7 (seven) monthly instalments in respect of such Receivables are past due and unpaid; or (B) the relevant Debtor has been classified as being "*in sofferenza*" by the Servicer in accordance with the Credit and Collection Policies.

"**Delinquent Instalment**" means an Instalment which remains unpaid by the Debtor in respect thereof for 31 (thirty-one) days or more after the relevant Scheduled Instalment Date.

"**Delinquent Receivables**" means any Receivable which is not a Defaulted Receivable and with respect to which there is one or more Delinquent Instalment(s).

"**Eligible Institution**" means a depository institution organised under the laws of any State which is a member of the European Union or of the United States of America whose unsecured and unsubordinated debt obligations (or whose obligations under the Transaction Documents to which it is a party are guaranteed by a depository institution organised under the laws of any state which is a member of the European Union or of the United States of America, whose unsecured and unsubordinated debt obligations) are rated at least as follows:

(a) by DBRS:

(i) a public or private rating of at least "A" by DBRS in respect of long term debt; or

(ii) if there is no such public or private rating, the DBRS Minimum Rating of "A",

or such other rating being compliant with the criteria established by DBRS from time to time; and

(b) by Moody's:

a public rating at least "P-1" by Moody's in respect of its short term debt (or, if no public rating of Moody's in respect of its short term debt is available, a public rating of at least "A3" by Moody's in respect of its long term debt) or such other rating being compliant with the criteria established by Moody's from time to time.

"**Eligible Investments**" means:

(a) any dematerialised (i) Euro denominated senior (unsubordinated) debt securities, (ii) other debt instruments, or (iii) commercial paper issued by, or fully and unconditionally guaranteed on an unsubordinated basis by, an institution whose unsecured and unsubordinated debt obligations have at least the following ratings:

(A) with respect to Moody's: with regard to investments having a maturity equal to or lower than 3 (three) months, a public rating of "A2" by Moody's in respect of long term debt or a public rating of "P-1" by Moody's in respect of short-term debt or such other rating being compliant with the criteria established by Moody's from time to time; and

(B) with respect to DBRS, (1) with regard to investments having a maturity of less than 30 calendar days, (a) if such investments are rated by DBRS, "R-1 (middle)" in respect of short-term debt or "A" in respect of long-term debt; or (b) if such investments are not rated by DBRS, a DBRS Minimum Rating of "A" in respect of long-term debt, or (2) with regard to investments having a maturity between 30 and 90 calendar days, (a) if such investments are rated by DBRS, "R-1 (middle)" in respect of short term debt or "AA (low)" in respect of long term debt, or (b) if such investments are not rated by DBRS, a DBRS Minimum Rating of "AA (low)" in respect of long-term debt, or (3) such other rating being compliant with the criteria established by DBRS from time to time; or

(b) any other investment that, upon prior written notice to Moody's and DBRS, does not adversely affect the current ratings of the Senior Notes,

provided that, in all cases (a) such investments (i) have a maturity date falling on or before the Eligible Investment Maturity Date and that in any case does not exceed 90 calendar days; (ii) provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount) or in case of repayment or disposal, the principal amount upon repayment or disposal is at least equal to the principal amount invested; and (b) in the event of downgrade below the rating allowed under this definition, the securities shall be sold, if it could be achieved without a loss, or otherwise shall be allowed to mature; and further provided that, in each case, no such investment shall be made, in whole or in part, actually or potentially, in credit linked notes, swaps, other derivatives instruments, synthetic securities or tranches of other asset-backed securities, or any other instrument that does not comply with the criteria set out in the guidelines of the European Central Bank on monetary policy instruments and procedures of the Eurosystem, as amended and supplemented from time to time.

"**Eligible Investments Maturity Date**" means, with reference to each Eligible Investment, the earlier of: (i) the maturity date of such Eligible Investment, and (ii) the day falling 2 (two) Business Days prior to each Payment Date on which the proceeds of such Eligible Investment shall be made available to be applied in the relevant Priority of Payments. "**EURIBOR**" shall have the meaning ascribed to it in Condition 5 (*Interest*).

"**Euro**", "**€**" and "**cents**" 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 the European Union of 7 February 1992 establishing the European Union and the European Council of Madrid of 16 December 1995.

"**Euroclear**" means Euroclear Bank S.A./N.V., as operator of the Euroclear System.

"**Euro-Zone**" means the region comprised of Member States of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992).

"**Expense Account**" means the Euro denominated account with IBAN IT41W0103061621000001328436, opened in the name of the Issuer with Monte dei Paschi di Siena S.p.A., Conegliano branch.

"**Expenses**" means any documented fees, costs, expenses and taxes required to be paid to any third party creditors (other than the Noteholders and the Other Issuer Creditors) arising in connection with the Securitisation, and any other documented costs and expenses required to be paid in order to preserve the existence of the Issuer, to maintain it in good standing, to preserve and enforce the Issuer's Rights or to comply with applicable legislation.

"**Extraordinary Resolution**" shall have the meaning ascribed to it in the Rules of the Organisation of the Noteholders.

"**Final Maturity Date**" means the Payment Date falling in October 2050.

"**Finanziaria Internazionale**" means Finanziaria Internazionale Securitisation Group S.p.A., a company incorporated under the laws of the Republic of Italy as a società per azioni, having its registered office at Via V. Alfieri, 1 31015 Conegliano (TV), Italy, fiscal code and enrolment with the Register of Enterprises of Treviso number 00508480340.

"**First Payment Date**" means the Payment Date falling on 25 July 2014.

"***Fondiario* Loan Agreements**" means the *fondiario* mortgage loan agreements pursuant to which the *Fondiario* Mortgage Loans have been granted.

"***Fondiario* Mortgage Loan**" means a loan granted by Banca Sella to a borrower and secured by a Mortgage, which qualifies as a *mutuo fondiario* for the purposes of Italian law and regulations in force as at the Transfer Date and whose Receivables have been transferred by Banca Sella to the Issuer pursuant to the Transfer Agreement.

"**FSMA**" means the Financial Services and Markets Act 2000.

"**Guarantee**" means any guarantee (other any Mortgages) given to the Originator guaranteeing the repayment of the Receivables.

"**Guarantor**" means any person, other than a Mortgagor, who has granted a Guarantee.

"**Holder**" of a Note means the beneficial owner of a Note.

"**Individual Purchase Price**" means the price of the Receivables relating to each Loan, as indicated in Schedule B of the Transfer Agreement, with the aggregate of the Individual Purchase Prices being equal to the Purchase Price.

"**Initial Expenses**" means certain Expenses payable by the Issuer on or about the Issue Date.

"**Initial Interest Period**" means the first Interest Period commencing on (and including) the Issue Date and ending on (but excluding) the First Payment Date.

"**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 (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, and including also any equivalent or analogous proceedings under the law of any jurisdiction in which such company or corporation is deemed to carry on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration) or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a *pignoramento* or similar procedure having a similar effect (other than in the case of the Issuer, any portfolio of assets purchased by the Issuer in the context of the Previous Securitisations and any further securitisation transactions carried out by the Issuer in accordance with the Terms and Conditions), unless in the opinion of the Representative of the Noteholders, such proceedings are 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, 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 deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors (other than, in the case of the Issuer, the Other Issuer Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it or applies for suspension of payments; or

(d) an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution in any form of such company or corporation (expect a winding-up for the purposes of or pursuant to a solvent amalgamation or reconstruction, the terms of which have been previously approved in writing by the Representative of the Noteholders) or any of the events under article 2484 of the Italian civil code occurs with respect to such company or corporation.

"**Instalment**" means, with respect to each Loan Agreement, each instalment due from the relevant Debtor thereunder and which consists of an Interest Instalment and a Principal Instalment.

"**Insurance Policy**" means an insurance policy taken out in relation to a Real Estate Asset and, in certain cases, the related Loan.

"**Insurance Premia**" means any amount to be paid as insurance *premia* under an Insurance Policy.

"**Intercreditor Agreement**" means the intercreditor agreement executed on or about the Issue Date between the Issuer, the Representative of the Noteholders (on its own behalf and as agent for the Noteholders), the Originator, the Servicer, the Back-up Servicer Facilitator, the Account Bank, the Cash Manager, the Corporate Servicer, the Principal Paying Agent, the Computation Agent, the Joint Lead Managers, the Class A2 Notes Subscriber and the Class D Notes Subscriber, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Interest Determination Date**" means, with respect to the Initial Interest Period, the date falling 2 (two) Business Days prior to the Issue Date and, with respect to each subsequent Interest Period, the date falling 2 (two) Business Days prior to the Payment Date at the beginning of such Interest Period.

"**Interest Instalment**" means the interest component of each Instalment.

"**Interest Payment Amount**" has the meaning given to it in Condition 5.3 (*Interest - Determination of Rates of Interest and Calculation of Interest Payments*).

"**Interest Period**" means each period from (and including) a Payment Date to (but excluding) the next following Payment Date.

"**Investors Report**" means the quarterly report containing a glossary of the defined terms used in such report, issued by the Computation Agent on each Investors Report Date, setting out certain information with respect to the Senior Notes, including (i) the amount of the Notes privately-placed with investors which are not in the Banca Sella Group, the amount of the Notes retained by a member of the Banca Sella Group and the amount of the Notes publicly-placed with investors which are not in the Banca Sella Group, (ii) to the extent permissible, any amount of the Notes initially retained by a member of the Banca Sella Group but subsequently placed with investors which are not in the Banca Sella Group, and (iii) performance information on the Receivables.

"**Investors Report Date**" means the last Business Day of January, April, July and October of each year, provided that the first Investors Report Date will fall in July 2014.

"**Issue Date**" means the date falling on or about 12 June 2014.

"**Issue Price**" means the following percentages of the principal amount of the Notes at which the Notes will be issued:

Class	*Issue Price*
Class A1	100 per cent;
Class A2	100 per cent;

Class D 100 per cent.

"**Issuer**" means Mars 2600.

"**Issuer Available Funds**" means, in respect of any Payment Date, the aggregate of:

(a) all Collections received or recovered by the Servicer during the Quarterly Collection Period immediately preceding such Payment Date;

(b) all other amounts received or recovered by the Issuer in accordance with the terms of the Transfer Agreement, the Warranty and Indemnity Agreement, the Servicing Agreement, the Intercreditor Agreement and any other Transaction Documents during the Quarterly Collection Period immediately preceding such Payment Date (including all amounts received from the sale, if any, of individual Receivables or pools of Receivables pursuant to the Intercreditor Agreement and any proceeds deriving from the enforcement of the Issuer's Rights);

(c) all amounts received from the sale, if any, of the Portfolio or any part thereof pursuant to the Intercreditor Agreement;

(d) all amounts of interest accrued and paid on the Collection Account, the Payments Account and the Cash Reserve Account during the Quarterly Collection Period immediately preceding such Payment Date;

(e) all amounts deriving from the Eligible Investments made pursuant to the Cash Allocation, Management and Payment Agreement due to be paid on the Eligible Investments Maturity Date immediately preceding such Payment Date;

(f) the Cash Reserve Available Amount (if any) relating to such Payment Date;

(g) the Issuer Available Funds relating to the immediately preceding Payment Date, to the extent not applied in full on that Payment Date due to the failure of the Computation Agent to receive the Quarterly Servicer's Report from the Servicer by the relevant Quarterly Servicer's Report Date in accordance with the Cash Allocation, Management and Payment Agreement or to any other reason; and

(h) any amounts (other than the amounts already allocated under other items of the Issuer Available Funds) received by the Issuer from any party to the Transaction Documents during the Quarterly Collection Period immediately preceding such Payment Date,

provided that, prior to the delivery of a Trigger Notice, if the Computation Agent does not receive the Quarterly Servicer's Report from the Servicer by the relevant Quarterly Servicer's Report Date, the Issuer Available Funds in respect of the relevant Payment Date shall be limited to those necessary to make payments under items from *First* to *Fourth* (inclusive) of the applicable Priority of Payments.

"**Issuer's Creditors**" means (i) the Noteholders; (ii) the Other Issuer Creditors; and (iii) any other third party creditors in respect of any costs, fees or expenses incurred by the Issuer and allocated to the Securitisation pursuant to the Transactions Intercreditor Agreement.

"**Issuer's Rights**" mean the Issuer's rights under the Transaction Documents.

"**Italian Bankruptcy Law**" means Italian Royal Decree No. 267 of 16 March 1942, as amended and supplemented from time to time.

"**Italy**" means the Republic of Italy.

"**January 2009 Notes**" means the Euro 212,950,000 Class A Asset Backed Floating Rate Notes due 2055, the Euro 4,550,000 Class B Asset Backed Floating Rate Notes due 2055, the Euro 9,050,000 Class C Asset Backed Floating Rate Notes due 2055 and the Euro 4,600,000 Class D Asset Backed Notes due 2055.

"**January 2009 Transaction**" means the securitisation transaction entered into on 29 January 2009 by the Issuer through the issuance of the January 2009 Notes.

"**Joint Lead Managers**" means BNP Paribas, London Branch and Natixis.

"**Junior Notes**" means the Class D Notes.

"**Law No. 9**" means Italian Law no. 9 of 21 February 2014 converting into law Italian Law Decree no. 145 of 23 December 2013.

"**Loan Agreements**" means, collectively, the Mortgage Loan Agreements and the *Fondiario* Loan Agreements.

"**Loans**" means, collectively, the Mortgage Loans and the *Fondiario* Mortgage Loans.

"**Luxembourg Law on Prospectus for Securities**" means Luxembourg law of 10 July 2005 on prospectus for securities, as amended and supplemented from time to time.

"**Mandate Agreement**" means the mandate agreement executed on or about the Issue Date between the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**March 2012 Issuer's Creditors**" means the holders of the March 2012 Notes and the other Issuer's creditors of the March 2012 Transaction.

"**March 2012 Notes**" means the Euro 122,900,000 Class A1 Asset Backed Floating Rate Notes due 2045, the Euro 235,400,000 Class A2 Asset Backed Fixed Rate Notes due 2045 and the Euro 48,000,000 Class D Asset Backed Floating Rate Notes due 2045.

"**March 2012 Transaction**" means the securitisation transaction carried out in March 2012 by the Issuer through the issuance of the March 2012 Notes.

"**Mars 2600**" means Mars 2600 S.r.l., a company incorporated under the laws of the Republic of Italy, Fiscal Code and enrolment with the Companies' Register of Treviso under No. 03931160265, enrolled enrolled with No. 330324 under the register of special purpose vehicles held by the Bank of Italy pursuant to regulation issued by the Bank of Italy on 29 April 2011 and having as its sole corporate object the realisation of securitisation transactions pursuant to the Securitisation Law.

"**Master Definitions Agreement**" means the master definitions agreement executed on or about the Issue Date between all the parties to each of the Transaction Documents, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Meeting**" means a meeting of Noteholders duly convened (whether originally convened or resumed following an adjournment) and held in accordance with the provisions contained in the Rules of the Organisation of the Noteholders.

"**Moody's**" means Moody's Investors Service Inc.

"**Monte Titoli**" means Monte Titoli S.p.A., a joint stock company incorporated under the laws of Italy, having its registered office at Piazza degli Affari 6, 20123 Milan.

"**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli including any depository banks appointed by Euroclear and Clearstream.

"**Monte Titoli Mandate Agreement**" means the agreement entered into on 19 September 2005 between the Issuer and Monte Titoli, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Monthly Collection Period**" means each period of one month, commencing on (and including) the first calendar day of a month and ending on (and including) the last calendar day of such month, provided that the first Monthly Collection Period will commence on (and excluding the Valuation Date and end on (and including) 30 June 2014.

"**Monthly Servicer's Report**" means the monthly report setting out certain information in relation to the performance of the Receivables during the preceding Monthly Collection Period, which shall be delivered by the Servicer on each Monthly Servicer's Report Date pursuant to the Servicing Agreement.

"**Monthly Servicer's Report Date**" means the fifteenth day of each month or, if such day is not a Business Day, the immediately following Business Day and, in the case of the first Monthly Servicer's Report Date, 15 July 2014.

"**Mortgage Loan**" means a loan granted by Banca Sella to a borrower and secured by a Mortgage, which qualifies as a *mutuo ipotecario* for the purposes of Italian law and regulations in force as at the Transfer Date and whose Receivables have been transferred by Banca Sella to the Issuer pursuant to the Transfer Agreement.

"**Mortgage Loan Agreements**" means the mortgage loan agreements pursuant to which the Mortgage Loans have been granted.

"**Mortgages**" means the mortgage securities (*ipoteche*) created on the Real Estate Assets pursuant to Italian law in order to secure claims in respect of the Receivables.

"**Mortgagor**" means any person, other than a Debtor, who has granted a Mortgage in favour of Banca Sella to secure the payment or repayment of any amounts payable in respect of a Loan, and/or his/her successor in interest.

"**Most Senior Class of Noteholders**" means the holders of the Most Senior Class of Notes.

"**Most Senior Class of Notes**" means (i) the Class A Notes; or (iv) following the repayment in full of the Class A Notes, the Class D Notes.

"**Natixis**" means Natixis S.A., a *société anonyme* incorporated under the laws of France, registered with the Trade and Companies Register of Paris under no. 542 044 524, having its registered office at 30, avenue Pierre Mendès-France, 75013 Paris, France.

"**Net Outstanding Balance**" means, on any given date and in relation to any Defaulted Receivable, the Outstanding Balance of such Defaulted Receivable as determined in the last available Monthly Servicer's Report or Quarterly Servicer's Report, as the case may be, net of any depreciation (*svalutazione*) made in respect of such Defaulted Receivable on the basis of the principles of prudent credit assessment applied by the Servicer and the Issuer in the drawing up of the balance sheet.

"**Noteholders**" means, collectively, the Holders of the Class A1 Notes, the Class A2 Notes and the Class D Notes.

"**Notes**" means, collectively, the Class A1 Notes, the Class A2 Notes and the Class D Notes.

"**Obligations**" means the obligations of the Issuer under the Transaction Documents.

"**October 2005 Issuer's Creditors**" means the holders of the October 2005 Notes and the other Issuer's creditors of the October 2005 Transaction.

"**October 2005 Notes**" means the Euro 248,900,000 Class A Asset Backed Floating Rate Notes due 2038, the Euro 11,000,000 Class B Asset Backed Floating Rate Notes due 2038, the Euro 3,500,000 Class C Asset Backed Floating Rate Notes due 2038 and the Euro 3,500,000 Class D Asset Backed Notes due 2038.

"**October 2005 Transaction**" means the securitisation transaction entered into on 15 October 2005 by the Issuer through the issuance of the October 2005 Notes.

"**Official Gazette**" means the *Gazzetta Ufficiale della Repubblica Italiana*.

"**Organisation of the Noteholders**" means the association of the Noteholders, organized pursuant to the Rules of the Organisation of the Noteholders.

"**Originator**" means Banca Sella.

"**Other Issuer Creditors**" means the Originator, the Servicer, the Back-up Servicer Facilitator, the Representative of the Noteholders, the Computation Agent, the Corporate Servicer, the Principal Paying Agent, the Cash Manager, the Account Bank, the Joint Lead Managers, the Class A2 Notes Subscriber, the Class D Notes Subscriber and any other person which may accede to the Intercreditor Agreement from time to time.

"**Outstanding Balance**" means, on any given date and in relation to any Receivable, the aggregate of the Outstanding Principal and the Interest Instalments due but unpaid as at that day and any outstanding penalties for accrued and unpaid Instalments with respect thereto.

"**Outstanding Principal**" means, on any given date and in relation to any Receivable, the aggregate of (i) all Principal Instalments due on any subsequent Scheduled Instalment Date, (ii) any Principal Instalments due but unpaid as at that date and (iii) the Accrued Interest as at that date.

"**Payments Account**" means the Euro denominated account with IBAN IT IT 69 N 03479 01600 000800950301, opened in the name of the Issuer with the Account Bank.

"**Payment Date**" means (i) prior to the delivery of a Trigger Notice, 25 January, 25 April, 25 July and 25 October in each year or, if such day is not a Business Day, the immediately following Business Day, provided that the First Payment Date will be 25 July 2014; or (ii) following the delivery of a Trigger Notice, such Business Day as determined by the Representative of the Noteholders on which payments are required to be made.

"**Portfolio**" means the portfolio of Receivables purchased by the Issuer from Banca Sella pursuant to the terms of the Transfer Agreement.

"**Post Trigger Report**" means the report setting out all the payments to be made under the Priority of Payments following the delivery of Trigger Notice, which shall be delivered by the Computation Agent after a Trigger Notice has been served to the Issuer, the Representative of the Noteholders, the Other Issuer Creditors and the Rating Agencies, pursuant to the Cash Allocation, Management and Payment Agreement.

"**Premium**" means the premium payable on the Class D Notes, which will be equal to any Issuer Available Funds available after making all payments ranking in priority to the Premium and may be equal to 0 (zero).

"**Previous Notes**" means, collectively, the October 2005 Notes, the April 2008 Notes, the January 2009 Notes and the March 2012 Notes.

"**Previous Securitisations**" means, collectively, the October 2005 Transaction, the April 2008 Transaction, the January 2009 Transaction and the March 2012 Transaction.

"**Principal Amount Outstanding**" means, with respect to any Note on any date, the principal amount thereof upon issue less the aggregate amount of all principal payments that have been made in respect of that Note prior to such date.

"**Principal Instalment**" means the principal component of each Instalment.

"**Principal Paying Agent**" means BNP Paribas Securities Services, Milan Branch or any other person, which shall qualify as Eligible Institution, acting as principal paying agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Priority of Payments**" means the Priority of Payments prior to the delivery of a Trigger Notice or the Priority of Payments following the delivery of a Trigger Notice, as the case may be.

"**Priority of Payments following the delivery of a Trigger Notice**" means the order of priority in which the Issuer Available Funds shall be applied following the delivery of a Trigger Notice in accordance with Condition 4.2 (*Priority of Payments - Priority of Payments following the delivery of a Trigger Notice*).

"**Priority of Payments prior to the delivery of a Trigger Notice**" means the order of priority in which the Issuer Available Funds shall be applied prior to the delivery of a Trigger Notice in accordance with Condition 4.1 (*Priority of Payments - Priority of Payments following the delivery of a Trigger Notice*).

"**Privacy Law**" means Italian Legislative Decree No. 196 of 30 June 2003, as the same may be amended, modified or supplemented from time to time, together with any legislative or regulatory measure implementing such Law, as supplemented by the provisions enacted from time to time by the *Autorità Garante per la Protezione dei Dati Personali*.

"**Purchase Price**" means the purchase price paid to the Originator by the Issuer as consideration for the acquisition of the Portfolio pursuant to the Transfer Agreement and equal to the aggregate of the individual purchase prices of all the Receivables comprised in the Portfolio.

"**Quarterly Calculation Date**" means the third Business Day before each Payment Date.

"**Quarterly Collection Period**" means each quarterly period commencing on (and including) 1 January, 1 April, 1 July and 1 October of each year and ending respectively on (and including) 31 March, 30 June, 30 September and 31 December of each year, provided that the first Quarterly Collection Period will commence on (and excluding) the Valuation Date and end on (and including) 30 June 2014.

"**Quarterly Payments Report**" means the quarterly report setting out all the payments to be made on the following Payment Date under the relevant Priority of Payments which shall be delivered on each Quarterly Calculation Date by the Computation Agent to the Issuer, the Representative of the Noteholders, the Servicer, the Account Bank, the Principal Paying Agent, the Corporate Servicer and the Rating Agencies, pursuant to the Cash Allocation, Management and Payment Agreement.

"**Quarterly Servicer's Report**" means the quartely report containing details of the performance of the Receivables during the relevant Quarterly Collection Period, to be prepared and delivered by the Servicer on each Quarterly Servicer's Report Date to the Issuer, the Corporate Servicer, the Computation Agent, the Representative of the Noteholders, the Principal Paying Agent, the Account Bank and the Rating Agencies pursuant to the Servicing Agreement.

"**Quarterly Servicer's Report Date**" means the fifteenth day following the end of each Quarterly Collection Period or, if such day is not a Business Day, the immediately following Business Day, provided that the first Quarterly Servicer's Report Date will be 15 July 2014.

"**Quota Capital Account**" means the Euro denominated account with IBAN IT36Z0103061621000001141338, opened in the name of the Issuer with Monte dei Paschi di Siena S.p.A., Conegliano branch.

"**Quotaholders**" means Stichting Mars 2615 and Banca Sella Holding.

"**Quotaholders' Agreement**" means the quotaholders' agreement entered into on 18 October 2005, as amended on 18 April 2008, on 28 January 2009, on 16 May 2011, and on 13 March 2012 and as further amended on or about the Issue Date between the Issuer, the Quotaholders and the Representative of the Noteholders (as third party beneficiary pursuant to article 1411 of the Italian civil code), as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Rating Agencies**" means Moody's and DBRS.

"**Real Estate Assets**" means the real estate properties which have been mortgaged in order to secure payment of the Receivables pursuant to the Loan Agreements.

"**Receivables**" means all and whatever claim of the Issuer arising from the Loans and the Loan Agreements which, as at the Valuation Date, comply with the Criteria, including without limitation:

(a) all claims in respect of the repayment of principal of the Loans as at the Valuation Date;

(b) all claims in respect of the payment of interest accrued for whatever reason from the Loan Agreements up to the Valuation Date;

(c) all claims in respect of payments of interest which will accrue for whatever reason from the Loan Agreements as of the Valuation Date;

(d) all claims in respect of the reimbursement of expenses, costs, indemnities and damages, as well as any other sum or money due to Banca Sella in respect of the Loan Agreements or the Loans;

together with the Mortgages, the Guarantees, the privileges and priority rights (*diritti di prelazione*) supporting the aforesaid claims (but excluding the *fideiussioni omnibus*) as well as any other right, claim and action (including any legal proceeding for the recovery of suffered damages), substantial and procedural action and defence inherent or otherwise ancillary to the aforesaid rights and claims and their exercise in accordance with the relevant Loan and all the other deeds and agreements related thereto and/or pursuant to the applicable laws and regulations, including, without limitation, the remedy of termination (*risoluzione contrattuale per inadempimento*) and the declaration of acceleration of the Debtors (decadenza dal beneficio del termine) as well as any other right of Banca Sella in respect of the Insurance Policies.

"**Reference Banks**" means three (3) major banks in the Euro-Zone inter-bank market selected by the Principal Paying Agent with the approval of the Representative of the Noteholders.

"**Relevant Margin**" has the meaning given to it in Condition 5.2 (*Interest - Rate of Interest*).

"**Representative of the Noteholders**" means Securitisation Services or any other person acting as representative of the Noteholders pursuant to the Rules of the Organisation of the Noteholders from time to time.

"**Required Cash Reserve Amount**" means:

(a) in respect of any Payment Date up to (and excluding) the Payment Date on which the Senior Notes are redeemed in full or cancelled:

  (i) if the Cash Reserve Amortisation Conditions are not met, the balance of the Cash Reserve Account as at the Quarterly Calculation Date immediately preceding such Payment Date;

  (ii) if the Cash Reserve Amortisation Conditions are met, an amount equal to the higher of (A) 4.52 per cent of the aggregate Principal Amount Outstanding of the Senior Notes as at the Quarterly Calculation Date immediately preceding such Payment Date, and (B) Euro 2,160,000; or

(b) in respect of the Payment Date prior to the delivery of a Trigger Notice on which the Issuer Available Funds (inclusive of the balance of the Cash Reserve Account) are sufficient to repay in full the Senior Notes, an amount equal to 0 (zero); or

(c) in respect of the Payment Date following the delivery of a Trigger Notice, an amount equal to 0 (zero).

"**Resolution 22 February 2008**" means the resolution of 22 February 2008 jointly issued by CONSOB and Bank of Italy (named "*Disciplina dei servizi di gestione accentrata, di liquidazione, dei sistemi di garanzia e delle relative società di gestione*") containing rules on custody, clearing and settlement (as amended and supplemented from time to time).

"**Retention Amount**" means an amount equal to € 15,000.

"**Rules of the Organisation of the Noteholders**" means the Rules of the Organisation of Noteholders attached as exhibit to the Terms and Conditions, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereof.

"**Scheduled Instalment Date**" means any date on which payment is due pursuant to each Loan Agreement.

"**Screen Rate**" shall have the meaning ascribed to it Condition 5 (*Interest*).

"**Securities Account**" means the securities account with No. 950300, opened in the name of the Issuer with the Account Bank.

"**Securities Account Report**" means the quarterly report to be prepared by the Account Bank pursuant to the Cash Allocation, Management and Payment Agreement, setting out certain information in respect of the Eligible Investments consisting of securities deposited from time to time into the Securities Account.

"**Securities Account Report Date**" means each day falling 3 (three) Business Day prior to the relevant Quarterly Calculation Date.

"**Securitisation**" means the securitisation of the Receivables made by the Issuer through the issuance of the Notes.

"**Securitisation Law**" means Italian Law No. 130 of 30 April 1999, as subsequently amended and supplemented from time to time.

"**Securitisation Services**" means Securitisation Services S.p.A., a joint stock company incorporated under the laws of Italy, registered with No. 03546510268 in the Companies' Register of Treviso, registered with No. 31816 in the register held by the Bank of Italy pursuant to Article 106 of the Consolidated Banking Act and in the register held by the Bank of Italy pursuant to Article 107 of the Consolidated Banking Act, having its registered office at Via Vittorio Alfieri, 1, 31015 Conegliano (Treviso), Italy, subject to the activity of direction and coordination (*attività di direzione e coordinamento*) of Finanziaria Internazionale Holding S.p.A.

"**Security**" means the security created under the Deed of Pledge.

"**Security Interest**" means any mortgage, charge pledge, lien, right of set-off, special privilege (*privilegio speciale*), assignment by way of security, retention of title or any other security interest whatsoever or any other agreement or arrangement having the effect of conferring security.

"**Senior Noteholder**" means the Holder of a Senior Note and "**Senior Noteholders**" means all of them.

"**Senior Notes**" means, collectively, the Class A1 Notes and the Class A2 Notes or, as the case may be, either of them.

"**Senior Notes Conditions**" means the terms and conditions of the Senior Notes, as from time to time modified in accordance with the provisions herein contained.

"**Senior Notes Subscription Agreements**" means, collectively, the Class A1 Notes Subscription Agreement and the Class A2 Notes Subscription Agreement.

"**Servicer**" means Banca Sella or any other person acting as servicer pursuant to the Servicing Agreement from time to time.

"**Servicer Insolvency Event**" means any of the following events: (i) the Servicer being declared insolvent, (ii) the competent judicial authorities ruling to liquidate the Servicer or to appoint a liquidator or receiver, (iii) the Servicer passing a corporate resolution for its winding-up or liquidation, (iv) the Servicer being admitted into one of the proceedings set forth under Title IV of the Consolidated Banking Act or (v) the Servicer passing a corporate resolution for its admission into one of the proceedings set forth under Title IV of the Consolidated Banking Act.

"**Servicer Termination Event**" means any event referred to in clause 12.1 of the Servicing Agreement.

"**Servicing Agreement**" means the servicing agreement entered into on 9 April 2014 between the Issuer and the Servicer, as from time to time further modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Step Up Date**" means 25 July 2022.

"**Stichting Mars 2615**" means Stichting Mars 2615, a foundation (*stichting*) incorporated under the laws of The Netherlands, having its registered office at Barbara Strozzilaan 101, 1083 HN Amsterdam, The Netherlands.

"**Subscription Agreements**" means, collectively, the Senior Notes Subscription Agreements and the Class D Notes Subscription Agreement.

"**Substitute Servicer**" means any substitute servicer appointed to replace Banca Sella as Servicer pursuant to the Servicing Agreement.

"**Supervisory Regulations for Banks**" means the "*Istruzioni di Vigilanza per le banche*" issued by the Bank of Italy by Circular No. 229 of 21 April 1999, as amended and supplemented from time to time.

"**Supervisory Regulations for Financial Intermediaries**" means the "*Istruzioni di Vigilanza per gli Intermediari Finanziari*" issued by the Bank of Italy by Circular No. 216 of 5 August 1996, as amended and supplemented from time to time.

"**Tax Event**" shall have the meaning ascribed to it in Condition 6.4 (*Redemption, purchase and cancellation - Redemption for tax reasons*).

"**Terms and Conditions**" means the Senior Notes Conditions and/or the Class D Notes Conditions, as the context may require.

"**Transaction Documents**" means the Transfer Agreement, the Subscription Agreements, the Warranty and Indemnity Agreement, the Servicing Agreement, the Corporate Services Agreement, the Cash Allocation, Management and Payment Agreement, the Monte Titoli Mandate Agreement, the Intercreditor Agreement, the Deed of Pledge, the Transactions Intercreditor Agreement, the Mandate Agreement, the Quotaholders' Agreement, the Master Definitions Agreement and the Prospectus.

"**Transactions Intercreditor Agreement**" means the transactions intercreditor agreement entered into on or about the Issue Date between the Issuer's Creditors, the March 2012 Issuer's

Creditors and the October 2005 Issuer's Creditors in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Transfer Agreement**" means the transfer agreement entered into on 9 April 2014 between the Originator and the Issuer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Transfer Date**" means 9 April 2014.

"**Trigger Event**" means any of the events described in Condition 10 (*Trigger Events*).

"**Trigger Notice**" means the notice described in Condition 10 (*Trigger Events*).

"**Valuation Date**" means 31 March 2014, at 23:59 (Italian time).

"**Warranty and Indemnity Agreement**" means the warranty and indemnity agreement entered into on 9 April 2014 between the Originator and the Issuer, as from time to time modified in accordance with the provisions herein contained and including any agreement or other document expressed to be supplemental thereof.

ISSUER
Mars 2600 S.r.l.
Via Vittorio Alfieri, 1
31015 Conegliano (Treviso)
Italy

ORIGINATOR, SERVICER, CASH MANAGER AND CLASS A2 NOTES SUBSCRIBER
Banca Sella S.p.A.
Piazza Gaudenzio Sella, 1
13900 Biella
Italy

REPRESENTATIVE OF THE NOTEHOLDERS, COMPUTATION AGENT, BACK-UP SERVICER FACILITATOR AND CORPORATE SERVICER
Securitisation Services S.p.A.
Via Vittorio Alfieri, 1
31015 Conegliano (Treviso)
Italy

ACCOUNT BANK AND PRINCIPAL PAYING AGENT
BNP Paribas Securities Services, Milan Branch
Via Ansperto, 5
20123 Milan
Italy

LISTING AGENT
BNP Paribas Securities Services, Luxembourg Branch
33, Rue de Gasperich, Howald-Hesperange
L-2085 Luxembourg

ARRANGERS

BNP PARIBAS
Piazza San Fedele, 1/3
20121 Milan
Italy

FINANZIARIA INTERNAZIONALE SECURITISATION GROUP S.P.A.
Via Vittorio Alfieri, 1
31015 Conegliano (Treviso)
Italy

JOINT LEAD MANAGERS

BNP PARIBAS, LONDON BRANCH
10 Harewood Avenue
London NW1 6AA
United Kingdom

NATIXIS
30 avenue Pierre-Mèndes-France
75013 Paris
France

LEGAL ADVISER
To the Arrangers and the Joint Lead Managers

Chiomenti Studio Legale
Via Verdi, 2
20121 Milan
Italy