

**SECOND DRAFT PRELIMINARY PROSPECTUS DATED 18 APRIL 2024**

**IMPORTANT NOTICE**

NOT FOR DISTRIBUTION TO ANY U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED) OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES. NOT FOR DISTRIBUTION TO ANY PERSON THAT IS NOT A QUALIFIED INVESTOR WITHIN THE MEANING OF THE PROSPECTUS REGULATION. IF YOU ARE NOT A QUALIFIED INVESTOR, DO NOT CONTINUE.

**IMPORTANT: You must read the following before continuing.** The following applies to the preliminary prospectus (the "**Preliminary Prospectus**") attached to this electronic transmission, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Preliminary Prospectus. In accessing the Preliminary Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them at any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION AND/OR THE PRELIMINARY PROSPECTUS CONSTITUTES AN OFFER TO SELL OR ISSUES, OR THE SOLICITATION OF AN OFFER TO BUY, SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE SECURITIES OF THE ISSUER IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR UNDER THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**") AND THE SECURITIES MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, INTO OR WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, "U.S. PERSONS" AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**"), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. IN CONNECTION WITH THE OFFERING DESCRIBED HEREIN, THE NOTES WILL ONLY BE OFFERED AND SOLD OUTSIDE THE UNITED STATES IN "**OFFSHORE TRANSACTIONS**" TO PERSONS WHO ARE NOT U.S. PERSONS (AS DEFINED IN REGULATION S) PURSUANT TO REGULATION S. THERE HAS BEEN AND WILL BE NO PUBLIC OFFERING OF THE SECURITIES IN THE UNITED STATES.

THE FOLLOWING PRELIMINARY PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON (AS DEFINED IN REGULATION S) OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE FOLLOWING PRELIMINARY PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

THE FOLLOWING PRELIMINARY PROSPECTUS HAS BEEN DELIVERED TO YOU ON THE BASIS THAT YOU ARE A PERSON INTO WHOSE POSSESSION THE PRELIMINARY PROSPECTUS MAY BE LAWFULLY DELIVERED IN ACCORDANCE WITH THE LAWS OF THE JURISDICTION IN WHICH YOU ARE LOCATED AND YOU MAY NOT, NOR ARE YOU AUTHORISED TO, DELIVER THE PRELIMINARY PROSPECTUS TO ANY OTHER PERSON. IN ORDER TO BE ELIGIBLE TO VIEW THIS PRELIMINARY PROSPECTUS OR MAKE AN INVESTMENT DECISION WITH RESPECT TO THE SECURITIES, INVESTORS MUST NOT BE U.S. PERSONS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT). THE FOLLOWING PRELIMINARY PROSPECTUS IS BEING SENT AT YOUR REQUEST AND BY ACCESSING THE PRELIMINARY PROSPECTUS, YOU SHALL BE DEEMED TO HAVE CONFIRMED AND REPRESENTED TO US THAT (A) YOU HAVE UNDERSTOOD AND AGREE TO THE TERMS SET OUT HEREIN, (B) YOU CONSENT TO DELIVERY OF THE PRELIMINARY PROSPECTUS BY ELECTRONIC TRANSMISSION AND (C) YOU ARE NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) OR ACTING FOR

THE ACCOUNT OR BENEFIT OF A U.S. PERSON AND THE ELECTRONIC MAIL ADDRESS THAT YOU HAVE GIVEN TO US AND TO WHICH THIS E-MAIL HAS BEEN DELIVERED IS NOT LOCATED IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, GUAM, AMERICAN SAMOA, WAKE ISLAND AND THE NORTHERN MARIANA ISLANDS) OR THE DISTRICT OF COLUMBIA.

**IMPORTANT – EEA RETAIL INVESTORS** – THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA ("EEA"). FOR THESE PURPOSES, A "RETAIL INVESTOR" MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (AS AMENDED, "EU MIFID II"); OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97 (THE "EU INSURANCE DISTRIBUTION DIRECTIVE"), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF EU MIFID II OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EU) 2017/1129 (AS AMENDED, RESTATED OR SUPPLEMENTED, THE "EU PROSPECTUS REGULATION") ("QUALIFIED INVESTOR"). CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE "EU PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE EU PRIIPS REGULATION.

**IMPORTANT – UK RETAIL INVESTORS** – THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE UNITED KINGDOM ("UK"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565 AS IT FORMS PART OF DOMESTIC LAW OF THE UNITED KINGDOM BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (AS AMENDED BY THE EUROPEAN UNION (WITHDRAWAL AGREEMENT) ACT 2020) (THE "EUWA"); OR (II) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (THE "FSMA") AND ANY RULES OR REGULATIONS MADE UNDER FSMA WHICH WERE RELIED ON IMMEDIATELY BEFORE EXIT DAY TO IMPLEMENT THE EU INSURANCE DISTRIBUTION DIRECTIVE, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF DOMESTIC LAW OF THE UNITED KINGDOM BY VIRTUE OF THE EUWA OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN ARTICLE 2 OF REGULATION (EU) 2017/1129 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA (THE "UK PROSPECTUS REGULATION"). CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY EU PRIIPS REGULATION AS IT FORMS PART OF DOMESTIC LAW OF THE UNITED KINGDOM BY VIRTUE OF THE EUWA (THE "UK PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.

**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – SOLELY FOR THE PRODUCT APPROVAL PROCESS OF CITIBANK EUROPE PLC (THE "MANUFACTURER"), THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT: (I) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II; AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "DISTRIBUTOR") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

**UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS ONLY TARGET MARKET** – SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT: (I) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("**COBS**") AND PROFESSIONAL CLIENTS, AS DEFINED IN REGULATION (EU) NO 600/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("**EUWA**") ("**UK MIFIR**"); AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A DISTRIBUTOR) SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT. HOWEVER, A DISTRIBUTOR SUBJECT TO THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK (THE "**UK MIFIR PRODUCT GOVERNANCE RULES**") IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE SELLER (A "**U.S. RISK RETENTION CONSENT**") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE UNITED STATES SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**RISK RETENTION U.S. PERSONS**"). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO THE DEFINITION OF "U.S. PERSON" IN REGULATION S. EACH PURCHASER OF THE NOTES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES, BY ITS ACQUISITION OF THE NOTES OR A BENEFICIAL INTEREST THEREIN WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) IS NOT A RISK RETENTION U.S. PERSON (UNLESS IT HAS OBTAINED A U.S. RISK RETENTION CONSENT FROM THE SELLER), (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE OR BENEFICIAL INTEREST, AND (3) IS NOT ACQUIRING SUCH NOTE A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE OR BENEFICIAL INTEREST THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

COPIES OF THE PRELIMINARY PROSPECTUS WILL BE AVAILABLE ON THE SECURITISATION REPOSITORY WEBSITE ([HTTPS://EURODW.EU/](https://EURODW.EU/)).

The following Preliminary Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither Youni Italy 2024-1 S.r.l. (the "**Issuer**"), Citigroup Global Markets Europe AG (the "**Lead Manager**" and the "**Arranger**") nor any person who controls any of them respectively (nor any director, officer, employee or agent of it or affiliate of any such person) accepts any liability or responsibility whatsoever in respect of any difference between the Preliminary Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Lead Manager.

The Preliminary Prospectus has been prepared by the Issuer solely for use in connection with the sale of the Notes offered pursuant to the Prospectus. The Class R Notes are not being offered pursuant to the Preliminary Prospectus. The Preliminary Prospectus is personal to each offeree to whom it has been delivered by the Issuer and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Notes. Distribution of the Preliminary Prospectus to any persons other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is

prohibited. Each prospective investor in the United States, by accepting delivery of the Preliminary Prospectus, agrees to the foregoing and to make no photocopies of the Preliminary Prospectus or any documents related hereto and, if the offeree does not purchase any note or the offering is terminated, to return the Preliminary Prospectus and all documents attached hereto to the Lead Manager.

The Notes are offered subject to prior sale or withdrawal, cancellation or modification of this offering without notice. The Issuer and the Lead Manager also reserve the right to reject any offer to purchase the Notes in whole or in part for any reason and to allot to any prospective purchaser less than the full amount of Notes sought by such investor.

You acknowledge that you have been afforded an opportunity to request from the Issuer, and have received and reviewed, all additional information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained in the Preliminary Prospectus. You also acknowledge that you have not relied on the Arranger, the Lead Manager or any person affiliated with the Arranger or the Lead Manager in connection with the investigation of the accuracy of such information or your investment decision. The contents of the Preliminary Prospectus are not to be construed as legal, business or tax advice. Each prospective purchaser should consult its own attorney, business adviser and tax adviser for legal, business and tax advice relating to an investment in the Notes. The Preliminary Prospectus summarises documents and other information in a manner that does not purport to be complete, and these summaries are subject to, and qualified in their entirety by reference to, all of the provisions of such documents. In making an investment decision, you must rely on your own examination of these documents (copies of which are available from the Issuer or Lead Manager upon request), the Issuer and the terms of the offering and the Notes, including the merits and risks involved.

No representation or warranty is made by the Arranger, the Lead Manager, the Issuer or any other person as to the legality under legal investment or similar laws of an investment in the Notes or the classification or treatment of the Notes under any risk-weighting, securities valuation, regulatory accounting or other financial institution regulatory regimes of the National Association of Insurance Commissioners, any state insurance commissioner, any federal or state banking authority, or any other regulatory body. You should obtain your own legal, accounting, tax and financial advice as to the desirability of an investment in the Notes, and the consequences of such an investment.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Preliminary Prospectus which is capable of affecting the assessment of the Notes and arises or is noted between the date of this Preliminary Prospectus and the time at which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes are admitted to trading on Euronext Dublin (as defined below), prepare a supplement to this Preliminary Prospectus. The obligation to prepare a supplement to this Prospectus shall not apply following the time at which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes are admitted to trading on the Euronext Dublin.

This document is subject to completion and amendment without notice. This document shall not, and is not intended to, constitute an offer or invitation to sell or a solicitation to buy, or in connection with, an offer or invitation to sell or a solicitation to buy any Notes (as defined herein) (including for the purposes of the United Kingdom Companies Act 2006 or the Companies Act 2014 of Ireland or otherwise). The definitive terms of the transactions described herein will be described in the final version of this document. This document is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "Prospectus Regulation") and constitutes an advertisement only. This document may not be passed on in the United Kingdom except to investment professionals or other persons in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 does not apply to the issuer. This document will not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy, nor will there be any sale of the securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to its completion in that jurisdiction.

Prospectus dated [•] 2024

# YOUNI ITALY 2024 -1 S.R.L.

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

Euro [•] Class A Asset Backed Floating Rate Notes due April 2034  
Class A Notes Issue Price: [100%]  
Euro [•] Class B Asset Backed Floating Rate Notes due April 2034  
Class B Notes Issue Price: [100%]  
Euro [•] Class C Asset Backed Floating Rate Notes due April 2034  
Class C Notes Issue Price: [100%]  
Euro [•] Class D Asset Backed Floating Rate Notes due April 2034  
Class D Notes Issue Price: [100%]  
Euro [•] Class E Asset Backed Floating Rate Notes due April 2034  
Class E Notes Issue Price: [100%•]  
Euro [•] Class X Asset Backed Floating Rate Notes due April 2034  
Class X Notes Issue Price: [100%]  
Euro [•] Class F Asset Backed Notes due April 2034  
Class F Notes Issue Price: [•]  
Euro [•] Class R Asset Backed Variable Return Notes due April 2034  
Class R Notes Issue Price: [N/A]

The Class R Notes are not offered pursuant to this Prospectus.

*This document constitutes a "Prospetto Informativo" for all the Notes pursuant to article 2, paragraph 3 of Italian Law number 130 of 30 April 1999 (as amended from time to time, the "Securitisation Law") and a "Prospectus" (the "Prospectus") for the purposes of article 6, paragraph 3 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council (as amended from time to time, the "Prospectus Regulation"), and contains information relating to the issue by Yuni Italy 2024 -1 S.R.L., a limited liability company (società a responsabilità limitata) incorporated under the laws of the Republic of Italy, with registered office at Corso Vittorio Emanuele II n. 24/28, Milan, Italy, Italy fiscal code no. 13363060966, quota capital of Euro 10.000,00 fully paid-up, enrolled with the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy's regulation dated 12 December 2023 under no. [•], having as its sole corporate object the realisation of securitisation transactions pursuant to the Securitisation Law (the "Issuer"), of the Euro [•] Class A Asset Backed Floating Rate Notes due April 2034 (the "Class A Notes"), Euro [•] Class B Asset Backed Floating Rate Notes due April 2034 (the "Class B Notes"), Euro [•] Class C Asset Backed Floating Rate Notes due April 2034 (the "Class C Notes"); Euro [•] Class D Asset Backed Floating Rate Notes due [•] (the "Class D Notes"), Euro [•] Class E Asset Backed Floating Rate Notes due April 2034 (the "Class E Notes" and, together with the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the "Rated Notes"), Euro [•] Class F Asset Backed Notes due April 2034 (the "Class F Notes"), Euro [•] Class R Asset Backed Variable Return Notes due April 2034 (the "Class R Notes"), Euro [•] Class X Asset Backed Floating Rate Notes due April 2034 (the "Class X Notes", and together with the Class F Notes and the Class R Notes, the "Unrated Notes").*

This Prospectus has been approved by the Central Bank of Ireland (the "Central Bank") as the competent authority under Regulation (EU) 2017/1129 (the "Prospectus Regulation"). The Central Bank only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin (the "Euronext Dublin") for the Notes (other than the Class R Notes) to be admitted to the official list (the "Official List") and trading on its regulated market. Euronext Dublin is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and the Council on markets in financial instruments (as amended, "EU MiFID II"). The Central Bank only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Any information in this Prospectus regarding the Class R Notes is not subject to the Central Bank's approval.

The Class R Notes are not being offered pursuant to this Prospectus.

Application has been made for the Class R Notes for the admission to trading on the qualified investor segment ("Vienna MTF"), which is a multilateral system for the purposes of MIFID II, managed by Wiener Börse AG ("Vienna Stock Exchange").

This document will not constitute a "Prospectus" for the purposes of article 6, paragraph 3 of the Prospectus Regulation for the Class R Notes.

Investors should make their own assessment as to the suitability of investing in the Notes.

This Prospectus will be published by the Issuer on the website of the Euronext Dublin (being, as at the date of this Prospectus, <https://www.euronext.com/en/markets/dublin>) and will remain available for inspection on such website for at least 10 (ten) years.

The Notes will be issued on the Issue Date.

The Notes will be issued by the Issuer pursuant to the terms provided in the terms and conditions of the Notes (the "Conditions").

The principal source of payment of interest or Variable Return (as applicable) and repayment of principal on the Notes will be the collections and recoveries made in respect of monetary claims and connected rights arising out of consumer loan agreements

entered into by Younited S.A., Italian Branch (the "**Originator**"), in the course of its business, and purchased by the Issuer from the Originator pursuant to the Receivables Purchase Agreement. The Issuer has purchased the Portfolio on the Issue Date from the Originator.

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 Portfolio, any monetary claim accrued by the Issuer in the context of the Securitisation, the relevant collections and the financial assets (including Eligible Investments), will, by operation of law, be segregated from all other assets of the Issuer (including any other portfolios of receivables purchased by the Issuer pursuant to the Securitisation Law in the context of further securitisations and any cash-flow deriving therefrom (to the extent identifiable; please see the section entitled "Risk Factors – Commingling risk" for further details)) 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 in relation to the Securitisation, in priority to the Issuer's obligations to any other creditors. In addition, security over certain rights of the Issuer arising out of certain Transaction Documents will be granted by the Issuer in favour of the Representative of the Noteholders pursuant to the English Deed of Assignment and the Deed of Charge, for the benefit of itself, the Noteholders and the Other Issuer Creditors. For further details, see the sections entitled "Description of the English Deed of Assignment" and "Description of the Deed of Charge", respectively.

Interest on the Notes (other than the Class F Notes and the Class R Notes) will be payable by reference to successive Interest Periods. Interest on the Notes (other than the Class F Notes and the Class R Notes) will accrue on a daily basis and will be payable in arrear in euro on each Payment Date in accordance with the applicable Priority of Payments. The first payment of interest in respect of each Class of Notes (other than the Class F Notes and the Class R Notes) will be due on the Payment Date falling in June 2024 in respect of the period from (and including) the Issue Date to (but excluding) such date. The Class A Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at [•] per cent per annum above Euribor (determined in accordance with the Conditions). The Class B Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at [•] per cent per annum above Euribor (determined in accordance with the Conditions). The Class C Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at [•] per cent per annum above Euribor (determined in accordance with the Conditions). The Class D Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at [•] per cent per annum above Euribor (determined in accordance with the Conditions). The Class E Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at [•] per cent per annum above Euribor (determined in accordance with the Conditions). The Class F Notes will not bear any interest on their Principal Amount Outstanding. The Class R Notes will not bear any interest on their Principal Amount Outstanding however a Variable Return may be payable on the Class R Notes on each Payment Date to the extent there are residual Issuer Available Funds after satisfaction of the items ranking in priority to the Variable Return on the Class R Notes in accordance with the applicable Priority of Payments. The Class X Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at [•] per cent per annum above Euribor (determined in accordance with the Conditions). Floating rate of interests are subject to a floor of 0 (zero).

The Class A Notes are expected, on issue, to be rated "[AA(sf)]" by Fitch and "[AA(sf)]" by S&P, the Class B Notes are expected, on issue, to be rated "[A-(sf)]" by Fitch and "[A(sf)]" by S&P, Class C Notes are expected, on issue, to be rated "[BBB-(sf)]" by Fitch and "[BBB(sf)]" by S&P, Class D Notes are expected, on issue, to be rated "[BB(sf)]" by Fitch and "[BB-(sf)]" by S&P, Class E Notes are expected, on issue, to be rated "[B(sf)]" by Fitch and "[B-(sf)]" by S&P.

The ratings assigned by Fitch address (a) in respect of the Class A Notes, the timely receipt of interest and ultimate repayment of principal; (b) in respect of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes (only once any of such Classes becomes the Most Senior Class of Notes), the timely payment of interest on such Class; and (c) in relation to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes, the ultimate payment of principal.

The ratings assigned by S&P address (a) in respect of the Class A Notes, the timely receipt of interest and ultimate repayment of principal; (b) in respect of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes (only once any of such Classes becomes the Most Senior Class of Notes), the timely payment of interest on such Class; and (c) in relation to the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the ultimate payment of principal.

It is not expected that the Class F Notes, the Class X Notes and the Class R 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 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as subsequently amended (the "**EU CRA Regulation**"), unless such rating is provided by a credit rating agency not established in the European Union but is endorsed by a credit rating agency established in the European Union and registered under the EU CRA Regulation or such rating is provided by a credit rating agency not established in the European Union which is certified under the EU CRA Regulation. As at the date of this Prospectus, each of the Rating Agencies is established in the European Union, is registered under the CRA Regulation and has more than 10 per cent. of the total market share pursuant to and for the purposes of article 8d (1) of the EU CRA Regulation, as evidenced in the latest update of the list published by the European Security and Markets Authority (ESMA) on its website (being, as at the date of this Prospectus, [www.esma.europa.eu](http://www.esma.europa.eu)). In general, UK regulated investors are restricted under the Regulation (EC) No 1060/2009 of the European Parliament and of



the Council of 16 September 2009 from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under Regulation (EC) no. 1060/2009 on credit rating agencies, as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the UK CRA Regulation), unless such rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or such rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation. As at the date of this Prospectus, each of the Rating Agencies is not established in the UK but the ratings assigned by each of Fitch Ratings Ltd and S&P Global Ratings Europe Limited are endorsed by Fitch Ratings Ltd and S&P Global Ratings Europe Limited respectively, each of which is registered under the UK CRA Regulation, as evidenced in the latest update of the list published by FCA on its website (being, as at the date of this Prospectus, <https://register.fca.org.uk/s/>).

The Class A Notes have been structured in a manner so as to allow Eurosystem eligibility. However, this does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life.

Before the Final Maturity Date (being the Payment Date falling in April 2034), the Notes will be subject to mandatory and/or optional redemption in whole or in part in certain circumstances provided for by Condition 8 (Redemption, Purchase And Cancellation). Unless previously redeemed in full or cancelled in accordance with the Conditions, the Notes will be redeemed on the Final Maturity Date. The Notes will be subject to mandatory redemption in full (or in part pro rata within each Class) on each Payment Date on or after the Issue Date, in accordance with Condition 8.2 (Mandatory redemption), if and to the extent that on each such Payment Date there will be sufficient Principal Available Funds which may be applied towards redemption of the Notes (other than the Class X Notes and the Class R Notes) pursuant to the applicable Priority of Payments in the Pro-Rata Amortisation Period or the Sequential Redemption Period (as applicable), provided that the Class X Notes and the Class R Notes will be redeemed on each such Payment Date if and to the extent there will be sufficient Interest Available Funds which may be applied pursuant to the applicable Priority of Payments.

As at the date of this Prospectus, payments of interest and other proceeds in respect of the Notes may be subject to withholding or deduction for or on account of Italian substitute tax, in accordance with Italian Legislative Decree No. 239 of 1 April 1996, as amended and supplemented from time to time, and any related regulations. Upon the occurrence of any withholding or deduction for or on account of tax from any payments under the Notes, whether or not in the form of a substitute tax, neither the Issuer nor any other person shall have any obligation to pay any additional amount(s) to any holder of Notes. For further details see the section 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 Master Servicer, the Sub-Servicer, the Back-Up Sub-Servicer, the Risk Retention Holder, the Representative of the Noteholders, the Calculation Agent, the Account Bank, the Paying Agents, the Corporate Services Provider, the Listing Agent, the Arranger, the Lead Manager, the Hedge Counterparty, the Quotaholder or any other party to the Transaction Documents (other than the Issuer). Furthermore, none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes. 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 are in bearer form (al portatore) and will be held in dematerialised form (in forma dematerializzata) on behalf of the ultimate owners by Euronext Securities Milan for the account of the relevant Euronext Securities Milan Account Holders. Euronext Securities Milan shall act as depository for Euroclear and Clearstream. The Notes will at all times be evidenced by book-entries in accordance with the provisions of: (i) article 83-bis of the Financial Laws Consolidated Act; and (ii) Regulation 13 August 2018 no. 201 of the Bank of Italy and CONSOB. No physical document of title will be issued in respect of the Notes.

The Securitisation is intended to qualify as a simple, transparent and standardised securitisation (STS-securitisation) within the meaning of article 18 of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation (the "**EU Securitisation Regulation**"). Consequently, the Securitisation meets, as at the date of this Prospectus, the requirements of articles 19 to 22 of the EU Securitisation Regulation (the "**STS Requirements**") on or about the Issue Date, will be notified by the Originator to be included in the list published by ESMA referred to in article 27(5) of the EU Securitisation Regulation (the "**STS Notification**"). Pursuant to article 27(2) of the EU Securitisation Regulation, the STS Notification includes an explanation by the Originator of how each of the STS Requirements has been complied with in the Securitisation. The STS Notification will be available for download on the ESMA website (being, as at the date of this Prospectus, [https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_stsre](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre)) (the "**ESMA STS Register**"). The Notes can also qualify as STS under Regulation (EU) 2017/2402 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the "**UK Securitisation Regulation**") until maturity, **provided that** the Notes remain on the ESMA STS Register and continue to meet the STS Requirements. The Originator has used the service of Prime Collateralised Securities ("**PCS**") EU SAS (PCS), as a verification agent authorised under article 28 of the EU Securitisation Regulation in connection with an assessment of the compliance of the Notes with the STS Requirements (the "**STS Verification**") and to prepare an assessment of compliance of the Notes with the relevant provisions of article 243 of the CRR (the "**CRR Assessment**" and, together with the STS Verification, the "**STS Assessments**"). It is expected that the STS Verification prepared by PCS, will be available on the PCS website (being, as at the date of this Prospectus, <https://www.pcsmarket.org/sts-verification-transactions/>) together with a detailed explanation of its scope at <https://www.pcsmarket.org/disclaimer>. For the avoidance of doubt, this PCS website and the contents thereof do not form part of this Prospectus. No assurance can be **provided that** the Securitisation does

or will continue to qualify as an STS-securitisation under the EU Securitisation Regulation as at the date of this Prospectus or at any point in time in the future. The STS status of a transaction is not static and investors should verify the current status of the Securitisation on the ESMA STS Register. None of the Issuer, the Originator, the Master Servicer, the Sub-Servicer, the Back-Up Sub-Servicer, the Risk Retention Holder, the Representative of the Noteholders, the Calculation Agent, the Account Bank, the Paying Agents, the Corporate Services Provider, the Cash Manager, the Arranger, the Lead Manager or any other party to the Transaction Documents makes any representation or accepts any liability for the Securitisation to qualify as an STS-securitisation under the EU Securitisation Regulation as at the date of this Prospectus nor at any point in time in the future.

Any website referred to in this Prospectus does not form part of this Prospectus.

**IMPORTANT - EEA RETAIL INVESTORS** - The Notes are not intended to be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4 (1) of Directive 2014/65/EU (as amended "**EU MiFID II**"; or (ii) a customer within the meaning of Directive (UE) no. 2016/97 ("**EU Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of EU MiFID II, or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, restated or supplemented the "**EU Prospectus Regulation**") ("**Qualified Investor**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**EU PRIIPS Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

**IMPORTANT - UK RETAIL INVESTORS** - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of article 2 of Commission Delegated Regulation (EU) 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) ("**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act (the "**FSMA**") and any rules or regulations made under the FSMA to implement the EU Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**MiFID II product governance / target market** - Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in EU MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a distributor) should take into consideration the manufacturers' target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

**UK MiFIR product governance / target market** - Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a distributor) should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

Younited S.A., Italian Branch, in its capacity as originator (the "**Originator**") pursuant to the EU Securitisation Regulation, will: (i) retain, on an ongoing basis, a material net economic interest of not less than 5 (five) per cent. in the Securitisation, in accordance with option (c) of article 6(3) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards and in accordance with article 6(3) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures); (ii) not change the manner in which the material net economic interest referred to in (i) above is held, unless expressly permitted by article 6(3) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards and of article 6(3) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures); (iii) procure that any change to the manner in which such material net economic interest is held in accordance with paragraph (i) above (a) will be made only subject and in compliance with provisions of the EU Securitisation Regulation and the applicable Regulatory Technical Standards and (b) any such change will be notified to the Calculation Agent so as to be disclosed in the Securitisation Regulation Investor Report; (iv) ensure that the material net economic interest held by it is not (a) split amongst different types of retainers or (b) subject to any credit-risk mitigation or hedging, in accordance with article 6(3) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards



and it will be determined as at the Issue Date also in accordance with article 6 of the UK Securitisation Regulation (as required for the purposes of article 5(1)(d) of the UK Securitisation Regulation). The material net economic interest has been determined as at the Issue Date also in accordance with article 6 of the UK Securitisation Regulation (as required for the purposes of article 5(1)(d) of the UK Securitisation Regulation). However, prospective investors that are UK Affected Investors should be aware that, whilst at the Issue Date the requirements under article 6 of the EU Securitisation Regulation and article 6 of the UK Securitisation Regulation are very similar, the requirements under the EU Securitisation Regulation and the UK Securitisation Regulation may diverge in the future. For further details see the section entitled "Subscription, Sale and Selling Restrictions".

The Originator does not intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitization transaction are sold or transferred to U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this Prospectus as Risk Retention U.S. Persons); (3) neither the sponsor nor the issuer is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the Securities Act), or the securities laws of any state of the U.S. or other jurisdiction and the securities may not be offered, sold or delivered within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act (Regulation S)), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws.

There will be restrictions on the sale of the Notes and on the distribution of information in respect thereof. For further details, see the section entitled "Subscription, Sale and Selling Restrictions".

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".

**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".**

*Arranger and Lead Manager*

**CITIGROUP GLOBAL MARKETS EUROPE AG**

### ***Responsibility statements***

This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer or any relevant party to subscribe for or purchase any of the Class R Notes, and none of the Issuer or any of the relevant parties make any representation, warranty or other assurance, expressed or implied, to any investor in the Class R Notes (and nothing contained herein is, or shall be relied upon as a representation, whether as to the past, the present or the future). The distribution of this prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. No representation is made by the Issuer or by any relevant party that this Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, and none of them assumes any responsibility for facilitating any such distribution or offering, in particular, save for obtaining the approval of this Prospectus as a prospectus for the purposes of the Prospectus Regulation by the Central Bank of Ireland, no action has been or will be taken by the Issuer or by any relevant party which would permit a public offering of the Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published, in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this prospectus comes are required by the Issuer, the Arranger and the Lead Manager to inform themselves about and to observe any such restrictions.

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and therefore may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state or federal securities laws. Accordingly, the Notes are being offered and sold outside the United States to persons other than U.S. Persons pursuant to Regulation S under the Securities Act. For a description of certain restrictions on resales or transfers, see the section entitled "Subscription, sale and selling restrictions".

The securities offered hereby have not been approved or disapproved by any United States federal or state securities commission or any other U.S. Regulatory Authority and the issuer has not been and will not be registered under the Investment Company Act. Furthermore, the foregoing authorities have not passed upon or endorsed the merits of this offering or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

This Prospectus has been approved by the Central Bank as the competent authority under the Prospectus Regulation. The Central Bank only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply once the Notes (other than the Class R Notes) are admitted to trading on the regulated market of Euronext Dublin. None of the Class R Notes will be listed or admitted to trading on the regulated market of Euronext Dublin.

None of the Arranger, the Lead Manager nor any of their respective affiliates accepts any responsibility whatsoever for the contents of this document or for any statement made or purported to be made by any of them, or on any of their behalf, in connection with the Issuer or offer of the Notes. The Lead Manager and the Arranger and their respective affiliates accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have in respect of such document or any such statement. No representation or warranty express or implied, is made by any of the Lead Manager and the Arranger or their respective affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in this document. Furthermore, none of the Arranger or the Lead Manager will have any responsibility for any act or omission of any other party in relation to this offer.

None of the Arranger, the Lead Manager or any of their respective affiliates shall be responsible for any matter which is the subject of any statement, representation, warranty or covenant of the Issuer contained in the Notes or any Transaction Documents, or any other agreement or document relating to the Notes or any Transaction Document, or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof. In making an investment decision, investors must rely on their own examination of the terms of this offering, including the merits and risks involved.

The Arranger and the Lead Manager are acting exclusively for the Issuer and no one else in connection with the offer. They will not regard any other person (whether or not a recipient of this document) as its client in relation to the offer and will not be responsible to anyone other than the Issuer for providing the protections afforded to its clients nor for giving advice in relation to the offer or any transaction or arrangement referred to herein.

Each of the Lead Manager and each subsequent purchaser of the Notes will be deemed by its acceptance of such Notes to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer of the Notes as set out in the Subscription Agreement and described in this Prospectus and, in connection therewith, may be required to provide confirmation of its compliance with such resale and other transfer restrictions in certain cases. See section entitled "Subscription, sale and selling restrictions". None of the Issuer nor any relevant party makes any representation to any prospective investor or purchaser of the Notes regarding the legality of investment therein by such prospective investor or purchaser under applicable legal investment or similar laws or regulations.

None of the Issuer, the Arranger, the Lead Manager, the Representative of the Noteholders or any other party to the Transaction Documents other than the Originator has undertaken or will undertake any investigation, searches or other actions to verify the details of the Receivables sold and to be sold by the Originator to the Issuer, nor has any of the Issuer, the Arranger, the Lead Manager, the Representative of the Noteholders or any other party to the Transaction Documents other than the Originator undertaken, nor will they undertake, any investigations, searches, or other actions to establish the creditworthiness of any Debtor. In the Receivables Purchase Agreement, the Originator has given certain representations and warranties to the Issuer in relation to, inter alia, the Receivables, the Loan Agreements and the Debtors.

### ***The Issuer***

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. As far as the Issuer is aware and is able to ascertain from the information published by PCS, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer, having made all reasonable enquiries, confirms that this Prospectus contains or incorporates all information which is material in the context of the issuance and offering of the Notes, that the information contained in this Prospectus is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Prospectus are honestly held and that there are no other facts the omission of which would make this Prospectus or any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

### ***The Originator, the Seller, the Sub-Servicer, the Risk Retention Holder and the Reporting Entity***

Younited S.A., Italian Branch has provided information included in this Prospectus in the sections entitled "The Portfolio", "The Originator, the Seller, the Sub-Servicer, the Risk Retention Holder and the Reporting Entity" and "Credit and Collection Policy" and any other information contained in this Prospectus relating to itself, the Receivables and the Loan Agreements and, together with the Issuer, accepts responsibility for such information. Younited S.A., Italian Branch has also provided the historical data used as assumptions to make the calculations contained in the section entitled "Estimated Weighted Average Life of the Class A, B, C, D, E, F and X Notes" on the basis of which the information and assumptions contained in the same section have been extrapolated and, together with the Issuer, accepts responsibility for such historical data. The Issuer accepts responsibility for the other information and assumptions contained in such section as described above. To the best of the knowledge and belief of Younited S.A., Italian Branch the information and data in relation to which it accepts responsibility as described above are in accordance with the facts and do not contain any omission likely to affect the import of such information and data.

### ***The Italian Paying Agent***

Citibank, N.A., Milan Branch has provided information included in this Prospectus in the sections entitled "The Italian Paying Agent" and any other information contained in this Prospectus relating to itself. To the best of the knowledge and belief of Citibank, N.A., Milan Branch, such information is in accordance with the facts and does not contain any omission likely to affect the import of such information.

Citibank, N.A., Milan Branch has been engaged by the Issuer as Italian Paying Agent for the Notes, upon the terms and subject to the conditions set out in the Cash Allocation, Management and Payments Agreement, for the purpose of paying sums due on the Notes and of performing all other obligations and duties imposed on it by the Conditions and the Cash Allocation, Management and Payments Agreement. Citibank, N.A., Milan Branch in its capacity of Italian Paying Agent is acting for the Issuer only and will not regard any other person as its client in relation to the offering of the Notes, other than Representative of the Noteholders in accordance with the Intercreditor Agreement and the Cash Allocation, Management and Payments Agreement. Neither Citibank, N.A., Milan Branch nor any of its directors, officers, agents or employees makes any representation or warranty, express or implied, or accepts any responsibility, as to the accuracy, completeness or fairness of the information or opinions described in this Prospectus, in any investor report or for any other statements made or purported to be made either by itself or on its behalf in connection with the Issuer or the offering of the Notes. Accordingly, Citibank, N.A., Milan Branch disclaims all and any liability, whether arising in tort or contract or otherwise, in respect of this Prospectus and or any such other statements.

***The Account Bank, the Calculation Agent, the Principal Paying Agent, the Cash Manager and the Custodian***

Citibank, N.A. – London Branch has provided information included in this Prospectus in the sections entitled "The Account Bank, the Calculation Agent, the Principal Paying Agent, the Cash Manager and the Custodian" and any other information contained in this Prospectus relating to itself. To the best of the knowledge and belief of Citibank, N.A. – London Branch, such information is in accordance with the facts and does not contain any omission likely to affect the import of such information.

Citibank, N.A. – London Branch has been engaged by the Issuer as Account Bank, Calculation Agent, Principal Paying Agent, Cash Manager and Custodian in connection with the Notes, upon the terms and subject to the conditions set out in the English Account Bank Agreement and the Cash Allocation, Management and Payments Agreement, for the purpose of paying sums due on the Notes and of performing all other obligations and duties imposed on it by the Conditions, the English Account Bank Agreement and the Cash Allocation, Management and Payments Agreement. Citibank, N.A. – London Branch in its capacities of Account Bank, Calculation Agent, Principal Paying Agent, Cash Manager and Custodian is acting for the Issuer only and will not regard any other person as its client in relation to the offering of the Notes, other than Representative of the Noteholders in accordance with the Intercreditor Agreement and the Cash Allocation, Management and Payments Agreement. Neither Citibank, N.A. – London Branch nor any of its directors, officers, agents or employees makes any representation or warranty, express or implied, or accepts any responsibility, as to the accuracy, completeness or fairness of the information or opinions described in this Prospectus, in any investor report or for any other statements made or purported to be made either by itself or on its behalf in connection with the Issuer or the offering of the Notes. Accordingly, Citibank, N.A. – London Branch disclaims all and any liability, whether arising in tort or contract or otherwise, in respect of this Prospectus and or any such other statements.

***The Master Servicer, the Representative of the Noteholders and the Corporate Services Provider***

Zenith Global S.p.A. has provided information included in this Prospectus in the sections entitled "The Master Servicer, the Representative of the Noteholders and the Corporate Services Provider" and any other information contained in this Prospectus relating to itself and, together with the Issuer, accepts responsibility for the information contained in such section. To the best of the knowledge and belief of Zenith Global S.p.A. such information is in accordance with the facts and contains no omission likely to affect the import of such information.

***The Hedge Counterparty***

Citibank Europe Plc has provided information included in this Prospectus in the sections entitled "The Hedge Counterparty" and any other information contained in this Prospectus relating to itself. To the best of the knowledge and belief of Citibank Europe Plc, such information is in accordance with the facts and does not contain any omission likely to affect the import of such information.

***General Responsibility Statement***

No person has been authorised to give any information or to make any representation not contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having

been authorised by, or on behalf of, the Arranger, the Lead Manager, the Representative of the Noteholders, the Issuer, the Quotaholder, Younited S.A., Italian Branch (in any capacity) or any other 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 Younited S.A., Italian Branch, 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.

Save for the parties accepting responsibility for the information included in this Prospectus as stated above, no other party to the Transaction Documents accepts responsibility for such information.

#### ***Interest material to the offer***

Save as described under the section entitled "Subscription, Sale and Selling Restrictions", "Commercial Activities", "Potential Conflict of Interest" and in the section entitled "Risk factors – The Representative of the Noteholders and potential conflict of interest", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

#### ***Limited recourse***

The Notes constitute direct limited recourse obligations of the Issuer and, accordingly, the obligation of the Issuer to make payments under the Notes is limited to the amounts received or recovered by the Issuer in respect of the Portfolio and pursuant to the exercise of the Issuer's rights, as further specified in Condition 9.2 (Limited Recourse Obligations of Issuer).

By virtue of the operation of article 3 of the Securitisation Law and the Transaction Documents, the Issuer's rights, title and interest in and to the Portfolio, any monetary claim accrued by the Issuer in the context of the Securitisation, the relevant collections and the financial assets (including Eligible Investments) purchased through such collections will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law). Therefore, any cash-flow deriving therefrom (to the extent identifiable; please see the section entitled "Risk Factors – Commingling risk" for further details) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any other creditors of the Issuer in respect of any fees, costs and expenses in relation to the Securitisation.

The Noteholders will agree that the Issuer Available Funds will be applied by the Issuer in accordance with the applicable Priority of Payments.

#### ***Commercial activities***

Certain of the Arranger, the Lead Manager and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer, the Seller and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Arranger, the Lead Manager and their respective affiliates may make or hold a broad array of investments and actively traded debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the account of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer, the Seller or their affiliates. Certain of the Arranger and the Lead Manager or their respective affiliates that have a lending relationship with the Issuer, the Seller or their affiliates routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Arranger, the Lead Manager and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Arranger, the Lead Manager and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.



## ***Selling Restrictions***

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, the Originator, the Arranger and the Lead Manager to inform themselves about, and to observe, any such restrictions. Neither this Prospectus nor any part of it constitutes an offer or may be used for the purpose of an offer to sell any of the Notes, or a solicitation of an offer (and this Prospectus may not be used for the purpose of an offer to sell any of the Notes) 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 THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THEREFORE MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR FEDERAL SECURITIES LAWS. ACCORDINGLY, THE NOTES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES TO PERSONS OTHER THAN U.S. PERSONS IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT. IN ADDITION, THE ISSUER HAS NOT BEEN REGISTERED AND DOES NOT INTEND TO REGISTER AS AN INVESTMENT COMPANY UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE NOTES MAY NOT BE TRANSFERRED EXCEPT UPON SATISFACTION OF CERTAIN CONDITIONS AS DESCRIBED UNDER "*SUBSCRIPTION, SALE AND SELLING RESTRICTIONS – SELLING RESTRICTIONS*" HEREIN. *Except with the prior written consent of the Originator and where such sale falls within the exemption provided by section 20 of the final rules promulgated under section 15 of the U.S. Securities Exchange Act of 1934, as amended (the "U.S. Risk Retention Rules"), the Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any "U.S. Person" as defined in the U.S. Risk Retention Rules ("Risk Retention U.S. Persons"). Prospective investors should note that the definition of "U.S. Person" in the U.S. Risk Retention Rules is different from the definition of "U.S. Person" in Regulation S, and persons who are not "U.S. Persons" under Regulation S may be U.S. Persons under the U.S. Risk Retention Rules. Each purchaser of Notes, including beneficial interests therein, will be deemed to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person (unless it has obtained a prior written consent of the Originator), (2) is acquiring such note or a beneficial interest therein for its own account and not with a view to distribute such Note, and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.*

The Notes may not be offered or sold directly or indirectly, and neither this Prospectus nor any other offering circular 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 Republic of Ireland, 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, Sale and Selling Restrictions" below.

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

Neither this Prospectus nor any other information supplied in connection with the issue of the Notes should be considered as a recommendation or an invitation or an offer by the Issuer, the Originator, the Arranger, the Lead Manager or any other party to the Transaction Documents that any recipient of this Prospectus, or of any other information supplied in connection with the issue of the Notes, should purchase any of the Notes. Each investor contemplating purchasing any of the Notes must make its own independent investigation and appraisal of the financial condition and affairs of the Issuer. To the fullest extent permitted by law, each of the Arranger and the Lead Manager does not accept any responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Arranger, the Lead Manager or on their respective behalf, in connection with the Issuer, the Originator, any other party to the Transaction Documents or the issue and offering of the Notes. Each of the Arranger and the Lead

Manager accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which they might otherwise have in respect of this Prospectus or any such statement.

None of the Arranger or the Lead Manager makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained herein or in any further information, notice or other document which may at any time be supplied by the Issuer in connection with the Notes and accordingly, none of the Arranger or the Lead Manager accepts any responsibility or liability therefore.

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, Sale and Selling Restrictions".

### ***Forward-Looking Statements***

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

Accordingly, prospective purchasers of the Notes should not rely on such forward-looking statements. The information in this Prospectus, including the information set out in the sections headed "Risk Factors", "The Portfolio" and "The Originator, the Seller, the Sub-Servicer, Risk Retention Holder and Reporting Entity" identifies important factors that could cause such differences including, inter alia, a change in the overall economic conditions in Italy, change in the Originator's financial condition and the effect of new legislation or government regulations (or new interpretation of existing legislation or government regulations) in Italy. Such forward-looking statements speak only as at the date of this Prospectus. Accordingly, no party to the Transaction Documents undertakes any obligation to update or revise any of them whether as a result of new information, future events or otherwise. No party to the Transaction Documents makes any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved and such forward-looking statements represent, in each case, only one of the many possible scenarios and should not be viewed as the most likely standard scenario. Moreover, no assurance can be given that any of the historical information, trends or practices mentioned and described in the Prospectus are indicative of future results or events.

**IMPORTANT - EEA RETAIL INVESTORS** - The Notes are not intended to be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (a) a retail client as defined in point (11) of article 4 (1) of MiFID II; (b) a customer within the meaning of Directive 2016/97/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II; or (c) a person who is not a qualified investor as defined in article 2 of the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EU has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the EU PRIIPs Regulation.

**IMPORTANT – UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of article 2 of Commission Delegated Regulation (EU) 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) ("**EUWA**"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in article 2 of Regulation (EU) 2017/1129 as it forms part of domestic

law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**MiFID II product governance / target market** – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

**UK MiFIR product governance / target market** - Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a distributor) should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

***Potential conflicts of interest of the Lead Manager and the Arranger***

Citigroup Global Markets Europe AG is acting as Lead Manager and as Arranger in connection with this Securitisation.

The Lead Manager, the Arranger, its related entities, associates, officer or employees (collectively, the "**Related Persons**"):

- (i) may from time to time be a Noteholder or have other interests with respect to the Notes and they may also have interests relating to other arrangements with respect to a Noteholder or the Notes or any other Transaction Party;
- (ii) may receive (and will not have to account to any person for) fees, brokerage and commissions or other benefits and act as principal with respect to any dealing with respect to any Note;
- (iii) may purchase all or some of the Notes and resell them in individually negotiated transactions with varying terms;
- (iv) may be or have been involved in a broad range of transactions including, without limitation, banking, lending, advisory, dealing in financial products, credit, derivative and liquidity transactions, investment management, corporate and investment banking and research in various capacities in respect of the Notes, the Issuer or any other Transaction Party or any related entity, both on its own account and for the account of other persons; and
- (v) may make investment recommendations and/or publish or express independent research views in respect of securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

To the maximum extent permitted by applicable law, the duties of the Lead Manager and/or the Arranger and/or the Related Persons in respect of the Notes are limited to the relevant contractual obligations set out in the Transaction Documents (if any) and, in particular, no advisory or fiduciary duty is owed to any person.

None of the Lead Manager, the Arranger or the Related Persons will, by virtue of its acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care, other than as expressly provided in the Transaction Documents to which it is a party.

None of the Lead Manager, the Arranger or the Related Persons shall have any obligation to any party to the Securitisation or any Noteholder for any profit as a result of any other business that it may conduct with any other party to the Securitisation.

#### ***Benchmark Regulation (Regulation (EU) 2016/1011)***

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

The Benchmark Regulation could have a material impact on the Rated Notes, in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmark Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the benchmark. Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmark Regulation reforms in making any investment decision with respect to the Rated Notes.

#### ***Interpretation***

*The language of the Prospectus is English.* Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law. Words and expressions in this Prospectus shall, except so far as the context otherwise requires, have the same meanings as those set out in the section entitled "Glossary". These and other terms used in this Prospectus are subject to the definitions of such terms set out in the Transaction Documents, as they may be amended from time to time.

Certain monetary amounts and currency conversions 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**", "**cents**" and "**€**" 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; references to "**Italy**" are to the Republic of Italy; references to laws and regulations are to the laws and regulations of Italy; and references to "**billions**" are to thousands of millions.

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## TRANSACTION OVERVIEW INFORMATION

The following information is an overview of the transactions and assets underlying the Notes and is qualified in its entirety by reference to the more detailed information presented elsewhere in this Prospectus and in the Transaction Documents.

### 1. THE PRINCIPAL PARTIES

<b>Issuer</b> .....	Youni Italy 2024-1 S.r.l., a limited liability company ( <i>società a responsabilità limitata</i> ) with a sole quotaholder incorporated pursuant to the Securitisation Law, having its registered office at Corso Vittorio Emanuele II n. 24/28, Milan, Italy, fiscal code and VAT No. 13363060966, quota capital equal to Euro 10,000.00 fully paid up, enrolled under number [•] in the register of special purpose vehicles held by the Bank of Italy pursuant to the regulation issued on 12 December 2023, having as its sole corporate object the performance of securitisation transactions pursuant to the Securitisation Law (the " <b>Issuer</b> ").
<b>Originator and Seller</b> .....	Younited S.A., a French SA (public company) with share capital of €1,936,286 – registered office in 21 rue de Châteaudun, 75009 Paris – Paris, trade and companies register No. 517 586 376 – ORIAS number 11061269 acting through its <b>Italian branch</b> having registered office in Rome at Via Sardegna No. 40, 00187 Rome, Italy, company registry code, fiscal code and VAT number 13722821009, ABI code 3638, R.E.A. RM1467968, enrolled with n. 8054 in the register of banks ( <i>albo delle banche</i> ) held by the Bank of Italy pursuant to article 13 of Italian Legislative Decree No. 385/1993 as amended and supplemented from time to time (the " <b>Consolidated Banking Act</b> "), (" <b>Younited</b> ", the " <b>Originator</b> " or the " <b>Seller</b> ").
<b>Master Servicer</b> .....	Zenith Global S.p.A., a joint stock company ( <i>società per azioni</i> ) incorporated under the laws of the Republic of Italy, with registered office at Corso Vittorio Emanuele II n. 24/28, 20122 Milan, Italy, fully paid share capital of Euro 2.000.000, fiscal code and enrolment with the companies register of Milan - Monza – Brianza – Lodi number 02200990980, belonging to the Arrow Global VAT Group number 11407600961 enrolled in the register of financial intermediaries (" <i>Albo Unico</i> ") held by Bank of Italy pursuant to articles 106 of the Consolidated Banking Act, registered under the number 30, ABI Code 32590.2 (" <b>Zenith</b> ") will act as such pursuant to the Master Servicing Agreement.
<b>Sub-Servicer</b> .....	Younited will act as such pursuant to, <i>inter alia</i> , the Sub-Servicing Agreement.
<b>Back-Up Sub-Servicer</b> .....	iQera Italy S.p.A., will act as such pursuant to, <i>inter alia</i> , the Back-Up Sub-Servicing Agreement.
<b>Risk Retention Holder</b> .....	Younited, will act as such pursuant to, <i>inter alia</i> , the Intercreditor Agreement.
<b>Corporate Services Provider</b> ..	Zenith, will act as such pursuant to, <i>inter alia</i> , the Corporate Services Agreement.

<b>Representative of the Noteholders</b> .....	Zenith, will act as such pursuant to, <i>inter alia</i> , the Subscription Agreement, the Intercreditor Agreement and the Mandate Agreement.
<b>Cash Manager</b> .....	Citibank, N.A. company incorporated with limited liability in the United States of America under the laws of the City and State of New York on 14 June 1812 and reorganised as a national banking association formed under the laws of the United States of America on 17 July 1865 with Charter number 1461 and having its principal business office at 388 Greenwich Street, New York, NY 10013, USA and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018 (" <b>Citibank London</b> ") will act as such pursuant to, <i>inter alia</i> , the Cash Allocation, Management and Payments Agreement.
<b>Calculation Agent</b> .....	Citibank London, will act as such pursuant to, <i>inter alia</i> , the Cash Allocation, Management and Payments Agreement.
<b>Account Bank</b> .....	Citibank London, will act as such pursuant to, <i>inter alia</i> , the English Account Bank Agreement.
<b>Custodian</b> .....	Citibank London, will act as such pursuant to, <i>inter alia</i> , the Global Custodial Services Agreement.
<b>Principal Paying Agent</b> .....	Citibank London, will act as such pursuant to, <i>inter alia</i> , the Cash Allocation, Management and Payments Agreement.
<b>Italian Paying Agent</b> .....	Citibank N.A., Milan Branch, a bank incorporated under the laws of United States of America, having its registered office at 701 East 60 <sup>th</sup> Street North, Sioux Falls, South Dakota, U.S.A., acting through its Milan branch, enrolment in the companies' register of Milan number 600769, registered with the register of banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act under number 4630, having its registered office at Piazzetta Bossi, 3, 20121 Milan, Italy (" <b>Citibank Milan</b> ") will act as such pursuant to, <i>inter alia</i> , the Cash Allocation, Management and Payments Agreement.
<b>Hedge Counterparty</b> .....	Citibank Europe Plc a public company limited by shares which was incorporated in Ireland on 9 June 1988 under registration number 132781 and which is jointly regulated by the Central Bank of Ireland and the European Central Bank (" <b>Citibank Europe</b> "), will act as such pursuant to, <i>inter alia</i> , the Hedge Agreement.
<b>Reporting Entity</b> .....	Younited, will act as such pursuant to the Intercreditor Agreement. The Reporting Entity will act as such pursuant to and for the purposes of article 7(2) of the EU Securitisation Regulation and article 7(2) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures).
<b>Quotaholder</b> .....	Special Purpose Entity Management 2 S.r.l., a company incorporated under the laws of Italy, having its registered office at Corso Vittorio Emanuele II n. 24/28, Milan, Italy,

fiscal code and VAT No. 11068370961, quota capital equal to Euro 20,000.00 fully paid up.

<b>Arranger</b> .....	<b>Citigroup Global Markets Europe AG</b> , a public limited company incorporated as an Aktiengesellschaft in Germany with registered address at Reuterweg 16, 60323 Frankfurt am Main, Germany (" <b>CGME</b> "), will act as such pursuant to, <i>inter alia</i> , the Subscription Agreement.
<b>Lead Manager</b> .....	CGME, will act as such pursuant to, <i>inter alia</i> , the Subscription Agreement.
<b>Listing Agent</b> .....	Arthur Cox Listing Services Limited, whose principal place of business is Ten Earlsfort Terrace, Dublin 2, Ireland.

As at the date of this Prospectus, there are no relationships of direct or indirect control or ownership among the parties listed above, except for the relationships between (i) the Issuer and the Quotaholder as described in the section entitled "*The Issuer*", and (ii) the Account Bank, the Calculation Agent, the Principal Paying Agent, the Cash Manager and the Custodian as described in the section entitled "*The Account Bank, the Calculation Agent, the Principal Paying Agent, the Cash Manager and the Custodian*" and the Arranger and the Lead Manager as described in the section entitled "*The Arranger and the Lead Manager*".

## 2. CAPITAL STRUCTURE

<b>Class</b>	<b>Ratings (sf) (Fitch / S&amp;P)</b>	<b>Amount (Euro)</b>	<b>in %</b>	<b>Subordination<sup>(*)</sup></b>	<b>Coupon<sup>(**)</sup></b>	<b>Legal Maturity</b>
Class A .....	"AA" / "AA"	[•]	[76.75]%	[23.25]%	Euribor + [•] per cent. per <i>annum</i>	April 2034
Class B .....	"A-" / "A" "BBB-" /	[•]	[8.75]%	[14.50]%	Euribor + [•] per cent. per <i>annum</i>	April 2034
Class C .....	"BBB" "BB" /	[•]	[6.00]%	[8.50]%	Euribor + [•] per cent. per <i>annum</i>	April 2034
Class D .....	"BB-"	[•]	[3.50]%	[5.00]%	Euribor + [•] per cent. per <i>annum</i>	April 2034
Class E.....	"B" / "B-"	[•]	[4.00]%	[1.00]%	Euribor + [•] per cent. per <i>annum</i>	April 2034
Class F.....	N/A	[•]	[1.00]%	[0.00]%	N/A	April 2034
Class X .....	N/A	[•]	[2.50]%	N/A	Euribor + [•] per cent. per <i>annum</i>	April 2034
Class R .....	N/A	[•]	[0.00]%	N/A	Variable Return	April 2034
<b>Total</b> .....		<b>[•]</b>	<b>[102.50]%</b>			

(\*) Without taking into account available excess spread and Cash Reserve.

(\*\*) In respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes subject to a floor of 0 (zero).

## 3. THE PRINCIPAL FEATURES OF THE NOTES

<b>The Notes</b>	The Notes will be issued by the Issuer on the Issue Date in the following Classes:
<b>Rated Notes</b>	Euro [•] Class A Asset Backed Floating Rate Notes due April 2034 (the " <b>Class A Notes</b> ").
	Euro [•] Class B Asset Backed Floating Rate Notes due April 2034 (the " <b>Class B Notes</b> ").
	Euro [•] Class C Asset Backed Floating Rate Notes due April 2034 (the " <b>Class C Notes</b> ").

Euro [•] Class D Asset Backed Floating Rate Notes due April 2034 (the "**Class D Notes**").

Euro [•] Class E Asset Backed Floating Rate Notes due April 2034 (the "**Class E Notes**").

**Unrated Notes**

Euro [•] Class F Asset Backed Notes due April 2034 (the "**Class F Notes**").

Euro [•] Class R Asset Backed Variable Return Notes due April 2034 (the "**Class R Notes**").

Euro [•] Class X Asset Backed Floating Rate Notes due April 2034 (the "**Class X Notes**").

**Nominal amount**

The Notes will be entirely issued on the Issue Date for the following nominal amounts:

- Euro [•] for the Class A Notes (the "**Class A Notes Nominal Amount**");
- Euro [•] for the Class B Notes (the "**Class B Notes Nominal Amount**");
- Euro [•] for the Class C Notes (the "**Class C Notes Nominal Amount**");
- Euro [•] for the Class D Notes (the "**Class D Notes Nominal Amount**");
- Euro [•] for the Class E Notes (the "**Class E Notes Nominal Amount**");
- Euro [•] for the Class F Notes (the "**Class F Notes Nominal Amount**");
- Euro [•] for the Class R Notes (the "**Class R Notes Nominal Amount**"); and
- Euro [•] for the Class X Notes (the "**Class X Notes Nominal Amount**").

**Issue Date**

The Notes will be issued on [•] 2024.

**Issue price**

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

<b>Class</b>	<b>Issue Price</b>
Class A	[100] per cent.
Class B	[100] per cent.
Class C	[100] per cent.
Class D	[100] per cent.
Class E	[100] per cent.
Class F	[•] per cent.
Class X	[100] per cent.

Class R [N/A]

The Class R Notes are not offered pursuant to this Prospectus.

### **Interest on the Notes**

The Class A Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at [•] per cent. per annum above Euribor (determined in accordance with the Conditions).

The Class B Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at [•] per cent. per annum above Euribor (determined in accordance with the Conditions).

The Class C Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at [•] per cent. per annum above Euribor (determined in accordance with the Conditions).

The Class D Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at [•] per cent. per annum above Euribor (determined in accordance with the Conditions).

The Class E Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at [•] per cent. per annum above Euribor (determined in accordance with the Conditions).

The Class X Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at [•] per cent. per annum above Euribor (determined in accordance with the Conditions).

Interest in respect of each of the Notes (other than the Class F Notes and the Class R Notes) will accrue on a daily basis and will be payable in arrears in euro on each Payment Date in accordance with the applicable Priority of Payments. The first payment of interest in respect of each Class of Notes (other than the Class F Notes and the Class R Notes) will be due on the First Payment Date in respect of the period from (and including) the Issue Date to (but excluding) such First Payment Date.

The Interest Rate in respect of Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class X Notes shall never be less than zero.

The Class F Notes will not bear any interest.

### **Deferral of Interest**

In respect of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes (other than when they have become Most Senior Class of Notes), if on any Payment Date there are not sufficient Issuer Available Funds to make payment in full (after having paid or provided for items of higher priority in the Pre-Trigger Notice Interest Priority of Payments, or after delivery of a Trigger Notice, in the Post-Trigger Notice Priority of Payments) of:



- (a) all amounts of interest accrued during the immediately preceding Interest Period (together, all such amounts being the "**Current Interest**"); and
- (b) any interest amounts previously deferred,

payment of such interest (the "**Deferred Interest**") shall be deferred to the next Payment Date.

The Deferred Interest amounts will not accrue interest.

A deferral of interest shall not at any time constitute a Trigger Event, excluding the exception provided under Condition 12.1(a) (*Trigger Events - Non-payment*).

**Variable Return on the Class R Notes**

A Variable Return may be payable on the Class R Notes on each Payment Date in accordance with the Conditions. The Variable Return payable on the Class R Notes on each Payment Date will be determined by reference to the residual Issuer Available Funds after satisfaction of the items ranking in priority to the Variable Return on the Class R Notes in accordance with the applicable Priority of Payments.

**Payment Dates**

The Payment Dates will be, prior to the delivery of a Trigger Notice, the [25<sup>th</sup>] calendar day (and if such calendar day is not a Business Day, the next succeeding Business Day) of each calendar month in each year, or, following the delivery of a Trigger Notice, any day, which has to be Business Day, on which any payment is required to be made by the Representative of the Noteholders in accordance with the Post-Trigger Notice Priority of Payments, **provided that** the First Payment Date will fall in June 2024.

**Rating**

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

<b>Class</b>	<b>Fitch</b>	<b>S&amp;P</b>
Class A	[AA(sf)]	[AA(sf)]
Class B	[A-(sf)]	[A(sf)]
Class C	[BBB-(sf)]	[BBB(sf)]
Class D	[BB(sf)]	[BB-(sf)]
Class E	[B(sf)]	[B-(sf)]

It is not expected that the Class F Notes, the Class R Notes and the Class X 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 accordance with Fitch rating definitions (as at the date of this Prospectus),

- (a) "AAA" ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments.

This capacity is highly unlikely to be adversely affected by foreseeable events.

- (b) "AA" ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
- (c) "A" ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
- (d) "BBB" ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.
- (e) "BB" ratings indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial flexibility exists that supports the servicing of financial commitments.
- (f) "B" ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.
- (g) "CCC" ratings indicate a very low margin for safety. Default is a real possibility.

In accordance with "S&P" long-term rating scale,

- (a) "AAA" means an obligation that has the highest rating assigned. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
- (b) "AA" means an obligation that differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitments on the obligation is very strong;
- (c) "A" means an obligation that is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitments on the obligation is still strong.
- (d) "BBB" means an obligation that exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation.
- (e) "BB" means an obligation less vulnerable to nonpayment than other speculative issues. However, it

faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

- (f) "B" ratings denote adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.
- (g) "CCC" ratings denote speculative, non-investment grade credit quality. The capacity for the payment of financial obligations is uncertain. Vulnerable to future events.
- (h) "CC" ratings denote highly vulnerability to nonpayment.
- (i) "C" ratings denote highly vulnerability to nonpayment, and the obligation is expected to have lower relative seniority or lower ultimate recovery compared to obligations that are rated higher.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as subsequently amended and supplemented from time to time (the "**EU CRA Regulation**"), unless such rating is provided by a credit rating agency not established in the European Union but is endorsed by a credit rating agency established in the European Union and registered under the EU CRA Regulation or such rating is provided by a credit rating agency not established in the European Union which is certified under the EU CRA Regulation.

In general, UK regulated investors are restricted under the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under Regulation (EC) no. 1060/2009 on credit rating agencies, as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the "**UK CRA Regulation**"), unless such rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or such rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation. As at the date of this Prospectus, each of the Rating Agencies is not established in the UK but the ratings assigned by each of Fitch Ratings Ltd and S&P Global Ratings Europe Limited are endorsed by Fitch Ratings Ltd and S&P Global Ratings Europe Limited respectively, each of which is registered under the UK CRA Regulation, as evidenced in the latest update of the list published by FCA on its website (being, as at the date of this Prospectus, <https://register.fca.org.uk/s/>).

#### **STS-securitisation**

The Securitisation is intended to qualify as an STS Securitisation within the meaning of article 18 of the EU

Securitisation Regulation. Consequently, the Securitisation meets, as at the date of this Prospectus, the STS Requirements and, on or about the Issue Date, will be notified by the Originator to be included in the list published by ESMA referred to in article 27(5) of the EU Securitisation Regulation (the "**STS Notification**"). Pursuant to article 27(2) of the EU Securitisation Regulation, the STS Notification includes an explanation by the Originator of how each of the STS Requirements has been complied with in the Securitisation. The STS Notification will be available for download on the ESMA website (being, as at the date of this Prospectus, <https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation>) (the "**ESMA STS Register**").

The Originator has used the service of PCS as a third party verifying STS compliance authorised under article 28 of the EU Securitisation Regulation in connection with an assessment of the compliance of the Notes with the STS Requirements (the "**STS Verification**") and to prepare an assessment of compliance of the Notes with the relevant provisions of article 243 of the CRR (the "**CRR Assessment**" and, together with the STS Verification, the "**STS Assessments**"). It is expected that the STS Assessments prepared by PCS will be available on the PCS website (being, as at the date of this Prospectus, <https://www.pcsmarket.org/stsverification-transactions/>) together with a detailed explanation of its scope at <https://www.pcsmarket.org/disclaimer>. For the avoidance of doubt, this PCS website and the contents thereof do not form part of this Prospectus. No assurance can be provided that the Securitisation does or will continue to qualify as an STS-securitisation under the EU Securitisation Regulation as at the date of this Prospectus or at any point in time in the future. The STS status of a transaction is not static and investors should verify the current status of the Securitisation on the ESMA STS Register. None of the Issuer, the Originator, the Reporting Entity, the Arranger, the Lead Manager, the Representative of the Noteholders or any other party to the Transaction Documents makes any representation or accepts any liability for the Securitisation to qualify as an STS-securitisation under the EU Securitisation Regulation as at the date of this Prospectus nor at any point in time in the future.

**Status**

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

**Form and denomination**

The denomination of the Notes (other than Class R Notes) will be Euro 100,000 and integral multiples of Euro 1,000 in excess thereof. The denomination of the Class R Notes will be Euro 1,000 and integral multiples of Euro 1.0 in excess thereof. The Notes are issued in bearer (*al portatore*) and dematerialised form (*emessa in forma dematerializzata*) and will be held by Euronext Securities Milan in such form on behalf of the relevant Noteholders until redemption and cancellation thereof for the account of each relevant Euronext Securities Milan Account Holder. The Notes will be accepted for clearance by Euronext Securities Milan 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 entries in accordance with the provision of: (i) article 83-*bis* of the Financial Laws Consolidation Act; and (ii) the Joint Regulation, as subsequently amended and supplemented from time to time. No physical document of title will be issued in respect of the Notes.

**Ranking and subordination**

Prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), in respect of the obligation of the Issuer to pay interest and Variable Return (if any) on the Notes:

- (i) the Class A Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, and to payment of interest and principal on the Class X Notes and the Class R Notes;
- (ii) the Class B Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated:
  - (A) to the Class A Notes, and
  - (B) if (x) the Class A Notes are still outstanding and (y) the Class B Principal Deficiency Sub-Ledger records a Principal Deficiency in respect of the Class B Notes exceeding 25 per cent. of the Principal Amount Outstanding of the Class B Notes, to (i) payments into the Cash Reserve Account and (ii) payments to debit balance recorded on (1) the Class A Principal Deficiency Sub-Ledger, (2) the Class B Principal Deficiency Sub-Ledger, (3) the Class C Principal Deficiency Sub-Ledger, (4) the Class D Principal Deficiency Sub-Ledger, (5) the Class E Principal Deficiency Sub-Ledger, and (6) the Class F Principal Deficiency Sub-Ledger, and in priority to payment of interest on the Class C Notes, the Class D Notes and the Class E Notes and payment of interest and principal on the Class X Notes and the Class R Notes;
- (iii) the Class C Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated
  - (A) to the Class B Notes,
  - (B) if (x) the Class B Notes are still outstanding and (y) the Class C Principal Deficiency Sub-Ledger records a Principal Deficiency in respect of the Class C Notes exceeding 25 per cent. of the Principal Amount Outstanding of the Class C Notes, to (i) payments into the Cash Reserve Account and (ii) payments to debit balance recorded on (1) the Class A

Principal Deficiency Sub-Ledger, (2) the Class B Principal Deficiency Sub-Ledger, (3) the Class C Principal Deficiency Sub-Ledger, (4) the Class D Principal Deficiency Sub-Ledger, (5) the Class E Principal Deficiency Sub-Ledger and (6) the Class F Principal Deficiency Sub-Ledger, and in priority to payment of interest on the Class D Notes, and the Class E Notes, payment of interest and principal on the Class X Notes and the Class R Notes;

(iv) the Class D Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated

(A) to the Class C Notes,

(B) if (x) the Class C Notes are still outstanding and (y) the Class D Principal Deficiency Sub-Ledger records a Principal Deficiency in respect of the Class D Notes exceeding 25 per cent. of the Principal Amount Outstanding of the Class D Notes, to (i) payments into the Cash Reserve Account and (ii) payments to debit balance recorded on (1) the Class A Principal Deficiency Sub-Ledger, (2) the Class B Principal Deficiency Sub-Ledger, (3) the Class C Principal Deficiency Sub-Ledger, (4) the Class D Principal Deficiency Sub-Ledger, (5) the Class E Principal Deficiency Sub-Ledger, and (6) the Class F Principal Deficiency Sub-Ledger, and in priority to payment of interest on the Class E Notes and payment of interest and principal on the Class X Notes and the Class R Notes;

(v) the Class E Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated

(A) to the Class D Notes,

(B) if (x) the Class D Notes are still outstanding and (y) the Class E Principal Deficiency Sub-Ledger records a Principal Deficiency in respect of the Class E Notes exceeding 25 per cent. of the Principal Amount Outstanding of the Class E Notes, to (i) payments into the Cash Reserve Account and (ii) payments to debit balance recorded on (1) the Class A Principal Deficiency Sub-Ledger, (2) the Class B Principal Deficiency Sub-Ledger, (3) the Class C Principal Deficiency Sub-Ledger, (4) the Class D Principal Deficiency Sub-Ledger, (5) the Class E Principal Deficiency Sub-Ledger, and (6) the Class F Principal Deficiency Sub-Ledger, and in priority to payment of interest and principal on the Class X Notes and the Class R Notes;

- (vi) the Class X Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, and the Class E Notes, to payments into the Cash Reserve Account and to payments towards reduction of the Class A Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class B Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class C Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class D Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class E Principal Deficiency Sub-Ledger to 0 (zero) and payments towards reduction of the Class F Principal Deficiency Sub-Ledger to 0 (zero), and in priority to repayment of principal on the Class F Notes and payment of interest and repayment of principal on the Class R Notes;
- (vii) the Class F Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and to payments into the Cash Reserve Account and to payments towards reduction of the Class A Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class B Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class C Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class D Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class E Principal Deficiency Sub-Ledger to 0 (zero) and payments towards reduction of the Class F Principal Deficiency Sub-Ledger to 0 (zero), and to payment of interest and repayment of principal on the Class X Notes, and in priority to payment of interest and repayment of principal on the Class R Notes; and
- (viii) the Class R Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, to payments into the Cash Reserve Account and to payments towards reduction of the Class A Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class B Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class C Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class D Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class E Principal Deficiency Sub-Ledger to 0 (zero) and payments towards reduction of the Class F Principal Deficiency Sub-Ledger to 0 (zero), and to payment of interest and repayment of principal on the Class X Notes and to repayment of principal on the Class F Notes.

Prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4

(Optional redemption for taxation reasons), in respect of the obligation of the Issuer to repay principal on the Notes out of the Principal Available Funds:

- (A) during the Pro-Rata Amortisation Period:
  - (i) the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class F Notes;
  - (ii) the Class F Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes;
- (B) during the Sequential Redemption Period:
  - (i) the Class A Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to repayment of principal due on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes;
  - (ii) the Class B Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to repayment of principal due on to the Class C Notes, the Class D Notes, the Class E Notes, and the Class F Notes, but subordinated to the Class A Notes;
  - (iii) the Class C Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to repayment of principal due on to the Class D Notes, the Class E Notes, and the Class F Notes, but subordinated to the Class A Notes, and the Class B Notes;
  - (iv) the Class D Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to repayment of principal due on the Class E Notes and the Class F Notes, but subordinated to the Class A Notes, the Class B Notes and the Class C Notes;
  - (v) the Class E Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to repayment of principal due on the Class F Notes, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes;



- (vi) the Class F Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

In respect of the obligation of the Issuer to pay interest and Variable Return (if any) and principal on the Notes following the delivery of a Trigger Notice or in case of redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*):

- (a) the Class A Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes, the Class F Notes and the Class R Notes;
- (b) the Class B Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes, the Class F Notes and the Class R Notes, but subordinated to the Class A Notes;
- (c) the Class C Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class D Notes, the Class E Notes, the Class X Notes, the Class F Notes and the Class R Notes, but subordinated to the Class A Notes, and the Class B Notes;
- (d) the Class D Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class E Notes, the Class X Notes, the Class F Notes and the Class R Notes, but subordinated to the Class A Notes, the Class B Notes and the Class C Notes;
- (e) the Class E Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class X Notes, the Class F Notes and the Class R Notes, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes;
- (f) the Class X Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes and in priority to the Class F Notes and the Class R Notes;
- (g) the Class F Notes rank *pari passu* and *pro rata* without any preference or priority amongst themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes and in priority to the Class R Notes; and

- (h) the Class R Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes.

**Withholding on the Notes**

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

**Final redemption**

The Issuer shall redeem the Notes at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon) on the Payment Date falling in April 2034 (the "**Final Maturity Date**").

The Issuer may not redeem the Notes in whole or in part prior to the Final Maturity Date except as provided for in Condition 8.2 (*Mandatory redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), but without prejudice to Condition 12 (*Trigger Events*) and Condition 12.4 (*Consequences of delivery of Trigger Notice*).

**Mandatory Redemption**

The Notes of each Class will be subject to mandatory redemption in full (or in part *pro rata* within each Class) on each Payment Date, in accordance with Condition 8.2 (*Mandatory redemption*), if and to the extent that on each of such Payment Dates there will be sufficient Issuer Available Funds which may be applied towards redemption of the Notes pursuant to the applicable Priority of Payments, **provided that** prior to the delivery of a Trigger Notice, Principal Amount Outstanding on the Notes may be repaid in a *pro-rata* or sequential order according to the terms of the Pre-Trigger Notice Principal Priority of Payments and **provided further that** the Principal Amount Outstanding of the Class X Notes and the Class R Notes will be repaid by using the Interest Available Funds.

**Optional redemption for clean-up call**

**Provided that** no Trigger Notice has been served on the Issuer, upon the aggregate Outstanding Principal of the Receivables comprised in the Portfolio which are not Defaulted Receivables being equal to, or lower than, 10 per cent. of the aggregate Outstanding Principal of the Receivables comprised in the Portfolio as at the Valuation Date (the "**Clean-up Call Event**"), the Originator has the right to exercise the repurchase option under Clause 11.2 (*Clean-Up Event and Repurchase of the Receivables*) of the Receivables Purchase Agreement (the "**Repurchase Option**") and any Portfolio Option Holder has the right to exercise its right to purchase the Portfolio pursuant to Condition 8.3, upon which the Issuer shall, on any Payment Date following the occurrence of the Clean-up Call Event, redeem the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes (in whole but not in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest

thereon) in accordance with the Post-Trigger Notice Priority of Payments, subject to the Issuer:

- (a) giving not less than 5 (five) days' notice to the Representative of the Noteholders (with copy to the Master Servicer, the Sub-Servicer, the Calculation Agent, the Hedge Counterparty and the Rating Agencies) and to the Noteholders in accordance with Condition 16 (*Notices*) of its intention to redeem the Notes; and
- (b) on the date on which the notice referred to in paragraph (a) above has been given, delivering to the Representative of the Noteholders a certificate duly signed by the Issuer to the effect that it will have the necessary funds (free and clear of any Security Interest of any third party) on such Payment Date to discharge its outstanding liabilities in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes (in whole but not in part) and any other payment ranking in priority to or *pari passu* therewith, in accordance with the Post-Trigger Notice Priority of Payments.

The Issuer may obtain the funds necessary to finance such early redemption of the Notes in accordance with Condition 8.3 (*Optional redemption*) from the sale of the Portfolio to either of (i) the Originator (or a nominee of the Originator), or (ii) any Portfolio Option Holder (or a nominee of any Portfolio Option Holder) (each a "**Potential Buyer**"), as the Issuer has granted to: (a) the Originator (or a nominee of the Originator) under the Receivables Purchase Agreement, and (b) each Portfolio Option Holder (or a nominee of such Portfolio Option Holder) under the Conditions, an option, pursuant to article 1331 of the Italian civil code, to submit an offer to purchase the Portfolio, on any Payment Date following a Clean-up Call Event, by reference to the status of the Portfolio as at the date falling at the end of the preceding Collection Period (each a "**Purchase Option**").

With respect to any Payment Date following a Clean-up Call Event:

- (i) should the Originator intend to exercise the Purchase Option it shall inform the Issuer, by no later than the 30<sup>th</sup> calendar day prior to such Payment Date, by providing written notice thereof to the Issuer (with a copy to the Representative of the Noteholders) (such notification, an "**Originator Purchase Notification**"); and
- (ii) within the first Business Day following the receipt by the Issuer of an Originator Purchase Notification, the Issuer shall notify all the Portfolio Option Holders of the receipt of such Originator Purchase Notification;
- (iii) any of the Potential Buyers (or their respective nominees) may submit a purchase offer in relation to

the Portfolio (each a "**Purchase Offer**"), *provided that*:

- a. in the case of the Originator, such Purchase Offer (xx) may be submitted only if an Originator Purchase Notification has been delivered in accordance with Condition 8.3.3(i), and (yy) shall be submitted to the Issuer (with copy to the Representative of the Noteholders) at least 15 days prior to such Payment Date; and
  - b. in the case of any Portfolio Option Holder, such Purchase Offer shall be submitted to the Issuer (with copy to the Representative of the Noteholders) at least 10 days prior to such Payment Date
- (iv) on the first Business Day following the receipt by the Issuer of any Purchase Offer from a Potential Buyer, the Issuer shall notify each other Potential Buyer of the receipt of such Purchase Offer (and, in the case of an Originator's Purchase Offer only, the Issuer shall notify the Portfolio Option Holders also of the purchase price offered by the Originator in its Purchase Offer).

The acceptance by the Issuer of any Purchase Offer will be subject to:

- (i) (i) any Purchase Offer having been timely submitted to the Issuer by the relevant Potential Buyer in accordance with the terms and conditions provided by Condition 8.3.3 and (ii) in the case of an Originator's Purchase Offer, such Purchase Offer having been preceded by the timely receipt by the Issuer of an Originator Purchase Notification within the term provided by Condition 8.3.3 (i);
- (ii) the relevant Potential Buyer demonstrating to the Issuer that it is solvent by providing (i) a solvency certificate issued by its directors; (ii) a solvency certificate issued by the competent register of enterprises; and (iii), if available, a solvency certificate issued by the relevant bankruptcy court (or in case of a non-Italian purchaser, the documents customarily released by the relevant public authorities) satisfactory to the Representative of the Noteholders;
- (iii) the purchase price proposed by the relevant Potential Buyer to the Issuer in the relevant Purchase Offer (the "**Purchase Offer Amount**") being at least equal to the Final Purchase Price; and
- (iv) confirmation that the relevant Potential Buyer has the required authorisations to purchase the Portfolio;
- (v) with respect to any Portfolio Option Holder, evidence of its holding of the Class R Notes and an undertaking not to dispose of such Class R Notes until the Payment

Date on which such Portfolio Option Holder (or its nominee) has completed the purchase of the Portfolio.

If the Issuer receives multiple Purchase Offers, it shall accept the Purchase Offer with the higher Purchase Offer Amount and sell the Portfolio to the relevant Potential Buyer (or its nominee), provided that:

- (i) in case of multiple Purchase Offers having the same Purchase Offer Amount from the Originator and any of the Portfolio Option Holders, the Issuer will be obliged to accept the Purchase Offer submitted by a Portfolio Option Holder (or its nominee);
- (ii) in case of multiple Purchase Offers having the same Purchase Offer Amount from several Portfolio Option Holders, the Issuer will be obliged to accept the Purchase Offer submitted by the Portfolio Option Holder (or its nominee) holding the highest percentage of the Class R Notes.

**Optional redemption for taxation reasons**

The Issuer may redeem all (but not some only) of the Notes at their Principal Amount Outstanding, together with accrued but unpaid interest up to and including the relevant Payment Date, on any Payment Date:

- (a) after the date on which the Issuer or any other person on its behalf is required to make any payment in respect of the Notes and the Issuer would be required to make a Tax deduction in respect of such payment (other than in respect of Decree 239 Deduction);
- (b) after the date of a change in the Tax law of Italy (or the application or official interpretation of such law) which would cause the total amount payable in respect of the Portfolio to cease to be receivable by the Issuer, including as a result of any of the Debtors being obliged to make a Tax deduction in respect of any payment in relation to any Receivables,

(each a "**Tax Call Event**") then the Issuer shall, if the same would avoid the effect of such Tax Call Event, appoint a paying agent in another jurisdiction or use its reasonable endeavours to arrange the substitution of a company incorporated and/or tax resident in another jurisdiction approved in writing by the Representative of the Noteholders, in accordance with Condition 8.4 (*Optional redemption for taxation reasons*), provided that:

- (a) the Representative of the Noteholders is satisfied that such substitution will not be materially prejudicial to the interests of the holders of any Class of Noteholders (and in making such determination, the Representative of the Noteholders may rely, without further investigation or inquiry, on (A) if ratings are assigned to the Most Senior Class of Notes, any confirmation made in writing from each of the Rating Agencies that the then current ratings of the Rated Notes would not be adversely affected by such substitution or (B) if no such confirmation from the Rating Agencies is forthcoming, the Issuer has certified in writing) (an

“**Issuer Certificate**”) to the Representative of the Noteholders that such proposed action (I) (if ratings are assigned to the Most Senior Class of Notes and while any Rated Notes remains outstanding) has been notified to the Rating Agencies, (II) would not have an adverse impact on the Issuer’s ability to make payment when due in respect of the Notes, (III) would not affect the legality, validity and enforceability of any of the Transaction Documents or any Security Interest and (IV) (if ratings are assigned to the Most Senior Class of Notes and while any of the Rated Notes remains outstanding) would not have an adverse effect on the rating of the Rated Notes (upon which confirmation or certificate the Representative of the Noteholders shall be entitled to rely absolutely without further enquiry and without liability to any person for so doing); and

- (b) such substitution would not require registration of any new security under U.S. securities laws or materially increase the disclosure requirements under U.S. law.

If the Issuer satisfies the Representative of the Noteholders immediately before giving the notice referred to below that one or more Tax Call Events is continuing and that the appointment of a paying agent or a substitution as referred to above would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such appointment or substitution, then the Issuer shall:

- (i) give not more than 60 days' and not less than 30 days' notice to the Representative of the Noteholders and the Noteholders in accordance with Condition 16 (*Notices*) of its intention to redeem all (but not some only) of the Notes; and
- (ii) prior to giving such notice, provide to the Representative of the Noteholders a certificate signed by the sole director of the Issuer confirming that the Issuer will, on the relevant Payment Date, have the funds not subject to the interests of any other person required to redeem the Notes pursuant to Condition 8.4 (*Optional redemption for taxation reasons*) and any amount required to be paid under the Post-Trigger Notice Priority of Payments in priority to or *pari passu* with the Notes.

The Issuer may obtain the funds necessary to finance the early redemption of the Notes from the sale of the Portfolio to the Originator (or an entity designated by the Originator to purchase the Portfolio) to the extent it is in compliance with the applicable laws and regulations.

**Sequential Redemption Events**

The occurrence of any of the following events in respect of any Payment Date prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or

Condition 8.4 (*Optional redemption for taxation reasons*) will constitute a Sequential Redemption Event:

- (a) *Cumulative Default Ratio*: the Cumulative Default Ratio is greater than the Cumulative Default Trigger; or
- (b) *Principal Deficiency Ledger*: the Principal Deficiency Ledger has a debit balance in an amount equal to or higher than 0.5% of the aggregate Outstanding Principal of the Receivables comprised in the Portfolio as at the Valuation Date (for the avoidance of doubt, after the application of the Pre-Trigger Notice Interest Priority of Payments); or
- (c) *Breach of obligations*: the Originator defaults in the performance or observance of any of its obligations under any of the Transaction Documents to which it is party which is in the Representative of the Noteholders' opinion materially prejudicial to the interests of the Noteholders and such default remains unremedied for 10 (ten) Business Days after the Representative of the Noteholders has given written notice thereof to the Originator requiring the same to be remedied (except where, in the opinion of the Representative of the Noteholders, such default is not capable of remedy, in which case no notice requiring remedy will have to be given); or
- (d) *Sub-Servicer Termination Event*: a Sub-Servicer Termination Event occurs; or
- (e) *Tax Call Event*: a Tax Call Event occurs (and no redemption option is exercised in accordance with Condition 8.4 (*Optional redemption for taxation reasons*)); or
- (f) *Clean-up Call Event*: a Clean-up Call Event occurs (and no redemption option is exercised in accordance with Condition 8.3 (*Optional redemption*)).

Upon occurrence of a Sequential Redemption Event, the Representative of the Noteholders shall serve a Sequential Redemption Notice on the Issuer (with copy to the Master Servicer, the Sub-Servicer, the Calculation Agent and the Rating Agencies).

Following the delivery of a Sequential Redemption Notice:

- (a) the Pro-Rata Amortisation Period will end; and
- (b) the Sequential Redemption Period will start and during such period repayments of principal in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will be made at all times in a sequential order in accordance with the Pre-Trigger Notice Principal Priority of Payments so that (i) the Class B Notes will not be further redeemed for so long as the Class A Notes have not been redeemed in full, (ii) the Class C Notes will not be further redeemed for so long as the

Class B Notes have not been redeemed in full, (iii) the Class D Notes will not be further redeemed for so long as the Class C Notes have not been redeemed in full, (iv) the Class E Notes will not be further redeemed for so long as the Class D Notes have not been redeemed in full and (v) the Class F Notes will not be further redeemed for so long as the Class E Notes have not been redeemed in full.

**Cancellation Date**

The Notes will be cancelled on the earlier of:

- (a) the date on which the Notes have been redeemed in full;
- (b) the Final Maturity Date; and
- (c) the Payment Date immediately following the date on which the Sub-Servicer gives notice to the Issuer, the Master Servicer and the Noteholders that it has determined that there is no reasonable likelihood of there being any further amounts to be realised in respect of the Portfolio (whether arising from an enforcement of the Security Interest or otherwise) being available to the Issuer,

hereinafter, the applicable date of cancellation, the "**Cancellation Date**".

On the Cancellation 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.

**Estimated Weighted Average Life of the Class A, B, C, D, E, F and X Notes**

Class A .....	[•] years
Class B.....	[•] years
Class C.....	[•] years
Class D .....	[•] years
Class E.....	[•] years
Class X .....	[•] years
Class F.....	[•] years

The actual average life of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes cannot be stated, as the actual rate of repayment of the Loans and a number of other relevant factors are unknown. However, an estimate of the possible average life of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes can be made based on certain assumptions as described in this Prospectus. Such estimate is set out in the section entitled "*Estimated Weighted Average Life of the Class A, B, C, D, E, F and X 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 Notes (other than the Class R Notes) must be viewed with considerable caution. Prospective investors should not rely on this paragraph and the section entitled "*Estimated Weighted Average Life of the Class A, B, C, D, E, F and X Notes*" for their investment assumptions.

For further details, see the section entitled "*Estimated Weighted Average Life of the Class A, B, C, D, E, F and X Notes*".

**Source of Payment of the Notes**

The principal source of payment of interest or Variable Return (as applicable) and of repayment of principal on the Notes, as well as payment of Variable Return (if any) on the Class R Notes, will be Collections and Recoveries received in respect of the Receivables purchased by the Issuer from the Originator pursuant to the Receivables Purchase Agreement. The Loans are granted to retail customers who are individuals (*persone fisiche*).

**Segregation of Issuer's rights**

By virtue of the operation of article 3 of the Securitisation Law and the Transaction Documents, the Issuer's rights, title and interest in and to the Portfolio, any monetary claim accrued by the Issuer in the context of the Securitisation, the relevant collections and the financial assets (including Eligible Investments) purchased through such collections will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law). Therefore, any cash-flow deriving therefrom (to the extent identifiable; please see the section entitled "*Risk Factors – Commingling risk*" for further details) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any other creditors of the Issuer in respect of any fees, costs and expenses in relation to the Securitisation.

Both before and after a winding up of the Issuer, amounts deriving from the Portfolio and any other moneys or deposits as listed above, as the case may be, will be exclusively available for the purpose of satisfying 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 in relation to the Securitisation. See for further details "*Selected Aspects of Italian Law – Ring-fencing of the assets*".

Neither the Portfolio nor any moneys or deposits standing to the credit of the accounts held by or on behalf of the Issuer, may be seized or attached in any form by creditors of the Issuer other than the Noteholders, the Other Issuer Creditors and any other creditor of the Issuer in respect of costs, fees and expenses incurred in relation to the Securitisation, until full discharge by the Issuer of its payment obligations under the Notes or cancellation thereof. Pursuant to the terms of the Intercreditor Agreement and the Mandate Agreement, the Issuer has empowered the Representative of the Noteholders, following the delivery of a Trigger Notice or upon failure by the Issuer to exercise its rights under the Transaction Documents within 10 (ten) days from notification of such failure, 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, security over certain rights of the Issuer arising out of certain Transaction Documents will be granted by the Issuer in favour of the Representative of the Noteholders pursuant to the English Deed of Assignment, for the benefit of itself, the Noteholders and the Other Issuer Creditors. For further details, see the section entitled "*Description of the English Deed of Assignment*".

### **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 or Other Issuer Creditor shall be entitled to proceed directly against the Issuer to obtain payment of the Obligations or to enforce the Security. In particular:

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

**Limited recourse obligations of Issuer**

Notwithstanding any other provision of the Transaction Documents, all obligations of the Issuer to the Noteholders and Other Issuer Creditor (including the Hedge Counterparty in relation to all payments due to it under the Hedge Agreement other than those in respect of any return of collateral posted by it (if any)), are limited in recourse as set out below:

- (i) each Noteholder and Other Issuer Creditor will have a claim only in respect of the Interest Available Funds, the Principal Available Funds or the Issuer Available Funds, as applicable, 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 or its quotaholders, directors or officers;
- (ii) sums payable to such Noteholder or Other Issuer Creditor in respect of the Issuer's obligations to such Other Issuer Creditor (including the Hedge Counterparty in relation to all payments due to it under the Hedge Agreement other than those in respect of any return of collateral posted by it (if any)), shall be limited to the lesser of (a) the aggregate amount of all sums due and payable to such Other Issuer Creditor, (b) the Interest Available Funds, the Principal Available Funds, or the Issuer Available Funds, as the case may be, 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 Transaction Party; **provided that**, the Parties agree that if the Issuer Available Funds are insufficient to pay any amount due and payable to the Noteholders and the Other Issuer Creditors, the shortfall then occurring will not be due and payable until a subsequent Payment Date on which the Issuer Available Funds may be used for such purpose in accordance with the relevant Priority of Payments (other than any amount of interest due but not paid on the Class A Notes or, when they become the Most Senior Class of Notes, any amount of interest due but not paid on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, and the Class X Notes) **provided however that** any such shortfall will not accrue interest unless otherwise provided in the Transaction Documents; and
- (iii) on the Cancellation Date, the Noteholders and Other Issuer Creditors shall have no further claim against the Issuer in respect of any such unpaid amounts and such unpaid amounts shall be cancelled and deemed to be discharged in full.

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

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

Pursuant to the Rules of the Organisation of the Noteholders (attached to the Conditions as an exhibit), for as long as any Note is outstanding, there shall at all times be a Representative of the Noteholders. The appointment of the Representative of

the Noteholders, as legal representative of the Organisation of the Noteholders, is made by the Noteholders subject to and in accordance with the Rules of the Organisation of the Noteholders, except for the initial Representative of the Noteholders appointed at the time of issue of the Notes, who is appointed by the subscriber(s) of the Notes in the Subscription Agreement. Each Noteholder is deemed to accept such appointment.

**Significant Investor**

Significant concentrations of holdings of the Notes may occur promptly after issue. Any investor or investors holding a material concentration may have a majority holding and therefore be able to pass Noteholder resolutions, including Extraordinary Resolutions, or hold a sufficient minority to block Noteholder resolutions or Extraordinary Resolutions. The interests of any such Noteholder may conflict with the interests of any other Noteholder. Any such Noteholder may act in its own commercial interests without notice to, and without regard to, the interest of any other Noteholder.

It is expected that on the Issue Date an investor (or related investors) will acquire all of the Class [•] Notes, the Class [•] Notes and the Class [•] Notes.

**Approval, listing and admission to trading**

This Prospectus has been approved by the Central Bank of Ireland ("**Central Bank**"). Application has been made to the Irish Stock Exchange plc trading as Euronext for the Notes (other than the Class R Notes) to be admitted to the Official List and trading on its regulated market. Euronext Dublin is a regulated market for the purposes of EU MiFID II.

The CBI only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.

Any information in this Prospectus regarding the Class R Notes is not subject to the CBIs approval. The Class R Notes are not being offered pursuant to this Prospectus and no application has been made or will be made to list the Class R Notes on Euronext Dublin.

This Prospectus will be published by the Issuer on the website of Euronext Dublin (being, as at the date of this Prospectus, <https://www.euronext.com/en/markets/dublin>) and will remain available for inspection on such website for at least 10 (ten) years.

**Material Net Economic Interest in the Securitisation and other EU Securitisation Regulation requirements Retention Option**

Under the Transaction Documents, Younited, in its capacity as the Originator, has undertaken to, *inter alios*, the Issuer, and the Representative of the Noteholders to:

- (i) retain with effect from the Issue Date and maintain (on an ongoing basis) a material net economic interest of not less than 5 per cent. in the Securitisation in accordance with article 6, sub-paragraph 3, let. (c) of the EU Securitisation Regulation and article 6, sub-paragraph 3, let. (c) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures)) and the applicable Regulatory Technical

Standards (or any other permitted alternative method thereafter) until the Final Maturity Date;

- (ii) disclose that it continues to fulfil the obligation to maintain the material net economic interest in the Securitisation in accordance with article 6, sub-paragraph 3, let. (c) of the EU Securitisation Regulation and article 6, sub-paragraph 3, let. (c) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) and the applicable Regulatory Technical Standards and give such information to the Noteholders and prospective investors through the Securitisation Regulation Investor Report;
- (iii) ensure that Noteholders and prospective investors have readily available access to all information as it would be necessary to conduct comprehensive and well informed stress tests and to fulfil their monitoring and due diligence duties under articles 6, 7 and 9 of the EU Securitisation Regulation and articles 6, 7 and 9 of the UK Securitisation Regulation (as such articles of the UK Securitisation Regulation are interpreted and applied on the date hereof and not taking into account any relevant national measures);
- (iv) disclose through the Securitisation Regulation Investor Report any change to the manner in which the material net economic interest set out above is held, to the extent this is permitted under any applicable regulation; and
- (v) use its best endeavours to make available all such additional information in its possession which may be reasonably required by the regulatory authorities in connection with items (i) to (iv) above,

subject always to any requirement of law.

### **Volcker Rule**

The Issuer is not, and after giving effect to any offering and sale of Notes and the application of the proceeds thereof will not be, a "covered fund" for purposes of regulations adopted under section 13 of the Bank Holding Company Act of 1956, as amended (commonly known as the "**Volcker Rule**"). In reaching this conclusion, although other statutory or regulatory exemptions under the U.S. Investment Company Act of 1940, as amended (the "**Investment Company Act**") and under the Volcker Rule and its related regulations may be available, the Issuer has relied on the determinations that it may rely on an exemption from registration under the Investment Company Act under section (3)(c)(5) of the Investment Company Act and, accordingly, may rely on the exemption from the definition of a "covered fund" under the Volcker Rule made available to entities that do not rely solely on section (3)(c)(1) or section 3(c)(7) of the Investment Company Act for their exemption from registration under the Investment Company Act.

Any prospective investor in the Notes, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should

consult its own legal advisers regarding such matters and other effects of the Volcker Rule.

**Reporting Entity** Under the Intercreditor Agreement, the Originator and the Issuer have agreed that the Originator is designated and will act as Reporting Entity, pursuant to and for the purposes of article 7, paragraph 2 of the EU Securitisation Regulation and of UK Securitisation Regulation. In such capacity as Reporting Entity, the Originator shall fulfil the information requirements pursuant to letters (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7, paragraph 1, of the EU Securitisation Regulation and pursuant to letters (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7, paragraph 1, of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) by making available the relevant information on the Securitisation Repository.

**Selling Restrictions** There will be restrictions on the sale of the Notes and on the distribution of information in respect thereof. For further details, see the section entitled "*Subscription, sale and selling restrictions*".

**Governing Law** The Notes will be governed by Italian Law.

#### 4. ACCOUNTS

**Accounts with the Account Bank** The Issuer has established with the Account Bank the following Accounts:

- (a) the Collection Account;
- (b) the Cash Reserve Account;
- (c) the Payments Account;
- (d) the Expenses Account.

**Other Accounts** The Issuer may open with the Account Bank a Hedge Collateral Account. In addition, the Issuer may open with the Custodian one or more Securities Account(s).

**Collection Account** The Collection Account will be the Account for the deposit of:  
(a) all the Collections and Recoveries received and recovered by the Sub-Servicer in accordance with the Sub-Servicing Agreement, and (b) any amounts (other than Collections and Recoveries) received by the Issuer from any party to a Transaction Document.

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

**Cash Reserve Account** The Cash Reserve Account will be the Account into which the Cash Reserve shall be credited, in accordance with the English Account Bank Agreement.

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

**Expenses Account** The Expenses Account will be the Account into which the Retention Amount shall be credited in accordance with the Cash Allocation, Management and Payments Agreement.

The Expenses Account will be funded, on the Issue Date using part of the net proceeds of the issuance of the Class X Notes. In the event that on any Payment Date the balance of the Expenses Account is lower than the Retention Amount, the Issuer Available Funds shall be applied, in accordance with the applicable Priority of Payments, to bring the balance of the Expenses Account up to (but not exceeding) the Retention Amount.

The amounts standing to the credit of the Expenses Account will be used to pay, during each Interest Period, the Expenses falling due in the relevant Interest Period and, after the Payment Date on which the Notes will be redeemed in full or cancelled, any known Expenses not yet paid and any Expenses falling due after such Payment Date.

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

**Payments Account.....** The Payments Account will be the Account into which on each Payment Date the amounts standing to the credit of, *inter alia*, the Collection Account and the Cash Reserve Account shall be transferred so as to be applied to make the payments due by the Issuer on such Payment Date, in accordance with the applicable Priority of Payments and the English Account Bank Agreement

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

**Hedge Collateral Account ..** If required, the Hedge Collateral Account may be opened by the Issuer and will be the Account into which any cash collateral to be posted by the Hedge Counterparty under the Hedge Agreement will be credited.

For further details, see the sections headed "*The Accounts*" and "*The Hedge Agreement*".

**Securities Account(s)** The Securities Account(s) will be Accounts into which the Eligible Investments (being cash or securities) may be deposited as per instructions given in accordance with the terms of the Global Custodial Services Agreement and the English Account Bank Agreement.

**Quota Capital Account.....** The Issuer has opened with Banca del Fucino S.p.A. the Quota Capital Account on which the corporate capital of the Issuer has been deposited.

For further details, see the section entitled "*The Accounts*" and "*Description of the English Account Bank Agreement*".

## 5. CREDIT STRUCTURE

**Issuer Available Funds** The Issuer Available Funds, in respect of any Payment Date, are constituted by the aggregate of the Interest Available Funds and the Principal Available Funds.

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

- (i) all Collections on account of interest, fees and pre-payment penalties during the immediately preceding

Collection Period and credited to the Collection Account;

- (ii) all Recoveries collected by or on behalf of the Issuer during the immediately preceding Collection Period and credited to the Collection Account;
- (iii) any amounts of interest earned on any balance credit of the Accounts (other than the Hedge Collateral Account) and available on the Accounts during the immediately preceding Collection Period;
- (iv) all amounts (if any) standing to the credit of the Cash Reserve Account as at the immediately preceding Payment Date (after making payments due on that Payment Date) or, in respect of the first Payment Date, as at the Issue Date;
- (v) any payments to be received from the Hedge Counterparty on or immediately prior to such Payment Date, pursuant to the Hedge Agreement (excluding any Hedge Collateral which the Hedge Counterparty may be required to post pursuant the Hedge Agreement);
- (vi) any Principal Addition Amounts as paid under item (i) (*first*) of the Pre-Trigger Notice Principal Priority of Payments on such Payment Date;
- (vii) on the Payment Date on which the Notes are to be redeemed in full, any amount standing to the credit of the Expenses Account less any amount to be retained on the Expenses Account to pay the Expenses falling due in the relevant Interest Period and, after the Payment Date on which the Notes will be redeemed in full or cancelled, any known Expenses not yet paid and any Expenses falling due after such Payment Date;
- (viii) any interest amounts received by the Issuer from the Originator pursuant to the Receivables Purchase Agreement during the immediately preceding Collection Period;
- (ix) any interests accrued, premium and other profits deriving from Eligible Investments (if any) made using funds standing to the credit of the relevant Accounts during the immediately preceding Collection Period;
- (x) any amounts allocated under item (viii) of the Pre-Trigger Notice Principal Priority of Payments on such Payment Date;
- (xi) any Interest Available Funds not applied on the previous Payment Date (if any);
- (xii) any amounts (other than the amounts already allocated under other items of the Principal Available Funds and the Interest Available Funds) received by the Issuer from any party to the Transaction Documents during the immediately preceding Collection Period (excluding any amount, if any, received as Hedge Collateral under the Hedge Agreement, but including



any proceeds deriving from the enforcement of the Issuer's rights under the Transaction Documents).

**Principal Available Funds**

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

- (i) all Collections on account of principal during the immediately preceding Collection Period and credited to the Collection Account (including, for avoidance of doubt, any amount on account of principal deriving from liquidation of the Eligible Investments (if any));
- (ii) the Interest Available Funds, if any, to be credited to the Principal Deficiency Ledger on such Payment Date under item (xi) (*eleventh*) of the Pre-Trigger Notice Interest Priority of Payments;
- (iii) all the proceeds deriving from the sale, if any, of the Portfolio in accordance with the Transaction Documents;
- (iv) any indemnity amounts and all other principal amounts (if any) received by the Issuer from the Originator pursuant to the Receivables Purchase Agreement during the immediately preceding Collection Period;
- (v) any Principal Available Funds not applied on the previous Payment Date (if any).

**Trigger Events**

If any of the following events occurs:

- (a) *Non-payment*

the Issuer defaults in the payment of (i) the Interest Amount due on the Class A Notes (or, should they be the Most Senior Class, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes); and/or (ii) any Deferred Interest but only to the extent the Issuer had, on the due date for payment of the amount of interest in question, sufficient cash to pay, in accordance with the provisions of the Transaction Documents, such interest; and/or (iii) principal due on any Class of Notes on the Final Maturity Date, and each of such defaults is not remedied within a period of 5 (five) Business Days from the due date thereof.

- (b) *Breach of other obligations*

the Issuer defaults in the performance or observance of any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party (other than any obligation to pay principal or interest in respect of the Notes) and such default (a) is in the opinion of the Representative of the Noteholders, incapable of being remedied or (b) being a default which is, in the opinion of the Representative of the Noteholders, capable of being remedied remains unremedied for 30 (thirty) days after the Representative of the Noteholders has given written

notice of such default to the Issuer requiring the same to be remedied.

(c) *Insolvency of the Issuer*

an Insolvency Event occurs with respect to the Issuer.

(d) *Unlawfulness*

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

then the Representative of the Noteholders, subject to Condition 12.3 (*Conditions to delivery of Trigger Notice*),

in the case of a Trigger Event under item (a) above, shall; and

in the case of a Trigger Event under items (b), (c) or (d) above, if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of the Notes then outstanding, shall,

serve a Trigger Notice on the Issuer declaring the Notes to be due and repayable, whereupon they will become so due and repayable, following which all payments of principal, interest and other amounts due in respect of the Notes will become immediately due and payable without further action or formality and will be made according to the Post-Trigger Notice Priority of Payments and on such dates as the Representative of the Noteholders may determine.

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

Furthermore, the Issuer will notify the Representative of the Noteholders and the Rating Agencies as soon as it becomes aware of the occurrence of a Trigger Event.

**Senior Interest Shortfall  
Amount cured by applying  
Principal Addition  
Amounts**

On each Calculation Date prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Calculation Agent shall determine if there is any shortfall in the Interest Available Funds to pay items (i) (*first*) to (iv) (*fourth*) (inclusive) of the Pre-Trigger Notice Interest Priority of Payments plus any interest due on the Most Senior Class of Notes (including Deferred Interests, if any) (excluding the Class X Notes, the Class F Notes and the Class R Notes) (the amount of any such shortfall, a "**Senior Interest Shortfall Amount**"). To the extent that there is a

Senior Interest Shortfall Amount, the Principal Available Funds shall be applied, on the relevant Payment Date, as Interest Available Funds in accordance with the Pre-Trigger Notice Principal Priority of Payments.

**Principal Deficiency Ledger** The Calculation Agent (acting for and on behalf of the Issuer) will establish the Principal Deficiency Ledger to record on each Calculation Date for the relevant Collection Period as a debit any Defaulted Amounts and/or any Principal Addition Amounts and to record as a credit any amounts paid under item xi (*eleventh*) of the Pre-Trigger Notice Interest Priority of Payments and which shall be comprised of the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger, the Class D Principal Deficiency Sub-Ledger, the Class E Principal Deficiency Sub-Ledger, and the Class F Principal Deficiency Sub-Ledger.

On each Calculation Date in relation to a Payment Date, the relevant Principal Deficiency Sub-Ledgers will be debited with the Defaulted Amount for the relevant Collection Period and/or any Principal Addition Amounts in relation to such Payment Date in the following reverse sequential order of priority:

- (a) *First*, the Class F Principal Deficiency Sub-Ledger will be debited with the remaining Defaulted Amount for the relevant Collection Period and/or any Principal Addition Amounts up to the aggregate Principal Amount Outstanding of the Class F Notes as of the Issue Date;
- (b) *second*, the Class E Principal Deficiency Sub-Ledger will be debited with the remaining Defaulted Amount for the relevant Collection Period and/or any Principal Addition Amounts up to the aggregate Principal Amount Outstanding of the Class E Notes as of the Issue Date;
- (c) *third*, the Class D Principal Deficiency Sub-Ledger will be debited with the remaining Defaulted Amount for the relevant Collection Period and/or any Principal Addition Amounts up to the aggregate Principal Amount Outstanding of the Class D Notes as of the Issue Date;
- (d) *fourth*, the Class C Principal Deficiency Sub-Ledger will be debited with the remaining Defaulted Amount for the relevant Collection Period and/or any Principal Addition Amounts up to the aggregate Principal Amount Outstanding of the Class C Notes as of the Issue Date;
- (e) *fifth*, the Class B Principal Deficiency Sub-Ledger will be debited with the remaining Defaulted Amount for the relevant Collection Period and/or any Principal Addition Amounts up to the aggregate Principal Amount Outstanding of the Class B Notes as of the Issue Date; and
- (f) *sixth*, the Class A Principal Deficiency Sub-Ledger will be debited with the remaining Defaulted Amount

for the relevant Collection Period and/or any Principal Addition Amounts up to the aggregate Principal Amount Outstanding of the Class A Notes as of the Issue Date.

The relevant Principal Deficiency Sub-Ledgers will be credited using the Interest Available Funds in accordance with the Pre-Trigger Notice Interest Priority of Payments item xi (*eleventh*) and in full sequential order in each case up to an amount which has been recorded as a debit on the relevant Principal Deficiency Sub-Ledger on the Calculation Date prior to such Payment Date and which has not previously been cured:

- (a) *first*, to the Class A Principal Deficiency Sub-Ledger, until reduced to zero;
- (b) *second*, to the Class B Principal Deficiency Sub-Ledger, until reduced to zero;
- (c) *third*, to the Class C Principal Deficiency Sub-Ledger, until reduced to zero;
- (d) *fourth*, to the Class D Principal Deficiency Sub-Ledger, until reduced to zero;
- (e) *fifth*, to the Class E Principal Deficiency Sub-Ledger, until reduced to zero; and
- (f) *sixth*, to the Class F Principal Deficiency Sub-Ledger, until reduced to zero.

**Pre-Trigger Notice Interest  
Priority of Payments**

Prior to the service of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*) the Interest Available Funds, as calculated on each Calculation Date, will be applied by or on behalf of the Issuer on the Payment Date immediately following such Calculation Date in making payments or provisions in the following order of priority but, in each case, only if and to the extent that payments or provisions of a higher priority have been made in full:

- (i) *first, pari passu* and *pro rata* according to the respective amounts thereof, in or towards (A) satisfaction of any Expenses (to the extent that amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Interest Period), and (B) payment into the Expenses Account of an amount necessary to bring the balance thereof up to (but not exceeding) the Retention Amount;
- (ii) *second*, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of all fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;
- (iii) *third*, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of all fees, costs and expenses of, and all other amounts due and payable to the Cash Manager, the Account Bank, the Calculation Agent, the Paying Agents, the

Custodian (if any), the Corporate Services Provider, the Master Servicer, the Sub-Servicer, the Back-Up Sub-Servicer and any further Other Issuer Creditors, each pursuant to the terms of the Transaction Document(s);

- (iv) *fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all amounts (if any) due and payable to the Hedge Counterparty under the Hedge Agreement (including termination payments but excluding any Subordinated Hedge Amounts or any Hedge Excluded Payable Amounts, which shall be discharged in accordance with the Hedge Agreement);
- (v) *fifth*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts of interest due and payable on the Class A Notes;
- (vi) *sixth*, to pay (on a *pro rata* and *pari passu* basis) to the extent that (i) the Class B Notes are the Most Senior Class of Notes or (ii) the amount in debit on the Class B Principal Deficiency Sub-Ledger is less than 25 per cent. of the aggregate Principal Amount Outstanding of the Class B Notes on the previous Payment Date (after making payments due on that date), any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class B Notes;
- (vii) *seventh*, to pay (on a *pro rata* and *pari passu* basis) to the extent that (i) the Class C Notes are the Most Senior Class of Notes or (ii) the amount in debit on the Class C Principal Deficiency Sub-Ledger is less than 25 per cent. of the aggregate Principal Amount Outstanding of the Class C Notes on the previous Payment Date (after making payments due on that date), any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class C Notes;
- (viii) *eighth*, to pay (on a *pro rata* and *pari passu* basis) to the extent that (i) the Class D Notes are the Most Senior Class of Notes or (ii) the amount in debit on the Class D Principal Deficiency Sub-Ledger is less than 25 per cent. of the aggregate Principal Amount Outstanding of the Class D Notes on the previous Payment Date (after making payments on that date), any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class D Notes;
- (ix) *ninth*, to pay (on a *pro rata* and *pari passu* basis) to the extent that (i) the Class E Notes are the Most Senior Class of Notes or (ii) the amount in debit on the Class E Principal Deficiency Sub-Ledger is less than 25 per cent. of the aggregate Principal Amount Outstanding of the Class E Notes on the previous Payment Date (after making payments due on that date), any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class E Notes;

- (x) *tenth*, to in or towards payment into the Cash Reserve Account an amount up to (but not exceeding) the Target Cash Reserve Amount;
- (xi) *eleventh*, to credit in full sequential order the Class A Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon, the Class B Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon, the Class C Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon, the Class D Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon, the Class E Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon, and the Class F Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Principal Available Funds);
- (xii) *twelfth*, to pay (on a *pro rata* and *pari passu* basis) any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class B Notes (to the extent not paid under item (vi) *sixth* above);
- (xiii) *thirteenth*, to pay (on a *pro rata* and *pari passu* basis) any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class C Notes (to the extent not paid under item (vii) *seventh* above);
- (xiv) *fourteenth*, to pay (on a *pro rata* and *pari passu* basis) any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class D Notes (to the extent not paid under item (viii) *eighth* above);
- (xv) *fifteenth*, to pay (on a *pro rata* and *pari passu* basis) any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class E Notes (to the extent not paid under item (ix) *ninth* above);
- (xvi) *sixteenth*, to pay (on a *pro rata* and *pari passu* basis) any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class X Notes;
- (xvii) *seventeenth*, to pay (on a *pro rata* and *pari passu* basis) any Principal Amount Outstanding of the Class X Notes until the Class X Notes are redeemed in full;
- (xviii) *eighteenth*, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of any and all outstanding fees, costs, liabilities and any other expenses to be paid to fulfil obligations to any Other Issuer Creditor incurred in the course of the Issuer's business in relation to the Securitisation (other than amounts already provided for in this Pre-Trigger Notice Interest Priority of Payments);
- (xix) *nineteenth*, to pay any, *pari passu* and *pro rata* according to the respective amounts thereof, any Subordinated Hedge Amounts due and payable to the Hedge Counterparty (but excluding any Hedge

Excluded Payable Amounts, which shall be discharged in accordance with the Hedge Agreement);

- (xx) *twentieth*, on any Payment Date until the Payment Date on which all Classes of Notes other than the Class R Notes have been redeemed or repaid (as applicable) in full, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class R Notes until such Class R Notes are redeemed in full (in the case of all Payment Dates occurring up to (but excluding) the Payment Date that will be expected to be the Cancellation Date, up to an amount that makes the aggregate Principal Amount Outstanding of all the Class R Notes not lower than Euro 1,000); and
- (xxi) *twenty-first*, in or towards satisfaction of the Variable Return (if any) on the Class R Notes.

**Pre-Trigger  
Principal Priority  
Payments**      **Notice of**

Prior to the service of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Available Funds, as calculated on each Calculation Date, will be applied by or on behalf of the Issuer on the Payment Date immediately following such Calculation Date in making payment or provision in the following order of priority but, in each case, only if and to the extent that payments or provisions of a higher priority have been made in full:

- (i) *first*, in or towards application of any Principal Addition Amounts to meet any Senior Interest Shortfall Amount;
- (ii) *second*, (a) prior to the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class A Notes up to the applicable Repayment Amount, and (b) upon or at any time following the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu and pro rata*, of the Principal Amount Outstanding of the Class A Notes until the Class A Notes are redeemed in full;
- (iii) *third*, (a) prior to the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class B Notes up to the applicable Repayment Amount, and (b) upon or at any time following the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu and pro rata*, of the Principal Amount Outstanding of the Class B Notes until the Class B Notes are redeemed in full;
- (iv) *fourth*, (a) prior to the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class C Notes up to the applicable Repayment Amount, and (b) upon or at any time following the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu and pro*

*rata*, of the Principal Amount Outstanding of the Class C Notes until the Class C Notes are redeemed in full;

- (v) *fifth*, (a) prior to the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class D Notes up to the applicable Repayment Amount, and (b) upon or at any time following the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class D Notes until the Class D Notes are redeemed in full;
- (vi) *sixth*, (a) prior to the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class E Notes up to the applicable Repayment Amount, and (b) upon or at any time following the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class E Notes until the Class E Notes are redeemed in full;
- (vii) *seventh*, in or towards satisfaction, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class F Notes until the Class F Notes are redeemed in full; and
- (viii) *eighth*, any remainder to be applied in accordance with the Pre-Trigger Notice Interest Priority of Payments on such Payment Date.

**Post-Trigger Notice  
Priority of Payments**

On each Payment Date following the delivery of a Trigger Notice or in case of redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Issuer Available Funds, as calculated on each Calculation Date, will be applied by or on behalf of the Issuer on the Payment Date immediately following such Calculation Date in making payments or provisions in the following order of priority but, in each case, only if and to the extent that payments of a higher priority have been made in full:

- (i) *first*, *pari passu* and *pro rata* according to the respective amounts thereof, in or towards (A) satisfaction of any Expenses (to the extent that amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Interest Period), and (B) payment into the Expenses Account of an amount necessary to bring the balance thereof up to (but not exceeding) the Retention Amount;
- (ii) *second*, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of all fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;
- (iii) *third*, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of all fees, costs and expenses of, and all other amounts due



and payable to, the Cash Manager, the Account Bank, the Calculation Agent, the Paying Agents, the Custodian (if any), the Corporate Services Provider, the Master Servicer, the Sub-Servicer, the Back-Up Sub-Servicer and any further Other Issuer Creditors, each pursuant to the terms of the Transaction Document(s);

- (iv) *fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all amounts (if any) due and payable to the Hedge Counterparty under the Hedge Agreement (including termination payments but excluding any Subordinated Hedge Amounts or any Hedge Excluded Payable Amounts, which shall be discharged in accordance with the Hedge Agreement);
- (v) *fifth*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class A Notes;
- (vi) *sixth* in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class A Notes until the Class A Notes are redeemed in full;
- (vii) *seventh*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class B Notes;
- (viii) *eighth* in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class B Notes until the Class B Notes are redeemed in full;
- (ix) *ninth*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class C Notes;
- (x) *tenth*, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class C Notes until the Class C Notes are redeemed in full;
- (xi) *eleventh*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class D Notes;
- (xii) *twelfth*, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class D Notes until the Class D Notes are redeemed in full;
- (xiii) *thirteenth*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class E Notes;
- (xiv) *fourteenth*, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class E Notes until the Class E Notes are redeemed in full;

- (xv) *fifteenth*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class X Notes;
- (xvi) *sixteenth*, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class X Notes until the Class X Notes are redeemed in full;
- (xvii) *seventeenth*, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class F Notes until the Class F Notes are redeemed in full;
- (xviii) *eighteenth*, to pay any, *pari passu* and *pro rata* according to the respective amounts thereof, any Subordinated Hedge Amounts due and payable to the Hedge Counterparty (but excluding any Hedge Excluded Payable Amounts, which shall be discharged in accordance with the Hedge Agreement);
- (xix) *nineteenth*, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of any and all outstanding fees, costs, liabilities and any other expenses to be paid to fulfil obligations to any Other Issuer Creditor incurred in the course of the Issuer's business in relation to the Securitisation (other than amounts already provided for in this Post-Trigger Notice Priority of Payments);
- (xx) *twentieth*, on any Payment Date until the Payment Date on which all Classes of Notes other than the Class R Notes have been redeemed or repaid (as applicable) in full, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class R Notes until such Class R Notes are redeemed in full (in the case of all Payment Dates occurring up to (but excluding) the Payment Date that will be expected to be the Cancellation Date, up to an amount that makes the aggregate Principal Amount Outstanding of all the Class R Notes not lower than Euro 1,000); and
- (xxi) *twenty-first*, in or towards satisfaction of the Variable Return (if any) on the Class R Notes.

### **Cash Reserve**

On the Issue Date, the Issuer will establish the Cash Reserve by crediting to the Cash Reserve Account an amount equal to the Target Cash Reserve Amount. Such amount will be funded by the Issuer using part of the net proceeds of the issuance of the Class X Notes.

On each Payment Date up to (but excluding) the Cash Reserve End Date, the Cash Reserve will form part of the Interest Available Funds and will be available to make payments in accordance with the Pre-Trigger Notice Interest Priority of Payments.

On each Payment Date up to (but excluding) the Cash Reserve End Date, the Interest Available Funds will be applied in accordance with the Pre-Trigger Notice Interest Priority of

Payments to bring the balance of the Cash Reserve Account up to (but not exceeding) the Target Cash Reserve Amount.

On the Cash Reserve End Date, the Target Cash Reserve Amount will be reduced to 0 (zero) and all amounts standing to the credit of the Cash Reserve Account will form part of the Interest Available Funds and will be available to make payments in accordance with the applicable Priority of Payments.

### **Hedging**

In order to hedge its interest rate exposure in relation to its floating rate interest obligations under the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes and appropriately mitigate the interest rate risk connected therewith pursuant to article 21(2) of the EU Securitisation Regulation, the Issuer entered into the Hedge Agreement with the Hedge Counterparty in the form of an ISDA 1992 Master Agreement (together with the schedule thereto, the relevant credit support annex and the relevant confirmations).

## **6. TRANSFER AND ADMINISTRATION OF THE PORTFOLIO**

### **The Portfolio**

Prior to the Issue Date, Citibank, N.A., Milan Branch previously provided and currently provides the financing and/or arrangement for the provision of financing to the Originator secured over, amongst other things, certain of the Receivables comprised in the Portfolio through a revolving financing transaction pursuant to, and in accordance with, the Securitisation Law, whereby Citibank, N.A., Milan Branch granted and grants to Youni Italy 2 S.r.l. ("**Youni Italy 2**") revolving credit facilities to fund 100% of the purchase from the Originator, without recourse (*pro soluto*) and in accordance with articles 1 and 4 of the Securitisation Law of receivables (the "**Warehouse Financing**").

The Originator has repurchased, with legal effect from the Issue Date from Youni Italy 2, without recourse ("*pro soluto*") and as a pool ("*in blocco*") certain of the Receivables comprised in the Portfolio, pursuant to the articles 1 and 4 of Securitisation Law and article 58 of the Consolidated Banking Act pursuant to terms and conditions set out under a receivables repurchase agreement entered into on [•] April 2024 between Youni Italy 2 and the Originator.

The Issuer purchased from the Originator, without recourse ("*pro soluto*") the Receivables comprised in the Portfolio, in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the provisions of the Factoring Law referred therein, pursuant to terms and conditions set out under the Receivables Purchase Agreement and pursuant to the notice of sale published in the Italian Official Gazette No. [•], Part II on [•] 2024, with legal effect from the Issue Date.

Citibank, N.A., Milan Branch expects that the Warehouse Financing will be partially repaid on or about the Issue Date by Youni Italy 2 by using some of the proceeds of the sale received by the Originator from the Issuer in respect of the Receivables comprised in the Portfolio.

The principal source of payment of interest or Variable Return (as applicable) and of repayment of principal on the Notes will be collections and recoveries made in respect of the Portfolio purchased by the Issuer pursuant to the terms of the Receivables Purchase Agreement.

In accordance with the Securitisation Law and subject to the terms and conditions of the Receivables Purchase Agreement, the Portfolio has been assigned and transferred to the Issuer without recourse (*pro soluto*) against the Originator in the case of a failure by any of the Debtors to pay amounts due under the Loan Agreements and pursuant to the combined provisions of articles 1 and 4 of the Securitisation Law and the provisions of the Factoring Law recalled therein.

The Receivables included in the Portfolio purchased by the Issuer have been selected on the basis of the Eligibility Criteria, pursuant to the Receivables Purchase Agreement.

The Purchase Price for the Portfolio is equal to €[•] and, subject to the terms and conditions of the Receivables Purchase Agreement, will be paid by the Issuer to the Seller on the Issue Date using part of the net proceeds of the issuance of the Notes.

Under the Receivables Purchase Agreement, the Issuer granted to the Seller certain call options pursuant to which, the Seller, subject to certain conditions and limitations, may repurchase from the Issuer individual Receivables comprised in the Portfolio not already collected as of the date of exercise of any such options.

In particular:

- (a) as an alternative to certain indemnity payment obligations of the Originator under the Receivables Purchase Agreement for breaches of certain of the representations and warranties provided by the Originator in relation to the Portfolio, the Issuer has granted to the Originator an option, pursuant to article 1331 of the Italian civil code, pursuant to which the Originator may repurchase, in accordance with the provisions of article 1260 of the Italian civil code or, to the extent applicable, article 58 of the Consolidated Banking Act and subject to the conditions set out in the Receivables Purchase Agreement, one or more Receivables in relation to which such representations and warranties made by the Originator under the Receivables Purchase Agreement, is false, incomplete or incorrect; and
- (b) the Issuer has granted to the Originator (or to an entity designed by the Originator) an option, pursuant to article 1331 of the Italian civil code, to repurchase the Portfolio. Such option can be exercised by the Originator only in respect of any Payment Date by reference to the date falling at the end of the previous Collection Period following the occurrence of a Clean-Up Call Event and subject to the rights of the Portfolio Option Holders under the Conditions.

**Representations  
Warranties**

**and** Under the Receivables Purchase Agreement, the Originator has made certain representations and warranties to the Issuer in relation to, *inter alia*, itself and the Receivables and has agreed to indemnify the Issuer in respect of certain liabilities incurred by the Issuer as a result of the breach of such representations and warranties.

See for further details "*The Portfolio*" and "*Description of the Transaction Documents - Description of the Receivables Purchase Agreement*".

**Servicing of the Portfolio**

On [•] April 2024, the Issuer and the Master Servicer have entered into the Master Servicing Agreement, pursuant to which the Master Servicer has been appointed by the Issuer as master servicer of the Securitisation for the collection and recovery of the Receivables comprised in the Portfolio pursuant to article 2, paragraph 3, letter (c), and paragraph 6 of the Securitisation Law.

Pursuant to the Master Servicing Agreement, the Master Servicer will act as the "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento*" in accordance with the Securitisation Law. In such capacity, the Master Servicer shall also be responsible for verifying that the operations comply with the law.

The Master Servicer has undertaken to prepare and submit, *inter alia*, to the Issuer, on or before each Master Servicer Report Date, the Master Servicer Report. In addition, under the Master Servicing Agreement, the Master Servicer has undertaken to prepare and provide to, *inter alios*, the Issuer the Loan Level Report and the Inside Information and Significant Event Report subject to the timely receipt from the Sub-Servicer of the Sub-Servicer Report.

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

Pursuant to the Sub-Servicing Agreement entered into on [•] April 2024, the Master Servicer - upon instruction of the Issuer and with the consent of the Issuer - has appointed Younited as Sub-Servicer in order to administer and manage the collections and recoveries of the Portfolio, subject to and in accordance with the provisions of the Sub-Servicing Agreement. In addition, under the Sub-Servicing Agreement, the Sub-Servicer has undertaken to prepare and provide to, *inter alios*, the Master Servicer, the information required for the Master Servicer to timely prepare and deliver the Loan Level Report and the Inside Information and Significant Event Report in accordance with the Master Servicing Agreement.

See for further details "*Description of the Transaction Documents - Description of the Sub-Servicing Agreement*".

**Back-Up Sub-Servicing  
Agreement**

On [•] April 2024, the Master Servicer, the Sub-Servicer, the Back-Up Sub-Servicer and the Issuer entered into the Sub-Servicing Agreement, pursuant to which the Back-Up Sub-Servicer has undertaken to carry out the delegated activities agreed under the Sub-Servicing Agreement in place of the Sub-

Servicer, upon occurrence of a Sub-Servicer Termination Event.

See for further details "*Description of the Transaction Documents – Description of the Back-Up Sub-Servicing Agreement*".

## 7. OTHER TRANSACTION DOCUMENTS

### **Intercreditor Agreement**

Pursuant to the Intercreditor Agreement, the parties thereto have agreed to, *inter alia*, (i) the application of the Issuer Available Funds, in accordance with the Priority of Payments; (ii) the limited recourse nature of the obligations of the Issuer; and (iii) the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to the Portfolio.

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

See for further details "*Description of the Transaction Documents – Description of the Intercreditor Agreement*".

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

Under the terms of the Cash Allocation, Management and Payments Agreement, the Calculation Agent, the Corporate Services Provider and the Paying Agents, have agreed to provide the Issuer with certain calculation, notification, cash management and reporting services together with account handling services in relation to moneys from time to time standing to the credit of the Accounts with certain agency services. The Cash Allocation, Management and Payments Agreement also contains provisions for the payment of principal and interest in respect of the Notes and for the investment in Eligible Investments.

See for further details "*Description of the Transaction Documents – Description of the Cash Allocation, Management and Payments Agreement*".

**Mandate Agreement**

Under the terms of the Mandate Agreement, the Representative of the Noteholders will be entitled to exercise its rights under the Transaction Documents within 10 (ten) Business Days from the notification of such failure, and fulfilment of certain other conditions, to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of certain Transaction Documents to which the Issuer is a party upon the occurrence of at least one of the following events: (i) a Trigger Notice has been sent to the Issuer according to Condition 12.2 (*Delivery of Trigger Notice*); or (ii) the Issuer fails to timely exercise any of its rights under the Transaction Documents and fails to fulfil certain conditions, **provided that** the notification of such failure is given by the Representative of the Noteholders to the Issuer and further **provided that** such failure is not remedied by the Issuer within 10 (ten) Business Days from the notification above.

See for further details "*Description of the Transaction Documents – Description of the Mandate Agreement*".

**Hedge Agreement**

On [\*] April 2024, the Issuer has entered into a banded interest rate hedge agreement with the Hedge Counterparty (intended to be effective as from the Issue Date), pursuant to which the Hedge Counterparty will hedge certain risks arising as a result of the interest rate mismatch between the rates of interest received by the Issuer in respect of the Receivables and the floating rate of interest payable by the Issuer under the Notes (other than the Class F Notes and the Class R Notes) (the "**Hedge Transaction**"). The Hedge Agreement comprises a ISDA 1992 Master Agreement and Schedule thereto, a 1995 ISDA Credit Support Annex thereto and the Hedge Transaction, as evidenced by a confirmation.

See for further details "*Description of the Transaction Documents – Description of the Hedge Agreement*".

**Corporate Services Agreement**

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

See for further details "*Description of the Transaction Documents – Description of the Corporate Services Agreement*".

**English Deed of Assignment**

Under the terms of the English Deed of Assignment, the Issuer has granted to the Representative of the Noteholders a pledge over the Issuer's rights in respect of (i) the Hedge Agreement, and (ii) the English Account Bank Agreement.

See for further details "*Description of the Transaction Documents – Description of the English Deed of Assignment*".

**Deed of Charge**

Under the terms of the Deed of Charge the Issuer has granted to the Representative of the Noteholders a pledge over the Issuer's rights in respect of the Collection Account, the Payments Account, the Cash Reserve Account, the Expenses Account, the Hedge Collateral Account (if opened) and the Securities Account(s) (if opened).

See for further details "*Description of the Transaction Documents – Description of the Deed of Charge*".

**English Account Bank Agreement** Under the terms of the English Account Bank Agreement, the Issuer has made certain arrangements with the Account Bank in relation to the opening and the management of the Accounts opened with the Account Bank.

See for further details "*Description of the Transaction Documents – Description of the English Account Bank Agreement*".

**Global Custodial Services Agreement** Under the terms of the Global Custodial Services Agreement, the Custodian may assume certain undertakings with respect to, *inter alia*, the opening and the management of the Securities Account(s) (if opened) and the making of Eligible Investments.

**Quotaholder's Agreement** Pursuant to the Quotaholder's Agreement, the Quotaholder has given certain undertakings in relation to the management of the Issuer and the exercise of its rights as quotaholder of the Issuer.

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

**Governing law of the Transaction Documents** All the Transaction Documents, save for the Hedge Agreement, the Deed of Charge, the English Account Bank Agreement, the Subscription Agreement and the English Deed of Assignment, and any non-contractual obligations arising out of or in connection with them, are governed by and will be construed in accordance with Italian law.

The Hedge Agreement, the Deed of Charge, the English Account Bank Agreement, the Subscription Agreement and the English Deed of Assignment and any non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with English law.

## 8. OVERVIEW OF CREDIT RATING TRIGGERS

<b>Transaction Party:</b>	<b>Required Credit Ratings:</b>	<b>Contractual requirements on occurrence of breach of credit ratings trigger include the following:</b>
<b>Account Bank</b>	<p><b>In the case of Fitch:</b> an entity whose "Deposit Rating" or "Issuer Default Rating" is at least 'F1' (short term) or 'A' (long term) (or such other rating which will not affect the rating of the Rated Notes), or which is guaranteed by an entity whose "Deposit Rating" or "Issuer Default Rating" is at least 'F1' (short term) or 'A' (long term), and the relevant guarantee issued by such entity complies with the criteria then established for such purposes by Fitch.</p> <p><b>In the case of S&amp;P:</b> a minimum rating of 'A-'.   <b>Alternatively,</b> to each of the above, such other ratings that are consistent with the</p>	<p>The Account Bank shall procure, within 60 (sixty) calendar days from the occurrence of such trigger, the transfer of the Accounts (other than the Expenses Account) to another bank selected by the Issuer (and approved by the Representative of the Noteholders) which is an Eligible Institution, and which shall assume the role of Account Bank upon the terms of the English Account Bank Agreement.</p>



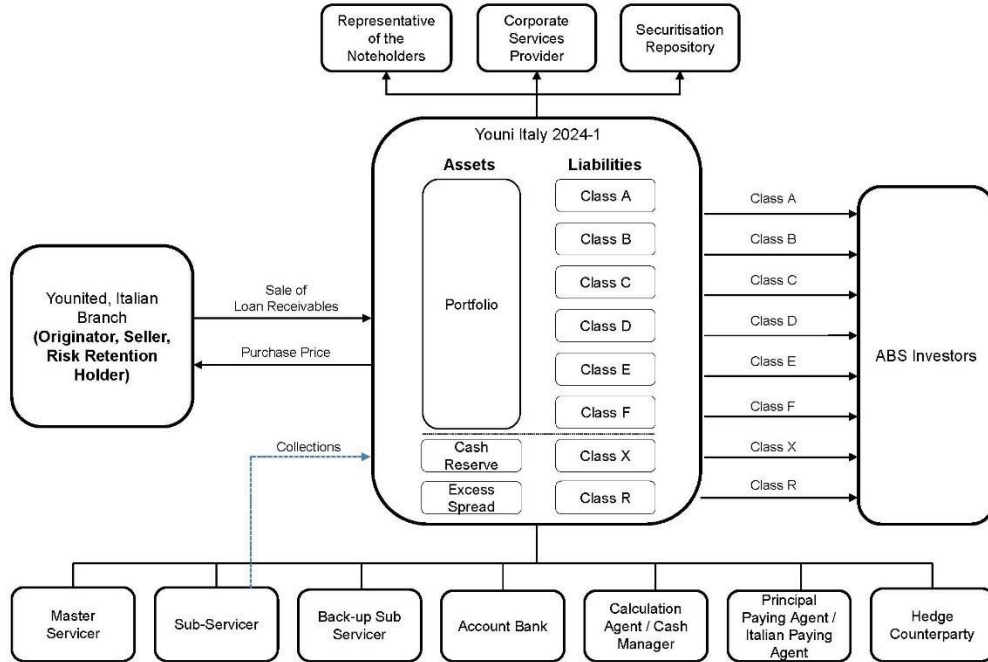
Transaction Party:	Required Credit Ratings:	Contractual requirements on occurrence of breach of credit ratings trigger include the following:
Hedge Counterparty	<p>then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Most Senior Class of Notes.</p> <p><b>In the case of S&amp;P:</b></p> <p>S&amp;P Global Ratings' 'Counterparty Risk Framework: Methodology And Assumptions', (published on 8 March 2019) permit four different options for selecting applicable frameworks containing transfer ratings triggers, and the contractual requirements that should apply on the occurrence of breach of a transfer ratings trigger by the Hedge Counterparty (the S&amp;P Framework, as defined and set out in the Hedge Agreement). Subject to certain conditions specified in the Hedge Agreement, the Hedge Counterparty may change the applicable S&amp;P Framework by written notice to the Issuer and S&amp;P. The applicable S&amp;P Framework that is expected to apply on the Closing Date is "<i>Moderate Collateral Framework</i>" as specified in the Hedge Agreement.</p> <ul style="list-style-type: none"> <li>• <i>S&amp;P first required ratings:</i> To support a rating of AA in respect of the Rated Notes, the Hedge Counterparty (or its successor or permitted transferee) has no issuer credit rating or resolution counterparty rating assigned to it of at least: <ul style="list-style-type: none"> <li>• A- (if S&amp;P Framework "Strong", applies at the relevant time);</li> <li>• BBB+ (if S&amp;P Framework "Adequate", applies at the relevant time);</li> <li>• A- (if S&amp;P Framework "Moderate", applies at the relevant time); and</li> </ul> </li> </ul> <p>Not applicable (if S&amp;P Framework "Weak", applies at the relevant time).</p> <ul style="list-style-type: none"> <li>• <i>S&amp;P second required ratings:</i> To support a rating of AA in respect</li> </ul>	<p>The consequence of the Hedge Counterparty no longer having the requisite rating under the relevant S&amp;P Framework shall be that the Hedge Counterparty has to take certain remedial actions within the required time frame as set out in the terms of the Hedge Agreement. Such remedial actions are as follows: (a) (other than if S&amp;P Framework "Weak" applies) post collateral or (b) (i) procure a transfer to an eligible replacement of the obligations under the Hedge Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations, under the Hedge Agreement or (iii) take such other action as required to maintain or restore the rating of the Rated Notes by S&amp;P.</p> <p>The consequence of the Hedge Counterparty no</p>

<b>Transaction Party:</b>	<b>Required Credit Ratings:</b>	<b>Contractual requirements on occurrence of breach of credit ratings trigger include the following:</b>
	<p>of the Rated Notes, the Hedge Counterparty (or its successor or permitted transferee) has no issuer credit rating or resolution counterparty rating assigned to it of at least:</p> <ul style="list-style-type: none"> <li>• BBB (if S&amp;P Framework "Strong", applies at the relevant time);</li> <li>• BBB+ (if S&amp;P Framework "Adequate" applies at the relevant time);</li> <li>• A- (if S&amp;P Framework "Moderate" applies at the relevant time);</li> <li>• A (if S&amp;P Framework "Weak" applies at the relevant time).</li> </ul>	<p>longer having the requisite rating under the relevant S&amp;P Framework (as applicable), shall be that the Hedge Counterparty has to take certain remedial actions within the required time frame as set out in the terms of the Hedge Agreement. Such remedial actions are as follows: (a) use commercially reasonable efforts to (i) procure a transfer to an eligible replacement of the obligations under the Hedge Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations, under the Hedge Agreement or (iii) take such other action as required to maintain or restore the ratings of the Rated Notes by S&amp;P and (b) (other than if S&amp;P Framework "Weak" applies) as long as the remedial actions of limb (a) have not been put into place, to post or continue to post collateral.</p> <p>A failure by the Hedge Counterparty to take such steps will, in certain circumstances, allow the Issuer to terminate the Hedge Agreement.</p>
	<p><b>In the case of Fitch:</b></p> <p><i>Fitch first required rating:</i> Long-term rating at least A or short-term rating at least F1</p>	<p>The consequence of breach is that the Hedge Counterparty (a) will be obliged to post collateral no later than 14 (fourteen) calendar days and (b) no later than 60 (sixty) calendar days, may (i) procure a transfer to an eligible replacement of its obligations under the Hedge Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Hedge Agreement or (iii) take such other action as required to</p>

Transaction Party:	Required Credit Ratings:	Contractual requirements on occurrence of breach of credit ratings trigger include the following:
	<ul style="list-style-type: none"> <li>• <i>Fitch second required rating:</i> Long-term rating at least BBB- or short-term rating at least F3</li> </ul>	<p>maintain or restore the rating of the Rated Notes by Fitch.</p> <p>The consequence of breach is that the Hedge Counterparty will be obliged to (a) post or continue to post collateral no later than 14 (fourteen) calendar days (pending the taking of any actions set out in subparagraph (b)) and also to (b) use its best endeavors to take one of the following actions no later than 60 (sixty) calendar days: (i) to procure a transfer to an eligible replacement of its obligations under the Hedge Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Hedge Agreement or (iii) take such other action as required to maintain or restore the rating of the Rated Notes by Fitch.</p>

## TRANSACTION DIAGRAM

The following is a diagram showing the structure of the Securitisation as at the Issue Date. It is intended to illustrate to prospective noteholders a scheme of the principal transactions contemplated in the context of the Securitisation on the Issue Date. It is not intended to be exhaustive and prospective noteholders should also read the detailed information set out elsewhere in this Prospectus.



## **RISK FACTORS**

*Investing in the Notes involves certain risks. These risk factors are material to an investment in the Notes. Prospective Noteholders should carefully read and consider all the information contained in this Prospectus, including the risk factors set out in this section, prior to making any investment decision. An investment in the Notes is only suitable for investors experienced in financial matters who are in a position to fully assess the risks relating to such an investment and who have sufficient financial means to suffer any potential loss stemming therefrom. The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. The Issuer believes that the factors described below represent the most material risks inherent in investing in the Notes, based on an assessment by the Issuer of their possible financial impact and likelihood of occurrence, but the inability of the Issuer to pay interest or principal on the Notes, or other amounts on or in connection with the Notes, may occur for other reasons not known to the Issuer or not deemed to be material enough.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. Should any of such predictable or unpredictable events occur, the value of the Notes may decline, the Issuer may not be able to pay all or part of the interest, principal or other amounts on or in connection with the Notes and investors may lose all or part of their investment.*

*Prospective Noteholders should read the detailed information set out elsewhere in this document and reach their own views, together with their own professional advisers, prior to making any investment decision.*

*The purchase of the Notes involves substantial risks and is suitable only for sophisticated investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes.*

*For the avoidance of doubt, the following risk factors do not address risks relevant to prospective holders of the Class R Notes. The Class R Notes are not being offered under this Prospectus and, accordingly, the following risk factors are not intended to address risks relevant to any holder of Class R Notes. Any risks set out herein which refer or apply to the Class R Notes, as applicable, are incidental and have been included for the benefit of prospective investors insofar as such risks may be relevant to any investment decision in respect of the Notes.*

1. *The Notes are complex financial products. Investors in the Notes must be able to make an informed assessment of the Notes, based upon full knowledge and understanding of the facts and risks. Investors must determine the suitability of that investment in light of their own circumstances.*

### **RISKS RELATED TO THE AVAILABILITY OF FUNDS TO PAY THE NOTES**

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

The Notes will be limited recourse obligations solely of the Issuer. In particular, the Notes will not be obligations or responsibilities of or guaranteed by any of the Originator, the Master Servicer, the Sub-Servicer, the Back-Up Sub-Servicer, the Risk Retention Holder, the Representative of the Noteholders, the Calculation Agent, the Cash Manager, the Account Bank, the Custodian, the Paying Agents, the Hedge Counterparty, the Corporate Services Provider, the Listing Agent, the Arranger, the Lead Manager or the Quotaholder. None of any such persons, other than the Issuer, will accept any liability whatsoever in respect of any failure by the Issuer to make any payment of any amount due under the Notes.

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

The Issuer will not as at the Issue Date have any significant assets to be used for making payments under the Notes other than the Portfolio and its rights under the Transaction Documents to which it is a party. Consequently, there is a risk that, over the life of the Notes or at the redemption date of the Notes (whether on the Final Maturity Date, upon redemption by acceleration of maturity following the service of a Trigger Notice 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 nature of the Notes***

The Notes will be limited recourse obligations of the Issuer. The Noteholders will receive payment in respect of principal, interest and Variable Return (if any) on the Notes only if and to the extent that the Issuer will have sufficient Issuer Available Funds to make such payment in accordance with the applicable Priority of Payments. If there are not sufficient funds available to the Issuer to pay in full all principal, interest, Variable Return 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.

There is no assurance that, over the life of the Notes or at the redemption date of any of the 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 and Variable Return, as applicable on the Notes or to repay the Notes in full.

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. After the service of a Trigger Notice, the Issuer (or the Representative of the Noteholders on its behalf) could attempt to sell the Portfolio to third parties provided that the Issuer or the Representative of the Noteholders has obtained a certificate issued by a reputable bank or financial institution stating that a sufficient amount would be realised from such disposal to allow discharge in full of all amounts owing to the Noteholders and amounts ranking in priority thereto or *pari passu* therewith (for further details, see the section entitled "*Description of the Transaction Documents – Description of the Intercreditor Agreement*"). However, there is no assurance that a purchaser could be found.

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

Payments of interest and repayment of principal under the Notes are subject to certain subordination and ranking provisions.

In particular, in respect of the obligations of the Issuer to pay interest or Variable Return (as applicable) and repay principal on the Notes, each Class of Notes will rank as set out in Condition 4.3 (*Ranking*) and Condition 6 (*Priority Of Payments*), which provide that:

- (a) in respect of the obligation of the Issuer to pay interest and Variable Return (if any) on the Notes, prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*) (as applicable):
  - (i) the Class A Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes, the Class F Notes and the Class R Notes;
  - (ii) the Class B Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated:
    - (A) to the Class A Notes, and
    - (B) if (x) the Class A Notes are still outstanding and (y) the Class B Principal Deficiency Sub-Ledger records a Principal Deficiency in respect of the Class B Notes exceeding 25 per cent. of the Principal Amount Outstanding of the Class B Notes, to (i) payments into the Cash Reserve Account and (ii) payments to debit balance recorded on (1) the Class A Principal Deficiency Sub-Ledger, (2) the Class B Principal Deficiency Sub-Ledger, (3) the Class C Principal Deficiency Sub-Ledger, (4) the Class D Principal Deficiency Sub-Ledger, (5) the Class E Principal Deficiency Sub-Ledger, and (6) the Class F Principal Deficiency Sub-Ledger, and in priority to payment of interest on the Class C Notes, the

Class D Notes and the Class E Notes and payment of interest and principal on the Class X Notes and the Class R Notes;

- (iii) the Class C Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated
  - (A) to the Class B Notes,
  - (B) if (x) the Class B Notes are still outstanding and (y) the Class C Principal Deficiency Sub-Ledger records a Principal Deficiency in respect of the Class C Notes exceeding 25 per cent. of the Principal Amount Outstanding of the Class C Notes, to (i) payments into the Cash Reserve Account and (ii) payments to debit balance recorded on (1) the Class A Principal Deficiency Sub-Ledger, (2) the Class B Principal Deficiency Sub-Ledger, (3) the Class C Principal Deficiency Sub-Ledger, (4) the Class D Principal Deficiency Sub-Ledger, (5) the Class E Principal Deficiency Sub-Ledger, and (7) the Class F Principal Deficiency Sub-Ledger, and in priority to payment of interest on the Class D Notes and the Class E Notes and payment of interest and principal on the Class X Notes and the Class R Notes;
- (iv) the Class D Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated
  - (A) to the Class C Notes,
  - (B) if (x) the Class C Notes are still outstanding and (y) the Class D Principal Deficiency Sub-Ledger records a Principal Deficiency in respect of the Class D Notes exceeding 25 per cent. of the Principal Amount Outstanding of the Class D Notes, to (i) payments into the Cash Reserve Account and (ii) payments to debit balance recorded on (1) the Class A Principal Deficiency Sub-Ledger, (2) the Class B Principal Deficiency Sub-Ledger, (3) the Class C Principal Deficiency Sub-Ledger, (4) the Class D Principal Deficiency Sub-Ledger, (5) the Class E Principal Deficiency Sub-Ledger, and (7) the Class F Principal Deficiency Sub-Ledger, and in priority to payment of interest on the Class E Notes and payment of interest and principal on the Class X Notes and the Class R Notes;
- (v) the Class E Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated
  - (A) to the Class D Notes,
  - (B) if (x) the Class D Notes are still outstanding and (y) the Class E Principal Deficiency Sub-Ledger records a Principal Deficiency in respect of the Class E Notes exceeding 25 per cent. of the Principal Amount Outstanding of the Class E Notes, to (i) payments into the Cash Reserve Account and (ii) payments to debit balance recorded on (1) the Class A Principal Deficiency Sub-Ledger, (2) the Class B Principal Deficiency Sub-Ledger, (3) the Class C Principal Deficiency Sub-Ledger, (4) the Class D Principal Deficiency Sub-Ledger, (5) the Class E Principal Deficiency Sub-Ledger, and (7) the Class F Principal Deficiency Sub-Ledger, and in priority to payment of interest and principal on the Class X Notes and the Class R Notes;
- (vi) the Class X Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes and to payments into the Cash Reserve Account and to payments towards reduction of the Class A Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the

Class B Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class C Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class D Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class E Principal Deficiency Sub-Ledger to 0 (zero) and payments towards reduction of the Class F Principal Deficiency Sub-Ledger to 0 (zero) and in priority to repayment of principal on the Class X Notes and payment of interest and repayment of principal on the Class R Notes;

- (vii) the Class F Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and to payments into the Cash Reserve Account and to payments towards reduction of the Class A Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class B Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class C Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class D Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class E Principal Deficiency Sub-Ledger to 0 (zero) and payments towards reduction of the Class F Principal Deficiency Sub-Ledger to 0 (zero) and in priority to payment of interest and principal on the Class R Notes;
- (viii) the Class R Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, and to payments into the Cash Reserve Account and to payments towards reduction of the Class A Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class B Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class C Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class D Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class E Principal Deficiency Sub-Ledger to 0 (zero) and payments towards reduction of the Class F Principal Deficiency Sub-Ledger to 0 (zero), and to payment of interest and repayment of principal on the Class X Notes and to repayment of principal on the Class F Notes.

In respect of the obligation of the Issuer to repay principal due on the Notes out of Principal Available Funds, prior to the delivery of a Trigger Notice:

- (A) during the Pro-Rata Amortisation Period:
  - (i) the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, and the Class E Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class F Notes; and
  - (ii) the Class F Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes;
- (B) during the Sequential Redemption Period:
  - (i) the Class A Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to repayment of principal due on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes;
  - (ii) the Class B Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to repayment of principal due on the Class A Notes and in priority to repayment of principal due on the Class C Note, the Class D Notes, the Class E Notes, and the Class F Notes;



- (iii) the Class C Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to repayment of principal due on the Class A Notes and the Class B Notes and in priority to repayment of principal due on the Class D Notes, the Class E Notes, and the Class F Notes;
  - (iv) the Class D Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to repayment of principal due on the Class A Notes, the Class B Notes and the Class C Notes and in priority to repayment of principal due on the Class E Notes and the Class F Notes;
  - (v) the Class E Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to repayment of principal due on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and in priority to repayment of principal due on the Class F Notes;
  - (vi) the Class F Notes rank *pari passu* and *pro rata* without any preference or priority among themselves but subordinated to repayment of principal due on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.
- (b) In respect of the obligations of the Issuer to pay interest, Variable Return (if any) and repay principal on the Notes, following the service of a Trigger Notice:
- (i) the Class A Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes, the Class F Notes and the Class R Notes;
  - (ii) the Class B Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes and in priority to the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes the Class F Notes and the Class R Notes;
  - (iii) the Class C Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes the Class B Notes and in priority to the Class D Notes, the Class E Notes, the Class X Notes, the Class F Notes and the Class R Notes;
  - (iv) the Class D Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes and the Class C Notes and in priority to the Class E Notes, the Class X Notes, the Class F Notes and the Class R Notes;
  - (v) the Class E Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and in priority to the Class X Notes the Class F Notes and the Class R Notes;
  - (vi) the Class X Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes and in priority to the Class F Notes and the Class R Notes;
  - (vii) the Class F Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes and in priority to the Class R Notes; and

- (viii) the Class R Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes.

As a result, to the extent that any losses are suffered by any of the Noteholders, such losses will be borne firstly by the Noteholders which rank more junior in the applicable Priority of Payments and secondly by the other Noteholders in accordance with their ranking in such Priority of Payments.

Perspective Noteholders should have particular regard to the factors identified in the sections of this Prospectus headed "*Credit Structure*" and "*Priority of Payments*" in determining the likelihood or extent of any shortfall of funds available to the Issuer to meet payments of interest or Variable Return or repayment of principal due under the Notes.

#### ***Deferral of interest payments on the Notes***

In respect of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes (other than when they have become Most Senior Class of Notes), if on any Payment Date there are not sufficient Issuer Available Funds to make payment in full (after having paid or provided for items of higher priority in the Pre-Trigger Notice Interest Priority of Payments, or after delivery of a Trigger Notice, in the Post-Trigger Notice Priority of Payments) of:

- (a) all amounts of interest accrued during the immediately preceding Interest Period (together, all such amounts being the "**Current Interest**"); and
- (b) any interest amounts previously deferred,

payment of such interest (the "**Deferred Interest**") shall be deferred to the next Payment Date.

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

The Issuer is subject to a liquidity risk in case of delay between the Scheduled Instalment Dates and the actual receipt of payments from the Debtors. This risk is mitigated in respect of the Rated Notes through the support provided to the Issuer in respect of payments to the Cash Reserve Account.

The Issuer is also subject to the risk of default in payment by the Debtors and of the failure to realise or to recover sufficient funds in respect of the relevant Loans in order to discharge all amounts due from such Debtors under the Loan Agreements. This risk is mitigated by, in respect of the Rated Notes (other than the Class X Notes): (a) the subordination of the Unrated Notes, and (b) by the liquidity support and ultimate credit support provided, until the Cash Reserve End Date, by the Cash Reserve Account.

However, in each case, there can be no assurance that the levels of liquidity support provided by the Unrated Notes as well as the Cash Reserve will be adequate to ensure punctual and full receipt of amounts due under the Rated Notes.

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

#### ***No certainty as to recognition of the Class A Notes as eligible collateral for ECB liquidity and/or open market transactions***

The Class A Notes have been structured in a manner so as to allow Eurosystem eligibility. However, this does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria and, in accordance with its policies, will not be given prior to

issue of the Class A Notes. If the Class A Notes are accepted for such purposes, Eurosystem may amend or withdraw any such approval in relation to the Class A Notes at any time.

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

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

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

The Receivables comprised in the Portfolio include and will include interest payments calculated at interest rates and times which are different from the interest rates and times applicable to the interest due in respect of the Rated Notes.

The Issuer expects to meet its floating rate payment obligations under the Rated Notes primarily from the payments relating to the Collections and the Recoveries. However, the interest component in respect of such payments may have no correlation to the EURIBOR rate from time to time applicable in respect of the Rated Notes.

In order to mitigate the risk of the occurrence of a mismatch between the payments received from collections and recoveries made in respect of the Receivables and the floating rate payment obligations of the Issuer under the Rated Notes, the Issuer entered into the Hedge Agreement in relation to the Securitisation with the Hedge Counterparty which shall at all times be (or its credit support provider shall at all times be) an institution rated in accordance with the provisions of the Hedge Agreement. Under the terms of the Hedge Agreement, the notional amount shall be an amount in Euro specified in the swap confirmation (the "**Hedge Notional Amount**").

The Hedge Agreement contains specific downgrade provisions aimed at maintaining the credit ratings of the Rated Notes, pursuant to which the Hedge Counterparty will be required within a specified timeframe, in the event that it, or its credit support provider, is downgraded, to post collateral, provide a suitable guarantor or transfer its rights and obligations under the Hedge Agreement to another suitably rated entity.

In the event of early termination of the Hedge Agreement, including any termination upon failure by the Hedge Counterparty to perform its obligations, the Issuer will use its commercially reasonable efforts (but it will not guarantee) to find a replacement Hedge Counterparty. However, in such case, there is no assurance that the Issuer will be able to meet its payment obligations under the Notes.

Prospective Noteholders should also note that, if the Hedge Agreement is early terminated, then the Issuer may be obliged to pay the amount determined pursuant to section 6 (e) of the ISDA Master Agreement to the Hedge Counterparty. Except in certain circumstances, such amount due to the Hedge Counterparty by the Issuer will rank in priority to payments due on the Notes. Any additional amounts required to be paid by the Issuer as a result of the termination of the Hedge Agreement (including any extra costs incurred if the Issuer cannot immediately enter into one or more, as appropriate, replacement hedge agreements), may also rank in priority to payments due on the Notes. Therefore, if the Issuer is obliged to pay the amount determined pursuant to section 6 of the ISDA Master Agreement to the Hedge Counterparty or to pay any other additional amount as a result of the termination of the Hedge Agreement, this may affect the funds which the Issuer has available to make payments on the Notes.

See for further details "*Description of the Transaction Documents - The Hedge Agreement*".

Other than with respect to the collateral that may be posted by the Hedge Counterparty for the benefit of the Issuer in accordance with the Hedge Agreement entered into by the Issuer and the Hedge Counterparty, in the event of the insolvency of the Hedge Counterparty, the Issuer will be treated as a general and unsecured creditor of the Hedge Counterparty. Consequently, the Issuer will be subject to the credit risk of the Hedge Counterparty in addition to the risk of the debtors of the Receivables.

***Credit risk on Younited S.A., Italian Branch, and the other parties to the Transaction Documents***

The Issuer has entered into agreements with a number of third parties that have agreed to perform services in relation to the Notes. The ability of the Issuer to make payments in respect of the Notes will depend to a significant extent upon the due performance by Younited S.A., Italian Branch, (in any capacity) and the other parties to the Transaction Documents of their respective various obligations under the Transaction Documents to which they are parties. In particular, without limiting the generality of the foregoing, the timely payment of amounts due on the Notes will depend on the ability of the Sub-Servicer to service the Portfolio and to recover the amounts relating to Defaulted Receivables (if any). The performance of such parties of their respective obligations under the relevant Transaction Documents is dependent on the solvency of each relevant party. The Issuer is relying on the creditworthiness of the other parties to the Transaction Documents. It cannot be ruled out that the creditworthiness of such parties will deteriorate in the future. If any of such third parties fails to perform its obligations under the respective agreements to which it is a party, the ability of the Issuer to meet its obligations under the Notes may be adversely affected.

For the purpose of compliance with article 20(2) of the EU Securitisation Regulation, the Originator and the Issuer confirm that the French Insolvency Act does not contain severe claw-back provisions within the meaning of articles 20(1), 20(2) and 20(3) of the EU Securitisation Regulation and the Originator represents that (a) it has its COMI situated in France and (b) it is not subject to any intervention, resolution or recovery measures described in Regulation (EU) No 806/2014 of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and has not been declared dissolved or declared bankrupt.

Furthermore, the Italian insolvency laws do not contain severe claw-back provisions within the meaning of articles 20(1), 20(2) and 20(3) of the EU Securitisation Regulation.

It is not certain that a suitable alternative Sub-Servicer could be found to service the Portfolio if Younited S.A., Italian Branch, becomes insolvent or its appointment under the Sub-Servicing Agreement is otherwise terminated. Any delay or inability to appoint a Back-Up Sub-Servicer or a Substitute Sub-Servicer may affect payments on the Notes. On the other hand, if such an alternative Sub-Servicer were to be found it is not certain whether it would service the Portfolio on the same terms as those provided for in the Sub-Servicing Agreement. The ability of the Back-Up Sub-Servicer (if appointed) or any Substitute Sub-Servicer to fully perform the required services will depend, *inter alia*, on the information, software and record available to it at the time of its appointment. Such risk is mitigated by the provision of the Sub-Servicing Agreement pursuant to which, if a Sub-Servicer Termination Event occurs, the Back-Up Sub-Servicer shall, within 30 (thirty) calendar days from the receipt of a notice of termination of the Sub-Servicer, replace the Sub-Servicer in accordance with the terms of the Back-Up Sub-Servicing Agreement. The Back-Up Sub-Servicer will, *inter alia*, (i) need to satisfy the requirements of a substitute servicer provided for by the Sub-Servicing Agreement; (ii) undertake to enter into an agreement substantially in the form of the Sub-Servicing Agreement; and (iii) assume all the duties and obligations applicable to it as provided for by the Transaction Documents.

The Sub-Servicer has undertaken in the Sub-Servicing Agreement that within 30 days from the date on which the appointment of the Sub-Servicer is terminated, the Sub-Servicer shall, upon written request of the Issuer, the Master Servicer, the Back-Up Sub-Servicer or the Substitute Sub-Servicer instruct the Debtors to make any payments in relation to the Receivables on the bank account opened by the Back-Up Sub-Servicer for such purposes pursuant to the terms of the Back-

Up Sub-Servicing Agreement, whose details shall be promptly provided by the Back-Up Sub-Servicer to the Sub-Servicer in accordance with the terms of the Back-Up Sub-Servicing Agreement.

In addition, the Issuer is subject to the risk that, in the event of insolvency of Younited S.A., Italian Branch, the Collections and the Recoveries then held by the Sub-Servicer and not transferred to the Collection Account may be subject to attachment by the creditors of the Sub-Servicer and be lost. For the purpose of reducing such risk, the Issuer has taken certain actions, such as, *inter alia*, requiring the Sub-Servicer to have communicated in writing to the Debtors new payment instructions in respect of the Receivables, so that payments are made on an account maintained with an Eligible Institution. See for further details "*Description of the Transaction Documents – Description of the Sub-Servicing Agreement*".

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

By operation of the Securitisation Law, the rights, title and interests of the Issuer in and to the Portfolio, any monetary claim accrued by the Issuer in the context of the Securitisation, the relevant collections and the financial assets (including Eligible Investments) 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 in the context of other securitisation transactions) and any amounts deriving therefrom will be available both prior to and on a winding up of the Issuer only in or towards satisfaction, in accordance with the applicable Priority of Payments, of the payment obligations of the Issuer to the Noteholders, to the Other Issuer Creditors and in relation to any other unsecured costs of the securitisation of the Portfolio incurred by the Issuer. Amounts deriving from the Portfolio, any monetary claim accrued by the Issuer in the context of the Securitisation, the relevant collections and the financial assets (including Eligible Investments) will not be available to any other creditor of the Issuer whose costs were not incurred in connection with the Securitisation. Under Italian law and the Transaction Documents, any creditor of the Issuer who has a valid and unsatisfied claim may file a petition for the liquidation of the Issuer, although no creditors other than the Representative of the Noteholders (on behalf of the Noteholders) and any third party creditors having the right to claim for amounts due in connection with the securitisation of the Portfolio would have the right to claim in respect of the Portfolio, even in a liquidation of the Issuer.

Prior to the commencement of winding up proceedings in respect of the Issuer, the Issuer will only be entitled to pay any amounts due and payable to any third parties who are not Other Issuer Creditors in accordance with the applicable Priority of Payments. Following commencement of winding up proceedings in respect of the Issuer, a liquidator would control the assets of the Issuer including the Portfolio, which would likely result in delays in any payments due to the Noteholders and no assurance can be given as to the length or costs of any such winding up proceedings.

Each Other Issuer Creditor has undertaken in the Intercreditor Agreement not to petition or commence proceedings for a declaration of insolvency (nor join any such petition or proceedings) against the Issuer until the date falling two years and one day after the date on which the Notes and any other notes issued by (or loans advanced to) the Issuer in the context of any further securitisations undertaken by the Issuer have been redeemed in full or cancelled in accordance with their 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. Notwithstanding the foregoing, the corporate object of the Issuer as contained in its by-laws is limited and the Issuer has also agreed to certain covenants in the Intercreditor Agreement and the Conditions restricting the activities that may be carried out by the Issuer and has furthermore covenanted not to enter into any transactions that are not contemplated in the Transaction Documents.

***Receivables of unsecured creditors of the Issuer***

By virtue of the operation of article 3 of the Securitisation Law and the Transaction Documents, the Issuer's rights, title and interest in and to the Portfolio, any monetary claim accrued by the Issuer in the context of the Securitisation, the relevant collections and the financial assets purchased

through such collections will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law). Therefore, any cash-flow deriving therefrom (to the extent identifiable; please see the section entitled "*Risk Factors – Commingling risk*" for further details) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any other creditors of the Issuer in respect of any fees, costs, and expenses in relation to the Securitisation. Amounts deriving from the Portfolio will not be available to any other creditor of the Issuer. However, under Italian law, any other creditor of the Issuer would be able to commence insolvency or winding up proceedings against the Issuer in respect of any unpaid debt.

Under Italian law, *prima facie*, any creditor of the Issuer who has a valid and unsatisfied claim may file a petition for the declaration of insolvency of the Issuer, although no creditors other than the Representative of the Noteholders on behalf of the Noteholders and the Other Issuer Creditors would have the right to claim in respect of the Receivables, even in the event of insolvency of the Issuer.

#### ***The scope of application of the Securitisation Law is limited***

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 regulations issued by the Bank of Italy concerning, *inter alia*, the accounting treatment of securitisation transactions by special purpose companies incorporated under the Securitisation Law, as the Issuer, and the duties of the companies which carry out collection and recovery activities in the context of a securitisation transaction. Consequently, it is possible that such or different authorities may issue further regulations relating to the Securitisation Law or to the interpretation thereof, the impact of which cannot be predicted by the Issuer or any other party as at the date of this Prospectus.

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

The Issuer will not, as of the date of this Prospectus, have any assets other than the Portfolio and the other rights in favour of the Issuer under the Transaction Documents.

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent on (i) the receipt by the Issuer of collections and recoveries made on its behalf by the Sub-Servicer from the Portfolio, (ii) the availability of the amounts deposited on the Cash Reserve Account in order to cover any Senior Interest Shortfall Amount; and (iii) any other amounts received by the Issuer pursuant to the provisions of the other Transaction Documents to which it is a party.

#### ***Redemption of the Notes and early redemption for default***

Any Notes will be redeemed at the latest on the Final Maturity Date, subject to the relevant Issuer Available Funds and in accordance with the relevant Priority of Payments. No Noteholder of any Class of Notes will have any rights under the Notes after the Final Maturity Date.

See Condition 8.1 (*Final redemption*) under the section entitled "*Terms and Conditions of the Notes*".

Upon the occurrence of a Trigger Event, the Representative of the Noteholders shall, in the case of a Trigger Event under Condition 12.1.1 (*Non-Payment*) and, (in each case if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding) in the case of a Trigger Event under any of Condition 12.1.2 (*Breach of other Obligations*), Condition 12.1.3 (*Insolvency of the Issuer*) or Condition 12.1.4 (*Unlawfulness*), serve a Trigger Notice on the Issuer. In case of an early redemption of all Notes upon the service of a Trigger Notice, the overall interest payments under the Notes may be lower than expected. This may adversely affect the yield on the then outstanding classes of Notes.

#### ***Early Optional Redemption – Clean-up call and optional redemption for taxation reasons***

Upon the aggregate Outstanding Principal of the Receivables comprised in the Portfolio which are not Defaulted Receivables being equal to, or lower than, 10 per cent. of the aggregate Outstanding Principal of the Receivables comprised in the Portfolio as at the Valuation Date (the "**Clean-up Call Event**"), the Originator has the right to exercise the Portfolio repurchase option under clause

11.2 (*Clean-Up Event and Repurchase of the Receivables*) of the Receivables Purchase Agreement and any Portfolio Option Holder has the right to exercise its right to purchase the Portfolio under Condition 8.3 (*Optional redemption*), upon which the Issuer shall, on any Payment Date following the occurrence of the Clean-up Call Event, redeem the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes (in whole but not in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon) in accordance with the Post-Trigger Notice Priority of Payments, subject to the Issuer:

- (a) giving not less than 5 (five) days' notice to the Representative of the Noteholders (with copy to the Master Servicer, the Sub-Servicer, the Calculation Agent, the Hedge Counterparty and the Rating Agencies) and to the Noteholders in accordance with Condition 16 (*Notices*) of its intention to redeem the Notes; and
- (b) on the date on which the notice referred to in paragraph (i) above has been given, delivering to the Representative of the Noteholders a certificate duly signed by the Issuer to the effect that it will have the necessary funds (free and clear of any Security Interest of any third party) on such Payment Date to discharge its outstanding liabilities in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes (in whole but not in part) and any other payment ranking in priority to or *pari passu* therewith, in accordance with the Post-Trigger Notice Priority of Payments.

The Issuer may obtain the funds necessary to finance such early redemption of the Notes in accordance with Condition 8.3 (*Optional redemption*) from the sale of the Portfolio to either of (i) the Originator (or a nominee of the Originator), or (ii) any Portfolio Option Holder (or a nominee of any Portfolio Option Holder) (each a "**Potential Buyer**"), as the Issuer has granted to: (a) the Originator (or a nominee of the Originator) under the Receivables Purchase Agreement, and (b) each Portfolio Option Holder (or a nominee of such Portfolio Option Holder) under the Conditions, an option, pursuant to article 1331 of the Italian civil code, to submit an offer to purchase the Portfolio, on any Payment Date following a Clean-up Call Event, by reference to the status of the Portfolio as at the date falling at the end of the preceding Collection Period (each a "**Purchase Option**").

With respect to any Payment Date following a Clean-up Call Event:

- (i) should the Originator intend to exercise the Purchase Option it shall inform the Issuer, by no later than the 30<sup>th</sup> calendar day prior to such Payment Date, by providing written notice thereof to the Issuer (with a copy to the Representative of the Noteholders) (such notification, an "**Originator Purchase Notification**");
- (ii) within the first Business Day following the receipt by the Issuer of an Originator Purchase Notification, the Issuer shall notify all the Portfolio Option Holders of the receipt of such Originator Purchase Notification;
- (iii) any of the Potential Buyers (or their respective nominees) may submit a purchase offer in relation to the Portfolio (each a "**Purchase Offer**"), *provided that*:
  - (A) in the case of the Originator, such Purchase Offer (xx) may be submitted only if an Originator Purchase Notification has been delivered in accordance with Condition 8.3.3(i) and (yy) shall be submitted to the Issuer (with copy to the Representative of the Noteholders) at least 15 days prior to such Payment Date; and
  - (B) in the case of any Portfolio Option Holder, such Purchase Offer shall be submitted to the Issuer (with copy to the Representative of the Noteholders) at least 10 days prior to such Payment Date ; and
- (iv) on the first Business Day following the receipt by the Issuer of any Purchase Offer from a Potential Buyer, the Issuer shall notify each other Potential Buyer of the receipt of such Purchase Offer (and, in the case of an Originator's Purchase Offer only, the Issuer shall notify the Portfolio Option Holders also of the purchase price offered by the Originator in its Purchase Offer).

The acceptance by the Issuer of any Purchase Offer will be subject to:

- (a) (i) any Purchase Offer having been timely submitted to the Issuer by the relevant Potential Buyer in accordance with the terms and conditions provided by Condition 8.3.3 and (ii) in the case of an Originator's Purchase Offer, such Purchase Offer having been preceded by the timely receipt by the Issuer of an Originator Purchase Notification within the term provided by Condition 8.3.3 (i);
- (b) the relevant Potential Buyer demonstrating to the Issuer that it is solvent by providing (i) a solvency certificate issued by its directors; (ii) a solvency certificate issued by the competent register of enterprises; and (iii), if available, a solvency certificate issued by the relevant bankruptcy court (or in case of a non-Italian purchaser, the documents customarily released by the relevant public authorities) satisfactory to the Representative of the Noteholders;
- (c) the purchase price proposed by the relevant Potential Buyer to the Issuer in the relevant Purchase Offer (the "**Purchase Offer Amount**") being at least equal to the Final Purchase Price;
- (d) confirmation that the relevant Potential Buyer has the required authorisations to purchase the Portfolio; and
- (e) with respect to any Portfolio Option Holder, evidence of its holding of the Class R Notes and an undertaking not to dispose of such Class R Notes until the Payment Date on which such Portfolio Option Holder (or its nominee) has completed the purchase of the Portfolio.

If the Issuer receives multiple Purchase Offers, it shall accept the Purchase Offer with the higher Purchase Offer Amount and sell the Portfolio to the relevant Potential Buyer (or its nominee), provided that:

- (a) in case of multiple Purchase Offers having the same Purchase Offer Amount from the Originator and any of the Portfolio Option Holders, the Issuer will be obliged to accept the Purchase Offer submitted by a Portfolio Option Holder (or its nominee);
- (b) in case of multiple Purchase Offers having the same Purchase Offer Amount from several Portfolio Option Holders, the Issuer will be obliged to accept the Purchase Offer submitted by the Portfolio Option Holder (or its nominee) holding the highest percentage of the Class R Notes.

#### ***Credit Enhancement Provides Only Limited Protection Against Losses***

The credit enhancement mechanisms established for the Securitisation, as set out under the "*Cash Reserve Account*" section, provide only limited protection to the holders of the Rated Notes. Although the credit enhancement mechanisms are intended to reduce the effect of delinquent payments or losses incurred under the Receivables, the amounts available under such credit enhancement mechanisms are limited and once reduced to zero, the holders of the Notes, may suffer losses and not receive all amounts of interest and principal owed to them.

## **2. RISKS RELATED TO THE UNDERLYING ASSETS**

### ***Loans' performance may deteriorate in case of default by the Debtors***

The Portfolio is exclusively comprised of consumer loans which were classified by the Originator as performing (*crediti in bonis*) as at the Valuation Date in accordance with the Bank of Italy's guidelines (see the section entitled "*The Portfolio*"). There can be no guarantee that the Debtors will not default under such Loans and that they will therefore continue to perform. It should be noted that adverse changes in economic conditions may affect the ability of the Debtors to repay the Loans.

The recovery of amounts due upon default by a Debtor 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: (i) proceedings in certain courts involved in the enforcement of the Loans may take longer than the national average; (ii) further time is required if it is necessary to obtain an injunction decree (*decreto ingiuntivo*) and if the relevant Debtor raises a defence to or counterclaim in the proceedings.

### ***Recoveries under the Loans***

Following default by a Debtor under a Loan, the Sub-Servicer will be required to take steps to recover the sums due under the Loan in accordance with its credit and collection policies and the terms of the Servicing Agreements. In principle, the Loan Agreements provide that, upon default of a Debtor, the Seller is entitled to take steps to terminate its agreement with the relevant Debtor under the Loan and to require immediate repayment of all amounts advanced and/or due under the relevant Loan in accordance with its terms. For further details, see the sections entitled "*Description of the Master Servicing Agreement*", "*Description of the Sub-Servicing Agreement*" and "*The Credit and Collection Policies*" below.

The Sub-Servicer may take steps to recover the deficiency from any Debtor. Such steps could include an out-of court settlement; however, legal proceedings may be taken against the relevant Debtor if the Sub-Servicer is of the view that the potential recovery would exceed the costs of the enforcement measures. In such event, due to the complexity of and the time involved in carrying out legal or insolvency proceedings against the Debtor and the possibility for challenges, defences and appeals by the Debtor, there can be no assurance that any such proceedings would result in the payment in full of outstanding amounts under the relevant Loan.

In the Republic of Italy, a lender which has received a judgment against a debtor in default may enforce the judgment through, *inter alia*, a forced sale of the debtor's (or guarantor's) goods (*pignoramento mobiliare*), if the lender has previously been granted a court order or injunction to pay amounts in respect of any outstanding debt or unperformed obligation.

Forced sale proceedings are directed against the debtor's goods following notification of an *atto di precetto* to the relevant debtor together with a *titolo esecutivo*, i.e. an instrument evidencing the nature of the receivables and having certain characteristics.

The average length of time for a forced sale of debtor's assets, from the court order or injunction of payment to the final sharing-out, is about three 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.

Estimates of the cost for the enforcement of security interests have to be made on a case by case basis. The creditor is required to pay, in advance, the expenses of the judicial enforcement proceeding (including the fees of the expert appointed by the court to appraise the assets subject to enforcement).

Attachment proceedings may also be commenced on due and payable receivables 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.

### ***Principal Deficiency Ledger***

If any Receivables become Defaulted Receivables, the Issuer will be obliged to record any principal deficiencies in the Principal Deficiency Ledger (for further details, see the section entitled "*Credit Structure*").

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

- (a) the Issuer's interest and other net income may not be sufficient, after making the payments to be made in priority thereto, to pay, in full or at all, interest due on the Notes;
- (b) there may be insufficient funds to redeem the Notes at their face value unless, prior to the Final Maturity Date, the Issuer's interest and other net income is sufficient, after making

other payments to be made in priority thereto, to reduce to nil the debit provision in the Principal Deficiency Ledger; and

- (c) if the aggregate debit balances, notwithstanding any reduction as aforesaid, exceed the aggregate face value of the Notes (other than the Class X Notes and the Class R Notes), the Noteholders (other than the Class X Noteholders and the Class R Noteholders) may not receive by way of principal repayment the full face value of their Class of Notes.

### ***Italian consumer protection legislation***

The Portfolio comprises Receivables deriving from Loans qualifying as "consumer loans", i.e. loans extended to individuals (the "**consumers**") acting outside the scope of their entrepreneurial, commercial, craft or professional activities.

In Italy, consumer loans are regulated by, *inter alia*: (a) articles 121 to 126 of the Consolidated Banking Act and (b) regulation of the Bank of Italy dated 29 July 2009, entitled "*Trasparenza delle operazioni e dei servizi bancari e finanziari. Correttezza delle relazioni tra intermediari e clienti*" (as amended from time to time, the "**Transparency Regulation**"). Under the current legislation, consumer loans are only those granted for amounts respectively lower and higher than the maximum and minimum levels set by article 122, paragraph 1, letter a) of the Consolidated Banking Act, such levels being currently set at € 75,000 and € 200, respectively.

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

- (a) pursuant to paragraphs 1 and 2 of article 125-*quinquies* of the Consolidated Banking Act, borrowers under consumer loan agreements linked to supply contracts have the right to terminate the relevant contract with the lender following a default by the supplier, **provided that** (i) they have previously and unsuccessfully made the *costituzione in mora* of the supplier and (ii) such default meets the conditions set out in article 1455 of the Italian civil code. In the case of termination of the consumer loan contract, the lender must reimburse all instalments and sums paid by the consumer. However, the lender has the right to claim these payments from the relevant defaulting supplier. Pursuant to paragraph 4 of article 125-*quinquies* of the Consolidated Banking Act, borrowers are entitled to exercise against the assignee of any lender under such consumer loan agreements any of the defences mentioned under paragraphs 1 to 3 of the same article, which they had against the original lender. On the basis of the principles of the Italian civil code it could be reasonably argued that, should the insurance policies qualify as linked contracts, upon default of the insurance companies the borrowers would be entitled to claim only a refund of the portion of the loan financing the premium. However, it should be noted that such risks would not apply to the Receivables given that, as at the date of this Prospectus, no insurance premium is financed under the Loan Agreements and, therefore, payments made by the Debtors under the Loans will not comprise payment of any insurance premia;
- (b) pursuant to paragraph 1 of article 125-*sexies* of the Consolidated Banking Act, borrowers under consumer loan contracts have the right to prepay any consumer loan without penalty and with the additional right to a *pro rata* reduction in the aggregate costs and interests of the loan (*see "The European Court of Justice's "Lexitor" decision and subsequent Italian Constitutional Court's decision may impact the cash-flows deriving from the Portfolio" paragraph*). It should, however, be noted that, in the event of prepayment by the borrower, the lender, under certain circumstances, is entitled to a compensation equal to 1 per cent. Of the prepaid amount of the consumer loan if the residual duration of the consumer loan is longer than one year, and equal to 0.5 per cent. Of the same amount, if shorter; in any case, no prepayment penalty shall be due:
- if the repayment has been made under an insurance contract intended to provide a credit repayment guarantee; or
  - in the case of overdraft facilities; or
  - the repayment falls within a period for which the borrowing rate is not a fixed rate; or

- the prepaid sum is equal to the total outstanding amount of the relevant consumer loan and is equal or less than € 10,000.

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

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

In this respect, prospective Noteholders should note that, pursuant to the Receivables Purchase Agreement, the Originator has undertaken to indemnify and hold the Issuer harmless from any damage, loss, claim, cost and/or expense that the Issuer has incurred or may incur as a result of the inability of the Issuer to collect or recover any Receivables due to the exercise by the Debtors of any claim or counterclaim (including by way of set-off) against the Seller;

- (c) pursuant to paragraph 1 of article 125-*septies* of the Consolidated Banking Act, debtors are entitled to exercise, against the assignee of a lender under a consumer loan contract, any defence (including set-off) which they had against the original lender, in derogation to the provisions of article 1248 of the Italian civil code (that is even if the borrower has accepted the assignment or has been notified thereof). It is debated whether paragraph 1 of article 125-*septies* of the Consolidated Banking Act allows the assigned consumer to set-off against the assignee only receivables that had arisen *vis-à-vis* the assignor before the assignment or also those receivables arising after the assignment, regardless of any notification/acceptance of the same. In this respect it should be noted that the Securitisation Law (as amended by Italian Law no. 9 of 21 February 2014) provides, *inter alia*, that, in derogation of any other provision, with effect from the date of publication of the notice of transfer in the Official Gazette, the relevant assigned debtors are not entitled to set-off any claim *vis-à-vis* the assignor arisen after such date against any payment owed to the issuer; and
- (d) pursuant to paragraph 2 of article 125-*septies* of the Consolidated Banking Act, there is no obligation to inform the consumer of the assignment of the rights of the lender under a consumer loan contract when the original lender maintains the servicing of the relevant receivables. In addition, the perfection formalities in respect to the assignment of receivables shall be carried out in accordance with articles 1 and 4 of the Securitisation Law and the article 5 paragraphs 1, 1-*bis* and 2 of Factoring Law referred to therein with respect to the securitisation transaction of receivables. No prior individual notice of the sale of the Receivables will be given to the Debtors as the Seller will continue to service the relevant Receivables and the Debtors' payment procedure will not be subject to change. Since no individual notice of the assignment of the Receivables to the Issuer is being given there is a risk that Debtors could raise a defence in any enforcement action taken by the Issuer in respect of the relevant Loans that the assignment of the Receivables cannot be enforced against them if the Seller does not continue to service the relevant Receivables and the Debtors' payment procedure are subject to change, until they receive formal notice of the assignment. In this respect it should be noted that the Securitisation Law (as amended by Italian Law no. 9 of 21 February 2014) provides, *inter alia*, that, in derogation of any other provision, with effect from the date of publication of the notice of transfer in

the Official Gazette, the relevant assigned debtors are not entitled to set-off any claim vis-à-vis the assignor arisen after such date against any payment owed to the issuer.

The Loans, qualifying as "consumer loans" pursuant to the Consolidated Banking Act, are regulated, *inter alia*, by article 1469-bis of the Italian civil code and by Italian Legislative Decree 206 of 6 September 2005 (*Codice del consumo, a norma dell'articolo 7 della legge 29 luglio 2003, n. 229*) (the "**Consumer Code**"), which implement EC Directive 93/13/CEE on unfair terms in consumer contracts, and provide that any clause in a consumer contract which contains a material imbalance between the rights and obligations of the consumer under the contract, is deemed to be unfair and is not enforceable against the consumer whether or not the consumer's counterparty acted in good faith.

Article 33 of the Consumer Code identifies clauses which, if included in consumer contracts, are deemed to be *prima facie* unfair but which are binding on the consumer if it can be shown that such clauses were actually individually negotiated or that they can be considered fair in the circumstances of the relevant consumer contract. Such clauses include, *inter alia*, clauses which give the right to the non-consumer contracting party (the "**Supplier**") to (a) terminate the contract without reasonable cause (*giusta causa*) or (b) modify the conditions of the contract without a valid reason (*giustificato motivo*) previously stated in such contract. However, with regard to financial contracts, if there is a valid reason, the Supplier is empowered to modify the economic terms subject to prior notice to the consumer. In this case, the consumer has the right to terminate the contract.

Pursuant to article 36 of the Consumer Code, the following clauses, *inter alia*, are considered null and void as a matter of law and are not enforceable: (a) any clause which has the effect of excluding or limiting the remedies of the consumers in case of total or partial failure by the Suppliers to perform their obligations under the consumer contract; and (b) any clause which has the effect of making the consumer parties bound by clauses they have not had any opportunity to consider and evaluate before entering into the consumer contract.

The Originator has represented and warranted in the Receivables Purchase Agreement that the Loans comply with all applicable laws and regulations and has undertaken, upon first written demand, to indemnify and hold harmless the Issuer and its directors from and against any and all damages, losses, claims, reduced income (*minor incasso*), costs, lost profits (*lucro cessante*) and/or expenses (including, but not limited to, legal fees and disbursements and any value added tax thereon if due), awarded against or incurred by the Issuer or its directors which arise out of or result from the inability of the Issuer to collect or recover any Receivables due to the exercise by the Debtors or any third party of any claim or counterclaim (including a demand for invalidity) against the Seller.

### ***Servicing of the Portfolio***

The Portfolio has been serviced by the Servicers starting from the Transfer Date pursuant to the Servicing Agreements. Previously, the Portfolio was always serviced by the Originator. The net cash flows deriving from the Portfolio may be affected by decisions made, actions taken and collection procedures adopted by the Servicers pursuant to the provisions of the Servicing Agreements.

The Servicers have undertaken to prepare and submit to, *inter alios*, the Issuer certain reports in the form set out in the Servicing Agreements, containing information as to, *inter alia*, the Collections made in respect of the Portfolio during the immediately preceding Collection Period. See for further details sections entitled "*Description of the Transaction Documents – Description of the Master Servicing Agreement*" and "*Description of the Transaction Documents – Description of the Sub-Servicing Agreement*".

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

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

Indeed, assignments of receivables made under the Securitisation Law are subject to claw-back (*revocatoria fallimentare*) (i) pursuant to article 166, first paragraph, of the Italian Insolvency Code, if the adjudication of insolvency of the relevant seller is made within 6 (six) months from the purchase of the relevant portfolio of receivables, **provided that** the purchase price of the receivables exceeds the value of the receivables for more than 25 (twenty-five) per cent. And the issuer is not able to demonstrate that it was not aware of the insolvency of the seller, or (ii) pursuant to article 166, paragraph 2, of the Italian Insolvency Code, if the adjudication of insolvency of the relevant seller is made within 3 (three) months from the purchase of the relevant portfolio of receivables, **provided that** the purchase price of the receivables does not exceed the value of the receivables for more than 25 (twenty-five) per cent. And the insolvency receiver of the seller is able to demonstrate that the Issuer was aware of the insolvency of the seller.

In order to mitigate such risk, pursuant to the Receivables Purchase Agreement, the Seller, in respect of the Portfolio, has provided the Issuer with (i) a solvency certificate signed by an authorised officer of the Seller; and (ii) a certificate issued by the relevant Chamber of Commerce in France or analogous certificate dated no more than 3 (three) Business Days before the Issue Date stating that the Seller is not subject to any insolvency proceeding. Furthermore, under the Receivables Purchase Agreement, the Seller has represented that it was solvent as at the date of the Receivables Purchase Agreement and such representation shall be deemed to be repeated on the Issue Date.

In addition, in case of disposal of the Portfolio to a third party purchaser following the service of a Trigger Notice or in case of disposal of the Portfolio to the Seller (or its nominee) or any Portfolio Option Holder (or its nominee) in case of redemption of the Notes in accordance with Condition 8.3 (*Optional redemption*) or in case of disposal of the Portfolio to a third-party purchaser following the exercise of the redemption option pursuant to Condition 8.4 (*Optional redemption for taxation reasons*), the payment of the relevant purchase price may be subject to claw-back. Pursuant to the Intercreditor Agreement, in case of disposal of the Portfolio to a third party purchaser following the service of a Trigger Notice, the relevant purchaser shall provide evidence of its solvency (by producing at least the following documents dated no later than 3 (three) calendar days before the purchase date: (i) a solvency certificate issued by its directors; (ii) a solvency certificate issued by the competent register of enterprises; and (iii), if available, a solvency certificate issued by the relevant bankruptcy court (or in case of a non-Italian purchaser, the documents customarily released by the relevant public authorities) satisfactory to the Representative of the Noteholders.

However, prospective investors in the Notes should consider that (i) any statement contained in the solvency certificates above mentioned to the effect that the relevant purchaser exists and has not been submitted to insolvency proceedings applicable to it cannot be relied on as a conclusive evidence that the relevant purchaser is still existing and no such proceedings have been initiated before a court, nor that an order by an authority having jurisdiction over the relevant purchaser has been already issued as at the date of such certificate, and (ii) whether or not the Issuer was, or ought to have been, aware of the state of insolvency of the relevant purchaser at the time of execution of the purchase or any transfer agreement entered into thereafter pursuant to clause 8.2 (*Sale of the Portfolio*) of the Intercreditor Agreement is a factual analysis with respect to which a court may in its discretion consider all relevant circumstances including, but not limited to, the reliance by the Issuer and/or any of its representatives or agents on the representations made by the relevant purchaser in the purchase agreement and in the solvency certificates issued by the relevant purchaser.

#### ***Claw-back of other payments made to the Issuer***

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

In greater detail, payments made to the Issuer by any party to the Transaction Documents in the 1 (one) year or 6 (six) month suspect period, as applicable, prior to the date on which such party has been declared insolvent or has been admitted to compulsory liquidation (*liquidazione giudiziale*), may be subject to claw-back (*revocatoria fallimentare*) according to article 166 of the Italian Insolvency Code (or any equivalent rules under the applicable jurisdiction of incorporation of such party). In case of application of article 166, first paragraph, of the Italian Insolvency Code, the

relevant payment will be set aside and clawed back if the Issuer does not give evidence that it did not have knowledge of the state of insolvency of the relevant party when the payments were made, whereas, in case of application of article 166, paragraph 2, of the Italian Insolvency Code, the relevant payment will be set aside and clawed back if the receiver gives evidence that the Issuer had knowledge of the state of insolvency of the relevant party. The question as to whether or not the Issuer had actual or constructive knowledge of the state of insolvency at the time of the payment is a question of fact with respect to which a court in its discretion may consider all relevant circumstances.

Claw-back risk does not apply to payments made by assigned debtors. According to article 4, paragraph 3, of the Securitisation Law, payments made by a Debtor to the Issuer are not subject to any claw-back (*revocatoria fallimentare*) pursuant to article 166 of the Italian Insolvency Code, nor to any declaration of ineffectiveness (*declaratoria di inefficacia*) pursuant to article 164 of the Italian Insolvency Code.

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

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

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

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

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

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

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

Prospective Noteholders should note that, pursuant to the Receivables Purchase Agreement, the Originator has undertaken to indemnify and hold the Issuer harmless from any damage, loss, claim, cost and/or expense that the Issuer has incurred or may incur as a result of the inability of the Issuer to collect or recover any Receivables due to the exercise by the Debtors of any claim or counterclaim (including by way of set-off) against the Seller.

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

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

The Issuer would not have entered into the Receivables Purchase Agreement without having received such representations and warranties given that neither the Issuer, nor the Arranger, the Lead Manager or any other transaction party (other than the Originator), has carried out any due diligence in respect of the Receivables and the relevant Loan Agreements. More generally, none

of the Issuer, the Arranger, the Lead Manager nor any other 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.

Therefore, the only remedies of the Issuer in respect of the occurrence of a breach of a representation and warranty which materially and adversely affects the value of a Receivable (including regarding the compliance of the Receivables with the Eligibility Criteria) will be the requirement that the Originator repurchases the relevant Receivable(s) or indemnifies the Issuer (at its election). See the section entitled "*Transaction Documents – Description of the Receivables Purchase Agreement*" below. In particular, the obligation to pay the repurchase price or indemnify the Issuer undertaken by the Originator under Receivables Purchase Agreement are unsecured claims of the Issuer and no assurance can be given that the Originator will pay the relevant amounts if and when due.

### ***Commingling risk***

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

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

Prospective Noteholders should note that, in order to mitigate any possible risk of commingling, the Securitisation contemplates, *inter alia*, that (i) pursuant to the Sub-Servicing Agreement, the Sub-Servicer shall transfer any Collections and Recoveries to the Collection Account within 2 (two) Business Days of receipt, and (ii) pursuant to the Account Bank Agreement, the Account Bank shall at all times be an Eligible Institution.

In addition, pursuant to the Servicing Agreements, if the appointment of the Originator as Sub-Servicer is terminated, the Debtors will be notified by the Sub-Servicer itself or, if the Sub-Servicer fails to do so, by the Back-Up Sub-Servicer (or any other Substitute Sub-Servicer) to pay any amount due in respect of the Receivables directly into the collection account opened for such purpose by the Back-Up Sub-Servicer (or the Substitute Sub-Servicer). However, no assurance can be given that all data necessary to make such notifications will be available and that the Debtors will comply with such payment instructions.

### ***Renegotiation risk***

The Issuer is subject to the risk of any shortfall arising from the renegotiation requests made by those assigned Debtors who have availed themselves of the provisions of certain laws and other agreements executed by, without limitation, the Italian banking associations (*Associazione Bancaria Italiana*), unions and national consumer associations, for the protection of the consumers.

The Sub-Servicer shall deal with any such renegotiation request in accordance with the terms of the Sub-Servicing Agreement.

Despite that, the Issuer believes that the limits set out in the Sub-Servicing Agreement can mitigate this risk and allow the Issuer to effect any payments due and payable on the Notes.

***Reliance on the Sub-Servicer and the Back-Up Sub-Servicer***

Pursuant to the Sub-Servicing Agreement, the Master Servicer has appointed, with the consent of the Issuer, the Sub-Servicer to service, administer and collect all Receivables subject to the terms and conditions of the Sub-Servicing Agreement, in the interest of the Issuer and the Noteholders. The Sub-Servicer shall have the authority to do or cause to be done any and all acts which it reasonably considers necessary or convenient in connection with the servicing of the Receivables in accordance with the Credit and Collection Policy and the Sub-Servicing Agreement until the occurrence of a Sub-Servicer Termination Event, as result of which, the Sub-Servicer may be terminated and a Substitute Sub-Servicer shall be appointed in accordance with the terms and condition set out therein.

Pursuant to the Back-Up Sub-Servicing Agreement, the Master Servicer has appointed, with the consent of the Issuer, a Back-Up Sub-Servicer which will act as Substitute Sub-Servicer upon a termination of the Sub-Servicer following the occurrence of a Sub-Servicer Termination Event to service, administer and collect all Receivables.

The Issuer's ability to meet its obligations under the Notes will be dependent on the performance of the duties by the Sub-Servicer (or a Back-Up Sub-Servicer) and the Agents. Accordingly, the Noteholders are relying, *inter alia*, on the business judgement and practices of (as applicable) the Sub-Servicer in administering the Receivables and enforcing claims against Debtors.

There can be no assurance that (as applicable) the Sub-Servicer, the Back-Up Sub-Servicer or any other Substitute Sub-Servicer will be willing or able to perform such service in the future. If the appointment of the Sub-Servicer is terminated in accordance with the Sub-Servicing Agreement there is no guarantee that a Back-Up Sub-Servicer and/or any other Substitute Sub-Service can be appointed within a reasonable timeframe or at all that provides for at least equivalent services at materially the same costs.

***Eligible Investments may not be fully recoverable in certain circumstances***

The amounts standing to the credit of the Accounts (other than the Expenses Account and the Quota Capital Account) may be invested in Eligible Investments. Upon instructions by the Sub-Servicer (given within 10 (ten) Business Days of the appointment of the Cash Manager, the Issuer will direct the Cash Manager to instruct the Account Bank to invest amounts standing to the credit of the relevant Accounting Eligible Investments, in accordance with the terms of the Global Custodial Services Agreement. The investments must comply with appropriate rating criteria, as set out in the definition of Eligible Investments. However, it may happen that, irrespective of any such rating, such investments will be irrecoverable due to, amongst others, the insolvency of the debtor under the investment.

Such risk is mitigated by the provisions of the Cash Allocation Management and Payments Agreement pursuant to which should any such investment cease to be at any time an Eligible Investment, the Cash Manager shall instruct the Account Bank to liquidate such investment within 3 (three) Business Days from the date on which such investment ceased to be an Eligible Investment, at the best available market price which is at least equal to the principal invested.

None of the Originator, the Arranger, the Paying Agents, the Cash Manager, the Lead Manager or any other party to the Transaction Documents will be responsible for any loss or shortfall deriving from the making of Eligible Investments and/or the liquidation thereof.



### 3. OTHER RISKS IN RELATION TO THE NOTES AND THE STRUCTURE

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

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

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

If an investor does not properly assess the nature of the Notes and the extent of its exposure to the relevant risks before making its investment decision, it may suffer losses. Therefore, prospective investors in the Notes should make their own independent decision whether to invest in the Notes and whether an investment in the Notes is appropriate or proper for them, based upon their own judgement and upon advice from such advisers as they may deem necessary.

Prospective investors in the Notes should not rely on or construe any communication (written or oral) of the Issuer 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 Sub-Servicer 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.

#### *Yield and payment considerations*

The yield to maturity of the Notes of each Class will depend on, *inter alia*, the amount and timing of repayment of principal on the Receivables (including prepayments and sale proceeds arising on enforcement of a Loan) and on the actual date (if any) of exercise of the optional redemption pursuant to Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*). Such yield may be adversely affected by a number of factors, including, without limitation, higher or lower than anticipated rates of prepayment, delinquency and default of the Receivables, the exercise by the Seller of its right to repurchase individual Receivables pursuant to the Receivables Purchase Agreement, the renegotiation by the Sub-Servicer of any of the terms and conditions of the Defaulted Receivables in accordance with the provisions of the Sub-Servicing Agreement and/or the early redemption of the Notes pursuant to the Conditions. Italian Legislative Decree no. 141 of 13 August 2010, as subsequently amended ("**Legislative Decree 141**"), has introduced in the Consolidated Banking Act a new article 120-*quater*, which provides for certain measures for the protection of consumers' rights and the promotion of the competition in, *inter alia*, the Italian loan market. Legislative Decree 141 repealed article 8 (except for paragraphs 4-*bis*, 4-*ter* and 4-*quater*) of Italian Law Decree number 7 of 31 January 2007, as converted into law by Italian Law number 40 of 2 April 2007 and amended by Italian Law number 244 of 24 December 2007, replicating though, with some additions, such repealed provisions. Provides for certain new measures for the protection of consumers' rights. 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 (the "**Prepayment**") 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**"). In particular, with respect to the Prepayment, under article 125-*sexies* of the Consolidated Banking Act, a consumer (as qualified pursuant to article 121, paragraph 1, letter b), of the Consolidated Banking Act) is entitled to prepay the relevant loan, in whole or in part, at any time, with a prepayment fee not higher than 1 per cent. Of the principal amount which is early

repaid (if the loan has a residual life of more than one year), and not higher than 0.5 per cent. Of the same amount (if the loan has a residual life shorter than one year). This compensation would not apply if (i) the prepayment were made under an insurance credit policy covering such prepayment; (ii) the prepayment relates to an overdraft facility; (iii) the prepayment occurs in a period during which no fixed interest rate already set in the relevant consumer loan agreements applies; or (iv) the prepaid amounts correspond to the whole outstanding debt and is equal to or lower than Euro 10,000.

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

The amendments to article 125-*sexies* of the Consolidated Banking Act introduced by the *Sostegni-bis* Decree, would apply to the consumer loan agreements executed after the entry into force of conversion law.

Any prepayment relating to consumer loan agreements entered into prior to such date would continue to be governed by the previous provisions of article 125-*sexies*, as well as by the Bank of Italy's regulations applicable at the time of the relevant prepayment.

The rate of prepayment of the Loans cannot be predicted and is influenced by a wide variety of economic, social and other factors, including prevailing consumer and ordinary loans market interest rates and margins offered by the banking system, the availability of alternative financing and local and regional economic conditions. Therefore, no assurance can be given as to the level of prepayments that the Loans will experience.

With respect to the Subrogation, article 120-*quater* of the Consolidated Banking Act provides that, in respect of a loan, overdraft facility or any other financing granted by a bank or financial intermediary, the relevant borrower can exercise the Subrogation, even if the borrower's debt towards the lender is not due and payable or a term for repayment has been agreed for the benefit of the creditor. 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 loan agreement (or separately agreed) aimed at preventing the borrower from exercising such Subrogation or at rendering the exercise of such right more cumbersome for the borrower is void. The borrower shall not bear any expenses or commissions in connection with the Subrogation. Furthermore, paragraph 7 of article 120-*quater* of the Consolidated Banking Act provides that, in case the Subrogation is not perfected within 30 (thirty) working days from the date on which the original lender has been requested to cooperate for the conclusion of the Subrogation, the original lender shall indemnify the borrower for an amount equal to 1 per cent. Of the loan or facility granted, for each month or fraction of month of delay. The original lender has the right to ask for indemnification from the subrogating lender, in case the latter is to be held liable for the delay in the conclusion of the Subrogation.

As a result, the stream of principal payments received by a Noteholder may not be uniform or consistent. No assurance can be given as to the yield to maturity which will be experienced by a Noteholder. Based, *inter alia*, on assumed rates of prepayment, the estimated average life of the Notes is set out in the section entitled "*Estimated Weighted Average Life of the Class A, B, C, D, E, F and X Notes*". However, the actual timing of repayment and performance of the Loans may differ from such assumptions and any difference will affect the percentages of the Principal Amount Outstanding of the Notes over time and the weighted average life of such Notes.

See for further details sections entitled "*Credit risk on Younited S.A., Italian Branch, and the other parties to the Transaction Documents*" and "*Estimated Weighted Average Life of the Class A, B, C, D, E, F and X Notes*" below.

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

The protection and exercise of the Noteholders' rights against the Issuer and the preservation and enforcement of the security under the Notes is one of the duties of the Representative of the Noteholders. The Conditions and the Rules of the Organisation of the Noteholders limit the ability of each individual Noteholder to commence proceedings against the Issuer by conferring on the holders of the Notes the power to determine whether any Noteholder may commence any such individual actions.

Only the Representative of the Noteholders may pursue the remedies available under the general law or under the Transaction Documents to obtain payment of any obligation of the Issuer deriving from any of the Transaction Documents or enforce the Security Interest and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment of any such obligation or to enforce the Security Interest, save as provided by the Transaction Documents and the Rules of the Organisation of the Noteholders.

The Conditions and the Intercreditor Agreement contain provisions requiring the Representative of the Noteholders to have regard to the interests of the Noteholders as regards all powers, authorities, duties and discretions of the Representative of the Noteholders but requiring the Representative of the Noteholders, in the event of a conflict between the interests of the holders of different Classes of Notes, to have regard only to the interests of the holders of the Most Senior Class of Notes then outstanding (subject to the Basic Terms Modification provisions contained in the Rules of the Organisation of the Noteholders as further described in the "*Resolutions of the Noteholders*" paragraph below).

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

The right of the Noteholders to approve a resolution on certain matters (as specified in the Rules of the Organisation of the Noteholders) is exercisable through an Extraordinary Resolution of the Noteholders, in respect of which the quorum will be two or more persons holding or representing at least 50 per cent. of the Principal Amount Outstanding of the Notes then outstanding, or at an adjourned meeting, two or more persons being or representing Noteholders of that Class or those Classes whatever the Principal Amount Outstanding of the Notes then outstanding so held or represented in such Class or Classes.

### ***Noteholders' directions following the service of a Trigger Notice***

Following the delivery of a Trigger Notice and in accordance with the Conditions, the Issuer (or the Representative of the Noteholders on its behalf) may (with the consent of an Extraordinary Resolution of the Most Senior Class of Noteholders) or shall (if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders) dispose of the Portfolio or any part thereof in accordance with the provisions of the Intercreditor Agreement, it being understood that no such provisions shall require the automatic liquidation of the Portfolio pursuant to article 21(4) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

In addition, at any time after a Trigger Notice has been served, the Representative of the Noteholders may (with the consent of an Extraordinary Resolution of the Most Senior Class of Noteholders) or shall (if so directed 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 Notes and payment of accrued but unpaid interest thereon in accordance with the Post-Trigger Notice Priority of Payments. The directions of the Most Senior Class of Noteholders in such circumstances may be adverse to the interests of the other Classes of Noteholders.

### ***Resolutions of the Noteholders***

Prospective Noteholders should note that Noteholders' resolutions properly adopted in accordance with the Rules of the Organisation of the Noteholders are binding on all Noteholders, including Noteholders who did not attend and vote at the relevant Meeting and Noteholders who voted in a manner contrary to the Meeting. Therefore, certain rights of each Noteholder against the Issuer under the Conditions may be limited pursuant to any such Resolution.

In particular, pursuant to the Rules of the Organisation of the Noteholders:

- (a) no Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of all other Classes of Notes (if any);
- (b) any Ordinary Resolution or Extraordinary Resolution involving any matter other than a Basic Terms Modification that is passed by the Most Senior Class of Noteholders shall be binding on the other Classes of Notes irrespective of the effect thereof on their interests;
- (c) no Ordinary Resolution or Extraordinary Resolution involving any matter other than a Basic Terms Modification that is passed by the holders of a Class of Notes which is not the Most Senior Class of Notes shall be effective unless it is sanctioned by an Ordinary Resolution or Extraordinary Resolution, as the case may be, of the Most Senior Class of Noteholders.

Pursuant to the Rules of the Organisation of the Noteholders: (a) any resolution passed at a Meeting of one or more Classes of Notes duly convened and held in accordance with the Rules of the Organisation of the Noteholders shall be binding upon all Noteholders of such Class or Classes of Notes, whether or not present at such Meeting and whether or not dissenting and whether or not voting; (b) any resolution is passed to the extent that the relevant quorum is reached; and (c) any Ordinary Resolution or Extraordinary Resolution in respect of a Hedge Counterparty Entrenched Right will not be binding unless such Hedge Counterparty has consented in writing.

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

### ***Certain modifications may be adopted by the Representative of the Noteholders without Noteholders' consent***

Pursuant to the Rules of the Organisation of the Noteholders, the Representative of the Noteholders may, from time to time and without the consent or sanction of the Noteholders, concur with the Issuer and any other relevant parties in making any amendment or waiver to the Conditions and the Transaction Documents (other than in respect of a Basic Terms Modification) if, in the opinion of the Representative of the Noteholders, such amendment or waiver:

- (a) is necessary or expedient in order to cure any ambiguity or correct any manifest error, or to comply with any changes in applicable law or in its interpretation;
- (b) is not, in the opinion of the Representative of the Noteholders, materially prejudicial to the interest of the holders of the Most Senior Class of Notes;
- (c) is formal, minor or technical in nature;
- (d) is necessary for the purpose of enabling the Notes (other than the Class R Notes) to be (or remain) listed on Euronext Dublin and the Class R Notes to be (or remain) listed on the Vienna MTF;
- (e) is necessary or expedient in order to comply with Regulation (EU) 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ("**EMIR**") as supplemented and implemented by the relevant regulatory technical standards and delegated regulations;

- (f) is required for the Securitisation to comply with the EU Securitisation Regulation, as confirmed by a firm providing verification services pursuant to article 28 of the EU Securitisation Regulation or a primary law firm is necessary for the purposes of enabling the Securitisation to constitute a transfer of significant credit risk within the meaning of Article 244(1)(b) of the CRR, **provided that** the Originator certifies to the Issuer and the Representative of the Noteholders in writing that such modification is required solely for such purpose;
- (g) is necessary to ensure that the Class A Notes continue to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life.

In addition, the Representative of the Noteholders shall be obliged, without any consent or sanction of the Noteholders or any of the Other Issuer Creditors, to concur with the Issuer or any other relevant parties in making any modification to the Conditions or any other Transaction Document that the Issuer considers necessary for the purposes of effecting a Benchmark Amendment (other than in respect of the Hedge Counterparty Entrenched Rights) (as defined in Condition 7.13 (*Benchmark Discontinuation*)) **provided that** if, prior to the expiry of the 30 (thirty) day notice period described in Condition 7.13(e), the Issuer is notified by the Most Senior Class of Noteholders representing at least 10 per cent. of the Principal Amount Outstanding of the Most Senior Class of Notes that they object to the proposed Benchmark Amendment, then following such a notification of objection the modification will only be made if it is approved by an Extraordinary Resolution of the Most Senior Class of Noteholders which is passed in favour of such modification in accordance with the Rules of the Organisation of the Noteholders.

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

#### ***Estimated maturity dates of the Notes***

In accordance with the mandatory redemption provisions applicable to the Notes, if there are sufficient Issuer Available Funds, full redemption of the Rated Notes is estimated to be achieved on the Payment Date falling in April 2034 for the Rated Notes. There can be no assurance, however, that redemption in full, or at all, will be achieved on such Payment Date. See for further details the section entitled "*Estimated Weighted Average Life of the Class A, B, C, D, E, F and X Notes*".

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

#### ***Projections, forecast and estimates***

Estimates of the expected maturity and expected average lives of the Rated Notes included herein, together with any projections, forecasts and estimates set out in this Prospectus, are forward looking statements. Projections are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialise or will vary significantly from actual results. Accordingly, the projections are only estimates. Actual results may vary from projections and the variation may be material.

#### ***The Hedge Agreement may be terminated in case of Tax Event***

The Hedge Counterparty will be obliged to make payments under the Hedge Agreement without any withholding or deduction of taxes unless required by law. If any such withholding or deduction is required by law, the Hedge Counterparty will be required to pay such additional amount as is necessary to ensure that the net amount actually received by the Issuer will equal the full amount that the Issuer would have received had no such withholding or deduction been required (unless the relevant withholding or deduction relates to a FATCA Withholding Tax (as defined in the Hedge Agreement)). The Hedge Agreement will provide, however, that in case of a Tax Event (as defined in the Hedge Agreement), the Hedge Counterparty may transfer its rights and obligations to another of its offices, branches or affiliates to avoid the relevant Tax Event. If the Hedge Counterparty is unable to transfer its rights and obligations under the Hedge Agreement to another

office, branch or affiliate, it will have the right to terminate the Hedge Transaction. Upon such termination, the Issuer or the Hedge Counterparty may be liable to make a termination payment to the other party.

***Remedies available in case of ratings downgrade of the Hedge Counterparty may not be necessarily available***

In the event that the Hedge Counterparty is downgraded below certain levels as set out in the Hedge Agreement, the Issuer may terminate the Hedge Transaction if the Hedge Counterparty fails to take (or fails to make endeavours to take, as applicable in accordance with the terms of the Hedge Agreement) certain remedial measures within the timeframes stipulated in the Hedge Agreement. Such remedial measures may include providing collateral for its obligations under the Hedge Agreement, arranging for its obligations under the Hedge Agreement to be transferred to an entity with the required ratings (or guaranteed by an entity with the required ratings) or procuring another entity with the required ratings to become guarantor in respect of its obligations under the Hedge Agreement. Under the Intercreditor Agreement it is provided that, if the Hedge Transaction is terminated early and no Trigger Event has occurred, the Issuer will use its best endeavours to replace the Hedge Transaction with a replacement Hedge Counterparty on substantially the same terms as the Hedge Agreement. However, in the event that the Hedge Counterparty is downgraded, there can be no assurance that a guarantor or replacement Hedge Counterparty will be found or that the amount of collateral provided will be sufficient to meet the Hedge Counterparty's obligations. If the Issuer does not enter into a replacement interest rate swap, the Issuer may have insufficient funds to make payments due on the Notes, and the Rated Notes may also be downgraded.

***Hedge Counterparty Credit Risk and Interest Rate Hedging***

The Receivables bear interest at fixed rates while the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes will bear interest at floating rates based on one-month EURIBOR. The Issuer will hedge such interest rate risk by entering into a Hedge Agreement with the Hedge Counterparty. The Issuer will make payments by reference to a fixed rate and will use payments made by the Hedge Counterparty by reference to EURIBOR to make payments on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes on each Payment Date, in each case calculated with respect to the Hedge Notional Amount. The Hedge Notional Amount will amortise according to a predetermined schedule based on the pool contractual schedule and assuming a 10% constant prepayment rate (CPR) and a 2% constant default rate (CDR).

During periods in which the floating rate payable under the Hedge Agreement is substantially greater than the fixed rate under the Hedge Agreement, the Issuer will be more dependent on receiving payments from the Hedge Counterparty in order to make interest payments on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes. If in such a period the Hedge Counterparty fails to pay any amounts when due under the Hedge Agreement, the Collections from Receivables may be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes.

The Hedge Counterparty may terminate the Hedge Agreement if, amongst other things, (i) the Issuer becomes insolvent, the Issuer fails to make a payment under the Hedge Agreement when due and such failure is not remedied within three (3) Local Business Days (as defined in the Hedge Agreement) of notice of such failure being given, (ii) performance of the Hedge Agreement becomes illegal, (iii) payments from the Hedge Counterparty are increased due to tax reasons, (iv) if any provision of the Transaction Documents or the Terms and Conditions is amended without the Hedge Counterparty giving its written consent to such amendment if such amendment would, in the Hedge Counterparty's reasonable opinion, adversely affect the Hedge Counterparty, (v) if it becomes necessary for the Hedge Counterparty to clear a Hedge Transaction under the Hedge Agreement through central clearing, provide collateral or margin as a result of a change in any relevant applicable law, regulation or guidance, or (vi) as a result of any disposal or repurchase of the Receivables, the aggregate principal amount outstanding of all Receivables in the Portfolio, is reduced by more than 15 per cent. of the aggregate principal amount outstanding of all Receivables in the Portfolio immediately prior to such disposal or repurchase. The Issuer may terminate the

Hedge Agreement if, among other things, the Hedge Counterparty becomes insolvent, the Hedge Counterparty fails to make a payment under the Hedge Agreement when due and such failure is not remedied within three (3) Local Business Days (as defined in the Hedge Agreement) of notice of such failure being given or performance of the Hedge Agreement becomes illegal.

The Issuer is exposed to the risk that the Hedge Counterparty may become insolvent. In the event that the Hedge Counterparty suffers a ratings downgrade, the Issuer may terminate the related Hedge Agreement if the Hedge Counterparty fails, within a set period of time, to take certain actions intended to mitigate the effects of such downgrade. Such actions could include the Hedge Counterparty collateralising its obligations as a referenced amount, transferring its obligations to a replacement Hedge Counterparty or procuring a guarantee. However, in the event the Hedge Counterparty is downgraded there can be no assurance that a guarantor or replacement Hedge Counterparty will be found or that the amount of collateral will be sufficient to meet the Hedge Counterparty's obligations.

If the Hedge Agreement is terminated by either party, then depending on the market value of the swap, a termination payment may be due to the Issuer or to the Hedge Counterparty. Any such termination payment could, if market interest rates and other conditions have changed materially, be substantial. Under certain circumstances, termination payments required to be made by the Issuer to the Hedge Counterparty will rank higher in priority than all payments on the Notes. In such circumstances, the relevant Issuer Available Funds may be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes.

In the event that the Hedge Agreement is terminated by either party or the Hedge Counterparty becomes insolvent, the Issuer may not be able to enter into a hedge agreement with a replacement Hedge Counterparty immediately or at a later date. If a replacement Hedge Counterparty cannot be contracted, the amount available to pay interest on the Notes will be reduced if the floating rate on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes exceeds the fixed rate under the terminated Hedge Agreement. Under these circumstances the Collections of the Receivables may be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes.

The enforceability of a contractual provision which alters the priorities of payments to subordinate the claim of a Hedge Counterparty (to the claims of other creditors of its counterparty) upon the occurrence of an insolvency of or other default by the Hedge Counterparty (a so-called flip clause) has been challenged in the English and U.S. courts. Given that the Transaction Documents include terms providing for the subordination of certain payments under the Hedge Agreement, there may be a risk that any court proceedings in the relevant jurisdiction may adversely affect the Issuer's ability to make payments on the Notes and/or the market value of the Notes and result in negative rating pressure in respect of the Notes. If any rating assigned to any of the Notes is lowered, the market value of such Notes may reduce.

***Noteholders may experience delays and/or reductions in the interest payments under replacement hedge agreements***

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

#### 4. **RISKS RELATED TO CHANGES TO THE STRUCTURE AND DOCUMENTS**

##### *Significant investor*

Significant concentrations of holdings of the Notes may occur promptly after issue. Any investor or investors holding a material concentration may have a majority holding and therefore be able to pass, or hold a sufficient minority to block, certain Noteholder resolutions.

It is also expected that on the Issue Date an investor (or related investors) will acquire all of the Class [•] Notes, the Class [•] Notes and the Class [•] Notes.

Any investor holding the requisite portion or more of any Class of Notes will be able to constitute the quorum, and pass Ordinary Resolutions and Extraordinary Resolutions, at a meeting of Noteholders of that Class. The interests of any such Noteholder may conflict with the interests of any other Noteholder. Any such Noteholder may act in its own commercial interests without notice to, and without regard to, the interest of any other Noteholder.

#### 5. **COUNTERPARTY RISKS**

##### *Potential conflict of interest*

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

Certain parties who are party to the Transaction Documents (each, a "**Transaction Party**") and their respective affiliates are acting in a number of capacities in connection with the transaction described herein.

Without limiting the generality of the foregoing, under the Securitisation (a) Younited S.A. will act as Originator, Seller, Sub-Servicer, Risk Retention Holder and Reporting Entity; (b) Zenith Global S.p.A. will act as Corporate Services Provider, Representative of the Noteholders and Master Servicer; (c) *Citibank N.A., London Branch* will act as Account Bank, Calculation Agent, Principal Paying Agent, Custodian and Cash Manager; (d) *Citibank N.A., Milan Branch* will act as Italian Paying Agent; (e) *Citibank Europe Plc* will act as Hedge Counterparty; (f) *Citigroup Global Markets Europe AG* will act as Arranger and Lead Manager.

In addition, the Seller may hold and/or service receivables arising from loans other than the Receivables and providing general financial services to the Debtors. Even though under the Sub-Servicing Agreement Younited S.A., Italian Branch, as Sub-Servicer, has undertaken to act in the interest of the Noteholders, it cannot be excluded that, in certain circumstances, a conflict of interest may arise with respect to other relationships with the Debtors. Younited S.A., Italian Branch may also be involved in a broad range of transactions with other parties. Conflict of interests may influence the performance by the transaction parties of their respective obligations under the Securitisation and ultimately affect the interests of the Noteholders.

Those Transaction Parties and any of their respective affiliates acting in such capacities will have only the duties and responsibilities expressly agreed to by each such entity in the relevant capacity and will not, by reason of it or any of its affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided with respect to each such capacity. In no event shall such Transaction Party or any of their respective affiliates be deemed to have any fiduciary obligations to any person by reason of their or any of their respective affiliates acting in any capacity.

As such, conflicts of interest may influence the performance by the parties to the Transaction Documents of their respective obligations under the Securitisation and ultimately affect the interests of the Noteholders. Nevertheless, pursuant to the Conditions and the Intercreditor Agreement, the Representative of the Noteholders, with respect to the exercise and performance of all its powers, authorities, duties and discretion under the Transaction Documents (except where expressly provided otherwise), shall have regard to the interests of both the Noteholders and the Other Issuer Creditors **provided that** if, in the opinion of the Representative of the Noteholders,



there is a conflict between the interests of the Noteholders and the Other Issuer Creditors, the Representative of the Noteholders shall have regard solely to the interests of the Noteholders.

In addition to the interests described in this Prospectus, the Arranger and the Lead Manager and their respective related entities, associates, officer of employees (the "**Related Persons**"):

- (i) may from time to time be a Noteholder or have other interests with respect to the Notes and they may also have interests relating to other arrangements with respect to a Noteholder or the Notes or any other Transaction Party;
- (ii) may receive (and will not have to account to any person for) fees, brokerage and commissions or other benefits and act as principal with respect to any dealing with respect to any Note;
- (iii) may purchase all or some of the Notes and resell them in individually negotiated transactions with varying terms;
- (iv) may be or have been involved in a broad range of transactions including, without limitation, banking, lending, advisory, dealing in financial products, credit, derivative and liquidity transactions, investment management, corporate and investment banking and research in various capacities in respect of the Notes, the Issuer or any other Transaction Party or any related entity, both on its own account and for the account of other persons; and

may make investment recommendations and/or publish or express independent research views in respect of securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. On the Issue Date, the Lead Manager and the Hedge Counterparty is a Related Person. Prospective investors should be aware that:

- (a) each Related Person in the course of its business (including in respect of interests described above) may act independently of any other Related Person or Transaction Party;
- (b) to the maximum extent permitted by applicable law, the duties of each Related Person in respect of the Notes are limited to the relevant contractual obligations set out in the Transaction Documents (if any) and, in particular, no advisory or fiduciary duty is owed to any person. No Related Person shall have any obligation to account to the Issuer, any Transaction Party or any Noteholder for any profit as a result of any other business that it may conduct with either the Issuer or any Transaction Party;
- (c) a Related Person may have or come into possession of Relevant Information;
- (d) to the maximum extent permitted by applicable law no Related Person is under any obligation to disclose any Relevant Information to any other Related Person, to any Transaction Party or to any potential investor and this Prospectus and any subsequent conduct by a Related Person should not be construed as implying that such person is not in possession of such Relevant Information;
- (e) each Related Person may have various potential and actual conflicts of interest arising in the ordinary course of its businesses, including in respect of the interests described above, having previously engaged or in the future engaging in transactions with other parties, having multiple roles, making investments or holding securities for their own account or carrying out other transactions for third parties. For example, a Related Person's dealings with respect to the Class A Notes, the Issuer or a Transaction Party, may affect the value of the Class A Notes; and
- (f) the parties to the transaction may, pursuant to the Transaction Documents, be replaced by one or more new parties. It cannot be excluded that such a new party could also have a potential conflicting interest, which might ultimately have a negative impact on the ability of the Issuer to perform its obligations in respect of the Notes.

Prior to the Issue Date, Citibank, N.A., Milan Branch previously provided and currently provides the financing and/or arrangement for the provision of financing to the Originator secured over, amongst other things, certain of the Receivables comprised in the Portfolio through a revolving financing transaction pursuant to, and in accordance with, the Securitisation Law, whereby Citibank, N.A., Milan Branch granted and grants to Youni Italy 2 S.r.l. ("**Youni Italy 2**") revolving credit facilities to fund 100% of the purchase from the Originator, without recourse (*pro soluto*) and in accordance with articles 1 and 4 of the Securitisation Law of receivables.

Citibank, N.A., Milan Branch expects that the Warehouse Financing will be partially repaid on or about the Issue Date by Youni Italy 2 by using the proceeds of the sale received by the Originator from the Issuer in respect of the Receivables comprised in the Portfolio.

In acting as a lender or an arranger of such Warehouse Financing, Citibank, N.A., Milan Branch and its affiliates will act in their commercial interests and will not be required to take into account the interests of the Noteholders or any other party.

These interests may conflict with the interests of a Noteholder and Noteholders may suffer loss as a result.

In addition, pursuant to the Conditions and the Intercreditor Agreement, if at any time there is a conflict between the interests of different Other Issuer Creditors, then the Representative of the Noteholders shall have regard to the interests of whichever of the Other Issuer Creditors ranks higher in the applicable Priority of Payments for the payment of the amounts therein specified.

Finally, if there is, in the opinion of the Representative of the Noteholders, a conflict between the interests of different Classes of Noteholders, then the Representative of the Noteholders is required to have regard to the interests of the Most Senior Class of Noteholders only (subject to the provisions of the Rules of Organisation of the Noteholders on Basic Terms Modifications).

The Arranger and the Lead Manager may also be involved in a broad range of transactions with other parties.

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

## 6. **MACRO-ECONOMIC AND MARKET RISKS**

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

There is not at present an active and liquid secondary market for the Notes. The Notes have not been and will not be registered under the Securities Act and will be subject to significant restrictions on resale in the United States.

Although application has been made for the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes to be listed on the Irish Stock Exchange plc and to trading on the regulated market "*Euronext Dublin*", there is currently no developed market for the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes. Although application has been made for the Class R Notes to be admitted to trading on the Vienna MTF, there is currently no developed market for the Class R Notes. The Notes have not been registered under the Securities Act and will be subject to significant restrictions on resale in the United States. There can be no assurance that a secondary market for any of the Notes will develop or, if a secondary market does develop, that it will provide the holders of the Notes with liquidity of investments or that any such liquidity will continue for the life of such Notes. Consequently, any purchaser of Notes may be unable to sell such Notes to any third party and it may therefore have to hold such Notes until the Final Maturity Date.

Limited liquidity in the secondary market may continue to have an adverse effect on the market value of asset backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the requirements of limited categories of investors. Consequently, whilst these market conditions persist, an investor

in the Notes may not be able to sell or acquire credit protection on its Notes readily and market values of the Notes are likely to fluctuate. Any of these fluctuations may be significant and could result in significant losses to an investor.

***Limited nature of credit ratings assigned to the Rated Notes and effect on the market value of the Rated Notes of reduction or withdrawal of the assigned ratings***

Each credit rating expected to be assigned on the Issue Date to the Rated Notes will reflect the relevant Rating Agencies' assessment only of: (a) the likelihood of full and timely payment of interest to the holders of the Class A Notes and the ultimate repayment of principal to the holders of the Class A Notes; (b) in relation to the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes (only once any of such Classes becomes the Most Senior Class of Notes), the likelihood of ultimate payment to the relevant Noteholders of interest; and (c) in relation to the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the likelihood of ultimate payment to the relevant Noteholders of principal on or prior to the Final Maturity Date. These ratings will be based, among other things, on the reliability of the payments on the Portfolio and the availability of credit enhancement.

The ratings do not address, *inter alia*, the following:

- (a) the likelihood that the principal will be redeemed on the Class F Notes, the Class R Notes and the Class X Notes, as expected, on the Final Maturity Date;
- (b) the possibility of the imposition of Italian or European withholding tax;
- (c) the marketability of the Rated Notes, or any market price for the Rated Notes; or
- (d) whether an investment in the Rated Notes is a suitable investment for the relevant Noteholder.

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

A rating is not a recommendation to purchase, hold or sell the Rated Notes. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the EU CRA Regulation, unless such rating is provided by a credit rating agency not established in the European Union but is endorsed by a credit rating agency established in the European Union and registered under the EU CRA Regulation or such rating is provided by a credit rating agency not established in the European Union which is certified under the EU CRA Regulation. In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation, unless such rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or such rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation. As at the date of this Prospectus, each of the Rating Agencies is established in the European Union and is registered under the EU CRA Regulation, as evidenced in the latest update of the list published by ESMA on its website (being, as at the date of this Prospectus, [www.esma.europa.eu](http://www.esma.europa.eu)). As at the date of this Prospectus, each of the Rating Agencies is not established in the UK but the ratings assigned by the Rating Agencies are endorsed by Fitch Ratings Ltd and S&P Global Ratings Europe Limited respectively, each of which is registered under the UK CRA Regulation, as evidenced in the latest update of the list published by FCA on its website (being, as at the date of this Prospe.uk/s/).

Any Rating Agency may lower its ratings or withdraw its ratings if, in the sole judgement of that Rating Agency, the credit quality of the Rated Notes has declined or is in question. If any rating assigned to the Rated Notes is lowered or withdrawn, the market value of the Rated Notes may be affected.

There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by any of the Rating Agencies as a result of changes in or unavailability of information or if, in the sole judgment of the Rating Agencies, the credit quality of the Rated Notes has declined or is in question. A qualification, downgrade or withdrawal of any of the ratings mentioned above may affect the market value of the Rated Notes.

***Assignment of unsolicited ratings may affect the market value of the Rated Notes***

The Issuer has not requested a rating of the Rated Notes by any rating agency other than the Rating Agencies.

However, credit rating agencies other than the Rating Agencies could seek to rate the Rated Notes and, if such unsolicited ratings are lower than the comparable ratings assigned to the Rated Notes by the Rating Agencies, those shadow ratings could have an adverse effect on the market value of the Rated Notes. For the avoidance of doubt and unless the context otherwise requires, any references to "ratings" or "rating" in this Prospectus are to ratings assigned by the specified Rating Agencies only.

***The performance of the Notes may be adversely affected by the conditions in the global financial markets and these conditions may not improve in the near future***

Global markets and economic conditions have been negatively impacted in recent years. The risk that some Member States could leave the Eurozone may cause increased economic volatility and adverse market uncertainty. The deteriorating relationship between China and the United States, the war in Ukraine, the crisis in the Middle East, the energy crisis, climate change and inflation may also enhance volatility in global markets.

In the event of continued or increasing market disruptions and volatility (including as may be demonstrated by any default or restructuring of indebtedness by one or more Member States or institutions within those Member States and/or any changes to, including any break up of, the Eurozone or exit from the EU), the counterparties to the Issuer may experience reductions in business activity, increased funding costs, decreased liquidity, decreased asset values, additional credit impairment losses and lower profitability and revenues, which may affect their ability to perform their respective obligations under the relevant Transaction Documents. Failure to perform obligations under the relevant Transaction Documents may adversely affect the performance of the Notes.

Furthermore, the war between Russia and Ukraine and the recent escalation of the conflict in the Middle East has had an adverse impact on the global economy. Inflation may be fuelled again, by, *inter alia*, the Russia/Ukraine crisis or the crisis in the Middle East, disruption in production chains, high energy prices, wage growth and depreciation of the Euro, which may result in increased economic volatility and adverse market uncertainty.

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

Palestinian territory of Gaza which began on 7 October 2023 and the implication on the global economy (such as the increase of energy and oil prices or the inflation) may weaken economic conditions and negatively impact the ability of affected Debtors to make timely payments on the Loans. This may affect receipts on the Loans. If the timing and payment of the Loans is adversely affected by any of the risks described in this paragraph, then payments on the Notes could be reduced and/or delayed and could ultimately result in losses on the Notes.

For an overview of the geographical distribution of the Loans, see the section entitled "*The Portfolio*". Given the unpredictable effect such factors may have on the local, national or global economy, no assurance can be given as to the impact of any of the matters described above and, in particular, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes.

Given the unpredictable effect such factors may have on the local, national or global economy, no assurance can be given as to the impact of any of the matters described above and, in particular, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes.

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

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

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

The Euro Interbank Offered Rate ("**EURIBOR**") and other interest rate or other types of rates and indices which are deemed to be "benchmarks" are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. The Benchmark Regulation was published in the Official Journal of the European Union on 29 June 2016 and has applied from 1 January 2018 (with the exception of provisions specified in article 59 (mainly on critical benchmarks) that have applied since 30 June 2016). The Benchmark Regulation could have a material impact on any Notes linked to EURIBOR or another "benchmark" rate or index, in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the terms of the Benchmark Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark. In addition, the Benchmark Regulation stipulates that each administrator of a "benchmark" regulated thereunder must be licensed by the competent authority of the Member State where such administrator is located. There is a risk that administrators of certain "benchmarks" will fail to obtain a necessary licence, preventing them from continuing to provide such "benchmarks". Other administrators may cease to administer certain "benchmarks" because of the additional costs of compliance with the Benchmark Regulation and other applicable regulations, and the risks associated therewith. There is also a risk that certain benchmarks may continue to be administered but may in time become obsolete.

Additionally, in March 2017, the European Money Markets Institute (formerly Euribor-EBF) (the "**EMMI**") published a position paper referring to certain proposed reforms to Euribor, which reforms aim to clarify the Euribor specification, to develop a transaction-based methodology for Euribor and to align the relevant methodology with the Benchmark Regulation, the IOSCO's proposed Principles for Financial Market Benchmarks (July 2013) (the "**IOSCO Principles**") and other regulatory recommendations. The EMMI has since indicated that there has been a "change in market activity as a result of the current regulatory requirements and a negative interest rate environment" and "under the current market conditions it will not be feasible to evolve the current Euribor methodology to a fully transaction-based methodology following a seamless transition path". On 17 October 2018 the EMMI announced the publication of the second consultation paper on the hybrid methodology for Euribor (the "**Second Consultation Paper**"). This Second Consultation Paper is part of EMMI's commitment to deliver a reformed and robust methodology for Euribor, which aims to meet regulatory and stakeholder expectations in a timely manner. The

Second Consultation Paper presents a summary of EMMI's findings during the hybrid Euribor testing phase, and provides details on EMMI's proposals for the different methodological parameters. EMMI's summary of feedback on the Second Consultation has been published by EMMI on 12 February 2019. Subsequently, EMMI has started transitioning panel banks from the current Euribor methodology to the hybrid methodology, with a view of finishing the process before the end of 2019. On 2 February 2021, EMMI has published the outcome of the first annual review of the hybrid methodology for EURIBOR, which has been implemented on 19 April 2021.

Furthermore, in order to address systemic risk, on 2 February 2021 the Council of the European Union approved the final text of the Regulation (EU) 2021/168 amending the Benchmark Regulation as regards the exemption of certain third-country spot foreign exchange benchmarks and the designation of replacements for certain benchmarks in cessation and amending EMIR. The new framework delegates the Commission to designate a replacement for benchmarks qualified as critical under the Benchmark Regulation, where the cessation or wind-down of such a benchmark might significantly disrupt the functioning of financial markets within the European Union. In particular, the designation of a replacement for a benchmark should apply to any contract and any financial instrument as defined in Directive 2014/65/EU that is subject to the law of a Member State. In addition, with respect to supervised entities, Regulation (EU) 2021/168 extends the transitional period for the use of third-country benchmarks until 2023 and the Commission may further extend this period until 2025 by a delegated act to be passed before 15 July 2023. On 10 February 2021 the Council of the European Union adopted the Regulation (EU) 2021/168 that was published in the Official Journal on 12 February 2021 and entered into force on the following day.

These reforms and other pressures may cause one or more interest rate benchmarks to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted.

Based on the foregoing, prospective investors should in particular be aware that:

- (a) any of these reforms or pressures described above or any other changes to a relevant interest rate benchmark (including EURIBOR) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be; and
- (b) if EURIBOR or any other relevant interest rate benchmark is discontinued or is otherwise unavailable, then the rate of interest on the Notes will be determined for a period by the relevant fallback provisions, although such provisions, being dependent in part upon the provision by reference banks of offered quotations for leading banks (in the Euro-zone interbank market in the case of EURIBOR), may not operate as intended (depending on market circumstances and the availability of rates information at the relevant time).

Any amendments deemed necessary to change the Screen Rate applicable to the Notes (and any related or consequential amendments thereto) as a direct or indirect result of the Benchmark Regulation will need to be made in accordance with the provisions regarding amendments to the Transaction Documents contained in the Conditions and the Rules of the Organisation of the Noteholders and, in case of any Successor Rate, Alternative Rate or Adjustment Rate, in accordance with Condition 7.13 (*Benchmark Discontinuation*). There can be no assurance however, that any such amendment (if made) would mitigate the interest rate risk or result in an effective replacement methodology for determining the reference rate on the Notes.

Under Condition 7.6 (*Rates of interest*), if the Screen Rate is unavailable at the relevant time, then the fall-back rate for the relevant Interest Period will be the arithmetic mean of the rates provided by each of the Reference Banks (as defined below) to the Issuer as the rate at which three month Euro deposits in a representative amount are offered by that Reference Bank to leading banks in the Euro-zone inter-bank market at the relevant time on that date. In certain circumstances, where none of the Reference Banks (or any reference banks which have been selected in accordance with Condition 5.2 (*Restrictions on activities*)) provides the Issuer with an offered quotation, the Interest Rate (as defined below) for the relevant Interest Period will be the rate in effect for the immediately preceding Interest Period when the Screen Rate (as defined below) was available.

In the event that any such fallback positions become applicable, any of the above-described matters or any other significant change to the setting or existence of Euribor could affect the ability of the Issuer to meet its obligations under the Notes and/or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes. Changes in the manner of administration of EURIBOR could result in adjustment to the Conditions, early redemption, delisting or other consequences in relation to the Notes. No assurance may be **provided that** relevant changes will not occur with respect to Euribor and/or that such benchmark will continue to exist. Investors should consider these matters when making their investment decision with respect to the Notes.

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

## 7. LEGAL AND REGULATORY RISKS

### *Regulation affecting investors in securitisations*

On 12 December 2017, the European Parliament adopted Regulation (EU) 2017/2402 (the "**EU Securitisation Regulation**") which applies from 1 January 2019. The EU Securitisation Regulation creates a single set of common rules for European "*institutional investors*" (as defined in the EU Securitisation Regulation) as regards (i) risk retention, (ii) due diligence, (iii) transparency, and (iv) the underwriting criteria for loans to be comprised in securitisation pools. Such common rules replace the existing provisions in CRR, the AIFM Regulation and the Solvency II Amendment Regulation and introduce similar rules for UCITS management companies as regulated by the UCITS Directive and institutions for occupational retirement provisions falling within the scope of Directive (EU) 2016/2341 or an investment manager or an authorised entity appointed by an institution for occupational retirement provisions pursuant to article 32 of Directive (EU) 2016/2341. Secondly, the EU Securitisation Regulation creates a European framework for simple, transparent and standardised securitisations ("**STS-Securitisations**").

#### *The general framework established by the EU Securitisation Regulation*

The risk retention, transparency, due diligence and underwriting criteria requirements described above apply in respect of the Notes. Investors should therefore make themselves aware of such requirements (and any corresponding implementing rules made at the national level), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. Prospective investors are required to independently assess and determine the sufficiency of the information contained in this Prospectus or made available by the Issuer and the Originator for the purposes of complying with any relevant requirements and none of the Issuer, the Originator, the Reporting Entity, the Arranger, the Lead Manager, the Representative of the Noteholders or any other party to the Transaction Documents makes any representation that such information is sufficient in all circumstances for such purposes. Various parties to the securitisation transaction described in this Prospectus are subject to the requirements of the EU Securitisation Regulation. However, there is at present some uncertainty in relation to some of these requirements, including with regard to the risk retention requirements under article 6 of the EU Securitisation Regulation and transparency obligations imposed under article 7 of the EU Securitisation Regulation. Non-compliance with final Regulatory Technical Standards may adversely affect the value, liquidity of, and the amount payable under the Notes. Prospective investors in the Notes must make their own assessment in this regard. With respect to the commitment of the Originator to retain a material net economic interest in the Securitisation in accordance with option set out in article 6, paragraph 3(c) of the EU Securitisation Regulation and with respect to the information made available to the Noteholders and prospective investors in accordance with article 7 of the EU Securitisation Regulation, please refer to the sections entitled "*Subscription, Sale and Selling Restrictions - Regulatory Disclosure and Retention Undertaking*" and "*General Information - Transparency Requirements*".

#### *The STS framework established by the EU Securitisation Regulation*

The Securitisation is intended to qualify as an STS-Securitisation. Consequently, the Securitisation meets, as at the date of this Prospectus, the STS Requirements.

The Originator has used the service of PCS, as a third party verifying STS compliance authorised under article 28 of the EU Securitisation Regulation so as to assess the compliance of the Securitisation with the STS Requirements (the "**STS Verification**") and to prepare an assessment of compliance of the Notes with the relevant provisions of article 243 of the CRR (the "**CRR Assessment**" and, together with the STS Verification, the "**STS Assessments**").

It is important to note that the involvement of PCS as an authorised third-party verifying STS compliance is not mandatory and the responsibility for compliance with the EU Securitisation Regulation remains with the relevant institutional investors, originators and issuers, as applicable in each case. The STS Assessments will not absolve such entities from making their own assessment and assessments with respect to the EU Securitisation Regulation and the STS Assessments cannot be relied on to determine compliance with the foregoing regulations in the absence of such assessments by the relevant entities. In addition, the Originator has not used the service of PCS, as a third-party verifying STS compliance authorised under article 28 of the EU Securitisation Regulation, to prepare an assessment of compliance of the Notes with article 7 and article 13 of Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 (the "**LCR Regulation**"); in this regard, it should be noted that as at the date of this Prospectus the Notes are not expected to satisfy the requirements of the LCR Regulation. Furthermore, the STS Assessments are not an opinion on the creditworthiness of the Notes nor on the level of risk associated with an investment in the Notes. It is not an indication of the suitability of the Notes for any investor and/or a recommendation to buy, sell or hold Notes. Institutional investors that are subject to the due diligence requirements of the EU Securitisation Regulation or the UK Securitisation Regulation need to make their own independent assessment and may not solely rely on the STS Assessments, the STS Notification or other disclosed information.

No assurance can be **provided that** the Securitisation does or will continue to qualify as an STS-securitisation under the EU Securitisation Regulation as at the date of this Prospectus or at any point in time in the future. The STS status of a transaction is not static and investors should verify the current status of the Securitisation on the ESMA STS Register. None of the Issuer, the Originator, the Reporting Entity, the Arranger, the Lead Manager, the Representative of the Noteholders or any other party to the Transaction Documents makes any representation or accepts any liability for the Securitisation to qualify as an STS-securitisation under the EU Securitisation Regulation as at the date of this Prospectus nor at any point in time in the future.

Non-compliance with the status of an STS-securitisation may result in higher capital requirements for investors, as well as in various administrative sanctions and/or remedial measures being imposed on the Issuer or the Originator. Any of such administrative sanctions and/or remedial measures may affect the ability of the Issuer to fulfil its payment obligations under the Notes.

For avoidance of doubt, the Notes may also qualify as STS under the Securitisation Regulation as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the "**UK Securitisation Regulation**") until maturity, **provided that** the Notes remain on the ESMA STS Register and continue to meet the STS Requirements.

#### *Investors' compliance with due diligence requirements under the EU Securitisation Regulation*

Investors should be aware of the due diligence requirements under Article 5 of the EU Securitisation Regulation that apply to institutional investors with an EU nexus (including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings, institutions for occupational retirement provision and UCITS funds). Amongst other things, such requirements restrict an institutional investor (other than the originator, sponsor or original lender within the meaning of the EU Securitisation Regulation) from investing in securitisation positions unless, prior to holding the securitisation position:

- (a) that institutional investor has verified that:
  - (i) for certain originators, certain credit-granting standards were met in relation to the origination of the underlying exposures;
  - (ii) the risk retention requirements set out in article 6 of the EU Securitisation Regulation are being complied with; and



- (iii) information required by article 7 of the EU Securitisation Regulation has been made available; and
- (b) that institutional investor has carried out a due diligence assessment which enables it to assess the risks involved, which shall include at least (among other things) the risk characteristics of its securitisation position and the underlying exposures of the securitisation, and all the structural features of the transaction that can materially impact the performance of its securitisation position.

In addition, under article 5(4) of the EU Securitisation Regulation, an institutional investor (other than the originator, sponsor or original lender) holding a securitisation position shall at least establish appropriate written procedures that are proportionate to the risk profile of the securitisation position and, where relevant, to the institutional investor's trading and non-trading book, in order to monitor, on an ongoing basis, compliance with its due diligence requirements and the performance of the securitisation position and of the underlying exposures. Depending on the approach in the relevant EU Member State, failure to comply with one or more of the due diligence requirements may result in penalties including fines, other administrative sanctions and possibly criminal sanctions. In the case of those institutional investors subject to regulatory capital requirements, penal capital charges may also be imposed on the securitisation position (i.e., notes) acquired by the relevant institutional investor. The institutional investors due diligence requirements described above apply in respect of the Notes. Relevant institutional investors are required to independently assess and determine the sufficiency of the information contained in this Prospectus for the purposes of complying with article 5 of the EU Securitisation Regulation or the UK Securitisation Regulation and any corresponding national measures which may be relevant to investors. Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear and are still evolving. Prospective investors who are uncertain as to the requirements that will need to be complied with in order to avoid the consequences of the non-compliance should seek guidance from their regulator.

#### *Disclosure requirements under CRA Regulation and EU Securitisation Regulation*

The CRA Regulation provides for certain additional disclosure requirements for structured finance instruments within the meaning of Commission Delegated Regulation (EU) no. 2015/3 of 30 September 2014 ("**SFIs**"). Such disclosure will need to be made via a website to be set up by ESMA. The Commission Delegated Regulation no. 2015/3 of 30 September 2014, which contains regulatory technical standards adopted by the European Commission to implement provisions of the CRA Regulation, came into force on 26 January 2015. These regulatory technical standards apply from 1 January 2017. In relation to an SFI issued or outstanding on or after the date of application of Commission Delegated Regulation no. 2015/3 of 30 September 2014, the issuer, originator and sponsor are required to comply with the reporting requirements. In its press release, dated 27 April 2016, ESMA communicated to the public that it is unlikely that ESMA will make available the SFI-website on which the reports on outstanding SFIs must be made available by 1 January 2017 or that it will be able to publish the technical instructions which ESMA must prepare pursuant to article 8b of the CRA Regulation by that date. In the press release ESMA concluded that the reporting obligations under the CRA Regulation for SFIs may possibly be replaced by obligations based on new rules to be adopted and to be included in the EU Securitisation Regulation. Accordingly, pursuant to the obligations set forth in article 7(2) of the EU Securitisation Regulation, the originator, sponsor and securitisation special purpose entity ("**SSPE**") of a securitisation shall designate amongst themselves one entity to submit the information set out in points (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation, which includes the prospectus issued in the context of the offer of notes in a securitisation transaction, to a regulated securitisation repository. The securitisation repository, which authorisation requirements are set out in chapter 4 of the EU Securitisation Regulation will in turn disclose information on securitisation transactions to the public. With the application of these provisions, the disclosure requirements of the CRA Regulation concerning SFI's are also addressed. The Notes are issued after 1 January 2019. Consequently, the disclosure requirements of article 7 of the EU Securitisation Regulation apply in respect of the Notes.

## *UK Securitisation Regulation*

Pursuant to the EUWA (as amended by the European Union (Withdrawal Agreement) Act 2020, from 11pm (GMT) on 31 December 2020, EU regulations (including the EU Securitisation Regulation) which previously had direct effect in the UK by virtue of the European Communities Act 1972 were transposed into domestic law. Like the EU Securitisation Regulation, the UK Securitisation Regulation also includes risk retention and transparency requirements (imposed variously on the issuer, originator, sponsor and/or original lender of a securitisation) and due diligence requirements which are imposed, under the UK Securitisation Regulation on UK Affected Investors in a securitisation. If the due diligence requirements under the UK Securitisation Regulation are not satisfied then, depending on the regulatory requirements applicable to such UK Affected Investor, an additional risk weight, regulatory capital charge and/or other regulatory sanction may be applied to such securitisation investment and/or imposed on the UK Affected Investor.

**"UK Affected Investor"** means each of CRR firms as defined by article 4(1)(2A) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 as it forms part of domestic law in the UK by virtue of the EUWA, certain alternative investment fund managers which manage or market alternative investment funds in the UK, UK regulated insurers or reinsurers, certain management companies as defined in section 237(2) of the FSMA, UCITS as defined by section 236A of FSMA which is an authorised open ended investment company as defined in section 237(3) of FSMA and occupational pension schemes as defined in section 1(1) of the Pension Schemes Act 1993.

**"UK Retention Requirement"** means the requirement for the Risk Retention Holder to retain, on an ongoing basis, as an originator within the meaning of the UK Securitisation Regulation, a material net economic interest of at least 5 per cent. in the securitisation, in accordance with article 6(3)(d) of the UK Securitisation Regulation, as though article 6 of the UK Securitisation Regulation applied to the Securitisation (as the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures).

Potential UK Affected Investors should note that the obligation of the Risk Retention Holder to comply with the UK Retention Requirement and of the Reporting Entity to comply with the reporting requirements set out in the UK Securitisation Regulation are strictly contractual pursuant to the terms of the Intercreditor Agreement and apply with respect to articles 6 and 7 of the UK Securitisation Regulation together with any binding technical standards (as such articles of the UK Securitisation Regulation and related binding technical standards are interpreted and applied on the date hereof and not taking into account any relevant national measures). In addition, to the extent that any of article 5, 6 or 7 of the UK Securitisation Regulation is amended or new binding technical standards are introduced by the FCA after the Issue Date, the Risk Retention Holder and the Reporting Entity will be under no obligation to comply with such amendments or new technical standards. Each potential UK Affected Investor is required to independently assess and determine the sufficiency of the information described above and in the Prospectus generally for the purposes of complying with article 5 of the UK Securitisation Regulation and any corresponding national measures which may be relevant to investors and none of the Issuer, the Arranger, the Lead Manager, the Originator or any of the other parties to the Transaction Documents makes any representation that any such information described above or elsewhere in this Prospectus is sufficient in all circumstances for such purposes.

Some divergence between the European Union and the United Kingdom regimes already exists and the risk of further divergence in the future between the European Union and the United Kingdom regimes cannot be ruled out. In particular, legislative reforms affecting the UK Securitisation Regulation regime are being introduced under FSMA 2023 which received Royal Assent on 29 June 2023. On 11 July 2023, HM Treasury published a near-final draft version of the Securitisation Regulations 2023 with an intention to lay the final Securitisation Regulations 2023 by the end of 2023. In addition, the FCA and PRA consultation papers setting out the draft rules for securitisation in the UK have been published and are expected to be finalised and become applicable in Q2 2024. UK investors who are uncertain as to the requirements that will need to be complied with in order to avoid the consequences of non-compliance should seek guidance from their regulator and/or take independent advice.

Each potential investor is required to independently assess and determine the sufficiency of the information described above and in the Prospectus generally for the purposes of complying with article 5 of the UK Securitisation Regulation and any corresponding national measures which may be relevant to investors and none of the Issuer, the Arranger, the Lead Manager, the Originator, the Risk Retention Holder or any of the other parties to the Transaction Documents makes any representation that any such information described above or elsewhere in this Prospectus is sufficient in all circumstances for such purposes.

***Default Risks in relation to the EU Securitisation Regulation and the UK Securitisation Regulation***

In the event that the Originator breaches its undertaking to retain on an ongoing basis a material net economic interest in the Securitisation of not less than 5% in accordance with the requirements of the EU Securitisation Regulation and the UK Securitisation Regulation (as the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) and the applicable Regulatory Technical Standards, the Securitisation would cease to be compliant with the EU Securitisation Regulation and the UK Securitisation Regulation (as the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) which may result in penalties including fines, other administrative sanctions and possibly criminal sanctions being imposed and would also affect the liquidity of the Notes.

***Risk from reliance on verification by PCS***

The Originator has used the services of PCS, a third party authorised pursuant to article 28 of the EU Securitisation Regulation, to verify whether the Securitisation complies with articles 19 to 22 of the EU Securitisation Regulation and the compliance with such requirements has been verified by PCS.

The verification by PCS does not affect the liability of the Originator and the Issuer in respect of their legal obligations under the EU Securitisation Regulation. Furthermore, the use of such verification by PCS shall not affect the obligations imposed on institutional investors as set out in article 5 of the EU Securitisation Regulation. Notwithstanding PCS' verification of compliance of a securitisation with articles 19 to 22 of the EU Securitisation Regulation, such verification by PCS does not ensure the compliance of a securitisation with the general requirements of the EU Securitisation Regulation. A verification does not remove the obligation placed on investors to assess whether a securitisation labelled as "STS" or "simple, transparent and standardised" has actually satisfied the criteria. Investors must not solely or mechanistically rely on any STS notification or PCS' verification to this extent.

The designation of the Securitisation as an STS Securitisation is not a recommendation to buy, sell or hold securities. It is not investment advice whether generally or as defined under MiFID II or section 3(a) of the U.S. Securities Exchange Act of 1934 (as amended and supplemented).

By designating the Securitisation as an STS securitisation, no views are expressed about the creditworthiness of the Notes or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for the Notes.

Therefore, no investor should rely on such assessment in determining the status of any securitisation in relation to capital requirements and must make its own determination. Non-compliance with the status of an STS Securitisation may result in higher capital requirements for investors, as well as in various administrative sanctions and/or remedial measures being imposed on the Issuer or the Originator. Any of such administrative sanctions and/or remedial measures may affect the ability of the Issuer to fulfil its payment obligations under the Notes.

***Selling restrictions***

The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law and by the Transaction Documents, in particular, as provided by and described in the Subscription Agreement. Persons into whose possession this Prospectus (or any part of it) comes are required by the Issuer to inform themselves about, and to observe, any such restrictions.

Neither this Prospectus nor any part of it constitutes an offer, 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.

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

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

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

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and subject to certain exceptions, may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act). The Notes are in bearer and dematerialised form and are subject to U.S. tax law requirements. The Notes are being offered for sale outside the United States in accordance with Regulation S under the Securities Act (see the section entitled "*Subscription, Sale and Selling Restrictions*").

Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

The Notes are not intended to be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4 (1) of MiFID II; (ii) a customer within the meaning of Directive (UE) 2016/97 ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II; or (iii) not a qualified investor as defined in article 2 of the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPS Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

#### ***Application of the Securitisation Law has a limited interpretation***

The Securitisation Law was enacted in Italy in April 1999. As at the date of this Prospectus, only limited interpretation of the application of the Securitisation Law has been issued by any Italian court or governmental or regulatory authority. 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.

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

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

The Seller (originator of the securitised Receivables) does not intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules and the issuance of the Notes was not designed to comply with the U.S. Risk Retention Rules. The Seller intends to rely on an exemption provided for in section \_\_.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitisation transaction are sold or transferred to U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this Prospectus as Risk Retention U.S. Persons); (3) neither the sponsor nor the issuer is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States. The Seller has advised the Issuer that it has not acquired, and it does not intend to acquire more than 25 per cent. of the assets from an affiliate or branch of the Seller or the Issuer that is organised or located in the United States.

Prior to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes must first disclose to the Seller that it is a Risk Retention U.S. Person and obtain the written consent of the Seller in the form of a U.S. Risk Retention Consent.

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

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

- (a) any natural person resident in the United States;
- (b) any partnership or corporation organised or incorporated under the laws of the United States;
- (c) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);
- (d) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);

- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- (h) any partnership, corporation, limited liability company, or other organisation or entity if:
  - (i) organised or incorporated under the laws of any foreign jurisdiction; and
  - (ii) formed by a U.S. person principally for the purpose of investing in securities not registered

under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in 17 CFR 230.501(a)) who are not natural persons, estates or trusts.

Consequently, the Notes may not be purchased by any person except for persons that are not Risk Retention U.S. Persons and where such purchase falls within the exemption provided for in section 20 of the U.S. Risk Retention Rules.

Each holder of a Note or a beneficial interest acquired in the initial syndication of the Notes, by its acquisition of a Note or a beneficial interest in a Note, will be deemed to and, in certain circumstances, will be required to, represent to the Issuer, the Seller, the Arranger and the Lead Manager that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in section 20 of the U.S. Risk Retention Rules described herein).

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

None of the Arranger, the Lead Manager, the Seller, the Issuer or any of their affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Issue Date or at any time in the future. Investors should consult their own advisors as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

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

The Issuer has been established so as not to constitute a "covered fund" for purposes of the regulations adopted to implement section 619 of the Dodd-Frank Act (such statutory provision together with such implementing regulations, the "**Volcker Rule**").

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

Under the Volcker Rule, unless otherwise jointly determined by specified federal regulators, a "covered fund" does not include an issuer that may rely on an exclusion or exemption from the definition of "investment company" under the Investment Company Act of 1940, as amended (the "**Investment Company Act**") other than the exclusions contained in section 3(c)(1) and section 3(c)(7) of the U.S. Investment Company Act and that is not a "commodity pool" that meets certain conditions under the U.S. Commodity Exchange Act of 1936, as amended .

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

The Volcker Rule and any similar measures introduced in another relevant jurisdiction may restrict the ability of relevant individual prospective purchasers to invest in the Notes and, in addition, may have a negative impact on the price and liquidity of the Notes in the secondary market. There is limited interpretive guidance regarding the Volcker Rule, and implementation of the regulatory framework for the Volcker Rule is still evolving. The Volcker Rule's prohibitions and lack of interpretive guidance could negatively impact the liquidity and value of the Notes. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in "ownership interests" of the Issuer should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally. Each investor must determine for itself whether it is a "banking entity" subject to regulation under the Volcker Rule. If investment by "banking entities" in the Notes of any Class is prohibited or restricted by the Volcker Rule, this could impair the marketability and liquidity of such Notes. None of the Issuer, the Arranger, the Lead Manager or any other party to the Transaction Documents makes any representation regarding (i) the status of the Issuer under the Volcker Rule or (ii) the ability of any purchaser to acquire or hold the Notes, now or at any time in the future.

***European Market Infrastructure Regulation and Markets in Financial Instruments Directive (MiFID II)***

Regulation (EU) number 648/2012, known as the European Market Infrastructure Regulation, as amended by Regulation (EU) number 834/2019, including any implementing and/or delegating regulation, technical standards and official guidance related thereto, in each case published by ESMA or the European Commission from time to time (the "**EMIR**") first entered into force on 16 August 2012. Certain changes to EMIR are introduced pursuant to Regulation (EU) number 834/2019 ("**EMIR REFIT**") and references to "EMIR" below are construed accordingly.

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

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

hedge transaction and deducted from the total in assessing whether the notional value of derivative contracts entered by the Issuer or its "group", the regulator may take a different view.

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

Notwithstanding the above, it should also be noted that the EU Securitisation Regulation, among other things, makes provisions for the development of technical standards in connection with the EMIR regime specifying (i) an exemption from clearing obligations and (ii) a partial exemption from the collateral exchange obligations for non-cleared OTC derivatives, in each case for OTC derivatives entered into in connection with securitisation transactions meeting the STS Requirements. The technical standards have been published on 3 September 2020 on the Official Journal of the European Union.

Prospective investors should be aware that if the Issuer becomes subject to the Clearing Obligation it is unlikely that it would be able to comply with the Reporting Obligation, which would adversely impact the Issuer's ability to enter into or materially amend the Hedge Agreement and/or may significantly increase the costs of entering into such arrangements in the future (to the extent that the Issuer is deemed to be a financial counterparty or a non-financial counterparty above the clearing threshold). This in turn may adversely affect the Issuer's ability to enter into hedge transactions and, therefore, its ability to manage interest rate risk. As a result of such increased costs and/or regulatory requirements, investors may receive significantly less or no interest or return, as the case may be, as the interest collected on the Receivables may not be sufficient to enable the Issuer to pay the interest due on the Notes. Investors should consult their own independent advisers and make their own assessment about the potential risks posed by EMIR in making any investment decision in respect of the Notes. The EU regulatory framework and legal regime relating to derivatives is not only set by EMIR but also by the recast version of the Markets in Financial Instruments Directive ("**MiFID II**") as supplemented by Regulation (EU) No. 600/2014 ("**MiFIR**"). MiFID II and MiFIR provide for regulations which require transactions in OTC derivatives to be traded on organised markets. MiFIR is supplemented by technical standards and delegated acts implementing such technical standards, such as the Delegated Regulation (EU) 2017/2417 of 17 November 2017 supplementing MiFIR with regard to regulatory technical standards on the trading obligation for certain derivatives which, *inter alia*, determine which standardised derivatives will have to be traded on exchanges and electronic platforms. For the scope of transactions in OTC derivatives subject to the trading obligation, article 28 paragraph 1 and article 32 MiFIR refer to the definition of "*financial counterparties*" and to "*non-financial counterparties*" that meet certain conditions under EMIR. Since MiFIR was not amended by EMIR REFIT, following the entry into force of EMIR REFIT on 17 June 2019 there is a misalignment in the scope of counterparties as regards the trading obligation under MiFIR and the Clearing Obligation under EMIR: potentially some "*non-financial counterparties*" would be subject to the trading obligation while being exempted from the Clearing Obligation. In this respect, ESMA expects competent authorities not to prioritise their supervisory actions in relation to the MiFIR derivatives trading obligation towards counterparties who are not subject to the Clearing Obligation, and to generally apply their risk-based supervisory powers in their day-to-day enforcement of applicable legislation in this area in a proportionate manner. This is supported by ESMA's recommendation (Alignment of MiFIR with the changes introduced by EMIR REFIT) to the European Commission that the changes made by EMIR REFIT to the scope of the Clearing Obligations for "*financial counterparties*" and "*non-financial counterparties*" should be replicated in MiFIR and that the temporary suspension of the clearing obligation in certain circumstances should be appropriately mirrored in MiFIR in respect of the trading obligation.

Prospective investors should be aware that EMIR, EMIR REFIT and MiFID II/MiFIR (including other rules and regulatory technical standards relating thereto) may lead to more administrative burdens and higher costs for the Issuer. As a result of such increased costs or increased regulatory requirements, investors may receive less interest or return, as the case may be. Further, if any party fails to comply with the applicable rules under EMIR, it may be liable for a fine. If such fine is



imposed on the Issuer, this may also reduce the amounts available to make payments with respect to the Notes.

***The "anti-deprivation" principle***

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

The U.S. Bankruptcy Court for the Southern District of New York has granted Lehman Brothers Special Finance Inc.'s motion for summary judgement to the effect that the provisions do infringe the anti deprivation principle in U.S. insolvency. The Court acknowledged that this has resulted in the U.S. courts coming to a decision "directly at odds with the judgement of the English Courts". BNY Corporate Trustee Services Ltd was granted leave to appeal but the case subsequently settled out of court. Notwithstanding the New York settlement, the decision of the US Bankruptcy Court remains inconsistent with the decision reached by the Supreme Court of the United Kingdom in the Belmont case as referred to above and therefore uncertainty remains as to how a conflict of the type referred to above would be resolved by the courts. Given the current state of U.S. and English law, this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies. Additionally, there can be no assurance as to how such subordination provisions would be viewed in other jurisdictions such as Italy or whether they would be upheld under the insolvency laws of any such relevant jurisdiction.

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

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

In Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Arranger, the Lead Manager nor any other party to the Transaction Documents makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment in the Notes on the Issue Date or at any time in the future.

Investors should note in particular that the Basel Committee on Banking Supervision ("BCBS") has approved a series of significant changes to the Basel framework for prudential regulation (such changes being referred to by the BCBS as Basel III, and referred to, colloquially, as Basel III in respect of reforms finalised prior to 7 December 2017 and Basel IV in respect of reforms finalised on or following that date). The Basel III/IV reforms, which include revisions to the credit risk

framework in general and the securitisation framework in particular, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. The BCBS continues to work on new policy initiatives. National implementation of the Basel III/IV reforms may vary those reforms and/or their timing. It should also be noted that changes to prudential requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe.

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

*Younited S.A., Italian Branch may be subject to recovery, resolution and intervention frameworks, whereby the application of any measures thereunder could result in losses under the Notes*

The Originator may be declared insolvent.

The insolvency of any of such parties could affect such party's contractual relations with the Originator according to the applicable insolvency regulations.

Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the "**BRRD**") and Regulation (EU) No 806/2014 of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund (the "**SRM Regulation**") have introduced a harmonised European framework for the recovery and resolution of banks and large investment firms (and certain affiliated entities) which are failing or likely to fail. If an institution like Younited S.A., Italian Branch would be deemed to fail or likely to fail and the other resolution conditions would also be met, the resolution authority will most likely decide to place Younited S.A., Italian Branch under resolution. It may decide to apply certain resolution tools. These resolution tools include the sale of business tool, the bridge institution tool and the asset separation tool, each of which, in summary, provides for a transfer of certain assets and/or liabilities of the institution under resolution to a third party. In addition, the BRRD and the SRM Regulation provide for the bail-in tool, which may result in the write-down or conversion into shares of capital instrument and eligible liabilities.

To this regard, only the French authorities and/or the relevant resolution authority will be able to adopt the measures foreseen by the BRRD regarding Younited S.A., Italian Branch and their national regulations.

In the event of insolvency of the Originator, as a result of the implementation into French law of 2001/24/EC of the European Parliament and of the Council of 4 April 2001 on the reorganisation and winding up of credit institutions, the Italian courts will not be empowered to decide on the implementation of one or more reorganisation or winding up measures since these powers will be vested on the administrative or judicial authorities of the home Member State (i.e., France) of the credit institution (including for branches established in other Member States) (i.e. the Originator).

Any transfer of rights or assets or any payments contemplated by the Transaction Documents may be challenged by an insolvency administrator of the Originator in accordance with French Law, although pursuant to (the Italian rules implementing) Directive 2001/24 the beneficiary of these acts can provide proof that (i) these transfers and payments are subject to the law of another Member State and (ii) that law does not allow any means of challenging these acts in the case in point. As a result of the foregoing, the Issuer as beneficiary of the credit rights derived from the Loans, may provide proof to the insolvency administrator of the Originator that (i) the transfer of the credit rights is subject to the application of Italian law, and (ii) as far as Italian law is concerned, as set forth in article 95-ter of the Consolidated Banking Act, in that case such a valid and effective assignment of the Receivables cannot be subject to any challenge in accordance with Italian law.

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

Italian Law number 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 latest of these decrees having been issued on [•] 2024 and being applicable for the quarterly period from [•] 2024 to [•] 2024).

In addition, even where the applicable Usury Rates are not exceeded, interest and other advantages and/or remuneration may be held to be usurious if: (i) they are disproportionate to the amount lent (taking into account the specific circumstances of the transaction and the average rate usually applied for similar transactions) and (ii) the person who paid or agreed to pay was in financial and economic difficulties. The provision of usurious interest, advantages or remuneration has the same consequences as non-compliance with the Usury Rates.

In certain 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 would become null and void in its entirety.

With a view to limiting the impact of the application of the Usury Law to Italian loans executed prior to the entering into force of the Usury Law, the Italian Government intervened in this situation with Law Decree number 394 of 29 December 2000 (the "**Usury Law Decree**"), converted into Law number 24 by the Italian Parliament on 28 February 2001, 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 regardless of the time at which interest is repaid by the borrower. However, it should be noted that few commentators and some lower court decisions have held that, irrespective of the principle set out in the Usury Law Decree, if an interest originally agreed at a rate falling below the then applicable usury limit were, at a later date, to exceed the usury limit from time to time in force, such interest should nonetheless be reduced to the then applicable usury limit. Such opinion seems confirmed by the Italian Supreme Court (Cass. Sez. I, 11.01.2013, number 602 and Cass. Sez. I, 11.01.2013, number 603), which stated that an automatic reduction of the applicable interest rate to the Usury Rates applicable from time to time shall apply to the loans.

The Usury Law Decree also provides that, as an extraordinary measure due to the exceptional fall in interest rates in the years 1998 and 1999, interest rates due on instalments payable after 2 January 2001 on loans already entered into on the date on which the Usury Law Decree came into force (such date being 31 December 2000) are to be replaced by a lower interest rate fixed in accordance with parameters fixed by the Usury Law Decree. The validity of the Usury Law Decree has been challenged before the Italian Constitutional Court by certain consumers' associations claiming that the Usury Law Decree does not comply with the principles set out in the Italian Constitution.

The Italian Constitutional Court ("*Corte Costituzionale*") has rejected, with decision no. 29/2002 (deposited on 25<sup>th</sup> February 2002), a constitutional exception raised by the Court of Benevento concerning article 1, paragraph 1, of the Usury Law. In so doing, the Constitutional Court ("*Corte Costituzionale*") has confirmed the constitutional validity of the provisions of the Usury Law which holds that the interest rates may be deemed to be void due to usury only if they infringe the Usury Law at the time they are agreed upon between the borrower and the lender and not as at the time such rates are actually paid by the borrower.

According to recent court precedents, the remuneration of any given financing must be below the applicable Usury thresholds from time to time applicable. Based on this recent evolution of case law on the matter, it might constitute a breach of the Usury Regulations if the remuneration of a financing is lower than the applicable Usury Thresholds at the time the terms of the financing were agreed but becomes higher than the applicable Usury Thresholds at any point in time thereafter

(see, for instance, *Cassazione* of 11 January 2013 No. 603). However, it is worth mentioning that, by more recent decisions, the Italian Supreme Court has clearly stated that, in order to establish if the interest rate exceeds the Usury Rate, it has to be considered the interest rate agreed between the parties at the time of the signing of the financing agreement, regardless of the time of the payment of such interest (see, for instance, *Cassazione* 27 September 2013, No. 22204; *Cassazione* 25 September 2013, No. 21885).

The Italian Supreme Court (*Corte di Cassazione*), under decision No. 350/2013, as confirmed by decision number 23192/17 and no. 19597/2020, has clarified, for the first time, that the default interest is relevant for the purposes of determining if an interest rate is usurious. That interpretation is in contradiction with the current methodology for determining the Usury Thresholds, considering that the relevant surveys aimed at calculating the applicable average rate never took into account the default interest rates. In addition, the Italian Supreme Court, under decision No. 602/2013, has held that, with regard to loans granted before the entry into force of Usury Law, an automatic reduction of the applicable interest rate to the Usury Thresholds applicable from time to time shall apply.

Prospective Noteholders should note that, whilst the Originator has undertaken in the Receivables Purchase 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 relevant Loan 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 Debtor 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.

The Seller has represented in the Receivables Purchase Agreement that the interest rates applicable under the Loan Agreements are in compliance with the then applicable Usury Rate.

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

Pursuant to article 1283 of the Italian civil code, in respect of a monetary claim or receivable, accrued interest may be capitalised after a period of not less than six months only (i) under an agreement subsequent to such accrual or (ii) from the date when any legal proceedings are commenced in respect of that monetary claim or receivable. Article 1283 of the Italian civil code allows derogation from this provision in the event that there are recognised customary practices ("*usi*") to the contrary. Banks and other financial institutions in the Republic of Italy have traditionally capitalised accrued interest on a three monthly basis on the grounds that such practice could be characterised as a customary practice ("*uso normativo*"). However, a number of recent judgements from Italian courts (including the judgements from the Italian Supreme Court (*Corte di Cassazione*) number 2374/99 and number 2593/2003) have held that such practices may not be defined as customary practices ("*uso normativo*").

As a consequence thereof, the challenge by any Debtor of the practice of capitalising interest and the upholding of such interpretation of the Italian civil code in judgments of the other courts of the Republic of Italy could have a negative effect on the returns generated from the Loans.

In this respect, it should be noted that article 25, paragraph 3, of Italian Legislative Decree no. 342 of 4 August 1999, enacted by the Italian Government under a delegation granted pursuant to Italian Law no. 142 of 19 February 1992, has considered the capitalisation of accrued interest (*anatocismo*) made by banks prior to the date on which it came into force (19 October 1999) to be valid. After such date, the capitalisation of accrued interest will still be possible upon the terms established by a resolution of the Interministerial Committee of Credit and Saving (C.I.C.R.) dated 9 February 2000 and published on 22 February 2000. Italian Law no. 342 of 4 August 1999 was challenged, however, before the Italian Constitutional Court on the grounds that it falls outside the scope of the legislative powers delegated under Italian Law no. 142 of 19 February 1992. By decision no. 425 of 9 October 2000, the Italian Constitutional Court declared as unconstitutional on these grounds article 25, paragraph 3, of Italian Law no. 342 of 4 August 1999.

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

Under the Receivables Purchase Agreement, the Seller has undertaken to indemnify and hold harmless the Issuer and its directors from and against any and all damages, losses, claims, reduced income (*minor incasso*), costs, lost profits (*lucro cessante*) and/or expenses (including, but not limited to, legal fees and disbursements and any value added tax thereon if due), awarded against or incurred by the Issuer or its directors which arise out of or result from the non-compliance of the terms and conditions of any Loan Agreement with the provisions of article 1283 of the Italian civil code.

#### ***Change of law may impact the Securitisation***

The structure of the transaction and, *inter alia*, the issue of the Notes and the ratings assigned to the Rated Notes are based on Italian law (or English law, in the case of the Hedge Agreement and the English Deed of Assignment), tax and administrative practice in effect at the date hereof, having due regard to the expected tax treatment of all relevant entities under such law and practice.

No assurance can be given that Italian law (or English law, as applicable), 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 Notes.

#### ***Historical information***

The historical financial and other information set out in the sections headed "*The Seller*", "*The Credit and Collection Policies*" and "*The Portfolio*", including in respect of the default rates, represents the historical experience of the Originator, which accepts responsibility for the fairness and accuracy of these sections. However, there can be no assurance that the future experience and performance of the Originator as Sub-Servicer will be similar to the experience shown in this Prospectus.

#### ***Forward-looking statements***

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

Words such as "intend(s)", "aim(s)", "expect(s)", "will", "may", "believe(s)", "should", "anticipate(s)" or similar expressions are intended to identify forward-looking statements and subjective assessments.

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

## 8. TAX RISKS

### **Tax treatment of the Issuer is based on the current interpretation of the Securitisation Law**

Taxable income of the Issuer is determined in accordance with Italian Presidential Decree no. 917 of 22 December 1986. Pursuant to the regulations issued by the Bank of Italy on 15 December 2015 (the 2015 "Bank of Italy Provision") (*Istruzioni per la redazione dei bilanci e dei rendiconti degli Intermediari finanziari, degli Istituti di pagamento, degli Istituti di Moneta Elettronica, delle SGR e delle SIM*), the assets, liabilities, costs and revenues of the Issuer in relation to the securitisation of the Receivables will be treated as off-balance sheet assets, liabilities, costs and revenues. As of 2016 the Bank of Italy has issued new regulations, as amended from time to time (*Il bilancio degli intermediari IFRS diversi dagli intermediary bancari*) in which all the references to the special purpose vehicles incorporated for the purposes of the carrying out of securitisation transactions have been deleted in accordance with a general principle that special purpose vehicles should not be subject to regulatory supervision. In the lack of any specific accounting provisions and any clarification by the Bank of Italy, the market operators have nonetheless continued applying the 2015 Bank of Italy Provision, treating the assets, liabilities, costs and revenues of special purpose vehicles incorporated pursuant to the Securitisation Law as off-balance sheet items. Based on the general rules applicable to the calculation of net taxable income of a company, such taxable income should be calculated on the basis of the accounting, i.e. on-balance sheet, earnings, subject to such adjustments as specifically provided for by applicable income tax rules and regulations. On this basis, no taxable income should accrue to the Issuer in the context of the transfer to the Issuer of the relevant Portfolio and the Securitisation. This opinion has been expressed by scholars and tax specialists and has been confirmed by the tax authority (Circular no. 8/E issued by *Agenzia delle Entrate per la Lombardia* on 6 February 2003, confirmed by Ruling No. 222 of 5 December 2003, Ruling no. 77/E of 4 August 2010, and Ruling No. 132 of 2 March 2021) on the grounds that the net proceeds generated by the Receivables may not be considered as legally available to the Issuer - insofar as any and all amounts deriving from the underlying assets of each of the securitisations are specifically destined to satisfy the obligations of such Issuer to the holders of the notes issued in the context of each such securitisation, to the other creditors of the Issuer and certain third party creditors in respect of each such securitisation in compliance with applicable law.

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

As confirmed by the tax authority (Ruling no. 222 issued by *Agenzia delle Entrate* on 5 December 2003), the interest accrued on the Accounts held in the name of the Issuer with the Italian account bank will be subject to withholding tax on account of corporate income tax. As of the date of this Prospectus, such withholding tax is levied At the rate of 26 per cent. and is to be imposed at the time of payment.

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

Payments of interest under the Notes may in certain circumstances be subject to withholding for or on account of tax to a substitute tax in accordance with Decree 239. For further details, see the section entitled "*Taxation*".

In the event that substitute tax is imposed in respect of payments to the Noteholders of amounts due pursuant to the Notes, the Issuer will not be obliged to gross-up or otherwise compensate the Noteholders for the lesser amounts the Noteholders will receive as a result of the imposition of substitute tax.

### **The scope of application of FATCA is unclear in some respects**

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (commonly known as "**FATCA**"), provides that various information reporting requirements must be satisfied with respect to (i) certain payments from sources within the United States, (ii) "foreign pass-through payments" made to certain non-U.S. financial institutions that do not comply with this new

reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. Failure to comply with such information reporting requirements may trigger a U.S. withholding tax, currently at 30 per cent. rate on such payments.

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

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

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

## THE PORTFOLIO

### Introduction

Prior to the Issue Date, Citibank, N.A., Milan Branch previously provided and currently provides the financing and/or arrangement for the provision of financing to the Originator secured over, amongst other things, certain of the Receivables comprised in the Portfolio through a revolving financing transaction pursuant to, and in accordance with, the Securitisation Law, whereby Citibank, N.A., Milan Branch granted and grants to Youni Italy 2 S.r.l. ("**Youni Italy 2**") revolving credit facilities to fund 100% of the purchase from the Originator, without recourse (*pro soluto*) and in accordance with articles 1 and 4 of the Securitisation Law of receivables (the "**Warehouse Financing**").

The Originator has repurchased, with legal effect from the Issue Date from Youni Italy 2, without recourse (*pro soluto*) and as a pool ("*in blocco*") certain of the Receivables comprised in the Portfolio (there Receivables being the "**Relevant Disposal Receivables**"), in accordance with article 58 of the Consolidated Banking Act pursuant to terms and conditions set out under a receivables repurchase agreement entered into on [•] April 2024 between Youni Italy 2 and the Originator.

The Originator on sold and transferred the Receivables (comprising part of the Relevant Disposal Receivables and other receivables originated by the Originator) to the Issuer in accordance with the provisions of articles 1 and 4 of the Securitisation Law and article 5, paragraphs 1, 1-*bis* and 2 of the Factoring Law with legal effect from the Issue Date, pursuant to terms and conditions set out under the Receivables Purchase Agreement entered into on [•] April 2024 between the Originator and the Issuer.

The Receivables comprised in the Portfolio were purchased by the Issuer from the Originator in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the provisions of the Factoring Law recalled therein, pursuant to terms and conditions set out under the Receivables Purchase Agreement and pursuant to the notice of sale published in the Italian Official Gazette No. [•], Part II on [•] 2024 with legal effect from the Issue Date (with economic effects from the Valuation Date) and comprise debt obligations owed by [•] Debtors, under [•] Loan Agreements. The Outstanding Principal of the Portfolio as at the Valuation Date was € [•].

Citibank, N.A., Milan Branch expects that the Warehouse Financing will be partially repaid on or about the Issue Date by Youni Italy 2 by using some of the proceeds of the sale received by the Seller from the Issuer in respect of the Receivables comprised in the Portfolio.

The Receivables comprised in the Portfolio arise out of the Loans, granted to the Debtors in Italy, entered into by the Originator in the course of its business. The Receivables are classified as at the Valuation Date as performing (*crediti in bonis*) by the Originator.

The Purchase Price of the Portfolio will be funded through part of the net proceeds of the issuance of the Notes.

The Issuer confirms that the arrangements entered into or to be entered into by the Issuer on or prior to the Issue Date, taken together with the Portfolio and the structural features of the Securitisation have characteristics that demonstrate capacity to produce funds to service any payment which becomes due and payable in respect of the Notes in accordance with the Conditions. However, regard should be had both to the characteristics of the Portfolio and the other assets and rights available to the Issuer under the Securitisation and the risks to which the Issuer and the Notes may be exposed. Prospective holders of the Notes should consider the detailed information set out elsewhere in this Prospectus, including, without limitation, under the section entitled "*Risk Factors*". None of the Receivables is a "securitisation position" for the purposes of article 2(4) of the EU Securitisation Regulation.

### The Eligibility Criteria

The Receivables included in the Portfolio purchased by the Issuer have been selected on the basis of the following criteria, pursuant to the Receivables Purchase Agreement.

The Originator has transferred all the Receivables (other than the randomly selected exposures in accordance with option (c) of article 6(3) of the EU Securitisation Regulation and article 6(3) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) and the applicable Regulatory



Technical Standards) existing as at the Valuation Date arising out of Loans granted under the relevant Loan Agreements having, as at the Valuation Date (or at such other date specified below), the following characteristics (to be deemed cumulative unless otherwise provided):

1. Receivables arising from the Loans granted to consumers as defined by article 121 of Legislative Decree No. 385 of 1 September 1993 (as amended and supplemented from time to time);
2. Receivables arising from Loans granted by the Seller as lender;
3. Receivables arising from Loan Agreements which are denominated in Euro and do not contain provisions which allow the conversion of the Receivables into another currency;
4. Receivables arising from Loans which have been fully disbursed and in respect of which there is no obligation, commitment or right to make further drawings under the relevant Loan Agreement;
5. Receivables arising from Loan Agreements governed by Italian law;
6. Receivables arising from Loans which have not been granted to Debtors which were directors or employees of the Seller as at the relevant disbursement date;
7. Receivables arising from Loans having a fixed interest rate, whose amortisation plan provides for monthly instalments having an equal fixed amount to be paid in arrears;
8. Receivables arising from Loans which have not been classified as "*sofferenze*" pursuant to the Bank of Italy's circular no. 272 of 30 July 2008 ("*Centrale dei rischi - Istruzioni per gli intermediari creditizi*"), as subsequently amended and supplemented;
9. Receivables arising from Loans which have not been classified as "*inadempienze probabili*" pursuant to the Bank of Italy's circular no. 272 of 30 July 2008 ("*Centrale dei rischi - Istruzioni per gli intermediari creditizi*"), as subsequently amended and supplemented;
10. Receivables arising from Loans to be repaid in no more than 84 (eighty-four) monthly Instalments from the relevant date of disbursement in accordance with the original amortisation plan;
11. Receivables arising from Loan Agreements entered into in accordance with any law or regulation which do not provide for financial facilitations, public contributions of any nature, discounts, contractual limits to the maximum interest rate and/or other provisions which grant facilitations or reductions to the Debtors in respect of the payment of interest and/or principal;
12. Receivables having an Outstanding Principal not higher than Euro 56,000;
13. Receivables arising from Loan Agreements which are qualified as non-purpose loans (*finanziamenti senza vincolo di destinazione*) granted and advanced directly to the relevant debtor and defined as "*prestito personale*";
14. Receivables which are not Delinquent Receivables;
15. Receivables which are not Defaulted Receivables;
16. Receivables which arise from any Loan which are not purpose-loans (i.e. those extended to facilitate the purchase of goods or services of merchant partners of Younited);
17. Receivables in respect of which at least one full payment has been made by the relevant Debtor;
18. Receivables in respect of which the relevant Debtor is domiciled in the Italian territory as of the signing/disbursement date of the relevant Loan Agreement;
19. Receivables with no payment holidays (*periodi di sospensione di pagamento*);
20. Receivables in respect of which the relevant Debtor does not have any deposit account or current account open with the Seller; and

21. Receivables in respect of which the relevant Debtor is not be unemployed on the signing date of relevant the Loan Agreement.

### **Other features of the Portfolio**

#### ***Representations and Warranties***

Under the Receivables Purchase Agreement, the Originator has provided certain representations and warranties in relation to the Portfolio. For further details see the section entitled "*Description of the Transaction Documents – Description of the Receivables Purchase Agreement*".

#### ***Pool Audit***

Pursuant to article 22(2) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria, an external verification (including verification that the data disclosed in this Prospectus in respect of the Receivables is accurate) has been made in respect of the provisional Portfolio as at 4 March 2024 by an appropriate and independent party and no significant adverse findings have been found.

The above external verification has confirmed:

- (a) that the data disclosed in this Prospectus in respect of the Receivables is accurate;
- (b) the accuracy of the information provided in the documentation and in the IT systems, in respect of each selected position of a representative Portfolio as at 31 January 2024 and 3 February 2024 – with confidence levels and error rates in line with the EBA Guidelines on STS Criteria; and
- (c) that the data of the Receivables included in the Portfolio contained in the loan-by-loan data tape prepared by the Originator are compliant with the Eligibility Criteria that are able to be tested prior to the Issue Date.

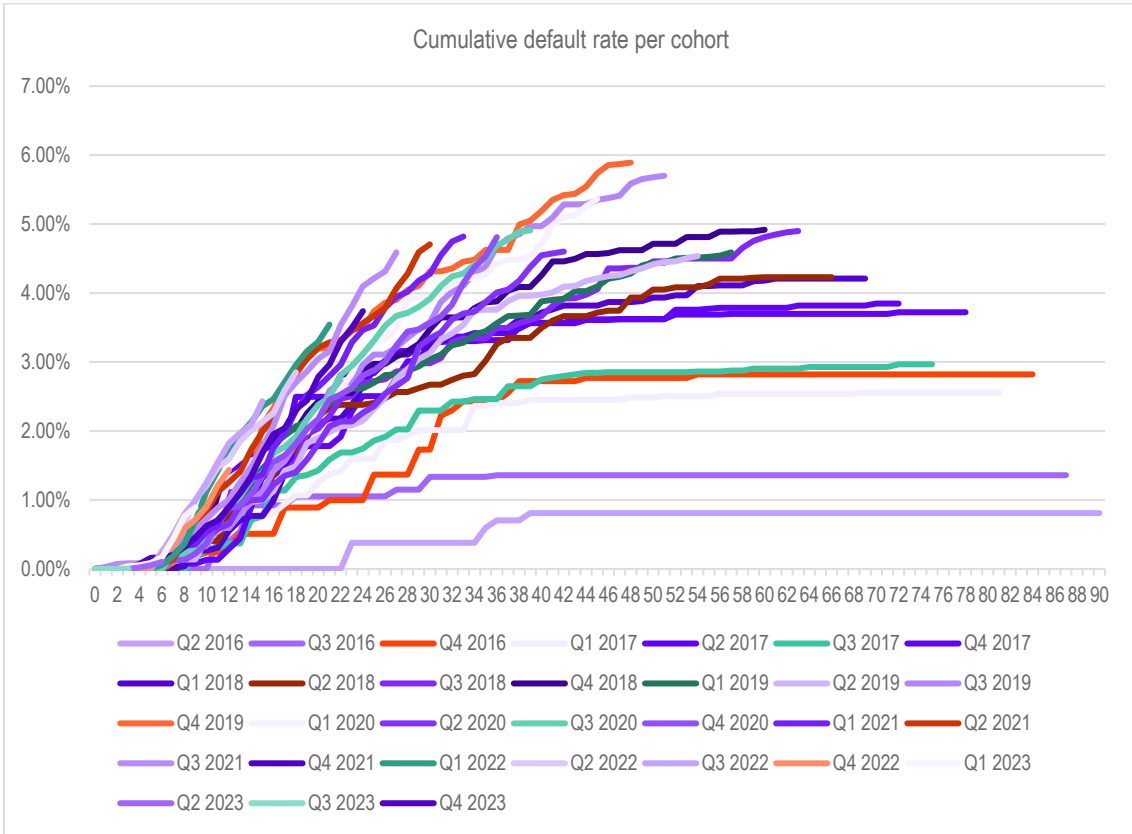
#### ***Historical Data***

The following historical data sets out certain information in relation to a pool of loans that can be considered substantially similar exposures to the final securitised portfolio as they have been originated, underwritten and serviced in accordance with the policies of the Originator which have been generally consistent over time.

#### ***Static Cumulative Gross Default***

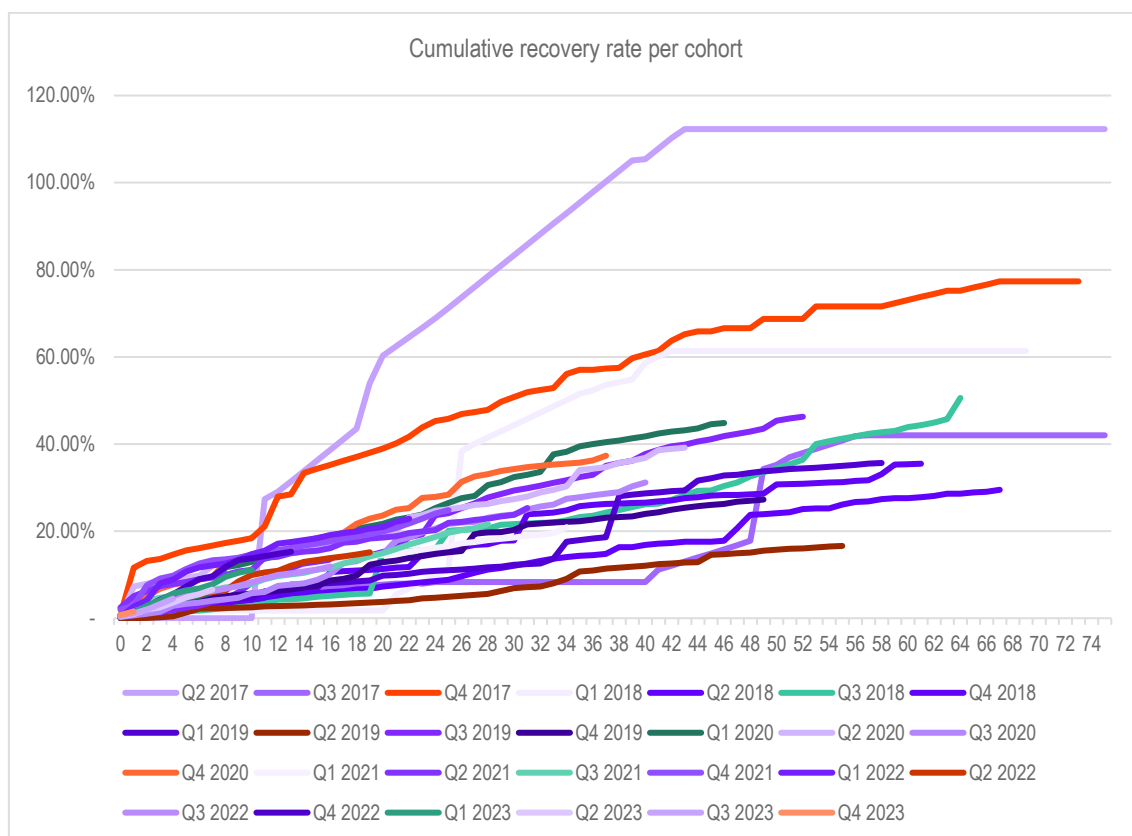
For a generation of the loans (being all loans originated during the same quarter), the cumulative gross defaults in respect of a quarter are calculated as the ratio of (i) the cumulative defaulted balance recorded between the month when such loans were originated and the relevant month, to (ii) the original balance of such loans. Default is defined as the "first ever" triggering of any of the following events:

- the amount in arrears represents 6 contractual Instalments or more
- Acceleration status. The acceleration status is a legal status, occurring when the contract is not performing and the Bank requires to the customer to pay for the full unpaid amount.



## Static Cumulative Gross Recoveries

For a generation of defaulted loans (being all loans defaulted during the same quarter), the cumulative recoveries in respect of a month is calculated as the ratio of (i) the cumulative recoveries recorded in each month following default for such loans that defaulted in the relevant period, to (ii) the gross defaulted balance of such loans that defaulted in the relevant period.



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

*The following tables set out information with respect to the provisional portfolio derived from the information supplied by the Originator in connection with the acquisition of the Receivables by the Issuer. The information in the following tables reflects the position of the provisional portfolio as at the provisional portfolio cut-off date (4 March 2024) and amounts, where relevant, are in euro. The provisional portfolio includes 5% of receivables that will be retained by the Originator for risk retention purposes.*

The primary characteristics of the Portfolio as at the provisional portfolio cut-off date are as follows:

## BREAKDOWN TABLES

### Interest Rate

>	<=	Amount (€)	%
-	3	786,755	0.29%
3	6	39,197,981	14.49%
6	9	130,359,461	48.19%
9	12	50,056,184	18.51%
12	15	32,994,896	12.20%
15	18	16,994,363	6.28%
18	21	106,354	0.04%
<b>Total</b>		<b>270,495,995</b>	<b>100.00%</b>

WA 8.97

**Current Balance**

>	<=	Amount (€)	%
-	5,000	47,851,625	17.69%
5,000	10,000	71,121,654	26.29%
10,000	15,000	57,807,618	21.37%
15,000	20,000	35,073,053	12.97%
20,000	25,000	19,568,785	7.23%
25,000	30,000	13,082,101	4.84%
30,000	56,000	25,991,158	9.61%
<b>Total</b>		<b>270,495,995</b>	<b>100.00%</b>

**Original Balance**

>	<=	Amount (€)	%
-	5,000	31,407,666	11.61%
5,000	10,000	57,267,775	21.17%
10,000	15,000	66,657,091	24.64%
15,000	20,000	38,201,613	14.12%
20,000	25,000	26,711,480	9.88%
25,000	30,000	13,869,254	5.13%
30,000	56,000	36,381,116	13.45%
<b>Total</b>		<b>270,495,995</b>	<b>100.00%</b>

**Score band**

	Amount (€)	%
A1	57,567,559	21.28%
A2	114,795,740	42.44%
A3	36,956,744	13.66%
A4	31,867,046	11.78%
A5	15,334,073	5.67%
A6	13,974,833	5.17%
<b>Total</b>		<b>270,495,995 100.00%</b>

**Original Term**

>	<=	Amount (€)	%
-	12	17,522	0.01%
12	24	6,794,847	2.51%
24	36	15,152,944	5.60%
36	48	22,712,769	8.40%
48	60	47,338,711	17.50%
60	72	26,031,520	9.62%
72	84	152,447,681	56.36%
<b>Total</b>		<b>270,495,995</b>	<b>100.00%</b>

WA 71

**Remaining Term**

>	<=	Amount (€)	%
-	12	713,395	0.26%
12	24	9,028,811	3.34%
24	36	18,675,832	6.90%

36	48	34,821,826	12.87%
48	60	45,121,271	16.68%
60	72	55,710,862	20.60%
72	84	106,423,998	39.34%
<b>Total</b>		<b>270,495,995</b>	<b>100.00%</b>
<b>WA</b>		<b>62.6</b>	

### Seasoning

>	<=	Amount (€)	%
	0	19,837,035	7.33%
0	12	179,565,362	66.38%
12	24	64,058,826	23.68%
24	36	6,372,642	2.36%
36	48	36,253	0.01%
48	60	516,828	0.19%
60	72	109,049	0.04%
<b>Total</b>		<b>270,495,995</b>	<b>100.00%</b>
<b>WA</b>		<b>8.8</b>	

### Geography

	Amount (€)	%
Northwest Italy	100,178,542	37.04%
South Italy	33,941,401	12.55%
Insular Italy	22,851,945	8.45%
Northeast Italy	51,091,070	18.89%
Central Italy	62,433,037	23.08%
<b>Total</b>		<b>270,495,995 100.00%</b>

### Homeowner

	Amount (€)	%
Yes	221,152,496	81.76%
No	49,343,499	18.24%
<b>Total</b>		<b>270,495,995 100.00%</b>

### Usage<sup>1</sup>

	Amount (€)	%
Living Expenses	110,103,767	40.70%
Medical	7,528,889	2.78%
Home Improvement	49,181,547	18.18%
Appliance or Furniture	15,109,882	5.59%
Travel	2,135,673	0.79%

<sup>1</sup> The information relating to the use of the Loans set out in this table is pure declarative information provided by the relevant Debtors to the Originator at the time of the relevant Loan application and the Originator does not verify the correctness, truth and completeness of such information at any time. Accordingly, no data on the environmental performance of assets which may be acquired by the Debtors using the proceeds of the Loans are available to the Originator.

Debt Consolidation		34,131,038	12.62%
New Car		12,672,986	4.69%
Used Car		33,352,322	12.33%
Equipment		907,545	0.34%
Other		5,372,346	1.99%
<b>Total</b>		<b>270,495,995</b>	<b>100.00%</b>

### Primary Income

>	<=	Amount (€)	%
-	20,000	50,108,438	18.52%
20,000	40,000	178,175,737	65.87%
40,000	60,000	27,512,795	10.17%
60,000	80,000	7,526,579	2.78%
80,000	100,000	3,742,054	1.38%
100,000	9,999,999	3,430,391	1.27%
<b>Total</b>		<b>270,495,995</b>	<b>100.00%</b>
WA		<b>31,354.2</b>	

### Maturity Date

	Amount (€)	%
2024	303,692	0.11%
2025	6,114,064	2.26%
2026	15,783,190	5.83%
2027	31,610,392	11.69%
2028	43,055,701	15.92%
2029	47,105,665	17.41%
2030	98,056,101	36.25%
2031	28,467,190	10.52%
<b>Total</b>		<b>270,495,995 100.00%</b>

### Origination Date

	Amount (€)	%
2018	98,974	0.04%
2019	505,319	0.19%
2020	57,837	0.02%
2021	5,618,638	2.08%
2022	53,795,638	19.89%
2023	171,059,752	63.24%
2024	39,359,836	14.55%
<b>Total</b>		<b>270,495,995 100.00%</b>

### Number of Days in Arrears

	Amount (€)	%
0	270,495,995	100.00%
<b>Total</b>		<b>270,495,995 100.00%</b>

### Employment Status

	Amount (€)	%
Employed - Private Sector	169,105,992	62.52%
Self-employed	37,126,753	13.73%
Employed - Public Sector	33,992,203	12.57%
Pensioner	30,254,481	11.18%
Other	16,566	0.01%
<b>Total</b>	<b>270,495,995</b>	<b>100.00%</b>

### *Capacity to produce funds*

In light of the above, the Receivables backing the Notes have characteristics that (taken together with the structural features of the Securitisation and the arrangements entered into or to be entered into in accordance with the Transaction Documents) demonstrate capacity to produce funds to service any payments due and payable on the Notes in accordance with the Conditions.



## **THE ORIGINATOR, THE SELLER, THE SUB-SERVICER, THE RISK RETENTION HOLDER AND THE REPORTING ENTITY**

Younited S.A., Italian Branch ("**Younited**") having its registered office at Via Sardegna No. 40, 00187 Rome, Italy, will be acting as Originator, Seller, Sub-Servicer, Risk Retention Holder and Reporting Entity.

### **Introduction**

Younited is a French société anonyme registered in the *Registre du Commerce et des Sociétés* of Paris under number 517 586 376.

Younited is authorised and regulated as a Credit Institution and Investment Service Provider by the European Central Bank, under the supervision of the French *Autorité de Contrôle Prudentiel et de Résolution*, and the French Financial Markets Authority (AMF), with the unique license number 16488 since October 2011.

Younited has a share capital of €1,936,286, represented by 1,936,286 fully paid-up ordinary shares of same category, each with a par value of €1. Its headquarters is at 21 rue de Chateaudun, 75009 Paris, France. The articles of association (*statuts*) of Younited may be inspected and are available at the Younited's registered office.

The corporate purpose of Younited (specified in Article 2 of its article of association) is, under the conditions determined by the laws and regulations applicable to credit institutions providing investment services, to carry out, both in France and abroad all banking operations and transactions for which the company has received approval from the French *Autorité de Contrôle Prudentiel et de Résolution*, and more generally to carry out services and any type of related banking and economic, legal, civil, commercial or financial transactions, which can be connected, directly or indirectly, to the abovementioned corporate purpose or are likely to facilitate its development.

Younited's ambition is to provide consumer credits to European households in a way that is (i) innovative (fully digitalized customer journey), (ii) safe (transparent product, no hidden fees) and (iii) simple (customer centric journey).

*In 2023, Younited modified its status to state its intention to generate a positive and significant social, societal and environmental impact in the course of its business activities.*

### **Shareholders of Younited**

Younited is one of the first French Fintechs in terms of equity raised, with in excess of €380 million raised since launch in 2011.

As at 31 December 2023, the 7 largest shareholders of Younited owned, 82.6% of the company and included:

- Funds managed by Eurazeo SE;
- Crédit Mutuel Arkea;
- Bpifrance Participations SA;
- Adevinta France SASU;
- Funds managed by Goldman Sachs;
- La Mondiale; and
- Rhea Holding (Bridgepoint).

## Subsidiaries of Younited

Younited has one single legal entity; in addition to its head office in Paris, it operates in Italy, Spain, Germany, Portugal through local branches in Rome, Barcelona, Munich and Lisbon. Younited also collects funds from the public in the form of term-deposits in Austria, Germany, Spain and Ireland (FPS).

In 2018, Younited obtained the authorization from the European Central Bank to further passport its activities in the following countries: Belgium, Netherlands, Poland, Romania, United Kingdom. No activity is carried out in these countries at the date of this Prospectus.

## Board of Directors and Committees of Younited

Younited is a French *Société anonyme* with a Management Board (*Directoire*) and Supervisory Board (*Conseil de Surveillance*).



- The Supervisory Board is responsible for approving the overall strategy and validation of Younited's overall risk appetite
- The Management Board is responsible for defining the strategy and overall risk appetite. It is also responsible for verifying annually the effectiveness of the risk management and internal control system

## Management Board overview

The Management Board is composed of Younited's two co-founders, Charles Egly and Geoffroy Guigou, respectively acting as Group Chief Executive Officer and Group Chief Operating Officer.



Charles EGLY, CEO – 44. Before co-founding YOUNITED, Charles worked at BNP Paribas, initially as a product developer in the Asset Management/Private Banking department in Hong Kong and subsequently as a credit derivatives structurer in the Fixed Income department in Paris. Charles graduated from HEC Paris.



Geoffroy GUIGOU, COO – 44. Before co-founding YOUNITED, Geoffroy took up various commercial and operating roles with Poweo, the leading alternative electricity operator, and was a member of the Sales division's management committee. Prior to this he was a consultant with McKinsey & Co. for three years. Geoffroy graduated from HEC Paris.

## Supervisory Board overview

The Supervisory Board is composed of 3 independent members and 4 representatives of shareholders

Independent	Independent	Independent	Eurazeo	Bpifrance	Bridgepoint	Adevinta
Gilles Grapinet Chairman of the Board CEO Wordline	Lionel Paquin Vice-Chairman of the Board Deputy Head of Real Assets	Delphine Bourilly Board Member CEO Kearney France	Romain Mombert Board Member Director Growth	Arnaud Caudoux Board Member Deputy CEO Bpifrance	Sophie Elkrier Board Member Associé Andera Partners	Marie de Scorbiac Board Member VP Investor Relations

<u>Independent</u>	<u>Independent</u>	<u>Independent</u>	<u>Eurazeo</u>	<u>Bpifrance</u>	<u>Bridgepoint</u>	<u>Adevinta</u>
	Amundi		Eurazeo			Adevinta

Source: Younited as of December 2023

## Business Overview

Operating as a platform, Younited simplifies the financing of households and allows institutional investors (companies, insurers, pension funds, etc.) to finance consumer loans through open and dedicated securitization mutual funds or "Funds" or "SPV".

Younited offers a simplified and transparent solution to obtain a credit. 100% online, the platform takes advantage of the latest technology solutions (digital signature, bank account aggregation, AI-enabled digital credentials upload module, dematerialization platform, in-house scoring model based on big data analytics) to propose an enhanced customer experience.

Younited loan business is focused on unsecured, amortizing consumer loan to European households. As a credit institution, Younited originate consumer loans in the form of fixed-rate, fully amortizing personal loans, with optional borrower's insurance and maturities ranging from 6 to 84 months.

Since launch, Younited has originated a cumulative loan production exceeding €6.2 billion and has over €2.8 billion of assets under management as of December 2023.

## Credit Risk

In the scope of its credit granting activity, Younited who invests alongside its investors in its origination, faces credit risk (as legally defined as the risk from its borrowers not to be able to fulfil their repayment obligations).

Such risk is materialised by the non-repayment by the customers of the loan granted to them. The highly granular nature of the loans granted by Younited (essentially consumer loans to individuals) enables a natural spreading of the risk and the avoidance of a risk concentration.

The credit underwriting policy is rigorous and relies on the combination of scoring, hard eligibility checks and a manual analysis performed by experienced credit analysts and anti-fraud analysts. In France, Spain and Germany Younited has introduced fully automatised granting process based on open-banking data.

## Refinancing Policy

Younited has a hybrid model, with part of its loan origination sold to private securitization funds ("**fonds commun de titrisation**") and financed by third party investors, with Younited deploying its balance-sheet to co-invest alongside them or in some cases to fund loans directly on its balance sheet.

Younited has launched several private securitization funds since December 2011.

Younited's balance sheet funding essentially comes from:

- Credit lines extended by its banking partners;
- Term Deposits, predominantly from retail depositors.

Younited's model seeks to make best use of its balance sheet funding ability with such funding optionality being used to both (a) ensure alignment of interest with investors and (b) seed new countries while the track record is being built in the early phase post launch.

Younited has reached a "mature" refinancing mix and typically funds 20% to 30% of its loan origination to ensure its strong alignment of interests with investors.

## Italian operations

Younited operates in Italy through a branch in Rome with 71 FTEs, encompassing:

- Operations and Marketing Functions, with deep industry expertise

- Granting & Antifraud team with an average 7 years industry experience, led by a professional with over 10 years' industry experience
- Collection & Recovery team with an average 6 years industry experience, with team leader with over 20 years' industry experience
- Local correspondents of the centralized Risk, Product, Finance and Control & Compliance teams.

Governance and dynamic decision-taking is ensured through country specific monthly committees allowing central and country teams to review KPIs, analyse specific topics and discuss and validate decisions.

General Credit framework set by Central Risk team for all countries. Credit processes are consistent across all origination channels in Italy

### **Italian product offer**

In Italy, Younited provides a state of the art paperless fully online application process to its customers:

- 100% Online application form
- Upload of documents, with possibility to take pictures from a smartphone. An IA module gives real-time feedback on quality and relevance of the documents.
- Auto synchronization between desktop and mobile
- 100% Digital signature
- Real time notification through mail/SMS
- Time to "yes" in under 24h, leveraging the most advanced technologies (optical character recognition, electronic signature)

Since the opening of the Italian branch in 2016, Younited has granted more than 240,000 loans representing a total amount of € 1.3 billion.

**THE MASTER SERVICER, THE REPRESENTATIVE OF THE NOTEHOLDERS AND THE  
CORPORATE SERVICES PROVIDER**

**Zenith Global S.p.A.** is a joint stock company (*società per azioni*) incorporated under the laws of the Republic of Italy, with registered office at Corso Vittorio Emanuele II, 24/28 - 20122, Milan, Italy, fully paid share capital of Euro 2,000,000, fiscal code and enrolment with the Companies' Register of Milan-Monza-Brianza-Lodi under no. 02200990980 - belonging to the Arrow Global VAT Group number 11407600961, enrolled in the *albo unico degli intermediari finanziari* held by Bank of Italy pursuant to article 106 of the Consolidated Banking Act under No. 30 - ABI Code 32590.2 ("**Zenith**").

In the context of this Securitisation, Zenith acts as Master Servicer, Representative of the Noteholders and Corporate Services Provider.

The information contained herein relates to and has been obtained from Zenith. This information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by Zenith, no facts have been omitted which would render the reproduced information inaccurate or misleading. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Zenith since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

## THE BACK-UP SUB-SERVICER

**iQera Italia S.p.A.** is a joint stock company (*società per azioni*) incorporated under the laws of Republic of Italy, with registered office at Via Adolfo Ravà 75, 00142 Rome, Italy fully paid share capital of 781.250,00, fiscal code and enrolment with the Companies' Register of Rome under No. -07710101002 - R.E.A. n. RM-1050629, licensed by article 115 of Italian Royal Decree 18 June 1931 n. 773 (*Testo Unico delle Leggi di Pubblica Sicurezza*) ("**iQera**").

The information contained herein relates to and has been obtained from iQera. This information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by iQera., no facts have been omitted which would render the reproduced information inaccurate or misleading. The delivery of this Prospectus shall not create any implication that there has been no Change in the affairs of iQera. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

## THE ITALIAN PAYING AGENT

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

The information contained herein relates to and has been obtained from Citibank Milan. This information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by Citibank Milan, no facts have been omitted which would render the reproduced information inaccurate or misleading. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Citibank Milan since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

**THE ACCOUNT BANK, THE CALCULATION AGENT, THE PRINCIPAL PAYING AGENT,  
THE CASH MANAGER AND THE CUSTODIAN**

Citibank, N.A. is a company incorporated with limited liability in the United States of America under the laws of the City and State of New York on 14 June 1812 and reorganised as a national banking association formed under the laws of the United States of America on 17 July 1865 with Charter number 1461 and having its principal business office at 388 Greenwich Street, New York, NY 10013, USA and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018.

The London Branch of Citibank, N.A. is authorised and regulated by the Office of the Comptroller of the Currency (USA) and authorised by the PRA. It is subject to regulation by the FCA and limited regulation by the PRA.

The information contained herein relates to and has been obtained from Citibank London. This information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by Citibank London, no facts have been omitted which would render the reproduced information inaccurate or misleading. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Citibank London since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.



## THE HEDGE COUNTERPARTY

### Nature of business

Citibank Europe plc was incorporated in Ireland on 9 June 1988 under registration number 132781, is a public company limited by shares and is authorised by the Central Bank of Ireland as a credit institution and jointly regulated by the Central Bank of Ireland and the European Central Bank. Citibank Europe plc is an indirect wholly-owned subsidiary of Citigroup Inc, a Delaware holding company ("CEP").

The obligations of Citibank Europe plc under the Hedge Agreement will not be guaranteed by Citigroup, Inc. or by any other affiliate.

The short term unsecured obligations of Citibank Europe plc are rated A-1 by Standard & Poor's Credit Market Services Europe Limited, P-1 by Moody's Investors Service Ltd. and F1 by Fitch Ratings Limited, and the long term unsecured unsubordinated obligations of Citibank Europe plc are rated A+ by Standard & Poor's Credit Market Services Europe Limited, Aa3 by Moody's Investors Service Ltd. and A+ by Fitch Ratings Limited.

### Admission to trading of securities

Citibank Europe plc does not have securities admitted to trading on a regulated market or equivalent third country market or SME Growth Market for the purposes of the Prospectus Regulation.

The information contained in this section entitled "*The Hedge Counterparty*" relates to and has been obtained from CEP. Such information is valid solely as at [●] 2024 and has been provided solely for use in this Prospectus. Except for the preceding paragraphs of this section, neither Citibank Europe plc nor any of its affiliates accept any responsibility for this Prospectus. This information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by CEP, no facts have been omitted which would render the reproduced information inaccurate or misleading. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of CEP since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

## **THE ARRANGER AND THE LEAD MANAGER**

**Citigroup Global Markets Europe AG**, a public limited company incorporated as an Aktiengesellschaft in Germany with registered address at Reuterweg 16, 60323 Frankfurt am Main, Germany ("**CGME**").

The information contained herein relates to and has been obtained from CGME. This information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by CGME, no facts have been omitted which would render the reproduced information inaccurate or misleading. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of CGME since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

## **CREDIT AND COLLECTION POLICY**

*Set out below is an overview of the main features of the credit and collection policies adopted by Younited S.A., Italian Branch for the granting and servicing of the Loans. Prospective Noteholders may inspect a copy of the credit and collection policies upon request at the registered office of the Issuer, the Representative of the Noteholders and at the specified offices of the Paying Agents.*

### **1. Underwriting Procedures**

#### **(a) Credit Approval Process**

Younited uses a multi-step application and underwriting approval process to evaluate all loan applications.

Potential borrowers are sourced by Younited through direct or indirect channels. This process begins when an applicant first submits the application information and ends when a loan application is either:

- declined by Younited or cancelled by the borrower (at any time in the process); or
- approved for funding and originated through the Younited Platform (so becoming a Loan). The following is an overview of the steps involved.

#### **(b) Stage 1: Younited Borrower Loan application**

The first stage is the online application by the borrower on the Younited Platform, when he or she provides required information such as identity, address, employment type, monthly income, loan usage and amount.

Please note that loan usage is declarative, and the underwriting process remains the same whatever the declared loan usage is (including "Debt Consolidation", for which Younited doesn't apply any specific process and doesn't assume other existing loans are going to be paid-off).

#### **(c) Stage 2: Eligibility screening**

The second stage is the eligibility screening, according to certain eligibility criteria. These criteria define generic eligibility requirements, and Younited systematically refuses the following (non-exhaustive list):

- Unemployed, students or recently self-employed workers;
- Customers with no bank account;
- Customers currently in arrears or in default;
- Less than 18 years old;
- Customers with addresses outside of Italy;
- Customers flagged as credit-impaired obligors on the Bank of Italy's Centrale dei Rischi;
- Customers whose income/ available budget is too low.

#### **(d) Stage 3: Credit scoring**

The third stage is the use of a proprietary scoring model, using data submitted by the applicant, to generate a credit score related to that specific loan application by the applicant.

If a loan application successfully passes this screening, the loan application then goes to the eligibility screening.

(e) **Stage 4: Databases checks**

If the loan application successfully passed the eligibility screening and has a sufficient credit score, Younited then conducts queries in the Italian private credit bureaus.

For an existing or previous customer, Younited updates, if appropriate, the information in the system and checks the internal databases for defaults and late payments history.

(f) **Stage 5: Credential validation and expert decision**

If the first 4 steps have been successfully passed by the loan application, the loan is "pre-approved", and the applicant is asked to send documents supporting the information provided in Stage 1.

Fraud and consistency controls are performed by a team of expert credit analysts and monitored by a second level team. Stages 2, 3 and 4 are run again after update of the applicant declarative information if necessary by the credit analysts. A proprietary fraud scoring model is also run. At this stage, further data can be gathered, and additional checks be made on eligibility.

The credentials validation can lead to 4 possible application outcomes:

- Rejected if ineligible based on the updated data
- Moved forward in the granting process with confirmed initial pricing
- Moved forward with updated pricing if credentials analysis indicates a higher risk
- Forwarded to the dedicated anti-fraud team if:
  - The granting analyst has any doubt regarding a case of fraud
  - The fraud score is above a threshold
  - Correlation analysis indicates a potential fraud

After the credential validation, the credit analyst goes through a detailed analysis:

- Bank and tax statement analysis including spending behaviour, stability of revenues and charges, use of credit (amount, frequency)
- Personal and work situation: employment history, housing history
- Project analysis: additional information is required to better understand the loan purpose

The final approval is given according to an approval authority limit set for each granting analyst.

After final approval, AML / PEP / Sanctions screening is undertaken through third party market solution.

(g) **Data used in Credit Evaluation Process**

In determining whether a loan application will become a Loan, and if so what score band will be assigned to that Loan, Younited considers a variety of data points throughout its credit evaluation process. Not all data points are relevant to all loan applications, and the relative importance of the data points considered will vary. Factors considered may include an assessment of income, assets, credit history and financial stability. External databases queries with the Bank of Italy are also made. The specific information, weighting and other factors relevant within each area of scrutiny, and all aspects are subject to change at Younited's discretion.

(h) **Control procedures**

Younited's credits activity is part of 3 lines of defence framework. First level controls are realized by operational teams (recovery and credits management) with an experienced specialised staff performs a monthly granting quality assessment on randomly selected files. A second level control is then realized by the risk team who monitors credit risk and the internal audit team who performs quarterly controls in collaboration with the operational teams. The third level external audit function is outsourced to a specialized advisory firm.

2. **Servicing Procedures**

(a) **Teams and operational set-up**

The servicing of Italian borrowers is performed locally by the Operations teams comprising 39 FTEs, split between the Customer Care, Granting & Anti-Fraud, Collection & Recovery, and Controls teams. The central Financial Operations team based in Paris, comprising 15 FTEs, processes the financials flows.

For performing and up to late 6 loans, the teams use proprietary CRM platforms fully designed and developed in-house to fit with the specification's requirements. For accelerated loans, the collection and recovery team use GE.C.O., a leading external platform for the Italian non-performing loans industry.

For non-performing loans, the amicable collection activity is performed both internally and externally. The litigation recovery activity is however fully outsourced to third-party partners: RS Servizi for Center of Italy, SI Collection for North of Italy, and Fairfiled for South of Italy.



Amicable procedure managed by internal team and 4 external partners		Pre-litigation partly outsourced with regional breakdown	Litigation outsourced to third-party and supervised by the Younited Italian team	
Industrialized process to contact customers (outbound calls, SMS, mails, WhatsApp)	More personalized process to contact customers (difference on communication tone)  More targeted approach to customers	Highly personalized approach to the customers  Start of the home collection activity on the whole debt with third-party specialists	Formal legal letters sent by lawyers	Legal injunctions: Agreements New amortizing plans  Repossession of goods
Focus on the very early days/weeks of missed payments			Collection effort by lawyers	
Leverage on the Bank of Italy notice sent at Late 2 and on the pre-DBT notice at Late 3			Agreements New amortizing plans	

Notes: (1) "Decadenza dal beneficio del termine" means loan acceleration, in some specific case could happen before late 6.

(b) **Management of performing loans**

The Customer Care team managing performing loans primarily takes care of the administrative changes related to the borrower (address, bank detail, etc.), of the loan characteristics (prepayment) and of the insurance policies. Financial flows are performed and/or controlled by the central Financial Operations team.

(c) **Monthly debit instalments**

When entering the loan, borrowers irrevocably delegate to Younited to debit from their bank account the payment of monthly instalments, on each of the amortizing schedule due dates, through a SEPA direct debit mandate attached to the contract.

The loan repayment schedule is established on a monthly basis, with a debit programmed on the 4<sup>th</sup> of each month. If such day is not a business day, the payment date is processed the next following business day. The debits are performed through multiple partner banks and payment service providers, ensuring full back-up redundancy.

In the event that the direct debit is not successful (due to either absence of funds or technical issues), Younited reserves the right to debit again without sending notice the amount related to the unpaid monthly payment at the earliest convenient date even before the next due date. The optimal retries dates are determined by the risk central team for each client's typology (pensioner, public employee, private employee, etc) and reviewed regularly. Two types of "debit retries" are performed:

- Manual direct debit: by which the instalment and is uploaded and sent two working days after uploading;
- Automatic retry by which the instalment is uploaded and sent three working days after the automatic upload.

(d) **Prepayments**

Full or partial prepayments are allowed at any time during the life of the loan. Since October 2017, to be ever more transparent, Younited no longer charges prepayment penalties to borrowers. Multiple means of payment are offered to borrowers:

- bank transfer;
- credit/debit card (by phone, by email, on the website);
- postal bulletin;
- Money transfers.

(e) **Management of non- performing loans**

The Collection & Recovery team deals with borrowers who are in arrears, who may go into arrears, who have defaulted or who have breached their loan conditions. The debt collection process is differentiated depending on the number of instalments overdue and unpaid.

(f) **Amicable process – Late 1 to 6 loans**

Amicable debt collection activity relates to loans that have 1 to 6 unpaid instalments. In case of unpaid instalments, clients are contacted by the internal debt collection team or the externalized partners to process the payment of their late instalments. As of April 2024, Younited doesn't allow forbearance for any of its clients.

The amicable management process is characterized by a progressive outreach to all relevant customers, involving differentiated activities according to the riskiness of the positions. The time and effort to approach the customer increases with the number of arrears of the loan.

The delinquent loans are distributed among the internal and external collection agents through the proprietary "Debt Collection" CRM. Each agent manages its portfolio for one month, from the rejection date of the current month until and including day 3 of the following month, i.e. before the next debit date.

At this stage, the customer contacts are characterized by an approach aimed at safeguarding the business relationship with the customer, resorting first to a soft reminder aimed at settling the backlog in a timely manner, using automatized contact solutions such as SMS, e-mail, WhatsApp; the reminder quantifies the amount due for instalment/indemnity for late payment and provides the customer with the respective bank/postal account details.

Shortly after, phone calls are implemented through the Diabolocom portal, to perform recovery and also to collect information about the customer's situation and the reason for the unpaid amount. Such information is preparatory to all subsequent stages of recovery as it allows for diagnosis and evaluation of solutions to collect the debt. The customer is informed of all possible payment arrangements and, depending on the severity of the reported circumstances that led to the default, a repayment plan (on the overdue amount) or discounting of late fees can be proposed; in exchange of a rapid regularization.

In addition to requesting payment of the outstanding amount, the customer is informed of the cause of nonpayment and directed towards the most adequate solution. For example, if the cause of the default is "Incorrect Account Number-AC01" the customer is informed and then directed to the FAQ section of the website to follow the procedure to change its IBAN.

If it is ascertained that the customer is in a period of temporary economic hardship, partial payments can be agreed upon, to be accounted for as partial coverage of the instalment.

In all cases, the credit manager must guarantee the client the utmost confidentiality; therefore, no information may be disclosed to third parties outside the contract, but only to the client.

During this amicable collection period, following 2 unpaid instalments, the client is notified that if he does not repay his debt within 30 days, he will be reported and registered in the Bank of Italy's "Centrale dei Rischi".

(g) **Litigation process – Late 6 and accelerated loans**

*Internal management*

If the amicable collection process fails and customers reach 6 unpaid instalments, Younited enters a litigation process. At this stage, all available information acquired in previous months in phone calls with the client or through database surveys is used to complete an assessment of the borrower's situation.

The litigation recovery team will first perform activities to anticipate the subsequent contract acceleration and legal phase (e.g., verification of the customer's solvency), and try to find an agreement with the customer.

If the borrowers can not be reached, voluntarily or not, by phone or other contact information, the team will use CTC (*Consorzio per la Tutela del Credito*) and Business Defence tracking. It is possible to proceed with the search using the customer's tax identification number in CTC or tracing other numbers through specialized collection company Business Defence (BD).

If the customer is open to an agreement aimed at resolving the outstanding debt, the team proceeds with the formulation of a repayment plan. Otherwise, the late 6 client is informed that in the current month there will be a loan acceleration (*decadenza dal beneficio del termine*) pursuant to Article 1186 of the Italian Civil Code with the obligation to repay the entire outstanding amount in one lump sum and subsequent intervention of the litigation team for appropriate legal action.

The *decadenza dal beneficio del termine* ("DBT") entails:

- the suspension of SEPA direct debits before the debit batch is sent to the 4th day of the following month;

- the sending of the registered letter in the first week of the following;
- the customer's obligation to repay the remaining total amount due within 15 days of receipt of the registered letter.

On a monthly basis, the “Debt Collection” CRM automatically identifies and extract positions eligible for DBT. The recovery team then manually checks and confirms those positions, and can specifically add other loans authorized for "loan acceleration" (positions with late greater than or equal to 4, but less than 6; or linked to customer already having other loans in DBT).

The loan acceleration notice is sent by registered letter (in some cases it can also be anticipated by e-mail) through the external processing entrusted to FIMM SERVICE and through t-NOTICE (electronic registered mail) if the e- mail in the system turns out to be valid.

In the event that the accelerated loan’s borrower makes himself available to resolve the default, a settlement plan can be agreed on the following guidelines:

- Down payment of 10-20% of the total outstanding (to be paid promptly) and the remaining amount paid in maximum 120 instalments.
- Balance and write-off of up to 30%. For external, home and legal collection partners, the autonomy threshold is reduced to 20 percent, beyond which Younited Italy’s CEO approval is equally required.

Settlement agreements, whether in the form of repayment plans or balances and write-offs, are formalized by sending a letter of acceptance to the debtor, whose countersignature is requested. The internal management period lasts 2 to 3 months.

#### *Home Collection*

After the internal post-acceleration phase, files still outstanding without payment agreements will be handled by outsourcers specializing in home collection activities, or “fast tracked” directly to the judicial phase in case rapid legal actions are deemed necessary.

With the initiation of the home collection phase, the collector aims to take care of the direct relationship with the customer, providing him with the ideal solution based on his particular location and situation. In this case, the analysis of the customer's situation becomes of paramount importance.

In full compliance with the rules of privacy, code of ethics and UNIREC best practices, debt collectors personally meet with clients by providing counseling aimed at the repayment of the outstanding debt. The home collection period lasts 2 to 3 months.

#### *Legal Proceedings*

If an amicable settlement is not reached during the home collection period, the files is sent to various partner law firms. Younited relies on a recognized panel of outside law firms with strong national presence and proven experience in debt collection.

The law firm will first send a warning letter (*lettera di diffida*) by registered mail to the debtor customers. The firm will then engage individual legal proceedings, but will always maintain negotiations with debtor clients, who are regularly offered the opportunity to reach an agreement to pay the debt in order to maximize recoveries and minimize costs.

The judicial approach for unsecured consumer loans consists mainly in an injunction process (*decreto ingiuntivo*), which, without cross-examination of the parties and hearing of the debtor, generally allows for a quicker obtention of an enforceable judge decision. The cross-examination will only be established if the debtor presents opposition to the



injunction within the legal deadlines. The injunction becomes enforceable with forced execution when:

- forty days have passed without any opposition having been filed;
- the opposition has been rejected by the judge;
- provisional enforceability of the decree has been granted at the moment of issuing the decree or during the opposition phase.

In the judicial phase, the quality of the data entered during credit screening is crucial, in addition to the information that may have been added during the extrajudicial management period. Out-of-court activity is aimed at enforcement and therefore to continue it is necessary to have certain information with regard to the actual chances of recovery - unless the decision was made to proceed anyway (indirect objectives: taxation, reputation, compliance) - as well as an enforceable title.

For the management of the positions entrusted to the Outsourcers, the Ge.C.O. management software allows tracking of each position, exchange of communications, and transfer of documents (ID, signed contract, account statement, PoAs, etc).

(h) **Particular cases of management**

*Over-indebtedness*

This procedure, rarely implemented in Italy, is managed by the judges imposing specific measures on lenders: both out-of-court and legal procedures are interrupted, and negotiation of a repayment plan is directly held with the judge.

Any file defined eligible in over-indebtedness is managed and monitored by the internal team. According to the judge's ruling, contracts can be then classified in default or written off (should the borrower's financial situation be beyond repair).

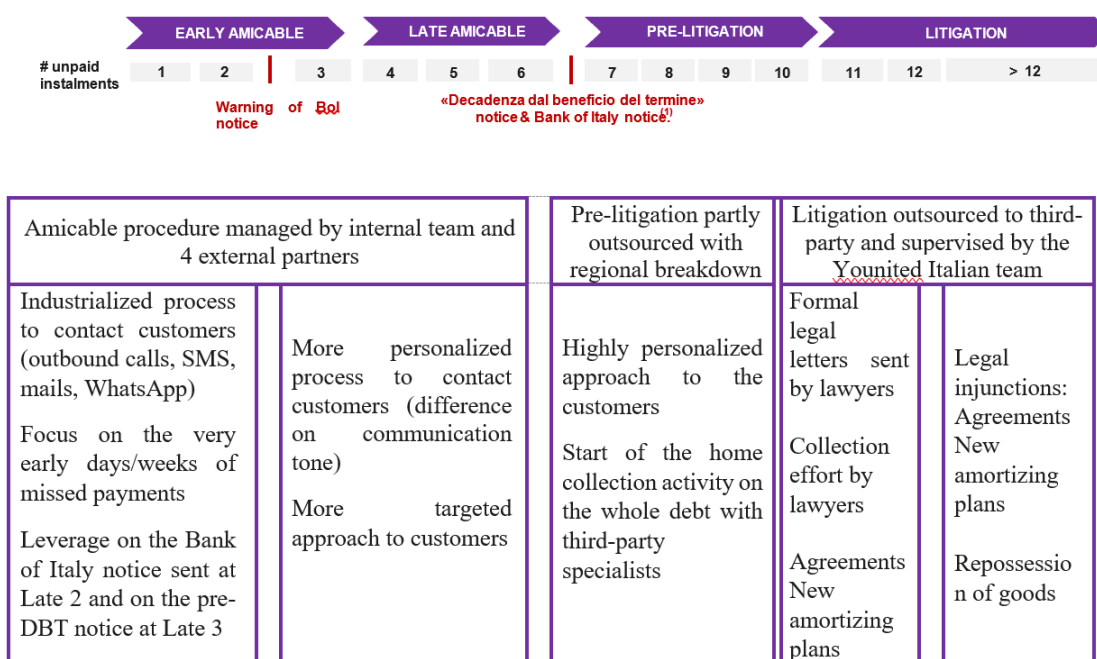
*Death management*

Once news of a customer's death has been received (by phone, WhatsApp, or e-mail), management becomes the responsibility of the Recovery team. In the case of a contract with insurance, the heir is advised that he/she should make contact with the insurance company through the broker. In the case of a contract without insurance, the heir is notified of the need to settle the loan that will remain the responsibility of the estate in case of acceptance.

*Unemployed management*

In the case of a contract with loss of employment insurance the borrower is advised that he/she should contact the insurance company through the broker. In the case of a contract without loss of employment insurance, protections provided by the relevant legislation are considered and means are proposed to repay the loans or lower the instalments.

The collection & recovery process is summarized on the chart below:



Notes: (1) "Decadenza dal beneficio del termine» means loan acceleration, in some specific case could happen before late 6.

#### Amicable process

In case of unpaid instalments, clients are contacted by the internal debt collection team or the externalized partners to process the payment of their late instalments. Younited doesn't allow forbearance for any of its clients.

The time and effort to approach the customer increases with the number of arrears of the Loan as per above chart.

Following 2 unpaid instalments, the client is notified that if he does not repay his debt within 30 days, he will be reported and registered in the "Centrale dei Rischi".

#### Litigation process

If the amicable collection process fails and customers reach 6 (or more) unpaid instalments Younited enters into a litigation process. At the end of delay 6, Younited notifies in writing the client of the credit acceleration and start of the legal proceedings. The entire debt then becomes immediately payable.

Younited will always enter into an injunction procedure with the court to secure its debt. In some cases, Younited will enter into a heavier legal procedure using a law firm – if the remaining amount owned warrants it and the initial judge's decision is not favorable to Younited or if it is appealed by the customer.

#### Over-indebtedness

This procedure, rarely implemented in Italy, is managed by the judges imposing specific measures on lenders: both out-of-court and legal procedures are interrupted and negotiation of a repayment plan is directly held with the judge.

Any file defined eligible in over-indebtedness is managed and monitored by the internal team. According to the judge's ruling, contracts can be then classified in default or written off (should the borrower's financial situation be beyond repair).

## THE ISSUER

### Introduction

The Issuer is a special purpose vehicle incorporated in the Republic of Italy pursuant to the Securitisation Law on 22 January 2024 as a *società a responsabilità limitata* under the name "Youni Italy 2024-1 S.r.l.". The Issuer's by-laws provides for termination of the same on 31 December 2100. The registered office of the Issuer is at Corso Vittorio Emanuele II 24/28, Milan, Italy, the fiscal code and enrolment number with the companies register of Milano-Monza-Brianza-Lodi is 13363060966. The Issuer is enrolled under number [•] in the register of special purpose vehicles held by the Bank of Italy (*albo delle società veicolo tenuto dalla Banca d'Italia ai sensi del Provvedimento del Governatore della Banca d'Italia del 12 dicembre 2023*). The Issuer has no employees and no subsidiaries. The certified e-mail is youniitaly2024\_1@legalmail.it.

The authorised, issued and fully paid up quota capital of the Issuer is € 10,000.00. The current quotaholder of the Issuer is as follows:

Quotaholder	Quota
Special Purpose Entity Management 2 S.r.l.....	100%

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

The corporate capital of the Quotaholder is not directly or indirectly controlled by any other entity.

The LEI of the Issuer is: 8156008D82FF6A71F833.

### Issuer's Principal Activities

The sole 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*).

Condition 5 (*Issuer Covenants*) provides that, so long as any of the Notes remain outstanding, the Issuer shall not, without the prior consent of the Representative of the Noteholders and as provided in the Conditions, incur any other indebtedness for borrowed moneys (except in relation to any other securitisation carried out in accordance with the Transaction Documents) engage in any activities (other than acquiring and holding the assets on which the Notes are secured, issuing the Notes and entering into the documents executed in the context of the Transaction Documents to which it is a party), pay any dividends, repay or otherwise return any quota capital, have any subsidiaries, employees or premises, consolidate or merge with any other person or convey or transfer its property or assets to any person (otherwise than as contemplated in the Conditions or in the Intercreditor Agreement) or increase its capital.

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

### Director(s)

The Issuer is managed by a sole director whose name is Valentina Cuccurullo (the "**Sole Director**"). The domicile of Valentina Cuccurullo, in his capacity of Sole Director of the Issuer, is at Corso Vittorio Emanuele II 24/28, Milan, Italy. There are no relevant activities carried out (other than that of the Sole Director) by the Sole Director to be reported.

The Issuer confirms that the sole director has appropriate expertise and experience for the management of the Issuer's business.

### Statutory Auditors of the Issuer

At the date of this Prospectus, the sole statutory auditor of the Issuer, appointed at the Quotaholder's meeting of the Issuer on [•] 2024 is Mr. [•], whose business address for the purpose of this appointment is [•]. He is a [•] with [•], and holder of the positions as statutory auditor in the other Italian legal entities.

## Quotaholder's Agreement

Pursuant to the Quotaholder's Agreement entered into on or prior to the Issue Date between the Issuer, the Quotaholder and the Representative of the Noteholders, the Quotaholder shall assume certain undertakings with respect to, *inter alia*, the exercise of its voting rights in the Issuer, and shall undertake not to dispose of its interest in the Issuer. The undertakings assumed in the Quotaholder's Agreement and the covenants made in the Transaction Documents are intended to prevent any abuse of control of the Issuer by the Quotaholder.

## No material litigation

The Issuer is not (and was not, since the date of its incorporation being 22 January 2024) involved in any litigation, arbitration, governmental or administrative proceedings relating to claims or amounts which are material and which may have, or have had, since the date of its incorporation, a significant effect on its financial position or profitability, nor is the Issuer, to the best of its knowledge, aware that any such proceedings are pending or threatened.

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

Pursuant to Bank of Italy regulations, the accounting information relating to the securitisation of the Receivables will be contained in the explanatory notes to the Issuer's accounts (*Nota Integrativa*). The explanatory notes, together with the balance sheet and the profit and loss statements, form part of the financial statements of Italian limited liabilities companies (*società a responsabilità limitata*).

The fiscal year of the Issuer begins on 1 January of each calendar year and ends on 31 December of the same calendar year with the exception of the first fiscal year which started on 1 January 2024 and will end on 31 December 2024.

## Capitalisation and indebtedness statement

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

	Euro
<b>Quota capital</b>	
Issued, authorised and fully paid-up capital .....	10,000.00
<b>Indebtedness</b>	<b>Euro</b>
<i>Notes issued under the Securitisation</i> .....	Euro
Class A Asset-Backed Floating Rate Notes due April 2034 .....	[•]
Class B Asset-Backed Floating Rate Notes due April 2034 .....	[•]
Class C Asset-Backed Floating Rate Notes due April 2034 .....	[•]
Class D Asset-Backed Floating Rate Notes due April 2034 .....	[•]
Class E Asset-Backed Floating Rate Notes due April 2034 .....	[•]
Class X Asset Backed Floating Rate Notes due April 2034 .....	[•]
Class F Asset-Backed Notes due April 2034 .....	[•]
Class R Asset-Backed Variable Return Notes due April 2034 .....	[•]
<b>Total loan capital (euro)</b> .....	<b>[•]</b>
<b>Total capitalisation and indebtedness (euro)</b> .....	<b>[•]</b>

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

## Financial statements and auditors

No financial statements of the Issuer have been drawn up as at the date of this Prospectus.

The auditor of the Issuer is [•], an auditing firm having its registered office at [•], fiscal code and VAT number [•], enrolled under number [•] to the Register of Legal Statutory Auditors, established pursuant to Legislative Decree 39/2010 at the Ministry of Economy and Finance.

## USE OF PROCEEDS

On the Issue Date, the net proceeds deriving from the issue of the Notes, being in aggregate Euro [•], will be applied by the Issuer:

- (i) in part to pay to the Originator the Purchase Price in accordance with the Receivables Purchase Agreement;
- (ii) in part to credit the initial Retention Amount on the Expenses Account on the Issue Date; and
- (iii) in part to credit the Target Cash Reserve Amount to the Cash Reserve Account.

## DESCRIPTION OF THE TRANSACTION DOCUMENTS

*The description of the Transaction Documents set out below is an overview of certain features of those agreements and is qualified by reference to the detailed provisions of the Transaction Documents. Prospective Noteholders may inspect copies of the Transaction Documents upon request at the specified office of the Representative of the Noteholders.*

### 1. DESCRIPTION OF THE RECEIVABLES PURCHASE AGREEMENT

#### General

On [•] April 2024, the Originator and the Issuer entered into the Receivables Purchase Agreement under which they have agreed the terms and conditions for the assignment and transfer from the Originator to the Issuer of the Portfolio of the Receivables owed to the Originator by the Debtors, pursuant to the relevant Loan Agreements entered into between the Originator and such Debtors.

The assignment and transfer of the Receivables under the Receivables Purchase Agreement was made without recourse (*pro soluto*) and in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and article 5, paragraphs 1, 1-*bis* and 2 of the Factoring Law.

The Portfolio was purchased by the Issuer with legal effect from the Issue Date and the Purchase Price will be paid on the Issue Date and funded by part of the net proceeds deriving from the subscription of the Notes subject to the provisions of the Conditions and the Subscription Agreement. The Receivables included in the Portfolio purchased by the Issuer have been selected on the basis of the Eligibility Criteria, pursuant to the Receivables Purchase Agreement.

#### Purchase Price

The Purchase Price of the Portfolio payable pursuant to the Receivables Purchase Agreement is equal to Euro [•].

#### Transfer of the Portfolio

Pursuant to the Receivables Purchase Agreement, the Originator has assigned and transferred without recourse (*pro soluto*) to the Issuer, which has purchased without recourse (*pro soluto*) from the Originator, in accordance with the provisions of articles 1 and 4 of the Securitisation Law and article 5, paragraphs 1, 1-*bis* and 2 of the Factoring Law, the Portfolio with legal effect from the Issue Date.

Pursuant to the Receivables Purchase Agreement: (i) the Issuer has undertaken to request a notice of sale of the Receivables to be published in the Official Gazette of the Republic of Italy, and to be registered in the competent companies' register, within 3 (three) Business Days from the date of signing of the Receivables Purchase Agreement; and (ii) the Originator has undertaken to provide the Issuer, as soon as practicable on the Transfer Date, with an account statement (*contabile bancaria*) showing that the monies received from the Issuer as Purchase Price of the Portfolio have been credited (in whole or in part) to the Originator's bank account into which they have been paid, in order for the relevant payment to bear date certain at law (*data certa*) in accordance with the provisions of article 2, paragraph 1, letter b), of Legislative Decree no. 170 of 21 May 2004 ("**Decree 170**").

The transfer of the Portfolio was made enforceable against any third party creditors of the Originator (including any insolvency receiver of the same) in accordance with articles 1 and 4 of the Securitisation Law and the articles of Factoring Law referred to therein through (i) the publication of a notice of sale in the Italian Official Gazette No. [•], Part II on [•] April 2024, in accordance with article 4 of the Securitisation Law; and (ii) the receipt by the Issuer of an account statement (*contabile bancaria*) showing that monies received as Purchase Price of the Portfolio have been credited to the Originator's relevant bank account and that such payment bears a date certain at law (*data certa*) in accordance with the provisions of article 2, paragraph 1, letter b), of Decree 170. For further details, see the section entitled "*Selected aspects of Italian Law*".

Pursuant to the Receivables Purchase Agreement, the Issuer has undertaken to request a notice confirming the occurrence of the Condition Precedent (as defined below) to be published in the

Official Gazette of the Republic of Italy and to be registered in the competent companies' register on the Transfer Date or, if not possible, on the first date thereafter on which such notice can be published on the Official Gazette of the Republic of Italy.

### **Title to Receivables**

Pursuant to the Receivables Purchase Agreement, the transfer of title to the Receivables to the Issuer is subject to the condition precedent that the Purchase Price is paid (in whole or in part) to the Originator's relevant bank account (the "**Condition Precedent**"). On the Issue Date, after satisfaction of the Condition Precedent and completion of the formalities set forth under the Receivables Purchase Agreement described in the preceding paragraph "Transfer of the Portfolio", the Issuer will be the legal owner of such Receivables, free and clear of any Security Interest from Encumbrances attachments or other limited rights *in rem* (save those created by or pursuant to the English Deed of Assignment and the Deed of Charge), pursuant to the Receivables Purchase Agreement.

### **Eligibility Criteria**

The Receivables transferred under the Receivables Purchase Agreement meet the Eligibility Criteria specified in schedule 1 (*Eligibility Criteria*) of the Receivables Purchase Agreement. See for further details the section entitled "*The Portfolio – Eligibility Criteria*" above.

### **Representation and Warranties**

Under the Receivables Purchase Agreement, the Originator has given the following representations and warranties in relation to the Portfolio:

#### *Receivables*

- (a) *Originator's ownership*: upon satisfaction of the Condition Precedent, each Receivable is fully and unconditionally owned by and available to the Originator and is not subject to any attachment, seizure or other charge in favour of any third party and is freely transferable to the Purchaser.
- (b) *No disposal*: upon satisfaction of the Condition Precedent, the Originator has not assigned (whether absolutely or by way of security), participated, transferred or otherwise disposed of any of its rights, interests or benefits arising from the Loan Agreements, the Loans, the Receivables or otherwise created or allowed for the creation or constitution of any lien, pledge, encumbrance or other right, claim or beneficial interest of any third party on or to any of the Loan Agreements, the Loans and/or the Receivables.
- (c) *No conflict*: in the Loan Agreements and/or any other agreement, deed or document relating thereto there are no clauses or provisions which would conflict with and would prohibit or otherwise limit the terms of, the Receivables Purchase Agreement, the Servicing Agreements and/or the matters contemplated thereby, including, without limitation (A) the assignment of the Receivables; and (B) the management, collection and recovery of the Receivables by the Sub-Servicer.
- (d) *Transferability*: in the Loan Agreements and/or any other agreement, deed or document relating thereto there are no clauses or provisions (including privacy obligations) pursuant to which the Originator is prevented from transferring, assigning or otherwise disposing of the Receivables or of any of them.
- (e) *Transfer to the Issuer*: the transfer of the Portfolio to the Purchaser pursuant to the Receivables Purchase Agreement entails the transfer to the Purchaser of the full and unconditional ownership of each the relevant Receivables and, as a result, the right of the Purchaser to directly demand payment of the Receivables to the relevant Debtors.
- (f) *Required actions*: all authorisations, approvals, consents, licenses, exemptions, registrations, recordings, filings, declarations or other actions whatsoever which are expressly required by the applicable law or in the Transaction Documents to which the Originator is a party in order to transfer the Receivables to the Purchaser have been duly

obtained, made or taken and, as applicable, will be duly obtained, made or taken on or prior to the Issue Date.

- (g) *No breach*: the transfer of the Portfolio to the Purchaser pursuant to the Receivables Purchase Agreement is not in breach of any applicable law.
- (h) *Eligibility*: the Originator has selected the Receivables on the basis and in compliance with the Eligibility Criteria that have been correctly applied. As at the Valuation Date, the Receivables comprised in the Portfolio comply with the Eligibility Criteria.
- (i) *Amount of Receivables*: the amount of each Receivable comprised in the Portfolio relating to each Loan on the relevant Valuation Date is faithfully set out in Schedule 2 (Loans List) attached to the Receivables Purchase Agreement. The Loans List constitutes the exact list of all the Loans from which the Receivable comprised in the Portfolio arise and the data contained therein are true and correct in all material respects.
- (j) *Absence of unpaid amounts in the Portfolio*: the Loans from which the Receivables comprised in the Portfolio arise, as listed in Schedule 2 (Loans List) to the Receivables Purchase Agreement, do not have Unpaid Instalments as at the Valuation Date.
- (k) *Taxes and duties*: all Taxes, duties and fees of any kind required to be paid in connection with any Receivable, have been duly and timely paid by the Originator.
- (l) *Tax deduction*: the Originator is not required under Italian law to make any withholding or any other tax deduction on the amounts owed by it pursuant to the Receivables Purchase Agreement or any other Transaction Documents to which it is or it will be a party or on any Receivable or any proceeds thereof.

#### *Loan Agreements and the Loans*

- (a) *Standard forms*: the Loan Agreements and any agreement, deed or document connected therewith were validly entered into and executed by the relevant parties thereto.
- (b) *No impaired claims*: as at the Valuation Date and as at the Transfer Date, no Loan falls within the definition of “*sofferenze*”, “*inadempienze probabili*” or “*esposizioni scadute e/o sconfinanti deteriorate*” pursuant to the Bank of Italy Circular no. 272 of 30 July 2008 (as amended and supplemented from time to time).
- (c) *No action against the Originator*: each Loan Agreement and each other related agreement, deed or document was entered into and executed without any fraud (*frode*), error (*errore*), undue influence (*violenza*) or wilful misconduct (*dolo*) by or on behalf of the Originator or any of its managers, directors, officers and/or employees, so that the relevant Debtor(s) are not entitled to initiate any action against the Originator for fraud, error, undue influence or wilful misconduct or to repudiate any of the obligations under or in respect of such Loan Agreement.
- (d) *Required consents*: each authorisation, approval, consent, licence, registration, recording, presentation or attestation or any other action which is required or desirable to ensure the validity, legality, enforceability or priority of the rights and obligations of the relevant parties to each Loan Agreement and to each other agreement, deed or document related thereto was duly and unconditionally obtained, made or taken by the Originator and, to the best of the Originator's knowledge, by the Debtors, when required under the applicable law.
- (e) *Debtors' rights*: in relation to each Loan Agreement, no Debtor is entitled to exercise any right of withdrawal, rescission, termination, counterclaim, set-off, insurance set-off or grounded defence in respect of any terms of any Loan Agreements or of any agreement, deed or document connected therewith, or in respect of any amount payable or repayable thereunder, it being understood that no such right has been asserted, nor such claim has been raised, in writing against the Originator (save for any voluntary prepayment permitted under the relevant Loan Agreement) against the Originator.



- (f) *Powers of Debtors*: to the best of the Originator's knowledge, each Debtor who has executed a Loan Agreement and any signatory to any agreement, deed or document relating thereto, had at the date of signing the relevant agreement, deed or document, full powers and authority to enter into such agreement, deed or document and perform its obligations thereunder.
- (g) *Compliance with laws*: each Loan Agreement and each other agreement, deed or document relating thereto has been entered into in compliance with all applicable laws, rules and regulations, including, but not limited to:
  - (i) the laws and regulations relating to consumer loans (including, in particular, the provisions relating to the publicity under articles 116 and 123 of the Consolidated Banking Act, the provisions relating to the indication and calculation of the T.A.E.G (as defined under article 121 of the Consolidated Banking Act); article 117, and article 124 of the Consolidated Banking Act);
  - (ii) the laws and regulations relating to consumers' protection and transparency (including, in particular, the provisions set out under (i) Title VI, Section I and Section II of the Consolidated Banking Act, (ii) article 1469-bis of the Italian civil code and (iii) article 36 of Legislative Decree no. 206 of 6 September 2005);
  - (iii) all laws, rules and regulations relating usury and the provisions set out in articles 1283, 1345 and 1346 of the Italian civil code;
  - (iv) the Applicable Privacy Law;
  - (v) the provisions relating to the right of the Debtors to repay in advance the relevant Loan.
- (h) *Loans' Disbursement and Servicing*: each Loan was disbursed in compliance with the Originator's credit and collection policies applicable from time to time. The servicing, administration, collection and recovery procedures adopted by the Originator with respect to each Loan Agreement and the relevant Receivables have been carried out in all material respects in compliance with all applicable laws and regulations and with care, skill and diligence and in a prudent manner and in accordance with all prudent and customary banking practices.
- (i) *Disbursements' purposes*: each disbursement under each Loan was made by the Originator for its own account and the relevant Loan was made in the ordinary course of the Originator's business.
- (j) *Validity*: each Loan Agreement and any other agreement, deed or document related thereto constitutes legal, valid and binding obligations of the Debtors, and any other party thereto (if any) and validly enforceable against them pursuant to the relevant terms and conditions.
- (k) *Governing Law*: each Loan Agreement and any agreement, deed or document related thereto is governed by the laws of the Republic of Italy.
- (l) *No defaulted obligations*: the Seller is not in default of any of its material obligations under the Loan Agreements.
- (m) *Correct information*: all data and information included in the Loan Agreements are true, correct, accurate and complete in all material respects.
- (n) *Interest Rates*: the interest rates applicable to the Loan Agreements and, where relevant for the purpose of the calculation thereof, any other remuneration due in connection therewith (including fees (if any)), have been calculated and will be applied and received at all times in accordance with the laws in force from time to time, including, in particular, the Usury Law.
- (o) *Interest Accrued*: the terms of each Loan Agreement provides for interest to accrue and be paid at the rate and at the times as provided by the Standard Documentation comprised in

the Loan Agreement in so far as such terms are applicable to the relevant type of Loan and each such Loan does not include and has never included any provisions entitling the relevant Debtor at any time to defer interest.

- (p) *No restriction*: there is no restriction on the Originator or its successors and assigns increasing or decreasing the rate at which interest is charged in relation to any Loan except:
  - (i) as provided by the relevant standard terms comprised in the standard documentation in so far as such terms are applicable to the relevant Loan; and/or
  - (ii) as imposed by applicable laws, regulations and regulatory guidance.
- (q) *Loans' features*: in relation to the relevant Loan:
  - (i) interest on such Loan accrues daily and is charged monthly in accordance with the relevant Loan Agreement;
  - (ii) each interest payment date under the relevant Loan is a calendar day of each calendar month as indicated in the applicable Loan Agreement; and
  - (iii) under the relevant Loan Agreement each instalment represents the total amount which is payable by the Debtor in respect of the relevant Loan for the relevant calendar month (including, without limitation, interest and, to the extent applicable, scheduled repayment instalments of principal but excluding arrears or non-capitalised fees).
- (r) *Consumer loans*: with reference to the Loan Agreements, at the time when such Loan Agreements were entered into, the relevant Debtors qualified as consumers pursuant to article 121 of the Consolidated Banking Act.
- (s) *Debtors' withdrawal right*: in relation to each Loan Agreement from which a Receivable arises, the term of 14 (fourteen) days provided for by article 125-ter of the Consolidated Banking Act for the exercise of the right of withdrawal by the relevant Debtor has expired.
- (t) *Prepayment fees*: the Loans provide for prepayment fees which comply with the relevant applicable laws and regulations and, in particular, with article 125-sexies of the Consolidated Banking Act and with the regulation set forth by the Bank of Italy, and are legally binding on the Debtors.
- (u) *No discharge of rights*: with reference to the Receivables, the Originator has not relieved or discharged any Debtor, of its payment obligations, or subordinated the Originator's rights to the rights of other creditors thereof, or waive any of the Originator's rights, except in relation to payments made in a corresponding amount to satisfy the relevant Receivables or in accordance with the Originator's credit and collection policies from time to time applicable.
- (v) *Right to set-off*: none of the Debtors holds with the Seller any deposit and/or bank account or otherwise benefits from a contractual right to set-off any amount due to the Seller by it with any amount due to it by the Seller.
- (w) *No further payments*: each Loan has been fully advanced, disbursed and paid directly, as evidenced by disbursement receipts, to the relevant Debtor and no Loan Agreement contains an obligation on the part of the Originator to make any further advance or pay or repay any amount (including, without limitation, in relation to cashback payments, interest, fees, charges and refunds) to any Debtor.
- (x) *No judicial proceedings*: there is no litigation, civil or administrative proceedings, arbitration, claim or action in progress, current, pending or threatened in writing against the Originator in relation to the Loan Agreements.

- (y) *No restructuring*: to the knowledge of the Originator, no Debtor has entered into (or has informed the Originator of its intention to enter into) a debt restructuring agreement pursuant to and for the purposes of articles 67 to 73 of the Italian Insolvency Code.
- (z) *No servicing*: with the exception of the Master Servicing Agreement, Sub-Servicing Agreement and the Back-Up Sub-Servicing Agreement, no servicing or pooling agreement has been entered into by the Originator in relation to any of the Loans and/or the Receivables.
- (aa) *Debtors' residence*: all Debtors are individuals that are resident in Italy for fiscal purposes.
- (bb) *No fraud by Debtors*: to the Seller's knowledge, there is no fraudulent misrepresentation and no fraud has been perpetrated by any Debtor or other person (whether or not an agent or employee of the Originator and which, for the avoidance of doubt, shall include any proxy, agent or intermediary) in or in relation to or in connection with the origination or completion of any such Loan from which a Receivable arises and none of the documents, reports, applications, forms and deeds given, made, drawn up or executed in relation to such origination or completion has been given, made, drawn up or executed in a fraudulent manner.
- (cc) *Anti-money laundering*: with respect to the relevant Loan, the Originator has:
  - (i) carried out the procedures required under the Italian anti money laundering laws and all rules and regulations promulgated thereunder and guidance (published or otherwise known to the Originator) of the relevant competent authorities in connection therewith; and
  - (ii) complied with the requirements set out in the Italian anti money laundering laws and all rules and regulations promulgated thereunder and guidance (published or otherwise known to the Originator) of the relevant competent authorities in connection therewith in relation to the origination and administration of such Loan.
- (dd) *Sanctions*: the Originator has complied with Sanctions in the origination of the relevant Loan, at the time of receiving the consumer loan proposal and at the time the Loan has been disbursed.
- (ee) *No Restricted Party*: at the time of receiving the consumer loan proposal, on the date of execution of the Loan Agreement and at the time the Loan has been disbursed, the relevant Debtor and any guarantor (if any) was not a Restricted Party.
- (ff) *Politically exposed person*: at the time of receiving the proposal from the Debtor, if the relevant Debtor was a 'politically exposed person' within the meaning of the anti-money laundering laws, then enhanced due diligence was undertaken in respect of such Debtor in accordance with the Originator's policies and the applicable anti-money laundering laws.
- (gg) *No Affiliates*: no Debtor was, as at the time of the disbursement of the relevant Loan, a director or an employee of the Originator or any of its Affiliates.
- (hh) *No interruptions*: no Debtor has died or ceased to exist as a legal person or is subject to any Insolvency Proceedings or suspension of payments, debt rescheduling scheme or any other or analogous proceedings.
- (ii) *No other claims*: the Originator does not have any other claims against any Debtor.
- (jj) *No product switches*: no Product Switches apply to or in respect of the relevant Loan.
- (kk) *Standard form*: any Loan have been made on the terms set out in the standard documentation without any variation thereto, subject to:
  - (i) any modification or variation made pursuant to the Originator's usual administration practices; and

- (ii) any variation made following regular legal and regulatory compliance review.
- (ll) *No representations and warranties*: no representation, warranty or other statement has been made by or on behalf of the Originator to a Debtor which is inconsistent with the terms of the Loan Agreement.
- (mm) *No payment holiday*: no Debtor is allowed to take any payment holiday under the terms of the relevant Loan Agreement.
- (nn) *No representations indemnity*: no Debtor or any other person has notified in writing a claim for damages against the Originator in respect of any representation, breach of condition, misrepresentation or otherwise or any action or omission in relation to a Loan.
- (oo) *No claims for damages*: there are no claims for damages which are pending or threatened in writing against the Originator in connection with any report, valuation, legal opinion, certificate, consent or other statement of fact given in connection with the relevant Loan.
- (pp) *Insurance policy beneficiary*: no Loan is insured under any insurance policy whose beneficiary is the Originator or any of its Affiliates.
- (qq) *Final maturity*: none of the Loans from which the Receivables arise has Instalments which are due after [•].
- (rr) *Confidentiality provisions*: none of the Loan Agreements provides for confidentiality provisions which may limit the right of the Issuer to exercise its rights as new owner of the Receivables.
- (ss) *Absence of brokers and intermediaries*: the Loan Agreements have been disbursed following an assessment relating to the creditworthiness of the client made by the Originator and none of the Loan Agreements has been disbursed following an assessment relating to the creditworthiness of the client made by brokers or other intermediaries.
- (tt) *No security interest*: no Loan is guaranteed by any security interest, guarantee or other arrangement securing the payment of the relevant Receivable.
- (uu) *Retail exposure pursuant to article 123 of the CRR*: each Receivable included in the Portfolio complies with the criteria set out in let. (a) to (c) of the first paragraph of article 123 of the CRR.
- (vv) *Standardised approach*: all the Receivables meet as at the Valuation Date the requirements for 75% risk weighting under the standardised approach, for the purposes of article 243, paragraph 2(b)(iii), of the CRR.

*STS requirements under the EU Securitisation Regulation*

- (a) *Status*: the Receivables constitute, valid and lawful obligations, binding on each party thereto, with full recourse to the Debtors (for the purpose of article 20(8) of the EU Securitisation Regulation and relevant EBA Guidelines on STS Criteria).
- (b) *Unencumbered title*: upon satisfaction of the Condition Precedent, to the best of the Originator's knowledge, each Receivable is fully and unconditionally owned and available to the Originator and there are no elements with respect to the Receivables that can be foreseen (in the opinion of the Originator) to adversely affect the enforceability of the transfer of such Receivable under the Receivables Purchase Agreement (for the purpose of article 20, paragraph 6, of the Securitisation Regulation and relevant EBA Guidelines on STS Criteria) and is freely transferable to the Issuer.

- (c) *No transferable securities, securitisation positions nor derivatives*: the Portfolio does not comprise:
- (i) any transferable securities, as defined in point (44) of article 4(1) of Directive 2014/65/EU (for the purpose of article 20, paragraph 8 of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria);
  - (ii) any securitisation positions (for the purpose of article 20, paragraph 9 of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria); nor
  - (iii) any derivatives (for the purpose of article 21, paragraph 2 of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria);
- (d) *Portfolio of homogeneous rights*: the Receivables included in the Portfolio are homogeneous in terms of asset type taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit-risk and prepayment characteristics (for the purpose of article 20, paragraph 8 of the EU Securitisation Regulation and the applicable Regulatory Technical Standards), given that:
- (i) all Receivables have been originated by the Originator based on similar underwriting standards which apply similar approaches to the assessment of credit risk associated with the underlying exposures;
  - (ii) all Receivables are serviced by the Originator according to similar servicing procedures;
  - (iii) all Receivables fall, as the case may be, within the same asset category of the relevant Regulatory Technical Standards named "*credit facilities provided to individuals for personal, family or household consumption purposes*"; and
  - (iv) although compliance with any specific homogeneity factor is not required pursuant to the applicable law, as at the Valuation Date all Debtors are resident in the Republic of Italy.
- (e) *No exposure in default*: the Portfolio does not include Receivables qualified as exposures in default within the meaning of article 178, paragraph 1, of Regulation (EU) no. 575/2013 or as exposures to a credit-impaired debtor or guarantor, who, to the best of knowledge of the Originator:
- (i) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three (3) years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the Transfer Date;
  - (ii) was registered, at the time of origination, on a public credit registry as an entity with adverse credit history due to reasons that are relevant for the purposes of the credit risk assessment; or
  - (iii) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for those comparable exposures held by the Originator which have not been assigned under the Securitisation,
- (for the purpose of article 20, paragraph 11 of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria).
- (f) *One payment made*: on the Transfer Date, with respect to each Receivable, the relevant Debtor has made at least one payment (article 20, paragraph 12 of the EU Securitisation Regulation and relevant EBA Guidelines on STS Criteria);

- (g) *Interest rates calculation*: the Receivables included in the Portfolio arise from Loans having a fixed interest rate; therefore such interest rate does not reference complex formulae or derivatives (for the purpose of article 21, paragraph 3 of the Securitisation Regulation and relevant EBA Guidelines on STS Criteria).
- (h) *Criteria for credit-granting*: the Originator has applied to the Receivables the same sound and well-defined credit standards, which it applies to non-securitised exposures (for the purpose of article 9, paragraph 1 of the EU Securitisation Regulation).
- (i) *Origination*: the Receivables are originated in the ordinary course of the Originator's business pursuant to Credit and Collection Policies that are no less stringent than those that the Originator applies at the time of the origination of similar receivables that have not been assigned in the context of the Securitisation (for the purpose of article 20, paragraph 10, of the EU Securitisation Regulation and the relevant EBA Guidelines on STS Criteria).
- (j) *Origination of exposures*: the Originator has at least 5 years of expertise in originating receivables of a similar nature to those assigned under the Securitisation (article 20, paragraph 10, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria).
- (k) *Debtors' creditworthiness*: the Originator has assessed the Debtors' creditworthiness in accordance with the requirements set out in article 124-bis of the Consolidated Banking Act implementing in Italy the provisions of article 8 of Directive 2008/48/EC.
- (l) *Losses on Receivables*: for the purposes and within the meaning of article 6(2) of the EU Securitisation Regulation, the Originator did not select the Receivables with the aim of rendering losses on the Receivables higher than the losses on comparable assets held in the balance sheet of the Originator.
- (m) *Repayment of the Receivables not dependent on sales*: there are no Receivables that depend on the sale of assets to repay their outstanding principal balance at contract maturity pursuant to article 20, paragraph 13, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria, since the Loans are not secured over any specific assets.

#### **Times for the making of the representations and/or warranties**

The representations under paragraphs '*Receivables*', '*Loan Agreements and the Loans*' and '*STS Requirements under the EU Securitisation Regulation*' in the preceding section titled '*Representation and Warranties*' are provided by the Originator on the Issue Date, whilst other representations on the Originator and disclosure by the Originator of information in relation to the Portfolio under the Receivables Purchase Agreement are provided by the Originator on the date of signing of the Receivables Purchase Agreement and repeated (with reference to the facts and circumstances then subsisting) on the Issue Date .

#### **Indemnity**

Without prejudice to any other right accruing to the Issuer under the Receivables Purchase Agreement or any other Transaction Document to which it is a party or under any and all applicable laws, under the Receivables Purchase Agreement the Originator has irrevocably undertaken to indemnify and hold harmless the Issuer and its directors from and against any and all damages, claims, reduced income (*minor incasso*), costs and expenses (including, but not limited to, legal fees and disbursements and any value added tax thereon if due), awarded against or incurred by the Issuer, its directors, agents, officers and assigns which arise out of or result from:

- (a) a default by the Originator in the performance of any of its obligations under the Receivables Purchase Agreement or any other Transaction Document to which it is a party, unless the Originator has remedied such default, to the extent possible, in accordance with the terms set out in the relevant Transaction Document or has already indemnified the Issuer of such default pursuant to another Transaction Document;

- (b) any representation and warranty made by the Originator under or pursuant to the Receivables Purchase Agreement being untrue, incorrect or misleading when made or repeated, provided that if such breach is capable of remedy:
  - (i) the Originator shall, acting in good faith, promptly notify the Issuer (with copy to the Master Servicer and the Originator) and shall send, to the Issuer (with a copy to the Master Servicer and the Representative of the Noteholders) a plan for the remedy of the relevant matter or circumstance which has given rise to or resulted in, or may result in, a breach of the relevant representations and warranties. The Originator shall send such plan within one (1) month of the date of the Indemnification Notice (as defined below) or of otherwise becoming aware of the breach unless there is a dispute as to whether the breach has occurred or is capable of remedy, in which case the Originator shall send the remedy plan to the Issuer within one (one) month of such dispute being resolved; and
  - (ii) the Originator shall promptly, but in any event within one (1) month of the remedy plan being sent to the Issuer in accordance with let. a. above, take steps to implement or procure the implementation of the remedy plan. If the implementation of the remedy plan is not successful within such timeframe, the relevant breach of the representation and warranty is deemed to be not capable of remedy and the relevant provisions of the Receivables Purchase Agreement shall be deemed to apply in respect of such representation and warranty;
- (c) any claim raised by any third party against the Issuer, as owner of the Receivables, which arises out of any negligent act or omission by the Originator in relation to the Receivables, the servicing and collection thereof or from any failure by the Originator to perform its obligations under the Receivables Purchase Agreement or any of the other Transaction Documents to which it is, or will become, a party;
- (d) any amount of any Receivable not being collected or recovered by the Issuer as a consequence of the exercise by any Debtor of any right to termination, invalidity, annulment or withdrawal, or other claims and/or counterclaims, including set-off pursuant to article 125-*septies* of the Consolidated Banking Act, against the Originator in relation to each Loan Agreement, Receivable or any other connected act or document (including, without limitation, any claim and/or counterclaim deriving from non-compliance with any applicable credit consumer legislation (*credito al consumo*), banking and financial transparency rules or other consumer protection legislation);
- (e) any claim for damages raised against the Issuer in relation to facts or circumstances occurred prior to the Transfer Date.

Any claim by the Issuer pursuant to the Receivables Purchase Agreement shall be made in writing to the Originator (with a copy to the Master Servicer), stating the amount of the claim thereunder (the "**Claimed Amount**"), together with a detailed description of the reasons for such claim (the "**Indemnification Notice**").

In case of receipt by the Originator of an Indemnification Notice in relation to a breach of any of the representations and warranties under clauses 6.3.1 (*Receivables*), 6.3.2 (*Loan Agreements and the Loans*) and 6.3.3 (*STS Requirements under the EU Securitisation Regulation*), let. (a) to (g) of the Receivables Purchase Agreement (the "**Relevant R&Ws**"), the Originator shall have the option, pursuant to article 1331 of the Italian civil code, to repurchase from the Issuer on any Business Day prior to the Payment Date immediately following such Indemnification Notice (or, if the Indemnification Notice is delivered to the Originator on a date which falls less than 5 (five) Business Days prior to the Payment Date, within 5 (five) Business Days following the occurrence of the Payment Date immediately following such Indemnification Notice) (the "**Affected Receivables Repurchase Option**") the Receivables affected by such breach (the "**Affected Receivables**") and each repurchase thereof a "**Repurchase**") as an alternative to the payment of the relevant Claimed Amount.

Under the Receivables Purchase Agreement, the Originator may at any time within 15 (fifteen) Business Days of receipt of any Indemnification Notice (the "**Challenge Period**") challenge,

acting in good faith, the Indemnification Notice by notice in writing to the Issuer (with a copy to the Master Servicer) (the "**Challenge Notice**"), provided that if the Originator does not make such a challenge within the Challenge Period, it shall be deemed to have accepted the Claimed Amount stated therein (the "**Accepted Amount**").

In the event that the Originator challenges the Indemnification Notice within the Challenge Period, the Originator and the Issuer shall promptly conduct good faith negotiations to resolve the dispute within 30 (thirty) Business Days from the date of receipt by the Issuer of the Challenge Notice (the "**Settlement Period**"). If, by the end of the Settlement Period, no agreement is reached among the Originator and the Issuer, then:

- (a) in the event that the Originator and the Issuer agree that the subject matter of the dispute in respect of the Claimed Amount only involves the resolution of factual or estimation matters (*questioni di fatto e/o meramente estimatorie*) each of the Originator and the Issuer may refer the dispute to an internationally recognised accountancy firm or another mutually agreed third party expert (the "**Expert**"), to determine the amount of the relevant damages, losses, costs, claims and expenses that may be claimed by the Issuer pursuant to the Receivables Purchase Agreement (the "**Allocated Amount**"). Any determination of the Expert shall be conclusive and binding on each of the Originator and the Issuer. In the event that no agreement can be reached as to the choice of Expert, it will be selected by the Chairman of the Chamber of Commerce of Milan, upon recourse of any of the Originator and the Issuer; and
- (b) in any other event, when the subject matter of the dispute involves the resolution of any matters relating to the interpretation of any provision of the Receivables Purchase Agreement and/or of any applicable laws, or any other matter falling outside the scope of the Expert's mandate, the relevant dispute will be referred to the Courts of Milan.

In the event that a Claimed Amount becomes an Accepted Amount or an Allocated Amount:

- (i) the Originator shall forthwith pay to the Issuer the Accepted Amount or the Allocated Amount (as applicable) into the Collection Account, within 5 (five) Business Days from the expiry of the Challenge Period or upon full and final determination in accordance with the Receivables Purchase Agreement (as applicable);
- (ii) where the Originator has elected to exercise the Affected Receivables Repurchase Option instead, the Originator shall exercise the Affected Receivables Repurchase Option in relation to the relevant Affected Receivable(s) by serving an irrevocable written notice on the Issuer (the "**Repurchase Option Exercise Notice**") indicating the date on which such Repurchase shall occur (the "**Repurchase Date**");
- (iii) the Originator shall be entitled to off-set the Accepted Amount or the Allocated Amount, as the case may be, with any amount due from the Originator pursuant to the Receivables Purchase Agreement or any other Transaction Documents.

In the event that the Originator exercises the Affected Receivables Repurchase Option within the Challenge Period, the Originator shall:

- (c) on the Repurchase Date:
  - (i) pay to the Issuer into the Collection Account:
    - (A) a price for each relevant Affected Receivable equal to (A) the Outstanding Principal Due of such Receivable as at the end of the immediately preceding Collection Period; *plus* (B) any interest accrued and outstanding on such Receivable as at the end of the immediately preceding Collection Period (the "**Affected Receivables Repurchase Price**"); and



- (B) any costs, expenses, losses, damages, reduced income (*minor incasso*), and other liabilities (if any) incurred by the Issuer in relation to the Affected Receivables;
- (ii) deliver to the Issuer a solvency certificate signed by a director or other authorised officer of the Originator, in the form attached as schedule 4 (*Form of Solvency Certificate*) to the Receivables Purchase Agreement, dated no earlier than 5 (five) Business Days prior to the Repurchase Date.

Within 5 (five) Business Days after the Repurchase Date, the Originator shall notify the relevant Debtors of the Repurchase in accordance with articles 1264 and 1265 of the Italian civil code.

In the event of any claim and/or counterclaim being raised by any of a Debtor and/or Insolvency Receiver and/or creditor of any Debtor (as the case may be) in respect of any Receivable (any such claim hereinafter an "**Objection**") the following provisions shall apply:

- (A) if the Originator believes that the Objection is grounded, the Originator shall, within 40 (forty) Business Days from receipt of the Objection, give a notice thereof to the Issuer (a "**Objection Notice**"), stating that it accepts the amount of the Objection (the "**Accepted Objection Amount**"); otherwise, the Objection will be considered groundless and therefore the Originator will resist judicially (in which case the amount of the Objection will be defined as "**Contested Objection Amount**");
- (B) following the service of the Objection Notice and in any case within 5 (five) Business Days therefrom, the Originator shall pay into the Collection Account an amount equal to the Accepted Objection Amount;
- (C) any payment made by the Originator to the Collection Account shall to the extent it consists of a Counterclaim Accepted Amount, be deemed to constitute a payment on account of the indemnity obligation of the Originator pursuant to the provisions of the Receivables Purchase Agreement;
- (d) in the event of a Contested Objection Amount (but only in such event), the Originator shall be entitled, at its own expense, to challenge the relevant Objection and to take any steps that the Originator deems necessary, including, but not limited to, the initiation of legal actions against the relevant Debtor, provided that the Issuer will use all reasonable endeavours to allow the Originator to take such actions, including, without limitation, the appointment of lawyers designated by the Originator and the granting of powers of attorney to the Originator to act in the name of the Issuer, it being understood that any costs, expenses and Taxes incurred by the Issuer in relation to any such activity will be borne exclusively by the Originator;
- (e) if the Objection is ungrounded, the Originator, in its capacity as Sub-Servicer pursuant to the Sub-Servicing Agreement, will request the Debtor to pay the unpaid sum. Should the Debtor fail to pay any such sum, the Sub-Servicer will be entitled to take recovery actions in accordance with the Sub-Servicing Agreement and the Credit and Collection Policies.

#### **Indemnity in case of claw-back**

In addition, under the Receivables Purchase Agreement, the Originator agreed to indemnify the Issuer for any amounts which the latter may have to pay in respect of any claw-back actions (*azioni revocatorie*) of any payment received by the Originator in relation to the Receivables prior to the Transfer Date. Should such claw-back actions be commenced against the Issuer, the Issuer shall promptly inform the Originator in respect thereof and shall involve the Originator in any such proceedings. The Issuer has undertaken to diligently oppose in a timely manner the claims brought forward and the Originator will be entitled to appoint legal counsel chosen by it to join the legal counsel appointed by the Issuer and with whom it will be able to agree an appropriate defence to

be taken. Each of the Issue and the Originator agreed not to settle the dispute without the prior consent of the other party, such consent not to be unreasonably withheld.

### **Undertakings**

The Receivables Purchase Agreement also contains a number of undertakings by the Originator in respect of its activities relating to the Receivables. The Originator has undertaken, *inter alia*, 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.

### **Option to repurchase the aggregate Portfolio**

Under the Receivables Purchase Agreement, the Issuer has granted to the Originator (or an entity designated by the Originator) an option, pursuant to article 1331 of the Italian civil code, to repurchase (in whole but not in part), on any Payment Date following the date in which a Clean-Up Call Event has occurred, the then outstanding Portfolio in accordance with the provisions set out below (the "**Originator Purchase Option**").

In order to exercise the Originator Purchase Option, the Originator shall serve a notice on the Issuer (with a copy to the Representative of the Noteholders) expressing its willingness to exercise the Originator Purchase Option at least 30 (thirty) calendar days prior to the relevant Payment Date, subject in any event to the rights of the Portfolio Option Holders pursuant to Condition 8.3 (*Optional Redemption*) and the other terms and conditions of Condition 8.3 (*Optional Redemption*).

Under the Receivables Purchase Agreement, the Issuer and the Originator:

- (a) agreed that the price offered by the Originator (or an entity designated by the Originator) for the repurchase of the Portfolio (the "**Repurchase Option Amount**") shall not be lower than the Final Purchase Price;
- (b) acknowledged and agreed that under Condition 8.3 (*Optional Redemption*), each Portfolio Option Holder has also been given a right to purchase the Portfolio from the Issuer and that the Issuer shall, notwithstanding the exercise of the Originator Purchase Option by the Originator and subject to the terms and conditions set forth therein, sell the Portfolio to a Portfolio Option Holder in case the purchase price offered by such Portfolio Option Holder is equal to or higher than the Repurchase Option Amount;
- (c) agreed that, subject to the provisions of Condition 8.3 (*Optional Redemption*), the purchase of the Portfolio by the Originator will be effective subject to the actual payment in full of the repurchase price, within 2 (two) Business Days from acceptance of the relevant purchase proposal by the Issuer, into the Payments Account.

### **General conditions for repurchase of individual Receivables and the aggregate Portfolio**

Under the Receivables Purchase Agreement, the Issuer and the Originator have agreed that the repurchase of individual Receivables or of the aggregate Portfolio by the Originator shall (i) be without prejudice to the without recourse (*pro soluto*) nature of the assignment of the Receivables and any other right accruing to the Issuer by virtue of contract or law; (ii) qualify as an aleatory contract (*contratto aleatorio*) pursuant to article 1469 of the Italian civil code (iii) be subject to the payment in full of the relevant purchase price (also by way of netting arrangements, as may be agreed by the Parties); (iv) made without recourse (*pro soluto*); and (v) made without any representation and warranty by the Issuer except for those representing and warranting that (A) the Issuer is the sole owner of the Receivables purported to be retransferred and (B) each Receivable is fully and unconditionally owned by, and available to, the Issuer and (C) to the best of the Issuer's knowledge and belief is not subject to any lien or other charges in favour of any third party, save as provided for by the Transaction Documents.

### **Governing Law and jurisdiction**

The Receivables Purchase Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law. The

courts of Milan shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

## 2. DESCRIPTION OF THE MASTER SERVICING AGREEMENT

### General

On [•] April 2024, the Issuer entered into the Master Servicing Agreement, pursuant to which the Issuer has appointed Zenith Global S.p.A. as Master Servicer to collect the Receivables and to administer and service the Portfolio as agent (*mandatario*) of the Issuer in compliance with the Securitisation Law.

The Master Servicer will act, in such capacity, as the *soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e di pagamento* pursuant to article 2, sub-paragraph 3, letter c) and sub-paragraph 6 of the Securitisation Law. In such capacity, the Master Servicer will also be responsible for verifying that the operations under the Securitisation are in compliance with Italian law and consistent with the Prospectus in accordance with the provisions of article 2, paragraph 6, of the Securitisation Law.

### Obligations of the Master Servicer

Under the Master Servicing Agreement, the Master Servicer has undertaken in relation to each of the Loans and related Receivables to perform, *inter alia*, the following services:

- (a) verify that the operations under the Securitisation are compliant with Securitisation Law and consistent with the Prospectus in accordance with the provisions of article 2, paragraph 6-bis, of the Italian Securitisation Law;
- (b) monitor Collections in respect of the Portfolio as well as to monitor, on the basis of available information provided by Sub-Servicer, that the Collections and payments of any sum by or in favour of the Issuer, are always transferred to the bank accounts opened in the name of the Issuer and to verify that any such Collection and payments are carried out in accordance with the Transaction Documents, the Prospectus and the Securitisation Law;
- (c) subject to delivery to it of all necessary information by the Sub-Servicer, provide for the reporting of the information as periodically required under the supervisory regulation (such as, without limitation, reporting to the "*Centrale dei Rischi*") and the "*Segnalazioni di vigilanza delle istituzioni creditizie e finanziarie*" provided that the reporting to the Centrale Rischi will be carried out by the Master Servicer taking into account the assessment of the Receivables and the classification of the relevant Debtor carried out by the Sub-Servicer in accordance with the Credit and Collection Policies;
- (d) subject to the receipt of all necessary information by it from the Sub-Servicer, provide information and all other assistance and cooperation required by the Corporate Services Provider in relation to:
  - (i) quarterly statistic notices ("*segnalazioni statistiche trimestrali*");
  - (ii) replies to any "*richieste di indagine*" received by the Issuer pursuant to article 32, paragraph 3, D.P.R. 600/73 and article 51, paragraph 4, DPR 633/72 (so-called PEC) (excluding "*richieste di indagine*" referred to each assigned debtor ("*debitore ceduto*"));
  - (iii) all acts and things to be done by the Corporate Services Provider in order for the Issuer to comply with Italian Law Decree No. 223 of 4 July 2006, as amended and supplemented from time to time ("*Anagrafe dei Rapporti*") in accordance with the terms of the Corporate Services Agreement; and
  - (iv) reporting to the *Matrice dei Conti*;
- (e) provide for the management on behalf of the Issuer of an appropriate data reporting system in relation to the Receivables, the reporting of the information required under the

Supervisory Regulations of the Bank of Italy (including but not limited to reporting to the *Centrale dei Rischi*); and

- (f) perform of any other reporting activity which may from time to time be required by the Securitisation Law and its relevant implementing regulations, by Bank of Italy's supervisory regulation (including Bank of Italy's regulation dated 12 December 2023) and any other law or regulation applicable to the Issuer (to the extent not allocated to any other Transaction Party under the Transaction Documents);
- (g) perform monitoring duties set on the Master Servicer by the Bank of Italy's regulation 3 April 2015 n. 288 and by the Bank of Italy's communication "*Servicers in operazioni di cartolarizzazioni. Profili di rischiosità e linee di vigilanza*", issued on 10 November 2021 (the "Bank of Italy's Regulation") and any other applicable regulation;
- (h) to the extent provided by the anti-money laundering laws applicable to the Master Servicer, fulfil of the anti-money laundering requirements which the Master Servicer is subject to (including the "*Archivio Unico Informatico*") and other requirements applicable to the Master Servicer from time to time;
- (i) the activities and formalities to be performed pursuant to the applicable Privacy Law (to the extent applicable) further to the assignment of the Portfolio (including acting as "*Responsabile del trattamento*" on behalf of the Issuer pursuant to the GDPR, to the extent applicable); and
- (j) make timely requests in writing for the delivery of any information within the possession of the Sub-Servicer, the delivery of which is not expressly contemplated by the terms of the Sub-Servicing Agreement, and which is reasonably required to enable the Master Servicer to comply with its obligations.

The activities to be carried out by the Master Servicer include also the processing of administrative and accounting data in relation to the Receivables and the management of such data. The Master Servicer has represented and warranted that it has all skills, software, hardware, information technology and human resources necessary to comply with the efficiency standards required by the Master Servicing Agreement. In addition, the Master Servicer has represented and warranted it has expertise in servicing exposures of a similar nature to those securitised and has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of exposures (article 21(8) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria).

Under the Master Servicing Agreement, the Issuer has also delegated to the Master Servicer certain of the administration, servicing, collection, reporting (including reporting required under the EU Securitisation Regulation and the UK Securitisation Regulation) and management activities in relation to the Receivables which the Master Servicer, with the consent of the Issuer, has agreed to sub-delegate to the Sub-Servicer in accordance with the Sub-Servicing Agreement (see paragraph '*Delegation to the Sub-Servicer*' below for further details).

### **Indemnity**

Pursuant to the Master Servicing Agreement, the Master Servicer agreed, for so long as it acts as Master Servicer, to hold the Issuer indemnified and harmless from and against any and all damage, loss, civil liability, cost, expense and claim of any kind (including for fees and legal expenses) that the Issuer may suffer as a result of Master Servicer's gross negligence ("*colpa grave*") or wilful misconduct ("*dolo*"). The Master Servicer will not be liable for any damage, loss, liability, cost, expense or claim has been caused solely by the wilful default ("*dolo*") or gross negligence ("*colpa grave*") of the Issuer.

### **Reporting requirements**

On or prior to each Master Servicer Report Date, the Master Servicer shall prepare and deliver, by means of an agreed computer data transfer mechanism, to the Issuer, the Account Bank, the Calculation Agent, the Representative of the Noteholders, the Paying Agents, the Corporate Services Provider, the Hedge Counterparty, the Back-Up Sub-Servicer, the Arranger and the

Rating Agencies, the Master Servicer Report, substantially in the form of the report set out in schedule 2 (*Form of Master Servicer Report*) to the Master Servicing Agreement.

In addition, pursuant to the Master Servicing Agreement, the Master Servicer has undertaken to:

- (a) commencing on the Transfer Date, subject to any limitation imposed by applicable law or any confidentiality agreement, deliver as soon as it is available, and in any event within the first Securitisation Regulation Report Date and, thereafter, no later than each Securitisation Regulation Report Date, to the Issuer, to the Reporting Entity, to the Hedge Counterparty, the Calculation Agent, the Representative of the Noteholders, the Paying Agents and the Corporate Services Provider, electronic copies of a report setting out loan level information with respect to the Loans required under (i) article 7(1)(a) of the EU Securitisation Regulation, and (ii) article 7(1)(a) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures), and the applicable Disclosure RTS (the "**Loan Level Report**"). The Loan Level Report will be made available on the Securitisation Repository's web-site (<https://eurodw.eu/>); and
- (b) commencing on the Transfer Date, if the Master Servicer becomes aware of (i) any event that, in the opinion of the Sub-Servicer constitutes inside information (as referred to in (i) article 7(1)(f) of the EU Securitisation Regulation, and (ii) article 7(1)(f) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) that shall be made public in accordance with Article 17 of the EU Market Abuse Regulation and the UK Market Abuse Regulation, or (ii) a significant event (as referred to in (i) article 7(1)(g) of the Securitisation Regulation, and (ii) article 7(1)(f) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) (including, *inter alia*, the occurrence of a Trigger Event, the delivery of any Trigger Notice to the Noteholders and any changes to the Priority of Payments), prepare a report setting out details of such information (the "**Inside Information and Significant Event Report**") and deliver a copy of the same to the Issuer, the Reporting Entity, the Calculation Agent and the Representative of the Noteholders concurrently with the delivery of the Loan Level Report and the Securitisation Regulation Investor Report and without undue delay following the awareness of any inside information or the occurrence of a significant event, in accordance with the applicable Disclosure RTS. The Inside Information and Significant Event Reports will be made available on the Securitisation Repository's web-site (<https://eurodw.eu/>).

The obligations of the Master Servicer to prepare and deliver the Loan Level Report and the Inside Information and Significant Event Report is subject to the timely receipt by the Master Servicer from the Sub-Servicer of the Sub-Servicer Report and any other information required by the Master Servicer to prepare and deliver the Loan Level Report and the Inside Information and Significant Event Report in accordance with, and pursuant to, the terms set out under the Sub-Servicing Agreement.

The Master Servicer shall not be liable for failure to perform its obligations, including, but not limited to, the obligations of the Master Servicer to prepare and deliver the Master Servicer Report, the Loan Level Report and the Inside Information and Significant Event Report, if such failure is caused by the non-delivery or late delivery, wrong or partial delivery by any of the Sub-Servicer, the sub-delegates of the Sub-Servicer or any other agent of the Issuer or party to the Transaction Documents of any data and information to be provided to the Master Servicer by each of them, pursuant to the Sub-Servicing Agreement and/or any other relevant Transaction Documents.

The Master Servicer will not be liable (save for its wilful misconduct (*dolo*) or gross negligence (*colpa grave*)) for any omission or delay in making available the Loan Level Report or Inside Information and Significant Event Report which is due to electronic or technical inconveniences.

### **Delegation to the Sub-Servicer**

In the Master Servicing Agreement, the Issuer and the Master Servicer agreed that the Master Servicer, upon instruction and with the consent of the Issuer, will sub-delegate to the Sub-Servicer certain of the administration, servicing, collection, reporting (including reporting required under the EU Securitisation Regulation and the UK Securitisation Regulation (as the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures)) and management activities in relation to the Receivables within the limits of the Securitisation Law and to the monitoring duties set on the Master Servicer by the Bank of Italy's regulation 3 April 2015 n. 288 and by the Bank of Italy's communication "*Servicers in operazioni di cartolarizzazione. Profili di rischio e linee di vigilanza*", issued on 10 November 2021 and any other applicable regulation.

The Sub-Servicer will be solely responsible *vis-à-vis* the Issuer and the Master Servicer for any and all damages, losses, claims, liabilities, costs, expenses and demands whatsoever (including legal fees and disbursements) which each of them may suffer or incur as a result of the mandate given to the Sub-Servicer in accordance with the Sub-Servicing Agreement and/or the Primary and Special Services and the relevant undertakings herein. The Master Servicer will not be liable for negligence (*culpa in eligendo*) in the selection or appointment of Younited S.A., Italian Branch as Sub-Servicer or for the activities performed by Younited S.A., Italian Branch as Sub-Servicer pursuant to the Sub-Servicing Agreement (without prejudice to the supervisory activity of the Master Servicer relating to the Securitisation provided under the Securitisation Law).

### **Sub-delegation to third Parties**

Without prejudice to the other provisions of the Master Servicing Agreement, the Master Servicer may sub-delegate to one or more persons activities related to the management, administration, enforcement, collection and recovery of the Receivables (to the extent that such activities have not been sub-delegated to the Sub-Servicer or any other Substitute Sub-Servicer (including the Back-Up Sub-Servicer) under the Sub-Servicing Agreement), it being understood that the Master Servicer will retain primary responsibility for the fulfilment of its obligations under the Master Servicing Agreement and will be responsible, without any limitation and in express derogation of the provisions of article 1717, second paragraph, of the Italian civil code, for the actions undertaken by any delegate appointed pursuant to the Master Servicing Agreement. Under the Master Servicing Agreement, the Master Servicer undertakes to hold the Issuer harmless in relation to any loss, damage or cost incurred by the latter as a consequence of such sub-delegation, except for any loss, damage or cost deriving from the wilful default (*dolo*) or gross negligence (*colpa grave*) of the Issuer.

### **Remuneration of the Master-Servicer**

In consideration of the performance of its obligations under the Master Servicing Agreement, the Issuer has undertaken to pay to the Master Servicer (in accordance with the Transaction Documents) an annual fee as agreed in a separate fee letter.

### **Termination the Master Servicer**

Under the terms of the Master Servicing Agreement, the Master Servicer has acknowledged that the Issuer may decide, at its absolute discretion and without prejudice to any other rights or remedies as the Issuer may have, to terminate the appointment of the Master Servicer and appoint a successor master servicer if any of the following events - qualified as "*giusta causa di revoca del mandato*" for the purposes of articles 1725 and 1726 of the Italian Civil Code – occurs (each a "**Master Servicer Termination Event**"):

- (a) failure on the part of the Master Servicer to deposit or pay any amount required to be paid or deposited according to the Master Servicing Agreement, which failure continues unremedied for 5 (five) Business Days after the due date thereof and cannot be attributed to force majeure or technical reasons;
- (b) failure on the part of the Master Servicer to observe or perform any term, condition, provision or covenant provided for under the Master Servicing Agreement and the other

Transaction Documents to which it is a party, and the continuation of such failure for a period of 10 (ten) Business Days following receipt by the Master Servicer of written notice from the Issuer requiring remedy of such failure, and such failure is, in the opinion of the Representative of the Noteholders, materially prejudicial to the continuation of the servicing activity to be carried out pursuant to the Master Servicing Agreement:

- (c) any of the representations and warranties given by the Master Servicer, pursuant to the Master Servicing Agreement, has been proved to be untrue, false or deceptive in any material respect and such default is, in the reasonable opinion of the Representative of the Noteholders, materially prejudicial to the Issuer or the Noteholders unless, if capable of remedy, such breach is remedied within 20 (twenty) Business Days following receipt by written notice from the Issuer requiring remedy of such breach;
- (d) an Insolvency Event occurs with respect to the Master Servicer;
- (e) it becomes unlawful for the Master Servicer to perform or comply with any of its obligations under the Master Servicing Agreement or the other Transaction Documents to which it is a party;
- (f) the Master Servicer is held responsible, by a non-appealable court decision ("*sentenza passata in giudicato*") for failure to comply with the models adopted pursuant to the Italian Legislative Decree 231/2001;
- (g) an irremediable conflict of interest arises between the interests of the Master Servicer and those of the Issuer in any material respect; and
- (h) an effective resolution is passed by the Master Servicer for a change in its business activity, which, in the good faith judgement of the Issuer, is capable of having a material adverse effect on the Master Servicer's ability to perform its obligations under the Master Servicing Agreement;
- (i) in the reasonable opinion of the Representative of the Noteholders, the Master Servicer is or will be unable to meet the then current legal requirements and the Bank of Italy's regulations for entities acting as servicers in the context of a securitisation transaction.

Following the occurrence of a Master Servicer Termination Event, the Issuer:

- (i) may, with the consent of the Representative of the Noteholders on the instruction of the Noteholders, and with prior notification to the Rating Agencies; and
- (ii) shall, if instructed to do so by the Representative of the Noteholders on the instruction of the Noteholders, and with prior notification to the Rating Agencies,

terminate all the rights and obligations of the Master Servicer, under the Master Servicing Agreement.

### **Resignation of the Master Servicer**

The Master Servicer will be entitled to resign from its appointment as Master Servicer under the Master Servicing Agreement at any time, by serving an at least 3 (three) months prior written notice to the Issuer, the Representative of the Noteholders and the Rating Agencies and subject to the conditions for the appointment of a substitute master servicer set out in clause 6.4 of the Master Servicer Agreement having been met, it being understood that the Issuer shall appoint a substitute master servicer within 3 (three) months after the receipt of the written notice of resignation.

The parties have agreed that in case of resignation of the Master Servicer, the provisions of clause 6.4 of the Master Servicer Agreement will apply *mutatis mutandis*.

### **Effectiveness of termination and resignation**

The termination of the appointment of the Master Servicer or its resignation pursuant to the Master Servicing Agreement shall be effective from the date on which the substitute master servicer,

assumes the role of master servicer (pursuant to a new master servicing agreement entered into in accordance with the following provisions) and adheres to the Intercreditor Agreement (to the extent it is not already a party to it) and the other Transaction Documents to which Master Servicer is a party (the "**Substitute Master Servicer**"). The Master Servicer shall continue to act as Master Servicer and meet its obligations under the Master Servicing Agreement until such date, to the extent it is possible and not prevented by law and regulation or order of a competent authority.

The Issuer shall, 30 (thirty) days of delivery of a notice of termination or receipt of a notice of resignation, appoint as Substitute Master Servicer any person who:

- (a) meets the requirements of the Securitisation Law and the Bank of Italy to act as "*soggetto incaricato per i servizi di riscossione dei crediti ceduti e dei servizi di cassa e di pagamento*" pursuant to article 2, sub-paragraph 3, letter c) and sub-paragraph 6 of the Securitisation Law;
- (b) has expertise in servicing exposures of a similar nature to the Receivables and has well documented and adequate policies, procedures and risk-management controls relating to the servicing of exposures, in accordance with article 21(8) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;
- (c) is able to ensure, directly or indirectly, the efficient and professional performance of a computerised archive system (*Archivio Unico Informatico*) as required by Italian money-laundering legislation and, if such legislation requires, the production of such information as is necessary to meet the information requirements of the Bank of Italy; and
- (d) has sufficient assets to ensure the continuous and effective performance of its duties.

The appointment of the Substitute Master Servicer shall be made by the Issuer with the prior written consent of the Representative of the Noteholders and the prior notice to the Rating Agencies.

If a Substitute Master Servicer is appointed, the servicing agreement for such appointment between the Issuer and the Substitute Master Servicer shall comprise clauses analogous to those herein, *mutatis mutandis*, and any additional provisions that the parties to the new servicing agreement may consider necessary or expedient, **provided that** the new servicing agreement shall be approved in advance by the Representative of the Noteholders and notified in advance to the Rating Agencies. Furthermore, the Issuer shall procure that, on or about the date of its appointment, the Substitute Master Servicer accedes to the Intercreditor Agreement and any other Transaction Document to which the outgoing Master Servicer is a party.

### **Governing law and jurisdiction**

The Master Servicing Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law. The courts of Milan shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

## **3. DESCRIPTION OF THE SUB-SERVICING AGREEMENT**

### **General**

Under the Sub-Servicing Agreement entered into on [•] April 2024, between the Issuer, the Master Servicer and the Sub-Servicer, the Master Servicer, upon instruction and with consent of the Issuer, has delegated to the Sub-Servicer the administration, servicing, collection and management activities in relation to the Receivables transferred by the Originator to the Issuer under the Securitisation.

In carrying out the delegated activities, the Sub-Servicer shall act as an agent ("*mandatario*") of the Master Servicer in the interest of the Issuer and also in the interest and for the benefit of the Noteholders, pursuant to article 1723, paragraph 2, of the Italian civil code ("*mandato anche nell'interesse del terzo*"), the applicable laws and regulations (*inter alia*, for the sake of clarity, the Securitisation Law and its relevant implementing provisions) and in accordance with the terms and conditions of the Sub-Servicing Agreement.



Any amendment to the Master Servicing Agreement which has an effect on the duties or obligations of the Sub-Servicer under the Sub-Servicing Agreement, will be agreed with the Sub-Servicer.

### **Obligations of the Sub-Servicer**

Pursuant to the Sub-Servicing Agreement, the Sub-Servicer has agreed to carry out on behalf of the Master Servicer and in the interest of the Issuer, management, administration, collection and recovery activities in relation to the Receivables with professional diligence ("*diligenza professionale*") and in accordance with the Credit and Collection Policies and the provisions of the Sub-Servicing Agreement.

### **Amendments to the Credit and Collection Policies**

The Sub-Servicer may amend, vary, supplement, add to or substitute the Credit and Collection Policies only with the Issuer's consent except for (the "**Non-Material Amendments**"):

- (a) non-substantial amendments,
- (b) amendments necessary to comply with applicable laws and regulations in force from time to time, and
- (c) amendments which have the sole purpose of improving the timely collection and recovery of the Receivables, which the Sub-Servicer deems to be necessary in the interest of the Issuer and of the Noteholders.

The Sub-Servicer shall notify any Non-Material Amendment (i) promptly to the Issuer, the Representative of the Noteholders, the Master Servicer, the Reporting Entity and the Rating Agencies and (ii) without undue delay to the Noteholders and potential investors in accordance with the provisions of the Intercreditor Agreement. Any such Non-Material Amendment shall become effective 10 (ten) Business Days following notification thereof.

Except for Non-Material Amendments, any other amendment of the Credit and Collection Policies proposed by the Sub-Servicer must be prior notified to the Rating Agencies and the Master Servicer and must receive the prior written consent of the Issuer and of the Representative of the Noteholders, acting in accordance with the Rules of the Organisation of the Noteholders before being implemented.

Under the Sub-Servicing Agreement, the Sub-Servicer has undertaken not to amend, vary, supplement, add to or substitute:

- (a) the standard documentation used by the Originator for the purposes of originate the Loans (including the relevant Loan Agreement) (the "**Standard Documentation**"); or
- (b) any of its operational procedures which are relevant for carrying out the activities set out under the Credit and Collection Policies or the Standard Documentation, without the prior written consent of the Issuer and the Master Servicer, except (i) as required to comply with the Servicing Standard, or (ii) to correct any manifest error (in which case the Sub-Servicer shall provide a copy of all relevant documentation and information to the Issuer and the Master Servicer at least ten (10) Business Days prior to the amendment taking effect).

### **Inspections**

Under the Sub-Servicing Agreement, the Sub-Servicer has agreed to grant access and permit inspections to the Issuer, the Master Servicer and the Representative of the Noteholders (also acting through representatives and/or agents) to its own premises during normal office working hours, in order to allow for the examination of such records and data (including the documentation relating to the Receivables) and take a copy, for the purposes of allowing the Issuer, the Master Servicer and/or the Representative of the Noteholders (also acting through representatives and/or agents) to review the Sub-Servicer's conduct of its activities under the Sub-Servicing Agreement, subject to a 5 (five) Business Days prior written notice and provided that the Issuer, the Master Servicer and the Representative of the Noteholders (also acting through representatives and/or agents) shall

undertake best endeavours not to prejudice the ordinary business activity of the Sub-Servicer. The Issuer, the Master Servicer and/or the Representative of the Noteholders acknowledged that support and assistance provided by the Sub-Servicer in the course of such inspections shall be subject to the normal operating needs of the Sub-Servicer. Any examination or inspection by the Issuer, the Master Servicer or the Representative of the Noteholders shall be conducted in accordance with all applicable laws and regulations, in particular, the Privacy Law, it being understood that as provided by supervisory regulations (including, but not limited to, Circular 288/2015), the access to the documentations and the information relating to the Sub-Servicer's activities according to the Sub-Servicing Agreement shall be granted also upon request of a supervisory Authority.

### **Renegotiations and transfer of Defaulted Receivables**

Pursuant to the Sub-Servicing Agreement, the Sub-Servicer may agree with the Debtors agreements, *moratoria*, extensions, settlements, partial or total write-offs in relation to the Defaulted Receivables (the "**Amendments**"), in accordance with the Credit and Collection Policies, provided that no Amendment shall cause payments from the Debtors to be made after the date falling [•] months before the Final Maturity Date. The Sub-Servicer may in respect of any Defaulted Receivables, agree with the Debtors any Amendments, provided that such Amendments are (i) made in accordance with the Servicing Standard, and (ii) aimed at maximising the recoveries in respect of such Defaulted Receivables in the interest of the Issuer. Under the Sub-Servicing Agreement, the Sub-Servicer has undertaken to provide to the Issuer and the Master Servicer all documentation, information and clarifications that it may reasonably request in relation to any Amendment. If any Defaulted Receivables are transferred to third parties, such transfers (i) shall be made at market prices, such prices to be determined an independent advisor, (ii) shall be subject to the relevant purchaser providing a prior declaration of solvency, a bankruptcy court certificate and a certificate issued by the competent companies' register evidencing the purchaser's solvency. Any such transfer shall be subject to the conditions set out above and in the Credit and Collection Policies (iii) shall be subject to (a) an at least 7 (seven) Business Days' prior communication from the Sub-Servicer to the Master Servicer and the Issuer of the information required by the Master Servicer and the Issuer to carry out the relevant 'Know-Your-Customer' and anti-money laundering and compliance verifications, and the (b) positive outcome of such verifications.

### **Reporting**

Pursuant to the Sub-Servicing Agreement, the Sub-Servicer has undertaken to deliver on each Sub-Servicer Report Date to the Master Servicer a sub-servicer report substantially in the form of schedule 1 (*Form of Sub-Servicer Report*) to the Sub-Servicing Agreement (the "**Sub-Servicer Report**") and any further information required to enable the Master Servicer to timely prepare and deliver the Loan Level Report and the Inside Information and Significant Event Report. Pursuant to the Sub-Servicing Agreement the Sub-Servicer has undertaken to deliver the Sub-Servicer Report, commencing on the Transfer Date, as soon as it is available, but in any event no later than the 4<sup>th</sup> Business Day of each calendar month without undue delay following the awareness of an inside information or occurrence of a significant event, in accordance with the applicable Disclosure RTS.

The Sub-Servicer shall supply, and include (where applicable) within the Sub-Servicer Report, as the case may be, such additional information on the Receivables and the activities carried out by the Sub-Servicer pursuant to the Sub-Servicing Agreement as the Issuer, the Master Servicer, the Reporting Entity, the Hedge Counterparty, the Representative of the Noteholders, the Account Bank, the Calculation Agent, the Paying Agents, the Corporate Services Provider, the Rating Agencies, the Bank of Italy may reasonably request in future, including for the purposes of the preparation of the reports referred to in article 7, paragraph 1, of the EU Securitisation Regulation and article 7, paragraph 1, of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date of the Sub-Servicing Agreement

and not taking into account any relevant national measures) in compliance with the Disclosure RTS and the applicable Regulatory Technical Standards.

### **Complaints**

Pursuant to the Sub-Servicing Agreement, by the 10<sup>th</sup> calendar day (and if such calendar day is not a Business Day, the next succeeding Business Day) of the month subsequent to the relevant quarter, the Sub-Servicer shall provide the Master Servicer with a report prepared substantially in the form attached under to the Sub-Servicing Agreement, reporting information aimed at identifying the relevant Debtors, complaints filing date and closing date, if any, as well as at least the subject/complaint reason as per Sub-Servicer's complaints handling procedures.

### **Delivery of Receivables information**

Pursuant to the Sub-Servicing Agreement, the Sub-Servicer has undertaken to:

- (a) in order to allow the Master Servicer to carry out the reporting to the *Centrale dei Rischi*, provide the Master Servicer with the assessment of the Receivables and the classification of the relevant Debtor carried out by the Sub-Servicer in accordance with the Credit and Collection Policies. The Sub-Servicer undertook to cooperate with the Master Servicer and to provide the Master Servicer with the information it may be required in order to perform its activities under the Master Servicing Agreement;
- (b) based on a written request by the Issuer or the Master Servicer specifying (i) which information relating to the Receivables, containing, *inter alia*, all (such as, by way of example, the data necessary to identify the relevant Receivables, the relevant Debtor and the relevant Loan Agreement, the indication of the amounts due from the relevant Debtor in relation to the Receivables as well as any other information related to the Receivables, arrange and send the relevant information;) and (ii) in which format such information should be provided by the Sub-Servicer, use its reasonable endeavours to prepare and transmit to the Purchaser and to the Master Servicer the report containing such required information in the form indicated by the Purchaser or the Master Servicer, provided that, should it be too burdensome for the Sub-Servicer to provide the required information or to provide them in the format requested, the Parties shall agree in good faith alternative information and/or alternative formats, and (Y) arrange and send the Sub-Servicer Report in accordance with the provisions contained in clause 3.3.7 of the Sub-Servicing Agreement;
- (c) deliver to the Back-Up Sub-Servicer (or any other Substitute Sub-Servicer, as the case may be) all the information in relation to the Receivables pursuant to and in accordance with the terms of the Sub-Servicing Agreement. The Sub-Servicer shall notify the Back-Up Sub-Servicer (or the Substitute Sub-Servicer, as the case may be) of any changes to the Sub-Servicer's systems which could reasonably be expected to have an impact on the Back-Up Sub-Servicer's (or the Substitute Sub-Servicer) ability to perform its obligations under the Sub-Servicing Agreement upon termination of the Sub-Servicer (or the Replacement Sub-Servicing Agreement);
- (d) notify to the Master Servicer the change of classification of the Receivables.

### **Compliance with Master Servicer's Policies**

Under the Sub-Servicing Agreement, the Sub-Servicer has undertaken to comply with the anti-money-laundering policy, *Centrale Rischi* policy and complaint policy of the Master Servicer as provided by the Master Servicer to the Sub-Servicer.

### **Privacy Law**

According to the Sub-Servicing Agreement, the Sub-Servicer has also undertaken to duly comply, at all times, with the rules provided under the Applicable Privacy Law and keep the Debtors informed of the processing of their personal data, in accordance with the provisions of the

Applicable Privacy Law and clause 15 (*Privacy Law*) of the Sub-Servicing Agreement, to the extent that such provisions are applicable to the Debtors.

### **Notice to Debtors**

Pursuant to the Sub-Servicing Agreement, the Sub-Servicer has undertaken to send the notices to be provided to the Debtors according to or in relation to the Receivables Purchase Agreement.

### **Security on the Receivables and other Issuer's rights**

Under the Sub-Servicing Agreement, the Sub-Servicer has undertaken not to create or grant any Security Interest over the Receivables and any other right and benefit of the Issuer.

### **Sub-contracts and delegates**

Pursuant to the Sub-Servicing Agreement, the Sub-Servicer may (at its own cost) sub-contract or delegate the performance of any of its obligations under the Sub-Servicing Agreement to sub-contractors and delegates (each a "**Sub-Delegate**") provided that the prior written consent of the Issuer and the Master Servicer or, after the delivery of a Trigger Notice, the prior written consent of the Issuer, the Representative of the Noteholders and the Master Servicer has been obtained and provided further that:

- (a) each Sub-Delegate has, and shall maintain, all requisite licences, approvals, authorisations and consents to enable it to lawfully its obligations under or in connection with such arrangements;
- (b) neither the Master Servicer nor the Representative of the Noteholders shall have any liability for costs, charges, fees or expenses payable to or incurred by such Sub-Delegate or arising from the entering into, the continuance or the termination of any such arrangement;
- (c) the Sub-Servicer uses reasonable skill and care in the selection of such Sub-Delegate;
- (d) each Sub-Delegate undertakes to comply with all the reasonable directions given to it by the Sub-Servicer or the Master Servicer;
- (e) the Issuer, the Master Servicer and the Sub-Servicer (also acting through representatives and/or agents) shall have access to the information relating to the activities performed by the Sub-Delegate;
- (f) no Sub-Delegate will be entitled to sub-contract or delegate the performance of all or any of the Primary and Special Services subdelegated to it; and
- (g) all Collections to be serviced by the Sub-Servicer shall continue to be credited directly and exclusively to the Seller's account on which Debtors are instructed to make payment in relation to the Receivables.

The Master Servicer shall be entitled to request to the Sub-Servicer (which shall promptly comply with such request) the termination of the appointment of any Sub-Delegate in case of breach of contract and loss of the requisite licences, approvals, authorisations and consents to enable it to lawfully its obligations under or in connection with the duties sub-delegated to it by the Sub-Servicer.

The Sub-Servicer shall: (i) inform in advance the Issuer and the Master Servicer of the name and address of the relevant Sub-Delegate, and (ii) notify the Issuer and the Master Servicer of any changes to such information it being understood that the Sub-Servicer shall provide any further information requested by the Master Servicer in relation to such Sub-Delegates and the checks performed by the Sub-Servicer in relation to its Sub-Delegates.

The Sub Servicer shall monitor and verify that the relevant Sub-Delegate(s) (i) is adequately qualified and possess the required professional skill, experience and, if required by any applicable laws and regulations, the necessary authorisations, consents and licenses to perform the relevant

delegated activities and tasks pursuant to the provisions of applicable laws and regulations, and (ii) shall be equipped with all software, hardware, information technology and relevant human resources as is reasonably necessary to enable it to perform the tasks delegated to it by the Sub-Servicer.

In case of delegation of any activity under the Sub-Servicing Agreement, the Sub-Servicer shall:

- (a) ensure that the contracts that will be executed between the Sub-Servicer and its Sub-Delegates, and the performance of any activity thereunder, will be at all times in compliance with any applicable law (including Privacy Law);
- (b) review and monitor that the relevant Sub-Delegates perform the tasks and services delegated to them according to the highest professional standards, in compliance with the Sub-Servicing Agreement (including the Credit and Collection Policies) and taking into account the interests of Noteholders, further complying with all applicable provisions of law or regulation, provided that the Sub-Servicer shall be responsible also in case it does not monitor the Sub-Delegates in accordance with the above and/or it does not pursue any remedy in case of breach by such Sub-Delegates of the representations and/or undertakings contained in the contacts between any of them and the Sub-Servicer; and
- (c) ensure that, even in case of delegation of activities, the Master Servicer (or the Master Servicer's supervisory authorities) and the Issuer can have access to the information and data relating to the Receivables, the Collections and its Sub-Delegates and the performance of the delegated activities by its Sub-Delegates and shall be entitled to perform their inspection and investigation rights as set out in clause 2.1.7 of the Sub-Servicing Agreement against any Sub-Delegate of the Sub-Servicer, in accordance with, and subject to the aforementioned clause.

Under the Sub-Servicing Agreement, neither the Issuer nor the Master Servicer shall have any liability for the payment of any fees, costs, charges, expenses or other payments payable to or incurred by the Sub-Servicer under any sub-contracting or delegation arrangements or arising from the entering into, the continuance of or the termination or any such sub-contracting or delegation arrangements.

The Sub-Servicer undertook in the Sub-Servicing Agreement to hold harmless and indemnify the Issuer and the Master Servicer, in accordance with article 1228 of the Italian civil code, for any duly documented loss, additional cost, charges, expenses or Taxes, actually incurred or sustained by the Issuer or by the Master Servicer as a direct consequence of: (a) any activity carried out by any Sub-Delegate; and/or (b) any breach or failure by any Sub-Delegate in the fulfilment of its undertakings and obligations.

#### **Remuneration of the Sub-Servicer**

As consideration for the activities to be carried out by the Sub-Servicer under the Sub-Servicing Agreement and any other Transaction Document to which it is a party, the Issuer has agreed to pay to the Sub-Servicer on each Payment Date (in accordance with the Transaction Documents and subject to limited recourse and non-petition provisions):

- (a) with respect to the management and collection of the performing Receivables (*in bonis*), a commission equal to 0.40% of the Outstanding Principal of the Receivables at the beginning of the relevant Collection Period; and
- (b) with respect to the administration, collection and recovery of any Delinquent Receivables and/or Defaulted Receivables, a commission equal to 0.50% per annum calculation on the Outstanding Principal Due of the Receivables at the beginning of the relevant Collection Period.

#### **Termination and resignation of the Sub-Servicer**

Under the Sub-Servicing Agreement, the Sub-Servicer acknowledged that the Master Servicer may decide, at its absolute discretion and without prejudice to any other rights or remedies as the Master Servicer may have, to terminate the appointment of the Sub-Servicer if any of the following events

- qualified as "*giusta causa di revoca del mandato*" for the purposes of articles 1725 and 1726 of the Italian Civil Code - occurs (each a "**Sub-Servicer Termination Event**"):

- (a) failure on the part of the Sub-Servicer to deposit or pay any amount required to be paid or deposited according to the Sub-Servicing Agreement, which failure continues unremedied for 5 (five) Business Days after the due date thereof and cannot be attributed to force majeure or technical reasons;
- (b) failure on the part of the Sub-Servicer to observe or perform:
  - (i) any term, condition, covenant or agreement provided for under clause 3.2.10 (*Reporting*) of the Sub-Servicing Agreement and the continuation of such failure for a period of 5 (five) Business Days following receipt by the Sub-Servicer of written notice from the Master Servicer or the Issuer requiring remedy of such failure, and such failure is, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Noteholders;
  - (ii) any other term, condition, covenant or agreement provided for under the Sub-Servicing Agreement and the other Transaction Documents to which it is a party, and the continuation of such failure for a period of 10 (ten) Business Days following receipt by the Sub-Servicer of written notice from the Master Servicer or the Issuer requiring remedy of such failure, and such failure is, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Noteholders;
- (c) any of the representations and warranties given by the Sub-Servicer, pursuant to the Sub-Servicing Agreement, has been proved to be untrue, false or deceptive in any material respect and such default is, in the reasonable opinion of the Representative of the Noteholders, materially prejudicial to the Issuer or the Noteholders, unless, if capable of remedy, such breach is remedied within 20 (twenty) Business Days following receipt by written notice from the Issuer or the Master Servicer requiring remedy of such breach;
- (d) an Insolvency Event occurs with respect to the Sub-Servicer;
- (e) it becomes unlawful for the Sub-Servicer to perform or comply with any of its obligations under the Sub-Servicing Agreement or the other Transaction Documents to which it is a party; and
- (f) an irremediable conflict of interest arises between the interests of the Sub-Servicer and those of the Issuer in any material respect;
- (g) an effective resolution is passed by the Sub-Servicer for a change in its business activity, which, in the good faith judgement of the Issuer, is capable of having a material adverse effect on the Sub-Servicer's ability to perform its obligations under the Sub-Servicing Agreement; and
- (h) in the reasonable opinion of the Representative of the Noteholders or the Master Servicer, the Sub-Servicer is or will be unable to meet the then current legal requirements and the Bank of Italy's regulations for entities acting as servicers in the context of a securitisation transaction.

Pursuant to the Sub-Servicing Agreement, a 30 (thirty) calendar days prior notice of any termination of the Sub-Servicer's appointment shall be given in writing by the Master Servicer to the Sub-Servicer.

The termination of the Sub-Servicing Agreement and the appointment of the Sub-Servicer thereunder shall be effective upon the Back-Up Sub-Servicer having replaced the Sub-Servicer in accordance with the Back-Up Sub-Servicing Agreement or a Substitute Sub-Servicer having been appointed. The Sub-Servicer shall not be released from its obligations under the Sub-Servicing Agreement until the Back-Up Sub-Servicer or a Substitute Sub-Servicer has entered into an agreement with the Master Servicer on substantially the same terms as the Sub-Servicing

Agreement and the Back-Up Sub-Servicer or a Substitute Sub-Servicer has acceded to the Intercreditor Agreement.

It was agreed under the Sub-Servicing Agreement that the Issuer shall indemnify and hold the Master Servicer harmless from and against all duly documented actions, losses, claims, proceedings, costs, expenses (including legal fees), demands and liabilities which may be suffered or incurred by the Master Servicer as a result of the exercise by it of the right to terminate the Sub-Servicer.

The Sub-Servicer must continue to act as such and meet its obligations under the Sub-Servicing Agreement until the Back-Up Sub-Servicer replaces the Sub-Servicer in accordance with the Back-Up Sub-Servicing Agreement or a Substitute Sub-Servicer is appointed. Under no circumstances shall such termination release the Seller from its obligations in relation to the Receivables under the Receivables Purchase Agreement.

On the same date on which a termination notice is served on the Sub-Servicer, the Master Servicer shall send written notice thereof to the Back-Up Sub-Servicer.

In the event that, for any reason, the Back-Up Sub-Servicer does not replace the Sub-Servicer as the Substitute Sub-Servicer within the term set forth under the Back-Up Sub-Servicing Agreement, the Issuer shall be entitled to propose a successor sub-servicer to the Master Servicer that meets the requirements below:

- (a) has expertise in servicing exposure of similar nature to the Receivables and shall have well-documented and adequate policies, procedures and risk-management controls relating to the servicing of Receivables, pursuant to article 21, paragraph 8 of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;
- (b) a party that has and is able to use, in the performance of the credit activity or the activity of loan administration and collection, software that is compatible with the software used so far by the Sub-Servicer;
- (c) a person who is able to ensure, directly or indirectly, the efficient and professional maintenance of a single computerised archive required by the Italian anti-money laundering legislation and, if imposed on the Issuer by such legislation, the production of the information necessary for the reporting required by the Bank of Italy and the fulfilments required by the applicable Privacy Law and the Usury Law or the fulfilments required by any other Italian governmental authority; and
- (d) an entity that has sufficient assets to ensure continuity and effectiveness in the performance of its functions.

Should the Substitute Sub-Servicer proposed by the Issuer meet the relevant requirements, then the Master Servicer shall appoint such Substitute Sub-Servicer in accordance with the terms of an agreement which shall have substantially the same terms as the Sub-Servicing Agreement.

#### **Governing law and jurisdiction**

The Sub-Servicing Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law. The courts of Milan shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

#### **4. DESCRIPTION OF THE BACK-UP SUB-SERVICING AGREEMENT**

##### **General**

Under the Back-Up Sub-Servicing Agreement entered into on [•] April 2024, between the Issuer, the Master Servicer, the Sub-Servicer and the Back-Up Sub-Servicer, the Master Servicer, with the consent of the Issuer, has appointed iQera (also in the interest and for the benefit of the Issuer and the Noteholders, pursuant to article 1723, paragraph 2, of the Italian civil code) so that starting from the 5<sup>th</sup> Business Day following the service of a notice of termination on the Sub-Servicer in accordance with the Sub-Servicing Agreement (the "**Takeover Date**"), iQera shall: (i) succeed to

the Sub-Servicer in the management and administration of the Portfolio, and (ii) carry out the activities undertaken by the Sub-Servicer under the Sub-Servicing Agreement pursuant to the terms of the Back-Up Sub-Servicing Agreement and the Replacement Sub-Servicing Agreement (as defined below).

Pursuant to the Back-Up Sub-Servicer shall, within the Takeover Date:

- (a) open a bank account in Italy for the purposes of receiving any payments from the Debtors in relation to the Receivables and deliver to the Sub-Servicer, the Issuer and the Master Servicer details of such bank account;
- (b) enter, as Substitute Sub-Servicer, into a new sub-servicing agreement having substantially the same terms of the Sub-Servicing Agreement (the "**Replacement Sub-Servicing Agreement**"), provided that the Back-Up Sub-Servicer shall be entitled to subcontract the services to other companies of the iQera Group in accordance with the applicable laws and regulations (including the Bank of Italy regulations) and the provisions of the Sub-Servicing Agreement;
- (c) accede to the Transaction Documents to which the Sub-Servicer is party in the capacity as Substitute Sub-Servicer, provided that the Back-Up Sub-Servicer shall act as new sub-servicer and perform the administration, management, recovery and collection of the Receivables and assume any rights and obligations in connection with the role as Substitute Sub-Servicer pursuant to the other Transaction Documents to which the Sub-Servicer is or will be a party.

The Back-Up Sub-Servicer has represented and warranted, *inter alia*, that it satisfies the requirements for a Substitute Sub-Servicer provided for by the Sub-Servicing Agreement. It is envisaged that in case of termination of the Back-Up Sub-Servicer's appointment under the terms of the Back-Up Sub-Servicing Agreement, the Master Servicer shall appoint a Back-Up Sub-Servicer's successor having the requirements set out in the Sub-Servicing Agreement. The Back-Up Sub-Servicer has agreed to provide cooperation to the successor Back-Up Sub-Servicer for a period of 6 months from such appointment.

#### **Governing law and jurisdiction**

The Back-Up Sub-Servicing Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law. The courts of Milan shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

## **5. DESCRIPTION OF THE CASH ALLOCATION, MANAGEMENT AND PAYMENTS AGREEMENT**

### **General**

Pursuant to the Cash Allocation, Management and Payments Agreement that will be entered into on or about the Issue Date, the Calculation Agent, the Corporate Services Provider and, the Paying Agents have agreed to provide the Issuer with certain agency services and certain calculation, notification and reporting services.

The Cash Allocation, Management and Payments Agreement also contains provisions for the replacement of the Agents upon default or the occurrence of certain specified events.

### **Paying Agents**

The Paying Agents have agreed to provide the Issuer with certain calculation, payment and agency services in relation to the Notes, including without limitation, calculating the rate of interest applicable on the Notes (other than the Class F Notes and the Class R Notes), making payment to the Noteholders, giving notices and issuing certificates and instructions in connection with any meeting of the Noteholders.



### **Calculation Agent**

The Calculation Agent has agreed to provide the Issuer with certain other calculation and reporting services.

### **Termination or resignation of the appointment of the Agents**

The appointment of any of the Calculation Agent and the Paying Agents may be terminated by the Issuer, subject to the prior written approval of the Representative of the Noteholders, upon 90 calendar days written notice.

Each of the Calculation Agent and the Paying Agents may resign from its appointment under the Cash Allocation, Management and Payments Agreement, upon giving not less than 90 calendar days (or such shorter period as the Representative of the Noteholders may agree) prior written notice of termination to the Issuer and the Representative of the Noteholders.

Such resignation will be subject to and conditional upon:

- (a) if such resignation would otherwise take effect less than 10 calendar ten days before or after any Payment Date (or any other date on which the Issuer is allowed or obliged for whatever reason to effect payments in respect of the Notes), such resignation not taking effect until the tenth day following the relevant Payment Date;
- (b) a substitute Calculation Agent being appointed by the Issuer, on substantially the same terms as those set out in the Cash Allocation, Management and Payments Agreement; and
- (c) no Agent being released from its obligations under the Cash Allocation, Management and Payments Agreement until a substitute Agent has entered into such new agreement and it has become a party to the Intercreditor Agreement and the other relevant Transaction Documents.

### **Governing law and jurisdiction**

The Cash Allocation, Management and Payments Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law. The courts of Milan shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

## **6. DESCRIPTION OF THE INTERCREDITOR AGREEMENT**

### **General**

On or about the Issue Date, the Issuer and the Account Bank, the Cash Manager, the Calculation Agent, the Principal Paying Agent, the Custodian, the Italian Paying Agent, the Hedge Counterparty, the Back-Up Sub-Servicer, the Originator, the Seller, the Sub-Servicer, the Reporting Entity, the Risk Retention Holder, the Master Servicer, the Representative of the Noteholders and the Corporate Services Provider will enter into the Intercreditor Agreement. Under the Intercreditor Agreement provision is made as to the application of the proceeds from collections in respect of the Portfolio and as to the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to the Portfolio.

### **Priority of payments**

In the Intercreditor Agreement, the parties thereto have agreed, *inter alia*, to the order of priority of the payments to be made out of the Issuer Available Funds, in accordance with the applicable Priority of Payments.

### **Limited recourse obligations**

Under the Intercreditor Agreement it is **provided that** the obligations owed by the Issuer to the Noteholders and, in general, to the Other Issuer Creditors are limited recourse obligations of the Issuer. The Noteholders and the Other Issuer Creditors have a claim against the Issuer only to the

extent of the Issuer Available Funds in each case subject to and as provided in the Intercreditor Agreement and the other Transaction Documents.

#### **Directions of the Representative of the Noteholders following the service of a Trigger Notice**

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

#### **Disposal of the Portfolio following the occurrence of a Trigger Event**

Pursuant to the Intercreditor Agreement, following the delivery of a Trigger Notice and in accordance with the Conditions, the Issuer (or the Representative of the Noteholders on its behalf) may (with the consent of an Extraordinary Resolution of the Most Senior Class of Noteholders) or shall (if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders) dispose of the Portfolio or any part thereof in accordance with the provisions of the Intercreditor Agreement, it being understood that no provisions shall require the automatic liquidation of the Portfolio pursuant to article 21(4) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

#### **Risk retention and transparency requirements under the EU Securitisation Regulation and the UK Securitisation Regulation**

Under the terms of the Intercreditor Agreement, the Risk Retention Holder has undertaken to the Issuer, the Representative of the Noteholders, the Lead Manager and the Arranger:

- (a) to subscribe for, hold and retain with effect from the Issue Date and maintain (on an ongoing basis) a net economic interest of not less than 5 per cent. in the Securitisation in accordance with option 3 (c) of article 6 of the EU Securitisation Regulation (the "**EU Minimum Required Interest**") and option 3 (c) of article 6 of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) (the "**UK Minimum Required Interest**") (or any other permitted alternative method thereafter) until the Final Maturity Date;
- (b) that (i) the EU Minimum Required Interest will be satisfied through the Risk Retention Holder selecting and holding a pool of randomly selected exposures equivalent to not less than 5 per cent. of the nominal value of the securitised exposures, where such non-securitised exposures would otherwise have been securitised in the securitisation, as required by the text of paragraph (c) of Article 6(3) of the EU Securitisation Regulation; and (ii) the UK Minimum Required Interest will be satisfied through the Risk Retention Holder selecting and holding a pool of randomly selected exposures equivalent to not less than 5 per cent. of the nominal value of the securitised exposures, where such non-securitised exposures would otherwise have been securitised in the securitisation, as required by the text of paragraph (c) of Article 6(3) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures);
- (c) not to change the manner or form in which it retains (i) the EU Minimum Required Interest, except to the extent permitted under the EU Securitisation Regulation, or (ii) the UK Minimum Required Interest, except to the extent permitted under the UK Securitisation Regulation (as interpreted and applied on the date hereof and not taking into account any relevant national measures);
- (d) not to transfer, sell or hedge or otherwise enter into any credit risk mitigation, short position or any other credit risk hedge or other activity prohibited under (i) Article 6 of the EU Securitisation Regulation with respect to the EU Minimum Required Interest, except to the extent permitted under the EU Securitisation Regulation or (ii) Article 6 of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national

measures) with respect to the UK Minimum Required Interest, except to the extent permitted under the UK Securitisation Regulation;

- (e) to at all times to confirm, promptly upon the written request of the Arranger and the Lead Manager and/or the Representative of the Noteholders, the continued compliance with paragraphs (a), (b) and (d) above;
- (f) to promptly notify the Arranger, the Lead Manager, the Representative of the Noteholders and the Master Servicer if for any reason it (i) ceases to hold the retention in accordance with the requirements of the Intercreditor Agreement or (ii) fails to comply with the covenants set out in the Intercreditor Agreement in respect of the retention;
- (g) to comply with the disclosure obligations described in (i) Article 7(1)(e) of the EU Securitisation Regulation and (ii) Article 7(1)(e) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) by confirming its risk retention as contemplated by (i) Article 6 of the EU Securitisation Regulation and (ii) Article 6 of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) through the provision of the information in the Prospectus, disclosure in the Securitisation Regulation Investor Reports (as prepared by the Calculation Agent) and procuring provision to the Representative of the Noteholders, the Lead Manager and the Issuer of access to any reasonable and relevant additional data and information referred to in Article 5 of the EU Securitisation Regulation and Article 5 of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) (subject to all applicable laws);
- (h) to prepare and provide (or procure that it is prepared and provided) all applicable information required to be provided to investors for the purposes of Article 7 of the EU Securitisation Regulation and as described in Article 7 of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures). For the purposes of Article 7(2) of the EU Securitisation Regulation and Article 7(2) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures), the Risk Retention Holder (as the originator for the purposes of Article 7 of the EU Securitisation Regulation and Article 7 of the UK Securitisation Regulation) and the Issuer designate the Risk Retention Holder to fulfil the applicable information requirements of Article 7(1) of the EU Securitisation Regulation and Article 7(1) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures), and further acknowledge that the Issuer has delegated performance of these obligations to the Servicers and the Calculation Agent; and
- (i) to notify the Issuer, the Representative of the Noteholders and the Master Servicer of any change in the manner in which the EU Minimum Required Interest and the UK Minimum Required Interest is held.

Under the terms of the Intercreditor Agreement, the Originator and the Issuer have designated among themselves the Originator to act as reporting entity (the "**Reporting Entity**") in accordance with and for the purposes of article 7, paragraph 2, of the EU Securitisation Regulation and article 7, paragraph 2, of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) and the parties thereto have acknowledged that the Reporting Entity (also through any agent on its behalf) shall be responsible for complying with article 7 of the EU Securitisation Regulation and article 7 of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) in accordance with the Transaction Documents and will fulfil (also through any agent on its behalf) the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation

and pursuant to points (a), (d), (c), (e), (f) and (g) of the first subparagraph of article 7(1) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) by making available the relevant information (i) to the Noteholders, and (ii) upon request, to potential investors, on an ongoing monthly basis.

In addition, under the Intercreditor Agreement, the Reporting Entity has undertaken to the parties to the Intercreditor Agreement to:

- (a) prepare (through the Master Servicer) and make available the Loan Level Report in the form set out under the 'Annex VI' of the Disclosure RTS prepared in accordance with letter (a) of article 7, paragraph 1, of the EU Securitisation Regulation and the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) and the Regulatory Technical Standards from time to time applicable. The Loan Level Report is made available to the entities referred to under article 7, paragraph 1, of the EU Securitisation Regulation and the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) as soon as it is available, but in any event no later than the Securitisation Regulation Report Date. The Loan Level Report will be made available on the Securitisation Repository;
- (b) prepare (through the Master Servicer) and make available the Inside Information and Significant Event Report in order to fulfil the disclosure requirements in respect of: (i) any event that, in the opinion of the Reporting Entity constitutes inside information that shall be made public in accordance with article 17 of the EU Market Abuse Regulation and the UK Market Abuse Regulation, and/or (ii) a significant event (as referred to in article 7(1)(g)) of the EU Securitisation Regulation and the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) (including, *inter alia*, the occurrence of a Trigger Event, the delivery of any Trigger Notice to the Noteholders, any changes to the applicable Priority of Payments). The Inside Information and Significant Event Report is made available to the entities referred to under article 7, paragraph 1, of the EU Securitisation Regulation and article 7, paragraph 1 of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) without undue delay, upon the Reporting Entity or the Originator becoming aware of the inside information or the occurrence of the significant event, in accordance with the applicable Disclosure RTS. The Inside Information and Significant Event Reports should be made available also on monthly basis concurrently with the Loan Level Report and Securitisation Regulation Investor Report;
- (c) prepare (through the Master Servicer) and make available a Securitisation Regulation Investor Report substantially in the form set out under the 'Annex XII' of the Disclosure RTS or in any other form from time to time applicable in order to fulfil the investor reporting requirement under article 7, paragraph 1, letter (e) of the EU Securitisation Regulation and article 7, paragraph 1, letter (e) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) and in compliance with the applicable Disclosure RTS. The Securitisation Regulation Investor Report is made available to the entities referred to under article 7, paragraph 1, of the EU Securitisation Regulation and article 7, paragraph 1, of the UK Securitisation Regulation by the Securitisation Regulation Report Date. The Securitisation Regulation Investor Report will be made available on the Securitisation Repository (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures).

Under the Intercreditor Agreement, the parties thereto have, *inter alia*, acknowledged that:

- (i) before pricing, drafts of both the STS Notification and the Transaction Documents have been made available via the Securitisation Repository;

- (ii) before pricing, the Originator has made available via the Securitisation Repository, data on static and dynamic historical default and loss performance relating to the five years period in respect of claims substantially similar to the Receivables, together with the source of such data and the basis for claiming similarity, pursuant to article 22(1) of the EU Securitisation Regulation and article 22(1) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) and the EBA Guidelines on STS Criteria;
- (iii) before pricing, the Originator (i) has made available to potential investors and the competent authorities referred to in article 29 of the EU Securitisation Regulation and article 29 of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) via the Securitisation Repository, a liability cash flow model which precisely represents the contractual relationship between the underlying exposures and the payments flowing between the Originator, Noteholders, other third parties and the Issuer, and (ii) shall continue to make such cash flow model available via the Securitisation Repository to the Noteholders, the competent authorities referred to in article 29 and potential investors on an ongoing basis, for the purpose of compliance with article 22, paragraph 3 of the EU Securitisation Regulation article 22, paragraph 3 and the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) and the EBA Guidelines on STS Criteria; and
- (iv) before pricing, the Originator has made available via the Securitisation Repository to potential investors and the competent authorities referred to in article 29 of the EU Securitisation Regulation and article 29 of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures), loan level data in the form of the Loan Level Report.

#### **Governing law and jurisdiction**

The Intercreditor Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law. The courts of Milan shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

### **7. DESCRIPTION OF THE MANDATE AGREEMENT**

#### **General**

On or about the Issue Date, the Issuer and the Representative of the Noteholders will enter into the Mandate Agreement pursuant to which, the Representative of the Noteholders will be entitled to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of certain Transaction Documents to which the Issuer is a party, upon the occurrence of at least one of the following events: (i) a Trigger Notice has been sent to the Issuer according to Condition 12.2 (*Delivery of Trigger Notice*); or (ii) the Issuer fails to timely exercise any of its rights under the Transaction Documents and fails to fulfil certain conditions, **provided that** the notification of such failure is given by the Representative of the Noteholders to the Issuer and further **provided that** such failure is not remedied by the Issuer within 10 (ten) Business Days from such notification.

#### **Governing law and jurisdiction**

The Mandate Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law. The courts of Milan shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

8. **DESCRIPTION OF THE CORPORATE SERVICES AGREEMENT**

**General**

Under the Corporate Services Agreement that will be entered into on or about the Issue Date, between the Issuer, the Corporate Services Provider and the Representative of the Noteholders, the Corporate Services Provider has agreed to provide certain corporate administration and management services to the Issuer in relation to the Securitisation.

**Governing law and jurisdiction**

The Corporate Services Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law. The courts of Milan shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

9. **DESCRIPTION OF THE ENGLISH DEED OF ASSIGNMENT**

**General**

On or about the Issue Date, the Issuer and the Representative of the Noteholders will enter into the English Deed of Assignment under which, without prejudice and in addition to any security, guarantees and other rights provided by the Securitisation Law securing the discharge of the Issuer's obligation to the Noteholders and the Other Issuer Creditors, the Issuer will assign absolutely with full title guarantee to the Representative of the Noteholders (as trustee for the Noteholders and the Other Issuer Creditors) all the Issuer's present and future right, title, benefit and interest arising under the Hedge Agreement and the English Account Bank Agreement. The security created by the English Deed of Assignment will become enforceable upon occurrence of a Trigger Event.

**Governing law and jurisdiction**

The English Deed of Assignment and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with English law. The courts of England shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

10. **DESCRIPTION OF THE DEED OF CHARGE**

Under the terms of the Deed of Charge, the Issuer has granted to the Representative of the Noteholders a pledge over the Issuer's rights in respect of the Collection Account, the Payments Account, the Cash Reserve Account, the Expenses Account and any other bank or other accounts including, without limitation, the Hedge Collateral Account and any Securities Account(s) in England and Wales in which the Issuer may at any time have or acquire any benefit and (to the extent of its interest) all monies standing to the credit of or accrued or accruing on such accounts.

**Governing law and jurisdiction**

The Deed of Charge and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with English law. The courts of England shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

11. **DESCRIPTION OF THE HEDGE AGREEMENT**

**General**

On or about the Issue Date, the Issuer will enter into a hedge transaction (the "**Hedge Transaction**") with the Hedge Counterparty, intended to be effective as from the Issue Date. The Hedge Transaction shall be governed by a ISDA 1992 Master Agreement (Multicurrency-Cross Border) (the "**ISDA Master Agreement**"), together with the Schedule thereto (the "**Schedule**"), an ISDA credit support annex (the "**Credit Support Annex**") and a confirmation (the "**Confirmation**" and, together with the ISDA Master Agreement, the Schedule and the Credit

Support Annex, the "**Hedge Agreement**"). The Hedge Transaction is entered into in order to hedge against the potential interest rate exposure of the Issuer in relation to its floating rate interest obligations under the Rated Notes. The obligations of the Issuer under the Hedge Agreement shall be limited recourse to the Issuer Available Funds.

Pursuant to the Confirmation, in respect of each Payment Date, the following amounts will be calculated:

- (a) the Hedge Counterparty will pay an amount calculated by applying the floating rate (as defined and determined in the Confirmation) for the relevant interest period to the Hedge Notional Amount and multiplying the resulting amount by the applicable day count fraction (as specified in the Confirmation); and
- (b) the Issuer will pay an amount calculated by applying a fixed rate (as defined and determined in the Confirmation) to the notional amount of the Hedge Transaction and multiplying the resulting amount by the applicable day count fraction (as specified in the Confirmation).

The payments referred to in paragraphs (a) and (b) above will be subject to the customary netting provisions under the Hedge Agreement such that only the difference between paragraphs (a) and (b) above will be payable by the Hedge Counterparty or the Issuer (as applicable).

The Hedge Counterparty will be required to make payments pursuant to the Hedge Agreement without any withholding or deduction of taxes unless required by law. If any such withholding or deduction is required by law, the Hedge Counterparty will, subject to certain conditions, be required to pay such additional amount as is necessary to ensure that the amount actually received by the Issuer will equal the full amount the Issuer would have received had no such withholding or deduction been required. Such a change in tax law may result in the termination of the Hedge Agreement.

### **Governing law and jurisdiction**

The Hedge Agreement, and any non-contractual obligations arising out of or in connection with it, are governed by and shall be construed in accordance with English law. The courts of England shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

## **12. DESCRIPTION OF THE ENGLISH ACCOUNT BANK AGREEMENT**

### **General**

Pursuant to the English Account Bank Agreement entered into on or prior to the Issue Date between the Issuer and, *inter alios*, the Account Bank, the Cash Manager, the Calculation Agent, the Seller, the Sub-Servicer, the Master Servicer, the Corporate Services Provider and the Representative of the Noteholders, the Account Bank shall assume certain undertakings with respect to, *inter alia*, the opening of the Accounts and account handling and investment services in relation to monies and securities from time to time standing to the credit of the Accounts, and the Cash Manager has agreed to provide certain agency services in relation to Eligible Investments.

### **Accounts**

The Issuer has opened and shall at all times maintain, until the earlier of: (i) the date upon which the Notes have been redeemed in full or cancelled in accordance with the Conditions; and (ii) the Final Maturity Date, the Collection Account, the Payments Account, the Cash Reserve Account and the Expenses Account with the Account Bank.

The Issuer may open the Securities Account with the Account Bank in order to effect any Eligible Investments following the Issue Date, subject to the terms and conditions of the English Account Bank Agreement.

If required, the Issuer may open with Citibank, N.A., London Branch or an Eligible Institution, the Hedge Collateral Account, a Euro denominated account into which any cash collateral to be posted by the Citibank, N.A., London Branch under the Hedge Agreement will be credited.

The Account Bank has agreed to prepare and deliver to, *inter alios*, the Issuer, the Representative of the Noteholders, the Master Servicer, the Sub-Servicer, the Corporate Services Provider and the Calculation Agent a bank account statement in relation to the Collection Account, the Payments Account, the Cash Reserve Account and the Expenses Account and any other Account that may be opened with the Account Bank.

### **Account Bank**

The Account Bank has agreed to (i) open in the name of the Issuer and manage, in accordance with the English Account Bank Agreement, the Collection Account, the Payments Account, the Expenses Account, the Cash Reserve Account and, if required, may open the Hedge Collateral Account and the Securities Account(s); and (ii) provide the Issuer with certain handling services in relation to monies from time to time standing to the credit of such Accounts. For further details, see the section entitled "*The Accounts*".

Under the English Account Bank Agreement, the Account Bank shall provide the Cash Manager and the Issuer with a written statement in respect of each Account on a monthly basis and also as soon as reasonably practicable after receipt of a request for a statement. Except in connection with a reasonable request made by the Issuer prior to a Trigger Notice being served on the Issuer, the Cash Manager, the Representative of the Noteholders and the Issuer agree that collectively, no more than one request for a statement can be made per calendar quarter by the Issuer, the Representative of the Noteholders or the Cash Manager. Under the English Account Bank Agreement, the Account Bank is hereby authorised by the Issuer to provide statements in respect of the Accounts to the Cash Manager and the Representative of the Noteholders.

The Account Bank shall at all times be an Eligible Institution.

### **Payments**

Under the English Account Bank Agreement, the Account Bank agrees that it will effect the payment specified in the relevant direction on the second Business Day following the day on which such direction is received and for value on that day **provided that**, if any direction is received later than 11 a.m. (London time) on any Business Day, the Account Bank shall make such payment on the first Business Day following receipt of such direction. If the Account Bank receives such a direction on a day that is not a Business Day, then such direction shall be deemed to be received on the next following Business Day.

### **Payments to Noteholders and Other Issuer Creditors**

Under the English Account Bank Agreement, the Issuer or the Calculation Agent (on behalf of the Issuer) and/or (following the delivery of a Trigger Notice) the Representative of the Noteholders will instruct the Account Bank to arrange for the transfer on each Payment Date, of sufficient amounts, from the Accounts held with the Account Bank (other than the Payments Account) into the Payments Account as indicated in the relevant Payments Report (or Post-Trigger Notice Report, as the case may be) and, upon written instructions by the Issuer, the Account Bank shall make the payments in favour of the Paying Agents or the other Issuer's creditors and/or shall retain into the Payments Account the amounts specified in the relevant Payments Report (or Post-Trigger Notice Report, as the case may be). In particular:

- (a) payments in favour of the Noteholders shall be made by transferring the full amount thereof to the Paying Agents to provide for such payments on such Payment Date; and
- (b) payments to the Other Issuer Creditors and any other third party creditors shall be made by the Account Bank on such 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.

### **Cash Manager**



Under the English Account Bank Agreement, the Cash Manager may (but shall not be obliged to) on any Business Day on which the same are not otherwise required for making any payment due by the Issuer under the terms of the Transaction Documents, upon the direction and specification of the Issuer, instruct the Account Bank to withdraw (or keep withdrawn) funds from the relevant Accounts for the purpose only of investing those funds in Eligible Investments specified by the Issuer.

The Cash Manager shall deliver via email or facsimile transmission to the Calculation Agent, any information related to the Eligible Investments made, upon the instructions of the Issuer, in accordance with the English Account Bank Agreement.

### Termination

The Issuer shall terminate the English Account Bank Agreement with respect to (i) the Account Bank in respect of any Account and close the Account, and/or the Cash Manager (as the case may be) (subject to a replacement account bank and/or cash manager having been appointed if any of the matters specified in paragraphs (b) to (e) (inclusive) below occur, in each case, by serving a written notice of termination on the Account Bank and/or the Cash Manager in the following circumstances:

- (a) in respect of the Account Bank, if a deduction or withholding for or on account of any Tax or any FATCA Deduction, pursuant to clause 16 (Withholding) of the English Account Bank Agreement or otherwise, is imposed, or it appears likely that such a deduction or withholding will be imposed, in respect of the interest payable on any Issuer Account on the next date such interest is to be paid; or
- (b) in respect of the Account Bank, it ceases to be an Eligible Institution and one of the following has not occurred within 60 days following the first day on which such downgrade event occurred:
  - (i) closure of the Accounts held with the Account Bank and the opening of new replacement account with a financial institution identified by the Issuer (A) being an Eligible Institution and (B) which is a bank as defined in section 991 of the Income Tax Act 2007 and payments of interest are made in the ordinary course of its business within the meaning of section 878 of the Income Tax Act 2007 (with (A) and (B) together being the "**Account Bank Requirements**"); or
  - (ii) a guarantee in support of the Account Bank's obligations under the English Account Bank Agreement is obtained from a financial institution being an Eligible Institution; or
- (c) otherwise than for the purposes of such amalgamation or reconstruction as is referred to in paragraph (iv) below, ceases or, through an authorised action of the board of directors of the Account Bank and/or the Cash Manager (as the case may be), threatens to cease to carry on all or substantially all of its business or the Account Bank and/or the Cash Manager (as the case may be) is deemed unable to pay its debts as and when they fall due within the meaning of section 123(1)(a) of the Insolvency Act 1986 (on the basis that the reference in such section to £750 was read as a reference to £10 million), section 123(1)(b), (c), (d) and € of the Insolvency Act (on the basis that the words "for a sum exceeding £10 million" were inserted after the words "extract registered bond" and "extract registered protest") and section 123(2) of the Insolvency Act 1986 (as that section may be amended) or ceases to be a bank as defined in section 991 of the Income Tax Act 2007; or
- (d) if an order is made or an effective resolution is passed for the winding-up of the Account Bank and/or the Cash Manager (as the case may be), except a winding-up for the purposes of or pursuant to a solvent amalgamation or reconstruction the terms of which have previously been approved in writing by the Representative of the Noteholders (such approval to be provided in accordance with the Intercreditor Agreement); or
- (e) if proceedings are initiated against the Account Bank and/or the Cash Manager (as the case may be) under any applicable liquidation, insolvency, bankruptcy, composition,

reorganisation (other than a reorganisation where the Account Bank and/or the Cash Manager (as the case may be) is solvent) or other similar laws (including, but not limited to, presentation of a petition for an administration order, the filing of documents with the court for the appointment of an administrator or the service of a notice of intention to appoint an administrator) and (except in the case of presentation of a petition for an administration order, the filing of documents with the court for the appointment of an administrator or the service of a notice of intention to appoint an administrator) such proceedings are not, in the reasonable opinion of the Representative of the Noteholders, being disputed in good faith with a reasonable prospect of success or an administration order is granted or the appointment of an administrator takes effect or an administrative receiver or other receiver, liquidator, trustee in sequestration or other similar official is appointed in relation to the Account Bank and/or the Cash Manager (as the case may be) or in relation to the whole or any substantial part of the undertaking or assets of the Account Bank and/or the Cash Manager (as the case may be), or an encumbrancer takes possession of the whole or any substantial part of the undertaking or assets of the Account Bank and/or the Cash Manager (as the case may be), or a distress, execution or diligence or other process is levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of the Account Bank and/or the Cash Manager (as the case may be) and such possession or process (as the case may be) is not discharged or otherwise ceases to apply within 30 days of its commencement or the Account Bank initiates or consents to judicial proceedings relating to itself under applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws or makes a conveyance or assignment or assignation for the benefit of its creditors generally or takes steps with a view to obtaining a moratorium in respect of any indebtedness; or

- (f) default is made by the Account Bank in the payment on the due date of any payment due and payable by it under the English Account Bank Agreement (provided that funds have been paid to the Account Bank in accordance with the terms of the Transaction Documents) and such default continues unremedied for a period of seven Business Days after the earlier of the Account Bank becoming aware of such default and receipt by the Account Bank of written notice from the Issuer, the Calculation Agent or, following the delivery of a Trigger Notice, the Representative of the Noteholders, requiring the same to be remedied; or
- (g) default is made by the Account Bank and/or the Cash Manager (as the case may be) in the performance or observance of any of its other covenants and obligations under the English Account Bank Agreement, which in the opinion of the Representative of the Noteholders is materially prejudicial to the interests of the Noteholders and such default continues unremedied for a period of twenty Business Days after the earlier of the Account Bank and/or the Cash Manager (as the case may be) becoming aware of such default and receipt by the Account Bank of written notice from the Issuer, the Calculation Agent or, following the delivery of a Trigger Notice, the Representative of the Noteholders requiring the same to be remedied.

### **Governing law and jurisdiction**

The English Account Bank Agreement, and any non-contractual obligations arising out of or in connection with it, are governed by and shall be construed in accordance with English law. The courts of England shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

## **13. DESCRIPTION OF THE QUOTAHOLDER'S AGREEMENT**

### **General**

Pursuant to the Quotaholder's Agreement entered into on or prior to the Issue Date between the Issuer, the Quotaholder and the Representative of the Noteholders, the Quotaholder shall assume certain undertakings with respect to, *inter alia*, the exercise of its voting rights in the Issuer, and shall undertake not to dispose of its interest in the Issuer. The undertakings assumed in the Quotaholder's Agreement and the covenants made in the Transaction Documents are intended to prevent any abuse of control of the Issuer by the Quotaholder.

**Governing law and jurisdiction**

The Quotaholder's Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law. The courts of Milan shall have exclusive jurisdiction to hear any disputes that may arise in connection therewith.

## REGULATORY DISCLOSURE AND RETENTION UNDERTAKING

Under the Intercreditor Agreement, Younited S.A., Italian Branch, in its capacity as Originator, has undertaken to, *inter alios*, the Issuer and the Representative of the Noteholders to:

- (a) retain with effect from the Issue Date and maintain (on an ongoing basis) a material net economic interest of not less than 5 per cent. in the Securitisation in accordance with option 3 (c) of article 6 of the EU Securitisation Regulation and option 3 (c) of article 6 of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures)) (or any other permitted alternative method thereafter) until the Final Maturity Date;
- (b) comply with the requirements from time to time applicable to originators set forth in articles 6, 7 and 9 of the EU Securitisation Regulation and articles 6, 7 and 9 of the UK Securitisation Regulation (as such articles of the UK Securitisation Regulation are interpreted and applied on the date hereof and not taking into account any relevant national measures); and
- (c) provide on a timely basis adequate disclosure of all information required to be made available to the Noteholders by Younited S.A., Italian Branch pursuant to article 5 of the EU Securitisation Regulation and article 5 of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures), subject always to any requirement of law.

For such purpose, the Originator has undertaken:

- (a) retain at the Issue Date, and maintain on an on-going basis for as long as the Notes of any Class are outstanding, a material net Economic interest of not less than five per cent. in the Securitisation through the holding a pool of randomly selected Exposures equivalent to not less than 5 per cent. of the nominal value of the securitised exposures, where such non-securitised exposures would otherwise have been securitised in the securitisation as required by option (c) of article 6(3) of the EU Securitisation Regulation and option (c) of article 6(3) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) (and the applicable Regulatory Technical Standards);
- (b) not change the manner in which the net economic interest is held, unless expressly permitted by (i) article 6(3) of the EU Securitisation Regulation and the Commission Delegated Regulation (EU) number 2175/2023, (ii) article 6(3) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) and any applicable Regulatory Technical Standard;
- (c) procure that any change to the manner in which such retained interest is held in accordance with paragraph (b) above will be notified to the Calculation Agent to be disclosed in the SR Investor Report; and
- (d) to ensure that the material net economic interest requirements are not split amongst different types of retainers, nor are subject to any credit risk mitigation or any short position or any other hedge, as and to the extent required by article 6 of the EU Securitisation Regulation and article 6 of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) and the applicable Regulatory Technical Standards.

For so long as the Notes are outstanding the Originator has undertaken comply with the disclosure duties specified in article 7, paragraph 1, letter (e), sub-paragraph (iii) of the EU Securitisation Regulation and in article 7, paragraph 1, letter (e), sub-paragraph (iii) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) and in the applicable Regulatory Technical Standards. For such purpose, the Originator has undertaken to make available to the Noteholders and any prospective investors in the Notes, through the Master Servicer, the information required by article 7, paragraph 1, letter (e), sub-paragraph (iii) of the EU Securitisation Regulation and article 7, paragraph 1, letter (e), sub-paragraph (iii) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and

applied on the date hereof and not taking into account any relevant national measures) and the applicable Regulatory Technical Standards (including, in particular, the information regarding the net economic interest from time to time held by the Originator in the Securitisation) and has authorised the Master Servicer to reproduce in the SR Investor Report the above-mentioned information contained in the Sub-Servicer Report. It is understood that the SR Investor Report shall be deemed to have been produced on behalf of the Originator, under the Originator's full responsibility, with reference to the above-mentioned information.

***Prospective Noteholders are required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with the provisions of the EU Securitisation Regulation and of the UK Securitisation Regulation (the latter as interpreted and applied on the date hereof and not taking into account any relevant national measures) and any corresponding national measure which may be relevant and none of the Issuer, the Originator, the Master Servicer, the Sub-Servicer, the Arranger, the Lead Manager or any other party to the Transaction Documents or any other person makes any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes.***

***Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.***

## THE ACCOUNTS

The Issuer has opened with the Account Bank the following accounts:

- (a) the Collection Account, the Payments Account, the Expenses Account and the Cash Reserve Account with the Account Bank; and
- (b) the Quota Capital Account with Banca del Fucino S.p.A.

In addition, the Issuer:

- (a) may open, if required, a Hedge Collateral Account with the Account Bank;
- (b) may open one or more Securities Account(s) with the Custodian.

### 1. COLLECTION ACCOUNT

The Collection Account will be the Account for the deposit of (a) all the Collections and Recoveries in respect of the Portfolio will be credited, (b) any amounts due to the Issuer by any party of the Transaction Documents thereunder (other than any other payment which is expressed to be made or credited on other Accounts pursuant to the Transaction Documents) will be credited, (c) any proceeds deriving from the sale, if any, of the aggregate Portfolio in accordance with the provisions of the Transaction Documents will be credited, and (d) any proceeds deriving from the sale, if any, of individual Receivables in accordance with the provisions of the Transaction Documents will be credited.

Pursuant to the Sub-Servicing Agreement and the English Account Bank Agreement, the Sub-Servicer shall credit to the Collection Account, established in the name of the Issuer with the Account Bank, all the amounts received or recovered in respect of the Receivables no later than the 2<sup>nd</sup> Business Day following receipt or recovery thereof.

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

### 2. CASH RESERVE ACCOUNT

The Cash Reserve Account will be the Account into which the Cash Reserve shall be credited, in accordance with the English Account Bank Agreement.

On each Payment Date up to (but excluding) the Cash Reserve End Date, the Cash Reserve will form part of the Interest Available Funds and will be available to make payments in accordance with the Pre-Trigger Notice Interest Priority of Payments.

On each Payment Date up to (but excluding) the Cash Reserve End Date, the Interest Available Funds will be applied in accordance with the Pre-Trigger Notice Interest Priority of Payments to bring the balance of the Cash Reserve Account up to (but not exceeding) the Target Cash Reserve Amount.

On the Cash Reserve End Date, the Target Cash Reserve Amount will be reduced to 0 (zero) and all amounts standing to the credit of the Cash Reserve Account will form part of the Interest Available Funds and will be available to make payments in accordance with the applicable Priority of Payments.

### 3. EXPENSES ACCOUNT

The Expenses Account will be the Account into which the Retention Amount shall be credited in accordance with the English Account Bank Agreement.

The Expenses Account will be funded, on the Issue Date using part of the net proceeds of the issuance of the Class X Notes. In the event that on any Payment Date the balance of the Expenses Account is lower than the Retention Amount, the Issuer Available Funds shall be applied, in accordance with the applicable Priority of Payments, to bring the balance of the Expenses Account up to (but not exceeding) the Retention Amount.

The amounts standing to the credit of the Expense Account will be used to pay, during each Interest Period, the Expenses falling due in the relevant Interest Period and, after the Payment Date on which the Notes will be redeemed in full or cancelled, any known Expenses not yet paid and any Expenses falling due after such Payment Date.

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

4. **PAYMENTS ACCOUNT**

The Payments Account will be the Account into which on each Payment Date the amounts standing to the credit of, *inter alia*, the Collection Account and the Cash Reserve Account shall be transferred so as to be applied to make the payments due by the Issuer on such Payment Date, in accordance with the applicable Priority of Payments and the English Account Bank Agreement.

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

5. **HEDGE COLLATERAL ACCOUNT**

Pursuant to the Hedge Agreement and the English Account Bank Agreement, the Issuer may, if required, open with the Account Bank the Hedge Collateral Account. The Hedge Collateral Account, if opened by the Issuer, will be the Account into which any cash collateral to be posted by the Hedge Counterparty under the Hedge Agreement will be credited.

The Hedge Collateral Account, if opened by the Issuer, will be maintained with Account Bank for as long as it is an Eligible Institution. The Issuer may from time to time open additional cash and/or securities accounts for the purposes of depositing other forms of collateral which may be posted by the Hedge Counterparty under the Hedge Agreement.

The Hedge Collateral Account (if opened) will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

6. **SECURITIES ACCOUNT(S)**

Pursuant to the English Account Bank Agreement, the Issuer may, if required, open Securities Account(s) with the Custodian in accordance with the terms of the Global Custodial Services Agreement. The Securities Account(s) will be Accounts into which the Eligible Investments (being cash or securities) may be deposited as per instructions given in accordance with the terms of the Global Custodial Services Agreement and the English Account Bank Agreement.

7. **QUOTA CAPITAL ACCOUNT**

The Issuer has opened with Banca del Fucino S.p.A. the Quota Capital Account on which the corporate capital of the Issuer has been deposited.

## ESTIMATED WEIGHTED AVERAGE LIFE OF THE CLASS A, B, C, D, E, F AND X NOTES

Weighted average life (WAL) refers to the average amount of time that will elapse from the date of issuance of a security to the date of distribution to the investor of amounts distributed in net reduction of principal of such security. The weighted average life of the Class A, B, C, D, E, F and X Notes will be influenced by, *inter alia*, the actual rate of collection of the Receivables.

Calculations as to the weighted average life of the Class A, B, C, D, E, F and X Notes can be made on the basis of certain assumptions, including the rate at which the Receivables are prepaid, the amount of the Defaulted Receivables and whether for a repurchase option is exercised upon the occurrence of a Clean-up Call Event.

The following table shows the weighted average life of the Class A, B, C, D, E, F and X Notes expressed in number of years and has been prepared based on the characteristics of the Receivables included in the Portfolio, on historical performance and on the following additional assumptions:

- (i) the Notes are issued on the Issue Date of [•]<sup>th</sup> April 2024;
- (ii) the first Payment Date will be [25<sup>th</sup>] June 2024 and thereafter each following Payment Date will be on the [25<sup>th</sup>] of each month, or next business day if the Payment Date is on a weekend or public holiday;
- (iii) the Receivables are subject to a constant annual rate of principal prepayments (CPR) as set out in the below table;
- (iv) the Receivables are fully performing and do not show any delinquencies or defaults;
- (v) no Receivables are repurchased by the Seller (other than according to item (vi) below);
- (vi) the transaction is called at the Clean-up Call Event;
- (vii) no Tax Call Event occurs,
- (viii) the initial amount of each Class of Notes is equal to the aggregate Principal Outstanding Amount as set forth on the front cover of this Prospectus; and
- (ix) one-month EURIBOR remains at a rate of 3.83 per cent. for as long as any Notes are outstanding.

Class	CPR 0%	CPR 5%	CPR 10%	CPR 15%	CPR 20%	CPR 25%	CPR 30%	CPR 35%
A.....	2.84	2.56	2.30	2.07	1.87	1.68	1.52	1.38
B.....	2.84	2.56	2.30	2.07	1.87	1.68	1.52	1.38
C.....	2.84	2.56	2.30	2.07	1.87	1.68	1.52	1.38
D.....	2.84	2.56	2.30	2.07	1.87	1.68	1.52	1.38
E.....	2.84	2.56	2.30	2.07	1.87	1.68	1.52	1.38
F.....	5.49	5.23	4.90	4.57	4.23	3.90	3.57	3.32
X.....	0.53	0.52	0.52	0.52	0.51	0.51	0.51	0.50



## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions of the Notes. In these Conditions, references to the "holder" of a Note and to the "Noteholders" are to the ultimate owners of the Notes, dematerialised and evidenced by book entries with Monte Titoli S.p.A. ("Euronext Securities Milan") in accordance with the provisions of (i) the Financial Laws Consolidation Act and (ii) the Joint Regulation, as subsequently amended and supplemented from time to time. The Noteholders are deemed to have notice of and are bound by, and shall have the benefit of, inter alia, the terms of the Rules of the Organisation of the Noteholders, attached as an Exhibit to, and forming part of, these Conditions.*

The Euro [•] Class A Asset Backed Floating Rate Notes due April 2034 (the "**Class A Notes**"), the Euro [•] Class B Asset Backed Floating Rate Notes due April 2034 (the "**Class B Notes**"), the Euro [•] Class C Asset Backed Floating Rate Notes due April 2034 (the "**Class C Notes**"), the Euro [•] Class D Asset Backed Floating Rate Notes due April 2034 (the "**Class D Notes**"), the Euro [•] Class E Asset Backed Floating Rate Notes due April 2034 (the "**Class E Notes**"), Euro [•] Class F Asset Backed Notes due April 2034 (the "**Class F Notes**"), Euro [•] Class R Asset Backed Variable Return Notes due April 2034 (the "**Class R Notes**"), and Euro [•] Class X Asset Backed Floating Rate Notes due April 2034 (the "**Class X Notes**"), together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class R Notes, the "**Notes**") will be issued by the Issuer on the Issue Date pursuant to the Securitisation Law to finance the purchase of the Receivables included in the Portfolio in accordance with the Receivables Purchase Agreement. The principal source of payment of interest or Variable Return (as applicable) and repayment of principal due and payable in respect of the Notes will be collections and recoveries made in respect of the Receivables.

Subject to the Conditions and the terms of the Transaction Documents, the Notes will be entirely subscribed on the Issue Date by the Noteholders, in order to finance the purchase of the Portfolio. Any reference below to a "Class" of Notes or a "Class" of Noteholders shall be a reference to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class R Notes or the Class X Notes, as the case may be, or to the respective ultimate owners thereof.

### 1. INTRODUCTION

#### 1.1 Noteholders deemed to have notice of Transaction Documents

The Noteholders are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Transaction Documents (described below).

#### 1.2 Provisions of Conditions subject to Transaction Documents

Certain provisions of these Conditions include summaries of, and are subject to, the detailed provisions of the Transaction Documents.

#### 1.3 Copies of Transaction Documents available for inspection

Copies of the Transaction Documents (other than the Subscription Agreement) are available for inspection by the Noteholders during normal business hours at the registered office of the Issuer, being as at the Issue Date, Corso Vittorio Emanuele II, 24/28, 20122 Milan, at the registered office of the Representative of the Noteholders (only in electronic format), being, as at the Issue Date, Corso Vittorio Emanuele II, 24/28, 20122 Milan, and at the website of the Securitisation Repository (being, as at the date of the Prospectus, <https://eurodw.eu/>) or any other securitisation repository registered pursuant to article 10 of the EU Securitisation Regulation.

#### 1.4 Description of Transaction Documents

- (a) Pursuant to the Subscription Agreement, the Lead Manager has agreed to subscribe for the Notes (excluding the Class F Notes and Class R Notes) and appointed the Representative of the Noteholders to perform the activities described in the Subscription Agreement, the Conditions, the Rules of the Organisation of the Noteholders and the other Transaction Documents to which it is a party.
- (b) Pursuant to the Receivables Purchase Agreement, the Originator has agreed to assign and transfer without recourse (*pro soluto*) to the Issuer the Portfolio pursuant to the combined

provisions of articles 1 and 4 of the Securitisation Law and the provisions of the Factoring Law recalled therein.

- (c) Pursuant to the Master Servicing Agreement, the Master Servicer has agreed to administer, service and collect amounts in respect of the Portfolio on behalf of the Issuer. The Master Servicer will be the *soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e di pagamento* pursuant to the Securitisation Law and will be responsible for ensuring that such transactions comply with the provisions of article 2.3(c) and article 2.6 of the Securitisation Law.
- (d) Pursuant to the Sub-Servicing Agreement, the Master Servicer upon instruction of the Issuer and with the consent of the Issuer (i) has appointed Younted as Sub-Servicer in order to administer and manage the collections and recoveries of the Portfolio, subject to and in accordance with the provisions of the Sub-Servicing Agreement, and (ii) has delegated to the Sub-Servicer certain activities in relation to the administration of the Portfolio and reporting.
- (e) Pursuant to the Back-Up Sub-Servicing Agreement, the Back-Up Sub-Servicer has agreed to be appointed in place of the Sub-Servicer, subject to the occurrence of a Sub-Servicer Termination Event and the delivery of a 30 (thirty) calendar days' prior notice, to carry out the delegated services originally listed under the Sub-Servicing Agreement in respect of the Portfolio and in favour of the Issuer in the context of the Securitisation.
- (f) Pursuant to the Corporate Services Agreement, the Corporate Services Provider has agreed to provide to the Issuer certain services in relation to the management of the Issuer.
- (g) Pursuant to the Cash Allocation, Management and Payments Agreement, the Calculation Agent, the Corporate Services Provider and the Paying Agents have agreed to provide the Issuer with certain calculation, notification, reporting and agency services together with account handling, cash management and payment services in relation to moneys from time to time standing to the credit of the Accounts. The Cash Allocation, Management and Payments Agreement also contains provisions relating to, *inter alia*, the payment of principal, interest in respect of the Notes of each Classes.
- (h) Pursuant to the Intercreditor Agreement, provision is made as to the order of application of the Issuer Available Funds and the circumstances under which the Representative of the Noteholders will be entitled to exercise certain of the Issuer's rights in respect of the Portfolio and the Transaction Documents.
- (i) Pursuant to the Hedge Agreement, the Hedge Counterparty has agreed to hedge the potential interest rate exposure of the Issuer in respect of the Portfolio in relation to its floating rate interest obligations under the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class X Notes.
- (j) Pursuant to the English Deed of Assignment, the Issuer has assigned by way of security in favour of the Representative of the Noteholders (as trustee for the Noteholders and the Other Issuer Creditors) all of the Issuer's right, title, benefit and interest, present and future, pursuant to or in relation to the Hedge Agreement.
- (k) Pursuant to the Deed of Charge, the Issuer has granted to the Representative of the Noteholders a pledge over the Issuer's rights in respect of the Collection Account, the Payments Account, the Cash Reserve Account, the Expenses Account, the Hedge Collateral Account (if opened) and the Securities Account (if opened).
- (l) Pursuant to the Mandate Agreement, the Representative of the Noteholders, will be entitled to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of certain Transaction Documents to which the Issuer is a party, upon the occurrence of at least one of the following events: (i) a Trigger Notice has been sent to the Issuer according to Condition 12.2 (*Delivery of Trigger Notice*); or (ii) the Issuer fails to timely exercise any of its rights under the Transaction Documents and fails to fulfil certain conditions, **provided that** the notification of such failure is given by the

Representative of the Noteholders to the Issuer and further **provided that** such failure is not remedied by the Issuer within 10 (ten) Business Days from the notification above.

- (m) Pursuant to the Quotaholder's Agreement, the Quotaholder has assumed certain undertakings with respect to, *inter alia*, the exercise of its voting rights in the Issuer, and the disposal of its interest in the Issuer.
- (n) Pursuant to the English Account Bank Agreement, the Account Bank has assumed certain undertakings in relation to the opening and maintenance of the Accounts opened by the Issuer with the Account Bank.
- (o) Pursuant to the Master Definitions Agreement, the definitions and interpretation of certain terms and expressions used in the Transaction Documents have been agreed by the parties to the Transaction Documents.

## 1.5 Acknowledgement

Each Noteholder, acknowledges and agrees upon the limitation of the liability of Zenith Global S.p.A., as Representative of the Noteholders, pursuant to Article 31 (*Exoneration of the Representative of the Noteholders*) of the Rules of Organisation of the Noteholders.

## 2. DEFINITIONS AND INTERPRETATION

### 2.1 Definitions

In these Conditions the following expressions shall, except where the context otherwise requires and save where otherwise defined, have the following meanings:

"**Account Bank**" means Citibank, N.A. – London Branch or any other Eligible Institution appointed to act as such pursuant to the English Account Bank Agreement.

"**Accounts**" means, collectively, the Collection Account, the Expenses Account, the Payments Account, the Securities Account(s) (if opened), the Hedge Collateral Account (if opened) and the Cash Reserve Account and "**Account**" means any of them.

"**Accrued Interest**" means, as at the relevant date, the portion of Interest Components accrued on such date but not yet due.

"**Arranger**" means Citigroup Global Markets Europe AG.

"**Back-Up Sub-Servicer**" means iQera Italia S.p.A. or any other person for the time being acting as such pursuant to the Transaction Documents.

"**Back-Up Sub-Servicing Agreement**" means the back-up sub-servicing agreement entered into on or about the Issue Date between the Issuer, the Master Servicer, the Sub-Servicer and the Back-Up Sub-Servicer.

"**Business Day**" means any day (other than a Saturday or Sunday) on which banks are generally open for business in Milan, Paris, Dublin and London on which the real time gross settlement system operated by the Eurosystem (T2) (or any successor thereto) is open.

"**Calculation Agent**" means Citibank, N.A. – London Branch or any other entity appointed to act as such pursuant to the Cash Allocation, Management and Payments Agreement.

"**Calculation Date**" means (i) prior to the service of a Trigger Notice, the date falling 5 (five) Business Days prior to each Payment Date; and (ii) following the service of a Trigger Notice, each date, which has to be a Business Day, determined by the Representative of the Noteholders as such.

"**Cancellation Date**" means the earlier of:

- (a) the Payment Date on which the Notes have been redeemed in full;
- (b) the Final Maturity Date; and

- (c) the Payment Date immediately following the date on which the Sub-Servicer gives notice to the Issuer, the Master Servicer and the Noteholders that it has determined that there is no reasonable likelihood of there being any further amounts to be realised in respect of the Portfolio (whether arising from an enforcement of the Security Interest or otherwise) being available to the Issuer.

**"Cash Allocation, Management and Payments Agreement"** means the cash allocation, management and payments agreement entered into on or about the Issue Date between the Issuer and, *inter alios*, the Master Servicer, the Sub-Servicer, the Originator, the Representative of the Noteholders, the Corporate Services Provider, the Calculation Agent and the Paying Agents.

**"Cash Manager"** means Citibank, N.A. – London Branch or any other entity appointed to act as such pursuant to the English Account Bank Agreement.

**"Cash Reserve"** means the funds standing from time to time to the credit of the Cash Reserve Account.

**"Cash Reserve Account"** means the Euro denominated account (no: GB49CITI18500815200105) established in the name of the Issuer with the Account Bank, or such other substitute account as may be opened with any other Eligible Institution, in accordance with the English Account Bank Agreement.

**"Cash Reserve End Date"** means the earliest to occur of (i) the Cancellation Date, (ii) the Payment Date on which there will be sufficient Issuer Available Funds (including the Cash Reserve) to redeem in full the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and Class E Notes, and (iii) the Payment Date following the delivery of a Trigger Notice.

**"Class A Noteholder"** means the Holder of a Class A Note, and **"Class A Noteholders"** means all of them.

**"Class A Notes"** means Euro [•] Class A Asset Backed Floating Rate Notes due April 2034.

**"Class A Principal Deficiency Sub-Ledger"** means the sub-ledger of the Principal Deficiency Ledger relating to the Class A Notes.

**"Class B Noteholder"** means the Holder of a Class B Note, and **"Class B Noteholders"** means all of them.

**"Class B Notes"** means Euro [•] Class B Asset Backed Floating Rate Notes due April 2034.

**"Class B Principal Deficiency Sub-Ledger"** means the sub-ledger of the Principal Deficiency Ledger relating to the Class B Notes.

**"Class C Noteholder"** means the Holder of a Class C Note, and **"Class C Noteholders"** means all of them.

**"Class C Notes"** means Euro [•] Class C Asset Backed Floating Rate Notes due April 2034.

**"Class C Principal Deficiency Sub-Ledger"** means the sub-ledger of the Principal Deficiency Ledger relating to the Class C Notes.

**"Class D Noteholder"** means the Holder of a Class D Note, and **"Class D Noteholders"** means all of them.

**"Class D Notes"** means Euro [•] Class D Asset Backed Floating Rate Notes due April 2034.

**"Class D Principal Deficiency Sub-Ledger"** means the sub-ledger of the Principal Deficiency Ledger relating to the Class D Notes.

**"Class E Noteholder"** means the Holder of a Class E Note, and **"Class E Noteholders"** means all of them.

**"Class E Notes"** means Euro [•] Class E Asset Backed Floating Rate Notes due April 2034.

"**Class E Principal Deficiency Sub-Ledger**" means the sub-ledger of the Principal Deficiency Ledger relating to the Class E Notes.

"**Class F Noteholder**" means the Holder of a Class F Note, and "**Class F Noteholders**" means all of them.

"**Class F Notes**" means Euro [•] Class F Asset Backed Notes due April 2034.

"**Class F Principal Deficiency Sub-Ledger**" means the sub-ledger of the Principal Deficiency Ledger relating to the Class F Notes.

"**Class R Entrenched Rights**" means any modification which changes:

- (a) the definition of "Portfolio Option Holder"; or
- (b) this definition of "Class R Entrenched Right".

"**Class R Noteholder**" means the Holder of a Class R Note, and "**Class R Noteholders**" means all of them.

"**Class R Notes**" means Euro [•] Class R Asset Backed Variable Return Notes due April 2034.

"**Class X Noteholder**" means the Holder of a Class X Note, and "**Class X Noteholders**" means all of them.

"**Class X Notes**" means Euro [•] Class X Asset Backed Floating Rate Notes due April 2034.

"**Collection Account**" means the Euro denominated account (no: GB83CITI18500815200075) established in the name of the Issuer with the Account Bank or such other substitute account as may be opened with any other Eligible Institution, in accordance with the English Account Bank Agreement.

"**Collection Period**" means each monthly period which begins on the first calendar day (and including) of each month in each year and ends on the last calendar day (and including) of the same calendar month in each year, **provided that** the first Collection Period shall begin on the Valuation Date (excluded) and end on 31 May 2024 (included).

"**Collections**" means all amounts (other than, for the avoidance of doubt, any Undue Amounts) received by the Sub-Servicer or any other person on its behalf in respect of the Instalments due under the Receivables and any other amounts whatsoever received by the Sub-Servicer or any other person on its behalf in respect of the Receivables.

"**Conditions**" means the terms and conditions of the Notes, as from time to time modified in accordance with the provisions herein contained and including any agreement or document expressed to be supplemental thereto and any reference to a particular numbered Condition shall be construed accordingly.

"**CONSOB**" means *Commissione Nazionale per le Società e la Borsa*.

"**Consolidated Banking Act**" means Italian Legislative Decree number 385 of 1 September 1993, as amended and supplemented from time to time.

"**Corporate Services Agreement**" means the corporate services agreement executed on or about the Issue Date between the Issuer and the Corporate Services Provider.

"**Corporate Services Provider**" means Zenith Global S.p.A. or any other person for the time being acting as such pursuant to the Transaction Documents.

"**Cumulative Default Ratio**" means, in respect of each Collection Period, the ratio (expressed as a percentage) of (A) the aggregate Defaulted Amounts recorded since the Issue Date, divided by (B) the aggregate Outstanding Principal Due of all the Receivables at the Valuation Date;

"**Cumulative Default Trigger**" means:

- (a) from the first Payment Date in June 2024 until (and including) the Payment Date in October 2024: [1.00]%;
- (b) from the Payment Date in November 2024 until (and including) the Payment Date in January 2025: [1.75]%;
- (c) from the Payment Date in February 2025 until (and including) the Payment Date in April 2025: [2.50]%;
- (d) from the Payment Date in May 2025 until (and including) the Payment Date in October 2025: [4.00]%;
- (e) from the Payment Date in November 2025 until (and including) the Payment Date in April 2026: [5.00]%;
- (f) from the Payment Date in May 2025 until (and including) the Payment Date in October 2026: [6.00]%;
- (g) from the Payment Date in November 2026 until (and including) the Payment Date in April 2028: [7.00]%; and
- (h) [7.50]% thereafter.

**"Debtor"** means any individual person who entered into a Loan Agreement as borrower or who is liable for the payment or repayment of amounts due in respect of the Receivables (including any third party guarantor).

**"Decree 239"** means Legislative Decree number 239 of 1 April 1996, as amended and supplemented from time to time.

**"Decree 239 Deduction"** means any withholding or deduction for or on account of "*imposta sostitutiva*" under Decree 239.

**"Deed of Charge"** means the English law deed of charge entered into on or about the Issue Date between the Issuer and the Representative of the Noteholders (acting on behalf of the Noteholders and of the Other Issuer Creditors).

**"Defaulted Receivable"** means any Receivables arising from a Loan that (A) has been accelerated (*decadenza del beneficio del termine*) by the Sub-Servicer; or (B) for whom the amount in arrears represents 6 contractual Instalments or more.

**"Defaulting Party"** has the meaning ascribed to that term in the Hedge Agreement.

**"Determination Date"** means:

- (a) with respect to the Initial Interest Period, the day falling 2 (two) Business Days prior to the Issue Date; and
- (b) 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.

**"English Deed of Assignment"** means the English law security assignment entered into on or about the Issue Date between the Issuer and the Representative of the Noteholders (acting on behalf of the Noteholders and of the Other Issuer Creditors), as amended and supplemented from time to time.

**"English Account Bank Agreement"** means the English account bank agreement into on or about the Issue Date by the Issuer and, inter alios, the Account Bank, the Representative of the Noteholders, the Corporate Services Provider, the Master Servicer and the Cash Manager.

**"EBA Guidelines on STS Criteria"** means the guidelines on the criteria of simplicity, transparency and standardisation adopted by EBA on 12 December 2018 pursuant to the EU

Securitisation Regulation and named "Guidelines on the STS criteria for non-ABCP securitisation".

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

- (a) in the case of Fitch, whose "Deposit Rating" or "Issuer Default Rating" is at least "F1" (short term) or "A" (long term) (or such other rating which will not affect the rating of the Notes), or which is guaranteed by an entity, whose "Deposit Rating" or "Issuer Default Rating" is at least "F1" (short term) or "A" (long term), and the relevant guarantee issued by such entity complies with the criteria then established for such purposes by Fitch;
- (b) in the case of S&P, whose "Issuer Credit Rating" is at least "A-",

or such other rating or ratings as may be agreed by the relevant Rating Agency from time to time as which will not affect the rating of the Rated Notes.

"**Eligible Investments**" means Euro denominated money market funds which permit daily liquidation of investments and which are rated:

- (a) with respect to S&P: a minimum required rating of "AAAm";
- (b) with respect to Fitch: a minimum required rating of AAAMf ,

and are redeemable to a principal amount at maturity equal to the principal amount originally invested, with a maturity date not exceeding the immediately following Eligible Investment Maturity Date, **provided further that**, in any event, none of the Eligible Investments set out above may consist, in whole or in part, actually or potentially, of (i) credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives nor may any amount available to the Issuer in the context of the Securitisation otherwise be invested in any such instruments at any time, or (ii) asset-backed securities, irrespective of their subordination, status or ranking, or (iii) hedges, other derivatives instruments, or synthetic securities, or (iv) any other instrument from time to time specified in the European Central Bank monetary policy regulations as being instruments in which funds underlying asset backed securities eligible as collateral for monetary policy operations sponsored by the European Central Bank may not be invested.

"**Eligible Investment Maturity Date**" means, with reference to each Eligible Investment, the earlier of (a) the maturity date of such Eligible Investment, and (b) the day falling 4 (four) Business Days prior to each Payment Date.

"**EU Securitisation Regulation**" means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, as amended and supplemented from time to time.

"**Euribor**" means:

- (a) prior to the delivery of a Trigger Notice, the Euro-Zone Inter-bank offered rate for 1 (one) month Euro deposits which appears on the display page designated Euribor 01 on Reuters; or
- (b) following the delivery of a Trigger Notice, the Euro-Zone Inter-bank offered rate for Euro deposits applicable to any period in respect of which interest on the Notes is required to be determined which appears on a Reuters display page nominated and notified by the Representative of the Noteholders for such purpose or, if necessary, the relevant linear interpolation, as indicated by the Representative of the Noteholders in accordance with the Intercreditor Agreement; or
- (c) in the case of (a) and (b), Euribor shall be determined by reference to such other page as may replace the relevant Reuters page on that service for the purpose of displaying such information; or

- (d) in the case of (a) and (b), Euribor shall be determined, if the Reuters service ceases to display such information, by reference to such page as displays such information on such other service as may be nominated information vendor for the purpose of displaying comparable rates and approved by the Representative of the Noteholders,

(the rate determined in accordance with paragraphs (a) to (d) above being the "**Screen Rate**" or, in the case of the Initial Interest Period, the "**Additional Screen Rate**") at or about 11.00 a.m. (Brussels time) on the Determination Date; and

if the Screen Rate (or, in the case of the Initial Interest Period, the Additional Screen Rate) is unavailable at such time for Euro deposits for the relevant period, then the rate for any relevant period (the "**Reference Rate**") shall be determined in accordance with Condition 7.13 (*Benchmark Discontinuation*).

"**Euro**", "**€**" and "**EUR**" refer to the single currency of member states of the European Union which adopt the single currency introduced in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended from time to time.

"**Euroclear**" means Euroclear Bank S.A./N.V., as operator of the Euroclear System.

"**Euronext Securities Milan**" means Monte Titoli S.p.A., having its registered office at Piazza Affari, 6, 20123 Milan, Italy.

"**Euronext Securities Milan Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Euronext Securities Milan (as *intermediari aderenti*) and includes any depository banks approved by Euroclear and Clearstream.

"**Expenses**" means any and all documented fees, costs, expenses and taxes required to be paid to any third party creditors (other than the Noteholders and the Other Issuer Creditors) arising in connection with the Securitisation and/or required to be paid (as determined in accordance with the Corporate Services Agreement, by reference to the number of the then outstanding securitisation transaction carried out by the Issuer) in order to preserve the existence of the Issuer, to maintain it in good standing or to comply with applicable laws.

"**Expenses Account**" means the euro denominated account (no: GB49CITI18500815200105) established in the name of the Issuer with the Account Bank, or such other substitute account opened in accordance with the English Account Bank Agreement.

"**Extraordinary Resolution**" shall have the meaning ascribed to it in the Rules of the Organisation of the Noteholders.

"**FATCA**" means:

- (a) sections 1471 to 1474 of the US Internal Revenue Code of 1986;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"**FATCA Deduction**" means a deduction or withholding from a payment under a Transaction Document required by FATCA.

"**Final Maturity Date**" means the Payment Date falling in April 2034.

"**Final Purchase Price**" means an amount which, together with the other Issuer Available Funds, is sufficient to enable the Issuer to discharge its obligations under the Notes (other than the Class R Notes) and any obligations ranking in priority thereto, or *pari passu* therewith, on the Optional Redemption Date in accordance with Condition 8.3 (*Optional Redemption*).



**"Financial Laws Consolidation Act"** means Italian Legislative Decree number 58 of 24 February 1998, as amended from time to time.

**"First Payment Date"** means the Payment Date falling in June 2024.

**"Fitch"** means Fitch Ratings Ireland Limited Sede Secondaria Italiana.

**"Global Custodial Services Agreement"** means the global custodial services agreement which may be entered into after the Issue Date between, *inter alios*, the Issuer and the Custodian.

**"Hedge Agreement"** means the hedge agreement entered into between the Issuer and the Hedge Counterparty comprising a ISDA 1992 Master Agreement, together with the Schedule thereto, a 1995 ISDA Credit Support Annex thereto and the relevant Confirmation thereto (or such replacement hedge agreement as the Issuer may enter into in accordance with the Transaction Documents).

**"Hedge Collateral"** means an amount equal to the value of the collateral (or the applicable part of any collateral) provided by the Hedge Counterparty to the Issuer in respect of such Hedge Counterparty's obligations to transfer collateral to the Issuer under the Hedge Agreement.

**"Hedge Collateral Account"** means a Euro denominated account which, if required, may be established in the name of the Issuer with Citibank N.A., London Branch, or such substitute account as opened in accordance with the English Account Bank Agreement.

**"Hedge Counterparty"** means Citibank Europe Plc, or any other person for the time being acting as such pursuant to the Hedge Agreement.

**"Hedge Excluded Payable Amounts"** means any amounts payable by the Issuer to the Hedge Counterparty which (i) represent Return Amounts, Interest Amounts or Distributions due under the Credit Support Annex to the Hedge Agreement (for the purposes of this definition "Return Amounts", "Interest Amounts" and "Distributions" have the meaning given to them in the Hedge Agreement); (ii) are termination payments to the extent such payments can be satisfied from Hedge Collateral provided by the Hedge Counterparty; or (iii) are termination payments to the extent such payment can be satisfied from premiums received from a replacement Hedge Counterparty; (iv) are equal to any Hedge Tax Credit received by the Issuer or (v) are payments of premium or other upfront amounts owed to a Hedge Counterparty.

**"Hedge Tax Credit"** means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Hedge Counterparty to the Issuer;

**"Initial Interest Period"** means the first Interest Period, which shall begin on (and include) the Issue Date and end on (but exclude) the First Payment Date.

**"Insolvency Event"** means in respect of any company, entity or corporation if:

- (a) such company or corporation is declared insolvent or the competent judicial authorities instated a special administration proceedings, liquidation of such company/corporation or the appointment of liquidator/administrator or such company or corporation has become subject to any applicable, liquidation, administration, insolvency, composition, reorganisation, reconstruction or special measure (including, without limitation "*liquidazione giudiziale*", "*liquidazione coatta amministrativa*", "*concordato preventivo*", "*amministrazione straordinaria*" and "*provvedimenti di risanamento o risoluzione*", each such expression bearing the meaning given to it by the laws of the Republic of Italy, including the seeking of liquidation, winding-up, reorganisation, dissolution, administration and/or the (i) appointment of a *mandataire ad hoc*, (ii) conciliation proceedings, (iii) safeguard proceedings, (iv) accelerated safeguard proceedings, (v) rehabilitation proceedings, (vi) subject to any of the proceedings governed by Book VI of the French Commercial Code or any resolution measure implemented pursuant to article L613-49 and seq. of the French Monetary and Financial Code), or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a "*pignoramento*" or similar procedure having a similar effect

(other than, in the case of the Issuer, any portfolio of assets purchased by the Issuer for the purposes of further securitisation transactions), unless in the opinion of the Representative of the Noteholders (who may in this respect rely on the advice of a lawyer selected by it), such proceedings are being disputed in good faith with a reasonable prospect of success;

- (b) an application for the commencement of any of the proceedings under (i) above is made in respect of or by such company, entity or corporation or such proceedings are otherwise initiated against such company, entity or corporation and, in the opinion of the Representative of the Noteholders (who may in this respect rely on the advice of a lawyer selected), the commencement of such proceedings are not being disputed in good faith with a reasonable prospect of success; or
- (c) such company or corporation takes any action for a re-adjustment or deferment any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors (other than, in the case of the Issuer, the Other Issuer Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee, indemnity or assurance against loss given by it in respect of any indebtedness or applies for suspension of payments; or
- (d) an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution in any form of such company or corporation or any of the events under article 2484 of the Italian civil code occurs with respect to such company (except a winding-up for the purposes of, or pursuant to, a solvent amalgamation or reconstruction, the terms of which have been previously approved in writing by the Representative of the Noteholders; or
- (e) such company or corporation becomes subject to any proceedings equivalent or analogous to those above under the law of any jurisdiction in which such company or corporation is deemed to carry on business; or
- (f) inability to pay its debts as they fall due (*état de cessation des paiements*) (or, as the case may be, within the meaning of Article L. 613-26 of the French Monetary and Financial Code).

**"Instalment"** means, with respect to each Loan Agreement, each instalment due from the relevant Debtor thereunder and which consists of an Interest Component and a Principal Component.

**"Intercreditor Agreement"** means the intercreditor agreement entered into on or about the Issue Date between the Issuer and, *inter alios*, the Other Issuer Creditors.

**"Interest Amount"** shall have the meaning ascribed to such term under Condition 7 (*Interest*).

**"Interest Available Funds"** means, in respect of any Payment Date, the aggregate of:

- (a) all Collections on account of interest, fees and pre-payment penalties during the immediately preceding Collection Period and credited to the Collection Account;
- (b) all Recoveries collected or on behalf of the Issuer during the immediately preceding Collection Period and credited to the Collection Account;
- (c) any amounts of interest earned on any balance credit of the Accounts (other than the Hedge Collateral Account) and available on the Accounts during the immediately preceding Collection Period;
- (d) all amounts (if any) standing to the credit of the Cash Reserve Account as at the immediately preceding Payment Date (after making payments due on that Payment Date) or, in respect of the first Payment Date, as at the Issue Date;
- (e) any payments to be received from the Hedge Counterparty on or immediately prior to such Payment Date, pursuant to the Hedge Agreement (excluding any Hedge Collateral which the Hedge Counterparty may be required to post pursuant the Hedge Agreement);

- (f) any Principal Addition Amounts as paid under item (i) (*first*) of the Pre-Trigger Notice Principal Priority of Payments on such Payment Date;
- (g) on the Payment Date on which the Notes are to be redeemed in full, any amount standing to the credit of the Expenses Account less any amount to be retained on the Expenses Account to pay the Expenses falling due in the relevant Interest Period and, after the Payment Date on which the Notes will be redeemed in full or cancelled, any known Expenses not yet paid and any Expenses falling due after such Payment Date;
- (h) any interest amounts received by the Issuer from the Originator pursuant to the Receivables Purchase Agreement during the immediately preceding Collection Period;
- (i) any interests accrued, premium and other profits deriving from Eligible Investments (if any) made using funds standing to the credit of the relevant Accounts during the immediately preceding Collection Period;
- (j) any amounts allocated under item (viii) (*eighth*) of the Pre-Trigger Notice Principal Priority of Payments on such Payment Date;
- (k) any Interest Available Funds not applied on the previous Payment Date (if any);
- (l) any amounts (other than the amounts already allocated under other items of the Principal Available Funds and the Interest Available Funds) received by the Issuer from any party to the Transaction Documents during the immediately preceding Collection Period (excluding any amount, if any, received as Hedge Collateral under the Hedge Agreement, but including any proceeds deriving from the enforcement of the Issuer's rights under the Transaction Documents).

"**Interest Component**" means the interest component of each Instalment due from a Debtor in respect of a Receivable.

"**Interest Period**" means each period from (and including) a Payment Date to (but excluding) the next following Payment Date, **provided that** the first Interest Period shall be the period from (and including) the Issue Date to (but excluding) the first Payment Date.

"**Interest Rate**" shall have the meaning ascribed to such term in Condition 7.6 (*Rates of interest*).

"**Investor Report Date**" means the 2<sup>nd</sup> (second) Business Day after each Payment Date.

"**Issue Date**" means [•] 2024.

"**Issuer**" means Youni Italy 2024-1 S.r.l., having as its sole corporate object the performance of securitisation transactions under the Securitisation Law.

"**Issuer Available Funds**" means, in respect of any Payment Date, the aggregate of the Interest Available Funds and the Principal Available Funds.

"**Italian Paying Agent**" means Citibank N.A., Milan Branch or any other entity appointed to act as such pursuant to the Cash Allocation, Management and Payments Agreement.

"**Joint Regulation**" means the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018.

"**Lead Manager**" means Citigroup Global Markets Europe AG.

"**Liabilities**" means in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgements, actions, proceedings or other liabilities whatsoever including legal fees and any taxes and penalties incurred by that person, together with any value added or similar tax charged or chargeable in respect of any sum referred to in this definition.

"**Loan**" means each loan granted to a Debtor, on the basis of a Loan Agreement, assigned to the Issuer pursuant to the Receivables Purchase Agreement and pursuant to which the Issuer has title to enforce a Receivable (or portion thereof) against the relevant Debtor.

**"Loan Agreement"** means each loan agreement entered into between the Originator and a Debtor, as amended from time to time, listed under Schedule 2 (*Loans List*) of the Receivables Purchase Agreement.

**"Mandate Agreement"** means the mandate agreement entered into on or about the Issue Date between the Issuer and the Representative of the Noteholders.

**"Master Definitions Agreement"** means the master definitions agreement entered into on or about the Issue Date between all parties to the Securitisation.

**"Master Servicer"** means Zenith Global S.p.A. or any other person for the time being acting as such pursuant to the Master Servicing Agreement.

**"Master Servicer Report Date"** means the date falling 7 Business Days before the relevant Payment Date (and if such day is not a Business Day, the next succeeding Business Day).

**"Master Servicing Agreement"** means the master servicing agreement entered into on [•] April 2024 between the Issuer and the Master Servicer.

**"Most Senior Class of Noteholders"** means the holders, from time to time, of the Most Senior Class of Notes.

**"Most Senior Class of Notes"** means (i) the Class A Notes (ii) following the full repayment of all the Class A Notes, the Class B Notes; (iii) following the full repayment of all the Class B Notes, the Class C Notes; (iv) following the full repayment of all the Class C Notes, the Class D Notes; (v) following the full repayment of all the Class D Notes, the Class E Notes; (vi) following the full repayment of all the Class E Notes, the Class X Notes; (vii) following the full repayment of all the Class X Notes, the Class F Notes; (viii) following the full repayment of all the Class F Notes, the Class R Notes.

**"Net Principal Amount Outstanding"** means, on any Payment Date, prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*) in relation to any Class of Notes other than the Class X Notes, the Class F Notes and the Class R Notes, the aggregate Principal Amount Outstanding of that Class of Notes *less* the debit balance of the Principal Deficiency Sub-Ledger of that Class of Notes immediately following the application of the Interest Available Funds in accordance with the Pre-Trigger Notice Interest Priority of Payments.

**"Noteholders"** means any holder of any Notes from time to time.

**"Notes"** means, together, the Rated Notes and the Unrated Notes.

**"Notice"** means any notice delivered under or in connection with any Transaction Document.

**"Obligations"** means all the obligations of the Issuer created by or arising under the Notes and the Transaction Documents.

**"Organisation of the Noteholders"** means the organisation of the Noteholders, organised pursuant to the Rules of the Organisation of the Noteholders.

**"Originator"** means Younited S.A., Italian Branch.

**"Other Issuer Creditors"** means the Originator, the Master Servicer, the Sub-Servicer, the Back-Up Sub-Servicer, the Representative of the Noteholders, the Calculation Agent, the Corporate Services Provider, the Paying Agents, the Account Bank, the Custodian, the Arranger, the Lead Manager, the Cash Manager, the Hedge Counterparty and any other person who may from time to time accede to the Intercreditor Agreement in accordance with the terms thereof.

**"Other Rights"** means all privileges and priority rights (*diritti di prelazione*) provided for by law relating to Receivables, as well as, to the maximum extent and within the limits permitted by law, any other right, claim and action (including any legal proceeding for the recovery of suffered

damages), substantial and procedural action and defence inherent or otherwise ancillary to the aforesaid rights and claims and their exercise in accordance with the Loan Agreements and/or pursuant to the applicable laws and regulations, including, without limitation, the right to terminate the relevant Loan Agreement due to a default (*risoluzione per inadempimento*) and the right to declare any amount under the relevant Loan Agreement immediately due and payable (*decadenza dal beneficio del termine*).

**"Outstanding Principal"** means, on any relevant date in relation to any Receivable (i) the aggregate of the Principal Components not yet due on such date, and (ii) the aggregate of all the Principal Components which are past due and unpaid as of such date.

**"Paying Agents"** means the Principal Paying Agent and the Italian Paying Agent or any other entity appointed to act as such pursuant to the Cash Allocation, Management and Payments Agreement.

**"Payment Date"** means (a) prior to the delivery of a Trigger Notice, the [25<sup>th</sup>] calendar day (and if such calendar day is not a Business Day, the next succeeding Business Day) of each calendar month in each year, and (b) following the delivery of a Trigger Notice, any day, which has to be a Business Day, on which any payment is required to be made by the Representative of the Noteholders in accordance with the Post-Trigger Notice Priority of Payments, the Conditions and the Intercreditor Agreement, **provided that** the first Payment Date will fall in June 2024.

**"Payments Account"** means the euro denominated account (no: GB39CITI18500815200091) established in the name of the Issuer with the Account Bank, or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

**"Payments Report"** means the report in the form of schedule 2 (*Form of Payments Report*) of the Cash Allocation, Management and Payments Agreement, setting out all the payments to be made on the following Payment Date under the relevant Priority of Payments, which shall be prepared and delivered by the Calculation Agent in accordance with the Cash Allocation, Management and Payments Agreement before the delivery of a Trigger Notice.

**"Portfolio"** means the portfolio of Receivables purchased by the Issuer pursuant to the terms and conditions of the Receivables Purchase Agreement.

**"Portfolio Option Holder"** is any holder of any of the Class R Notes (or any entity or entities representing any holder(s) of any of the Class R Notes).

**"Post-Trigger Notice Priority of Payments"** means the Priority of Payments under Condition 6.3 (*Post-Trigger Notice Priority of Payments*).

**"Post-Trigger Payments Report"** means the report in the form of schedule 2 (*Form of Post-Trigger Payments Report*) of the Cash Allocation, Management and Payments Agreement to be delivered pursuant to clause 4.6 (*Post-Trigger Payments Report*) of the Cash Allocation, Management and Payments.

**"Pre-Trigger Notice Interest Priority of Payments"** means the Priority of Payments under Condition 6.1 (*Pre-Trigger Notice Interest Priority of Payments*).

**"Pre-Trigger Notice Principal Priority of Payments"** means the Priority of Payments under Condition 6.2 (*Pre-Trigger Notice Principal Priority of Payments*).

**"Principal Addition Amount"** means, on each Calculation Date prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*), or Condition 8.4 (*Optional redemption for taxation reasons*) on which the Calculation Agent determines that a Senior Interest Shortfall Amount would occur on the immediately following Payment Date, the amount of Principal Available Funds (to the extent available) equal to the lesser of:

- (a) the amount of Principal Available Funds available for application pursuant to the Pre-Trigger Notice Principal Priority of Payments on the immediately following Payment Date; and

(b) the amount of such Senior Interest Shortfall Amount.

**"Principal Amount Outstanding"** means, on any date, (i) the principal amount of a Note upon issue, minus (ii) the aggregate amount of all principal payments which have been paid prior to such date in respect of such Note.

**"Principal Available Funds"** means, in respect of any Payment Date, the aggregate of:

- (a) all Collections on account of principal during the immediately preceding Collection Period and credited to the Collection Account (including, for avoidance of doubt, any amount on account of principal deriving from liquidation on the Eligible Investments (if any));
- (b) the Interest Available Funds, if any, to be credited to the Principal Deficiency Ledger on such Payment Date under item (xi) (*eleventh*) of the Pre-Trigger Notice Interest Priority of Payments;
- (c) all the proceeds deriving from the sale, if any, of the Portfolio in accordance with the Transaction Documents; and
- (d) any indemnity amounts and all other principal amounts (if any) received by the Issuer from the Originator pursuant to the Receivables Purchase Agreement during the immediately preceding Collection Period;
- (e) any Principal Available Funds not applied on the previous Payment Date (if any).

**"Principal Component"** means the principal component of each Instalment.

**"Principal Deficiency"** means, on any Calculation Date, any Defaulted Amounts with respect to the immediately preceding Collection Period and/or any Principal Addition Amounts.

**"Principal Deficiency Ledger"** means the principal deficiency ledger comprising the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger, the Class D Principal Deficiency Sub-Ledger, the Class E Principal Deficiency Sub-Ledger and the Class F Principal Deficiency Sub-Ledger, maintained by the Calculation Agent, on which any Principal Deficiency shall be recorded on each Payment Date.

**"Principal Deficiency Sub-Ledger"** means any of the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger, the Class D Principal Deficiency Sub-Ledger, the Class E Principal Deficiency Sub-Ledger and the Class F Principal Deficiency Sub-Ledger, maintained by the Calculation Agent, on which any Principal Deficiency shall be recorded on each Payment Date.

**"Principal Paying Agent"** means Citibank, N.A. – London Branch or any other entity appointed to act as such pursuant to the Cash Allocation, Management and Payments Agreement.

**"Pre-Trigger Notice Principal Priority of Payments"** means the Priority of Payments under Condition 6.2 (*Pre-Trigger Notice Principal Priority of Payments*).

**"Priority of Payments"** means the order of priority (being the Pre-Trigger Notice Principal Priority of Payments, the Pre-Trigger Notice Interest Priority of Payments and the Post-Trigger Notice Priority of Payments) pursuant to which the Issuer Available Funds shall be applied on each Payment Date in accordance with the Conditions and the Intercreditor Agreement.

**"Pro-Rata Amortisation Period"** means the period starting from (and including) the Issue Date and ending on (and including) the earlier of (i) the Cancellation Date, (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes are redeemed in full, and (iii) the date on which a Sequential Redemption Notice is served on the Issuer.

**"Prospectus"** means the prospectus dated on or about the Issue Date prepared in connection with the issue of the Notes by the Issuer.

**"Purchase Offer Amount"** means the amount indicated by the relevant Potential Buyer in the Purchase Offer, as purchase price of the Portfolio.

**"Quota Capital Account"** means the euro denominated account established in the name of the Issuer with the Quota Capital Account Bank (IBAN: [•]).

**"Quota Capital Account Bank"** means Banca del Fucino S.p.A..

**"Quotaholder"** means Special Purpose Entity Management 2 S.r.l. or any other person for the time being acting as such pursuant to the Transaction Documents.

**"Quotaholder's Agreement"** means the quotaholder agreement entered into between the Quotaholder and the Issuer prior to the Issue Date.

**"Rated Noteholders"** means the holders from time to time of any of the Rated Notes.

**"Rated Notes"** means each of the Class A Notes, Class B Notes, Class C Notes, Class D Notes and Class E Notes.

**"Receivables Purchase Agreement"** means the Receivables purchase agreement entered into on [•] April 2024 between the Issuer and the Originator.

**"Rating Agencies"** means, collectively, Fitch and S&P.

**"Receivables"** means all rights and claims of the Issuer arising out from any Loan Agreement existing or arising from the Valuation Date (excluded), including without limitation:

- (a) all rights and claims in respect of the repayment of the Outstanding Principal;
- (b) all rights and claims in respect of the payment of interest (including the default interest) accrued on the Loans and not yet collected;
- (c) all rights and claims in respect of payments of any amount deriving from damages suffered, costs, expenses, Taxes and ancillary amounts and fees due pursuant to the Loan Agreements;
- (d) all Other Rights relating to the relevant Loan Agreement;
- (e) all rights and claims in respect of any security interest, guarantee or other arrangement securing the payment of the relevant Loan Agreement (if any).

**"Recoveries"** means any amounts received or recovered by the Sub-Servicer in relation to any Defaulted Receivables.

**"Reference Bank"** means three major banks in the Euro-zone inter-bank market selected by the Issuer with the prior written approval of the Representative of the Noteholders (which shall act on the basis of the Rules of the Organisation of the Noteholders) and, if any such bank is unable or unwilling to continue to act as a Reference Bank, such other bank the Issuer shall appoint and as may be approved in writing by the Representative of the Noteholders to act in its place.

**"Repayment Amount"** means, in respect of each of Class A Notes, Class B Notes, Class C Notes, Class D Notes, and Class E Notes an amount equal to:

- (a) the Net Principal Amount Outstanding of such Class divided by the aggregate of the Net Principal Amount Outstanding of all Notes (but excluding the Class X Notes, the Class F Notes and the Class R Notes);

*multiplied by*

- (b) the amount of all Principal Available Funds on such Payment Date available after application of item (i) (*first*) of the Principal Available Funds' definition.

**"Representative of the Noteholders"** means Zenith Global S.p.A. or any other person for the time being acting as such pursuant to the Transaction Documents.

**"Retention Amount"** means an amount equal to Euro [\*] or, in respect of the last Payment Date, such other amount as determined by the Corporate Services Provider.

**"Rules of the Organisation of the Noteholders"** means the rules of the organisation of the Noteholders attached as exhibit to the Conditions, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereof.

**"S&P"** means S&P Global Ratings Europe Limited, any other entity belonging to S&P's group or any successor to its ratings business.

**"Securities Account(s)"** means the Accounts that may be opened by the Issuer after the Issue Date into which the Eligible Investments (being cash or securities) may be deposited as per instructions given in accordance with the terms of the Global Custodial Services Agreement and the English Account Bank Agreement.

**"Securitisation"** means the securitisation of the Receivables made by the Issuer through the issuance of the Notes, pursuant to articles 1 and 5 of the Securitisation Law.

**"Securitisation Law"** means Italian Law number 130 of 30 April 1999, as amended and supplemented from time to time.

**"Securitisation Repository"** means the authorised securitisation repository for the Securitisation, namely European Data Warehouse GmbH (<https://eurodw.eu/>) or any other securitisation repository as may be notified by the Issuer to the Noteholders.

**"Security Documents"** means the English Deed of Assignment, the Deed of Charge and any other security documents to be entered into in relation to the Securitisation.

**"Seller"** means Younited S.A., Italian branch.

**"Security Interest"** means: (i) any mortgage, charge, pledge, lien, privilege (*privilegio speciale*) or other security interest securing any obligation of any person; and (ii) any arrangement under which money or claims to money, or the benefit of, a bank or other account may be applied, set-off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person; or any other type of preferential arrangement having a similar effect.

**"Senior Interest Shortfall Amount"** means, on any Payment Date, an amount equal to the difference, if positive, between (a) the aggregate amounts payable under items (i) (*first*) to (iv) (*fourth*) of the Pre-Trigger Notice Interest Priority of Payments plus any interest due on the Most Senior Class of Notes (including Deferred Interests, if any) (excluding the Class X Notes, the Class F Notes and the Class R Notes); and (b) the Interest Available Funds on such Payment Date.

**"Sequential Redemption Event"** means the occurrence of any of the following events in respect of any Payment Date prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*):

- (a) *Cumulative Default Ratio*: the Cumulative Default Ratio is greater than the Cumulative Default Trigger; or
- (b) *Principal Deficiency Ledger*: the Principal Deficiency Ledger has a debit balance in an amount equal to or higher than 0.5% of the aggregate Outstanding Principal of the Receivables comprised in the Portfolio as at the Valuation Date (for the avoidance of doubt, after the application of the Pre-Trigger Notice Interest Priority of Payments); or
- (c) *Breach of obligations*: the Originator defaults in the performance or observance of any of its obligations under any of the Transaction Documents to which it is party which is in the Representative of the Noteholders' opinion materially prejudicial to the interests of the



Noteholders and such default remains unremedied for 5 (five) Business Days after the Representative of the Noteholders has given written notice thereof to the Originator requiring the same to be remedied (except where, in the opinion of the Representative of the Noteholders, such default is not capable of remedy, in which case no notice requiring remedy will have to be given); or

- (d) *Sub-Servicer Termination Event*: a Sub-Servicer Termination Event occurs; or
- (e) *Tax Call Event*: a Tax Call Event occurs (and no redemption option is exercised in accordance with Condition 8.4 (*Optional redemption for taxation reasons*)); or
- (f) *Clean-up Call Event*: a Clean-up Call Event occurs (and no redemption option is exercised in accordance with Condition 8.3 (*Optional redemption*)).

**"Sequential Redemption Notice"** means the notice served by the Representative of the Noteholders upon the occurrence of a Sequential Redemption Event, in accordance with Condition 8.7 (*Sequential Redemption Events*).

**"Sequential Redemption Period"** means, in respect of any Payment Date prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), the period starting from (and including) the Payment Date immediately following the delivery of a Sequential Redemption Notice and ending on (and including) the earlier of (i) the Cancellation Date, and (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be redeemed in full.

**"Sub-Servicer Termination Event"** means, any one of the events provided under Clause 6 (*Termination of Appointment*) of the Sub-Servicing Agreement.

**"Sub-Servicing Agreement"** means the sub-servicing agreement entered into on [•] April 2024 between the Issuer and the Master Servicer and the Sub-Servicer.

**"Subordinated Hedge Amounts"** means any termination amount due and payable by the Issuer to the Hedge Counterparty under the Hedge Agreement as a result of either (a) an Event of Default (as defined in the Hedge Agreement) where the Hedge Counterparty is the Defaulting Party; or (b) an Additional Termination Event (as defined in the Hedge Agreement) which occurs as a result of the failure of the Hedge Counterparty to comply with the requirements of a rating downgrade provision set out under the Hedge Agreement.

**"Sub-Servicer"** means Younited S.A., Italian Branch or any other person for the time being acting as such pursuant to the Sub-Servicing Agreement.

**"Subscription Agreement"** means the subscription agreement entered into on [•] April 2024 between, *inter alios*, the Issuer and the Noteholders in connection with the issuance and subscription of the Notes.

**"Target Cash Reserve Amount"** means:

- (a) in respect of the Issue Date, an amount equal to 1.25 per cent. of the aggregate Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, and the Class E Notes as at the Issue Date;
- (b) in respect of each Payment Date thereafter, an amount equal to 1.25 per cent. of the aggregate Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, and the Class E Notes as at the immediately preceding Payment Date (after making payments due on that Payment Date in accordance with the relevant Priority of Payments) **provided that** such amount cannot be lower than Euro 500,000; and
- (c) as at the Cash Reserve End Date, an amount equal to Euro 0.00.

"**Tax**" means any present or future tax, levy, impost, duty charge, fee, deduction or withholding of whatever nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same, but excluding taxes on net income) imposed, levied, collected, withheld or assessed by the Republic of Italy or any political sub-division thereof or any authority thereof or therein.

"**Transaction Documents**" means, together, the Receivables Purchase Agreement, the Master Servicing Agreement, the Sub-Servicing Agreement, the Back-Up Sub-Servicing Agreement, the Subscription Agreement, the Intercreditor Agreement, the Cash Allocation, Management and Payments Agreement, the Hedge Agreement, the English Deed of Assignment, the Deed of Charge, the English Account Bank Agreement, the Mandate Agreement, the Corporate Services Agreement, the Master Definitions Agreement, the Quotaholder's Agreement, the Conditions, and any other agreement entered into between the Transaction Parties from time to time which is designated as a "Transaction Document" by the parties thereto.

"**Transaction Party**" means any party to the Transaction Documents.

"**Trigger Event**" has the meaning ascribed to such term in Condition 12 (*Trigger Events*).

"**Trigger Notice**" means the notice served by the Representative of the Noteholders on the Issuer declaring the Notes to be due and payable in full following the occurrence of a Trigger Event as described in Condition 12 (*Trigger Events*).

"**Unpaid Instalment**" means an Instalment which, at a given date, is due but not fully paid and remains such for at least 30 (thirty) days, following the date on which it should have been paid under the terms of the relevant Loan.

"**Unrated Notes**" means the Class F Notes, the Class R Notes and the Class X Notes.

"**Valuation Date**" means 12 April 2024.

"**Variable Return**" means, in relation to the Class R Notes, on each Payment Date, an amount equal to any Issuer Available Funds remaining after making all payments due under items from (i) (*first*) to (xx) (*twentieth*) (inclusive) of the Pre-Trigger Notice Interest Priority of Payments or from (i) (*first*) to (xx) (*twentieth*) (inclusive) of the Post-Trigger Notice Priority of Payments, as the case may be.

## 2.2 Interpretation

### 2.2.1 References in Conditions

Any reference in these Conditions to:

- (a) "**holder**" and "**Holder**" mean the ultimate holder of a Note and the words "**holder**", "**Noteholder**" and related expressions shall be construed accordingly;
- (b) a "**law**" shall be construed as a reference to any law, statute, constitution, decree, judgment, treaty, regulation, directive, by-law, order or any other legislative measure of any government, supranational, local government, statutory or regulatory body and a reference to any provision of any law, statute, constitution, decree, judgment, treaty, regulation, directive, by-law, order or any such legislative measure is to that provision as amended or enacted;
- (c) "**person**" shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state and any association or partnership (whether or not having legal personality) of two or more of the foregoing;
- (d) a "**successor**" of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and

obligations of such party under any Transaction Document or to which, under such laws, such rights and obligations have been transferred.

### 2.2.2 *Transaction Documents and other agreements*

Any reference to the Master Definitions Agreement, any other document defined as a "**Transaction Document**" or any other agreement, deed or document shall be construed as a reference to the Master Definitions Agreement, such other Transaction Document or, as the case may be, such other agreement or document as the same may have been, or may from time to time be amended, varied, novated, supplemented or replaced.

### 2.2.3 *Transaction parties*

A reference to any person defined as a "**Transaction Party**" in these Conditions or in any Transaction Document shall be construed so as to include its and any subsequent successors and permitted assignees and transferees in accordance with their respective interests.

## 3. **FORM, TITLE AND DENOMINATION**

### 3.1 **Denomination**

The Notes (other than the Class R Notes) are issued in the denominations of Euro 100,000 and integral multiples of Euro 1,000 in excess thereof. The Class R Notes are issued in the denominations of Euro 1,000 and integral multiples of Euro 1.0 in excess thereof.

### 3.2 **Form**

The Notes are issued in bearer (*al portatore*) and dematerialized form (*emesse in forma dematerializzata*) will at all times be evidenced by and title thereto will be transferable by means of, one or more book entries in accordance with the provisions of (i) the Financial Laws Consolidation Act and (ii) the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018, as amended and supplemented from time to time.

### 3.3 **Title and Euronext Securities Milan**

The Notes are issued in bearer (*al portatore*) and dematerialised form (*emesse in forma dematerializzata*) and will be held by Euronext Securities Milan in such form on behalf of the relevant Noteholders until redemption and cancellation thereof for the account of each relevant Euronext Securities Milan Account Holder. No physical documents of title will be issued in respect of the Notes.

### 3.4 **The Rules**

The rights and powers of the Noteholders may only be exercised in accordance with the Rules attached to these Conditions as an Exhibit which shall constitute an integral and essential part of these Conditions.

## 4. **STATUS, PRIORITY AND SEGREGATION**

### 4.1 **Status**

The Notes constitute limited recourse obligations of the Issuer and, accordingly, the obligation of the Issuer to make payments under the Notes is limited to the amounts received or recovered by the Issuer in respect of the Portfolio and pursuant to the exercise of the Issuer's rights, as further specified in Condition 9.2 (*Limited Recourse Obligations of Issuer*). The Noteholders acknowledge that the limited recourse nature of the Notes produces the effects of a "*contratto aleatorio*" under Italian law and are deemed to accept the consequences thereof, including, but not limited to, the provisions under article 1469 of the Italian civil code.

## 4.2 Segregation by law and security

- 4.2.1 By virtue of the operation of article 3 of the Securitisation Law and the Transaction Documents, the Issuer's rights, title and interest in and to the Portfolio, any monetary claim accrued by the Issuer in the context of the Securitisation, the relevant collections and the financial assets (including Eligible Investments) purchased through such collections will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law). Therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any other creditors of the Issuer in respect of any fees, costs and expenses in relation to the Securitisation.
- 4.2.2 The Notes of each Class have the benefit of the Security Interest over certain assets of the Issuer pursuant to the English Deed of Assignment and the Deed of Charge.

## 4.3 Ranking

- 4.3.1 The Notes, upon issue, will constitute limited recourse obligations of the Issuer.
- 4.3.2 Prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), in respect of the obligation of the Issuer to pay interest and Variable Return (if any) on the Notes:
- (i) the Class A Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and to payment of interest and principal on the Class X Notes and the Class R Notes;
  - (ii) the Class B Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated
    - (A) to the Class A Notes, and
    - (B) if (x) the Class A Notes are still outstanding and (y) the Class B Principal Deficiency Sub-Ledger records a Principal Deficiency in respect of the Class B Notes exceeding 25 per cent. of the Principal Amount Outstanding of the Class B Notes, (i) payments into the Cash Reserve Account and (ii) payments to debit balance recorded on (1) the Class A Principal Deficiency Sub-Ledger, (2) the Class B Principal Deficiency Sub-Ledger, (3) the Class C Principal Deficiency Sub-Ledger, (4) the Class D Principal Deficiency Sub-Ledger, (5) the Class E Principal Deficiency Sub-Ledger, and (6) the Class F Principal Deficiency Sub-Ledger, and in priority to payment of interest on the Class C Notes, the Class D Notes, and the Class E Notes and payment of interest and principal on the Class X Notes and the Class R Notes;
  - (iii) the Class C Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated
    - (A) to the Class B Notes, and
    - (B) if (x) the Class B Notes are still outstanding and (y) the Class C Principal Deficiency Sub-Ledger records a Principal Deficiency in respect of the Class C Notes exceeding 25 per cent. of the Principal Amount Outstanding of the Class C Notes, to (i) payments into the Cash Reserve Account and (ii) payments to debit balance recorded on (1) the Class A Principal Deficiency Sub-Ledger, (2) the Class B Principal Deficiency Sub-Ledger, (3) the Class C Principal Deficiency Sub-Ledger, (4) the Class D Principal Deficiency Sub-Ledger, (5) the Class E Principal Deficiency Sub-Ledger, (6) the Class F Principal Deficiency Sub-Ledger,

and in priority to payment of interest on the Class D Notes, the Class E Notes and payment of interest and principal on the Class X Notes and the Class R Notes;

- (iv) the Class D Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated
  - (A) to the Class C Notes, and
  - (B) if (x) the Class C Notes are still outstanding and (y) the Class D Principal Deficiency Sub-Ledger records a Principal Deficiency in respect of the Class D Notes exceeding 25 per cent. of the Principal Amount Outstanding of the Class D Notes, (i) payments into the Cash Reserve Account and (ii) payments to the debit balance recorded on (1) the Class A Principal Deficiency Sub-Ledger, (2) the Class B Principal Deficiency Sub-Ledger, (3) the Class C Principal Deficiency Sub-Ledger, (4) the Class D Principal Deficiency Sub-Ledger, (5) the Class E Principal Deficiency Sub-Ledger, (6) the Class F Principal Deficiency Sub-Ledger, and in priority to payment of interest on the Class E Notes and payment of interest and principal on the Class X Notes and the Class R Notes;
- (v) the Class E Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated
  - (A) to the Class D Notes, and
  - (B) if (x) the Class D Notes are still outstanding and (y) the Class E Principal Deficiency Sub-Ledger records a Principal Deficiency in respect of the Class E Notes exceeding 25 per cent. of the Principal Amount Outstanding of the Class E Notes, (i) payments into the Cash Reserve Account and (ii) payments to debit balance recorded on (1) the Class A Principal Deficiency Sub-Ledger, (2) the Class B Principal Deficiency Sub-Ledger, (3) the Class C Principal Deficiency Sub-Ledger, (4) the Class D Principal Deficiency Sub-Ledger, (5) the Class E Principal Deficiency Sub-Ledger, (6) the Class F Principal Deficiency Sub-Ledger, and in priority to payment of interest and principal on the Class X Notes and the Class R Notes;
- (vi) the Class X Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and to payments into the Cash Reserve Account and to payments towards reduction of the Class A Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class B Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class C Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class D Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class E Principal Deficiency Sub-Ledger to 0 (zero) and payments towards reduction of the Class F Principal Deficiency Sub-Ledger to 0 (zero), and in priority to repayment of principal on the Class F Notes and payment of interest and repayment of principal on the Class R Notes;
- (vii) the Class F Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and to payments into the Cash Reserve Account and to payments towards reduction of the Class A Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class B Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class C Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class D Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class E Principal Deficiency Sub-Ledger to 0 (zero) and

payments towards reduction of the Class F Principal Deficiency Sub-Ledger to 0 (zero) and in priority to payment of interest and principal on the Class R Notes; and

- (viii) the Class R Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, and to payments into the Cash Reserve Account and to payments towards reduction of the Class A Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class B Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class C Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class D Principal Deficiency Sub-Ledger to 0 (zero), payments towards reduction of the Class E Principal Deficiency Sub-Ledger to 0 (zero) and payments towards reduction of the Class F Principal Deficiency Sub-Ledger to 0 (zero), and to payment of interest and repayment of principal on the Class X Notes and to repayment of principal on the Class F Notes.

4.3.3 Prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), in respect of the obligation of the Issuer to repay principal on the Notes out of Principal Available Funds:

- (A) during the Pro-Rata Amortisation Period the Class A Notes, Class B Notes, the Class C Notes, the Class D Notes, and the Class E Notes, will rank *pari passu* and *pro rata* without any preference or priority among themselves and in priority to the Class F Notes and the Class R Notes;
- (B) during the Sequential Redemption Period:
  - (i) the Class A Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to repayment of principal due on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes;
  - (ii) the Class B Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to repayment of principal due on the Class A Notes and in priority to repayment of principal due on the Class C Note, the Class D Notes, the Class E Notes and the Class F Notes;
  - (iii) the Class C Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to repayment of principal due on the Class A Notes and the Class B Notes and in priority to repayment of principal due on the Class D Notes, the Class E Notes, and the Class F Notes;
  - (iv) the Class D Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to repayment of principal due on the Class A Notes, the Class B Notes and the Class C Notes and in priority to repayment of principal due on the Class E Notes and the Class F Notes;
  - (v) the Class E Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to repayment of principal due on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and in priority to repayment of principal due on the Class F Notes;
  - (vii) the Class F Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to repayment of principal

due on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

4.3.4 In respect of the obligation of the Issuer to pay interest and Variable Return (if any) and principal on the Notes following the delivery of a Trigger Notice or in case of redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*):

- (i) the Class A Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class X Notes and the Class R Notes;
- (ii) the Class B Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes and in priority to the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class X Notes and the Class R Notes;
- (iii) the Class C Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes the Class B Notes and in priority to the Class D Notes, the Class E Notes, the Class F Notes, the Class X Notes and the Class R Notes;
- (iv) the Class D Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes and the Class C Notes and in priority to the Class E Notes, the Class F Notes, the Class X Notes and the Class R Notes;
- (v) the Class E Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and in priority to the Class F Notes, the Class X Notes and the Class R Notes;
- (vi) the Class X Notes will rank *pari passu* and *pro rata* without preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes and in priority to the Class F Notes and the Class R Notes;
- (vii) the Class F Notes rank *pari passu* and *pro rata* without any preference or priority among themselves, but subordinated to Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes and in priority to the Class R Notes; and
- (viii) the Class R Notes will rank *pari passu* and *pro rata* without preference or priority among themselves, but subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes.

#### 4.4 **Obligations of Issuer only**

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

#### 4.5 **Conflict of Interests**

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 interests of:

- (a) different Classes of Noteholders, then the Representative of the Noteholders is required to have regard to the interests of the Most Senior Class of Noteholders only (without prejudice to Basic Term Modifications);
- (b) the Noteholders and of the Other Issuer Creditors, the Representative of the Noteholders will have regard solely to the interests of the Noteholders.

## 5. ISSUER COVENANTS

For so long as any amount remains outstanding in respect of the Notes of any Class, the Issuer shall not, save with the prior written consent of the Representative of the Noteholders, or as expressly provided in any of the Transaction Documents:

### 5.1 Negative pledge

create or permit to subsist any Security Interest whatsoever over the Portfolio or any part thereof or over any of its other assets or sell, lend, part with or otherwise dispose of all or any part of the Portfolio or any of its assets, except in connection with any further securitisations permitted pursuant this Condition 5 (*Issuer Covenants*); or

### 5.2 Restrictions on activities

5.2.1 engage in any activity whatsoever which is not incidental to or necessary in connection with the Securitisation and any further securitisation complying with this Condition 5 (*Issuer Covenants*) or with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage; or

5.2.2 have any subsidiary (*società controllata* as defined in article 2359 of the Italian civil code) or any employees or premises; or

5.2.3 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;

### 5.3 Dividends or distributions

Pay any dividend or make any other distribution or return or repay any quota capital to its Quotaholder, or increase its capital, save as required by applicable law; or

### 5.4 Residency and centre of main interest

Become resident, including without limitation for tax purposes, in any country outside Italy or cease to be managed and administered in Italy or cease to have its “centre of main interests” (as such term is defined in the EU Insolvency Regulation) in Italy; or

### 5.5 De-registrations

Ask for de-registration from the registers kept by Bank of Italy pursuant to the regulation dated 12 December 2023, for as long as the Securitisation Law, the Consolidated Banking Act or any other applicable law or regulation requires issuers of notes issued under the Securitisation Law or companies incorporated pursuant to the Securitisation Law to be registered thereon; or

### 5.6 Borrowings

Incur any indebtedness in respect of borrowed money whatsoever (save for the indebtedness incurred in respect of any further securitisation permitted pursuant to the Condition 5 (*Issuer Covenants*)), or give any guarantee, indemnity or security in respect of any indebtedness or other obligation of any person or entity or become liable for the debts of any other person or entity or hold out its credit as being available to satisfy the obligations of others; or



5.7 **Merger**

Consolidate or merge with any other person or entity or convey or transfer its properties or assets substantially as an entirety to any other person or entity; or

5.8 **No variation or waiver**

Permit any of the Transaction Documents to which it is party to be amended, terminated or discharged, or exercise any powers of consent or waiver pursuant to the terms of any of the Transaction Documents to which it is a party, or permit any party to any of the Transaction Documents to which it is a party to be released from such obligations; or

5.9 **Bank accounts**

Have an interest in any bank account other than the Accounts or any bank account opened in relation to any other securitisation permitted pursuant to Condition 6 (*Priority Of Payments*) below; or

5.10 **Statutory documents**

Amend, supplement or otherwise modify its by-laws (*statuto*) or its deed of incorporation (*atto costitutivo*) except where such amendment, supplement or modification is required by a compulsory provision of Italian law or by the competent regulatory authorities.

In giving any consent to the foregoing, the Representative of the Noteholders may, but it is not obliged to, require the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents (and may itself consent thereto on behalf of the Noteholders) or may impose such other conditions or requirements as the Representative of the Noteholders may deem expedient (in its absolute discretion) in the interests of the Noteholders and may rely on any written confirmation from the Issuer as to the matters contained therein; or

5.11 **Corporate records, financial statements and book of account**

Cease to maintain corporate records, financial statements and book of account separate from those of the Originator and any other person or entity; or

5.12 **Further securitisations**

Carry out any other securitisation transactions pursuant to the Securitisation Law or, without limiting the generality of the foregoing, implement, enter into, make or execute any document, deed or agreement in connection with any other securitisation transaction and then only if (a) such securitisation transaction would not adversely affect the then current rating of any of the Notes and the Rating Agencies have been notified in respect of such further securitisation and (b) the assets relating to any such further securitisation are segregated in accordance with the Securitisation Law.

5.13 **Derivatives**

Enter into derivative contracts (other than the Hedge Agreement), save as expressly permitted by article 21(2) of the EU Securitisation Regulation and of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures).

6. **PRIORITY OF PAYMENTS**

6.1 **Pre-Trigger Notice Interest Priority of Payments**

Prior to the service of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Interest Available Funds, as calculated on each Calculation Date, will be applied by or on behalf of the Issuer on the Payment Date immediately following such Calculation Date in making payments or provisions in the following order of priority but, in

each case, only if and to the extent that payments or provisions of a higher priority have been made in full:

- (a) *first, pari passu and pro rata* according to the respective amounts thereof, in or towards (A) satisfaction of any Expenses (to the extent that amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Interest Period), and (B) payment into the Expenses Account of an amount necessary to bring the balance thereof up to (but not exceeding) the Retention Amount;
- (b) *second*, in or towards satisfaction, *pari passu and pro rata* according to the respective amounts thereof, of all fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;
- (c) *third*, in or towards satisfaction, *pari passu and pro rata* according to the respective amounts thereof, of all fees, costs and expenses of, and all other amounts due and payable to the Cash Manager, the Account Bank, the Calculation Agent, the Paying Agents, the Custodian (if any), the Corporate Services Provider, the Master Servicer, the Sub-Servicer, the Back-Up Sub-Servicer and any further Other Issuer Creditors, each pursuant to the terms of the Transaction Document(s);
- (d) *fourth*, to pay, *pari passu and pro rata* according to the respective amounts thereof, all amounts (if any) due and payable to the Hedge Counterparty under the Hedge Agreement (including termination payments but excluding any Subordinated Hedge Amounts or any Hedge Excluded Payable Amounts, which shall be discharged in accordance with the Hedge Agreement);
- (e) *fifth*, in or towards satisfaction, *pari passu and pro rata*, of all amounts of interest due and payable on the Class A Notes;
- (f) *sixth*, to pay (on a *pro rata and pari passu* basis) to the extent that (i) the Class B Notes are the Most Senior Class of Notes or (ii) the amount in debit on the Class B Principal Deficiency Sub- Ledger is less than 25 per cent. of the aggregate Principal Amount Outstanding of the Class B Notes on the previous Payment Date (after making payments due on that date), any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class B Notes;
- (g) *seventh*, to pay (on a *pro rata and pari passu* basis) to the extent that (i) the Class C Notes are the Most Senior Class of Notes or (ii) the amount in debit on the Class C Principal Deficiency Sub-Ledger is less than 25 per cent. of the aggregate Principal Amount Outstanding of the Class C Notes on the previous Payment Date (after making payments due on that date), any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class C Notes;
- (h) *eighth*, to pay (on a *pro rata and pari passu* basis) to the extent that (i) the Class D Notes are the Most Senior Class of Notes or (ii) the amount in debit on the Class D Principal Deficiency Sub-Ledger is less than 25 per cent. of the aggregate Principal Amount Outstanding of the Class D Notes on the previous Payment Date (after making payments due on that date), any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class D Notes;
- (i) *ninth*, to pay (on a *pro rata and pari passu* basis) to the extent that (i) the Class E Notes are the Most Senior Class of Notes or (ii) the amount in debit on the Class E Principal Deficiency Sub-Ledger is less than 25 per cent. of the aggregate Principal Amount Outstanding of the Class E Notes on the previous Payment Date (after making payments due on that date), any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class E Notes;
- (j) *tenth*, to in or towards payment into the Cash Reserve Account an amount up to (but not exceeding) the Target Cash Reserve Amount;
- (k) *eleventh*, to credit in full sequential order the Class A Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon, the Class B Principal Deficiency Sub-

Ledger in an amount sufficient to eliminate any debit thereon, the Class C Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon, the Class D Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon, the Class E Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon and the Class F Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Principal Available Funds);

- (l) *twelfth*, to pay (on a *pro rata* and *pari passu* basis) any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class B Notes (to the extent not paid under item (vi) *sixth* above);
- (m) *thirteenth*, to pay (on a *pro rata* and *pari passu* basis) any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class C Notes (to the extent not paid under item (vii) *seventh* above);
- (n) *fourteenth*, to pay (on a *pro rata* and *pari passu* basis) any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class D Notes (to the extent not paid under item (viii) *eighth* above);
- (o) *fifteenth*, to pay (on a *pro rata* and *pari passu* basis) any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class E Notes (to the extent not paid under item (ix) *ninth* above);
- (p) *sixteenth*, to pay (on a *pro rata* and *pari passu* basis) any aggregate Interest Amount (including Deferred Interests, if any) due and payable on the Class X Notes;
- (q) *seventeenth*, to pay (on a *pro rata* and *pari passu* basis) any Principal Amount Outstanding of the Class X Notes until the Class X Notes are redeemed in full;
- (r) *eighteenth*, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of any and all outstanding fees, costs, liabilities and any other expenses to be paid to fulfil obligations to any Other Issuer Creditor incurred in the course of the Issuer's business in relation to the Securitisation (other than amounts already provided for in this Pre-Trigger Notice Interest Priority of Payments);
- (s) *nineteenth*, to pay any, *pari passu* and *pro rata* according to the respective amounts thereof, any Subordinated Hedge Amounts due and payable to the Hedge Counterparty (but excluding any Hedge Excluded Payable Amounts, which shall be discharged in accordance with the Hedge Agreement);
- (t) *twentieth*, on any Payment Date until the Payment Date on which all Classes of Notes other than the Class R Notes have been redeemed or repaid (as applicable) in full, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class R Notes until such Class R Notes are redeemed in full (in the case of all Payment Dates occurring up to (but excluding) the Payment Date that will be expected to be the Cancellation Date, up to an amount that makes the aggregate Principal Amount Outstanding of all the Class R Notes not lower than Euro 1,000); and
- (u) *twenty-first*, in or towards satisfaction *pari passu* and *pro rata* of the Variable Return (if any) on the Class R Notes.

## 6.2 Pre-Trigger Notice Principal Priority of Payments

- (a) Prior to the service of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Principal Available Funds, as calculated on each Calculation Date, will be applied by or on behalf of the Issuer on the Payment Date immediately following such Calculation Date in making payment or provision in the following order of priority but, in each case, only if and to the extent that payments or provisions of a higher priority have been made in full:

- (i) *first*, in or towards application of any Principal Addition Amounts to meet any Senior Interest Shortfall Amount;
- (ii) *second*: (a) prior to the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class A Notes up to the applicable Repayment Amount, and (b) upon or at any time following the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class A Notes until the Class A Notes are redeemed in full;
- (iii) *third*, (a) prior to the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class B Notes up to the applicable Repayment Amount, and (b) upon or at any time following the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class B Notes until the Class B Notes are redeemed in full;
- (iv) *fourth*, (a) prior to the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class C Notes up to the applicable Repayment Amount, and (b) upon or at any time following the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class C Notes until the Class C Notes are redeemed in full;
- (v) *fifth*, (a) prior to the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class D Notes up to the applicable Repayment Amount, and (b) upon or at any time following the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class D Notes until the Class D Notes are redeemed in full;
- (vi) *sixth*, (a) prior to the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class E Notes up to the applicable Repayment Amount, and (b) upon or at any time following the occurrence of a Sequential Redemption Event, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class E Notes until the Class E Notes are redeemed in full;
- (vii) *seventh*, in or towards satisfaction, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class F Notes until the Class F Notes are redeemed in full;
- (viii) *eighth*, any remainder to be applied in accordance with the Pre-Trigger Notice Interest Priority of Payments on such Payment Date.

### 6.3 **Post-Trigger Notice Priority of Payments**

On each Payment Date following the delivery of a Trigger Notice or in case of redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Issuer Available Funds, as calculated on each Calculation Date, will be applied by or on behalf of the Issuer on the Payment Date immediately following such Calculation Date in making payments or provisions in the following order of priority but, in each case, only if and to the extent that payments of a higher priority have been made in full:

- (a) *first*, *pari passu* and *pro rata* according to the respective amounts thereof, in or towards (A) satisfaction of any Expenses (to the extent that amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Interest Period), and (B) payment into the Expenses Account of an amount necessary to bring the balance thereof up to (but not exceeding) the Retention Amount;

- (b) *second*, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of all fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;
- (c) *third*, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of all fees, costs and expenses of, and all other amounts due and payable to, Cash Manager, the Account Bank, the Calculation Agent, the Paying Agents, the Custodian (if any), the Corporate Services Provider, the Master Servicer, the Sub-Servicer, the Back-Up Sub-Servicer and any further Other Issuer Creditors,, each pursuant to the terms of the Transaction Document(s);
- (d) *fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, all amounts (if any) due and payable to the Hedge Counterparty under the Hedge Agreement (including termination payments but excluding any Subordinated Hedge Amounts or any Hedge Excluded Payable Amounts, which shall be discharged in accordance with the Hedge Agreement);
- (e) *fifth*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class A Notes;
- (f) *sixth* in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class A Notes until the Class A Notes are redeemed in full;
- (g) *seventh*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class B Notes;
- (h) *eighth* in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class B Notes until the Class B Notes are redeemed in full;
- (i) *ninth*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class C Notes;
- (j) *tenth*, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class C Notes until the Class C Notes are redeemed in full;
- (k) *eleventh*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class D Notes;
- (l) *twelfth*, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class D Notes until the Class D Notes are redeemed in full;
- (m) *thirteenth*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class E Notes;
- (n) *fourteenth*, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class E Notes until the Class E Notes are redeemed in full;
- (o) *fifteenth*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class X Notes;
- (p) *sixteenth*, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class X Notes until the Class X Notes are redeemed in full;
- (q) *seventeenth*, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class F Notes until the Class F Notes are redeemed in full;
- (r) *eighteenth*, to pay any, *pari passu* and *pro rata* according to the respective amounts thereof, any Subordinated Hedge Amounts due and payable to the Hedge Counterparty (but

excluding any Hedge Excluded Payable Amounts, which shall be discharged in accordance with the Hedge Agreement);

- (s) *nineteenth*, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of any and all outstanding fees, costs, liabilities and any other expenses to be paid to fulfil obligations to any Other Issuer Creditor incurred in the course of the Issuer's business in relation to the Securitisation (other than amounts already provided for in this Post-Trigger Notice Priority of Payments);
- (t) *twentieth*, on any Payment Date until the Payment Date on which all Classes of Notes other than the Class R Notes have been redeemed or repaid (as applicable) in full, in or towards repayment, *pari passu* and *pro rata*, of the Principal Amount Outstanding of the Class R Notes until such Class R Notes are redeemed in full (in the case of all Payment Dates occurring up to (but excluding) the Payment Date that will be expected to be the Cancellation Date, up to an amount that makes the aggregate Principal Amount Outstanding of all the Class R Notes not lower than Euro 1,000); and
- (u) *twenty-first*, in or towards satisfaction of the Variable Return (if any) on the Class R Notes.

## 7. INTEREST

### 7.1 Accrual of interest

Each Note (other than the Class F Notes and the Class R Notes) bears interest on its Principal Amount Outstanding from (and including) the Issue Date.

### 7.2 Payment dates and Interest Periods

Interest on each Note (other than the Class F Notes and the Class R Notes) will accrue on a daily basis and will be payable in Euro in arrear on each Payment Date in respect of the Interest Period ending on such Payment Date. The First Payment Date is in June 2024 in respect of the Initial Interest Period.

### 7.3 Cessation of interest

Each Note (other than the Class F Notes and the Class R Notes) (or the portion of the Principal Amount Outstanding due for redemption) shall cease to bear interest from (and including) the Final Maturity Date or from (and including) any earlier date fixed for redemption unless payment of the principal due and payable but unpaid is improperly withheld or refused, in which case, each Note (other than the Class F Notes and the Class R Notes) (or the relevant portion thereof) will continue to bear interest in accordance with this Condition 7 (*Interest*) (both before and after judgment) at the rate from time to time applicable to such Note until the day on which either all sums due in respect of such Note (other than the Class F Notes and the Class R Notes) up to that day are received by the relevant Noteholder (other than the Class F Noteholders and the Class R Noteholders) or the Representative of the Noteholders or the Paying Agents receives all amounts due on behalf of all such Noteholders (other than the Class F Noteholders and the Class R Noteholders).

### 7.4 Calculation of interest

Interest on the Notes (other than the Class F Notes and the Class R Notes) in respect of any Interest Period or any other period shall be calculated on the basis of the actual number of days elapsed and a 360-day year.

### 7.5 Calculation of Variable Return

On or prior to each Calculation Date, the Issuer shall determine (or cause the Calculation Agent to determine) the Variable Return (if any) payable in respect of the Class R Notes on the immediately following Payment Date.

The Variable Return payable on the Class R Notes on each Payment Date will be equal to any Issuer Available Funds remaining after making all payments due under items from (i) (*first*) to (xxi) (*twenty-first*) (inclusive) of the Pre-Trigger Notice Interest Priority of Payments or from (i) (*first*)

to (xxi) (*twenty-first*) (inclusive) of the Post-Trigger Notice Priority of Payments, as the case may be, and may be equal to 0 (zero).

#### 7.6 **Rates of interest**

The rate of interest applicable to the Notes (other than the Class R Notes and the Class F Notes) (the "**Interest Rate**") for each Interest Period shall be:

- (a) in respect of the Class A Notes, a floating rate equal to Euribor plus [ $\bullet$ ] % per annum;
- (b) in respect of the Class B Notes, a floating rate equal to Euribor plus [ $\bullet$ ] % per annum;
- (c) in respect of the Class C Notes, a floating rate equal to Euribor plus [ $\bullet$ ] % per annum;
- (d) in respect of the Class D Notes, a floating rate equal to Euribor plus [ $\bullet$ ] % per annum;
- (e) in respect of the Class E Notes, a floating rate equal to Euribor plus [ $\bullet$ ] % per annum;
- (f) in respect of the Class X Notes, a floating rate equal to Euribor plus [ $\bullet$ ] % per annum,

**provided that** the Interest Rate in respect of Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class X Notes shall never be less than zero.

#### 7.7 **Deferral of Interest**

Subject to Condition 7.2 (*Payment dates and Interest Periods*), in respect of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes (other than when they have become Most Senior Class of Notes), if on any Payment Date there are no sufficient Issuer Available Funds to make payment in full (after having paid or provided for items of higher priority in the Pre-Trigger Notice Interest Priority of Payments, or after delivery of a Trigger Notice, in the Post-Trigger Notice Priority of Payments) of:

- (a) all amounts of interest accrued during the immediately preceding Interest Period (together, all such amounts being the "**Current Interest**"); and
- (b) any interest amounts previously deferred,

payment of such interest (the "**Deferred Interest**") shall be deferred to the next Payment Date.

The Deferred Interest amounts will not accrue interest.

A deferral of interest shall not at any time constitute a Trigger Event excluding the exception provided under Condition 12.1(a) (*Non-payment*).

#### 7.8 **Calculation of Interest Amounts and Variable Return**

The Issuer shall on each Determination Date:

- (a) determine, or cause the Italian Paying Agent to determine, the Euro amount (the "**Interest Amount**") payable as interest on a Note (other than Class R Notes) in respect of such Interest Period calculated by applying the relevant Interest Rate to the Principal Amount Outstanding of a Note (other than the Class F Notes and the Class R Notes) on the Payment Date at the commencement of such Interest Period (or, in the case of the Initial Interest Period, the Issue Date) (after deducting therefrom any payment of principal due and paid on that Payment Date), multiplying the product of such calculation by the actual number of days in the Interest Period and dividing by 360, and rounding the resultant figure to the nearest cent (half a cent being rounded up);
- (b) determine (or cause the Calculation Agent to determine) the Deferred Interests (if any) due to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes (other than when they have become Most Senior Class of Notes) on the immediately following Payment Date;

- (c) determine (or cause the Calculation Agent to determine) the Variable Return (if any) payable on the Class R Notes on the immediately following Payment Date.

#### 7.9 **Notification of Interest Amount, Variable Return and Payment Date**

As soon as practicable and in any event not later than the close of business on

- (a) the relevant Determination Date, the Issuer (or the Italian Paying Agent on its behalf) will cause the Interest Amount for each Note (other than the Class F Notes and the Class R Notes) for the related Interest Period;
- (b) the relevant Calculation Date, the Issuer (or the Calculation Agent on its behalf) will cause the Payment Date in respect of each such Interest Amount;
- (c) the relevant Calculation Date, the Issuer (or the Calculation Agent on its behalf) will cause the Deferred Interests (if any) for the related Interest Period; and
- (d) the relevant Calculation Date, the Issuer (or the Calculation Agent on its behalf) will cause the Variable Return (if any) in respect of the Class R Notes for the related Payment Date,

to be notified to the Issuer, the Master Servicer, the Sub-Servicer the Representative of the Noteholders, the Paying Agents, the Corporate Services Provider, the Hedge Counterparty, Euroclear, Clearstream, Euronext Securities Milan and will cause the same to be published in accordance with Condition 16 (*Notices*) on or as soon as possible after the relevant Determination Date.

#### 7.10 **Amendments to publications**

The Interest Rate and the Interest Amount and the Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of any extension or shortening of the relevant Interest Period.

#### 7.11 **Determination by the Representative of the Noteholders**

- (a) If the Issuer does not at any time for any reason calculate (or cause to be calculated) the Interest Amount or Variable Return in accordance with this Condition 7 (**Interest**), the Representative of the Noteholders as legal representative of the Organisation of the Noteholders shall determine (or cause to be determined) the Interest Amount or Variable Return in the manner specified in Condition 7.8 (*Calculation of Interest Amounts and Variable Return*).
- (b) The Representative of the Noteholders shall have no liability to any person in connection with any determination or calculation made by it or its agent pursuant to this Condition 7.11 or any failure to make such determination or calculation or any failure to appoint such an agent willing or able to make such determination or calculation, and the Representative of the Noteholders shall not be in any way responsible for any liabilities incurred by reason of misconduct or default on the part of any such agent or be bound to supervise the proceedings or acts of any such agent, **provided that** such agent has been selected by the Representative of the Noteholders among financial institutions having certified experience in making the above determination and calculation in the context of other securitisation transactions.

#### 7.12 **Unpaid interest with respect to the Notes**

Unpaid interest on the Notes (other than the Class F Notes and the Class R Notes) shall accrue no interest.

#### 7.13 **Benchmark Discontinuation**

If a Benchmark Event occurs in relation to the Euribor when the Interest Rate (or any component part thereof) for any Interest Period remains to be determined by reference to such Euribor (or any component part thereof), then the party responsible for determining the Interest Rate applicable to



the Notes (other than the Class F Notes and the Class R Notes) (being the Paying Agents or such other party specified in the Conditions) shall notify the Issuer and the Issuer shall use its reasonable endeavours, with the cooperation of the Paying Agents, to appoint, an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with this Condition 7.13 (*Benchmark Discontinuation*)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 7.13 (*Benchmark Discontinuation*)), and whether any Benchmark Amendments (in accordance with Condition 7.13 (*Benchmark Discontinuation*)) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread.

The Independent Adviser appointed by the Issuer pursuant to this Condition 7.13 (*Benchmark Discontinuation*) shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of wilful misconduct, fraud or negligence, the Independent Adviser shall have no liability whatsoever to the Issuer, the party responsible for determining the Interest Rate applicable to the Notes (being the Paying Agents, or such other party specified in the Conditions), the Representative of the Noteholders or the Noteholders for any determination made by it pursuant to this Condition 7.13 (*Benchmark Discontinuation*).

- (a) If following the occurrence of a Benchmark Event the Independent Adviser appointed by it fails to determine and notify in writing both the Issuer and the party responsible for determining the Interest Rate applicable to the Notes (other than Class F Notes and Class R Notes) of a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 7.13 (*Benchmark Discontinuation*) prior to the relevant Determination Date, the Issuer (acting in cooperation with the Paying Agents) may appoint a new Independent Adviser in order to determine a Successor Rate, or failing which, an Alternative Rate, (the "**New Independent Advisor**") **provided however that**, if the New Independent Advisor is unable or unwilling to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 7.11.1 prior to the relevant Determination Date, the Euribor applicable to the immediate following Interest Period shall be the Euribor applicable as at the last preceding Determination Date. If there has not been a first Payment Date, the Euribor shall be the Euribor applicable to the first Interest Period. Where a different margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the margin relating to the relevant Interest Period shall be substituted in place of the margin relating to that last preceding Interest Period (as applicable). For the avoidance of doubt, any adjustment pursuant to this Condition 7.11.1 shall apply to the immediately following Interest Period only. Any subsequent Interest Period may be subject to the subsequent operation of, and to adjustment as provided in, this Condition 7.13 (*Benchmark Discontinuation*).
- (b) If the Independent Adviser or the New Independent Advisor acting in good faith and in a commercially reasonable manner determines in its discretion that:
  - (i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 7.13 (*Benchmark Discontinuation*)) be promptly notified in writing to the Issuer and/or the party responsible for determining the Interest Rate applicable to the Notes (other than Class F Notes and Class R Notes), as the case may be, and only after being so notified subsequently be used in place of the Euribor to determine the Interest Rate (or the relevant component part thereof) for the immediately following Interest Period and all following Interest Periods, subject to the further application to such Successor Rate of this Condition 7.13 (*Benchmark Discontinuation*) in the event of a further Benchmark Event affecting the Successor Rate; or
  - (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 7.13 (*Benchmark Discontinuation*)) be promptly notified in writing to the Issuer and/or the party responsible for determining the Interest Rate applicable to the Notes (other than Class F Notes and Class R Notes), as the case may be, and only after being so notified subsequently be used in place of the Euribor to determine the Interest Rate (or the relevant component part thereof) for the immediately following Interest Period and all following Interest Periods, subject to the

subsequent operation of this Condition 7.13 (*Benchmark Discontinuation*) in the event of a further Benchmark Event affecting the Alternative Rate.

- (c) If the Independent Adviser or the New Independent Advisor acting in good faith and in a commercially reasonable manner determines in its discretion (A) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (B) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be promptly notified in writing to the Issuer and/or the party responsible for determining the Interest Rate applicable to the Notes (other than Class F Notes and Class R Notes), as the case may be, and apply to the Successor Rate or the Alternative Rate (as the case may be).
- (d) If any relevant Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 7.13 (*Benchmark Discontinuation*) and the Independent Adviser or the New Independent Advisor acting in good faith and in a commercially reasonable manner determines in its discretion that amendments to these Conditions, including but not limited to Relevant Screen Page, are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread and/or necessary or appropriate to comply with any applicable regulation or guidelines on the use of benchmarks or other related document issued by the competent regulatory authority (such amendments, the "**Benchmark Amendments**"), then the Issuer shall, subject to giving notice thereof in accordance with this Condition 7.13 (*Benchmark Discontinuation*) and subject (only to the extent required) to giving any notice required to be given to, and receiving any consent required from, or non-objection from, the competent regulatory authority, without any requirement for the consent or approval of relevant Representative of the Noteholders or Noteholders, vary these Conditions and the other Transaction Documents to give effect to such Benchmark Amendments with effect from the date specified in such notice (and for the avoidance of doubt, subject to paragraph (i) below, the Representative of the Noteholders will consent to and effect, at the direction and expense of the Issuer such consequential amendments to the Cash Allocation, Management and Payments Agreement, the Hedge Agreement and these Conditions as may be required in order to give effect to this Condition 7.13 (*Benchmark Discontinuation*)), **provided that:**
  - (i) (x) the Representative of the Noteholders shall not be obliged to concur in making any modification (including, for the avoidance of doubt, any consequential amendments as may be required in order to give effect to this Condition 7.13 (*Benchmark Discontinuation*)), which, in the sole opinion of the Representative of the Noteholders, would have the effect of (a) exposing the Representative of the Noteholders to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (b) increasing the obligations or duties, or decreasing the rights or protection, of the Representative of the Noteholders in the Transaction Documents and/or these Conditions; (y) at the request of the Issuer, subject to paragraph (x) above and (e) below, the Representative of the Noteholders, without any requirement for the consent or approval of the Noteholders, will concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of an amendment agreement to the Transaction Documents) and the Representative of the Noteholders shall not be liable to any party for any consequences thereof; (z) in connection with any such variation in accordance with this Condition 7.13 (*Benchmark Discontinuation*), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading;
  - (ii) if a different margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the margin relating to the relevant Interest Period shall be substituted in place of the margin relating to that last preceding Interest Period.
- (e)

- (i) A 30 (thirty) days' prior written notice in relation to any proposed Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 7.13 shall be provided by the Issuer to the Representative of the Noteholders, the Calculation Agent and the Principal Paying Agent and, in accordance with Condition 16 (*Notices*), the Noteholders.
  - (ii) If the Noteholders of the Most Senior Class representing at least 10 (ten) per cent. of the Principal Amount Outstanding of the Most Senior Class have notified the Issuer and the Principal Paying Agent – in accordance with the notice and the then current practice of any applicable clearing system through which such Most Senior Class of Notes may be held, by the time specified in such notice – that they do not consent to the proposed modifications related to the Successor Rate, Alternative Rate, Adjustment Spread and/or any Benchmark Amendment, then such modification will not be made, unless an Extraordinary Resolution of the Most Senior Class of Notes is passed in favour of such modification in accordance with the Rules of the Organisation of the Noteholders.
  - (iii) If no objection is made by Noteholders of the Most Senior Class representing at least 10 (ten) per cent. of the Principal Amount Outstanding of the Most Senior Class of Notes to the proposed Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, or, otherwise, from the date on which an Extraordinary Resolution of the Most Senior Class of Notes is passed in favour of such modifications (after the objection made by Noteholders of the Most Senior Class of Notes representing at least 10 (ten) per cent. of the Principal Amount Outstanding of the Most Senior Class of Notes), the proposed Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments shall be binding on all Noteholders and shall be notified by the Issuer (or the Principal Paying Agent on its behalf) to the Representative of the Noteholders, the Calculation Agent, the Principal Paying Agent and, in accordance with Condition 16 (*Notices*), the Noteholders.
- (f) If the Independent Adviser or the New Independent Adviser acting in good faith and in a commercially reasonable manner determines in its discretion that Benchmark Amendments are required in accordance with Condition 7.13 (d) above, then the Issuer shall also vary the Hedge Agreement to give effect to the Benchmark Amendments ("**Swap Rate Modification**"), provided that notice is given to the Hedge Counterparty in accordance with the terms of the Hedge Agreement and the Hedge Counterparty provides its prior written consent to such Swap Rate Modification.
- (g) The Representative of the Noteholders, the Noteholders and the Paying Agents shall have no duty to monitor compliance by each of the Issuer and/or the Independent Adviser with their obligations under this Condition 7.13 (*Benchmark Discontinuation*) and shall rely without liability to any person and without further enquiry or investigation on the determinations, calculation, computations and certificates provided under this Condition 7.13 (*Benchmark Discontinuation*) by the Issuer and/or the Independent Adviser. For the avoidance of doubt, the Representative of the Noteholders shall have no duty to review or check the determinations, calculations and computations made by the Issuer or the Independent Adviser pursuant to this Condition 7.13 (*Benchmark Discontinuation*).
- (h) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 7.13 (*Benchmark Discontinuation*) will be notified promptly by the Issuer to the Representative of the Noteholders, the Calculation Agent, the Paying Agents and, in accordance with Condition 16 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.
- (i) No later than notifying the Representative of the Noteholders of the same, the Issuer shall deliver to the Representative of the Noteholders a certificate signed by the authorised signatory of the Issuer:

- (i) confirming (x) that a Benchmark Event has occurred, (y) the relevant Successor Rate, or, as the case may be, the relevant Alternative Rate and, (z) where applicable, any relevant Adjustment Spread and/or the specific terms of any relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 7.13 (*Benchmark Discontinuation*); and
  - (ii) certifying that the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate, Alternative Rate and/or Adjustment Spread.
- (j) The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of such Successor Rate or Alternative Rate and such Adjustment Spread (if any) and such Benchmark Amendments (if any)) be binding on the Issuer, the Representative of the Noteholders, the Calculation Agent, the Paying Agents and the Noteholders.

Without prejudice to the obligations of the Issuer under Condition 7.13 (*Benchmark Discontinuation*), the Euribor will continue to apply unless and until a Benchmark Event has occurred.

As used in this Condition 7.13 (*Benchmark Discontinuation*):

**"Adjustment Spread"** means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser or the New Independent Adviser (as applicable) determines (acting in good faith and in a commercially reasonable manner) is required to be applied to the relevant Successor Rate or the relevant Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonable practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Euribor with the Successor Rate or the Alternative Rate (as the case may be) is the spread, formula or methodology which:

- (a) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Euribor with the Successor Rate by any Relevant Nominating Body; or
- (b) (if no such recommendation has been made, or in the case of an Alternative Rate), the Independent Adviser or the New Independent Adviser (as applicable) determines (acting in good faith and in a commercially reasonable manner) is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Euribor; or
- (c) (if no such recommendation has been made, or in the case of an Alternative Rate) the Independent Adviser or the New Independent Adviser (as applicable) determines (acting in good faith and in a commercially reasonable manner) is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Euribor, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (d) (if the Independent Adviser or the New Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser or the New Independent Adviser (as applicable) determines (acting in good faith and in a commercially reasonable manner) to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Euribor with the Successor Rate or the Alternative Rate (as the case may be).

**"Alternative Rate"** means an alternative benchmark or screen rate which the Independent Adviser or the New Independent Adviser (as applicable) determines (acting in good faith and in a commercially reasonable manner) in accordance with this Condition 7.13 (*Benchmark*

*Discontinuation*) is customary in market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) in the same currency as the Notes.

"**Benchmark Amendments**" has the meaning given to it in Condition 7.11.4.

"**Benchmark Event**" means:

- (a) the relevant Euribor has ceased to be published for a period of at least 5 (five) Business Days on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or
- (b) a public statement by the administrator of the relevant Euribor that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Euribor) it will, by a specific date within the following 6 (six) months, cease publishing such Euribor permanently or indefinitely or that it will cease to do so by a specified future date (each a "**Specified Future Date**"); or
- (c) a public statement by the supervisor of the administrator of the relevant Euribor that such Euribor has been or will, by a Specified Future Date, be permanently or indefinitely discontinued; or
- (d) a public statement by the supervisor of the administrator of the relevant Euribor that means that such Euribor will, by a Specified Future Date, be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or
- (e) a public statement by the supervisor of the administrator of the relevant Euribor (as applicable) that, in the view of such supervisor, such Euribor is no longer representative of an underlying market; or
- (f) it has or will, by a specified date within the following 6 (six) months, become unlawful for the Paying Agents, the Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the relevant Euribor (as applicable) (including, without limitation, under the Benchmark Regulation (EU) 2016/1011, if applicable).

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (ii), (iii) or (iv) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed occur until the date falling six months prior to such Specified Future Date.

"**Independent Adviser**" means a financial institution of international repute in the international capital markets, appointed discretionary (for the avoidance of doubt without any consent or approval by the Representative of the Noteholders and/or the Noteholders) by the Issuer, with the cooperation of the Paying Agents, at its own expense under Condition 7.13 (*Benchmark Discontinuation*).

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

- (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

**"Relevant Screen Page"** means the page, section or other part of a particular information service (including, without limitation, Bloomberg), or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Euribor.

**"Successor Rate"** means the rate that the Independent Adviser or the New Independent Adviser (as applicable) determines (acting in good faith and in a commercially reasonable manner) is a successor to or replacement of the Euribor, which is formally recommended by any Relevant Nominating Body.

## 8. REDEMPTION, PURCHASE AND CANCELLATION

### 8.1 Final redemption

- (a) Unless previously redeemed in full or cancelled as provided in this Condition 8, the Issuer shall redeem the Notes at their Principal Amount Outstanding, plus any accrued but unpaid interest, on the Final Maturity Date.
- (b) The Issuer may not redeem the Notes in whole or in part prior to the Final Maturity Date except as provided below in Conditions 8.2 (*Mandatory redemption*), 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*) but without prejudice to Condition 12 (*Trigger Events*) and Condition 13 (*Enforcement*).
- (c) If the Issuer has insufficient Issuer Available Funds to repay the Notes in full on the Final Maturity Date, then the Notes shall be deemed to be discharged in full and any amount in respect of principal, interest or other amounts due and payable in respect of the Notes shall (unless payment of such amounts is being improperly withheld or refused) be finally and definitively cancelled.

### 8.2 Mandatory redemption

- (a) On each Payment Date on which there are Issuer Available Funds available for payments of principal in respect of the Notes in accordance with the applicable Priority of Payments set out in Condition 6 (*Priority Of Payments*), the Issuer will cause each Class of Notes, as applicable, to be redeemed on such Payment Date in accordance with the Priority of Payments set out in Condition 6 (*Priority Of Payments*) in an amount equal to the Principal Payment Amount (as defined below) determined on the related Calculation Date, provided that prior to the delivery of a Trigger Notice, Principal Amount Outstanding on the Notes may be repaid in a *pro-rata* or sequential order according to the terms of the Pre-Trigger Notice Principal Priority of Payments and provided further that the Principal Amount Outstanding on the Class X Notes and the Class R Notes will be repaid by using the Interest Available Funds.

### 8.3 Optional redemption

- (a) Provided that no Trigger Notice has been served on the Issuer, upon the aggregate Outstanding Principal of the Receivables comprised in the Portfolio which are not Defaulted Receivables being equal to, or lower than, 10 per cent. of the aggregate Outstanding Principal of the Receivables comprised in the Portfolio as at the Valuation Date (the "**Clean-up Call Event**"), the Originator has the right to exercise the repurchase option under Clause 11.1 (*Clean-Up Event and Repurchase of the Portfolio*) of the Receivables Purchase Agreement and each Portfolio Option Holder has the right to exercise its right to purchase the Portfolio pursuant to this Condition 8.3, upon which the Issuer shall, on any Payment Date following the occurrence of the Clean-up Call Event, redeem the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes (in whole but not in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon) in accordance with the Post-Trigger Notice Priority of Payments, subject to the Issuer:
  - (i) giving not less than 5 (five) days' notice to the Representative of the Noteholders (with copy to the Master Servicer, the Sub-Servicer, the Calculation Agent, the

Hedge Counterparty and the Rating Agencies) and to the Noteholders in accordance with Condition 16 (*Notices*) of its intention to redeem the Notes; and

- (ii) on the date on which the notice referred to in paragraph (i) above has been given, delivering to the Representative of the Noteholders a certificate duly signed by the Issuer to the effect that it will have the necessary funds (free and clear of any Security Interest of any third party) on such Payment Date to discharge its outstanding liabilities in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes (in whole but not in part) and any other payment ranking in priority to or *pari passu* therewith, in accordance with the Post-Trigger Notice Priority of Payments.
- (b) The Issuer may obtain the funds necessary to finance such early redemption of the Notes in accordance with Condition 8.3 (*Optional redemption*) from the sale of the Portfolio to either of (i) the Originator (or a nominee of the Originator), or (ii) any Portfolio Option Holder (or a nominee of any Portfolio Option Holder) (each a “**Potential Buyer**”), as the Issuer has granted to: (a) the Originator (or a nominee of the Originator) under the Receivables Purchase Agreement, and (b) each Portfolio Option Holder (or a nominee of such Portfolio Option Holder) under the Conditions, an option, pursuant to article 1331 of the Italian civil code, to submit an offer to purchase the Portfolio, on any Payment Date following a Clean-up Call Event, by reference to the status of the Portfolio as at the date falling at the end of the preceding Collection Period (each a “**Purchase Option**”).
- (c) With respect to any Payment Date following a Clean-up Call Event:
- (i) should the Originator intend to exercise the Purchase Option it shall inform the Issuer, by no later than the 30<sup>th</sup> calendar day prior to such Payment Date, by providing written notice thereof to the Issuer (with a copy to the Representative of the Noteholders) (such notification, an “**Originator Purchase Notification**”);
  - (ii) within the first Business Day following the receipt by the Issuer of an Originator Purchase Notification, the Issuer shall notify all the Portfolio Option Holders of the receipt of such Originator Purchase Notification;
  - (iii) any of the Potential Buyers (or their respective nominees) may submit a purchase offer in relation to the Portfolio (each a “**Purchase Offer**”), *provided that*:
    - (A) in the case of the Originator, such Purchase Offer (xx) may be submitted only if an Originator Purchase Notification has been delivered in accordance with Condition 8.3.3(i) and (yy) shall be submitted to the Issuer (with copy to the Representative of the Noteholders) at least 15 days prior to such Payment Date; and
    - (B) in the case of any Portfolio Option Holder, such Purchase Offer shall be submitted to the Issuer (with copy to the Representative of the Noteholders) at least 10 days prior to such Payment Date; and
  - (iv) on the first Business Day following the receipt by the Issuer of any Purchase Offer from a Potential Buyer, the Issuer shall notify each other Potential Buyer of the receipt of such Purchase Offer (and, in the case of an Originator's Purchase Offer only, the Issuer shall notify the Portfolio Option Holders also of the purchase price offered by the Originator in its Purchase Offer).
- (d) The acceptance by the Issuer of any Purchase Offer will be subject to:
- (i) any Purchase Offer having been timely submitted to the Issuer by the relevant Potential Buyer in accordance with the terms and conditions provided by Condition 8.3.3 and (b) in the case of an Originator's Purchase Offer, such Purchase Offer having been preceded by the timely receipt by the Issuer of an Originator Purchase Notification within the term provided by Condition 8.3.3 (i);

- (ii) the relevant Potential Buyer demonstrating to the Issuer that it is solvent by providing (i) a solvency certificate issued by its directors; (ii) a solvency certificate issued by the competent register of enterprises; and (iii), if available, a solvency certificate issued by the relevant bankruptcy court (or in case of a non-Italian purchaser, the documents customarily released by the relevant public authorities) satisfactory to the Representative of the Noteholders;
  - (iii) the purchase price proposed by the relevant Potential Buyer to the Issuer in the relevant Purchase Offer (the "**Purchase Offer Amount**") being at least equal to the Final Purchase Price;
  - (iv) confirmation that the relevant Potential Buyer has the required authorisations to purchase the Portfolio; and
  - (v) with respect to any Portfolio Option Holder, evidence of its holding of the Class R Notes and an undertaking not to dispose of such Class R Notes until the Payment Date on which such Portfolio Option Holder (or its nominee) has completed the purchase of the Portfolio.
- (e) If the Issuer receives multiple Purchase Offers, it shall accept the Purchase Offer with the higher Purchase Offer Amount and sell the Portfolio to the relevant Potential Buyer (or its nominee), provided that:
- (i) in case of multiple Purchase Offers having the same Purchase Offer Amount from the Originator and any of the Portfolio Option Holders, the Issuer will be obliged to accept the Purchase Offer submitted by a Portfolio Option Holder (or its nominee);
  - (ii) in case of multiple Purchase Offers having the same Purchase Offer Amount from several Portfolio Option Holders, the Issuer will be obliged to accept the Purchase Offer submitted by the Portfolio Option Holder (or its nominee) holding the highest percentage of the Class R Notes.

#### 8.4 **Optional redemption for taxation reasons**

The Issuer may redeem all (but not some only) of the Notes at their Principal Amount Outstanding, together with accrued but unpaid interest up to and including the relevant Payment Date, on any Payment Date:

- (a) after the date on which the Issuer or any other person on its behalf is required to make any payment in respect of the Notes and the Issuer would be required to make a Tax deduction in respect of such payment (other than in respect of Decree 239 Deduction);
- (b) after the date of a change in the Tax law of Italy (or the application or official interpretation of such law) which would cause the total amount payable in respect of the Portfolio to cease to be receivable by the Issuer, including as a result of any of the Debtors being obliged to make a Tax deduction in respect of any payment in relation to any Receivables,

(each a "**Tax Call Event**") then the Issuer shall, if the same would avoid the effect of such Tax Call Event, appoint a paying agent in another jurisdiction or use its reasonable endeavours to arrange the substitution of a company incorporated and/or tax resident in another jurisdiction approved in writing by the Representative of the Noteholders, provided that:

- (c) the Representative of the Noteholders is satisfied that such substitution will not be materially prejudicial to the interests of the holders of any Class of Noteholders (and in making such determination, the Representative of the Noteholders may rely, without further investigation or inquiry, on (A) if ratings are assigned to the Most Senior Class of Notes, any confirmation made in writing from each of the Rating Agencies that the then current ratings of the Rated Notes would not be adversely affected by such substitution or (B) if no such confirmation from the Rating Agencies is forthcoming, the Issuer has certified in writing) (an "**Issuer Certificate**") to the Representative of the Noteholders that such proposed action (I) (if ratings are assigned to the Most Senior Class of Notes and



while any Rated Notes remains outstanding) has been notified to the Rating Agencies, (II) would not have an adverse impact on the Issuer's ability to make payment when due in respect of the Notes, (III) would not affect the legality, validity and enforceability of any of the Transaction Documents or any Security Interest and (IV) (if ratings are assigned to the Most Senior Class of Notes and while any of the Rated Notes remains outstanding) would not have an adverse effect on the rating of the Rated Notes (upon which confirmation or certificate the Representative of the Noteholders shall be entitled to rely absolutely without further enquiry and without liability to any person for so doing); and

- (d) such substitution would not require registration of any new security under U.S. securities laws or materially increase the disclosure requirements under U.S. law.

If the Issuer satisfies the Representative of the Noteholders immediately before giving the notice referred to below that one or more Tax Call Events is continuing and that the appointment of a paying agent or a substitution as referred to above would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such appointment or substitution, then the Issuer shall:

- (a) give not more than 60 days' and not less than 30 days' notice to the Representative of the Noteholders and the Noteholders in accordance with Condition 16 (*Notices*) of its intention to redeem all (but not some only) of the Notes; and
- (b) that prior to giving such notice, provide to the Representative of the Noteholders a certificate signed by the sole director of the Issuer confirming that the Issuer will, on the relevant Payment Date, have the funds not subject to the interests of any other person required to redeem the Notes pursuant to this Condition and any amount required to be paid under the Post-Trigger Notice Priority of Payments in priority to or *pari passu* with the Notes.

#### 8.5 **Conclusiveness of certificates**

Any certificate given by or on behalf of the Issuer pursuant to Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*) may be relied on by the Representative of the Noteholders without further investigation and shall be binding on the Noteholders and the Other Issuer Creditors.

#### 8.6 **Calculation of Principal Payment Amount and Principal Amount Outstanding**

- (a) On each Calculation Date, the Issuer shall calculate or cause the Calculation Agent to calculate:
  - (i) the amount of the Issuer Available Funds;
  - (ii) the aggregate principal payment (if any) due on the Notes on the next following Payment Date and the Principal Payment Amount (if any) due on the Notes of a particular Class; and
  - (iii) the Principal Amount Outstanding of the Notes of a particular Class on the next following Payment Date (after deducting any principal payment due to be made on that Payment Date in relation to the Notes of a particular Class).
- (b) On each Calculation Date, the Issuer shall procure that the Calculation Agent determines the principal amount redeemable in respect of each Class of Notes (the "**Principal Payment Amount**") on the next following Payment Date, in accordance with the applicable Priority of Payments.

#### 8.7 **Sequential Redemption Events**

- (a) The occurrence of any of the following events in respect of any Payment Date prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*): will constitute a Sequential Redemption Event:

- (i) *Cumulative Default Ratio*: the Cumulative Default Ratio is greater than the Cumulative Default Trigger; or
  - (ii) *Principal Deficiency Ledger*: the Principal Deficiency Ledger has a debit balance in an amount equal to or higher than 0.5% of the aggregate Outstanding Principal of the Receivables comprised in the Portfolio as at the Valuation Date (for the avoidance of doubt, after the application of the Pre-Trigger Notice Interest Priority of Payments); or
  - (iii) *Breach of obligations*: the Originator defaults in the performance or observance of any of its obligations under any of the Transaction Documents to which it is party which is in the Representative of the Noteholders' opinion materially prejudicial to the interests of the Noteholders and such default remains unremedied for 10 (ten) Business Days after the Representative of the Noteholders has given written notice thereof to the Originator requiring the same to be remedied (except where, in the opinion of the Representative of the Noteholders, such default is not capable of remedy, in which case no notice requiring remedy will have to be given); or
  - (iv) *Sub-Servicer Termination Event*: a Sub-Servicer Termination Event occurs; or
  - (v) *Tax Call Event*: a Tax Call Event occurs (and no redemption option is exercised in accordance with Condition 8.4 (*Optional redemption for taxation reasons*)); or
  - (vi) *Clean-up Call Event*: a Clean-up Call Event occurs (and no redemption option is exercised in accordance with Condition 8.3 (*Optional redemption*)).
- (b) Upon occurrence of a Sequential Redemption Event, the Representative of the Noteholders shall serve a Sequential Redemption Notice on the Issuer (with copy to the Master Servicer, the Sub-Servicer, the Calculation Agent and the Rating Agencies).
- (c) Following the delivery of a Sequential Redemption Notice:
- (i) the Pro-Rata Amortisation Period will end; and
  - (ii) the Sequential Redemption Period will start and during such period repayments of principal in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be made at all times in a sequential order in accordance with the Pre-Trigger Notice Principal Priority of Payments so that (i) the Class B Notes will not be further redeemed for so long as the Class A Notes have not been redeemed in full, (ii) the Class C Notes will not be further redeemed for so long as the Class B Notes have not been redeemed in full, (iii) the Class D Notes will not be further redeemed for so long as the Class C Notes have not been redeemed in full, and (iv) the Class E Notes will not be further redeemed for so long as the Class D Notes have not been redeemed in full.

## 8.8 Calculation by the Representative of the Noteholders

- (a) If the Issuer does not at any time for any reason calculate (or cause the Calculation Agent to calculate) the Issuer Available Funds, the amount thereof available for principal payments in respect of the Notes (as applicable), the Principal Payment Amount in respect of each Class of Notes or the Principal Amount Outstanding in relation to each Class of Notes in accordance with this Condition 8.8 (*Calculation by the Representative of the Noteholders in case of Issuer default*), such amounts shall be calculated by (or on behalf of) the Representative of the Noteholders in accordance with this Condition (based on information supplied to it by the Issuer or the Calculation Agent) and each such calculation shall be deemed to have been made by the Calculation Agent.
- (b) The Representative of the Noteholders shall have no liability to any person in connection with any determination or calculation made by it or its agent pursuant to this Condition 8.8 (*Calculation by the Representative of the Noteholders in case of Issuer default*) or any failure to make such determination or calculation or any failure to appoint such an agent

willing or able to make such determination or calculation, and the Representative of the Noteholders shall not be in any way responsible for any liabilities incurred by reason of misconduct or default on the part of any such agent or be bound to supervise the proceedings or acts of any such agent, **provided that** such agent has been selected by the Representative of the Noteholders among financial institutions having experience in making the above determination and calculation in the context of other securitisation transactions.

#### 8.9 **Notice of calculation of Principal Payment Amount and Principal Amount Outstanding**

The Issuer will cause each calculation of the Principal Payment Amount and Principal Amount Outstanding in relation to the Class of Notes to be notified immediately after calculation (through the Payments Report or the Post-Trigger Notice Report) to the Representative of the Noteholders, the Paying Agents and, for so long as the Notes (other than the Class R Notes) are listed on the Euronext Dublin and will cause, through the Principal Paying Agent, notice of each calculation of a Principal Payment Amount and Principal Amount Outstanding in relation to each Class of Notes to be given in accordance with Condition 16 (*Notices*) not later than two Business Days prior to each Payment Date.

#### 8.10 **Notice of no Principal Payment Amount**

If, after the First Payment Date, no Principal Payment Amount is due to be made in relation to each Class of Notes on any Payment Date, a notice to this effect will be given to the Rated Noteholders in accordance with Condition 16 (*Notices*) not later than two Business Days prior to such Payment Date.

#### 8.11 **Notice Irrevocable**

Any such notice as is referred to in Condition 8.3 (*Optional redemption*), 8.4 (*Optional redemption for taxation reasons*) and Condition 8.9 (*Notice of calculation of Principal Payment Amount and Principal Amount Outstanding*) shall be irrevocable and, upon the expiration of notice pursuant to Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), the Issuer shall be bound to redeem each Class of Notes, as the case may be, at their Principal Amount Outstanding.

#### 8.12 **No purchase by Issuer**

The Issuer is not permitted to purchase any of the Notes at any time.

#### 8.13 **Cancellation**

All Notes redeemed in full will be cancelled forthwith by the Issuer and may not be resold or reissued.

### 9. **LIMITED RECOURSE AND NON PETITION**

#### 9.1 **Noteholders not entitled to proceed directly against Issuer**

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

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

right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer;

- (c) until the date falling two years and one day after the date on which the Notes and any other notes issued by (or loans advanced to) the Issuer in the context of any further securitisations undertaken by the Issuer have been redeemed in full or cancelled in accordance with their terms and conditions, no Noteholder (nor any person on its behalf, other than the Representative of the Noteholders when so directed by an Extraordinary Resolution of all the Noteholders and then only if the representative the noteholders/lenders of any further securitisations undertaken by the Issuer, if any, have been so directed by extraordinary resolutions of their respective noteholders/lenders in accordance with the relevant transaction document) shall initiate or join any person in initiating an Insolvency Event in relation to the Issuer; and
- (d) no Noteholder shall be entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step which would result in the Priority of Payments not being complied with.

## 9.2 Limited Recourse Obligations of Issuer

Notwithstanding any other provision of the Transaction Documents, all obligations of the Issuer to the Noteholders and Other Issuer Creditor (including the Hedge Counterparty in relation to all payments due to it under the Hedge Agreement other than those in respect of any return of Hedge Collateral posted by it (if any)), are limited in recourse as set out below:

- (a) each Noteholder and Other Issuer Creditor will have a claim only in respect of the Interest Available Funds, the Principal Available Funds or the Issuer Available Funds, as applicable, 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 or its quotaholders, directors or officers;
- (b) sums payable to such Noteholder or Other Issuer Creditor in respect of the Issuer's obligations to such Other Issuer Creditor (including the Hedge Counterparty in relation to all payments due to it under Hedge Agreement other than those in respect of any return of Hedge Collateral posted by it (if any)), shall be limited to the lesser of (a) the aggregate amount of all sums due and payable to such Other Issuer Creditor, (b) the Interest Available Funds, the Principal Available Funds, or the Issuer Available Funds, as the case may be, 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 Transaction Party; **provided that**, if the Issuer Available Funds are insufficient to pay any amount due and payable to the Noteholders and the Other Issuer Creditors, the shortfall then occurring will not be due and payable until a subsequent Payment Date on which the Issuer Available Funds may be used for such purpose in accordance with the relevant Priority of Payments (other than any amount of interest due but not paid on the Class A Notes or, when they become the Most Senior Class of Notes, any amount of interest due but not paid on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, and the Class X Notes), **provided however that** any such shortfall will not accrue interest unless otherwise provided in the Transaction Documents; and
- (c) on the Cancellation Date, the Noteholders shall have no further claim against the Issuer in respect of any such unpaid amounts and such unpaid amounts shall be cancelled and discharged in full.

## 10. PAYMENTS

### 10.1 Payments through Euronext Securities Milan

Payment of principal, interest and Variable Return in respect of the Notes will be credited, according to the instructions of Euronext Securities Milan, by the Paying Agents on behalf of the Issuer to the accounts of the Euronext Securities Milan Account Holder in whose accounts with Euronext Securities Milan the Notes are held and thereafter credited by such Euronext Securities

Milan Account Holders from such aforementioned accounts to the accounts of the beneficial owners of those Notes, all in accordance with the rules and procedures of Euronext Securities Milan, as *the case may be*.

**10.2 Payments subject to fiscal laws**

All payments in respect of the Notes are subject in each case to any applicable fiscal or other laws and regulations. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

**10.3 Payments on Business Days**

Noteholders will not be entitled to any interest or other payment in consequence of any delay after the due date in receiving any amount due as a result of the due date not being a business day in the place of payment to such Noteholder.

**10.4 Change of Paying Agents and appointment of additional paying agents**

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 Paying Agents and to appoint additional or other paying agents. The Issuer will cause at least 30 days' prior notice of any change in or addition to the Paying Agents or its Specified Office to be given in accordance with Condition 16 (*Notices*). Within the same term, the Issuer shall notify the Rating Agencies of any such change or addition.

**11. TAXATION**

**11.1 Payments free from Tax**

All payments by or on behalf of the Issuer in respect of the Notes shall be made free and clear of and without withholding or deduction for, or on account of, any Taxes, including, for the avoidance of doubt, a Decree 239 Deduction, unless the Issuer, the Representative of the Noteholders or the Paying Agents or any paying agent appointed under Condition 10.4 (*Change of Paying Agents and appointment of additional paying agents*) (as the case may be) is required by law to make any Tax deduction. In that event the Issuer, the Representative of the Noteholders or such Paying Agent (as the case may be) shall make such payments after such Tax deduction and shall account to the relevant authorities for the amount so withheld or deducted.

**11.2 No payment of additional amounts**

None of the Issuer, the Representative of the Noteholders, the Paying Agents or any paying agent appointed under Condition 10.4 (*Change of Paying Agents and appointment of additional paying agents*) (as the case may be) will be obliged to pay any additional amounts to the holders of the Notes as a result of any such Tax deduction.

**11.3 Tax deduction not Trigger Event**

Notwithstanding that the Representative of the Noteholders, the Issuer or the Paying Agents or any paying agent appointed under Condition 10.4 (*Change of Paying Agents and appointment of additional paying agents*) are required to make a Tax deduction this shall not constitute a Trigger Event.

**11.4 FATCA Deduction**

Each party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.

Each party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction) notify the party to whom it is making the payment and, in addition, shall notify each Other Issuer Creditor.

## 12. TRIGGER EVENTS

### 12.1 Trigger Events

Each of the following events is a "**Trigger Event**":

(a) ***Non-payment:***

the Issuer defaults in the payment of (i) the Interest Amount due on the Class A Notes (or, should they be the Most Senior Class, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes); and/or (ii) any Deferred Interest but only to the extent the Issuer had, on the due date for payment of the amount of interest in question, sufficient cash to pay, in accordance with the provisions of the Transaction Documents, such interest; and/or (iii) principal due on any Class of Notes on the Final Maturity Date, and each of such defaults is not remedied within a period of 5 (five) Business Days from the due date thereof; or

(b) ***Breach of other obligations:***

the Issuer defaults in the performance or observance of any of its obligations under or in respect of the Rated Notes or any of the Transaction Documents to which it is a party (other than any obligation to pay principal or interest in respect of the Notes) and such default (a) is in the opinion of the Representative of the Noteholders, incapable of being remedied or (b) being a default which is, in the opinion of the Representative of the Noteholders, capable of being remedied remains unremedied for 30 (thirty) days after the Representative of the Noteholders has given written notice of such default to the Issuer requiring the same to be remedied; or

(c) ***Insolvency of the Issuer:***

an Insolvency Event occurs with respect to the Issuer; or

(d) ***Unlawfulness:***

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

### 12.2 Delivery of Trigger Notice

If a Trigger Event occurs and is continuing, subject to Condition 12.3 (*Conditions to delivery of Trigger Notice*) the Representative of the Noteholders:

- (a) in the case of a Trigger Event under Condition 12.1.1 (*Non-Payment*) shall; and
- (b) in the case of a Trigger Event under Condition 12.1.2 (*Breach of other Obligations*), 12.1.3 (*Insolvency of the Issuer*) or 12.1.4 (*Unlawfulness*) shall, if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding;

serve a written notice (a "**Trigger Notice**") on the Issuer.

### 12.3 Conditions to delivery of Trigger Notice

Notwithstanding Condition 12.2 (*Delivery of Trigger Notice*) the Representative of the Noteholders shall not be obliged to deliver a Trigger Notice unless:

- (a) in the case of the occurrence of any of the events mentioned in Condition 12.1.2 (*Breach of other obligations*), the Representative of the Noteholders shall have certified in writing that the occurrence of such event is in its opinion materially prejudicial to the interests of the Rated Noteholders; and
- (b) it shall have been indemnified and/or secured to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

#### 12.4 **Consequences of delivery of Trigger Notice**

Upon the service of a Trigger Notice, all payments of principal, interest (where applicable) and other amounts in respect of the Notes of each Class shall become immediately due and payable without further action or formality at their Principal Amount Outstanding, together with any accrued interest and shall be payable in accordance with the order of priority set out in Condition 6.3 (*Post-Trigger Notice Priority of Payments*) and on such dates as the Representative of the Noteholders shall determine as being Payment Dates.

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

For the purposes of this Condition 12 the Issuer undertakes to notify the Representative of the Noteholders as soon as it becomes aware of the occurrence of a Trigger Event.

The Issuer will notify the Rating Agencies of the service of a Trigger Notice by the Representative of the Noteholders.

### 13. **ENFORCEMENT**

#### 13.1 **Proceedings**

At any time after a Trigger Notice has been served on the Issuer, the Representative of the Noteholders may, at its discretion and without further notice take such steps and/or institute such proceedings as it thinks fit to enforce repayment of the Notes and payment of accrued interest thereon but it shall not be bound to do so unless directed by an Extraordinary Resolution of the Noteholders and subject to article 31.3 of the Rules of the Organisation of the Noteholders.

The Representative of the Noteholders may take such action without having regard to the effect of such action on any individual Noteholder or on any Other Issuer Creditor, save where such action is materially prejudicial to the interests of the Noteholders.

#### 13.2 **Notifications, determinations and liability of the Representative of the Noteholders**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Condition 12 (*Trigger Events*) or this Condition 13 (*Enforcement*) by the Representative of the Noteholders shall (in the absence of wilful misconduct, or gross negligence) be binding on the Issuer and all Noteholders and (in such absence as aforesaid) no liability to the 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.

#### 13.3 **Directions to the Representative of the Noteholders**

The Representative of the Noteholders shall not be bound to take any action described in Condition 13.1 (*Proceedings*) and may take such action without having regard to the effect of such action on any individual Noteholder or on any Other Issuer Creditor, **provided that** the Representative of the Noteholders shall not, and shall not be bound to, act at the request or direction of the Noteholders of any Class other than the Most Senior Class of Notes then outstanding unless:

- (a) to do so would not, in its opinion, be materially prejudicial to the interests of the Noteholders of the Classes of Notes ranking senior to such Class; or
- (b) (if the Representative of the Noteholders is not of that opinion) such action is sanctioned by an Extraordinary Resolution of the Noteholders of each Class ranking senior to such Class.

#### 13.4 **Sale of Receivables**

Following the delivery of a Trigger Notice the Representative of the Noteholders shall direct the Issuer and shall be entitled to dispose in the name and on behalf of the Issuer, according to the Mandate Agreement, to sell the Portfolio or a substantial part thereof only if so requested by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding and strictly in accordance with the instructions approved thereby subject to article 31.3 of the Rules of the Organisation of the Noteholders (and for the avoidance of doubt subject to its indemnification to satisfaction), it being understood that no provisions shall require the automatic liquidation of the Portfolio or any part thereof pursuant to article 21(4)(d) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

#### 14. **THE REPRESENTATIVE OF THE NOTEHOLDERS AND OTHER AGENTS**

##### 14.1 **The Organisation of the Noteholders**

The Organisation of the Noteholders shall be established upon and by virtue of the issue of the Notes and shall remain in force and in effect until repayment in full or cancellation of the Notes. The provisions relating to the Organisation of the Noteholders and the Representative of the Noteholders are contained in the Rules of the Organisation of the Noteholders.

##### 14.2 **Appointment of the Representative of the Noteholders**

Pursuant to the Rules of the Organisation of the Noteholders there shall at all times be a Representative of the Noteholders.

#### 15. **PRESCRIPTION**

Claims against the Issuer for payments in respect of the Notes shall be prescribed and shall become void unless made within ten years (in the case of principal) or five years (in the case of interest and Variable Return) from the date on which a payment in respect thereof first becomes due and payable.

#### 16. **NOTICES**

##### 16.1 **Notices given through Euronext Securities Milan**

Any notice regarding the Rated Notes, as long as the Rated Notes are held through Euronext Securities Milan, shall be deemed to have been duly given if given through the systems of Euronext Securities Milan.

##### 16.2 **Notices in Ireland**

As long as the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes are listed on Euronext Dublin and the rules of such exchange so require, any notice to Noteholders shall also be published on the website of Euronext Dublin (<https://www.euronext.com/en/markets/dublin>). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made in the manner referred to above.

##### 16.3 **Notices in Vienna**

As long as the Class R Notes are listed on the Vienna MTF and the rules of such exchange so require, any notice to Noteholders shall also be published on the website of the Vienna Stock Exchange (<https://www.wienerbourse.at/en/>). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made in the manner referred to above.

##### 16.4 **Other method of giving notice**

The Representative of the Noteholders shall be at liberty to sanction some other method of giving notice to Noteholders if, in its opinion, such other method is reasonable having regard to market



practice then prevailing and to the rules of the stock exchange on which the Notes are then listed and **provided that** notice of such other method is given to the Noteholders in such manner previously approved in writing by the Representative of the Noteholders.

17. **NOTIFICATIONS TO BE FINAL**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of these Conditions, whether by the Paying Agents or any paying agent appointed under Condition 10.4 (*Change of Paying Agents and appointment of additional paying agents*), the Calculation Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful default (*dolo*) or gross negligence (*colpa grave*)) be binding on the Paying Agents or any paying agent appointed under Condition 10.4 (*Change of Paying Agents and appointment of additional paying agents*), the Calculation Agent, the Issuer, the Representative of the Noteholders and all Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Paying Agents, the Calculation Agent, the Issuer or the Representative of the Noteholders in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretion hereunder.

18. **GOVERNING LAW AND JURISDICTION**

18.1 **Governing Law of Notes**

The Notes and any non-contractual obligations arising out of them are governed by Italian law.

18.2 **Governing Law of Transaction Documents**

All the Transaction Documents and any non-contractual obligations arising out of them, except for the Hedge Agreement, the Subscription Agreement and the English Deed of Assignment are governed by Italian law. The Hedge Agreement and the English Deed of Assignment and any non-contractual obligations arising out of them are governed by English law.

18.3 **Jurisdiction of Courts**

The Courts of Milan are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes.

## EXHIBIT TO THE TERMS AND CONDITIONS OF THE NOTES

### RULES OF THE ORGANISATION OF THE NOTEHOLDERS

#### TITLE I GENERAL PROVISIONS

##### 1. GENERAL

- 1.1 The Organisation of the Noteholders is created concurrently with the issue of and subscription for the Euro [•] Class A Asset Backed Floating Rate Notes due April 2034 (the "**Class A Notes**"), Euro [•] Class B Asset Backed Floating Rate Notes due April 2034 (the "**Class B Notes**"), Euro [•] Class C Asset Backed Floating Rate Notes due April 2034 (the "**Class C Notes**"); Euro [•] Class D Asset Backed Floating Rate Notes due April 2034 (the "**Class D Notes**"), Euro [•] Class E Asset Backed Floating Rate Notes due April 2034 (the "**Class E Notes**"), Euro [•] Class F Asset Backed Notes due April 2034 (the "**Class F Notes**"), Euro [•] Class R Asset Backed Variable Return Notes due April 2034 (the "**Class R Notes**") and Euro [•] Class X Asset Backed Floating Rate Notes due April 2034 (the "**Class X Notes**") (together with the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, the Class F Notes and the Class R Notes (the "**Notes**") issued by Youni Italy 2024-1 S.r.l., and is governed by the Rules of the Organisation of the Noteholders set out herein (the "**Rules**").
- 1.2 The Rules of the Organisation of the Noteholders shall remain in force and effect until full repayment or cancellation of all the Notes.
- 1.3 The contents of the Rules are deemed to be an integral part of each Note issued by the Issuer.

##### 2. DEFINITIONS AND INTERPRETATION

###### 2.1 Definitions

- 2.1.1 In these Rules the terms set out below have the following meanings:

**"Basic Terms Modification"** means any proposal:

- (a) to change the date of maturity of the Notes of any Class;
- (b) to change any date fixed for the payment of principal or interest or Variable Return in respect of the Notes of any Class, if any Successor Rate, Alternative Rate or Adjustment Rate, without prejudice to Condition 7.13 (*Benchmark Discontinuation*);
- (c) to reduce or cancel the amount of principal or interest due on any date in respect of the Notes of any Class (other than any reduction or cancellation permitted under the Conditions) or to alter the method of calculating the amount of any payment in respect of the Notes of any Class on redemption or maturity;
- (d) to change the quorum required at any Meeting or the majority required to pass any Ordinary Resolution or Extraordinary Resolution;
- (e) to change the currency in which payments are due in respect of any Class of Notes;
- (f) to alter the priority of payments affecting the payment of interest and/or the repayment of principal in respect of any of the Notes of any Class;
- (g) to effect the exchange, conversion or substitution of the Notes of any Class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate, formed or to be formed; or
- (h) to change this definition;

**"Block Voting Instruction"** means, in relation to a Meeting, a document prepared by the Tabulation Agent (where appointed) or otherwise by the Paying Agents summarising the results of the Voting Instructions received by or on behalf of the Noteholders and, in particular:

- (a) where applicable, certifying that the Notes relating to the relevant Voting Instructions are held to the order of the Paying Agents or under its control or have been blocked in an account with a clearing system, the Euronext Securities Milan Account Holder or the relevant custodian and will not be released until the earlier of:
  - (i) the conclusion of the Meeting; and
  - (ii) the surrender the Tabulation Agent (where appointed) or otherwise to the Paying Agents which issued the same not less than 48 hours before the time fixed for the Meeting (or, if the meeting has been adjourned, the time fixed for its resumption) of confirmation that the Notes are Blocked Notes and notification of the release thereof by the Tabulation Agent (where appointed) or otherwise the Paying Agents to the Issuer and Representative of the Noteholders;
- (b) certifying to have received appropriate evidence of the ownership of the Notes being the subject of the relevant Voting Instructions as at the relevant Record Date;
- (c) certifying that the Holder of the relevant Notes or Blocked Notes, as the case may be, or a duly authorised person on its behalf has notified the Tabulation Agent (where appointed) or otherwise the Paying Agents that the votes attributable to such Notes are to be cast in a particular way on each resolution to be put to the Meeting and that during the period of 48 hours before the time fixed for the Meeting such instructions may not be amended or revoked; and
- (d) listing the aggregate principal amount of such specified Blocked Notes, distinguishing between those in respect of which instructions have been given to vote for, and against, each resolution.

**"Blocked Notes"** means Notes which have been blocked in an account with a clearing system or otherwise are held to the order of or under the control of the relevant Euronext Securities Milan Account Holder for the purpose of voting at a Meeting.

**"Chairman"** means, in relation to a Meeting, the individual who takes the chair in accordance with Article 8 (*Chairman Of The Meeting*) of the Rules of the Organisation of the Noteholders.

**"Class"** shall be a reference to a class of Notes being the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes the Class F Notes or the Class R Notes and **"Classes"** shall be construed accordingly.

**"Conditions"** means the terms and conditions of Notes, as from time to time modified in accordance with the provisions herein contained and including any agreement or other document expressed to be supplemental thereto and any reference to a particular numbered Condition shall be construed accordingly.

**"Extraordinary Resolution"** means a resolution passed at a Meeting, duly convened and held in accordance with the provisions contained in the Rules by a majority of not less than three quarters of the votes cast.

**"Holder"** in respect of a Note means the ultimate owner of such Note.

**"Meeting"** means a meeting of Noteholders of any Class or Classes, whether originally convened or resumed following an adjournment.

"**Euronext Securities Milan**" means Monte Titoli S.p.A., having its registered office at Piazza Affari, 6, 20123 Milan, Italy

"**Euronext Securities Milan Account Holder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Euronext Securities Milan (as *intermediari aderenti*) in accordance with the Financial Laws Consolidation Act and includes any depositary banks approved by Clearstream and Euroclear.

"**Ordinary Resolution**" means any resolution passed at a Meeting duly convened and held in accordance with the provisions contained in the Rules by a majority of the vote cast.

"**Proxy**" means any person appointed to vote at a Meeting other than any person whose appointment has been revoked and in relation to whom the Tabulation Agent (where appointed) or otherwise the relevant Paying Agents, or in the case of a proxy appointed under a Voting Certificate, the Issuer has been notified in writing of such revocation by the time which is 48 hours before the time fixed for the relevant Meeting.

"**Record Date**" means the date falling 7 Business Days prior to the Meeting.

"**Repurchase Option Amount**" has the meaning ascribed to that term under clause 11.1 (*Clean-Up Event and Repurchase of the Portfolio*) of the Receivables Purchase Agreement.

"**Resolutions**" means Ordinary Resolutions and Extraordinary Resolutions collectively.

"**Specified Office**" means such other address as the Paying Agents may specify in accordance with the provisions of the Cash Allocation, Management and Payments Agreement.

"**Tabulation Agent**" means the agent appointed by the Issuer to take care of the organisation of the Meeting and any administrative activities relating thereto.

"**Transaction Party**" means any person who is a party to a Transaction Document.

"**Trigger Event**" means any of the events described in Condition 12 (*Trigger Events*) of the Condition.

"**Trigger Notice**" means a notice described as such in Condition 12.2 (*Delivery Of Trigger Notice*) of the Condition.

"**Voter**" in relation to a Meeting, the Holder named in a Voting Certificate or a Proxy.

"**Voting Certificate**" means, in relation to any Meeting a certificate issued by a Euronext Securities Milan Account Holder in accordance with the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018, as amended from time to time containing, *inter alia*, evidence of the ownership of the Notes being the subject of the relevant Voting Certificate as at the relevant Record Date.

"**Voting Instruction**" means, in respect to a Resolution, the voting instruction that must be delivered to the Tabulation Agent (where appointed) or otherwise the Paying Agents by each Noteholder wishing to vote without participating directly at the relevant Meeting, whether directly or through the relevant Euronext Securities Milan Account Holder or custodian, stating that the vote(s) attributable to the Notes that are the subject of such voting instruction should be cast in a particular way in relation to the relevant Resolution (either in favour or against such Resolution).

"**Written Resolution**" means a resolution in writing signed by or on behalf of all Noteholders of the relevant Class or Classes who at any relevant time are entitled to participate in a Meeting in accordance with the provisions of these Rules, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more of such Noteholders.

"**24 hours**" means a period of 24 hours including all or part of a day on which banks are open for business both in the place where any relevant Meeting is to be held and in the place where the Paying Agents have their Specified Office.

"**48 hours**" means 2 consecutive periods of 24 hours.

2.1.2 Unless otherwise provided in these Rules, or the context requires otherwise, words and expressions used in the Rules shall have the meanings and the constructions ascribed to them in the Conditions.

## 2.2 **Interpretation**

- (a) Any reference herein to an "**Article**" shall, except where expressly provided to the contrary, be a reference to an Article of these Rules.
- (b) A "**successor**" of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under any Transaction Document or to which, under such laws, such rights and obligations have been transferred.
- (c) Any reference to any person defined as a "**Transaction Party**" in these Rules or in any Transaction Document or the Conditions shall be construed so as to include its and any subsequent successors and transferees in accordance with their respective interests.

## 3. **PURPOSE OF THE ORGANISATION**

3.1 Each Noteholder is a member of the Organisation of the Noteholders.

3.2 The purpose of the Organisation of the Noteholders is to co-ordinate the exercise of the rights of the Noteholders and, more generally, to take any action necessary or desirable to protect the interest of the Noteholders.

## **TITLE II MEETINGS OF THE NOTEHOLDERS**

## 4. **VOTING CERTIFICATES AND BLOCK VOTING INSTRUCTIONS**

### 4.1 **Issue**

- (a) A Noteholder wishing to participate in person at a Meeting may obtain a Voting Certificate in respect of such Meeting.
- (b) A Noteholder wishing to vote but not wishing to participate in person at a Meeting shall deliver a Voting Instruction to the Tabulation Agent (where appointed) or otherwise to the Paying Agents and appoint a Proxy to participate at the Meeting on its behalf.
- (c) Upon receipt of all Voting Instructions by the Tabulation Agent (where appointed) or otherwise by the Paying Agents (on the basis of the information received by the Tabulation Agent (where appointed)) will issue a Block Voting Instruction summarising the Noteholders' instructions in accordance to which the designed Proxy will vote at the Meeting.

### 4.2 **Blocking of the Notes**

The Notes in respect of which a Voting Instruction has been delivered or a Voting Certificate is being requested may, or may not, at the Issuer discretion, be blocked with a clearing system, the relevant Euronext Securities Milan Account Holder. The relevant Notes, if blocked, will be Blocked Notes with effect from the date on which the Voting Instruction is submitted or the Voting Certificate is requested (as the case may be) until the earlier of: (i) the conclusion of the Meeting and (ii) the surrender to the Tabulation Agent (where appointed) or otherwise the Paying Agents, not less than 48 hours before the time fixed for the Meeting, of the confirmation that the Notes are

Blocked Notes and notification of the release thereof by the Tabulation Agent (where appointed) or otherwise the Paying Agents to the Issuer and Representative of the Noteholders.

**4.3 Expiry of validity**

A Voting Certificate or Block Voting Instruction shall be valid, in case the relevant Notes are blocked, until the release of the Blocked Notes to which it relates or otherwise (unless earlier revoked) until the conclusion of the relevant Meeting.

**4.4 Deemed Holder**

Noteholders who, as at the Record Date, own beneficial interests (as shown in the records of the relevant clearing system, or the relevant Euronext Securities Milan Account Holders) shall be deemed to be the Holder of the Notes for all purposes in connection with the Meeting.

**4.5 Mutually exclusive**

A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

**4.6 References to blocking or release**

References to the blocking or release of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of any relevant clearing system.

**5. VALIDITY OF BLOCK VOTING INSTRUCTIONS AND VOTING CERTIFICATES**

A Block Voting Instruction or a Voting Certificate issued by a Euronext Securities Milan Account Holder shall be valid for the purpose of the relevant Meeting only if it is deposited at the Specified Offices of the Paying Agents, or at any other place approved by the Representative of the Noteholders, at least 24 hours before the time fixed for the relevant Meeting. If a Block Voting Instruction or a Voting Certificate is not deposited before such deadline, it shall not be valid. If the Representative of the Noteholders or the Tabulation Agent (where appointed) so requires, a notarised (or otherwise acceptable) copy of each Block Voting Instruction and satisfactory evidence of the identity of each Proxy shall be produced at the Meeting but the Representative of the Noteholders or the Tabulation Agent (as the case may be) shall not be obliged to investigate the validity of a Block Voting Instruction or a Voting Certificate or the identity of any Proxy.

**6. CONVENING A MEETING**

**6.1 Convening a Meeting**

The Representative of the Noteholders or the Issuer may convene separate or combined Meetings of the Noteholders of any Class or Classes at any time and the Representative of the Noteholders shall be obliged to do so upon the request in writing by Noteholders representing at least one-tenth of the aggregate Principal Amount Outstanding of the outstanding Notes of the relevant Class or Classes.

**6.2 Meetings convened by Issuer**

Whenever the Issuer is about to convene a Meeting, it shall immediately give notice in writing to the Representative of the Noteholders specifying the proposed day, time and place (located in the European Union) of the Meeting, and the items to be included in the agenda.

**6.3 Time and place of Meetings**

Every Meeting will be held on a date and at a time and place (located in the European Union) selected or approved by the Representative of the Noteholders.

## 6.4 **Meetings held virtually**

Meetings may be held virtually by means audio-conference or video-conference, **provided that**:

- (a) the Chairman can ascertain and verify the identity and legitimacy of those Voters and/or the Representative of the Noteholders, monitor the Meeting, acknowledge and announce to those Voters and/or the Representative of the Noteholders the outcome of the voting process;
- (b) the person drawing up the minutes can clearly hear the meeting events being the subject-matter of the minutes;
- (c) each Voter attending via audio-conference or video-conference can follow and intervene in the discussions and vote the items on the agenda in real time;
- (d) the notice of the Meeting expressly states, where applicable, how Voters and/or the Representative of the Noteholders may obtain the information necessary to attend the relevant Meeting via audio-conference and/or videoconference equipment; and
- (e) for the avoidance of doubt, the Meeting is deemed to take place where the Chairman and the person drawing up the minutes will be (**provided that** such place shall be in an EU Member State).

## 7. **NOTICE**

### 7.1 **Notice of Meeting**

At least 21 days' notice (exclusive of the day notice is delivered and of the day on which the relevant Meeting is to be held), specifying the day (falling no later than 30 (thirty) days after the date of delivery of such notice), time and place (located in the European Union) of the Meeting, must be given to the relevant Noteholders and the Paying Agents, with a copy to the Issuer, where the Meeting is convened by the Representative of the Noteholders, or with a copy to the Representative of the Noteholders, where the Meeting is convened by the Issuer.

### 7.2 **Content of notice**

The notice shall set out the full text of any resolution to be proposed at the Meeting unless the Representative of the Noteholders agrees that the notice shall instead specify the nature of the resolution without including the full text and shall state that (i) Voting Certificates for the purpose of such Meeting may be obtained from a Euronext Securities Milan Account Holder in accordance with the provisions of the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018, as amended from time to time, (ii) the procedure to deliver a Voting Instruction and to appoint a Proxy and (iii) Notes may or may not at the Issuer's discretion be blocked in an account with a clearing system starting from the delivery of the relevant Voting Instruction or request of the relevant Voting Certificate, as the case may be.

### 7.3 **Validity notwithstanding lack of notice**

A Meeting is valid notwithstanding that the formalities required by this Article 7 (*Notice*) are not complied with if the Holders of the Notes constituting the Principal Amount Outstanding of all outstanding Notes, the Holders of which are entitled to attend and vote, are represented at such Meeting, and the Issuer and the Representative of the Noteholders are present at the Meeting.

## 8. **CHAIRMAN OF THE MEETING**

### 8.1 **Appointment of Chairman**

An individual (who may, but need not be, a Noteholder), nominated by the Representative of the Noteholders may take the chair at any Meeting, but if:

- (a) the Representative of the Noteholders fails to make a nomination; or

- (b) the individual nominated declines to act or is not present within 15 minutes after the time fixed for the Meeting,

the Meeting shall be chaired by the person elected by the majority of the Voters present, failing which, the Issuer shall appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was Chairman at the original Meeting.

## 8.2 Duties of Chairman

The Chairman ascertains that the Meeting has been duly convened and validly constituted, manages the business of the Meeting, monitors the fairness of proceedings, leads and moderates the debate, and defines the terms for voting.

## 8.3 Assistance to Chairman

The Chairman may be assisted by outside experts or technical consultants, specifically invited to assist in any given matter, and may appoint one or more vote-counters, who are not required to be Noteholders.

## 9. QUORUM

### 9.1 The quorum at any Meeting convened to vote on:

- (a) an Ordinary Resolution relating to a Meeting of a particular Class or Classes will be two or more persons holding or representing at least one tenth of the Principal Amount Outstanding of the Notes then outstanding in that Class or these Classes or, at any adjourned Meeting at least one person being or representing Noteholders of that Class or these Classes whatever the Principal Amount Outstanding of the Notes then outstanding so held or represented in such Class or Classes;
- (b) an Extraordinary Resolution, other than in respect of a Basic Terms Modification, relating to a Meeting of a particular Class or Classes of Notes, will be two or more persons holding or representing at least two thirds of the Principal Amount Outstanding of the Notes then outstanding in that Class or those Classes, or at an adjourned Meeting, two or more persons being or representing Noteholders of that Class or those Classes whatever the Principal Amount Outstanding of the Notes then outstanding so held or represented in such Class or Classes;
- (c) an Extraordinary Resolution, in respect of a Basic Terms Modification (which must be approved separately by each Class of Noteholders), will be two or more persons holding or representing at least three quarters of the Principal Amount Outstanding of the Notes then outstanding, or at an adjourned Meeting, one or more persons being or representing Noteholders of that Class whatever the Principal Amount Outstanding of the Notes so held or represented in such Class;
- (d) any Ordinary Resolution or Extraordinary Resolution in respect of a Class R Entrenched Right will not be binding unless not less than fifty (50) per cent. of the Class R Noteholders have consented in writing; and
- (e) any Ordinary Resolution or Extraordinary Resolution in respect of a Hedge Counterparty Entrenched Right will not be binding unless the Hedge Counterparty has consented in writing,

**provided that**, if in respect of any Class of Notes, the Paying Agents have received evidence that all the Notes of that Class are held by a single Holder and the Voting Certificates and/or Block Voting Instructions so confirm, then a single Voter appointed in relation thereto or being the Holder of the Notes thereby represented shall be deemed to be two Voters for the purpose of forming a quorum.



10. **ADJOURNMENT FOR WANT OF QUORUM**

If a quorum is not present within 15 minutes after the time fixed for any Meeting:

- 10.1 if such Meeting was requested by Noteholders, the Meeting shall be dissolved; and
- 10.2 in any other case, the Meeting (unless the Issuer and the Representative of the Noteholders otherwise agree) shall, subject to paragraphs 10.2.1 and 10.2.2 below, be adjourned to a new date no earlier than 7 days and no later than 42 days after the original date of such Meeting, and to such place (located in the European Union) **provided that:**
- (a) no Meeting may be adjourned more than once for want of a quorum; and
  - (b) the Meeting shall be dissolved if the Issuer and the Representative of the Noteholders together so decide.

11. **ADJOURNED MEETING**

Except as provided in Article 10 (*Adjournment For Want Of Quorum*), the Chairman may, with the prior consent of any Meeting, and shall if so directed by any Meeting, adjourn such Meeting to a new date no earlier than 7 days and no later than 42 days after the original date of such Meeting, and to such place (located in the European Union) as the Chairman determines with the approval of the Representative of the Noteholders. No business shall be transacted at any adjourned Meeting except business which might have been transacted at the Meeting from which the adjournment took place.

12. **NOTICE FOLLOWING ADJOURNMENT**

12.1 **Notice required**

Article 7 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for lack of a quorum except that:

- (a) 7-days' notice (exclusive of the day on which the notice is delivered and of the day on which the Meeting is to be resumed) shall be sufficient; and
- (b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

12.2 **Notice not required**

It shall not be necessary to give notice of resumption of any Meeting adjourned for reasons other than those described in Article 10 (*Adjournment For Want Of Quorum*).

13. **PARTICIPATION**

The following categories of persons may attend and speak at a Meeting:

- (a) Voters;
- (b) the directors and the auditors of the Issuer;
- (c) representatives of the Issuer and the Representative of the Noteholders;
- (d) financial advisers to the Issuer and the Representative of the Noteholders;
- (e) legal advisers to the Issuer and the Representative of the Noteholders;
- (f) any other person authorised by virtue of a resolution of such Meeting or by the Representative of the Noteholders.

14. **VOTING BY POLL**

14.1 **Demand for a poll**

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Representative of the Noteholders or one or more Voters representing or holding not less than one-fiftieth of the Principal Amount Outstanding of the outstanding Notes conferring the right to vote at the Meeting. A poll may be taken immediately or after such adjournment as is decided by the Chairman but any poll demanded on the election of a Chairman or on any question of adjournment shall be taken immediately. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business.

14.2 **The Chairman and a poll**

The Chairman sets the conditions for the voting, including for counting and calculating the votes, and may set a time limit by which all votes must be cast. Any vote which is not cast in compliance with the terms specified by the Chairman shall be null. After voting ends, the votes shall be counted and after the counting the Chairman shall announce to the Meeting the outcome of the vote.

15. **VOTING BY SHOW OF HANDS**

15.1 Every question submitted to a Meeting shall be decided in the first instance by a vote by a show of hands.

15.2 Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed or passed by a particular majority or rejected, or rejected by a particular majority, shall be conclusive without proof of the number of votes cast for, or against, the resolution.

16. **VOTES**

16.1 **Voting**

Each Voter shall have:

- (a) on a show of hands, one vote; and
- (b) on a poll every vote who is so present shall have one vote in respect of each €1,000 of Principal Amount Outstanding of the Notes represented by the Voting Certificate or in respect of which it holds a Proxy or such other amount as the Representative of the Noteholders may in its absolute discretion stipulate (or, in the case of meetings of holders of Notes denominated in another currency, such amount in such other currency as the Representative of the Noteholders in its absolute discretion may stipulate) in the Principal Amount Outstanding of the Notes it holds or represents.

16.2 **Voting Instruction**

Unless the terms of any Voting Instruction states otherwise, a Voter shall not be obliged to exercise all the votes to which such Voter is entitled or to cast all the votes he exercises the same way.

16.3 **Voting tie**

In the case of a voting tie, the relevant resolution shall be deemed to have been rejected.

17. **VOTING BY PROXY**

17.1 **Validity**

Any vote by a Proxy in accordance with the relevant Voting Instruction shall be valid even if such Voting Instruction or any instruction pursuant to which it has been given had been amended or revoked **provided that** none of the Issuer, the Representative of the Noteholders or the Chairman has been notified in writing of such amendment or revocation at least 24 hours prior to the time set for the relevant Meeting.

17.2 **Adjournment**

Unless revoked, the appointment of a Proxy in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment save that no such appointment of a Proxy in relation to a meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such meeting when it is resumed.

18. **ORDINARY RESOLUTIONS**

18.1 **Powers exercisable by Ordinary Resolution**

Subject to Article 19 (*Extraordinary Resolutions*), a Meeting shall have power exercisable by Ordinary Resolution, to:

- (a) grant any authority, order or sanction which, under the provisions of the Rules, the Conditions, is required to be the subject of an Ordinary Resolution or required to be the subject of a resolution or determined by a Meeting and not required to be the subject of an Extraordinary Resolution; and
- (b) to authorise the Representative of the Noteholders or any other person to execute all documents and do all things necessary to give effect to any Ordinary Resolution.

18.2 **Ordinary Resolution of a Single Class**

No Ordinary Resolution of any Class of Noteholders shall be effective unless it is sanctioned by an Ordinary Resolution of the Holders of each of the other Classes of Notes ranking *pari passu* with or senior to such Class (to the extent that there are Notes outstanding ranking *pari passu* with or senior to such Class), unless the Representative of the Noteholders considers that none of the Holders of each of the other Classes of Notes ranking *pari passu* with or senior to such Class would be materially prejudiced by the absence of such sanction.

19. **EXTRAORDINARY RESOLUTIONS**

19.1 A Meeting, in addition to any powers assigned to it in the Conditions, shall have power exercisable by Extraordinary Resolution to:

- (a) approve any Basic Terms Modification;
- (b) approve any modification, abrogation, variation or compromise of the provisions of these Rules, the Conditions, or of any Transaction Document or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes which, in any such case, is not a Basic Terms Modification and which shall be proposed by the Issuer, the Representative of the Noteholders and/or any other party thereto;
- (c) in accordance with Article 28 (*Appointment, Removal And Remuneration*), appoint and remove the Representative of the Noteholders;
- (d) authorise the Representative of the Noteholders to issue a Trigger Notice as a result of a Trigger Event pursuant to Condition 12 (*Trigger Events*) of the Conditions;
- (e) discharge or exonerate, including retrospectively, the Representative of the Noteholders from any liability in relation to any act or omission for which the Representative of the Noteholders has or may become liable pursuant or in relation to these Rules, the Conditions, or any other Transaction Document;
- (f) grant any authorisation or approval, which, under the provisions of these Rules or of the Conditions, must be granted by an Extraordinary Resolution;
- (g) authorise and ratify the actions of the Representative of the Noteholders in compliance with these Rules, the Intercreditor Agreement and any other Transaction Document;
- (h) authorise early redemption of the Notes in the circumstances set out in the Conditions;

- (i) waive any breach or authorise any proposed breach by the Issuer or (if relevant) any other Transaction Party of its obligations under or in respect of these Rules, the Notes or any other Transaction Document or any act or omission which might otherwise constitute a Trigger Event under the Notes;
- (j) appoint any persons as a committee to represent the interests of the Noteholders and confer on any such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution;
- (k) authorise the Representative of the Noteholders (subject to its being indemnified and/or secured to its satisfaction) and/or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution.

## 19.2 **Basic Terms Modification**

- (a) No Extraordinary Resolution involving a Basic Terms Modification that is passed by the Holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the Holders of each of the other Classes of Notes then outstanding.
- (b) Before resolving for a Basic Term Modification, the Representative of the Noteholders shall give prior notice to the Rating Agencies.

## 19.3 **Extraordinary Resolution of a Single Class**

No Extraordinary Resolution to approve any matter other than a Basic Terms Modification of any Class of Noteholders 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 or *pari passu* with such Class (to the extent that there are Notes outstanding ranking senior to or *pari passu* with such Class), unless the Representative of the Noteholders considers that none of the Holders of each of the other Classes of Notes ranking senior to or *pari passu* with such Class would be materially prejudiced by the absence of such sanction and, for the purposes of this Article 19.3 (*Extraordinary Resolution of a Single Class*), Class A Notes rank senior to Class B Notes which rank senior to Class C Notes which rank senior to Class D Notes which rank senior to Class E Notes which rank senior to Class X Notes which rank senior to Class F Notes which rank senior to Class R Notes.

## 20. **EFFECT OF RESOLUTIONS**

### 20.1 **Binding Nature**

Subject to Article 18.2 (*Ordinary Resolution of a Single Class*), Article 19.2 (*Basic Terms Modification*) and Article 19.3 (*Extraordinary Resolution of a Single Class*) which take priority over the following, any resolution passed at a Meeting of the Noteholders of one or more Classes of Notes duly convened and held in accordance with the Rules shall be binding upon all Noteholders of such Class or Classes, whether or not present at such Meeting and whether or not voting and:

- (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 B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class R Noteholders and the Class X Noteholders;
- (b) any resolution passed at a Meeting of the Class B Noteholders duly convened and held as aforesaid shall also be binding upon all the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class R Noteholders and the Class X Noteholders;
- (c) any resolution passed at a Meeting of the Class C Noteholders duly convened and held as aforesaid shall also be binding upon all the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class R Noteholders and the Class X Noteholders.

- (d) any resolution passed at a Meeting of the Class D Noteholders duly convened and held as aforesaid shall also be binding upon all the Class E Noteholders, the Class F Noteholders, the Class R Noteholders and the Class X Noteholders;
- (e) any resolution passed at a Meeting of the Class E Noteholders duly convened and held as aforesaid shall also be binding upon all the Class F Noteholders, the Class R Noteholders and the Class X Noteholders;
- (f) any resolution passed at a Meeting of the Class F Noteholders duly convened and held as aforesaid shall also be binding upon all the Class R Noteholders and the Class X Noteholders;
- (g) any resolution passed at a Meeting of the Class R Noteholders duly convened and held as aforesaid shall also be binding upon all the Class X Noteholders;

and in each case, all of the relevant Classes of Noteholders shall be bound to give effect to any such resolutions accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof.

## 20.2 **Notice of Voting Results**

Notice of the results of every vote on a Resolution duly considered by Noteholders shall be published (at the cost of the Issuer) in accordance with the Conditions and given to the Paying Agents (with a copy to the Issuer and the Representative of the Noteholders within 14 days of the conclusion of each Meeting).

## 21. **CHALLENGE TO RESOLUTIONS**

Any absent or dissenting Noteholder has the right to challenge Resolutions which are not passed in compliance with the provisions of the Rules.

## 22. **MINUTES**

Minutes shall be made of all resolutions and proceedings of each Meeting. The minutes shall be signed by the Chairman and shall be *prima facie* evidence of the proceedings therein recorded. Unless and until the contrary is proved, every Meeting in respect of which minutes have been signed by the Chairman shall be regarded as having been duly convened and held and all resolutions passed or proceedings transacted at such Meeting shall be regarded as having been duly passed and transacted. The minutes shall be recorded in the minute book of Meetings of Noteholders maintained by the Issuer (or the Corporate Services Provider on behalf of the Issuer).

## 23. **WRITTEN RESOLUTION**

A Written Resolution shall take effect as if it were an Extraordinary Resolution or, in respect of matters required to be determined by Ordinary Resolution, as if it were an Ordinary Resolution.

## 24. **JOINT MEETINGS**

Subject to the provisions of the Rules, the Conditions, joint Meetings of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class R Noteholders and the Class X Noteholders may be held to consider the same Ordinary Resolution or Extraordinary Resolution and the provisions of the Rules shall apply *mutatis mutandis* thereto.

## 25. **SEPARATE AND COMBINED MEETINGS OF NOTEHOLDERS**

25.1 The following provisions shall apply in respect of Meetings where outstanding Notes belong to more than one Class:

- (a) business which, in the opinion of the Representative of the Noteholders, affects only one Class of Notes shall be transacted at a separate Meeting of the 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 Class of Notes and the Noteholders of any other Class of Notes shall be transacted either at separate Meetings of the Noteholders of each such Class of Notes or at a single Meeting of the Noteholders of all such Classes of Notes as the Representative of the Noteholders shall determine in its absolute discretion; and
- (c) business which, in the opinion of the Representative of the Noteholders, affects the Noteholders of more than one Class of Notes and gives rise to an actual or potential conflict of interest between the Noteholders of one such Class of Notes and the Noteholders of any other Class of Notes shall be transacted at separate Meetings of the Noteholders of each such Class.

26. **INDIVIDUAL ACTIONS AND REMEDIES**

26.1 Each Noteholder has accepted and is bound by the provisions of Condition 9 (*Limited Recourse And Non Petition*) of the Conditions and, accordingly, if any Noteholder is considering bringing individual actions or using other individual remedies to enforce his/her rights under the Notes, any such action or remedy shall be subject to a Meeting not passing an Ordinary Resolution objecting to such individual action or other remedy on the grounds that it is not consistent with such Condition. In this respect, the following provisions shall apply:

- (a) the Noteholder intending to enforce his/her rights under the Notes 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 the Rules;
- (c) if the Meeting passes an Ordinary Resolution objecting to the enforcement of the individual action or remedy, the Noteholder will be prevented from taking such action or remedy (without prejudice to the fact that after a reasonable period of time, the same matter may be resubmitted for review of another Meeting); and
- (d) if the Meeting of Noteholders does not object to an individual action or remedy and subject to Article 18.2 (*Ordinary Resolution of a Single Class*), the Noteholder will not be prohibited from taking such individual action or remedy.

26.2 No Noteholder will be allowed to take any individual action or remedy to enforce his/her rights under the Notes unless a Meeting of the holders of the Most Senior Class of Notes has been held to resolve on such action or remedy in accordance with the provisions of this Article.

27. **FURTHER REGULATIONS**

Subject to all other provisions contained in the Rules, the Representative of the Noteholders may, without the consent of the Issuer, prescribe such further regulations regarding the holding of Meetings and attendance and voting at them and/or the provisions of a Written Resolution as the Representative of the Noteholders in its discretion may decide.

**TITLE III**  
**THE REPRESENTATIVE OF THE NOTEHOLDERS**

**28. APPOINTMENT, REMOVAL AND REMUNERATION**

**28.1 Appointment**

The appointment of the Representative of the Noteholders takes place by Extraordinary Resolution of the Most Senior Class of Noteholders in accordance with the provisions of this Article 28, except for the appointment of the first Representative of the Noteholders which will be Zenith Global S.p.A.

**28.2 Identity of Representative of the Noteholders**

The Representative of the Noteholders shall be:

- (a) a bank incorporated in any jurisdiction of the European Union, or a bank incorporated in any other jurisdiction acting through an Italian branch; or
- (b) a company or financial institution enrolled with the register held by the Bank of Italy pursuant to Article 106 of the Consolidated Banking Act; or
- (c) any other entity which is not prohibited from acting in the capacity of Representative of the Noteholders pursuant to the law.
- (d) The directors and auditors of the Issuer and those who fall within the conditions set out in article 2399 of the Italian civil code cannot be appointed as Representative of the Noteholders and, if appointed as such, they shall be automatically removed.

**28.3 Duration of appointment**

Unless the Representative of the Noteholders is removed by Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes pursuant to Article 19 (*Extraordinary Resolutions*) or resigns pursuant to Article 29 (*Resignation Of The Representative Of The Noteholders*), it shall remain in office until full repayment or cancellation of all the Notes.

**28.4 After termination**

In the event of a termination of the appointment of the Representative of the Noteholders for any reason whatsoever, such representative shall remain in office until the substitute Representative of the Noteholders, which shall be an entity specified in Article 28.2 (*Identity of Representative of the Noteholders*), accepts its appointment, and the powers and authority of the Representative of the Noteholders the appointment of which has been terminated shall, pending the acceptance of its appointment by the substitute, be limited to those necessary to perform the essential functions required in connection with the Notes.

**28.5 Remuneration**

As consideration for the services of the Representative of the Noteholders pursuant to the Conditions and the other relevant Transaction Documents, the Issuer shall pay to the Representative of the Noteholders an annual fee for its services as Representative of the Noteholders from the Issue Date, and reimburse and pay such reasonable costs and expenses, duly documented and properly incurred by the Representative of the Noteholders in the context of the Securitisation, as in a separate fee letter. Such fees shall accrue from day to day and shall be payable in accordance with the Priority of Payments up to (and including) the date when the Notes shall have been repaid in full or cancelled in accordance with the Conditions.

If the Representative of the Noteholders considers it expedient or necessary or is requested by the Issuer to undertake duties which are of an exceptional nature or otherwise objectively outside the scope of the normal duties of the Representative of the Noteholders under the Subscription Agreement, the Mandate Agreement and the Intercreditor Agreement, the Issuer shall pay to the Representative of the Noteholders such additional remuneration as shall be agreed between them

having regard to the average market remuneration for the relevant activities. If the Representative of the Noteholders and the Issuer fail to agree upon such additional remuneration, then such matter shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Representative of the Noteholders and approved by the Issuer or, failing such approval, nominated (on the application of either the Issuer or the Representative of the Noteholders) by a second investment bank (the expenses involved in such nomination and the fees of such investment banks being payable by the Issuer) and the determination of any such investment bank shall be final and binding upon the Representative of the Noteholders and the Issuer.

## 29. **RESIGNATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

The Representative of the Noteholders may resign at any time by giving at least two calendar months' written notice to the Issuer, without needing to provide any specific reason for the resignation and without being responsible for any costs and expenses incurred as a result of such resignation. The resignation of the Representative of the Noteholders shall not become effective until:

- (a) a new Representative of the Noteholders has been appointed in accordance with Article 28.1 (*Appointment*);
- (b) such new Representative of the Noteholders has accepted its appointment and confirmed its agreement to be bound by all the provisions of the Rules and the other Transaction Documents to which the resigning Representative of the Noteholders is a party in such capacity; and
- (c) all security created in favour of the Representative of the Noteholders has been transferred to its successor,

**provided that** if the Noteholders fail to select a new Representative of the Noteholders within two months of written notice of resignation delivered by the Representative of the Noteholders, the Representative of the Noteholders may appoint a successor which is a qualifying entity pursuant to Article 28.2 (*Identity of Representative of the Noteholders*).

## 30. **DUTIES AND POWERS OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

### 30.1 **Representative of the Noteholders is legal representative**

The Representative of the Noteholders is the legal representative of the Organisation of the Noteholders and has the power to exercise the rights conferred on it by the Transaction Documents in order to protect the interests of the Noteholders.

### 30.2 **Meetings and Resolutions**

Unless any Resolution provides to the contrary, the Representative of the Noteholders is responsible for implementing all Resolutions of the Noteholders. The Representative of the Noteholders has the right to convene and attend Meetings to propose any course of action which it considers from time to time necessary or desirable.

### 30.3 **Delegation**

The Representative of the Noteholders may in the exercise of the powers, discretions and authorities vested in it by these Rules and the Transaction Documents:

- (a) act by responsible officers or a responsible officer for the time being of the Representative of the Noteholders;
- (b) whenever it considers it expedient and in the interest of the Noteholders, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons some, but not all, of the powers, discretions or authorities vested in it as aforesaid.

Any delegation pursuant to this Article 30.3 (*Delegation*) may be made upon such conditions and subject to such regulations (including power to sub-delegate) as the Representative of the



Noteholders may think fit in the interest of the Noteholders. The Representative of the Noteholders shall not be bound to supervise the acts or proceedings of such delegate or sub-delegate and shall not in any way or to any extent be responsible for any loss incurred by reason of any misconduct, omission or default on the part of such delegate or sub-delegate, **provided that** the Representative of the Noteholders shall use all reasonable care in the appointment of any such delegate and shall be responsible for the instructions given by it to such delegate. The Representative of the Noteholders shall, as soon as reasonably practicable, give notice to the Issuer of the appointment of any delegate and any renewal, extension and termination of such appointment, and shall procure that any delegate shall give notice to the Issuer of the appointment of any sub-delegate as soon as reasonably practicable.

#### 30.4 **Judicial Proceedings**

The Representative of the Noteholders is authorised to initiate and to represent the Organisation of the Noteholders in any judicial proceedings, including insolvency proceedings.

#### 30.5 **Consents given by Representative of Noteholders**

Any consent or approval given by the Representative of the Noteholders under these Rules and any other Transaction Document may be given on such terms and subject to such conditions (if any) as the Representative of the Noteholders deems appropriate and notwithstanding anything to the contrary contained in these Rules or in the Transaction Documents such consent or approval may be given retrospectively.

#### 30.6 **Discretions**

Save as expressly otherwise provided in the Transaction Documents, the Representative of the Noteholders shall have absolute discretion as to the exercise or non-exercise of any right, power and discretion vested in the Representative of the Noteholders by these Rules or by operation of law, and the Representative of the Noteholders shall not be responsible for any loss, 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 misconduct (*dolo*), or gross negligence (*colpa grave*).

#### 30.7 **Obtaining instructions**

In connection with matters in respect of which the Representative of the Noteholders is entitled to exercise its discretion hereunder, the Representative of the Noteholders has the right (but not the obligation) to convene a Meeting or Meetings in order to obtain the Noteholders' instructions as to how it should act. Prior to undertaking any action, the Representative of the Noteholders shall be entitled to request that the Noteholders indemnify it and/or provide it with security as specified in Article 31.2 (*Specific Permissions*).

#### 30.8 **Trigger Events**

The Representative of the Noteholders may certify whether or not a Trigger Event is in its opinion materially prejudicial to the interests of the Noteholders and any such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other party to the Transaction Documents.

#### 30.9 **Remedy**

The Representative of the Noteholders may determine whether or not a default in the performance by the Issuer or the Originator or the Master Servicer or the Sub-Servicer of any obligation under the provisions of the Rules, the Notes or any other Transaction Documents may be remedied, and if the Representative of the Noteholders certifies that any such default is, in its opinion, not capable of being remedied, such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other party to the Securitisation.

31. **EXONERATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

31.1 **Limited obligations**

The Representative of the Noteholders shall not assume any obligations or responsibilities in addition to those expressly provided herein and in the Transaction Documents.

31.2 **Specific limitations**

Without limiting the generality of Article 31.1 (*Limited obligations*), the Representative of the Noteholders:

- (a) shall not be under any obligation to take any steps to ascertain whether a Trigger Event, Sequential Redemption 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, no Sequential Redemption Event or such other event, condition or act has occurred;
- (b) shall not be under any obligation to monitor or supervise the observance and performance by the Issuer or any other parties of their obligations contained in these Rules, the Transaction Documents or the Conditions and, until it shall have actual knowledge or express notice to the contrary, the Representative of the Noteholders shall be entitled to assume that the Issuer and each other party to the Transaction Documents are duly observing and performing all their respective obligations;
- (c) except as expressly required in the Rules or any Transaction Document, shall not be under any obligation to give notice to any person of its activities in performance of the provisions of these Rules or any other Transaction Document;
- (d) shall not be responsible for investigating the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules or of any Transaction Document, or of any other document or any obligation or rights created or purported to be created hereby or thereby or pursuant hereto or thereto, and (without prejudice to the generality of the foregoing) it shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:
  - (i) the nature, status, creditworthiness or solvency of the Issuer;
  - (ii) the existence, accuracy or sufficiency of any legal or other opinion, search, report, certificate, valuation or investigation delivered or obtained or required to be delivered or obtained at any time in connection with the Notes or the Portfolio;
  - (iii) the suitability, adequacy or sufficiency of any collection procedure operated by the Sub-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 Master Servicer, the Sub-Servicer and the Paying Agents or any other person in respect of the Portfolio;
- (e) shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes or the distribution of any of such proceeds to the persons entitled thereto;
- (f) shall have no responsibility for procuring or maintaining any rating of the Rated Notes by any credit or rating agency or any other person;
- (g) shall not be responsible for or for investigating any matter which is the subject of any recital, statement, warranty, representation or covenant by any party other than the

Representative of the Noteholders contained herein or in any Transaction Document or any certificate, document or agreement relating thereto or for the execution, legality, validity, effectiveness, enforceability or admissibility in evidence thereof;

- (h) shall not be liable for any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting these Rules or any Transaction Document;
- (i) 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;
- (j) shall not be under any obligation to guarantee or procure the repayment of the Portfolio or any part thereof;
- (k) shall not be responsible for reviewing or investigating any report relating to the Portfolio provided by any person;
- (l) shall not be responsible for or have any liability with respect to any loss or damage arising from the realisation of the Portfolio or any part thereof;
- (m) shall not be responsible (except as expressly provided in the Conditions) for making or verifying any determination or calculation in respect of the Notes, the Portfolio or any Transaction Document;
- (n) shall not be under any obligation to insure the Portfolio or to investigate that any insurance to be put in place by the Issuer is in place or is adequate any part thereof;
- (o) shall not be responsible for the adequacy, sufficiency or validity of any security interest;
- (p) shall not be responsible for perfection, priority, maintenance, continuation or accuracy of any required registrations and/or filings in relation to any security interest;
- (q) 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 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;
- (r) shall not be obliged to evaluate the consequences that any modification of these Rules or any of the Transaction Documents or exercise of its rights, powers and authorities may have for any individual Noteholders;
- (s) 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.
- (t) shall not have any liability for any loss, liability, damages claim or expense directly or indirectly suffered or incurred by the Issuer, any Noteholder, any Other Issuer Creditor or any other person as a result of the carrying out of any activity under the Transaction Documents, unless such activities are carried out with gross negligence (*colpa grave*) or wilful misconduct (*dolo*).

### 31.3 Specific Permissions

- (a) When in the Rules or any Transaction Document the Representative of the Noteholders is required in connection with the exercise of its powers, trusts, authorities or discretions to

have regard to the interests of the Noteholders, the Representative of the Noteholders shall have regard to the interests of the Noteholders as a class and shall not be obliged to have regard to the consequences of such exercise for any individual Noteholder resulting from his or its being for any purpose domiciled, resident in or otherwise connected with or subject to the jurisdiction of any particular territory or taxing authority.

- (b) The Representative of the Noteholders shall, as regards the exercise and performance of the powers, authorities, duties and discretions vested in it by the Transaction Documents, except where expressly provided otherwise herein or therein, have regard to the interests of both the Noteholders and the Other Issuer Creditors but if, in the opinion of the Representative of the Noteholders, there is a conflict between their interests the Representative of the Noteholders will have regard solely to the interest of the Noteholders.
- (c) Where the Representative of the Noteholders is required to consider the interests of the Noteholders and, in its opinion, there is a conflict between the interests of the Holders of different Classes of Notes, the Representative of the Noteholders will consider only the interests of the Holders of the Most Senior Class of Notes.
- (d) The Representative of the Noteholders may refrain from taking any action or exercising any right, power, authority or discretion vested in it under these Rules or any Transaction Document or any other agreement relating to the transactions herein or therein contemplated until it has been indemnified and/or secured to its satisfaction against any and all actions, proceedings, claims and demands which might be brought or made against it and against all costs, charges, damages, expenses and liabilities which may be suffered, incurred or sustained by it as a result. Nothing contained in the Rules or any of the other Transaction Documents shall require the Representative of the Noteholders to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

#### 31.4 **Notes held by Issuer**

The Representative of the Noteholders may assume without enquiry that no Notes are, at any given time, held by or for the benefit of the Issuer;

#### 31.5 **Illegality**

No provision of the Rules shall require the Representative of the Noteholders to do anything which may be illegal or contrary to applicable law or regulations or to expend moneys or otherwise take risks in the performance of any of its duties, or in the exercise of any of its powers or discretion. The Representative of the Noteholders may refrain from taking any action which would or might, in its 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.

### 32. **RELIANCE ON INFORMATION**

#### 32.1 **Advice**

The Representative of the Noteholders may act on the advice of, a certificate or opinion of or any written information obtained from any lawyer, accountant, banker, broker, credit or rating agency or other expert, whether obtained by the Issuer or the Representative of the Noteholders at the cost of the Issuer. The Representative of the Noteholders shall not be liable for any damages, losses, liabilities or expenses incurred by any party as a result of the Representative of the Noteholders acting in accordance with any such advice.

### 32.2 **Transmission of Advice**

Any opinion, advice, certificate or information referred to in Article 32.1 (*Advice*) may be sent or obtained by letter, telegram, e-mail and the Representative of the Noteholders shall not be liable for acting on any opinion, advice, certificate or information purporting to be so conveyed although the same contains some error or is not authentic.

### 32.3 **Certificates of Issuer**

The Representative of the Noteholders may call for, and shall be at liberty to accept as sufficient evidence:

- (a) as to any fact or matter *prima facie* within the Issuer's knowledge, a certificate duly signed by an authorised representative of the Issuer on its behalf;
- (b) that such is the case, a certificate of an authorised representative of the Issuer on its behalf to the effect that any particular dealing, transaction, step or thing is expedient; and
- (c) as sufficient evidence that such is the case, a certificate signed by an authorised representative of the Issuer on its behalf to the effect that the Issuer has sufficient funds to make an optional redemption under the Conditions,

and the Representative of the Noteholders shall not be bound in any such case to call for further evidence or be responsible for any loss that may be incurred as a result of acting on such certificate unless any of its officers responsible for the administration of the Securitisation shall have actual knowledge or express notice of the untruthfulness of the matters contained in the certificate.

If the Issuer requests the Representative of the Noteholders to act on instructions or directions delivered by letter, telegram, e-mail, the Representative of the Noteholders shall have (i) no duty or obligation to verify or confirm that the person who sent such instructions or directions is, in fact, a person authorised to give instructions or directions on behalf of the Issuer and (ii) no liability for any losses liabilities, costs or expenses incurred or sustained by the Issuer as a result of such reliance upon compliance with such instructions or directions.

### 32.4 **Resolution or direction of Noteholders**

The Representative of the Noteholders shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any Meeting in respect whereof minutes have been made and signed or a direction of the requisite percentage of Noteholders, even though it may subsequently be found that there was some defect in the constitution of the Meeting or the passing of the Written Resolution or the giving of such directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the giving of the direction was not valid or binding upon the Noteholders.

### 32.5 **Certificates of Euronext Securities Milan Account Holders**

The Representative of the Noteholders, in order to ascertain ownership of the Notes, may fully rely on the certificates issued by any Euronext Securities Milan Account Holder in accordance with the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018, as amended from time to time, which certificates are to be conclusive proof of the matters certified therein.

### 32.6 **Clearing Systems**

The Representative of the Noteholders shall be at liberty to call for and to rely on as sufficient evidence of the facts stated therein, a certificate, letter or confirmation certified as true and accurate and signed on behalf of such clearing system as the Representative of the Noteholders considers appropriate, or any form of record made by any clearing system, to the effect that at any particular time or throughout any particular period any particular person is, or was, or will be, shown its records as entitled to a particular number of Notes.

### 32.7 **Rating Agencies**

The Representative of the Noteholders shall be entitled to assume, for the purposes of exercising any power, authority, duty or discretion under or in relation to these Rules that such exercise will not be materially prejudicial to the interests of the Noteholders or, as the case may be, holders of the Most Senior Class of Notes if the then current credit ratings of the Rated Notes would not be adversely affected by such exercise. Notwithstanding the foregoing, it is agreed and acknowledged by the Representative of the Noteholders and notified to the Noteholders that a credit rating is an assessment of credit and does not address other matters that may be of relevance to the Noteholders, and it is expressly agreed and acknowledged that a rating confirmation does not impose on or extend to the Rating Agencies any actual or contingent liability to the Representative of the Noteholders, the Noteholders or any other third party or create legal relations between the Rating Agencies and the Representative of the Noteholders, the Noteholders or any other third party by way of contract or otherwise. If the Representative of the Noteholders, in order properly to exercise rights or fulfil its obligations, deems it necessary to obtain the views of the Rating Agencies as to how a specific act would affect any outstanding rating of the Notes or any Class thereof, the Representative of the Noteholders may inform the Issuer, which will then take the necessary actions in order to obtain such views at its expense on behalf of the Representative of the Noteholders or the Representative of the Noteholders may seek and obtain such views itself at the cost of the Issuer, **provided that** the Representative of the Noteholders shall not be released from its obligation under these Rules or the Transaction Documents should the Rating Agencies not be willing to provide any views or rating confirmation.

### 32.8 **Certificates of Parties to Transaction Document**

The Representative of the Noteholders shall have the right to call for or require the Issuer to call for and to rely on written certificates issued by any party (other than the Issuer) to the Intercreditor Agreement or any other Transaction Document,

- (a) in respect of every matter and circumstance for which a certificate is expressly provided for under the Conditions or any Transaction Document;
- (b) as any matter or fact *prima facie* within the knowledge of such party; or
- (c) as to such party's opinion with respect to any issue

and the Representative of the Noteholders shall not be required to seek additional evidence in respect of the relevant fact, matter or circumstances and shall not be held responsible for any loss, liability, cost, damage, expense, or charge incurred as a result of having failed to do so unless any of its officers responsible for the administration of the Securitisation shall have actual knowledge or express notice of the untruthfulness of the matter contained in the certificate.

### 32.9 **Auditors**

The Representative of the Noteholders shall not be responsible for reviewing or investigating any auditors' report or certificate and may rely on the contents of any such report or certificate.

## 33. **MODIFICATIONS**

### 33.1 **Modification**

- (a) The Representative of the Noteholders may from time to time and without the consent or sanction of the Noteholders concur with the Issuer and any other relevant parties in making any amendment or waiver to the Conditions and the Transaction Documents (other than in respect of a Basic Terms Modification) if, in the opinion of the Representative of the Noteholders, such amendment or waiver:
  - (i) is necessary or expedient in order to cure any ambiguity or correct any manifest error, or to comply with any changes in applicable law or in its interpretation;
  - (ii) is not, in the opinion of the Representative of the Noteholders, materially prejudicial to the interest of the holders of the Most Senior Class of Notes;

- (iii) is formal, minor or technical in nature;
- (iv) is necessary for the purpose of enabling the Notes (other than the Class R Notes) to be (or remain) listed on Euronext Dublin and the Class R Notes to be (or remain) listed on the Vienna MTF;
- (v) is necessary or expedient in order to comply with the EMIR as supplemented and implemented by the relevant regulatory technical standards and delegated regulations;
- (vi) is required for the Securitisation to comply with the EU Securitisation Regulation, as confirmed by a firm providing verification services pursuant to article 28 of the EU Securitisation Regulation or a primary law firm is necessary for the purposes of enabling the Securitisation to constitute a transfer of significant credit risk within the meaning of Article 244(1)(b) of the CRR, provided that the Originator certifies to the Issuer and the Representative of the Noteholders in writing that such modification is required solely for such purpose;
- (vii) is necessary to ensure that the Class A Notes continue to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life.

### 33.2 **Binding Notice**

Any such modification referred to in Article 33.1 (*Modification*) shall be binding on the Noteholders and, unless the Representative of the Noteholders otherwise agrees, the Issuer shall procure that such modification be notified to the Noteholders and the Other Issuer Creditors as soon as practicable thereafter in accordance with provisions of the Conditions relating to notices to Noteholders and the relevant Transaction Documents.

### 33.3 **Evidence of error**

In establishing whether an error is established as such to its satisfaction, the Representative of the Noteholders may have regard to any evidence on which the Representative of the Noteholders considers it appropriate to rely, and may, but shall not be obliged to, have regard to all or any of the following:

- (a) a certificate from the Most Senior Class of Noteholders, stating the intention of the parties to the relevant Transaction Document, confirming nothing has been said to, or by, investors or any other parties which is in any way inconsistent with such stated intention and stating the modification to the relevant Transaction Document that is required to reflect such intention;
- (b) the circumstance that, after giving effect to such modification, the Rated Notes shall continue to have the same credit ratings as those assigned to them immediately prior to the modification.

### 33.4 **Modification at the direction of the Noteholders**

The Representative of the Noteholders shall be bound to concur with the Issuer and any other party in making any modifications if it directed to do so by an Extraordinary Resolution of the Most Senior Class of Noteholders or, in the case of any modification which constitutes Basic Terms Modification, of the holders of each Class of the Notes but only if it is indemnified and/or secured to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing.

## 34. **WAIVER**

### 34.1 **Waiver of Breach**

The Representative of the Noteholders may at any time and from time to time in its direction, without prejudice to its rights in respect of any subsequent breach, condition, event or act, from

time to time and at any time, but only if and in so far as in its opinion the interests of the Holders of the Most Senior Class of Notes then outstanding shall not be materially prejudiced thereby:

- (a) authorise or waive, on such terms and subject to such conditions (if any) as it may decide, any proposed breach or breach of any of the covenants or provisions contained in the Notes or any of the Transaction Documents; or
- (b) determine that any Trigger Event shall not be treated as such for the purposes of the Transaction Documents,

without any consent or sanction of the Noteholders.

#### 34.2 **Binding Nature**

Any authorisation, waiver or determination referred in Article 34.1 (*Waiver of Breach*) shall be binding on the Noteholders.

#### 34.3 **Restriction on powers**

The Representative of the Noteholders shall not exercise any powers conferred upon it by this Article 34 in contravention of any express direction by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or of a request or direction in writing made by the holders of not less than 25 per cent in aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding but so that no such direction or request:

- (a) shall affect any authorisation, waiver or determination previously given or made; or
- (b) shall authorise or waive any such proposed breach or breach relating to a Basic Terms Modification unless each Class of Notes has, by Extraordinary Resolution, so authorised its exercise.

#### 34.4 **Notice of waiver**

Unless the Representative of the Noteholders agrees otherwise, the Issuer shall cause any such authorisation, waiver or determination to be notified to the Noteholders and the Other Issuer Creditors, as soon as practicable after it has been given or made in accordance with the provisions of the conditions relating to Notices and the relevant Transaction Documents.

### 35. **SECURITY DOCUMENTS**

#### 35.1 **Security Documents**

The Representative of the Noteholders shall have the right to exercise all the rights granted by the Issuer to the Representative of the Noteholders pursuant to the Security Documents. The beneficiaries of the Security Documents are referred to in this Article 35 as the "**Secured Noteholders**".

#### 35.2 **Rights of Representative of the Noteholders**

- (a) The Representative of the Noteholders, acting on behalf of the Secured Noteholders, shall be entitled to appoint and entrust the Issuer to collect, in the Secured Noteholders' interest and on their behalf, any amounts deriving from the pledged claims and rights, and shall be entitled to give instructions, jointly with the Issuer, to the respective debtors of the pledged claims to make the payments related to such claims to the Collection Account or to any other account opened in the name of the Issuer and appropriate for such purpose;
- (b) The Secured Noteholders irrevocably waive any right they may have in relation to any amount deriving from time to time from the pledged claims or credited to Accounts or to any other account opened in the name of the Issuer and appropriate of such purpose which is not in accordance with the provisions of this Article 35. The Representative of the Noteholders shall not be entitled to collect, withdraw or apply, or issue instructions for the collection, withdrawal or application of, cash deriving from time to time from the pledged



claims assigned under the English Deed of Assignment except in accordance with the provisions of this Article 35 and the Intercreditor Agreement.

36. **INDEMNITY**

Pursuant to the Subscription Agreement, the Issuer has covenanted and undertaken upon demand, and subject to and in accordance with the relevant Priority of Payments, to indemnify the Representative of the Noteholders, its officers, employees and directors, against and to reimburse, pay or discharge (on a full indemnity basis), to the extent not already reimbursed, paid or discharged by the Other Issuer Creditors and without any obligation to first make demand upon the Noteholders, all costs, liabilities, losses, charges, expenses, damages, actions, proceedings, claims and demands properly incurred by or made against the Representative of the Noteholders or any entity to which the Representative of the Noteholders has delegated any power, authority or discretion in relation to:

- (a) the negotiation, preparation and execution of these Rules, the Conditions and the Transaction Documents and the completion of the transactions and perfection of the security contemplated therein;
- (b) the preservation, exercise or purported exercise of any of its rights, powers, authorities and discretions or the performance of its duties under and otherwise in relation to these Rules, the Conditions and the Transaction Documents;
- (c) any breach by the Issuer of its obligations under these Rules, the Conditions or the Transaction Documents;
- (d) any other action taken in connection with the enforcement of the obligations of the Issuer under these Rules, the Conditions or the Transaction Documents or the recovery from the Issuer of the amounts payable by the Issuer in respect of Issuer's obligations under the Notes or the Transaction Documents or any of them; and
- (e) any payment in respect of the Issuer's obligations under the Notes or the Transaction Documents or any of them (whether by the Issuer or any other person) which is subsequently impeached or declared void for any reason whatsoever,

in each case, with the addition of applicable VAT or similar tax charged or chargeable in respect thereof and 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 the Rules, the Notes or the Transaction Documents, except insofar as the same are incurred as a result of gross negligence (*colpa grave*) or wilful default (*dolo*) of the Representative of the Noteholders. The provisions of this Condition 36 shall continue in full force and effect notwithstanding any discharge or the completion of the arrangements set out herein. The indemnity under this Condition 36 constitutes a separate and independent obligation of the Issuer and shall give a separate and independent cause of action. The provisions of this Condition 36 shall continue in full force and effect notwithstanding any discharge or the completion of the arrangements set out herein.

For the avoidance of doubt, the obligation of the Issuer to indemnify the Representative of the Noteholders in accordance with this Condition 36 shall survive the termination and/or resignation of the Representative of the Noteholders.

37. **LIABILITY**

Notwithstanding any other provision of these Rules, the Representative of the Noteholders shall not be liable for any act, matter or thing done or omitted in any way in connection with the Transaction Documents, the Notes or these Rules except in relation to its own gross negligence (*colpa grave*) or wilful default (*dolo*).

**TITLE IV**  
**THE ORGANISATION OF THE NOTEHOLDERS AFTER SERVICE OF AN ENFORCEMENT NOTICE**

1. **POWERS**

It is hereby acknowledged that, upon service of a Trigger Notice or in case of redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), prior to service of a Trigger Notice, following the failure of the Issuer to exercise any right to which it is entitled, pursuant to the Mandate Agreement the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, shall be entitled (also in the interests of the Other Issuer Creditors) pursuant to article 1723, paragraph 2, of the Italian civil code, to exercise certain rights in relation to the Portfolio. Therefore, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, will be authorised, pursuant to the terms of the Mandate Agreement, to exercise, in the name and on behalf of the Issuer and as *mandatario in rem propriam* of the Issuer, any and all of the Issuer's rights under certain Transaction Documents, including the right to give directions and instructions to the relevant parties to the relevant Transaction Documents.

**TITLE V**  
**GOVERNING LAW AND JURISDICTION**

1. **GOVERNING LAW**

The Rules and any non-contractual obligation arising out of them are governed by, and will be construed in accordance with, the laws of the Republic of Italy.

2. **JURISDICTION**

The Courts of Milan will have jurisdiction to hear and determine any suit, action or proceedings and to settle any disputes which may arise out of or in connection with the Rules.

## SELECTED ASPECTS OF ITALIAN LAW

### The Securitisation Law

The Securitisation Law was enacted on 30 April 1999 and was conceived to simplify the securitisation process and to facilitate the increased use of securitisation as a financing technique in Italy.

It applies to securitisation transactions involving a "true" sale (by way of non-gratuitous assignment) of receivables, where the sale is to a company created in accordance with article 3 of the Securitisation Law and all amounts paid by the debtors in respect of the receivables are to be used by the relevant company exclusively to meet its obligations under notes issued to fund the purchase of such claims and all costs and expenses associated with the securitisation transaction.

It should be noted that 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*"), converted with amendments into Law No. 9 of 21 February 2014 ("**Law 9/2014**"), Italian Law Decree no. 91 of 24 June 2014 ("*Disposizioni urgenti per il settore agricolo, la tutela ambientale e l'efficientamento energetico dell'edilizia scolastica e universitaria, il rilancio e lo sviluppo delle imprese, il contenimento dei costi gravanti sulle tariffe elettriche, nonché per la definizione immediata di adempimenti derivanti dalla normativa europea*") converted with amendments into Law No. 116 of 11 August 2014, ("**Law 116/2014**") and the Law Decree No. 50 of 24 April 2017 ("*Disposizioni urgenti in materia finanziaria, iniziative a favore degli enti territoriali, ulteriori interventi per le zone colpite da eventi sismici e misure per lo sviluppo*"), converted with amendments into Law no. 96 of 21 June 2017 ("**Law 96/2017**"), introduced certain amendments to the Securitisation Law with the purpose of improving the Securitisation Law by granting additional legal benefits to the entities involved in the securitisation transactions in Italy and better clarifying certain provisions of the Securitisation Law. In particular, the following main changes have been introduced by such laws in respect of the Securitisation Law:

- (1) the assigned debtors in securitisation transactions shall not be entitled to exercise any set-off between the amounts due by them under the assigned receivables and their claims arisen after the date of publication in the Official Gazette of the notice of transfer of the relevant portfolio or the date certain at law ("*data certa*") on which the relevant purchase price (even if partial) has been paid;
- (2) payments made by assigned debtors under securitised claims are not subject to the declaration of ineffectiveness pursuant to Article 164 of the Italian legislative decree no. 14 of 12 January 2019 (*Nuovo Codice della crisi di impresa e dell'insolvenza*);
- (3) the assignment of receivables owed by public entities made under the Securitisation Law will now be subject only to the formalities contemplated by the Securitisation Law (*i.e.*, the publication of the notice of assignment in the Official Gazette and the registration of the assignment in the register of companies where the assignee is enrolled) and no other formalities shall apply;
- (4) where the notes issued by the special purpose vehicle are subscribed by qualified investors, the underwriter can also be a sole investor;
- (5) the servicer, the sub-servicer or the depositary bank, with which the accounts for the deposit of the collections received from the assigned debtors of securitisation transactions have been opened, becomes subject to insolvency proceedings, the amounts credited on such accounts will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan;
- (6) securitisation companies established under the Securitisation Law are allowed to grant direct financings to entities which are not individuals or so called micro-companies, subject to certain conditions;
- (7) certain consequential changes are made to the Securitisation Law to reflect such new possibility;

- (8) the segregation principle set out in the second paragraph of article 3 of the Securitisation Law, as better described under the paragraph set out below (*Ring-fencing of the assets*), is widened to include any right arising in favour of the securitisation company in the context of the relevant securitisation transaction, the relevant collections and the financial assets acquired with such collections.

Further amendments to the Securitisation Law have been made by: (i) Law No. 145 of 30 December 2018, as published in the Official Gazette No. 302 of 31 December 2018; (ii) Law Decree No. 34 of 30 April 2019 (*Misure urgenti di crescita economica e per la risoluzione di specifiche situazioni di crisi*), published in the Official Gazette No. 100 of 30 April 2019; (iii) Law No. 160 of 27 December 2019, published in the Official Gazette No. 304 of 30 December 2019; and (iv) Law Decree No. 162 of 30 December 2019 (*Disposizioni urgenti in materia di proroga di termini legislativi, di organizzazione delle pubbliche amministrazioni, nonché di innovazione tecnologica*) converted with amendments into Law No. 8 of 28 February 2020.

Finally, amendments to the Securitisation Law have been made by Law No. 178 of 30 December 2020, as published in the Official Gazette No. 322 of 30 December 2020 and by Legislative Decree No. 190 of 5 November 2021 (*Disposizioni per l'attuazione della direttiva (UE) 2019/2162 relativa all'emissione di obbligazioni garantite e alla vigilanza pubblica delle obbligazioni garantite e che modifica la direttiva 2009/65/CE e la direttiva 2014/59/UE, e per l'adeguamento della normativa nazionale alle disposizioni del regolamento (UE) 2019/2160, che modifica il regolamento (UE) n. 575/2013, per quanto riguarda le esposizioni sotto forma di obbligazioni garantite. Modifiche alla legge 30 aprile 1999, n. 130*), as published in the Official Gazette No. 285 of 30 November 2021 (as supplemented by the errata-corrige act published in the Official Gazette on 1 December 2021).

### **Ring-fencing of the assets**

Under the terms of article 3 of the Securitisation Law (as amended, as set out above), (i) the assets and moneys 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) and (ii) any cash-flow deriving therefrom will, by operation of law, be segregated for all purposes from all other deposits and moneys of the relevant depository (to the extent identifiable; please see the section entitled "*Risk Factors – Commingling risk*" for further details). Prior to and on a winding-up of such a company the receivables, moneys and deposits listed above will only be available to the holders of the notes issued to finance the acquisition of the relevant receivables and to certain creditors claiming payment of debts incurred by the company in connection with the securitisation of the relevant receivables. In addition, the receivables, moneys and deposits 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. However, under Italian law, any creditor of the Issuer would be able to commence insolvency or winding up proceedings against the company in respect of any unpaid debt.

In addition to the above, it should be noted that, pursuant to the amendments introduced to the Securitisation Law by Law 9/2014, Law 116/2014 and Law 96/2017, it has been provided under article 3 of the Securitisation Law, *inter alia*, that:

- (i) the amounts credited into the accounts opened by companies incorporated as special purpose vehicles pursuant to article 3 of the Securitisation Law with the servicers or with the depository bank of securitisation transactions, on which the amounts paid by the assigned debtors as well as any other amount due to the relevant special purpose vehicle under the securitisation may be credited, may be utilized only to fulfil the obligations of the relevant special purpose vehicle against the noteholders and the other creditors under the securitisation and to pay the expenses to be borne in connection with the securitisation. Should any proceeding under Title IV of the Consolidated Banking Act, or any other insolvency procedure apply to the relevant servicer or depository bank, the amounts credited on such accounts and the sums deposited during the course of the relevant insolvency procedure (i) will not be subject to the suspension of payments; and (ii) will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need to for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan; and

- (ii) in respect of the accounts opened by the servicers and the sub-servicers with banks, and into which the amounts paid by the assigned debtors may be credited, the creditors of the relevant servicer or sub-servicer may exercise claims only in respect of the amounts credited on such accounts that exceed the amounts due to the relevant special purpose vehicle. Should any insolvency procedure apply to the relevant servicer or sub-servicer, the amounts credited on such segregated accounts and the sums deposited during the course of the relevant insolvency procedure will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need to for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan. Under Italian law, however, any creditor of the Issuer would be able to commence insolvency or winding-up proceedings against the Issuer in respect of any unpaid debt.

It should be noted that the provisions of article 3 of the Securitisation Law concerning the segregation of the accounts opened by the companies incorporated as special purpose vehicles and of the accounts opened by servicers and sub-servicers would not apply in circumstances where the cash-flows referred to above are held outside the Republic of Italy. Given that the Sub-Servicer's bank account on which the Debtors will make payments under the Loans is held in France, the aforementioned segregation provisions would not apply to the deposits held on such Sub-Servicer's bank account.

### **The assignment**

The assignment of the receivables under the Securitisation Law is governed by the combined provisions set out in articles 1 and 4 of the Securitisation Law and the article 5, paragraphs 1, 1-*bis* and 2 of the Factoring Law. 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 seller, the debtors in respect of the assigned debts, and third party creditors by way of delivering to the Issuer of an account statement (*contabile bancaria*) bearing date certain at law (*data certa*) in accordance with the provisions of article 2, paragraph 1, letter b), of Legislative Decree no. 170 of 21 May 2004.

As of the date of delivery of the account statement (*contabile bancaria*), the assignment becomes enforceable against:

- (i) any creditors of the seller who have not prior to the date of publication of the notice commenced enforcement proceedings in respect of the relevant debts;
- (ii) the liquidator or other insolvency official of the seller; and
- (iii) other permitted assignees of the seller who have not perfected their assignment prior to the date of publication;
- (iv) the debtors; and
- (v) the liquidator or other insolvency official of such debtors (so that any payments made by a debtor whose debt has been assigned to the purchasing company may not be subject to any claw-back action pursuant to article 166 of the Italian Insolvency Code).

The benefit of any privilege, guarantee or security interest guaranteeing or securing repayment of the assigned debts 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 delivery of the account statement (*contabile bancaria*), no legal action may be brought in respect of the debt assigned or the sums derived therefrom other than for the purposes of enforcing the rights of the noteholders in relation to the notes issued for the purpose of financing the acquisition of the relevant debts and to meet the costs of the transaction.

Assignments executed under the Securitisation Law are subject to revocation upon bankruptcy under article 166 of the Italian Insolvency Code but only in the event that the securitisation transaction is entered into within three months of the adjudication of bankruptcy of the relevant party or, in cases where paragraph 1 of article 166 of the Italian Insolvency Code applies, within six months of the adjudication of bankruptcy.

It should be noted that, since the Seller is a French credit institution licensed as a bank by the French banking authorities (acting through the Italian branch), the provisions of paragraph 4 of article 4 of the

Securitisation Law might not be applicable to the transfer of the Receivables, notwithstanding the relevant transfer is executed under the Securitisation Law. This is based on article 95-*bis* of the Consolidated Banking Act which provides that measures and procedures for the reorganisation and winding up of EU banks (as the Seller) shall be regulated and produce their effects, without additional formalities, in Italy in accordance with the law of their home member state. In accordance with the principle set out in article 95-*bis* of the Consolidated Banking Act, the reorganisation and winding up of the Seller would be governed by the laws, regulations and procedure applicable in France and French law would govern the rules relating to claw back and preferences upon the insolvency of the Seller.

### **The Issuer**

The Issuer is subject to the provisions contained in Chapter V of the Consolidated Banking Act which requires that companies intending to carry out financial activity in the Republic of Italy must be registered on the general register of special purpose vehicles held by the Bank of Italy, pursuant to its regulation dated 12 December 2023.

The Issuer is enrolled under number [•] in the register of special purpose vehicles held by the Bank of Italy pursuant to the regulation issued by the Bank of Italy on 12 December 2023.

### **Attachment of Debtor's Credits**

Attachment proceedings may be commenced also on due and payable credits of a borrower (such as bank accounts, salary, etc.) or on borrower's movable property which is located on third party premises.

### **Consumer credit provisions**

#### *Consumer credit provisions and enactment of Legislative Decree 141*

The Portfolio also includes Loans which qualify as "consumer loans", i.e. loans extended to individuals acting outside the scope of their entrepreneurial, commercial, craft or professional activities. In Italy consumer loans are regulated by, amongst others: (i) articles 121 to 126 of the Consolidated Banking Act and (ii) some provisions of the Consumer Code. Consumer protection legislation has been subject to a full revision by the enactment of law decree 13 August 2010 number 141 (as subsequently amended Legislative Decree 141) which transposed in the Italian legal system EC Directive 2008/48 on credit agreements for consumers. Legislative Decree 141 has become enforceable on 19 September 2010.

#### *Legislative Decree 141 and existing credit consumer agreements*

Even if Legislative Decree 141 does not provide anything on the matter, on the basis of both article 30 of the Directive 2008/48 and the implementing measures of Legislative Decree 141, it can be stated that the provisions set by Legislative Decree 141 do not apply to agreements existing on the date on which latter entered into force, except for some provisions, applicable to open-end credit agreements only.

#### *Scope of application*

Prior to the entry into force of Legislative Decree 141, consumer loans were only those granted for amounts respectively lower and higher than the maximum and minimum levels set by the Comitato Interministeriale per il Credito e il Risparmio (CICR) (the inter-ministerial committee for credit and savings), such levels being fixed at €30,987.41 and €154.94 respectively. Current article 122 of the Consolidated Banking Act rules that provisions concerning consumer loans apply to loans granted for amounts from €200 (included) to €75,000 (included); moreover, the same article 122 sets a list of other deeds and agreement which shall not be considered as consumer loans.

#### *Right of withdrawal*

Pursuant to article 125-*ter* of the Consolidated Banking Act, consumers have a period of 14 calendar days in which to withdraw from the credit agreement without giving any reason. That period of withdrawal shall begin (a) either from the day of the conclusion of the credit agreement, or (b) from the day on which the consumer receives the contractual terms and conditions and information to be provided to it pursuant to paragraph 1 of article 125-*bis* of the Consolidated Banking Act, if that day is later than the date referred to under point (a). In case the consumer enforces its right of withdrawal, within thirty days following the date of enforcement the consumer shall pay to the lender any amount outstanding under the relevant consumer

loan, plus matured interest and non recoverable expenses paid by the lender to the public administration in connection with the granting of the relevant consumer loan. If the credit agreement has been negotiated by distance marketing, withdrawal periods as calculated under article 67-*duodecies* of the Consumer Code will apply. Pursuant article 125-*quater* of the Consolidated Banking Act, a consumer may always withdraw from an open-end credit agreement without paying any penalty or expense to the lender. Before the enactment of Legislative Decree 141, rights of withdrawal in favour of consumers under consumer loan agreements were limited to specific cases, such as in case of consumer credit agreement concluded to finance acquisition of goods or services pursuant to a distance contract.

### **The enforcement proceedings in general**

The enforcement proceedings can be carried out on the basis of final judgments or other legal instruments known collectively as *titoli esecutivi*. Save where the law provides otherwise, the enforcement must be preceded by service of the order for the execution (*formula esecutiva*) and the notice to comply (*atto di precetto*).

The notice to comply (*atto di precetto*) is a formal notice by a creditor to his debtor advising that the enforcement proceedings will be initiated if the obligation specified in the title is not fulfilled within a given period (not less than ten days but not more than ninety days from the date on which the notice to comply (*atto di precetto*) is served). If delay would be prejudicial, the court may reduce or eliminate this period upon a justified request of the creditor.

Enforcement of an obligation to pay an amount of money is performed in different ways, according to the kind of the debtor's assets the creditor wants to seize. Therefore and mentioning the most important only, the Italian code of civil procedure provides for different rules concerning respectively:

- distraint and forced liquidation of mobile goods in possession of the debtor;
- distraint and forced liquidation of debtor's receivables or mobile goods in possession of third parties; and
- distraint and forced liquidation of real estate properties.

The Italian code of civil procedure provides for some common provisions applicable to any form of enforcement of an obligation to pay an amount of money and specific rules applicable to each form of enforcement.

Distraint and forced liquidation of assets are carried out in the following steps:

- first, the debtor's goods are seized;
- second, other creditors may intervene;
- third, the debtor's assets are liquidated; and
- fourth, the creditor is paid, or the proceeds from the liquidation of the debtor's assets are distributed amongst the creditors.

Seizure of assets is the necessary first step in forcing the liquidation of a property, when it is not already held in pledge.

### **Enforcement proceedings on movable assets in possession of the debtor**

With reference to the seizure and forced liquidation of movable assets in possession of the debtor, seizure begins with the application of the lawyer to the bailiff to proceed at the debtor's house/office or other place and to seize all the debtor's movable assets he/she will find there. The bailiff may look for the movables assets to seize in the debtor's house or in other places related to such debtor and the bailiff is also free to evaluate assets found and keep them seized. However, certain items of personal property cannot be seized. After the seizure, the bailiff writes a record that contains the injunction to the debtor to refrain from any act that would interfere with the liquidation of the seized property and the description of the movables beings seized. Normally the debtor is named as custodian of the assets since any interference by causing the destruction, deterioration, or removal of seized property is a criminal offence.



After the seizure, the bailiff must deposit the record and the title executed and the notice to comply in the chancery of the execution judge. In this moment the chancellor will open the file of the execution.

After the deposit of the written petition above, the judge fixes the date for the hearing to define the formalities of the sale. At that hearing the parties can pass their proposals about the formalities of the sale.

This hearing is also the last possibility for the parties to raise remedies against the enforcement procedure.

If there are no oppositions to the procedure or if the parties reach an agreement about the oppositions, the judge decides for the sale. The judge may choose to delegate the sale to a commission agent. In the delegation, the judge fixes the lowest price of the sale and the total amount which must be obtained from the sale. Otherwise the judge may choose to realise the sale by auction.

After the sale, if there is only one secured creditor without others creditors intervened in the execution, the judge will pay the secured creditor's principal debt and the interests and also the costs of the enforcement proceedings with the sale's proceeds. If there are more than one secured creditor or if there are intervened creditors, they may prepare a project of distribution and propose it to the judge. If the judge agrees, he provides consequently to the distribution. If there is no agreement between the creditors the judge provides to the distribution on the basis of the ranking of the creditors.

In addition to securing the creditor's rights, seizure serves the purpose of identifying the property to be liquidated. When movables in the possession of the debtor are seized, the bailiff must draw up a protocol describing the seized assets and indicating their value. When real estates are seized, distraint is recorded in the land registry, and the value should be set by a special technician appointed by the judge.

The seized assets are entrusted to a custodian. Although the debtor himself may be appointed custodian, he normally may neither use seized property nor keep rents, profits, interest, and similar revenues. Seizure also covers rents, profits, interest, and other revenues of the seized property.

The debtor may avoid the seizure by paying the amount due to the bailiff for delivery to the creditor. Such payment does not constitute recognition of the debt and the debtor is not precluded from bringing an action for restitution of the amount, should he prove that the enforcement procedure was wrongfully instituted.

If the value of seized property exceeds the amount of the debt and costs, the judge, after hearing the creditor and any creditors who have intervened, may order that part of the properties are released.

The creditor may select the property that is to be liquidated. He/she may select various types of property and may bring proceedings in more than one district. However, if he/she selects more properties than necessary to satisfy his/her right, the debtor may apply to have this selection restricted. The creditor who requested the seizure must apply for the sale by auction of the seized assets within a deadline of ninety days, otherwise the seizure lapses.

Normally, the debtor's distrained property is sold (*vendita forzata*). Sometimes, however, property may be assigned to the creditors in lieu of sale (*assegnazione forzata*). Seized property may be sold or assigned solely on the motion of the creditor who started the enforcement proceeding or of one of the intervening creditors who possesses an authority to execute. Unless the property is perishable, a motion to sell or assign it may not be made until at least ten days after distraint, but within 45 days.

The creditor who applies for the sale has the duty to anticipate court expenses and the sale fees. Seized movable property may be sold through acquiring sealed bids (*vendita senza incanto*) or auction (*vendita con incanto*). Seized property may as well be offered for sale in several lots. Once the required amount has been obtained, the sale is discontinued.

Seized property may also be assigned to the creditors instead of being sold. Property may be assigned to discharge the debtor's obligation to the assignees up to the value of the assigned property. If the property is worth more than the amount of the debt, the assignees must pay the balance.

Unless the debtor's assets are assigned to the creditors in satisfaction of their claims, the proceeds of the liquidation must be distributed. The proceeds include:

- (a) money received upon the sale or assignment of the debtor's assets;

- (b) rents, profits, interest, and other revenues accruing from the debtor's assets during the period of
- (c) distraint; and
- (d) penalties or damages paid to the Court by the defaulting purchasers or assignees.

Distribution of the proceeds is made according to the following steps:

- costs and expenses of the proceeding are paid first;
- preferred creditors are paid in the order of their degree of priority;
- unsecured creditors who commenced or intervened into the proceeding in due time are paid:
- they share equally, in proportion to the amount of their claims, if there are insufficient funds
- to satisfy them;
- creditors who intervened after the hearing set for the authorisation of the liquidation of
- assets: they share the balance in proportion to their claims; and
- any surplus is returned to the debtor.

If there is any dispute concerning the distribution of proceeds, the judge hears the parties and he/she will decide. In this case distribution of the proceeds is suspended except to the extent to which it can be effected without prejudicing the rights of the claimants.

### **Subrogation**

Legislative Decree 141 has introduced in the Consolidated Banking Act article 120-quater, which provides for certain measures for the protection of consumers' rights and the promotion of the competition in, *inter alia*, the Italian loan market. Legislative Decree 141 repealed article 8 (except for paragraphs 4-bis, 4-ter and 4-quater) of the Bersani Decree, replicating though, with some additions, such repealed provisions. The purpose of article 120-quater of the Consolidated Banking Act is to facilitate the exercise by the borrowers of their right of subrogation of a new bank into the rights of their creditors in accordance with article 1202 (*surrogazione per volontà del debitore*) of the Italian civil code (the "**Subrogation**"), providing in particular that, in case of a loan, overdraft facility or any other financing granted by a bank, the relevant borrower can exercise the Subrogation, even if the borrower's debt towards the lending bank is not due and payable or a term for repayment has been agreed for the benefit of the creditor. If the Subrogation is exercised by the borrower, a new lender will succeed to the former lender also as beneficiary of all existing ancillary security interests and guarantees. Any provision of the relevant agreement which may prevent the borrower from exercising such Subrogation or render the exercise of such right more cumbersome for the borrower is void. The borrower shall not bear any notarial or administrative cost connected to the Subrogation.

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

### **Debtors may become subject to a debt restructuring arrangement or a court-supervised liquidation in accordance with the Italian Insolvency Code**

The Italian Insolvency Code provides for special composition procedures for situations of over-indebtedness (*procedure di composizione della crisi da sovraindebitamento*), and for a special court-supervised liquidation for situations of over-indebtedness (*liquidazione controllata del sovraindebitamento*), which apply to (i) consumers, professionals, small enterprises who/which are in a situation of crisis or insolvency, and (ii) any other debtor which cannot be subject to judicial liquidation (*liquidazione giudiziale*) or any other liquidation procedure under Italian law applicable for situations of crisis (*crisi*) or insolvency (*insolvenza*).

Over-indebtedness occurs either in a situation of crisis or in a situation of insolvency. Crisis is the condition that makes insolvency likely to happen, and it occurs when the perspective cash flow shows that the debtor will become unable to pay its debts as they fall due within the subsequent 12 months; insolvency is the inability to repay debts as they fall due.

The composition procedure that applies to over-indebted consumers is the consumer's debt restructuring arrangement (*ristrutturazione dei debiti del consumatore*) (the "**Consumer's Debt Restructuring Arrangement**").

Pursuant to articles from 67 to 73 of the Italian Insolvency Code, the over-indebted consumer, supported by the competent body for the composition of the over-indebtedness (*organismo di composizione della crisi da sovraindebitamento*) (the "**OCC**"), can file before the competent court a petition for the restructuring of its debts, based on a plan providing for the strategy to overcome the over-indebtedness. The over-indebted consumer may propose a partial recovery of its debts. Secured creditors shall receive an amount not lower than the liquidation value of the relevant encumbered asset, as assessed by the OCC.

If the court deems that the requirement provided under the law are met, it orders that the plan and the proposal pertaining to the Consumer's Debt Restructuring Arrangement are published in a specific website and notified to the creditors. Upon the over-indebted consumer's request, the court may also order suspension of ongoing individual enforcement actions, and a general stay on enforcement and interim actions on the over-indebted consumer's assets.

Within 20 days from the court's notice, creditors may submit to the OCC their comments to the plan and the proposal pertaining to the Consumer's Debt Restructuring Arrangement. Within the subsequent 10 days, the OCC may refer them to the court, together with any amendments to the plan that it deems necessary.

The court verifies whether the plan is compliant with the requirement provided under the law and feasible, and, if so, issues a decision homologating it. Such decision can be opposed within 30 days.

The OCC supervises the execution of the plan, and any sale and/or dismissal is carried out through a tender procedure. Once the plan is fully executed, the OCC delivers a final report. The court, also upon request from a creditor, revokes the homologation of the Consumer's Debt Restructuring Arrangement if for the relevant debtor becomes impossible to fulfill the obligations set out in the plan or if the relevant debtor attempts to fraud its creditors. The revocation cannot be requested by creditors nor pursued by the court after 6 (six) months from delivery of the OCC's final report.

If the Consumer's Debt Restructuring Arrangement fails, or, in any event, upon its own request, the over-indebted consumer may be adjudicated in a court-supervised liquidation for situations of over-indebtedness (the "**Court-Supervised Liquidation**"). If the over-indebted consumer is in a situation of insolvency, the Court-Supervised Liquidation may be commenced also upon request of a creditor in the context of an individual enforcement proceeding.

If the court finds that the relevant requirements are met (e.g. the amount of debts due and unpaid is higher than Euro 50,000), it issues a decision adjudicating the over-indebted consumer into the Court-Supervised Liquidation. With the same decision, the court, among other things, (i) appoints the designated judge, (ii) appoints a liquidator and (iii) assigns to creditors a term of maximum 60 (sixty) days to file their proof of claim.

As of the adjudication of the over-indebted consumer into the Court-Supervised Liquidation, individual enforcement and interim actions of creditors are stayed, and claims are recovered in accordance with statutory priorities and the principle of equal treatment among creditors. Pending contracts are suspended, and the liquidator determines if they should be continued or terminated.

## TAXATION

The statements herein regarding taxation are based on the laws in force as at the date of this Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following overview does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes. This overview is based upon the laws and/or practice in force as at the date of this Prospectus. Italian tax laws and interpretations may be subject to frequent changes which could be made on a retroactive basis.

### ***Tax treatment of Notes issued by the Issuer***

Italian Legislative Decree No. 239 of 1<sup>st</sup> April, 1996 ("**Decree 239**") as amended and supplemented from time to time, sets out the applicable tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) (hereinafter collectively referred to as "**Interest**") from notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, *inter alia*, by Italian limited liability company incorporated under article 3 of Law No. 130 of 30 April 1999.

For these purposes, securities similar to bonds (*titoli similari alle obbligazioni*) are securities that incorporate an unconditional obligation of the issuer to pay at maturity an amount not lower than their nominal value, with or without the payment of interest, and do not give any right to directly or indirectly participate in the management of the issuer or to the business in connection to which the securities were issued, nor to control the same.

### ***Italian Resident Noteholders***

Pursuant to Decree 239, where the Italian resident Noteholder, who is the beneficial owner of such Notes, is:

- (a) an individual not engaged in an entrepreneurial activity to which the Notes are connected;
- (b) a partnership (other than a *societa' in nome collettivo* or *societa' in accomandita semplice* or similar partnership), or a *de facto* partnership not carrying out commercial activities or professional association;
- (c) private or public institutions (other than companies), trusts not carrying out mainly or exclusively commercial activities, the Italian State and public and territorial entities; or
- (d) an investor exempt from Italian corporate income taxation,

Interest payments relating to the Notes are subject to a tax, referred to as *imposta sostitutiva*, levied at the rate of 26 per cent. (either when Interest is paid or when payment thereof is obtained by the holder on a sale of the Notes).

If the Noteholders described under (a), (b) and (c) above have entrusted the management of his financial assets, including the Notes, to an authorised intermediary and they have opted for the application of the so called "*regime del risparmio gestito*" (the "**Asset Management Regime**") according to Article 7 of Italian Legislative Decree No. 461 of 21<sup>st</sup> November, 1997, as amended ("**Decree No. 461**"), they are subject to a 26 per cent. annual substitute tax (the "**Asset Management Tax**") on the increase in value of the managed assets accrued at the end of each tax year (which increase would include Interest accrued on the Notes). The Asset Management Tax is applied on behalf of the taxpayer by the managing authorised Intermediary. All the above categories are qualified as "net recipients".

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals holding the Notes not in connection with an entrepreneurial activity may be exempt from any income taxation, including the *imposta sostitutiva*, on Interest if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Italian law as amended and supplemented from time to time.

If the Noteholders described above under (a) and (c) are engaged in an entrepreneurial activity to which the Notes are connected, *imposta sostitutiva* applies as a provisional income tax. Interest will be included in the relevant beneficial owner's Italian income tax return and will be subject to Italian ordinary income taxation and the *imposta sostitutiva* may be recovered as a deduction from Italian income tax due.

Pursuant to Decree 239, the 26 per cent. *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare* (so called "**SIMs**"), fiduciary companies, *società di gestione del risparmio* ("**SGRs**"), stock brokers and other qualified entities identified by a decree of the Ministry of Finance ("**Intermediaries**" and each an "**Intermediary**"). An Intermediary must (a) be resident in Italy or be a permanent establishments in Italy of a non Italian resident Intermediary, and (b) intervene, in any way, in the collection of Interest or, also as transferees, in transfers or disposals of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant notes or in a change of the Intermediary with which the notes are deposited.

Where the Notes and the relevant coupons are not deposited with an authorised Italian Intermediary (or with a permanent establishment in Italy of a foreign Intermediary), the *imposta sostitutiva* is applied and withheld by any Italian Intermediary paying Interest to the Rated Noteholder or, absent that by the Issuer.

Payments of Interest in respect of Notes that qualify as *obbligazioni* or *titoli similari alle obbligazioni* are not subject to the 26 per cent. *imposta sostitutiva* if made to beneficial owners who are:

- (i) Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected;
- (ii) Italian resident partnerships carrying out commercial activities ('*società in nome collettivo*' or '*società in accomandita semplice*');
- (iii) Italian resident open-ended or closed-ended collective investment funds (together the "**Funds**" and each a "**Fund**"), *società di investimento a capitale variabile* ("**SICAV**"), *società d'investimento a capitale fisso* ("**SICAF**"), Italian resident pension funds referred to in Legislative Decree No. 252 of 5<sup>th</sup> December, 2005 ("**Decree No. 252**"), Italian resident real estate investment funds subject to the regime provided for by law Decree No. 351 of 25<sup>th</sup> September, 2001 ("**Decree No. 351**"), as subsequently amended, and real estate SICAF; and
- (iv) Italian resident individuals holding Notes not 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 Asset Management Regime.

Such categories are qualified as "gross recipients". To ensure payment of Interest in respect of the Notes without the application of 26 per cent. *imposta sostitutiva*, gross recipients indicated above under (i) to (iv) must: (a) be the beneficial owners of payments of Interest on the Notes and (b) deposit the Notes in due time, together with the coupons relating to such Rated Notes, directly or indirectly with an Italian authorised Intermediary (or a permanent establishment in Italy of a foreign Intermediary). Where the Notes and the relevant coupons are not deposited with an Italian authorised Intermediary (or a permanent establishment in Italy of a foreign Intermediary), the *imposta sostitutiva* is applied and withheld by any Italian Intermediary paying Interest to the holders of the Notes or, absent that, by the Issuer.

Gross recipients that are Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected are entitled to deduct *imposta sostitutiva* suffered from income taxes due. Interest accrued on the Notes shall be included in the corporate taxable income (and in certain circumstances, depending on the "*status*" of the Noteholder, also in the net value of production for purposes of regional tax on productive activities – "**IRAP**") of beneficial owners who are Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected, subject to tax in Italy in accordance with ordinary tax rules.

If the investor is resident in Italy and is a Fund, a SICAV or a SICAF and the relevant Notes are held by an authorised intermediary, Interest accrued during the holding period on such Notes will not be subject to *imposta sostitutiva*, but must be included in the financial results of the Fund, the SICAV or the SICAF. The Fund, SICAV or SICAF will not be subject to taxation on such result, but a withholding tax of 26 per cent.

may apply, in certain circumstances, to distributions made in favour of unitholders or shareholders (the "**Collective Investment Fund Tax**").

Where a Noteholder is an Italian resident real estate investment fund, to which the provisions of the Decree No. 351 apply, or a real estate SICAF, Interest accrued on the Notes will be subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the real estate investment fund or a real estate SICAF. The income of the real estate fund or of the real estate SICAF is subject to tax, in the hands of the unitholder, depending on the status and percentage of participation, or, when earned by the fund, through distribution and/or upon redemption or disposal of the units.

Where a Noteholder is an Italian resident pension funds subject to the regime provided by article 17 of Decree No. 252 and the Notes are deposited with an Italian resident intermediary, Interest relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20 per cent. substitute tax (the "**Pension Fund Tax**") on the increase in value of the managed assets accrued at the end of each tax year (which increase would include Interest accrued on the Notes). Subject to certain conditions (including a minimum holding period requirement) and limitations, Interest relating to the Notes may be excluded from the taxable base of the Pension Fund Tax if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Italian law, as amended and supplemented from time to time.

#### **Non-Italian resident Noteholders**

According to Decree 239, payments of Interest in respect of the Notes will not be subject to the *imposta sostitutiva* at the rate of 26 per cent. if made to beneficial owners who are non-Italian resident beneficial owners of the Notes with no permanent establishment in Italy to which the Notes are effectively connected **provided that**:

- (a) such beneficial owners are resident for tax purposes in a State or territory which allows an adequate exchange of information with the Italian tax authorities and listed in the Ministerial Decree dated 4<sup>th</sup> September, 1996 as amended and supplemented from time to time (the "**White List**"). According to Article 11, paragraph 4, let. c) of Decree no. 239, the White List will be updated every six months period. In absence of the issuance of the new White List, reference has to be made to the Italian Ministerial Decree dated 4<sup>th</sup> September, 1996 as amended from time to time; and
- (b) all the requirements and procedures set forth in Decree 239 and in the relevant implementation rules, as subsequently amended, in order to benefit from the exemption from *imposta sostitutiva* are met or complied with in due time.

Decree 239 also provides for additional exemptions from the *imposta sostitutiva* for payments of Interest in respect of the Notes made to (i) international entities and organisations established in accordance with international agreements ratified in Italy; (ii) certain foreign institutional investors, whether or not subject to tax, which are established in countries included in the White List and **provided that** they timely file with the relevant depository the appropriate self-declaration; and (iii) Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State.

To ensure payment of Interest in respect of the Notes without the application of 26 per cent. *imposta sostitutiva*, non-Italian resident investors indicated above must:

- (a) be the beneficial owners of payments of Interest on the Notes;
- (b) deposit the Notes in due time together with the coupons relating to such Notes directly or indirectly with a resident bank or SIM, or a permanent establishment in Italy of a non-Italian resident bank or SIM, or with a non-Italian resident operator participating in a centralised securities management system which is in contact via computer with the Ministry of Economy and Finance; and
- (c) file with the relevant depository a statement (*autocertificazione*) in due time stating, *inter alia*, that he or she is resident, for tax purposes, in one of the above-mentioned White List states. Such statement (*autocertificazione*), which must comply with the requirements set forth by Ministerial Decree of 12<sup>th</sup> December, 2001 (as amended and supplemented), 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 statement (*autocertificazione*) is not required for non-Italian resident investors that are international entities and organisations established in accordance with international agreements ratified in Italy and Central Banks or entities which manage, *inter alia*, the official reserves of a foreign state.

Failure of a non Italian 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 to such non Italian resident Noteholder.

Non-Italian resident Noteholder who are subject to substitute tax might, nevertheless, be eligible for a total or partial relief under an applicable tax treaty between the Republic of Italy and the country of residence of the relevant holder of the Noteholder.

### ***Fungible issues***

Pursuant to Article 11, paragraph 2, of Decree No. 239, where the relevant Issuer issues a new tranche forming part of a single series with a previous tranche, for the purposes of calculating the amount of Interest subject to *imposta sostitutiva*, the issue price of the new tranche will be deemed to be the same as the issue price of the original tranche. This rule applies where (a) the new tranche is issued within 12 months from the issue date of the previous tranche and (b) the difference between the issue price of the new tranche and that of the original tranche does not exceed 1 per cent. of the nominal value of the Notes multiplied by the number of years of the duration of the Notes.

### **Capital Gains**

#### ***Italian resident Noteholders***

Any capital gains realised by Italian resident corporations or similar commercial entities or permanent establishments in 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 tax in Italy according to the relevant ordinary tax rules.

Pursuant to Decree No. 461, a 26 per cent. capital gains tax (referred to as "*imposta sostitutiva*") is applicable to capital gains realised by:

- (a) an Italian resident individual not engaged in entrepreneurial activities to which the Notes are connected;
- (b) an Italian resident partnership not carrying out commercial activities;
- (c) an Italian private or public institution not carrying out mainly or exclusively commercial activities;

on any sale or transfer for consideration of the Notes or redemption thereof.

Under the so called "*regime della dichiarazione*" (the "**Tax Declaration Regime**"), which is the standard regime for taxation of capital gains, the 26 per cent. *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains net of any relevant incurred capital losses realised pursuant to all investment transactions carried out during any given fiscal 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 *imposta sostitutiva* must be paid on such capital gains together with any balance 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 fiscal year.

Alternatively to the Tax Declaration Regime, Noteholder who are:

- (a) Italian resident individuals not engaged in entrepreneurial activities to which the Notes are connected;
- (b) Italian resident partnerships not carrying out commercial activities;
- (c) Italian private or public institutions not carrying out mainly or exclusively commercial activities,

may elect to pay *imposta sostitutiva* separately on capital gains realised on each sale or transfer or redemption of the Notes under the so called "*regime del risparmio amministrato*" (the "**Administrative Savings Regime**"). Such separate taxation of capital gains is allowed subject to (i) the Notes being timely deposited with banks, SIMs and any other Italian qualified intermediary (or permanent establishment in Italy of foreign intermediary) and (ii) an express election for the Administrative Savings 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 as 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. Under the Administrative Savings Regime, the realised capital gain is not required to be included in the annual income tax return of the Noteholder.

Special rules apply if the Notes are part of a portfolio managed under the Asset Management Regime by an Italian asset management company or an authorised intermediary. The capital gains realised upon sale, transfer or redemption of the Notes will not be subject to 26 per cent. *imposta sostitutiva* on capital gains but 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 following years up to the fourth. Also under the Asset Management Regime the realised capital gain is not required to be included in the annual income tax return of the Noteholder.

Subject to certain limitations and requirements (including a minimum holding period), capital gains in respect of Notes realized upon sale, transfer or redemption by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity may be exempt from taxation, including the 26 per cent. *imposta sostitutiva*, if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law, as applicable from time to time.

In the case of Notes held by Funds, SICAVs and SICAFs, capital gains on Notes contribute to determinate the increase in value of the managed assets of the Funds, SICAVs or SICAFs accrued at the end of each tax year. The Funds, SICAVs or SICAFs will not be subject to taxation on such increase, but the Collective Investment Fund Tax may apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.

Where a Noteholder is an Italian resident real estate investment fund, to which the provisions of the Decree No. 351 apply, or a real estate SICAF, capital gains realised will be subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the real estate investment fund or real estate SICAF. The income of the real estate fund or of the real estate SICAF is subject to tax, in the hands of the unitholder, depending on the status and percentage of participation, or, when earned by the fund, through distribution and/or upon redemption or disposal of the units.

Any capital gains realised by a Noteholder who is an Italian pension fund (subject to the regime provided for by article 17 of the Decree No. 252) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the Pension Fund Tax. Subject to certain conditions (including a minimum holding period requirement) and limitations, capital gains realised upon sale, transfer for consideration or redemption of the Notes may be excluded from the taxable base of the Pension Fund Tax if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law, as amended and supplemented from time to time.

#### ***Non-Italian resident Noteholders***

The 26 per cent. *imposta sostitutiva* on capital gains may in certain circumstances be payable on any capital gains realised upon sale, transfer or redemption of the Notes by non-Italian resident individuals and corporations without a permanent establishment in Italy to which the Notes are effectively connected, if the Notes are held in Italy.



However, pursuant to Article 23 of Decree No. 917, any capital gains realised by non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected through the sale for consideration or redemption of the Notes are exempt from taxation in Italy to the extent that the Notes are listed on a regulated market in Italy or abroad, and in certain cases subject to timely filing of required documentation (in the form of a declaration (*autocertificazione*) of non-residence in Italy) with Italian qualified intermediaries (or permanent establishments in Italy of foreign intermediaries) with which the Notes are deposited, even if the Notes are held in Italy and regardless of the provisions set forth by any applicable double tax treaty.

Where the Notes are not listed on a regulated market in Italy or abroad:

- (a) pursuant to the provisions of Decree No. 461 non-Italian resident beneficial owners of the Notes with no permanent establishment in Italy to which the Notes are effectively connected are exempt from the *imposta sostitutiva* in the Republic of Italy on any capital gains realised upon sale for consideration or redemption of the Notes if they are resident, for tax purposes: (a) in a state or territory listed in the White List as defined above, and (b) 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. Under these circumstances, if non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected elect for the Asset Management Regime or are subject to the Administrative Savings Regime, exemption from Italian capital gains tax will apply upon condition that they file in time with the authorised financial intermediary an appropriate declaration (*autocertificazione*) stating that they meet the requirement indicated above. The same exemption applies where the beneficial owners of the Notes are (i) international entities or organisations established in accordance with international agreements ratified by Italy; (ii) certain foreign institutional investors established in countries which allow for an adequate exchange of information with Italy; or (iii) Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State; and
- (b) in any event, non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes are effectively connected that may benefit from a double taxation treaty with Italy, providing that capital gains realised upon sale or redemption of Notes are to be taxed only in the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in Italy on any capital gains realised upon sale for consideration or redemption of Notes.

Under these circumstances, if non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected elect for the Asset Management Regime or are subject to the Administrative Savings Regime, exemption from Italian capital gains tax will apply upon condition that they promptly file with the Italian authorised financial intermediary a self-declaration attesting that all the requirements for the application of the relevant double taxation treaty are met.

The Administrative Savings Regime is the ordinary regime automatically applicable to non-resident persons and entities in relation to Notes deposited for safekeeping or administration at Italian banks, SIMs and other eligible entities, but non-resident Noteholders retain the right to waive this regime. Such waiver may also be exercised by non-resident intermediaries in respect of safekeeping, administration and deposit accounts held in their names in which third parties' financial assets are held.

### **Inheritance and gift tax**

Pursuant to Law Decree No. 262 of 3<sup>rd</sup> October, 2006, converted with amendments by Law No. 286 of 24<sup>th</sup> November, 2006 effective from 29<sup>th</sup> November, 2006, and Law No. 296 of 27<sup>th</sup> December, 2006, the transfers of any valuable assets (including the Notes) as a result of death or donation (or other transfers for no consideration) and the creation of liens on such assets for a specific purpose are taxed as follows:

- (a) 4 per cent. if the transfer is made to spouses and direct descendants or ancestors; in this case, the transfer is subject to tax on the value exceeding Euro 1,000,000 (per beneficiary);
- (b) 6 per cent. if the transfer is made to brothers and sisters; in this case, the transfer is subject to the tax on the value exceeding Euro 100,000 (per beneficiary);

- (c) 6 per cent. if the transfer is made to relatives up to the fourth degree, to persons related by direct affinity as well as to persons related by collateral affinity up to the third degree; and
- (d) 8 per cent. in all other cases.

If the transfer is made in favour of persons with severe disabilities, the tax applies on the value exceeding Euro 1,500,000.

If the donee sells the Notes for consideration within 5 years from the receipt thereof as a gift, the donee is required to pay the relevant *imposta sostitutiva* on capital gains as if the gift has never taken place.

The transfer of financial instruments (including the Notes) as a result of death is exempt from inheritance tax when such financial instruments are included in an individual long-term savings account (*piano individuale di risparmio a lungo termine*), that meets the requirements set forth by Italian law, as amended and supplemented from time to time.

### **Transfer tax**

Contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarised deeds are subject to fixed registration tax at rate of Euro 200; (ii) private deeds are subject to registration tax at rate of Euro 200 only in case of use or voluntary registration or occurrence of the so-called *enunciazione*.

### **Tax Monitoring Obligations**

Italian resident individuals, non commercial entities, non commercial partnerships and similar institutions are required to report in their yearly income tax return, according to Law Decree No. 167 of 28<sup>th</sup> June, 1990 converted into law by Law Decree No. 227 of 4<sup>th</sup> August, 1990, as amended and supplemented from time to time, for tax monitoring purposes, the amount of Notes held abroad during each tax year. The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the actual owner of the instrument.

Furthermore, the above reporting requirement is not required to comply with respect to: (i) Notes deposited for management with qualified Italian financial intermediaries; (ii) contracts entered into through their intervention, upon condition that the items of income derived from the Notes have been subject to tax by the same intermediaries; or (iii) if the foreign investments are only composed by deposits and/or bank accounts and their aggregate value does not exceed a Euro 15,000 threshold throughout the year.

### **Stamp duty**

Pursuant to article 13, paragraph 2-ter, of the tariff part I attached to Presidential Decree No. 642 of 26<sup>th</sup> October, 1972, a proportional stamp duty applies on an annual basis to any periodic reporting communications which may be sent by a financial intermediary to their clients in respect of any financial product and instrument (including the Notes), which may be deposited with such financial intermediary in Italy. The stamp duty applies at a rate of 0.2 per cent. and it cannot exceed Euro 14,000 for taxpayers which are not individuals. This stamp duty is determined on the basis of the market value or, if no market value figure is available, on the face value or redemption value, or in the case the face or redemption values cannot be determined, on the purchase value of the financial assets (including banking bonds, *obbligazioni* and capital adequacy financial instruments) held.

The statement is deemed to be sent at least once a year, even for instruments for which is not mandatory nor the deposit nor the release nor the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable based on the period accounted.

Based on the wording of the law and the implementing decree issued by the Italian Ministry of Economy on 24<sup>th</sup> May, 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy on 20<sup>th</sup> June, 2012) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

### **Wealth tax on financial assets deposited abroad**

According to article 19 of Decree No. 201 of 6<sup>th</sup> December, 2011, Italian resident individuals, non-commercial entities and certain partnerships (*società semplici* or similar partnerships in accordance with Article 5 of Decree No. 917) resident in Italy holding financial assets – including the Notes – outside of the Italian territory are required to pay in its own annual tax declaration a wealth tax at the rate of 0.2 per cent. Starting from fiscal year 2024, the wealth tax applies at the rate of 0.4 per cent for financial assets held in Countries or territories with a privileged tax regime and listed in the Ministerial Decree dated 4 may 1999. For taxpayers other than individuals, this wealth tax cannot exceed Euro 14,000 per year. This tax is calculated on the market value at the end of the relevant year or, if no market value figure is available, on the nominal value or redemption value, or in the case the face or redemption values cannot be determined, on the purchase value of any financial asset (including the Notes) held abroad by Italian resident individuals. A tax credit is granted for any foreign property tax levied abroad on such financial assets. The financial assets held abroad are excluded from the scope of the wealth tax if administered by Italian financial intermediaries pursuant to an administration agreement.

## **SUBSCRIPTION, SALE AND SELLING RESTRICTIONS**

### **The Subscription Agreement**

The Lead Manager has, pursuant to the Subscription Agreement dated on or about the Issue Date between the Issuer, the Originator, the Representative of the Noteholders and the Lead Manager, agreed to subscribe the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and the Class X Notes at their issue price of [100] per cent. of their principal amount as at the Issue Date and to pay to the Issuer the relevant subscription price on the Issue Date, subject to the conditions set forth therein.

The Subscription Agreement is subject to a number of conditions and may be terminated by the Lead Manager in certain circumstances prior to payment of the subscription price in relation to the Notes to the Issuer. The Issuer and the Originator have agreed to indemnify the Lead Manager against certain liabilities in connection with the issue of the Notes.

### **Selling Restrictions**

Each of the Issuer, the Originator and the Lead Manager has, pursuant to, respectively, the Subscription Agreement, undertaken to the others that it will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers the Notes or has in its possession or distributes this Prospectus or any related offering material, in all cases at its own expense.

Each of the Issuer, the Originator and the Lead Manager has, pursuant to the Subscription Agreement, represented and warranted that it has not made or provided and undertaken not to make or provide any representation or information regarding the Issuer, the Originator or the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and the Class X Notes save as contained in this Prospectus or as approved for such purpose by the Issuer or the Originator or which is a matter of public knowledge.

### **General**

The Lead Manager has represented, warranted and agreed, and each Noteholder under the Securitisation will be required to represent, warrant and agree, that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes the Prospectus or any related offering material, in all cases at its own expense. Other persons into whose hands the Prospectus comes are required by the Issuer and the Lead Manager to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish the Prospectus or any related offering material, in all cases at their own expense.

The Subscription Agreement provides that the Lead Manager shall not be bound by any of the restrictions relating to any specific jurisdiction (set out below) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Lead Manager described in the paragraph above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such modification may be set out in a supplement to the Prospectus.

### **UNITED STATES**

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations thereunder.

The Lead Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer or sell the Notes (i) as part of their distribution at any time or (ii) otherwise until forty (40) days after the later of the commencement of the offering of the Notes and the Issue Date (the “**Distribution Compliance Period**”), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells the Notes during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meaning given to them by Regulation S.

Until 40 days after the commencement of the offering of any Classes of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration 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.

The Lead Manager has not assumed any liability to the Issuer or the Seller for compliance with the U.S. Risk Retention Rules by the Issuer or the Seller or any other person (including any responsibility for determining the proper characterisation of potential investors for the requirements of the U.S. Risk Retention Rules or for determining the availability of the exemption provided for in Section 20 of the U.S. Risk Retention Rules) except to the extent on a several basis that the Lead Manager may be liable to the Issuer or the Seller due to the Lead Manager's failure to comply in good faith with the procedures in the immediately following sentence. Under the Subscription Agreement, the Lead Manager has agreed not to directly or indirectly, sell and deliver the Notes to a prospective investor in the Notes who has provided representations to the Issuer and the Seller confirming its status as a Risk Retention U.S. Person (unless otherwise approved by the Seller as a person to whom a sale is to be made). Each prospective investor will be provided with the form of risk retention notice agreed with the Issuer and the Seller (the “**USRR Notice**”) and will be required to provide representations to the Issuer and the Seller relating to its status as a Risk Retention U.S. Person (if it is one): (a) from the time of the announcement of the securitisation transaction involving the issuance of the Notes and (b) if such representations have not been previously made, as a condition to placing any offer to purchase the Notes, and in each case failure to respond to such USRR Notice shall result in such investor being deemed to have represented that it is not a Risk Retention U.S. Person. The Lead Manager, the Issuer and the Seller will rely on the representations each prospective investor will be required to make (or will be deemed to be have made) as outlined in the immediately preceding sentence without further investigation.

## **UNITED KINGDOM**

The Lead Manager has represented and agreed, that:

- (a) **financial promotion**: 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 FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) **general compliance**: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## **ITALY**

The offering of the Notes has not been registered with the “**CONSOB**” pursuant to Italian securities legislation and, accordingly, the Lead Manager has represented and agreed that, save as set out below, it has not offered or sold, and will not offer or sell, any Notes in the Republic of Italy in an offer to the public and that sales of the Notes in the Republic of Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Accordingly, the Lead Manager has represented and agreed that it will not offer, sell or deliver any Notes or distribute copies of the Prospectus and any other document relating to the Notes in the Republic of Italy except:

- (a) to "*qualified investors*", as defined pursuant to Article 2 of the Prospectus Regulation and any application provision of the Legislative Decree No. 58 of 24 February 1998, as amended (the "**Decree No. 58**") and Italian CONSOB regulations; or
- (b) that it may offer, sell or deliver Notes or distribute copies of any prospectus relating to such Notes in an offer to the public in the period commencing on the date of publication of such prospectus, **provided that** such prospectus has been approved in another relevant Member State and notified to CONSOB, all in accordance with the Prospectus Regulation, the Decree No. 58 and CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**Regulation No. 11971**"), and ending on the date which is 12 months after the date of approval of such prospectus; or
- (c) in any other circumstances where an express exemption from compliance with the offer restrictions applies, as provided under the Prospectus Regulation, Decree No. 58 or Regulation No. 11971 and the applicable Italian laws.

Any such offer, sale or delivery of the Notes or distribution of copies of the Prospectus or any other document relating to the Notes in the Republic of Italy must be:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended, Decree No. 58, CONSOB Regulation No. 20307 of 15 February 2018, as amended and any other applicable laws and regulations; and
- (b) in compliance with Article 129 of Legislative Decree No. 385 of 1 September 1993, as amended, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy and the relevant implementing guidelines of the Bank of Italy issued on 25 August 2015 (as amended on 10 August 2016 and on 2 November 2020); and
- (c) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

## IRELAND

The Lead Manager has represented and agreed that it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite any Notes, or do anything in Ireland in respect of any Notes, otherwise than in conformity with the provisions of:

- (a) the Companies Act 2014 (as amended, the “**Companies Act**”);
- (b) the Prospectus Regulation and the European Union (Prospectus) Regulations 2019 (as amended) and any rules issued by the Central Bank under Section 1363 of the Companies Act;
- (c) the European Union (Markets in Financial Instruments) Regulations 2017 (as amended), and it will conduct itself in accordance with any rules or codes of conduct and any conditions or requirements, or any other enactment, imposed or approved by the Central Bank;
- (d) Regulation (EU) No 596/2014 on market abuse, the European Union (Market Abuse) Regulations 2016 and any Central Bank rules issued and / or in force pursuant to Section 1370 of the Companies Act;
- (e) Regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs); and
- (f) the Central Bank Acts 1942 to 2023 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989.

## PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “*retail investor*” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**EU MiFID II**”); or
  - (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; and
  - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression “*offer*” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe to the Notes.

## Public Offer Selling Restriction Under the Prospectus Regulation

In relation to each Member State of the European Economic Area, the Lead Manager has represented, warranted and agreed, and each Noteholder under the Securitisation will be required to represent, warrant and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Prospectus to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (a) **Qualified investors:** at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) **Fewer than 150 offerees:** at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Noteholders nominated by the Issuer for any such offer; or

- (c) **Other exempt offers:** at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation.

**provided that** no such offer of Notes referred to in Paragraphs (a) to (c) above shall require the Issuer or any Noteholder to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

#### **PROHIBITION OF SALES TO UK RETAIL INVESTORS**

The Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "*retail investor*" means a person who is one (or more) of the following:
- (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression "*offer*" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe to the Notes



## GENERAL INFORMATION

1. The Issuer has obtained all necessary consents, approvals and authorisations in Italy in connection with the issue and performance of the Notes. The issue of the Notes was authorised by a resolution of the Quotaholder of the Issuer passed on [•] April 2024.
2. Application has been made to the Irish Stock Exchange plc Euronext Dublin for the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes to be admitted to the Official List and trading on its regulated market starting from the Issue Date. The Prospectus has been approved by the Central Bank, as competent authority under the Prospectus Regulation. The Central Bank of Ireland only approves the Prospectus as meeting the requirements imposed under Ireland and EU law pursuant to the Prospectus Regulation, as amended from time to time. Any information in this Prospectus regarding the R Notes is not subject to the Central Bank of Ireland's approval. Application has been made for the Class R Notes for the admission to trading on the qualified investor segment ("**Vienna MTF**"), which is a multilateral system for the purposes of MIFID II, managed by Wiener Börse AG ("**Vienna Stock Exchange**").
3. Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of (i) the Notes (other than the Class R Notes) to the Official List of Euronext Dublin or to trading on its regulated market for the purposes of the Prospectus Regulation, (ii) the Class R Notes on the Vienna Stock Exchange or to trading on its regulated market for the purposes of the Prospectus Regulation.
4. The Issuer is not (and was not, since the date of its incorporation being 22 January 2024) involved in any litigation, arbitration, governmental or administrative proceedings relating to claims or amounts which are material and which may have, or have had, since the date of its incorporation, a significant effect on its financial position or profitability, nor is the Issuer, to the best of its knowledge, aware that any such proceedings are pending or threatened.
5. The Issuer has no outstanding loan capital, borrowings, indebtedness or contingent liabilities, nor has the Issuer created any mortgages or charges or given any guarantees other than under the Securitisation.
6. The Issuer will produce proper accounts (*ordinaria contabilità interna*) and audited financial statements in respect of each financial year and will not produce interim financial statements. Copies of these documents will be available in electronic format at the registered office of the Representative of the Noteholders. Copies of these documents will be promptly deposited after their approval at the registered office of the Issuer and at the specified office of the Paying Agents, where such documents will be physically available for inspection and where copies of such documents may be obtained free of charge upon request during usual business hours.
7. The Notes have been accepted for clearance through Euronext Securities Milan, Euroclear and Clearstream as follows:

Class	ISIN code	Common code	CFI	FISN
A	[•]	[•]	[•]	[•]
B	[•]	[•]	[•]	[•]
C	[•]	[•]	[•]	[•]
D	[•]	[•]	[•]	[•]
E	[•]	[•]	[•]	[•]
F	[•]	[•]	[•]	[•]
R	[•]	[•]	[•]	[•]
X	[•]	[•]	[•]	[•]

8. As long as the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Class F Notes are listed on the Euronext Dublin, copies of the following documents are available in electronic format at the registered office of the Representative of the Noteholders, being, as at the Issue Date, Corso Vittorio Emanuele II n. 24/28, Milan, Italy

and are physically available, may be inspected and obtained free of charge during usual business hours at the registered office of the Issuer, being as at the Issue Date, Corso Vittorio Emanuele II n. 24/28, Milan, Italy, at the specified office of the Italian Paying Agent, being, as at the Issue Date, Piazzetta Maurilio Bossi 3, 20121 Milan, Italy, at the specified office of the Principal Paying Agent, being, as at the Issue Date, Canada Square, Canary Wharf, London E14 5LB and at the website of European Data Warehouse GmbH (being, as at the date of the Prospectus, <https://eurodw.eu/>), or any other securitisation repository registered pursuant to article 10 of the EU Securitisation Regulation and the UK Securitisation Regulation, or at any time after the date of this Prospectus:

- (i) the *statuto* and *atto costitutivo* of the Issuer;
- (ii) the following agreements:
  - Receivables Purchase Agreement;
  - Master Servicing Agreement;
  - Sub-Servicing Agreement;
  - Back-Up Sub-Servicing Agreement;
  - Intercreditor Agreement;
  - Cash Allocation, Management and Payments Agreement;
  - Conditions;
  - English Deed of Assignment;
  - Deed of Charge;
  - English Account Bank Agreement;
  - Hedge Agreement;
  - Mandate Agreement;
  - Corporate Services Agreement;
  - Quotaholder's Agreement; and
  - Master Definitions Agreement.

9. So long as any of the Notes remains outstanding, as from the Issue Date the following information will be made available:

- (i) copies of the Payments Reports shall be made available for collection at the registered offices of the Issuer, the Representative of the Noteholders and the Paying Agents, respectively, on each Calculation Date and on each date on which it is produced. The first Payments Report will be available at the registered office of the Issuer, the Representative of the Noteholders and the Paying Agents on or about the Payment Date falling in June 2024. The Payments Reports will be produced monthly and will contain details of amounts payable on the Payment Date to which it refers in accordance with the Priority of Payments, including the amount payable as principal, interest and Variable Return (if any) in respect of each Note;
- (ii) copies of the Loan Level Report will be made available by the Sub-Servicer to the entities referred to under article 7, paragraph 1, of the EU Securitisation Regulation and the article 7, paragraph 1, of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) as soon as it is available, but in any event no later than the Securitisation Regulation Report Date, such information having been made

available before pricing of the Notes in accordance with article 22, paragraph 4 of the EU Securitisation Regulation and article 22, paragraph 4 of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures). The Loan Level Report will be made available monthly on the Securitisation Repository's web-site (<https://eurodw.eu/>);

- (iii) copies of the Inside Information and Significant Event Reports will be made available in order to fulfil the disclosure requirements in respect of: (i) any event that, in the opinion of the Sub-Servicer constitutes inside information that shall be made public in accordance with Article 17 of the EU Market Abuse Regulation and the UK Market Abuse Regulation, and/or (ii) a significant event (as referred to in Article 7(1)(g)) of the EU Securitisation Regulation and Article 7(1)(g)) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures). The Inside Information and Significant Event Reports are made available to the entities referred to under article 7, paragraph 1, of the EU Securitisation Regulation and article 7, paragraph 1, of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) without undue delay in accordance with the applicable Disclosure RTS and the applicable FCA RTS. The Inside Information and Significant Event Reports will be made available monthly on the Securitisation Repository;
  - (iv) copies of the Securitisation Regulation Investor Report will be made available by the Master Servicer, within each Securitisation Regulation Report Date, in order to fulfil the investor reporting requirement under Article 7, paragraph 1, letter (e) of the EU Securitisation Regulation and Article 7, paragraph 1, letter (e) of the UK Securitisation Regulation (as such article of the UK Securitisation Regulation is interpreted and applied on the date hereof and not taking into account any relevant national measures) and in compliance with Regulatory Technical Standards. The Securitisation Regulation Investor Report will also be made available monthly on the Securitisation Repository; and
  - (v) copies of the Master Servicer Report will be prepared and made available to the Issuer, the Reporting Entity, the Hedge Counterparty, the Account Bank, the Calculation Agent, the Representative of the Noteholders, the Paying Agents, the Corporate Services Provider and the Rating Agencies by the Sub-Servicer, substantially in the form of a monthly report concerning the Sub-Servicer's activities with respect to the preceding Collection Period.
10. The estimated total expenses payable by the Issuer in connection with the admission of the Notes to trading on the regulated market of the Euronext Dublin amount to approximately Euro [•] (excluding application of VAT, if any).

## GLOSSARY

*These and other terms used in this Prospectus are subject to, and in some cases are summaries of, the definitions of such terms set out in the Transaction Documents, as they may be amended from time to time.*

"**Account Bank**" means Citibank, N.A., London Branch or any other Eligible Institution appointed to act as such pursuant to the English Account Bank Agreement.

"**Accounts**" means, collectively, the Collection Account, the Expenses Account, the Payments Account, the Securities Account(s) (if opened), the Hedge Collateral Account (if opened) and the Cash Reserve Account and "**Account**" means any of them.

"**Accrued Interest**" means, as at the relevant date, the portion of Interest Components accrued on such date but not yet due.

"**AIFM Regulation**" means the Commission Delegated Regulation (EU) No 231/2013 adopted on 19 December 2012 by the European Commission, as amended and/or supplemented from time to time.

"**Agents**" means the Calculation Agent, the Account Bank, the Cash Manager and the Paying Agents.

"**Applicable Privacy Law**" means the Privacy Code, the GDPR, the United Kingdom Data Protection Act 2018 and any other law or regulation adopted by the privacy authority or any other competent authority, as applicable from time to time.

"**Arranger**" means Citigroup Global Markets Europe AG.

"**Authority**" means any competent regulatory, prosecuting, tax or governmental authority in any jurisdiction, domestic or foreign.

"**Back-Up Sub-Servicer**" means iQera Italia S.p.A. or any other person for the time being acting as such pursuant to the Transaction Documents.

"**Back-Up Sub-Servicing Agreement**" means the back-up sub-servicing agreement entered into on or about the Issue Date between the Issuer, the Master Servicer, the Sub-Servicer and the Back-Up Sub-Servicer.

"**Bankruptcy Law**" means Italian Royal Decree number 267 of 16 March 1942, as amended and supplemented from time to time.

"**Basic Terms Modification**" has the meaning ascribed to such term in the Conditions.

"**BRRD**" means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended and supplemented from time to time.

"**Business Day**" means any day (other than a Saturday or Sunday) on which banks are generally open for business in Milan, Paris, Dublin and London on which the real time gross settlement system operated by the Eurosystem (T2) (or any successor thereto) is open.

"**Calculation Agent**" means Citibank, N.A. – London Branch or any other entity appointed to act as such pursuant to the Cash Allocation, Management and Payments Agreement.

"**Calculation Date**" means (i) prior to the service of a Trigger Notice, the date falling 5 (five) Business Days prior to each Payment Date, and (ii) following the service of a Trigger Notice, each date, which has to be a Business Day, determined by the Representative of the Noteholders as such.

"**Cancellation Date**" means the earlier of:

- (i) the Payment Date on which the Notes have been redeemed in full;
- (ii) the Final Maturity Date; and

- (iii) the Payment Date immediately following the date on which the Sub-Servicer gives notice to the Issuer, the Master Servicer and the Noteholders that it has determined that there is no reasonable likelihood of there being any further amounts to be realised in respect of the Portfolio (whether arising from an enforcement of the Security Interest or otherwise) being available to the Issuer.

**"Cash Allocation, Management and Payments Agreement"** means the cash allocation, management and payments agreement entered into on or about the Issue Date between the Issuer and, *inter alios*, the Master Servicer, the Sub-Servicer, the Originator, the Representative of the Noteholders, the Corporate Services Provider, the Calculation Agent and the Paying Agents.

**"Cash Manager"** means Citibank, N.A. – London Branch or any other entity appointed to act as such pursuant to the English Account Bank Agreement.

**"Cash Reserve"** means the funds standing from time to time to the credit of the Cash Reserve Account.

**"Cash Reserve Account"** means the Euro denominated account (no: GB49CITI18500815200105) established in the name of the Issuer with the Account Bank, or such other substitute account as may be opened with any other Eligible Institution, in accordance with the English Account Bank Agreement.

**"Cash Reserve End Date"** means the earliest to occur of (i) the Cancellation Date, (ii) the Payment Date on which there will be sufficient Issuer Available Funds (including the Cash Reserve) to redeem in full the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, and Class E Notes, and (iii) the Payment Date following the delivery of a Trigger Notice.

**"Class A Noteholder"** means the Holder of a Class A Note, and **"Class A Noteholders"** means all of them.

**"Class A Notes"** means Euro [•] Class A Asset Backed Floating Rate Notes due April 2034.

**"Class A Notes Nominal Amount"** means Euro [•] for the Class A Notes.

**"Class A Principal Deficiency Sub-Ledger"** means the sub-ledger of the Principal Deficiency Ledger relating to the Class A Notes.

**"Class B Noteholder"** means the Holder of a Class B Note, and **"Class B Noteholders"** means all of them.

**"Class B Notes"** means Euro [•] Class B Asset Backed Floating Rate Notes due April 2034.

**"Class B Notes Nominal Amount"** means Euro [•] for the Class B Notes.

**"Class B Principal Deficiency Sub-Ledger"** means the sub-ledger of the Principal Deficiency Ledger relating to the Class B Notes.

**"Class C Noteholder"** means the Holder of a Class C Note, and **"Class C Noteholders"** means all of them.

**"Class C Notes"** means Euro [•] Class C Asset Backed Floating Rate Notes due April 2034.

**"Class C Notes Nominal Amount"** means Euro [•] for the Class C Notes.

**"Class C Principal Deficiency Sub-Ledger"** means the sub-ledger of the Principal Deficiency Ledger relating to the Class C Notes.

**"Class D Noteholder"** means the Holder of a Class D Note, and **"Class D Noteholders"** means all of them.

**"Class D Notes"** means Euro [•] Class D Asset Backed Floating Rate Notes due April 2034.

**"Class D Notes Nominal Amount"** means Euro [•] for the Class D Notes.

**"Class D Principal Deficiency Sub-Ledger"** means the sub-ledger of the Principal Deficiency Ledger relating to the Class D Notes.

**"Class E Noteholder"** means the Holder of a Class E Note, and **"Class E Noteholders"** means all of them.

**"Class E Notes"** means Euro [•] Class E Asset Backed Floating Rate Notes due April 2034.

"**Class E Notes Nominal Amount**" means Euro [•] for the Class E Notes.

"**Class E Principal Deficiency Sub-Ledger**" means the sub-ledger of the Principal Deficiency Ledger relating to the Class E Notes.

"**Class F Noteholder**" means the Holder of a Class F Note, and "**Class F Noteholders**" means all of them.

"**Class F Notes**" means Euro [•] Class F Asset Backed Notes due April 2034.

"**Class F Notes Nominal Amount**" means Euro [•] for the Class F Notes.

"**Class F Principal Deficiency Sub-Ledger**" means the sub-ledger of the Principal Deficiency Ledger relating to the Class F Notes.

"**Class R Entrenched Rights**" means any modification which changes:

- (i) the definition of "Portfolio Option Holder"; or
- (ii) this definition of "Class R Entrenched Right".

"**Class R Noteholder**" means the Holder of a Class R Note, and "**Class R Noteholders**" means all of them.

"**Class R Notes**" means Euro [•] Class R Asset Backed Variable Return Notes due April 2034.

"**Class R Notes Nominal Amount**" means Euro [•] for the Class R Notes.

"**Class X Noteholder**" means the Holder of a Class X Note, and "**Class X Noteholders**" means all of them.

"**Class X Notes**" means Euro [•] Class X Asset Backed Floating Rate Notes due April 2034.

"**Class X Notes Nominal Amount**" means Euro [•] for the Class X Notes.

"**Clean-up Call Event**" has the meaning ascribed to such term under Condition 8.3 (*Optional redemption*).

"**Clearstream**" means Clearstream Banking, *société anonyme* with registered office at 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg.

"**Collection Account**" means the Euro denominated account (no: GB83CITI18500815200075) established in the name of the Issuer with the Account Bank, or such other substitute account as may be opened with any other Eligible Institution, in accordance with the English Account Bank Agreement.

"**Collection Period**" means each monthly period which begins on the first calendar day (and including) of each month in each year and ends on the last calendar day (and including) of the same calendar month in each year, **provided that** the first Collection Period shall begin on the Valuation Date (excluded) and end on 31 May 2024 (included).

"**Collections**" means all amounts (other than, for the avoidance of doubt, any Undue Amounts) received by the Sub-Servicer or any other person on its behalf in respect of the Instalments due under the Receivables and any other amounts whatsoever received by the Sub-Servicer or any other person on its behalf in respect of the Receivables.

"**Conditions**" means the terms and conditions of the Notes, as from time to time modified in accordance with the provisions herein contained and including any agreement or document expressed to be supplemental thereto and any reference to a particular numbered Condition shall be construed accordingly.

"**CONSOB**" means *Commissione Nazionale per le Società e la Borsa*.

"**Consolidated Banking Act**" means Italian Legislative Decree number 385 of 1 September 1993, as amended and supplemented from time to time.

"**Corporate Services Agreement**" means the corporate services agreement executed on or about the Issue Date between the Issuer and the Corporate Services Provider.

**"Corporate Services Provider"** means Zenith Global S.p.A. or any other person for the time being acting as such pursuant to the Transaction Documents.

**"Credit and Collection Policies"** means the procedures for the underwriting of the Loans and the collection and recovery of the Receivables attached as schedule 3 (*Credit and Collection Policies*) to the Sub-Servicing Agreement.

**"Cumulative Default Ratio"** means, in respect of each Collection Period, the ratio (expressed as a percentage) of (A) the aggregate Defaulted Amounts recorded since the Issue Date, divided by (B) the aggregate Outstanding Principal Due of all the Receivables at the Valuation Date.

**"Cumulative Default Trigger"** means:

- (i) from the first Payment Date in June 2024 until (and including) the Payment Date in October 2024: [1.00]%;
- (ii) from the Payment Date in November 2024 until (and including) the Payment Date in January 2025: [1.75]%;
- (iii) from the Payment Date in February 2025 until (and including) the Payment Date in April 2025: [2.50]%;
- (iv) from the Payment Date in May 2025 until (and including) the Payment Date in October 2025: [4.00]%;
- (v) from the Payment Date in November 2025 until (and including) the Payment Date in April 2026: [5.00]%;
- (vi) from the Payment Date in May 2025 until (and including) the Payment Date in October 2026: [6.00]%;
- (vii) from the Payment Date in November 2026 until (and including) the Payment Date in April 2028: [7.00]%; and
- (viii) [7.50]% thereafter.

**"Eligibility Criteria"** means the eligibility criteria listed under schedule 1 (*Eligibility Criteria*) of the Receivables Purchase Agreement.

**"CRR"** means Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013, as amended and/or supplemented from time to time, together with any guidelines, technical standards or Q&A responses published in relation thereto by the European Banking Authority (or any successor or replacement agency or authority).

**"Custodian"** Citibank, N.A. – London Branch or any other entity appointed to act as such pursuant to the Global Custodial Services Agreement.

**"Debtor"** means any individual person who entered into a Loan Agreement as borrower or who is liable for the payment or repayment of amounts due in respect of the Receivables (including any third party guarantor).

**"Decree 239"** means Legislative Decree number 239 of 1 April 1996, as amended and supplemented from time to time.

**"Decree 239 Deduction"** means any withholding or deduction for or on account of "*imposta sostitutiva*" under Decree 239.

**"Deed of Charge"** means the English law deed of charge entered into on or about the Issue Date between the Issuer and the Representative of the Noteholders (acting on behalf of the Noteholders and of the Other Issuer Creditors), as amended and supplemented from time to time.

**"Defaulted Amount"** shall mean, with respect to any Collection Period, the aggregate Outstanding Principal of all Receivables that have become Defaulted Receivables during such Collection Period as at the date that the relevant Receivable became a Defaulted Receivable.

**"Defaulted Receivable"** means any Receivables arising from a Loan that (A) has been accelerated (*decadenza del beneficio del termine*) by the Sub-Servicer; or (B) for whom the amount in arrears represents 6 contractual Instalments or more.

**"Defaulting Party"** has the meaning ascribed to that term in the Hedge Agreement.

**"Delinquent Receivable"** means any Receivable which has not been classified as Defaulted Receivable and in respect of which there is at least one Unpaid Instalment.

**"Deposit Rating"** means the long-term deposit rating and the short-term deposit rating assigned by Fitch.

**"Determination Date"** means:

- (a) with respect to the Initial Interest Period, the day falling 2 (two) Business Days prior to the Issue Date; and
- (b) 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.

**"Disclosure RTS"** means the technical standards on disclosure requirements published by ESMA on 3 September 2020 and by the FCA.

**"EBA"** means the European Banking Authority.

**"EBA Guidelines on STS Criteria"** means the guidelines on the criteria of simplicity, transparency and standardisation adopted by EBA on 12 December 2018 pursuant to the EU Securitisation Regulation and named "*Guidelines on the STS criteria for non-ABCP securitization*".

**"Eligibility Criteria"** means the eligibility criteria listed under schedule 1 (*Eligibility Criteria*) of the Receivables Purchase Agreement.

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

- (c) in the case of Fitch, whose "Deposit Rating" or "Issuer Default Rating" is at least "F1" (short term) or "A" (long term) (or such other rating which will not affect the rating of the Notes), or which is guaranteed by an entity, whose "Deposit Rating" or "Issuer Default Rating" is at least "F1" (short term) or "A" (long term), and the relevant guarantee issued by such entity complies with the criteria then established for such purposes by Fitch;
- (d) in the case of S&P, whose "Issuer Credit Rating" is at least "A-",

or such other rating or ratings as may be agreed by the relevant Rating Agency from time to time as which will not affect the rating of the Rated Notes.

**"Eligible Investments"** means Euro denominated money market funds which permit daily liquidation of investments and which are rated:

- (i) with respect to S&P: a minimum required rating of "AAAm";
- (ii) with respect to Fitch: a minimum required rating of "AAAmf",

and are redeemable to a principal amount at maturity equal to the principal amount originally invested, with a maturity date not exceeding the immediately following Eligible Investment Maturity Date, **provided further that**, in any event, none of the Eligible Investments set out above may consist, in whole or in part, actually or potentially, of (i) credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives nor may any amount available to the Issuer in the context of the Securitisation otherwise be invested in any such instruments at any time, or (ii) asset-backed securities, irrespective of their subordination, status or ranking, or (iii) hedges, other derivatives instruments, or synthetic securities,



or (iv) any other instrument from time to time specified in the European Central Bank monetary policy regulations as being instruments in which funds underlying asset backed securities eligible as collateral for monetary policy operations sponsored by the European Central Bank may not be invested.

**"Eligible Investment Maturity Date"** means, with reference to each Eligible Investment, the earlier of (a) the maturity date of such Eligible Investment, and (b) the day falling 4 (four) Business Days prior to each Payment Date.

**"EMIR"** means Regulation (EU) number 648/2012, known as the European Market Infrastructure Regulation, as amended by Regulation (EU) number 834/2019, including any implementing and/or delegating regulation, technical standards and official guidance related thereto, in each case published by ESMA or the European Commission from time to time.

**"English Account Bank Agreement"** means the English account bank agreement into on or about the Issue Date by the Issuer and, inter alios, the Account Bank, the Representative of the Noteholders, the Corporate Services Provider, the Master Servicer and the Cash Manager.

**"English Deed of Assignment"** means the English law security assignment entered into on or about the Issue Date between the Issuer and the Representative of the Noteholders (acting on behalf of the Noteholders and of the Other Issuer Creditors), as amended and supplemented from time to time.

**"ESMA"** means the European Securities and Markets Authority.

**"EU Insolvency Regulation"** means the Regulation (EU) No. 2015/848 of the European Parliament and of the Council of 20 May 2015, as amended from time to time.

**"EU Market Abuse Regulation"** means the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014, as amended from time to time.

**"EU Regulatory Technical Standards"** means the regulatory or implementing technical standards adopted by EBA or ESMA, as the case may be, pursuant to the EU Securitisation Regulation.

**"EU Securitisation Regulation"** means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, as amended and supplemented from time to time.

**"Euribor"** means:

- (a) prior to the delivery of a Trigger Notice, the Euro-Zone Inter-bank offered rate for 1 (one) month Euro deposits which appears on the display page designated Euribor 01 on Reuters; or
- (b) following the delivery of a Trigger Notice, the Euro-Zone Inter-bank offered rate for Euro deposits applicable to any period in respect of which interest on the Notes is required to be determined which appears on a Reuters display page nominated and notified by the Representative of the Noteholders for such purpose or, if necessary, the relevant linear interpolation, as indicated by the Representative of the Noteholders in accordance with the Intercreditor Agreement; or
- (c) in the case of (a) and (b), Euribor shall be determined by reference to such other page as may replace the relevant Reuters page on that service for the purpose of displaying such information; or
- (d) in the case of (a) and (b), Euribor shall be determined, if the Reuters service ceases to display such information, by reference to such page as displays such information on such other service as may be nominated information vendor for the purpose of displaying comparable rates and approved by the Representative of the Noteholders,

(the rate determined in accordance with paragraphs (a) to (d) above being the **"Screen Rate"** or, in the case of the Initial Interest Period, the **"Additional Screen Rate"**) at or about 11.00 a.m. (Brussels time) on the Determination Date; and

if the Screen Rate (or, in the case of the Initial Interest Period, the Additional Screen Rate) is unavailable at such time for Euro deposits for the relevant period, then the rate for any relevant period (the "**Reference Rate**") shall be determined in accordance with Condition 7.13 (*Benchmark Discontinuation*).

"**Euro**", "€" and "**EUR**" refer to the single currency of member states of the European Union which adopt the single currency introduced in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended from time to time.

"**Euroclear**" means Euroclear Bank S.A./N.V., as operator of the Euroclear System.

"**Euronext Securities Milan**" means Monte Titoli S.p.A., having its registered office at Piazza Affari, 6, 20123 Milan, Italy.

"**Euronext Securities Milan Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Euronext Securities Milan (as *intermediari aderenti*) and includes any depository banks approved by Euroclear and Clearstream.

"**Expenses**" means any and all documented fees, costs, expenses and taxes required to be paid to any third party creditors (other than the Noteholders and the Other Issuer Creditors) arising in connection with the Securitisation and/or required to be paid (as determined in accordance with the Corporate Services Agreement, by reference to the number of the then outstanding securitisation transaction carried out by the Issuer) in order to preserve the existence of the Issuer, to maintain it in good standing or to comply with applicable laws.

"**Expenses Account**" means the euro denominated account (no: GB49CITI18500815200105) established in the name of the Issuer with the Account Bank, or such other substitute account opened in accordance with the English Account Bank Agreement.

"**Extraordinary Resolution**" shall have the meaning ascribed to it in the Rules of the Organisation of the Noteholders.

"**Factoring Law**" means Law 52 of the 21<sup>st</sup> February 1992, as amended from time to time.

"**FATCA Deduction**" means a deduction or withholding from a payment under a Transaction Document required by FATCA.

"**FCA**" means the Financial Conduct Authority or any regulatory authority that may succeed it as a United Kingdom regulator.

"**Final Maturity Date**" means the Payment Date falling in April 2034.

"**Final Purchase Price**" means an amount which, together with the other Issuer Available Funds, is sufficient to enable the Issuer to discharge its obligations under the Notes (other than the Class R Notes) and any obligations ranking in priority thereto, or *pari passu* therewith, on the Optional Redemption Date in accordance with the Condition 8.3 (*Optional Redemption*).

"**Financial Laws Consolidation Act**" means Italian Legislative Decree number 58 of 24 February 1998, as amended from time to time.

"**First Payment Date**" means the Payment Date falling in June 2024.

"**Fitch**" means Fitch Ratings Ireland Limited Sede Secondaria Italiana.

"**French Commercial Code**" means the French civil code entered into force on 21 March 1804, as amended from time to time.

"**French Insolvency Act**" means Book VI of the French Commercial Code.

"**French Monetary and Financial Code**" means the French Code *monetaire et financier*.

"**FSMA**" means the Financial Services and Markets Act 2000.

**"Further Securitisation"** means any further securitisation transaction which may be carried out by the Issuer pursuant to the Securitisation Law and in accordance with Condition 5.12 (*Issuer Covenants - Further securitisations*).

**"Global Custodial Services Agreement"** means the global custodial services agreement which may be entered into after the Issue Date between, *inter alios*, the Issuer and the Custodian.

**"Hedge Agreement"** means the hedge agreement entered into between the Issuer and the Hedge Counterparty comprising a ISDA 1992 Master Agreement, together with the Schedule thereto, a 1995 ISDA Credit Support Annex thereto and the relevant Confirmation thereto (or such replacement hedge agreement as the Issuer may enter into in accordance with the Transaction Documents).

**"Hedge Collateral"** means an amount equal to the value of the collateral (or the applicable part of any collateral) provided by the Hedge Counterparty to the Issuer in respect of such Hedge Counterparty's obligations to transfer collateral to the Issuer under the Hedge Agreement.

**"Hedge Collateral Account"** means a Euro denominated account which, if required, may be established in the name of the Issuer with Citibank N.A., London Branch, or such substitute account as opened in accordance with the English Account Bank Agreement.

**"Hedge Counterparty"** means Citibank Europe Plc, or any other person for the time being acting as such pursuant to the Hedge Agreement.

**"Hedge Counterparty Entrenched Right"** means the prior written consent (or deemed consent) of the Hedge Counterparty as required to modify or supplement any provision of the Transaction Documents or the Conditions if, in the reasonable opinion of such Hedge Counterparty, such modification or supplement materially adversely affect any of the following:

- (a) the amount, timing or priority of any payments or deliveries due to be made by or to such Hedge Counterparty under the Conditions or any Transaction Document;
- (b) the Issuer's ability to make such payments or deliveries to such Hedge Counterparty;
- (c) such Hedge Counterparty's rights in relation to any security (howsoever described, and including as a result of changing the nature or the scope of, or releasing such security) granted by the Issuer in favour of the Secured Noteholders; or
- (d) Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*) or any additional redemption rights in respect of the Notes;
- (e) Article 33 (*Modifications*) of the Rules of the Organisation of the Noteholders in respect of any amendment or waiver to the Conditions and Transaction Documents that the Representative of the Noteholders may from time to time concur with the Issuer and other relevant parties and Condition 7.14.4 (*Benchmark Discontinuation*) in respect of any amendments to vary the Hedge Agreement to give effect to the relevant Benchmark Amendments; or
- (f) this definition.

**"Hedge Excluded Payable Amounts"** means any amounts payable by the Issuer to the Hedge Counterparty which (i) represent Return Amounts, Interest Amounts or Distributions due under the Credit Support Annex to the Hedge Agreement (for the purposes of this definition "Return Amounts", "Interest Amounts" and "Distributions" have the meaning given to them in the Hedge Agreement); (ii) are termination payments to the extent such payments can be satisfied from Hedge Collateral provided by the Hedge Counterparty; or (iii) are termination payments to the extent such payment can be satisfied from premiums received from a replacement Hedge Counterparty; (iv) are equal to any Hedge Tax Credit received by the Issuer or (v) are payments of premium or other upfront amounts owed to a Hedge Counterparty.

**"Hedge Tax Credit"** means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Hedge Counterparty to the Issuer.

**"Hedge Transaction"** means the interest rate swap transaction made pursuant to a Hedge Agreement.

**"Initial Interest Period"** means the first Interest Period, which shall begin on (and include) the Issue Date and end on (but exclude) the First Payment Date.

**"Inside Information and Significant Event Report"** means the inside information and significant event report to be prepared by the Master Servicer in accordance with the Master Servicing Agreement.

**"Insolvency Event"** means in respect of any company, entity or corporation if:

- (i) such company or corporation is declared insolvent or the competent judicial authorities instated a special administration proceedings, liquidation of such company/corporation or the appointment of liquidator/administrator or such company or corporation has become subject to any applicable, liquidation, administration, insolvency, composition, reorganisation, reconstruction or special measure (including, without limitation "*liquidazione giudiziale*", "*liquidazione coatta amministrativa*", "*concordato preventivo*", "*amministrazione straordinaria*" and "*provvedimenti di risanamento o risoluzione*", each such expression bearing the meaning given to it by the laws of the Republic of Italy, including the seeking of liquidation, winding-up, reorganisation, dissolution, administration and/or the (i) appointment of a *mandataire ad hoc*, (ii) conciliation proceedings, (iii) safeguard proceedings, (iv) accelerated safeguard proceedings, (v) rehabilitation proceedings, (vi) subject to any of the proceedings governed by Book VI of the French Commercial Code or any resolution measure implemented pursuant to article L613-49 and seq. of the French Monetary and Financial Code), or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a "*pignoramento*" or similar procedure having a similar effect (other than, in the case of the Issuer, any portfolio of assets purchased by the Issuer for the purposes of further securitisation transactions), unless in the opinion of the Representative of the Noteholders (who may in this respect rely on the advice of a lawyer selected by it), such proceedings are being disputed in good faith with a reasonable prospect of success;
- (ii) an application for the commencement of any of the proceedings under (i) above is made in respect of or by such company, entity or corporation or such proceedings are otherwise initiated against such company, entity or corporation and, in the opinion of the Representative of the Noteholders (who may in this respect rely on the advice of a lawyer selected), the commencement of such proceedings are not being disputed in good faith with a reasonable prospect of success; or
- (iii) such company or corporation takes any action for a re-adjustment or deferment any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors (other than, in the case of the Issuer, the Other Issuer Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee, indemnity or assurance against loss given by it in respect of any indebtedness or applies for suspension of payments; or
- (iv) an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution in any form of such company or corporation or any of the events under article 2484 of the Italian civil code occurs with respect to such company (except a winding-up for the purposes of, or pursuant to, a solvent amalgamation or reconstruction, the terms of which have been previously approved in writing by the Representative of the Noteholders; or
- (v) such company or corporation becomes subject to any proceedings equivalent or analogous to those above under the law of any jurisdiction in which such company or corporation is deemed to carry on business; or
- (vi) it admits its inability to pay its debts as they fall due (*état de cessation des paiements*) (or, as the case may be, within the meaning of Article L. 613-26 of the French Monetary and Financial Code).

**"Insolvency Proceedings"** means any insolvency proceedings under Italian law, including "*liquidazione giudiziale*", "*concordato preventivo*", "*concordato preventivo in bianco*", "*concordato semplificato per la liquidazione del patrimonio*", "*liquidazione coatta amministrativa*", "*amministrazione straordinaria*", "*accordo di ristrutturazione dei debiti*", "*convenzione di moratoria*", "*accordo di ristrutturazione agevolato*" and "*composizione negoziata per la soluzione della crisi d'impresa*" or any other similar proceedings (including pursuant to the Bankruptcy Law and the Italian Insolvency Code, where applicable).

**"Insolvency Receiver"** means any receiver appointed in the context of any insolvency proceeding.

**"Instalment"** means, with respect to each Loan Agreement, each instalment due from the relevant Debtor thereunder and which consists of an Interest Component and a Principal Component.

**"Intercreditor Agreement"** means the intercreditor agreement entered into on or about the Issue Date between the Issuer and, *inter alios*, the Other Issuer Creditors.

**"Interest Amount"** shall have the meaning ascribed to such term under Condition 7 (*Interest*).

**"Interest Available Funds"** means, in respect of any Payment Date, the aggregate of:

- (i) all Collections on account of interest, fees and pre-payment penalties during the immediately preceding Collection Period and credited to the Collection Account;
- (ii) all Recoveries collected on behalf of the Issuer during the immediately preceding Collection Period and credited to the Collection Account;
- (iii) any amounts of interest earned on any balance credit of the Accounts (other than the Hedge Collateral Account) and available on the Accounts during the immediately preceding Collection Period;
- (iv) all amounts (if any) standing to the credit of the Cash Reserve Account as at the immediately preceding Payment Date (after making payments due on that Payment Date) or, in respect of the first Payment Date, as at the Issue Date;
- (v) any payments to be received from the Hedge Counterparty on or immediately prior to such Payment Date, pursuant to the Hedge Agreement (excluding any Hedge Collateral which the Hedge Counterparty may be required to post pursuant the Hedge Agreement);
- (vi) any Principal Addition Amounts as paid under item (i) *first* of the Pre-Trigger Notice Principal Priority of Payments on such Payment Date;
- (vii) on the Payment Date on which the Notes are to be redeemed in full, any amount standing to the credit of the Expenses Account less any amount to be retained on the Expenses Account to pay the Expenses falling due in the relevant Interest Period and, after the Payment Date on which the Notes will be redeemed in full or cancelled, any known Expenses not yet paid and any Expenses falling due after such Payment Date;
- (viii) any interest amounts received by the Issuer from the Originator pursuant to the Receivables Purchase Agreement during the immediately preceding Collection Period;
- (ix) any interests accrued, premium and other profits deriving from Eligible Investments (if any) made using funds standing to the credit of the relevant Accounts during the immediately preceding Collection Period;
- (x) any amounts allocated under item (viii) (*eighth*) of the Pre-Trigger Notice Principal Priority of Payments on such Payment Date;
- (xi) any Interest Available Funds not applied on the previous Payment Date (if any);
- (xii) any amounts (other than the amounts already allocated under other items of the Principal Available Funds and the Interest Available Funds) received by the Issuer from any party to the Transaction Documents during the immediately preceding Collection Period (excluding any amount, if any, received as Hedge Collateral under the Hedge Agreement, but including any proceeds deriving from the enforcement of the Issuer's rights under the Transaction Documents).

**"Interest Component"** means the interest component of each Instalment due from a Debtor in respect of a Receivable.

**"Interest Period"** means each period from (and including) a Payment Date to (but excluding) the next following Payment Date, **provided that** the first Interest Period shall be the period from (and including) the Issue Date to (but excluding) the first Payment Date.

"**Interest Rate**" shall have the meaning ascribed to such term in Condition 7.6 (*Rates of interest*).

"**Investor Report**" " means the report in the form of schedule (4) (*Form of Investor Report*) of the Cash Allocation, Management and Payments Agreement to be prepared and delivered by the Calculation Agent in accordance with the Cash Allocation, Management and Payments Agreement.

"**Investor Report Date**" means the 2<sup>nd</sup> (second) Business Day after each Payment Date.

"**Issue Date**" means [•] 2024.

"**Issuer**" means Youni Italy 2024-1 S.r.l., having as its sole corporate object the performance of securitisation transactions under the Securitisation Law.

"**Issuer Available Funds**" means, in respect of any Payment Date, the aggregate of the Interest Available Funds and the Principal Available Funds.

"**Italian Insolvency Code**" means Legislative Decree No. 14 of 12 January 2019 (*Codice della crisi d'impresa e dell'insolvenza*) (as amended and supplemented from time to time).

"**Italian Paying Agent**" means Citibank N.A., Milan Branch or any other entity appointed to act as such pursuant to the Cash Allocation, Management and Payments Agreement.

"**Issuer Default Rating**" means, with reference to an institution, the long-term issuer default rating and the short-term issuer default rating assigned from Fitch to such institution.

"**Joint Regulation**" means the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018.

"**Liabilities**" means in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgements, actions, proceedings or other liabilities whatsoever including legal fees and any taxes and penalties incurred by that person, together with any value added or similar tax charged or chargeable in respect of any sum referred to in this definition.

"**Listing Agent**" means Arthur Cox Listing Services Limited.

"**Loan**" means each loan granted to a Debtor, on the basis of a Loan Agreement assigned to the Issuer pursuant to the Receivables Purchase Agreement and pursuant to which the Issuer has title to enforce a Receivable (or portion thereof) against the relevant Debtor.

"**Loan Agreement**" means each loan agreement entered into between the Originator and a Debtor, as amended from time to time, listed under Schedule 2 (*Loans List*) of the Receivables Purchase Agreement.

"**Loan Level Report**" means the loan level report to be prepared and delivered by the Master Servicer in accordance with the Master Servicing Agreement.

"**Loans List**" means the list of the Loan Agreements out of which the Receivables arise attached to the Receivables Purchase Agreement as Schedule 2 (*Loans List*).

"**Losses**" means any and all claims, losses, liabilities, damages, costs, expenses and judgments (including legal fees and expenses).

"**Mandate Agreement**" means the mandate agreement entered into on or about the Issue Date between the Issuer and the Representative of the Noteholders.

"**Master Definitions Agreement**" means the master definitions agreement entered into on or about the Issue Date between all parties to the Securitisation.

"**Master Servicer**" means Zenith Global S.p.A. or any other person for the time being acting as such pursuant to the Master Servicing Agreement.

"**Master Servicer Report**" means the monthly report to be prepared by the Master Servicer in accordance with the Master Servicing Agreement.

**"Master Servicer Report Date"** means the date falling 7 Business Days before the relevant Payment Date (and if such day is not a Business Day, the next succeeding Business Day).

**"Master Servicing Agreement"** means the master servicing agreement entered into on [•] April 2024 between the Issuer and the Master Servicer.

**"Meeting"** means a meeting of Noteholders of any Class or Classes, whether originally convened or resumed following an adjournment.

**"Most Senior Class of Noteholders"** means the holders, from time to time, of the Most Senior Class of Notes.

**"Most Senior Class of Notes"** means (i) the Class A Notes (ii) following the full repayment of all the Class A Notes, the Class B Notes; (iii) following the full repayment of all the Class B Notes, the Class C Notes; (iv) following the full repayment of all the Class C Notes, the Class D Notes; (v) following the full repayment of all the Class D Notes, the Class E Notes; (vi) following the full repayment of all the Class E Notes, the Class X Notes; (vii) following the full repayment of all the Class X Notes, the Class F Notes; (viii) following the full repayment of all the Class F Notes, the Class R Notes.

**"Net Principal Amount Outstanding"** means, on any Payment Date, prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*) in relation to any Class of Notes other than the Class X Notes, the Class F Notes and the Class R Notes, the aggregate Principal Amount Outstanding of that Class of Notes less the debit balance of the Principal Deficiency Sub-Ledger of that Class of Notes immediately following the application of the Interest Available Funds in accordance with the Pre-Trigger Notice Interest Priority of Payments.

**"Noteholders"** means any holder of any Notes from time to time.

**"Notes"** means, together, the Rated Notes and the Unrated Notes.

**"Notice"** means any notice delivered under or in connection with any Transaction Document.

**"Obligations"** means all the obligations of the Issuer created by or arising under the Notes and the Transaction Documents.

**"Official Gazette"** means the *Gazzetta Ufficiale della Repubblica Italiana*.

**"Optional Redemption Date"** means any Payment Date following the occurrence of a Clean-Up Call Event on which a Purchase Offer is accepted by the Issuer, up to (and excluding) the Final Maturity Date.

**"Ordinary Resolution"** means any resolution passed at a Meeting duly convened and held in accordance with the provisions contained in the Rules by a majority of the vote cast.

**"Organisation of the Noteholders"** means the organisation of the Noteholders, organised pursuant to the Rules of the Organisation of the Noteholders.

**"Originator"** means Younited S.A., Italian Branch.

**"Other Issuer Creditors"** means the Originator, the Master Servicer, the Sub-Servicer, the Back-Up Sub-Servicer, the Representative of the Noteholders, the Calculation Agent, the Corporate Services Provider, the Paying Agents, the Account Bank, the Custodian, the Arranger, the Lead Manager, the Cash Manager, the Hedge Counterparty and any other person who may from time to time accede to the Intercreditor Agreement in accordance with the terms thereof.

**"Outstanding Principal"** means, on any relevant date in relation to any Receivable (i) the aggregate of the Principal Components not yet due on such date, and (ii) the aggregate of all the Principal Components which are past due and unpaid as of such date.

**"Outstanding Principal Due"** means, on any relevant date, in relation to any Receivable, the aggregate of (i) all Principal Components due but not paid on such relevant date, and (ii) the Principal Components not yet due on such date.

**"Paying Agents"** means the Principal Paying Agent and the Italian Paying Agent or any other entity appointed to act as such pursuant to the Cash Allocation, Management and Payments Agreement.

**"Payment Date"** means (a) prior to the delivery of a Trigger Notice, the [25<sup>th</sup>] calendar day (and if such calendar day is not a Business Day, the next succeeding Business Day) of each calendar month in each year, and (b) following the delivery of a Trigger Notice, any day, which has to be a Business Day, on which any payment is required to be made by the Representative of the Noteholders in accordance with the Post-Trigger Notice Priority of Payments, the Conditions and the Intercreditor Agreement, **provided that** the first Payment Date will fall in June 2024.

**"Payments Account"** means the euro denominated account (no: GB39CITI18500815200091) established in the name of the Issuer with the Account Bank, or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

**"Payments Report"** means the report in the form of schedule 2 (*Form of Payments Report*) of the Cash Allocation, Management and Payments Agreement, setting out all the payments to be made on the following Payment Date under the relevant Priority of Payments, which shall be prepared and delivered by the Calculation Agent in accordance with the Cash Allocation, Management and Payments Agreement before the delivery of a Trigger Notice.

**"Portfolio"** means the portfolio of Receivables purchased by the Issuer pursuant to the terms and conditions of the Receivables Purchase Agreement.

**"Portfolio Option Holder"** is any holder of any of the Class R Notes (or any entity or entities representing any holder(s) of any of the Class R Notes).

**"Post-Trigger Notice Priority of Payments"** means the Priority of Payments under Condition 6.3 (*Post-Trigger Notice Priority of Payments*).

**"Post-Trigger Payments Report"** means the report in the form of schedule 2 (*Form of Payments Report*) of the Cash Allocation, Management and Payments Agreement, to be delivered pursuant to clause 5.6 (*Post-Trigger Payments Report*) of the Cash Allocation, Management and Payments.

**"Pre-Trigger Notice Interest Priority of Payments"** means the Priority of Payments under Condition 6.1 (*Pre-Trigger Notice Interest Priority of Payments*).

**"Pre-Trigger Notice Principal Priority of Payments"** means the Priority of Payments under Condition 6.2 (*Pre-Trigger Notice Principal Priority of Payments*).

**"Prepayment"** means the prepayment of a Loan made by the relevant Debtor pursuant to the contractual provisions of the relevant Loan Agreement and the Consolidated Banking Act.

**"Primary and Special Services"** has the meaning ascribed to such term under clause 2.2 (*Primary and Special Services*) of the Master Servicing Agreement.

**"Principal Addition Amount"** means, on each Calculation Date prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*) on which the Calculation Agent determines that a Senior Interest Shortfall Amount would occur on the immediately following Payment Date, the amount of Principal Available Funds (to the extent available) equal to the lesser of:

- (a) the amount of Principal Available Funds available for application pursuant to the Pre-Trigger Notice Principal Priority of Payments on the immediately following Payment Date; and
- (b) the amount of such Senior Interest Shortfall Amount.

**"Principal Amount Outstanding"** means, on any date, (i) the principal amount of a Note upon issue, minus (ii) the aggregate amount of all principal payments which have been paid prior to such date in respect of such Note.



**"Principal Available Funds"** means, in respect of any Payment Date, the aggregate of:

- (a) all Collections on account of principal during the immediately preceding Collection Period and credited to the Collection Account (including, for avoidance of doubt, any amount on account of principal deriving from liquidation on the Eligible Investments (if any));
- (b) the Interest Available Funds, if any, to be credited to the Principal Deficiency Ledger on such Payment Date under item (xi) (*eleventh*) of the Pre-Trigger Notice Interest Priority of Payments;
- (c) all the proceeds deriving from the sale, if any, of the Portfolio in accordance with the Transaction Documents;
- (d) any indemnity amounts and all other principal amounts (if any) received by the Issuer from the Originator pursuant to the Receivables Purchase Agreement during the immediately preceding Collection Period; and
- (e) any Principal Available Funds not applied on the previous Payment Date.

**"Principal Deficiency"** means, on any Calculation Date, any Defaulted Amounts with respect to the immediately preceding Collection Period and/or any Principal Addition Amounts.

**"Principal Deficiency Ledger"** means the principal deficiency ledger comprising the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger, the Class D Principal Deficiency Sub-Ledger, the Class E Principal Deficiency Sub-Ledger and the Class F Principal Deficiency Sub-Ledger, maintained by the Calculation Agent, on which any Principal Deficiency shall be recorded on each Payment Date.

**"Principal Deficiency Sub-Ledger"** means any of the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger, the Class D Principal Deficiency Sub-Ledger, the Class E Principal Deficiency Sub-Ledger, and the Class F Principal Deficiency Sub-Ledger, maintained by the Calculation Agent, on which any Principal Deficiency shall be recorded on each Payment Date.

**"Principal Component"** means the principal component of each Instalment.

**"Principal Paying Agent"** means Citibank, N.A. – London Branch or any other entity appointed to act as such pursuant to the Cash Allocation, Management and Payments Agreement.

**"Principal Payment Amount"** shall have the meaning ascribed to it in Condition 8.6 (*Calculation of Principal Payment Amount and Principal Amount Outstanding*).

**"Priority of Payments"** means the order of priority (being the Pre-Trigger Notice Principal Priority of Payments, the Pre-Trigger Notice Interest Priority of Payments and the Post-Trigger Notice Priority of Payments) pursuant to which the Issuer Available Funds shall be applied on each Payment Date in accordance with the Conditions and the Intercreditor Agreement.

**"Privacy Law"** means the Legislative Decree 30 June 2003, n. 196 (as amended and supplemented from time to time), the Privacy Regulation and the related implementing legislation and any other legislative act or provision of an administrative or regulatory nature - adopted by the Italian privacy guarantor ("*Garante per la protezione dei dati personali*") and/or other competent authority - in force from time to time during the term of the Securitisation.

**"Privacy Regulation"** means Regulation EU n. 2016/679 of the European Parliament and of the Council of 27 April 2016 (as amended from time to time).

**"Pro-Rata Amortisation Period"** means the period starting from (and excluding) the Issue Date and ending on (and including) the earlier of (i) the Cancellation Date, (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes are redeemed in full, and (iii) the date on which a Sequential Redemption Notice is served on the Issuer.

**"Product Switch"** means a variation in the financial terms and conditions of a Loan at the end of any original applicable fixed rate or discount period in which a Debtor exchanges its then current consumer product for a different consumer product offered by the Seller, other than any variation:

- (i) agreed with a Debtor to control or manage arrears on the Loan; or
- (ii) imposed by a mandatory provision of law.

**"Prospectus"** means the prospectus dated on or about the Issue Date prepared in connection with the issue of the Notes by the Issuer.

**"Prospectus Regulation"** means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended from time to time.

**"Purchase Offer Amount"** means the amount indicated by the relevant Potential Buyer in the Purchase Offer, as purchase price of the Portfolio.

**"Purchase Price"** means Euro [•] being the purchase price to be paid by the Issuer as consideration for the purchase of the Portfolio in accordance with clause 4 (*Purchase Price*) of the Receivables Purchase Agreement.

**"Purchaser"** means the Issuer.

**"Quotaholder"** means Special Purpose Entity Management 2 S.r.l. or any other person for the time being acting as such pursuant to the Transaction Documents.

**"Quotaholder's Agreement"** means the quotaholder agreement entered into between the Quotaholder and the Issuer prior to the Issue Date.

**"Quota Capital Account Bank"** means Banca del Fucino S.p.A..

**"Quota Capital Account"** means the euro denominated account established in the name of the Issuer with the Quota Capital Account Bank (IBAN: [•]).

**"Rated Noteholders"** means the holders from time to time of any of the Rated Notes.

**"Rated Notes"** means each of the Class A Notes, Class B Notes, Class C Notes, Class D Notes and Class E Notes.

**"Rating Agencies"** means, collectively, Fitch and S&P.

**"Receivables"** means all rights and claims of the Issuer arising out from any Loan Agreement existing or arising from the Valuation Date (excluded), including without limitation:

- (i) all rights and claims in respect of the repayment of the Outstanding Principal;
- (ii) all rights and claims in respect of the payment of interest (including the default interest) accrued on the Loans and not yet collected;
- (iii) all rights and claims in respect of payments of any amount deriving from damages suffered, costs, expenses, Taxes and ancillary amounts and fees due pursuant to the Loan Agreements;
- (iv) all Other Rights relating to the relevant Loan Agreement;
- (v) all rights and claims in respect of any security interest, guarantee or other arrangement securing the payment of the relevant Loan Agreement (if any).

**"Receivables Purchase Agreement"** means the Receivables purchase agreement entered into on [•] April 2024 between the Issuer and the Originator.

**"Recoveries"** means any amounts received or recovered by the Sub-Servicer in relation to any Defaulted Receivables.

**"Reference Bank"** means three major banks in the Euro-zone inter-bank market selected by the Issuer with the prior written approval of the Representative of the Noteholders (which shall act on the basis of the Rules of the Organisation of the Noteholders) and, if any such bank is unable or unwilling to continue to act as a Reference Bank, such other bank the Issuer shall appoint and as may be approved in writing by the Representative of the Noteholders to act in its place.

**"Regulatory Technical Standards"** means the EU Regulatory Technical Standards and the UK Regulatory Technical Standards.

**"Relevant Information"** means any written information (other than any forecasts or projections made by or on behalf of the Issuer) including, but not limited to, loan data files containing details of the Loans and the due diligence reports.

**"Repayment Amount"** means, in respect of each of Class A Notes, Class B Notes, Class C Notes, Class D Notes, and the Class E Notes, an amount equal to:

- (a) the Net Principal Amount Outstanding of such Class divided by the aggregate of the Net Principal Amount Outstanding of all Notes (but excluding the Class X Notes, the Class F Notes and the Class R Notes);

*multiplied by*

- (b) the amount of all Principal Available Funds on such Payment Date available after application of item (i) (*first*) of the Principal Available Funds' definition.

**"Reporting Entity"** means Younited S.A., Italian Branch.

**"Representative of the Noteholders"** means Zenith Global S.p.A. or any other person for the time being acting as such pursuant to the Transaction Documents.

**"Repurchase Option Amount"** has the meaning ascribed to that term under clause 11.1 (*Clean-Up Event and Repurchase of the Portfolio*) of the Receivables Purchase Agreement.

**"Residual Costs"** means, with reference to any Loan which is subject to a Prepayment, the aggregate amount of interests and costs for the residual life of any such Loan which (i) are contractually due thereunder, (ii) the relevant Debtor is entitled not to pay as a result of the reduction of the aggregate cost of the financing being provided for by article 125-*sexies* of the Consolidated Banking Act; and (iii) may include Undue Amounts.

**"Retention Amount"** means an amount equal to Euro [•] or, in respect of the last Payment Date, such other amount as determined by the Corporate Services Provider.

**"Rules of the Organisation of the Noteholders"** means the rules of the organisation of the Noteholders attached as exhibit to the Conditions, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereof.

**"S&P"** means S&P Global Ratings Europe Limited, any other entity belonging to S&P's group or any successor to its ratings business;

**"Scheduled Instalment Date"** means any date on which an Instalment is due pursuant to each Loan Agreement.

**"Scheduled Interest"** means any amount expected to be received by the Sub-Servicer, or any other person on its behalf, in respect of the Interest Components due under the Loan Agreements.

**"Securities Account(s)"** means the Accounts that may be opened by the Issuer after the Issue Date into which the Eligible Investments (being cash or securities) may be deposited as per instructions given in accordance with the terms of the Global Custodial Services Agreement and the English Account Bank Agreement.

**"Securities Act"** means the U.S. Securities Act of 1933, as amended.

"**Securitisation**" means the securitisation of the Receivables made by the Issuer through the issuance of the Notes, pursuant to articles 1 and 5 of the Securitisation Law.

"**Securitisation Law**" means Italian Law number 130 of 30 April 1999, as amended and supplemented from time to time.

"**Securitisation Regulation Investor Report**" means the securitisation regulation investor report to be prepared by the Master Servicer in accordance with clause 5.1.1 (*Duties of the Master Servicer in connection with the Securitisation Regulation Investor Report*) of the Cash Allocation Management and Payments Agreement.

"**Securitisation Regulation Report Date**" means the date falling one month following each Payment Date starting from one month after the Issue Date.

"**Securitisation Repository**" means the authorised securitisation repository for this the Securitisation, namely European Data Warehouse GmbH (<https://eurodw.eu/>) or any other securitisation repository as may be notified by the Issuer to the Noteholders.

"**Security**" means the security interests created under the Security Document and any other agreement entered into by the Issuer from time to time and granted as security to the Noteholders and/or the Other Issuer Creditors (or some of them) or to the Representative of the Noteholders on behalf of all or some of the Noteholders and/or the Other Issuer Creditors.

"**Security Documents**" means the English Deed of Assignment, the Deed of Charge and any other security document to be entered into in relation to the Securitisation.

"**Security Interest**" means: (i) any mortgage, charge, pledge, lien, privilege (*privilegio speciale*) or other security interest securing any obligation of any person; and (ii) any arrangement under which money or claims to money, or the benefit of, a bank or other account may be applied, set-off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person; or any other type of preferential arrangement having a similar effect.

"**Senior Interest Shortfall Amount**" means, on any Payment Date, an amount equal to the difference, if positive, between (a) the aggregate amounts payable under items (i) (*first*) to (iv) (*fourth*) of the Pre-Trigger Notice Interest Priority of Payments plus any interest due on the Most Senior Class of Notes (including Deferred Interests, if any) (excluding the Class X Notes, the Class F Notes and the Class R Notes); and (b) the Interest Available Funds on such Payment Date.

"**Sequential Redemption Event**" means the occurrence of any of the following events in respect of any Payment Date prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*):

- (i) *Cumulative Default Ratio*: the Cumulative Default Ratio is greater than the Cumulative Default Trigger; or
- (ii) *Principal Deficiency Ledger*: the Principal Deficiency Ledger has a debit balance in an amount equal to or higher than 0.5% of the aggregate Outstanding Principal of the Receivables comprised in the Portfolio as at the Valuation Date (for the avoidance of doubt, after the application of the Pre-Trigger Notice Interest Priority of Payments); or
- (iii) *Breach of obligations*: the Originator defaults in the performance or observance of any of its obligations under any of the Transaction Documents to which it is party which is in the Representative of the Noteholders' opinion materially prejudicial to the interests of the Noteholders and such default remains unremedied for 5 (five) Business Days after the Representative of the Noteholders has given written notice thereof to the Originator requiring the same to be remedied (except where, in the opinion of the Representative of the Noteholders, such default is not capable of remedy, in which case no notice requiring remedy will have to be given); or
- (iv) *Sub-Servicer Termination Event*: a Sub-Servicer Termination Event occurs; or

- (v) *Tax Call Event*: a Tax Call Event occurs (and no redemption option is exercised in accordance with Condition 8.4 (*Optional redemption for taxation reasons*)); or
- (vi) *Clean-up Call Event*: a Clean-up Call Event occurs (and no redemption option is exercised in accordance with Condition 8.3 (*Optional redemption*)).

**"Sequential Redemption Notice"** means the notice served by the Representative of the Noteholders upon the occurrence of a Sequential Redemption Event, in accordance with Condition 8.7 (*Sequential Redemption Events*).

**"Sequential Redemption Period"** means, in respect of any Payment Date prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption*) or Condition 8.4 (*Optional redemption for taxation reasons*), the period starting from (and including) the Payment Date immediately following the delivery of a Sequential Redemption Notice and ending on (and including) the earlier of (i) the Cancellation Date, and (ii) the Payment Date on which the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, and the Class E Notes will be redeemed in full.

**"Servicers"** means, jointly, the Master Servicer and the Sub-Servicer.

**"Servicing Agreements"** means, jointly, the Master Servicing Agreement and the Sub-Servicing Agreement.

**"Sole Affected Party"** means an Affected Party as defined in the Hedge Agreement which at the relevant time is the only Affected Party under the Hedge Agreement.

**"Solvency II Amendment Regulation"** means the Commission Delegated Regulation (EU) no. 1221 of 1 June 2018 amending Delegated Regulation (EU) 2015/35 of 10 October 2014 as regards the calculation of regulatory capital requirements for securitisations and simple, transparent and standardised securitisations held by insurance and reinsurance undertakings.

**"Subordinated Hedge Amounts"** means any termination amount due and payable by the Issuer to the Hedge Counterparty under the Hedge Agreement as a result of either (a) an Event of Default (as defined in the Hedge Agreement) where the Hedge Counterparty is the Defaulting Party; or (b) an Additional Termination Event (as defined in the Hedge Agreement) which occurs as a result of the failure of the Hedge Counterparty to comply with the requirements of a rating downgrade provision set out under the Hedge Agreement.

**"Subscription Agreement"** means the subscription agreement entered into on [•] April 2024 between, *inter alios*, the Issuer and, *inter alios*, the Lead Manager in connection with the issuance and subscription of the Notes.

**"Substitute Sub-Servicer"** means any substitute servicer appointed by the Master Servicer in accordance with the provisions of the Sub-Servicing Agreement.

**"Sub-Servicer Report Date"** means the date falling on the 4<sup>th</sup> Business Day of each calendar month.

**"Sub-Servicer Termination Events"** means the events listed under Clause 6.2 (*Termination with cause of the Sub-Servicer*) of the Sub-Servicing Agreement.

**"Sub-Servicing Agreement"** means the sub-servicing agreement entered into on [•] April 2024 between the Issuer and the Master Servicer and the Sub-Servicer.

**"Target Cash Reserve Amount"** means:

- (i) in respect of the Issue Date, an amount equal to 1.25 per cent. of the aggregate Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, and the Class E Notes as at the Issue Date;
- (ii) in respect of each Payment Date thereafter, an amount equal to 1.25 per cent. of the aggregate Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as at the immediately preceding Payment Date (after making

payments due on that Payment Date in accordance with the relevant Priority of Payments provided that such amount cannot be lower than EUR 500,000; and

(iii) as at the Cash Reserve End Date, an amount equal to Euro 0.00.

**"Tax"** means any present or future tax, levy, impost, duty charge, fee, deduction or withholding of whatever nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same, but excluding taxes on net income) imposed, levied, collected, withheld or assessed by the Republic of Italy or any political sub-division thereof or any authority thereof or therein.

**"Tax Call Event"** has the meaning ascribed to such term under Condition 8.4 (*Optional redemption for taxation reasons*).

**"Transaction Documents"** means, together, the Receivables Purchase Agreement, the Master Servicing Agreement, the Sub-Servicing Agreement, the Back-Up Sub-Servicing Agreement, the Subscription Agreement, the Intercreditor Agreement, the Cash Allocation, Management and Payments Agreement, the Hedge Agreement, the English Deed of Assignment, the Deed of Charge, the English Account Bank Agreement, the Mandate Agreement, the Corporate Services Agreement, the Master Definitions Agreement, the Quotaholder's Agreement, the Conditions, and any other agreement entered into between the Transaction Parties from time to time which is designated as a "Transaction Document" by the parties thereto.

**"Transaction Party"** means any party to the Transaction Documents.

**"Transfer Date"** means the Issue Date.

**"Trigger Event"** has the meaning ascribed to such term in Condition 12 (*Trigger Events*).

**"Trigger Notice"** means the notice served by the Representative of the Noteholders on the Issuer declaring the Notes to be due and payable in full following the occurrence of a Trigger Event as described in Condition 12 (*Trigger Events*).

**"UK Regulatory Technical Standards"** means the regulatory or implementing technical standards adopted by the FCA pursuant to the UK Securitisation Regulation, as such regulatory and implementing technical standards are interpreted and applied as at the Issue Date.

**"Unpaid Instalment"** means an Instalment which, at a given date, is due but not fully paid and remains such for at least 30 (thirty) days, following the date on which it should have been paid under the terms of the relevant Loan.

**"Undue Amounts"** means the portion of the upfront fees and expenses paid by the Debtor upon execution of the relevant Loan Agreement which, in case of Prepayment, are considered Residual Costs and that, as such, are to be reimbursed to the relevant Debtor and may therefore be deducted from the final amount otherwise due and payable by the Debtor upon Prepayment.

**"Usury Law"** means Law number 108 of 7 March 1996, as subsequently amended and supplemented, and Law number 24 of 28 February 2001, which converted into law the Law Decree number 394 of 29 December 2000.

**"Valuation Date"** means 12 April 2024.

**"Variable Return"** means, in relation to the Class R Notes, on each Payment Date, an amount equal to any Issuer Available Funds remaining after making all payments due under items from (i) (*first*) to (xxiii) (*Twenty-third*) (inclusive) of the Pre-Trigger Notice Interest Priority of Payments or from (i) (*first*) to (xxiii) (*Twenty-third*) (inclusive) of the Post-Trigger Notice Priority of Payments, as the case may be.

**"VAT"** means:

- (a) any tax imposed in compliance with the council directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) (including, in relation to Italy, value added tax imposed by Presidential Decree No. 633 of 26 October 1972 and Legislative Decree No. 331 of 30 August 1993); and

- (b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or imposed elsewhere.

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