

PROSPECTUS

in accordance with article 2, paragraph 3, of Law 30 April 1999, No. 130

Alba 3 SPV S.r.l.

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

Up to Euro 150,000,000 Class A Asset Backed Floating Rate Notes due September 2035

Issue Price: 100%

Up to Euro 133,000,000 Class B Asset Backed Floating Rate Notes due September 2035

Issue Price: 100%

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".

Alba 3 SPV S.r.l., a limited liability company incorporated under the laws of the Republic of Italy (the "Issuer"), intends to issue on 20 December 2012 (the "Issue Date") up to Euro 150,000,000 (the "Senior Notes Maximum Amount") Class A Asset Backed Floating Rate Notes due September 2035 (the "Senior Notes") and the up to Euro 133,000,000 (the "Junior Notes Maximum Amount") Class B Asset Backed Floating Rate Notes due September 2035 (the "Junior Notes" and, together with the Senior Notes, the "Notes") in the context of a securitisation transaction (the "Transaction") pursuant to Italian law 30 April 1999, No. 130 (as amended from time to time, the "Securitisation Law").

This prospectus (the "Prospectus") constitutes a "Prospetto Informativo" for the purpose of article 2, paragraph 3, of the Securitisation Law and a "Prospectus" prepared in accordance with the Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU (the "PD Amending Directive") to the extent that such amendments have been implemented in the relevant member state of the European Union) (the "Prospectus Directive") in connection with the issuance of the Notes.

The Notes will be issued on a partly paid basis, pursuant to the terms provided in terms and condition of the Notes (the "Terms and Conditions"). On the Issue Date, the respective Notes Initial Instalment Payment will be paid by Initial Junior Notes Subscriber and the Initial Senior Notes Subscriber, in accordance with the relevant Subscription Agreement (subject to the terms and conditions provided therein). Subject to and in accordance with the procedures set forth in the Terms and Conditions, during the Warehouse Period the Issuer may request the Initial Junior Notes Subscriber and the Initial Senior Notes Subscriber to pay the relevant Notes Further Instalment Payments. Each Notes Further Instalment Request shall be sent by the Issuer to the Initial Junior Notes Subscriber and the Initial Senior Notes Subscriber 4 Business Days prior to each Monthly Payment Date or Quarterly Payment Date, as the case may be and shall include the information specified in the Terms and Conditions.

As at the Issue Date, the Notes will not be listed on any stock exchange but it is envisaged that the Issuer may thereafter make an application for the Senior Notes to be admitted to the official list of a stock exchange.

The Senior Notes are expected, on issue, to be rated "AA+" by S&P. It is not expected that the Junior 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 S&P.

Stuvia me Colours

The credit rating applied for in relation to the Senior Notes will be issued by S&P, which is established in the European Union and is registered under Regulation (EU) No 1060/2009 (the "CRA Regulation"), as resulting from the list of registered credit rating agencies (reference number 2011/247) published on 31 October 2011 by the European Securities and Markets Authority (ESMA).

*The Transaction consists of the following three phases: (a) a first phase, being the Warehouse Period, which will start on the Issue Date and end on the earlier of (i) the date on which the Principal Amount Outstanding of the Senior Notes is equal to Euro 150,000,000, (ii) the date on which a Purchase Termination Event Notice or a Trigger Notice is delivered and (iii) the Monthly Payment Date falling on 20 July 2013 (the "**Warehouse Period End Date**"); (b) a second phase (excluding the case in which the Warehouse Period End Date is the date on which a Purchase Termination Event Notice or a Trigger Notice is delivered), being the Revolving Period, which will commence on (but excluding) the Warehouse Period End Date and end on the earlier of (i) the date on which a Purchase Termination Event Notice or a Trigger Notice is delivered and (ii) the Revolving Period End Date; and (c) a third phase, being the Amortisation Period which will commence on the Quarterly Payment Date immediately following the Revolving Period End Date (included) and ending on the Cancellation Date.*

*The principal source of funds available to the Issuer for the payment of interest and the repayment of principal on the Notes will be collections received in respect of a pool of monetary claims and other connected rights arising out of lease contracts (the "**Lease Contracts**") between Alba Leasing S.p.A. (the "**Originator**" or "**Alba Leasing**"), or its assignor, as lessor, and the lessees (the "**Lessees**"). The first pool of claims and connected rights (the "**Initial Portfolio**"), arising from an initial portfolio of Lease Contracts originated by the Originator (or its assignor), has been transferred from the Originator to the Issuer pursuant to the terms of a master receivables purchase agreement (the "**Master Receivables Purchase Agreement**") entered into on 11 December 2012. Subject to the terms of the Master Receivables Purchase Agreement, the Originator is allowed to sell to the Issuer which, upon occurrence of the conditions set forth in the Master Receivable Purchase Agreement, shall purchase from the Originator (i) during the Warehouse Period, additional portfolios of Receivables (the "**Additional Portfolios**") and (ii) during the Revolving Period, subsequent portfolios of Receivables (the "**Subsequent Portfolios**" and each of the Initial Portfolio, any Additional Portfolio and any Subsequent Portfolio, a "**Portfolio**", and, collectively, the "**Portfolios**"), pursuant to transfer agreements to be entered into from time to time between the Issuer and the Originator in compliance with the terms of the Master Receivables Purchase Agreement (the "**Subsequent Transfer Agreements**" and each a "**Transfer Agreement**").*

There is no certainty that the Notes will receive their full principal outstanding and all the interest accrued thereon and ultimately the obligations of the Issuer to pay principal and interest on the Notes could be reduced as a result of losses incurred in respect of the Portfolios. If the Notes cannot be redeemed in full on the Cancellation Date, as a result of the Issuer having insufficient funds available to it in accordance with the Terms and Conditions for application in or towards such redemption, the Issuer will have no other funds available to it to be paid to the Noteholders, because the Issuer has no assets other than those described in this Prospectus. If any amounts remain outstanding in respect of the Notes upon expiry of the Cancellation Date, such amounts (and the obligations to make payments in their respect) will be deemed to be released by the Noteholders and the Notes will be cancelled. The amount and timing of repayment of principal under the Receivables

will affect also the yield to maturity of the Notes, which cannot be predicted depending, inter alia, on the level of prepayments which will occur under the Portfolios.

By virtue of the operation of Article 3 of the Securitisation Law and of the Transaction Documents, the Issuer's right, title and interest in and to the Portfolios and to any sums collected therefrom will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) will only be available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, to the Other Issuer Creditors and to any other creditor 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.

The Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at an annual rate (the "**Rate of Interest**") equal to the Relevant EURIBOR (as defined below), plus the following margins: (a) in respect of the Senior Notes: 2.30% per annum; and (b) in respect of the Junior Notes, 2.00% per annum.

Interest in respect of the Notes will accrue on a daily basis and will be payable on 20 March 2013 (the "**First Quarterly Payment Date**") and thereafter quarterly in arrears on the 20th day of March, June, September and December of each year or if any such day is not a Business Day (as defined below), the following Business Day (each a "**Quarterly Payment Date**"), in respect of the Quarterly Interest Period (as defined below) ending immediately prior thereto and in accordance with the applicable Priority of Payments.

As at the date hereof, all payments of principal and interest on the Notes will be made free and clear of any withholding or deduction for Italian withholding taxes, subject to the requirements of Legislative Decree No. 239 of 1 April 1996 as amended by Italian Law No. 409 of 23 November 2001 and as subsequently amended and supplemented, unless the Issuer is required by any applicable law to make such a withholding or deduction. If any withholding tax is applicable to the Notes, payments of interest on, and principal of the Notes will be made subject to such withholding tax, without the Issuer or any other person being obliged to pay any additional amounts to any holder of Notes of any Class as a consequence. For further details, see the section entitled "Taxation".

Before the Final Maturity Date, the Notes will be subject to mandatory redemption in whole or in part in certain circumstances as set out in Condition 10.2 (Redemption, Purchase and Cancellation – Mandatory Redemption). Before the Final Maturity Date, the Notes will be subject to optional redemption (in whole but not in part or, with the prior consent of the Junior Noteholders, in whole (with regards to the Senior Notes) and in whole or in part (as regards the Junior Notes)) in certain circumstances as set out in Condition 10.4 (Redemption, Purchase and Cancellation – Optional Redemption) or Condition 10.5 (Redemption, Purchase and Cancellation – Redemption for Taxation). Unless previously redeemed in full or cancelled in accordance with the Terms and Conditions, the Notes are due to be repaid on the Final Maturity Date. The Notes, to the extent not redeemed in full by the Cancellation Date, shall be cancelled on such date.

The Notes will be limited recourse obligations solely of the Issuer. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by the Originator, the Servicer, the Back-Up Servicer, the Representative of the Noteholders, the Computation Agent, the Cash Manager, the English Account Bank, the Account Bank, the Paying Agent, the Corporate Servicer, the Initial

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

The Notes will be issued in bearer form and held in dematerialised form on behalf of the beneficial owners until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holder. The Notes will at all times be in book entry form and title to the Notes will be evidenced by book entry in accordance with the provisions of (i) article 83-bis of the Financial Laws Consolidation Act; and (ii) the Joint Regulation. No physical document of title will be issued in respect of the Notes.

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

Copy No. 1 of 150

Dated 20 December 2012

Responsibility statements

None of the Issuer, the Servicer, the Back-Up Servicer, the Representative of the Noteholders, the Computation Agent, the Cash Manager, the English Account Bank, the Account Bank, the Paying Agent, the Corporate Servicer and the Sole Quotaholder, or any other party to the Transaction Documents other than the Originator have undertaken or will undertake any investigation, search or other action to verify the details of the Receivables sold by the Originator to the Issuer; nor has any of the Issuer, the Servicer, the Back-Up Servicer, the Representative of the Noteholders, the Computation Agent, the Cash Manager, the English Account Bank, the Account Bank, the Paying Agent, the Corporate Servicer and the Sole Quotaholder or any other party to the Transaction Documents other than the Originator undertaken, nor will they undertake, any investigation, search or other action to establish the creditworthiness of any Lessees. In the Warranty and Indemnity Agreement, the Originator has given certain representations and warranties in favour of the Issuer in relation to the Receivables and has agreed, subject to certain terms and conditions, to indemnify the Issuer in respect of certain costs, expenses and liabilities of the Issuer incurred in connection with the purchase and ownership of the Receivables.

The Issuer accepts responsibility for the information contained in this Prospectus, other than that information for which each of the Originator, Zenith Service S.p.A. and The Bank of New York Mellon accepts responsibility as described in the following paragraphs. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Originator accepts responsibility for the relevant information included in this Prospectus in the sections headed "The Originator Servicer and Cash Manager" and "The Portfolios", for any information relating to the relevant Lease Contracts, Lessees, Assets and any other information contained in this document relating to itself and the Receivables. To the best of the knowledge and belief of the Originator (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Zenith Service S.p.A. accepts responsibility for the relevant information included in this Prospectus in the section headed "The Computation Agent". To the best of the knowledge and belief of Zenith (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Bank of New York Mellon accepts responsibility for the relevant information included in this Prospectus in the section headed "The Account Bank, the English Account Bank and the Paying Agent". To the best of the knowledge and belief of The Bank of New York Mellon (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Certain market information included in the section headed "The Originator, Servicer and Cash Manager" has been reproduced accurately from information published by certain trade associations identified therein and as far as the Originator is aware and is able to ascertain from such published information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Save as described under the section headed "Subscription and Sale" and in the sections describing the Transaction Documents, so far as the Issuer is aware, no person involved in the offer of the Senior Notes has an interest material to such offer.

Representations about the Notes

No person has been authorised to give any information or to make any representation not contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, Alba Leasing (in any capacity), the Representative of the Noteholders or any other party to the Transaction Documents. Neither the delivery of this Prospectus nor the offering, sale or delivery of any of the Notes shall in any circumstances constitute a representation or create any implication that there has been no change, or any event reasonably likely to involve any change, in the condition (financial or otherwise) of the Issuer, Alba Leasing or the information contained herein since the date of this Prospectus or that the information contained herein is correct as at any time subsequent to the date hereof.

Limited recourse

The Notes constitute direct, secured, limited recourse obligations of the Issuer. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by Alba Leasing (in any capacity), the Lessees, the Representative of the Noteholders, the Account Bank, the English Account Bank, the Cash Manager, the Paying Agent, the Computation Agent, the Servicer, the Back-Up Servicer, the Corporate Servicer, the Initial Senior Notes Subscriber or the Initial Junior Notes Subscriber. Furthermore, none of such persons accepts liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes.

By virtue of the operation of Article 3 of the Securitisation Law and of the Transaction Documents, the Issuer's right, title and interest in and to the Portfolios and to any sums collected therefrom will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) will only be available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, to the Other Issuer Creditors and to any other creditor of the Issuer in respect of any costs, fees and expenses in relation to the Securitisation. Amounts derived from the Portfolios will not be available to any other creditors of the Issuer.

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

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 to inform themselves about, and to observe, any such restrictions. Neither this Prospectus nor any part of it constitutes an offer, and may not be used for the purpose of an offer to sell any of the Notes, or a solicitation of an offer to buy any of the Notes, by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

The Notes have not been, and will not be, registered under the Securities Act or any other state securities law and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes

may not be offered or sold within the United States or for the benefit of U.S. persons (as defined in Regulation S under the Securities Act).

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

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 (including the Republic of Italy, the United Kingdom and the United States), except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations.

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

No action has been or will be taken which would allow an offering (nor an "offerta al pubblico di prodotti finanziari") of the Notes to the public in the Republic of Italy unless in compliance with the relevant Italian securities, tax and other applicable laws and regulations. Accordingly, the Notes may not be offered, sold or delivered and neither may this document nor any other offering material relating to the Notes be distributed or made available to the public in the Republic of Italy. Individual sales of the Notes to any persons in the Republic of Italy may only be made in accordance with Italian securities, tax and other applicable laws and regulations.

Neither this Prospectus nor any other information supplied in connection with the issue of the Notes should be considered as a recommendation or constituting an invitation or offer by the Issuer 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. For a further description of certain restrictions on offers and sales of the Notes and the distribution of this document, see the section entitled "Subscription and Sale".

Interpretation

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

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

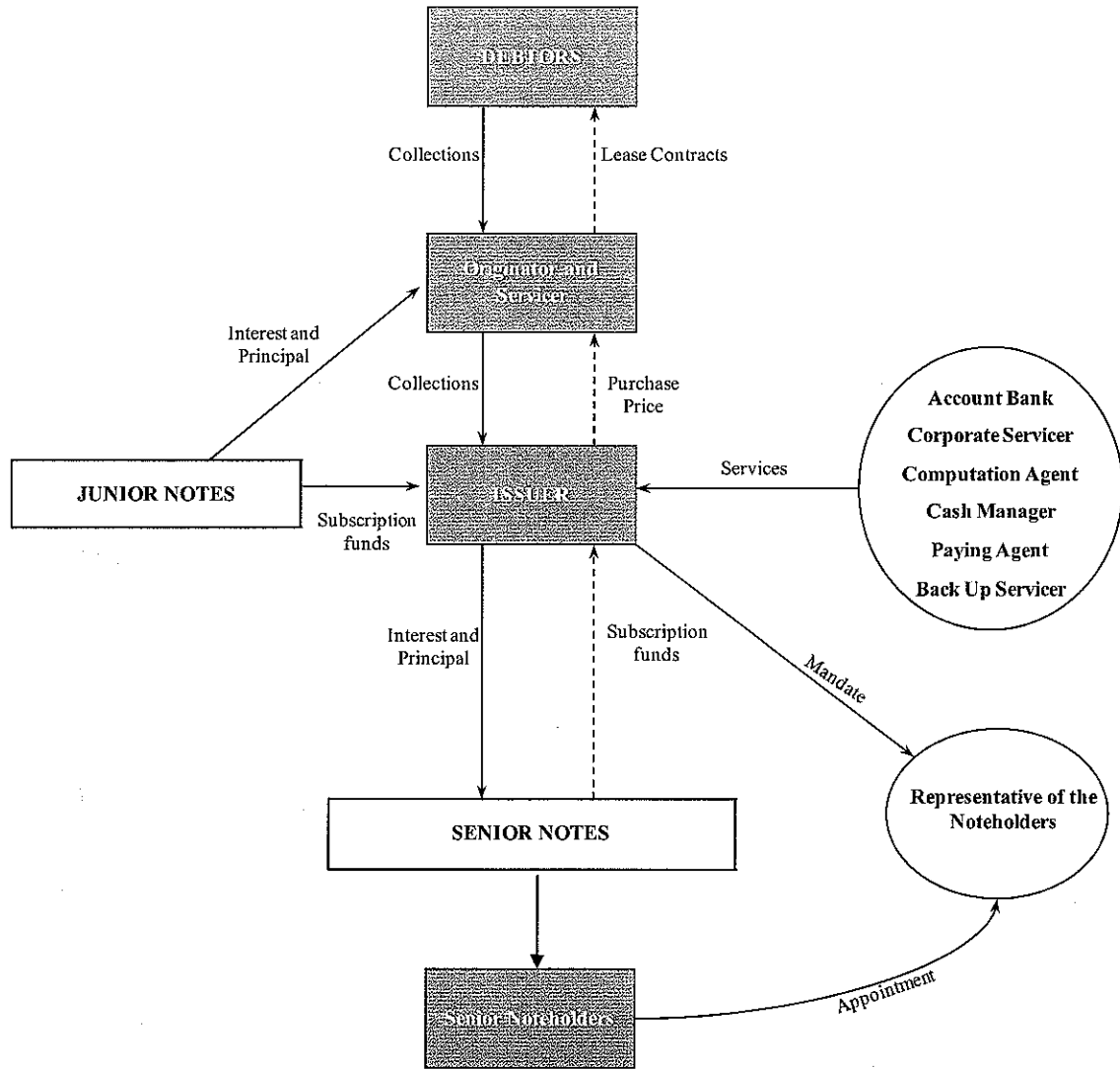
Italy; references to laws and regulations are to the laws and regulations of Italy; and references to "billions" are to thousands of millions

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.

TABLE OF CONTENTS

TRANSACTION DIAGRAM.....	10
TRANSACTION SUMMARY.....	11
RISK FACTORS	45
THE PORTFOLIOS.....	66
THE ORIGINATOR,THE SERVICER AND THE CASH MANAGER	74
THE ISSUER	75
THE ACCOUNT BANK, THE ENGLISH ACCOUNT BANK AND THE PAYING AGENT	77
THE COMPUTATION AGENT.....	78
USE OF PROCEEDS	79
DESCRIPTION OF THE MASTER RECEIVABLES PURCHASE AGREEMENT	80
DESCRIPTION OF THE SERVICING AGREEMENT	83
DESCRIPTION OF THE WARRANTY AND INDEMNITY AGREEMENT	88
DESCRIPTION OF THE OTHER TRANSACTION DOCUMENTS.....	90
TERMS AND CONDITIONS OF THE NOTES	97
RULES OF THE ORGANISATION OF THE NOTEHOLDERS.....	151
SELECTED ASPECTS OF ITALIAN LAW	175
TAXATION.....	182
SUBSCRIPTION AND SALE	190
GENERAL INFORMATION.....	195
GLOSSARY	196

TRANSACTION DIAGRAM



TRANSACTION SUMMARY

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

1. PRINCIPAL PARTIES

- Issuer** **Alba 3 SPV S.r.l.**, a company with a sole quotaholder incorporated as a *società a responsabilità limitata* under the laws of the Republic of Italy under the Securitisation Law having its registered office at Via Gustavo Fara 26, 20124 Milan, Italy, fiscal code, and registration with the Companies Register in Milan no. 07857260967, with paid-in share capital of Euro 10,000.00, enrolled with No. 35049.6. in the *elenco delle società veicolo* held by Bank of Italy pursuant to article 4 of Bank of Italy's regulation dated 29 April 2011.
- For further details, see the section entitled "*The Issuer*".
- Originator** **Alba Leasing S.p.A.** ("**Alba Leasing**"), a company incorporated as a *società per azioni* under the laws of the Republic of Italy, whose registered office is at Via Sile 18, 20139 Milan, with paid-in share capital of Euro 255,000,000, Fiscal Code and registration with the Companies Register in Milan No. 06707270960.
- For further details, see the section entitled "*The Originator Servicer and Cash Manager*".
- Servicer** **Alba Leasing** or any other person from time to time acting as Servicer. The Servicer will act as such pursuant to the Servicing Agreement.
- Back-Up Servicer** **SelmabipiemmeLeasing S.p.A.** company incorporated as a *società per azioni* under the laws of the Republic of Italy, with paid-in share capital of Euro 41,305,000, whose registered office is at Via BattistottiSassi, 11/A, Milan, Italy, fiscal code and registration number to the Register of Enterprises of Milan No. 00882980154 and enrolled in the register held by the Bank of Italy pursuant to article 107 of the Consolidated Banking Act. The Back-Up Servicer will act as such pursuant to the Back-Up Servicing Agreement.
- Computation Agent** **Zenith Service S.p.A.** a joint stock company (*società per azioni*) incorporated under the laws of the Republic of Italy, with registered office at Via Guidubaldo del Monte 61, 00197

Rome, Italy and administrative offices at Via Gustavo Fara 26, 20124 Milan, Italy, fiscal code and enrolment with the companies register of Rome number 02200990980, enrolled under number 32819 and 32590.2 with the registers of financial intermediaries held by Bank of Italy pursuant to articles 106 and 107 of the Consolidated Banking Act ("**Zenith**") or any other person from time to time acting as Computation Agent. The Computation Agent will act as such pursuant to the Cash Allocation, Management and Payment Agreement.

Account Bank

The Bank of New York Mellon (Luxembourg) S.A. ("BNYM Luxembourg") a bank incorporated under the laws of the Grand Duchy of Luxemburg, acting through its Italian branch, whose office is at Via Carducci, No. 31, 20123, Milan, Italy or any other person from time to time acting as Account Bank. The Account Bank will act as such pursuant to the Cash Allocation, Management and Payment Agreement.

English Account Bank

The Bank of New York Mellon ("BNYM") a New York banking corporation, acting through its London branch, whose office is at One Canada Square, London E14 5Al, United Kingdom. The English Account Bank will act as such pursuant to the Cash Allocation, Management and Payment Agreement.

Paying Agent

BNYM Luxembourg or any other person from time to time acting as Paying Agent. The Paying Agent will act as such pursuant to the Cash Allocation, Management and Payment Agreement.

Cash Manager

Alba Leasing or any other person from time to time acting as Cash Manager. The Cash Manager will act as such pursuant to the Cash Allocation, Management and Payment Agreement.

Corporate Servicer

Zenith or any other person from time to time acting as Corporate Servicer. The Corporate Servicer will act as such pursuant to the Corporate Services Agreement.

Representative of the Noteholders

Zenith or any other person from time to time acting as Representative of the Noteholders. The Representative of the Noteholders will act as such pursuant to the Subscription Agreements, the Intercreditor Agreement, the Terms and Conditions and the Rules of the Organisation of the Noteholders.

Sole Quotaholder

Stichting SFM Italy No. 1, a foundation incorporated under the laws of the Netherlands, whose registered office is at Claude Debussylaan 18, 1082 MD – Amsterdam, registered with the Companies' Register of Amsterdam under No. 34370029, in its

capacity as sole quotaholder.

Initial Senior Notes Subscriber Alba Leasing.

Initial Junior Notes Subscriber Alba Leasing.

2. PRINCIPAL FEATURES OF THE NOTES

The Notes

The Notes will be issued by the Issuer on the Issue Date in the following classes:

- (i) Up to Euro 150,000,000 Class A Asset Backed Floating Rate Notes due September 2035 (the "**Senior Notes**"); and
- (ii) Up to Euro 133,000,000 Class B Asset Backed Floating Rate Notes due September 2035 (the "**Junior Notes**"),

and in the following initial principal amounts:

Senior Notes	Euro 79,922,702.95	(the " Senior Notes Initial Instalment Payment ")
Junior Notes	Euro 70,879,052.62	(the " Junior Notes Initial Instalment Payment ")

Issue Price

The Notes will be issued at 100% of their principal amount.

Partly Paid

The Notes will be issued on a partly paid basis, pursuant to the terms provided in Condition 3 (*Partly Paid Notes*). On the Issue Date, the respective Notes Initial Instalment Payment will be paid by the Initial Junior Notes Subscriber and the Initial Senior Notes Subscriber, in accordance with the Terms and Conditions and the relevant Subscription Agreement in order to fund the Initial Issue Price of the Notes. Subject to and in accordance with the procedures set forth in Condition 3 (*Partly Paid Notes*), during the Warehouse Period the Issuer may request the Initial Junior Notes Subscriber and the Initial Senior Notes Subscriber to pay the relevant Notes Further Instalment Payments and to increase the Principal Amount Outstanding of the Notes. Subject to and in accordance with the procedures set forth in Condition 3 (*Partly Paid Notes*), during the Warehouse Period the Issuer may request the Initial Junior Notes Subscriber and the Initial Senior Notes Subscriber to pay the relevant Notes Further Instalment Payments (the "**Notes Further Instalment Request**"). Each Notes Further Instalment Request shall be sent by the Issuer to the Initial Junior Notes Subscriber and the

Initial Senior Notes Subscriber 4 Business Days prior to each Monthly Payment Date or Quarterly Payment Date, as the case may be (a "Notes Further Instalment Request Date") and shall include the information specified in Condition 3 (*Partly Paid Notes*).

Interest on the Notes

The Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at an annual rate (the "Rate of Interest") equal to the Relevant EURIBOR (as defined below), plus the following margins:

- (a) in respect of the Senior Notes, the aggregate of (a) the Relevant EURIBOR (as defined below), plus (b) the following margin: 2.30% per annum;
- (b) in respect of the Junior Notes, the aggregate of (a) the Relevant EURIBOR (as defined below), plus (b) the following margin: 2.00% per annum;

Accrual of interest

Interest in respect of the Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on each Quarterly Payment Date in accordance with the applicable Priority of Payments in respect of the Quarterly Interest Period ending immediately prior thereto. The First Quarterly Payment Date will be 20 March 2013.

Form and denomination of the Notes

The Notes will be issued in bearer form and held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holder. The Notes will be accepted for clearance by Monte Titoli with effect from the Issue Date. The Notes will at all times be evidenced by, and title thereto will be transferable by means of, book entries in accordance with the provisions of (i) article 83-*bis* of the Financial Laws Consolidation Act; and (ii) the Joint Regulation. No physical document of title will be issued in respect of the Notes.

The Senior Notes will be issued in the denomination of Euro 100,000 and the Junior Notes will be issued in the denomination of Euro 100,000.

Status and subordination

In respect of the obligation of the Issuer to pay interest and principal on the Notes, the Conditions provide that:

1. the Senior Notes rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but in priority to the Junior Notes; and
2. the Junior Notes rank *pari passu* and rateably without any preference or priority among themselves for all

purposes and subordinated to the Senior Notes.

The obligations of the Issuer to each Noteholder as well as to each of the Other Issuer Creditors will be limited recourse obligations of the Issuer. Each Noteholder and Other Issuer Creditor will have a claim against the Issuer only to the extent of the Issuer Available Funds net of any claims ranking in priority to or *pari passu* with such claims in accordance with the Priority of Payments. The Terms and Conditions and the Intercreditor Agreement set out the order of priority of application of the Issuer Available Funds.

Either prior to or after the service of a Trigger Notice, in respect of the obligations of the Issuer to pay interest and repay principal on the Notes, the Senior Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the Junior Notes; the Junior Notes will rank *pari passu* without preference or priority amongst themselves but subordinated to the Senior Notes.

Withholding on the Notes

As at the date of this Prospectus, payment of interest and other proceeds under the Notes may be subject to a Decree 239 Deduction. Upon the occurrence of any withholding or deduction for or on account of tax from any payment under the Notes, neither the Issuer nor any other person shall have any obligation to pay any additional amount(s) to any holder of the Notes.

Mandatory Redemption

The Notes will be subject to mandatory redemption, in accordance with the applicable Priority of Payments, in full or in part *pro rata* on each Quarterly Payment Date in accordance with Condition 10.2 (*Mandatory Redemption*), in each case if and to the extent that on such dates there are sufficient Issuer Available Funds (including, for the avoidance of doubt, proceeds deriving from any sale of the Portfolios) which may be applied towards redemption of the Notes, in accordance with the applicable Priority of Payments set out in Condition 8 (*Priority of Payments*).

Mandatory redemption following the delivery of a Trigger Notice

After the delivery of a Trigger Notice, the Issuer Available Funds and any other amounts received or recovered by the Representative of the Noteholders shall be applied by the Representative of the Noteholders in accordance with the Post-Enforcement Priority of Payments.

Optional Redemption

Provided that no Trigger Notice has been served on the Issuer, unless previously redeemed in full, the Issuer may redeem the Notes (in whole but not in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest

thereon up to the date fixed for redemption and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with each Class of Notes (or, with the prior consent of the Junior Noteholders, may redeem the Senior Notes (in whole) and the Junior Notes (in whole or in part) and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with the relevant Notes to be redeemed), on any Quarterly Payment Date falling on or after the Quarterly Payment Date falling 60 months after the Issue Date in accordance with Condition 10.4 (*Redemption, Purchase and Cancellation - Optional Redemption*).

Any such redemption shall be effected by the Issuer on giving not less than 15 days' prior notice in writing to the Representative of the Noteholders and the Noteholders in accordance with Condition 18 (*Notices*) and provided that the Issuer has, prior to giving such notice, certified to the Representative of the Noteholders and produced satisfactory evidence to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all its outstanding liabilities in respect of the relevant Notes to be redeemed and any amounts required under the Post-Enforcement Priority of Payments to be paid in priority to or *pari passu* with such Notes.

The Issuer may obtain the necessary funds in order to effect the early redemption of the Notes in accordance with Condition 10.4 (*Redemption, Purchase and Cancellation - Optional Redemption*) through the sale of all or part of the Portfolios and the relevant sale proceeds shall form part of the Issuer Available Funds.

Redemption for Taxation

If the Issuer at any time satisfies the Representative of the Noteholders, immediately prior to giving the notice referred to below, that on the next Quarterly Payment Date:

- (a) the Issuer or any other person would be required to deduct or withhold (other than in respect of a Decree 239 Deduction) from any payment of principal or interest on any Class of Notes, any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Italy or any political or administrative sub-division thereof or any authority thereof or therein (or that amounts payable to the Issuer in respect of the Portfolios would be subject to withholding or deduction); and

- (b) the Issuer will have the necessary funds (not subject to the interests of any other person) to discharge all its outstanding liabilities in respect of the relevant Notes to be redeemed and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with such Notes;

(hereinafter the event under (a) above, the "Tax Event"), then the Issuer may, on any such Quarterly Payment Date at its option having given not less than 30 days' prior notice in writing to the Representative of the Noteholders and to the Noteholders in accordance with the Terms and Conditions, redeem the Notes (in whole but not in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon up to the date fixed for redemption and any amounts required under the Post-Enforcement Priority of Payments to be paid in priority to or *pari passu* with each Class of Notes (or, with the prior consent of the Junior Noteholders, may redeem the Senior Notes (in whole) and the Junior Notes (in whole or in part) and any amounts required under the Post-Enforcement Priority of Payments to be paid in priority to or *pari passu* with the relevant Notes to be redeemed), in accordance with Condition 10.5 (*Redemption, Purchase and Cancellation - Redemption for Taxation*).

Following the occurrence of a Tax Event, the Issuer may, or the Representative of the Noteholders may (or shall if so requested by the Senior Noteholders) direct the Issuer to, dispose of the Portfolios or any part thereof to finance the early redemption of the Notes in accordance with Condition 10.5 (*Redemption, Purchase and Cancellation - Redemption for Taxation*).

Final Maturity Date

Unless previously redeemed in full or cancelled in accordance with the Terms and Conditions, the Notes are due to be repaid in full at their respective Principal Amount Outstanding on the Final Maturity Date.

Cancellation Date

The Notes will be cancelled on the Cancellation Date which is the earlier of:

- (a) the date on which the Notes have been redeemed in full;
- (b) the Final Maturity Date;
- (c) the date on which the Representative of the Noteholders has provided to the Issuer a certificate confirming that (i) all the Collections due in respect of all the Receivables comprised in the

Portfolios have been received or recovered and/or the Receivables comprised in the Portfolios (then outstanding) have been fully written off by the Issuer (or on the Issuer behalf) and/or all judicial enforcement procedures in respect of the Portfolios have been completed and/or in its sole opinion there is no reasonable likelihood of there being any further amounts to be realised in respect of the Portfolios or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay unpaid amounts outstanding under the Transaction Documents and the Servicer having confirmed the same in writing to the Representative of the Noteholders, and (ii) the relevant Issuer Available Funds have been received and applied in accordance with the applicable Priority of Payments; and

- (d) the date on which the Representative of the Noteholders has provided to the Issuer a certificate confirming that (i) all the Receivables comprised in all the Portfolios have been sold and (ii) the relevant Issuer Available Funds have been received and applied in accordance with the applicable Priority of Payments.

On the Cancellation Date any amount outstanding, whether in respect of interest, 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.

Source of Payment of the Notes

The principal source of payment of interest and of repayment of principal on the Notes will be the Collections and Recoveries made in respect of the Receivables arising out of Lease Contracts between the Originator, as lessor, and the Lessees, purchased and to be purchased by the Issuer from the Originator pursuant to the Master Receivables Purchase Agreement and the relevant Transfer Agreements.

Segregation of Issuer's Rights

The Notes have the benefit of the provisions of article 3 of the Securitisation Law, pursuant to which the Portfolio is segregated by operation of law from the Issuer's other assets. Both before and after a winding up of the Issuer, amounts deriving from the Portfolio will be exclusively available for the purpose of satisfying the obligations of the Issuer to the Noteholders 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.

The Portfolio may not be seized or attached in any form by creditors of the Issuer (including for avoidance of doubts, noteholders and the Issuer's other creditors in respect of any other securitisation transactions carried out by the Issuer) other than the Noteholders, 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, 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.

Security of the Notes

In addition, security will be created over certain monetary and other rights of the Issuer arising out of (i) certain Transaction Documents and (ii) over the amounts standing to the credit of the Pledged Accounts. The Security will be granted by the Issuer in favour of the Noteholders and the Other Issuer Creditors pursuant to (A) the Deed of Pledge, pursuant to which the Issuer will grant in favour of the Representative of the Noteholders for itself and on behalf of the Noteholders and the Other Issuer Creditors, concurrently with the issue of the Notes, an Italian law pledge over all monetary claims and rights and all the amounts (including payment for claims, indemnities, damages, penalties, credits and guarantees) to which the Issuer is entitled from time to time pursuant to certain Italian law Transaction Documents and (B) the Deed of Charge, the Issuer will grant, in favour of the Noteholders and the Other Issuer Creditors acting through the Representative of the Noteholders a first priority charge over (a) any sums standing to the credit of the Investment Account; and (b) Eligible Investments credited to the Investment Account and all dividends, interest and other monies payable in respect thereof and all other rights, benefits and proceeds deriving therefrom .

Limited Recourse

Notwithstanding any other provision of the Transaction Documents and without prejudice to Condition 11.1 (*Non Petition*) all obligations of the Issuer to the Noteholders and Other Issuer Creditors are limited recourse as set out below:

- (i) all obligations of the Issuer to each Noteholder including, without limitation, the obligations under any Transaction Document to which such Noteholder is a party (including any obligation for the payment of damages or penalties);
- (ii) each Noteholder and Other Issuer Creditor acknowledges and agrees that it will have a claim only in respect of the Issuer Available Funds and at all times only in accordance with the Priority of Payments and will not have any claim, by operation of law or otherwise, against, or recourse to, the Issuer's other assets or its contributed capital;
- (iii) each Noteholder and Other Issuer Creditor acknowledges and agrees that all payments to be made by the Issuer to such Noteholder and Other Issuer Creditor on each Quarterly Payment Date, whether under any Transaction Document to which such Noteholder is a party or otherwise (including any obligations for the payment of damages or penalties) but excluding in any case the obligation of payment of (i) the Initial Purchase Price of the Initial Portfolio (decreased of an amount equal to the Retention Amount) and of any other Portfolio, (ii) the Excess Indemnity Amount, (iii) any Residual Optional Instalment and (iv) any other amount which is expressly excluded from the Issuer Available Funds under the Transaction Documents;
- (iv) if the Servicer has certified to the Representative of the Noteholders that there is no reasonable likelihood of there being any further realisations in respect of the Portfolio or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay unpaid amounts outstanding under the Transaction Documents and the Representative of the Noteholders has given notice on the basis of such certificate in accordance with Condition 18 (*Notices*) that there is no reasonable likelihood of there being any further realisations in respect of the Portfolio or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay amounts outstanding under the Transaction Documents, the Noteholders and the 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.

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 of the Issuer deriving from any of the Transaction Documents or enforce the Security and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment of such obligations or to enforce the Security. In particular, pursuant to Condition 11.1 (*Non Petition*):

- (i) no Noteholder or Other Issuer Creditor (nor any person on its behalf, other than the Representative of the Noteholders, where appropriate) is entitled, otherwise than as permitted by the Transaction Documents, to direct the Representative of the Noteholders to enforce the Security or take any proceedings against the Issuer to enforce the Security;
- (ii) no Noteholder or Other Issuer Creditor (nor any person on its behalf, other than the Representative of the Noteholders, where appropriate) shall, save as expressly permitted by the Transaction Documents, have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to it;
- (iii) both before and following the delivery of a Trigger Notice, until the date falling one year and one day after the date on which all the Notes and any other asset backed notes issued by the Issuer in the context of any Further Securitisation 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 Noteholders and only if the representative(s) of the Noteholders of the Further Securitisations have been so directed by the appropriate resolutions of their respective noteholders in accordance with the relevant Transaction Documents) to cause, initiate or join any person in initiating an Insolvency Event in relation to the Issuer; and
- (iv) no Noteholder or Other Issuer Creditor (nor any person on its behalf, other than the Representative of

the Noteholders) both before and following the delivery of a Trigger Notice, 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.

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 Terms and 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 subscribers of the Notes in the Subscription Agreements. Each Noteholder by holding, at any time, any of the Notes is deemed to accept such appointment.

Listing

As at the Issue Date, no application has been made to list any Notes on any stock exchange. An application for the Notes to be listed on an official list of any stock exchange may be made by the Issuer.

Rating

The Class A Notes are expected to be assigned on the Issue Date a rating of "AA+"-by S&P.

The Class B Notes will not be assigned any credit rating.

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency. The credit rating applied for in relation to the Class A Notes will be issued by S&P which is established in the European Union and has been registered under Regulation (EU) No 1060/2009 CRA Regulation, as resulting from the list of registered credited rating agencies (reference number 2011/247) published on 31 October 2011 by the European Securities and Markets Authority (ESMA).

Purchase of the Notes

The Issuer may not purchase any Notes at any time.

Governing Law

The Notes will be governed by Italian law.

Regulatory Disclosure

Capital Requirements Directive

On 16 September 2009 the European Parliament and the European Council adopted the Directive 2009/111/EC (the "**CRD II**") amending the capital requirements directive, which comprises Directive 2006/48/CE and Directive 2006/49/CE (the "**CRD**"), relating to, *inter alia*, exposures to transferred credit risk in the context of securitisation transactions.

Pursuant to the new article 122(a) of CRD, as implemented into Italian law by the Bank of Italy Circular No. 263 of 27 December 2006 ("**Nuove disposizioni di vigilanza prudenziale per le banche**") (the "**Article 122(a) CRD**"), the Originator shall be required to retain at least 5 per cent of the net economic interest in the Securitisation. Article 122(a) CRD became effective on 1 January 2011.

In the Junior Notes Subscription Agreement, Alba Leasing, in its capacity as Originator, has undertaken to the Issuer and the Representative of the Noteholders that it will retain at the origination and maintain on an on-going basis at least 5.00 per cent of the net economic interest in accordance with option (d) of Article 122(a) CRD or any permitted alternative method thereafter and provide adequate disclosure to the Noteholders in accordance with such Article 122(a) of the CRD.

In addition, under the Junior Notes Subscription Agreement, Alba Leasing has undertaken to ensure that prospective investors have readily available access to all information as it would be necessary to conduct comprehensive and well informed stress tests, in accordance with Article 122(a) CRD, as implemented from time to time and, to this purpose, any of such information:

- (i) on the Issue Date, will be disclosed in the section "Portfolio" of this Prospectus; and
- (ii) following the Issue Date, will be disclosed on a periodical basis, in the Servicer Reports, until it acts as Servicer and, in the event that its appointment as Servicer is terminated, in monthly reports,

in which information with regard to the Receivables will be disclosed publicly together with an overview of the retention of material net economic interest by Alba Leasing with a view of complying with Article 122a paragraph (7) of the CRD.

The information relating to the Collections, the Receivables and the Priority of Payments will also be disclosed in the Investors' Report issued by the Computation Agent, which will be available to the Noteholders and prospective investors at the specified offices of the Computation Agent. It is understood that

the Investors' Report shall be deemed to have been produced on behalf of the Originator, under the Originator's full responsibility, with reference only to the information listed on this item (i) that the Originator has the obligation to make available to investors under Article 122(a) of the CRD. The Computation Agent will not be liable for failure to include in the Investors Report any relevant information if such failure is caused by the non-delivery, the delayed delivery, the inaccuracy or incompleteness of the relevant information to be furnished by the Originator;

The Originator has undertaken that the retention requirement is not to be subject to any credit risk mitigation, any short position or any other hedge, within the limits of Article 122(a) CRD.

3. THE TRANSACTION

Phases of the Transaction

The Transaction consists of the following three phases:

- (a) a first phase, being the Warehouse Period;
- (b) a second phase (excluding the case in which the Warehouse Period End Date is the date on which a Purchase Termination Event Notice or a Trigger Notice is delivered), being the Revolving Period; and
- (c) a third phase, being the Amortisation Period.

Transfer of the Initial Portfolio

The Issuer has purchased from the Originator the Initial Portfolio on 11 December 2012, in accordance with the terms and conditions of the Master Receivables Purchase Agreement.

Transfer of Additional Portfolios and Subsequent Portfolios

Subject to the terms of the Master Receivables Purchase Agreement, the Originator is allowed to sell to the Issuer which shall purchase (i) during the Warehouse Period, Additional Portfolios and (ii) during the Revolving Period, Subsequent Portfolios.

The Initial Purchase Price of any Additional Portfolio will be paid by the Issuer out of (i) the Principal Instalments collected in respect of the Receivables and any other Monthly Issuer Available Funds or Issuer Available Funds, as the case may be, available to such purpose, and (ii) should the amounts under (i) not be sufficient to such purpose, the Notes Further Instalment Payments. The Initial Purchase Price of any Subsequent Portfolio will be paid by the Issuer out of the Issuer Available Funds in accordance with the applicable Priority of Payments.

According to the Master Receivables Purchase Agreement, the Initial Purchase Price of any Additional Portfolio or any Subsequent Portfolio, as the case may be, shall not be higher than the Maximum Purchase Amount.

4. ACCOUNTS

Collection Account

The Issuer has established the Collection Account with the Account Bank *into which* (i) all the Collections and Recoveries made and the Indemnities paid in respect of the Portfolios will be credited, in accordance with the Servicing Agreement; and *out of which* (i) on each Quarterly Payment Date, any Excess Indemnity Amount received by the Issuer on the immediately preceding Quarterly Settlement Period shall be paid to the Originator in accordance with the relevant Quarterly Settlement Report; (ii) on each Quarterly Payment Date, the Purchase Price of the Residual Optional Instalment equal to any Residual Optional Instalment collected by the Issuer on the immediately preceding Quarterly Settlement Period shall be paid to the Originator in accordance with the relevant Quarterly Settlement Report; and (iii) any amount standing to the credit of such Account (other than any amount to be paid out of the Collection Account pursuant to items (i) and (ii) above) will be transferred on a daily basis (to the extent that such day is a Business Day) into the Investment Account.

Payments Account

The Issuer has established the Payments Account with the Account Bank for the deposit, *inter alia*, of all amounts received from any party to a Transaction Document to which the Issuer is a party (other than amounts expressly provided to be paid into other Accounts) and *into which* (i) on the Issue Date the Notes Initial Instalment Payments (net of any set off and of any amount directly paid to the Originator in accordance with the Subscription Agreements) shall be paid; (ii) the amount standing to the credit of the Investment Account 1 (one) Business Day prior to each Monthly Payment Date and 2 (two) Business Days prior to each Quarterly Payment Date to be used, respectively, as portion of the relevant Monthly Issuer Available Funds necessary to pay the Initial Purchase Price of any Additional Portfolio or as Issuer Available Funds, as the case may be, on the immediately following Payment Date and in general any sums arising from the liquidation, disposal or maturity of the Eligible Investments (including any profit generated thereby or interest matured thereon) to be used, respectively, as portion of the

relevant Monthly Issuer Available Funds necessary to pay the Initial Purchase Price of any Additional Portfolio or as Issuer Available Funds, as the case may be, on the immediately following Payment Date, shall be credited 1 (one) Business Day prior to each relevant Monthly Payment Date or 2 (two) Business Days prior to each relevant Quarterly Payment Date; **(iii)** the Notes Further Instalment Payments (net of any set off and of any amount directly paid to the Originator in accordance with the Subscription Agreements) shall be credited in accordance with the Subscription Agreements, it being understood that such amounts (together with any interest and/or revenue accrued thereon) shall form part of the Monthly Issuer Available Funds or the Issuer Available Funds, as the case may be, on the immediately following Payment Date or upon finalisation of the Formalities of the relevant Addition Portfolio, only to the extent necessary to pay the Initial Purchase Price of such Additional Portfolio and to fund the Required Debt Service Reserve Amount in accordance with the Transaction Documents; **(iv)** any proceeds (if any) from the enforcement of the Issuer's Rights will be credited; and **(v)** all amounts received from any party to a Transaction Document to which the Issuer is a party (other than amounts expressly provided to be paid on other Accounts); and *out of which* **(i)** on the Issue Date (a) the Retention Amount shall be paid to the Expenses Account; (b) the Initial Purchase Price of the Initial Portfolio in accordance with the Master Receivables Purchase Agreement and net of any set off and of any amount directly paid to the Originator in accordance with the Subscription Agreements) shall be paid to the Originator and (c) an amount corresponding to the Debt Service Reserve Amount as of the Issue Date shall be transferred to the Debt Service Reserve Account; **(ii)** the Initial Purchase Price of any Additional Portfolio (net of any set off and of any amount directly paid to the Originator in accordance with the Junior Notes Subscription Agreement) due on a Monthly Payment Date shall be paid on such date to the Originator in accordance with the Master Receivables Purchase Agreement and this Agreement; **(iii)** should a Notes Further Instalment Payment become due after the Payment Date immediately following the entering into of the relevant Transfer Agreement in accordance with the Subscription Agreements, such Notes Further Instalment Payment (net of the Required Debt Service Reserve Amount) shall be transferred on the date of payment of such Notes Further Instalment Payment into the Principal Accumulation Account; **(iv)** (a) one Business Day prior to

each Quarterly Payment Date, amounts necessary to pay interests and, during the Amortisation Period, to repay principal on the Notes shall be made available to the Paying Agent in accordance with this Agreement; (b) on each Payment Date all payments shall be made in accordance with the Intercreditor Agreement, the applicable Priority of Payments and the relevant Payments Report; and (v) any amount standing to the credit thereof will be transferred to the Investment Account one Business Day after each Payment Date.

Expenses Account

The Issuer has established the Expenses Account with the Account Bank, *into which* (i) on the Issue Date the Retention Amount will be paid from the Payments Account and (ii) on each Quarterly Payment Date, an amount shall be paid from the Payments Account in accordance with the applicable Priority of Payments so that the balance standing to the credit of the Expenses Account on such Quarterly Payment Date is equal to the Retention Amount; and *out of which* upon instruction of the Issuer or the Corporate Servicer on behalf of the Issuer, on any Business Day during a Quarterly Interest Period, any taxes and Expenses will be paid, to the extent that payments of such taxes and Expenses is not deferrable until the immediately subsequent Quarterly Payment Date.

Principal Accumulation Account

The Issuer has established the Principal Accumulation Account with the Account Bank *into which* (i) on each Quarterly Payment Date prior to the beginning of the Amortisation Period, the Principal Deficiency Amount shall be credited in accordance with the applicable Priority of Payments; (ii) should a Notes Further Instalment Payment become due after the Payment Date immediately following the entering into of the relevant Transfer Agreement in accordance with the Subscription Agreements, such Notes Further Instalment Payment (net of the Required Debt Service Reserve Amount) shall be credited on the date of payment of such Notes Further Instalment Payment from the Payments Account; and *out of which* (i) the Initial Purchase Price of any Additional Portfolio or Subsequent Portfolio due (a) on a Quarterly Payment Date (net of the Notes Further Instalment Payments directly paid to the Originator in accordance with the Subscription Agreements) or (b) on a date which is not a Payment Date (upon occurrence of the condition precedent related to the payment of such Initial Purchase Price), shall be paid on the relevant due date to the Originator in accordance with the Master Receivables Purchase Agreement and this Agreement; (ii) the amount standing to the credit of such

Account on each Quarterly Payment Date following payment of the Initial Purchase Price due on such date (net of any amount to be paid out of the Principal Accumulation Account under item (i)(b) above upon occurrence of the condition precedent related to the payment of such Initial Purchase Price (the “**Retained Amount**”)) will be transferred on the following Business Day into the Investment Account.

Debt Service Reserve Account

The Issuer has established the Debt Service Reserve Account with the Account Bank *into which* (i) on the Issue Date, the Debt Service Reserve Amount shall be credited from the Payments Account; (ii) on each Quarterly Payment Date before the delivery of a Trigger Notice until (but excluding) the Quarterly Payment Date on which the Senior Notes are redeemed in full or otherwise cancelled, the Issuer Available Funds necessary in accordance with the Quarterly Pre-Enforcement Priority of Payments to bring the balance of such account up to the Total Debt Service Reserve Amount shall be credited from the Payments Account, and (iii) until the Quarterly Payment Date (but excluding) on which the Maximum Additional Debt Service Reserve Amount is reached, the Issuer will credit Issuer Available Funds to the Debt Service Reserve Account of an amount equal to the Additional Debt Service Reserve Amount in accordance with the Quarterly Pre-Enforcement Priority of Payments; and *out of which* (i) on the Business Day following the Issue Date, the amount standing to the credit of such Account, will be transferred into the Investment Account; and (ii) on the Business Day following each Quarterly Payment Date, the amount standing to the credit of such Account, following payments pursuant to the applicable Priority of Payments having been made, will be transferred into the Investment Account.

Investment Account

The Issuer has established the Investment Account with the English Account Bank *into which*, (i) any amount standing to the credit of the Collection Account will be transferred on a daily basis (to the extent that such day is a Business Day); (ii) any amount standing to the credit of the Debt Service Reserve Account (a) on the Issue Date; and (b) on each Quarterly Payment Date, following payments pursuant to the applicable Priority of Payments having been made, will be transferred on the following Business Day; (iii) any amount standing to the credit of the Principal Accumulation Account on each Quarterly Payment Date (net of the Retained Amount) will be transferred on the following Business Day; (iv) any amounts standing to the credit of the Payments Account on the

Business Day immediately following each Payment Date will be credited on such Business Day; (v) any proceeds upon maturity or any sums deriving from the disposal of the Eligible Investments and any profit generated thereby or interest accrued thereon will be credited; (vi) all Eligible Investments purchased by the English Account Bank upon written instruction of the Cash Manager, pursuant to this Agreement, shall be deposited; and *out of which* (i) the Issuer Available Funds to be used on the immediately following Quarterly Payment Date will be transferred to the Payments Account 2 (two) Business Days before such Quarterly Payment Date; (ii) upon receipt of an Offer Notice, the portion of the relevant Monthly Issuer Available Funds necessary to pay the Initial Purchase Price of any Additional Portfolio on the immediately following Monthly Payment Date will be transferred to the Payments Account one Business Day before such Monthly Payment Date; (iii) in accordance with the provisions set forth in this Agreement, upon written instruction of the Cash Manager in the name and on behalf of the Issuer, all amounts standing to the credit thereof will be applied on any Business Day by the English Account Bank for the purchase of Eligible Investments.

Quota Capital Account

The Issuer has established a quota capital account with the Account Bank, into which its contributed quota capital has been deposited.

5. CREDIT STRUCTURE

Issuer Available Funds

On each Quarterly Payment Date, the Issuer Available Funds shall comprise the aggregate amounts (without duplication) of:

- (i) all Collections received during the immediately preceding Quarterly Settlement Period pursuant to the Servicing Agreement and credited to the Collection Account (including, for the avoidance of doubt, penalties and/or the Agreed Prepayments received and any other sums paid by the Lessees pursuant to the relevant Lease Contracts in respect of the Receivables);
- (ii) all Recoveries received during the immediately preceding Quarterly Settlement Period pursuant to the Servicing Agreement and credited to the Collection Account;
- (iii) all amounts received by the Issuer from the Originator pursuant to the Master Receivables Purchase

- Agreement or by the Servicer pursuant to the Servicing Agreement during the immediately preceding Quarterly Settlement Period (other than the Collections and the Recoveries) and credited to the Payments Account;
- (iv) any interest accrued and credited on the Accounts (other than the Expenses Account and the Quota Capital Account) as of the last day of the immediately preceding Quarterly Settlement Period;
 - (v) any amounts credited as Total Debt Service Reserve Amount on the Quarterly Payment Date immediately preceding such Quarterly Payment Date;
 - (vi) the net proceeds deriving from the Eligible Investments made out of the funds standing to the credit of the Issuer Accounts during the Quarterly Settlement Period immediately preceding such Quarterly Payment Date;
 - (vii) only toward payments of (a) the Initial Purchase Price of each Additional Portfolio and (b) with respect to each Junior Notes Further Instalment Payments, the relevant Required Debt Service Reserve Amount, the Notes Further Instalment Payments to be paid by the relevant Noteholders on such Quarterly Payment Date, in accordance with the Subscription Agreements, provided that, should such Notes Further Instalment Payments be paid following such Quarterly Payment Date, the relevant funds (net of the relevant Required Debt Service Reserve Amount) shall be directly applied to pay the Initial Purchase Price of the relevant Additional Portfolio in accordance with the Transaction Documents;
 - (viii) any amount credited to the Principal Accumulation Account on the Quarterly Payment Date immediately preceding such Quarterly Payment Date as Principal Deficiency Amount and not utilised to purchase Subsequent Portfolios or Additional Portfolios;
 - (ix) any other amount received during the Quarterly Settlement Period immediately preceding such Quarterly Payment Date, not included in any of the items above (but excluding any amount expressly excluded from the Issuer Available Funds pursuant to any of the items above and below);

- (x) following delivery of a Trigger Notice or upon exercise of the Optional Redemption or Redemption for Taxation, all proceeds from the sale of the Receivables (also if credited to the Accounts following the Quarterly Settlement Date immediately preceding such Quarterly Payment Date),

but excluding: (i) any Principal Instalment collected and/or recovered in such Quarterly Settlement Period and utilised on (or about) a Monthly Payment Date towards payment of the Initial Purchase Price of any Additional Portfolio, (ii) any Residual Optional Instalment collected by the Issuer in the immediately preceding Quarterly Settlement Period and (iii) any Excess Indemnity Amount.

Trigger Events

The Terms and Conditions provide the following Trigger Events:

- (i) *Non-payment:*
 - a) on any Quarterly Payment Date (provided that a 7 Business Days' grace period shall apply) the amount paid by the Issuer as interest on the Most Senior Class of Notes is lower than the relevant Interest Amount; or
 - b) on the Final Maturity Date the Principal Amount Outstanding of the Senior Notes is not totally redeemed; or

- (ii) *Breach of other obligations:*

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

- (iii) *Breach of Representations and Warranties by the Issuer:*

any of the representations and warranties given by the Issuer under the Warranty and Indemnity Agreement

and any of the Transaction Documents to which it is party is or is proved to be incorrect or erroneous in any material respect when made, or deemed to be made, or at any time thereafter, unless it has been remedied within 30 days after the Representative of the Noteholders has served a notice requiring remedy; or

(iv) *Insolvency of the Issuer:*

an Insolvency Event occurs in respect of the Issuer; or

(v) *Unlawfulness:*

it is or will become unlawful for the Issuer to perform or comply with any of its material obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party when compliance with such obligations is deemed by the Representative of the Noteholders to be material.

Upon the occurrence of a Trigger Event, the Representative of the Noteholders:

- (1) in the case of a Trigger Event under (i) and (v) above, shall; and/or
- (2) in the case of a Trigger Event under (ii) and (iii) above, if so directed by an Extraordinary Resolution of the Senior Noteholders, shall; and/or
- (3) in the case of a Trigger Event under (iv) above, may at its sole discretion or shall, if so directed by an Extraordinary Resolution of the Senior Noteholders,

serve a Trigger Notice to the Issuer. Upon the service of a Trigger Notice, the Issuer Available Funds shall be applied in accordance with the Post-Enforcement Priority of Payments.

Following the delivery of a Trigger Notice, the Issuer may (subject to the consent of the Representative of the Noteholders) or the Representative of the Noteholders may (or shall, if so requested by an Extraordinary Resolution of the Senior Noteholders) direct the Issuer to, dispose of the Portfolios, subject to the terms and conditions of the Intercreditor Agreement, provided that the Originator shall have in such circumstance a pre-emption right to purchase the Portfolios at the terms and conditions specified in the Intercreditor Agreement.

Purchase Termination Events

The occurrence of each and any of the following events on any date will constitute a purchase termination event (a "**Purchase Termination Event**") in accordance with the Master

Receivables Purchase Agreement:

- (a) a Trigger Notice is delivered to the Issuer by the Representative of the Noteholders;
- (b) the Originator (in any role under the Transaction Documents) defaults in the performance of any of its obligations under the Master Receivables Purchase Agreement and the Servicing Agreement or under any other Transaction Document to which it is a party, if such default (i) in the opinion of the Representative of the Noteholders is materially prejudicial to the interests of the Senior Noteholders; and (ii) remains unremedied within 30 (thirty) Business Days (or 15 (fifteen) Business Days, where the default relates to an obligation to pay) after the delivery by the Issuer of a written notice to the Originator requiring the default to be remedied;
- (c) any of the representations and warranties given by the Originator or the Servicer under any of the Servicing Agreement or the Warranty and Indemnity Agreement is breached or is untrue, incomplete or inaccurate if the relevant breach (i) is, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Senior Noteholders, and (ii) remains unremedied within 30 (thirty) Business Days after the delivery by the Issuer of a written notice to the Originator requiring the default to be remedied;
- (d) the Originator is declared insolvent or admitted to any bankruptcy proceedings or the Originator has adopted a resolution aimed at obtaining the admission to any of such proceedings; a liquidator or administrative receiver is appointed or the Originator has adopted a resolution aimed at obtaining such appointments; the whole or a substantial part of the Originator's assets are subject to enforcement proceedings;
- (e) the Originator carries out any action for the purpose of rescheduling its own debts or postponing their relevant fulfilment, executes any extrajudicial arrangement with its creditors (including arrangements for the assignment of its assets to its creditors), files any petition for the suspension of its own payments or any competent

court grants to it a moratorium for the fulfilment of its own debts or the enforcement of any security granted by the Originator, if the Representative of the Noteholders, in its justified opinion, deems that any of the above events have or may have a material adverse effect on the Originator's financial condition, *provided that* the Originator has the right to renegotiate any subordinated loan granted to it by its controlling company;

- (f) a resolution has been adopted for the dissolution or liquidation of the Originator, except if such resolution is adopted in connection with a corporate restructuring;
- (g) the Originator resolves upon any material amendment of its corporate purpose (*oggetto sociale*) or the transfer of its registered office outside Italy;
- (h) the Issuer terminates the Originator's appointment as Servicer pursuant to the Servicing Agreement;
- (i) the Originator's external auditor expresses a negative assessment in the certification report (*relazione di certificazione*) relating to the Originator's annual financial statements or declares the impossibility to express an assessment in respect thereof;
- (j) at any Quarterly Payment Date, the Debt Service Reserve Account is not (or will not be) credited out of the Issuer Available Funds and in accordance with the applicable Priority of Payments, with the Total Debt Service Reserve Amount, as calculated on the Payments Report Date immediately preceding the relevant Quarterly Payment Date;
- (k) the Gross Cumulative Default Ratio, as evidenced in the relevant Quarterly Settlement Report, exceeds the respective Relevant Trigger;
- (l) the Delinquency Ratio, as evidenced in the relevant Quarterly Settlement Report, exceeds 5% for two consecutive Quarterly Payment Date;
- (m) the Asset Coverage Test is negative for 2 consecutive Payments Report Dates immediately preceding a Quarterly Payment Date; and
- (n) the Originator has sent a notice irrevocably

waiving its right to sell.

Upon occurrence of a Purchase Termination Event, the Representative of the Noteholders shall deliver a notice in accordance with the Terms and Conditions and the Transaction Documents (the "**Purchase Termination Event Notice**").

Pre-Enforcement Priorities of Payments

The Monthly Issuer Available Funds and the Issuer Available Funds, as the case may be, in respect of each Monthly Payment Date and Quarterly Payment Date, shall be applied in accordance with the orders of priority set out below.

Monthly Pre-Enforcement Priority of Payments

On each Monthly Payment Date during the Warehouse Period, the Monthly Issuer Available Funds shall be applied (to the extent of the amounts necessary to such purpose) in or towards payment of the Initial Purchase Price due and payable to the Originator in respect of any Additional Portfolio.

Provided, however, that payments to the Originator under the Monthly Priority of Payments, if any, will be made on the later of: (i) the relevant Monthly Payment Date and (ii) the Business Day on which the relevant Formalities are finalised. In the latter case, such amounts will be retained by the Issuer in the Principal Accumulation Account until the Business Day on which the relevant Formalities, in accordance with the terms of the Master Receivables Purchase Agreement and the Cash Allocation Management and Payments Agreement.

Any Monthly Issuer Available Funds not necessary to pay the Initial Purchase Price of Additional Portfolios on a Monthly Payment Date shall remain to the balance of the Account on which are credited (and may be invested in Eligible Investments in accordance with the Cash Allocation, Management and Payment Agreement) and will be used as Monthly Issuer Available Funds or Issuer Available Funds, as the case may be, on the earlier of (i) the next following Monthly Payment Date in respect of which a sale of an Additional Portfolio is made and (ii) the next following Quarterly Payment Date.

Quarterly Pre-Enforcement Priority of Payments

On each Quarterly Payment Date prior to the delivery of a Trigger Notice, the Issuer Available Funds shall be applied in making or providing for the following payments in accordance with the following order of priority (the "**Quarterly Pre-Enforcement Priority of Payments**") (in each case, only if and to the extent that payments of a higher priority have been made in full):

- (i) in or towards satisfaction of any and all taxes due and payable by the Issuer (to the extent that the amount then standing to the balance of the Expenses Account

- is insufficient to pay such Expenses);
- (ii) in or towards satisfaction of (a) *pari passu* and *pro rata* according to the respective amounts thereof of any due and payable Expenses (to the extent that the amount then standing to the balance of the Expenses Account is insufficient to pay such Expenses) thereafter (b) replenishment of the Expenses Account by an amount equal to the lower of (i) the Retention Amount and (ii) any Expenses and taxes paid during the immediately preceding Quarterly Settlement Period, and thereafter (c) the fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;
 - (iii) in or towards satisfaction *pari passu* and *pro rata* according to the respective amounts thereof, of any amounts due and payable to the Account Bank, English Account Bank, the Cash Manager, the Paying Agent, the Computation Agent, the Corporate Servicer, the Back-Up Servicer, the Servicer and any Other Issuer Creditors to the extent not specifically provided under any of the following items;
 - (iv) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of interest due and payable in respect of the Senior Notes;
 - (v) until the Cash Reserve Release Date (excluded), to credit to the Debt Service Reserve Account an amount (if any) to bring the balance of such account to the Total Debt Service Reserve Amount;
 - (vi) (a) during the Warehouse Period and the Revolving Period, to credit the Principal Deficiency Amount into the Principal Accumulation Account to be used to pay the Initial Purchase Price of the Additional Portfolios and the Subsequent Portfolios (provided that, for the avoidance of doubt, any remainder shall remain credited to the Principal Accumulation Account) and (b) during the Amortisation Period, (1) if the Gross Cumulative Default Ratio is higher than the applicable Relevant Trigger, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of principal due and payable in respect of the Senior Notes for an amount equal to the Issuer Available Funds available after payments under items from (i) to (v) above having been made,

provided however that on any Quarterly Payment Date (if any) falling between the Revolving Period End Date (included) and the beginning of the Amortisation Period (excluded), such amount shall be credited to the Principal Accumulation Account and form part of the Issuer Available Funds of the next succeeding Quarterly Payment Date or (2) if the Gross Cumulative Default Ratio is lower than the applicable Relevant Trigger, to use the Principal Deficiency Amount in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of principal due and payable in respect of the Senior Notes;

- (vii) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of any amounts (other than the Deferred Purchase Price) due and payable by the Issuer to the Originator pursuant to the Transaction Documents;
- (viii) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, any interest due and payable on the Junior Notes;
- (ix) upon redemption in full of the Senior Notes, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of principal due and payable in respect of the Junior Notes, provided however that prior to the beginning of the Amortisation Period, such amount shall be credited to the Principal Accumulation Account and form part of the Issuer Available Funds of the next succeeding Quarterly Payment Date;
- (x) to pay any surplus to the Originator as Deferred Purchase Price;

provided, however, that:

- (A) payments to the Originator under item (vi)(a) above, if any, will be made on the later of: (i) the relevant Quarterly Payment Date and (ii) the Business Day on which the relevant Formalities are finalised. In the latter case, such amounts will be retained by the Issuer in the Principal Accumulation Account until the Business Day on which the relevant Formalities are finalised, in accordance with the terms of the Master Receivables Purchase Agreement and the Cash Allocation Management and Payments Agreement; and

(B) (x) should the Computation Agent not receive the Quarterly Settlement Report within the third Business Day following the Quarterly Settlement Report Date, it shall prepare the relevant Payments Report by applying any amount standing to the credit of the Issuer's Accounts to pay item from (*first*) to (*fifth*) of the Quarterly Pre-Enforcement Priority of Payments (provided that, in respect to any amount to be calculated on the basis of the Quarterly Settlement Report, the Computation Agent shall take into account the amounts indicated in the latest available Quarterly Settlement Report, the Computation Agent shall take into account the amounts indicated in the latest available Quarterly Settlement Report (the "**Latest Report**")); and (y) the Computation Agent shall not be liable for any liability suffered or incurred by any other Party or by any Other Issuer Creditor as a result of taking into account the amounts indicated in the Latest Report. In addition, the Parties agree that the Computation Agent on the immediately following Payments Report Date, subject to having received the relevant Quarterly Settlement Report, shall prepare a Payments Report which shall provide for the necessary adjustment in respect of payments made on the basis of the Latest Report and in respect of amounts unpaid in the preceding Quarterly Payment Date.

The Issuer shall, if necessary, make the payments set out under item (i), (ii)(a) and (vi)(a) above also during the relevant Quarterly Interest Period.

Post-Enforcement Priority of Payments

Following the delivery of a Trigger Notice, the Issuer Available Funds shall be applied on each Quarterly Payment Date in making or providing for the following payments in the following order of priority (the "**Post-Enforcement Priority of Payments**") (in each case only if and to the extent that payments of a higher priority have been made in full):

- (i) in or towards satisfaction of any and all taxes due and payable by the Issuer (to the extent that the amount then standing to the balance of the Expenses Account is insufficient to pay such taxes);
- (ii) in or towards satisfaction of (a) *pari passu* and *pro rata* according to the respective amounts thereof of any due and payable Expenses (to the extent that the amount then standing to the balance of the Expenses Account is insufficient to pay such Expenses) thereafter (b) replenishment of the Expenses Account

by an amount equal to the lower of (i) the Retention Amount and (ii) any Expenses and taxes paid during the immediately preceding Quarterly Settlement Period, and thereafter (c) the fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;

- (iii) in or towards satisfaction *pari passu* and *pro rata* according to the respective amounts thereof, of any amounts due and payable to the English Account Bank, the Account Bank, the Cash Manager, the Paying Agent, the Computation Agent, the Corporate Servicer, the Back-Up Servicer, the Servicer and any Other Issuer Creditors to the extent not specifically provided under any of the following items;
- (iv) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of interest due and payable in respect of the Senior Notes;
- (v) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of the principal amount outstanding of the Senior Notes, provided that such amount prior to the beginning of the Amortisation Period shall be credited to the Principal Accumulation Account and form part of the Issuer Available Funds of the next succeeding Quarterly Payment Date;
- (vi) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of any amounts (other than the Deferred Purchase Price) due and payable by the Issuer pursuant to the Transaction Documents;
- (vii) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of interest due and payable in respect of the Junior Notes;
- (viii) upon redemption in full of the Senior Notes, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of principal due and payable in respect of the Junior Notes, provided however that prior to the beginning of the Amortisation Period, such amount shall be credited to the Principal Accumulation Account and form part of the Issuer Available Funds of the next succeeding Quarterly Payment Date;

- (ix) to pay any surplus to the Originator as Deferred Purchase Price.

The Issuer shall, if necessary, make the payments set out under items (i) and (ii)(a) above also during the relevant Quarterly Interest Period.

6. REPORTS

Servicer Reports

Under the Servicing Agreement, the Servicer has undertaken to prepare the following reports:

- (i) a Quarterly Settlement Report on each Quarterly Settlement Report Date, and
- (ii) during the Warehouse Period, a Monthly Settlement Report on each Monthly Settlement Report Date, in case the Originator intends to transfer an Additional Portfolio on a Monthly Settlement Report Date,

setting out, *inter alia*, detailed information in relation to, *inter alia*, the Collections and the Recoveries in respect of the Receivables comprised in the Portfolios.

English Account Bank Report

Under the Cash Allocation, Management and Payment Agreement, the English Account Bank has undertaken to prepare, no later than one Business Day prior to each Quarterly Settlement Report Date, the English Account Bank Report setting out details of the Eligible Investments made in the immediately preceding Quarterly Settlement Period out of the funds of the Investment Account and the amounts deriving (and which will derive) from the disposal and liquidation of such Eligible Investments. In addition, upon request of the Computation Agent (to be made, if necessary, in case the Originator has sent an Offer Notice to the Issuer), the English Account Bank shall promptly deliver to the Issuer, the Cash Manager, the Computation Agent, the Representative of the Noteholders and the Corporate Servicer an English Account Bank Report setting out details of the Eligible Investments made in the immediately preceding Monthly Settlement Period (and in any Monthly Settlement Period falling after the immediately preceding Quarterly Payment Date to the extent not already disinvested for the purchase of Additional Portfolios) out of the funds of the Investment Account and the amounts deriving (and which will derive) from the disposal and liquidation of such Eligible Investments.

Payments Report

Under the Cash Allocation, Management and Payment Agreement, the Computation Agent has undertaken to prepare, *inter alia*, on each Payments Report Date immediately

preceding a Quarterly Payment Date the Payments Report setting out, *inter alia*, the Issuer Available Funds and each of the payments and allocations to be made by the Issuer on the next Quarterly Payment Date, in accordance with the applicable Priority of Payments.

Investor Report

Under the Cash Allocation, Management and Payment Agreement, the Computation Agent has undertaken to prepare on each Investor Report Date the Investors Report setting out certain information with respect to the Notes.

7. TRANSFER AND ADMINISTRATION OF THE PORTFOLIOS

Master Receivables Purchase Agreement

Pursuant to the Master Receivables Purchase Agreement, the Issuer has purchased from the Originator the Initial Portfolio funding such purchase out of the proceeds deriving from the Notes Initial Instalment Payments. Subject to the terms of the Master Receivables Purchase Agreement, the Originator is allowed to sell to the Issuer which, upon occurrence of the conditions set forth in the Master Receivable Purchase Agreement, shall purchase from the Originator (i) during the Warehouse Period, Additional Portfolios and (ii) during the Revolving Period, Subsequent Portfolios, pursuant to Transfer Agreements.

The Initial Purchase Price of any Additional Portfolio will be paid by the Issuer out of (i) the Principal Instalments collected in respect of the Receivables and any other Monthly Issuer Available Funds or Issuer Available Funds, as the case may be, available to such purpose and (ii) should the amounts under (i) not be sufficient to such purpose, the Notes Further Instalment Payments. The Initial Purchase Price of any Subsequent Portfolio will be paid by the Issuer out of the Issuer Available Funds in accordance with the applicable Priority of Payments.

According to the Master Receivables Purchase Agreement, the Initial Purchase Price of any Additional Portfolio or any Subsequent Portfolio, as the case may be, shall not be higher than the Maximum Purchase Amount.

Key features of the sales of Portfolios

The Initial Portfolio has been transferred, and each Additional Portfolio and Subsequent Portfolio will be transferred, without recourse (*pro soluto*), in accordance with the Securitisation Law and subject to the satisfaction of certain conditions set forth in the Master Receivables Purchase Agreement.

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

Warranty and Indemnity

Pursuant to the Warranty and Indemnity Agreement, the

Agreement

Originator have given certain representations and warranties to the Issuer in relation to, *inter alia*, themselves and the Receivables comprised in each Portfolio and have agreed to indemnify the Issuer in respect of certain liabilities incurred by the Issuer as a result of the purchase and ownership of such Receivables.

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

Servicing Agreement

Pursuant to the Servicing Agreement, the Servicer has agreed to administer and service the Receivables comprised in the Portfolios in accordance with the terms thereof and in compliance with the Securitisation Law. Under the terms of the Servicing Agreement, the Servicer may delegate to third parties certain activities concerning the Receivables, without prejudice however to the responsibilities of the Servicer for any activities so delegated.

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

8. OTHER TRANSACTION DOCUMENTS

Intercreditor Agreement

Pursuant to the Intercreditor Agreement, the Issuer, the Representative of the Noteholders (on its own behalf and as agent of the Noteholders) and the Other Issuer Creditors have agreed to, *inter alia*, (i) the application of the Monthly Issuer Available Funds and the Issuer Available Funds, in accordance with the applicable 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 Portfolios.

For further details, see the section entitled "*Description of the other Transaction Documents*".

Cash Allocation, Management and Payments Agreement

Pursuant to the Cash Allocation, Management and Payment Agreement, the Computation Agent, the English Account Bank, the Account Bank, the Paying Agent and the Cash Manager have agreed to provide the Issuer with certain agency services and certain calculation, notification and reporting services together with account handling services in relation to monies and securities from time to time standing to the credit of the Accounts.

Pursuant to the terms of the Cash Allocation, Management and Payment Agreement, amounts standing from time to time to the

credit of the Investment Account may be invested in Eligible Investments in accordance with the terms thereof.

For further details, see the section entitled "*Description of the other Transaction Documents*".

Mandate Agreement

Pursuant to the Mandate Agreement, the Representative of the Noteholders will be authorised, subject the delivery of a Trigger Notice, to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of certain Transaction Documents to which the Issuer is a party.

For further details, see the section entitled "*Description of the other Transaction Documents*".

Deed of Pledge

Pursuant to the Deed of Pledge, as security for the Secured Obligations the Issuer has pledged in favour of the Noteholders and the Other Issuer Creditors all existing and future monetary claims and rights deriving from certain Transaction Documents and the amount standing to the credit of the Collection Account, Debt Service Reserve Account and the Principal Accumulation Account (other than the Receivables, the Collections and the Recoveries).

Deed of Charge

Pursuant to the Deed of Charge, the Issuer has granted in favour of the Noteholders and the Other Issuer Creditors, acting through the Representative of the Noteholders pursuant to its appointment under the Intercreditor Agreement, a first priority charge over (a) any sums standing to the credit of the Investment Account; and (b) Eligible Investments credited to the Investment Account and all dividends, interest and other monies payable in respect thereof and all other rights, benefits and proceeds deriving therefrom.

For further details, see the section entitled "*Description of the other Transaction Documents*".

Corporate Services Agreement

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

For further details, see the section entitled "*Description of the other Transaction Documents*".

Letter of Undertaking

Pursuant to the Letter of Undertaking, the Originator has undertaken to provide the Issuer with all necessary monies in order for the Issuer to pay certain losses, costs, expenses or liabilities indicated therein.

For further details, see the section entitled "*Description of the other Transaction Documents*".

Quotaholder's Agreement

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

For further details, see the section entitled "*Description of the other Transaction Documents*".

Back-up Servicing Agreement

Pursuant to the Back-Up Servicing Agreement, the Back-Up Servicer has agreed to act as substitute Servicer subject to, *inter alia*, the appointment of Alba Leasing as Servicer being terminated, in accordance with the terms of the Servicing Agreement.

For further details, see the section entitled "*Description of the other Transaction Documents*".

RISK FACTORS

The following is a summary of certain aspects of the issue of the Notes of which prospective Noteholders should be aware. It is not intended to be exhaustive and prospective Noteholders should also read the detailed information set out elsewhere in this document.

1. SECURITISATION LAW

The Securitisation Law was enacted in Italy in April 1999. As at the date of this Prospectus, no interpretation of the application of the Securitisation Law has been issued by any Italian court or governmental or regulatory authority, except for regulations issued by the Bank of Italy concerning, inter alia, the accounting treatment of securitisation transactions by special purpose companies incorporated under the Securitisation Law, such as the Issuer, and the duties of the companies which carry out collection and recovery activities in the context of a securitisation transaction. Consequently, it is possible that such or different authorities may issue further regulations relating to the Securitisation Law or the interpretation thereof, the impact of which cannot be predicted by the Issuer as at the date of this Prospectus.

2. SUITABILITY

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

Prospective investors in the Notes should not rely on or construe any communication (written or oral) of the Issuer or the Originator as an investment advice or as a recommendation to invest in the Notes, it being understood that information and explanations related to the Terms and Conditions shall not be considered to be an investment advice or a recommendation to invest in the Notes.

No communication (written or oral) received from the Issuer 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.

3. SOURCE OF PAYMENTS TO THE NOTEHOLDERS

The Notes will be limited recourse obligations solely of the Issuer. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, Alba Leasing (in any capacity), the Lessees, the Representative of the Noteholders, the English Account Bank, the Account Bank, the Cash Manager, the Paying Agent, the Computation Agent, the Servicer, the Back-Up Servicer, the Corporate Servicer, the Initial Senior Notes Subscriber and the Initial Junior Notes Subscriber. None of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due under the Notes.

The Issuer will not have any significant assets as at the Issue Date other than the Initial Portfolio, the Collections derived therefrom and its rights under the Transaction Documents to which it is a party. Consequently, there is no assurance that, over the life of the Notes or at the redemption date of the Notes (whether on the Final Maturity Date, upon redemption by acceleration of maturity following the delivery of a Trigger Notice, or otherwise), there will be sufficient funds to enable the Issuer to pay interest on the Notes, or to repay the Notes in full.

4. ISSUER'S ABILITY TO MEET ITS OBLIGATIONS UNDER THE NOTES

The ability of the Issuer to meet its payment obligations in respect of the Notes will be dependent on the receipt by the Issuer of: (i) the Collections and the Recoveries in respect of the Portfolios made on its behalf by the Servicer; and (ii) any other amounts received by the Issuer pursuant to the provisions of the other Transaction Documents to which it is a party.

The Issuer is subject to the risk of delay arising between the receipt of payments due from Lessees under the Receivables comprised in the Portfolios at the scheduled Quarterly Payment Dates, which may result in the Issuer being unable to discharge all amounts payable under the Notes as they fall due.

The Issuer is subject to the further risk of failure by the Servicer to collect or recover sufficient funds in respect of the Portfolios in order to discharge all amounts payable under the Notes when they fall due, as well as the risk of default in payment by the Lessees and the failure to realise or recover sufficient funds in respect of the Delinquent Lease Contracts and the Defaulted Lease Contracts in order to discharge all amounts due by the Lessees under the Lease Contracts.

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

After the Notes have become due and payable 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, in accordance with the terms and conditions of the Transaction Documents.

5. LIMITED RECOURSE NATURE OF THE NOTES

The Notes will be limited recourse obligations of the Issuer. Noteholders will receive payment in respect of principal and interest on the Notes only if, and to the extent that, the Issuer has sufficient funds to make such payment. If there are not sufficient funds available to the Issuer to pay in full all principal and interest due in respect of the Notes, then the Noteholders will have no further claims against the Issuer in respect of any such unpaid amounts.

Following the service of a Trigger Notice, the only remedy available to the Noteholders and the Other Issuer Creditors is the exercise by the Representative of Noteholders of the Issuer's Rights.

6. SUBORDINATION OF THE NOTES

Either prior to or after the service of a Trigger Notice, in respect of the obligations of the Issuer to pay interest and repay principal on the Notes, the Senior Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the Junior Notes; the Junior Notes will rank *pari passu* without preference or priority amongst themselves but subordinated to the Senior Notes.

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

7. RATINGS ASSIGNED TO THE SENIOR NOTES

The rating assigned by S&P to the Senior Notes address the likelihood of full and timely payment to Noteholders of all payments of interest on each Payment Date under the Senior Notes in accordance with the terms of the Transaction Documents and the Conditions. The rating also addresses the likelihood of "ultimate" payment of principal by the Final Maturity Date of the Senior Notes. The expected ratings of each class of Notes on the Closing Date are set out in Section "*Transaction Summary Information – The Principal Features of the Notes*".

S&P may lower its rating or withdraw its rating if, *inter alia*, in the sole judgment of S&P, the credit quality of the Senior Notes has declined or is under evaluation. If any rating assigned to the Senior Notes is lowered or withdrawn, the market value of the Senior Notes may be reduced. A security credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. In addition, S&P might include non-credit analysis on factors not directly associated with the transaction when assessing the Senior Notes.

S&P is established in the European Union and has been registered under the Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No. 513/2011 of the European Parliament and of the Council of 11 May 2011 (the "**EU Regulation**"), as resulting from the list of registered credited rating agencies (reference number 2011/247) published on 31 October 2011 by the European Securities and Markets Authority (ESMA).

8. INTEGRAL MULTIPLES OF LESS THAN € 100,000

Although notes may be admitted to trading on a regulated market in the European Economic Area or offered to the public in a member state of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive are required to have a minimum denomination of €100,000 (or, where the specified currency is not euro, its equivalent in the specified currency), it is possible that the notes may be traded in the clearing systems in amounts in excess of €100,000 (or its equivalent in alternate currencies) that are not integral multiples of €100,000 (or its equivalent in alternate currencies). In relation to any issue of notes which have a denomination consisting of the minimum specified denomination plus a higher integral multiple of another smaller amount,

it is possible that the notes may be traded in amounts in excess of €100,000 (or its equivalent) that are not integral multiples of €100,000 (or its equivalent).

Noteholders should be aware that Notes which have a denomination that is not integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

9. CLAIMS OF UNSECURED CREDITORS OF THE ISSUER

By virtue of the operation of article 3 of the Securitisation Law and of the Transaction Documents, the Issuer's right, title and interest in and to the Portfolios and to any sums collected therefrom will be segregated (to the extent deposited on the Issuer's Accounts) from all other assets of the Issuer (including any other receivables purchased by the Issuer under further securitisation transactions pursuant to the Securitisation Law) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) will only be available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, to the Other Issuer Creditors and to any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the Transaction. Amounts derived from the Receivables will not be available to any other creditors of the Issuer. However, under Italian law, any other creditor of the Issuer would be able to commence insolvency or winding up proceedings against the Issuer in respect of any unpaid debt.

The Issuer is unlikely to have a large number of creditors unrelated to the Transaction or to any Further Securitisation because (a) the corporate object of the Issuer, as contained in its by-laws (*statuto*), is very limited, and (b) the Issuer will provide certain covenants in the Intercreditor Agreement and in the Terms and Conditions which contain restrictions on the activities which the Issuer may carry out (including incurring further substantial debt). As a result, the Issuer may only carry out limited transactions in connection with the Transaction and, subject to the satisfaction of Condition 6.2 (*Covenants - Further Securitisations*), the Further Securitisations. Accordingly, the Issuer is less likely to have creditors who would claim against it other than those related to the Transaction or to a Further Securitisation (if any), the Noteholders and the Other Issuer Creditors (all of whom have agreed to non-petition provisions contained in the Transaction Documents) and the other third party creditors in respect of any taxes, costs, fees or expenses incurred in relation to such securitisations and in order to preserve the corporate existence of the Issuer, to maintain it in good standing and to comply with applicable legislation. To the extent that the Issuer incurs any ongoing taxes, costs, fees and expenses (whether or not related to the Securitisation), the Issuer has established the Expenses Account, to which the Retention Amount shall be credited on the Issue Date and refilled on each Quarterly Payment Date in accordance with the applicable Priority of Payments and out of which payments of the aforementioned taxes, costs, fees and expenses shall be paid during any Quarterly Settlement Period. For further details, see paragraph "*Further Securitisations*" of this section entitled "*Risk Factors*" and the section "*The Issuer*".

Notwithstanding the foregoing, there can be no assurance that if any bankruptcy proceedings were to be commenced against the Issuer, the Issuer would be able to meet all of its obligations under the Notes.

10. PROJECTIONS, FORECASTS AND ESTIMATES

Estimates of the expected average lives of the Notes included herein, together with any other projections, forecasts and estimates 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, actual results may vary from the projections, and the variations may be material.

11. NO INDEPENDENT INVESTIGATION IN RELATION TO THE PORTFOLIOS

None of the Issuer or any other party to the Transaction Documents (other than the Originator) has undertaken or will undertake any investigations, searches or other actions to verify the details of the Receivables comprised in the Portfolios nor has any such person undertaken, nor will any of them undertake, any investigations, searches or other actions to establish the creditworthiness of any Lessee. Each such person will rely solely on representations and warranties given by the Originator under the Warranty and Indemnity Agreement in respect of, *inter alia*, the Receivables and the Lease Contracts, and deemed to be repeated each time specified under the Warranty and Indemnity Agreement.

There can be no assurance that the assumptions used in modelling the cash flows of the Receivables comprised in the Portfolios accurately reflect the status of the underlying Lease Contracts.

The only remedies of the Issuer in respect of the occurrence of a breach of a representation or warranty which materially and adversely affects the value of a Receivable will be the requirement that the Originator indemnifies the Issuer for the damage deriving therefrom in accordance with the terms and conditions of the Master Receivables Purchase Agreement. For further details, see the section entitled "*The Master Receivables Purchase Agreement*". There can be no assurance that the Originator will have the financial resources to honour such indemnification obligations.

12. CLAW-BACK OF THE SALES OF THE RECEIVABLES

Assignments executed under the Securitisation Law may be clawed back by a receiver of the Originator under article 67, paragraphs 1(4) and 2 of the Italian Royal Decree No. 267 of 16 March 1942 (the "**Bankruptcy Law**"), but only in the event that the Originator was insolvent when the relevant assignment was entered into and was executed within three months of the adjudication of bankruptcy of the Originator or, in cases where paragraph 1(1), 1(2) and 1(3) of article 67 of the Bankruptcy Law applies, within six months of the adjudication of bankruptcy of the Originator. Under the Master Receivables Purchase Agreement, the Originator has represented and warranted that it was solvent as of the date of the signing of the Master Receivables Purchase Agreement, and, upon purchase of any Additional Portfolio and Subsequent Portfolio, the Originator shall deliver, in accordance with the Master Receivables Purchase Agreement (i) a certificate of good standing of the Chamber of Commerce (*certificato di vigenza della Camera di Commercio*); (ii) a solvency certificate signed by a representative duly authorized by the Originator; and (iii) a certificate of the bankruptcy court ("*tribunal civile – sezione fallimentare*") confirming that the Originator is not subject to any insolvency or similar proceedings (to the extent such certificate is released by the competent court).

13. CLAW-BACK ACTION AGAINST THE PAYMENTS MADE TO COMPANIES INCORPORATED UNDER THE SECURITISATION LAW

According to article 4 of the Securitisation Law, the payments made by an assigned debtor to the Issuer may not be subject to any claw-back action according to article 67 of the Bankruptcy Law.

All other payments made to the Issuer by any party under a Transaction Document in the six months or one year suspected period prior to the date on which such party has been declared bankrupt or has been admitted to the compulsory liquidation may be subject to claw-back action according to article 67 of the Bankruptcy Law.

14. RISK OF AVOIDANCE OF PREPAYMENTS UPON THE INSOLVENCY OF THE LESSEES

Pursuant to article 65 of the Bankruptcy Law, payments of receivables made in the two years preceding the payer's declaration of insolvency are ineffective as against the payer's creditors (including a receiver in the payer's insolvency) if the receivables fall due on or after the payer's declaration of insolvency. The Italian Supreme Court (*Corte di Cassazione*, decisions No. 4842 of 5 April 2002 and No. 17552 of 29 July 2009), overruling the view taken by previous decisions, has held that prepayments of loans (in any form including those pursuant to financial leasing contracts) generally fall within the scope of application of article 65 of the Bankruptcy Law, irrespective of the borrower (or lessee) being entitled to prepay the loan (or lease contracts) by statute or pursuant to an express provision of the relevant agreement.

Whilst as a result of the provisions of article 4 of the Securitisation Law, no claw-back under article 67 of the Bankruptcy Law would apply to payments made by the assigned debtors to companies organised under the Securitisation Law (such as the Issuer), the application of article 65 of the Bankruptcy Law to such payments is not excluded by any provision of the Securitisation Law. Therefore it cannot be excluded that prepayments of the underlying Receivables, made to the Issuer by Lessees who may be subject to insolvency proceedings (*i.e.* corporate entities and private individuals carrying out certain business activities), may be subject to claw-back under article 65 of the Bankruptcy Law, with the consequence that the Issuer would be required to pay to the receiver of each such Lessee, in priority to any payment due by the Issuer under the Notes, any amount prepaid by such Lessee in the two years preceding the date such Lessee was declared insolvent.

15. YIELD AND PAYMENT CONSIDERATIONS

The yield to maturity of the Notes will depend on, *inter alia*, the amount and timing of repayment of principal (including prepayments and proceeds from the sale of the Assets upon termination of the Lease Contracts) on the Receivables and on the actual date of exercise (if any) by the Issuer of its option to early redeem the Notes pursuant to Condition 10.4 (*Redemption, Purchase and Cancellation - Optional Redemption*).

Such yield may be adversely affected by higher or lower rates of prepayment, delinquency and default on the Receivables. The respective rates of prepayment, delinquency and default on the Receivables cannot be predicted and are influenced by a wide variety of economic, social and other factors.

16. **RIGHT TO FUTURE RECEIVABLES**

Under the terms of the Master Receivables Purchase Agreement, the right to receive the Residual Optional Instalment (excluding any VAT then payable) is included in the Receivables assigned to (or that will be assigned to) the Issuer pursuant to the Master Receivables Purchase Agreement and the relevant Transfer Agreement. In addition, the Master Receivables Purchase Agreement provides the transfer by the Originator to the Issuer, in addition to the claims in respect of the lease rentals, of any claim relating to any additional amount payable as lease rental pursuant to the Lease Contracts as a result of any amendment of such Lease Contracts (the "**Rental Increase Claims**"). Moreover, pursuant to the Master Receivables Purchase Agreement, if a Lease Contract is terminated, the Originator has transferred to the Issuer, by way of satisfaction, the claims (i) relating to the purchase price due for the sale of the relevant Asset and (ii) in case such leased Asset is leased to a new lessee, the claims deriving from the relevant new lease contract (collectively, the "**Termination Claims**"). In the event that the Originator is or becomes insolvent, the court may treat the Issuer's claims to the Residual Optional Instalment, the Rental Increase Claims and the Termination Claims sold by the Originator as "future receivables". The Issuer's claims to any future receivables (i) that have not yet arisen at the time of the relevant Originator's admission to the relevant insolvency proceedings or (ii) which have arisen at such time but in respect of which the transfer formalities have not been completed before such date, might not be effective and enforceable against the insolvency receiver of the Originator. In fact, on the basis of certain case law, whilst future receivables are capable of being assigned so long as they are clearly identifiable, the formalities required to render the transfer of such future receivables enforceable as against third party creditors of the assignor (including a receiver in its insolvency), may only be performed after the relevant receivables have come into existence (and, based on certain court decisions, have become due and payable). In addition, according to a principle repeatedly confirmed by the case law, when future receivables come into existence, they initially do so as an asset of the assignor. As a result, based on this interpretation, if the assignor (in our case the Originator) has been declared insolvent after the time at which the future receivable has been transferred but before the time at which it has come into existence, that receivable does not become the property of the assignee (in our case the Issuer) but becomes part of the assignor's insolvency estate (in our case the Originator's insolvency estate).

17. **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 to the extent provided by the Transaction Documents. The Terms and Conditions and the Rules of the Organisation of the Noteholders limit the ability of individual Noteholders to bring individual actions against the Issuer in certain circumstances.

18. **RIGHTS OF SET-OFF AND OTHER RIGHTS OF LESSEES**

Under general principles of Italian law, the Lessees are entitled to exercise rights of set-off in respect of amounts due under any Lease Contract against any amounts payable by the Originator to the relevant Lessee.

The assignment of receivables under the Securitisation Law is governed by article 58, paragraphs 2, 3 and 4, of the Consolidated Banking Act. According to the prevailing interpretation of such provision, such assignment becomes enforceable against the relevant debtors as of the later of (i) the date of the publication of the notice of assignment in the Official Gazette of the Republic of Italy (*Gazzetta Ufficiale della Repubblica Italiana*), and (ii) the date of registration of the notice of assignment in the competent companies' register. Consequently, Lessees may exercise a right of set-off against the Issuer on claims against the Originator and/or the Issuer which have arisen before both the publication of the notice in the Official Gazette and the registration in the competent companies' register have been completed.

The exercise of such right of set-off by the Lessees may adversely affect any sale proceeds of the Portfolio and, ultimately, the ability of the Issuer to make payments under the Notes.

At the date of this Prospectus, the assignment of the Initial Portfolio from the Originator to the Issuer pursuant to the Master Receivables Purchase Agreement has already been duly published in the Official Gazette and registered with the Issuer's Register of Companies. In particular, the notice of the assignment of the Initial Portfolio was published in the Official Gazette No. 146 of 15 December 2012 and registered with the Register of Companies of Milan on 14 December 2012.

19. **HISTORICAL INFORMATION**

The historical financial and other information set out in the sections headed "*The Originator*" and "*The Portfolios*" represent the historical experience of Alba Leasing. Alba Leasing accepts any responsibility for its fairness and accuracy. However, there can be no assurance that the future experience and performance of Alba Leasing as Servicer will be similar to the experience shown in this Prospectus.

20. **ITALIAN USURY LAW**

Italian Law No. 108 of 7 March 1996 ("*Disposizioni in materia di usura*") (as amended by law decree number 70 of 13 May 2011, as converted into Law no. 106 of 12 July 2011) (as amended from time to time, the "**Usury Law**") introduced legislation preventing lenders from applying interest rates equal to or higher than rates (the "**Usury Rates**") set on a quarterly basis by a decree issued by the Italian Treasury (the latest of these decrees having been issued on 26 September 2012 and published in the Official Gazette of 29 September 2012, No. 228).

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 (including financial leases) 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 - or a lease contract - (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.

The Italian Government has intervened in this situation with Law Decree No. 394 of 29 December 2000 ("*Interpretazione autentica della legge 7 marzo 1996, n. 108*") (the "**Usury Law Decree**"), converted into Law No. 24 on 28 February 2001 ("*Conversione in legge, con modificazioni, del decreto-legge 29 dicembre 2000, n. 394, concernente interpretazione autentica della legge 7 marzo 1996, n. 108, recante disposizioni in materia di usura*"), which 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 was reached. The Usury Law Decree also provided that, as an extraordinary measure due to the exceptional fall in interest rates in the years 1998 and 1999, interest rates due on instalments payable after 2 January 2001 on loans already entered into on the date on which the Usury Law Decree came into force (such date being 31 December 2000) were to be substituted with a lower interest rate fixed in accordance with parameters fixed by the Usury Law Decree. The validity of the Usury Law Decree has been challenged before the Italian Constitutional Court by certain consumers' associations claiming that the Usury Law Decree does not comply with the principles set out in the Italian Constitution.

By decision No. 29/2002 (deposited on 25 February 2002), the Italian Constitutional Court (*Corte Costituzionale*) has stated, *inter alia*, that the Usury Law Decree complies with the principles set out in the Italian Constitution except for such provisions of the Usury Law Decree providing that the interest rates due on instalments payable after 2 January 2001 on loans are to be substituted with lower interest rates fixed in accordance with the Usury Law Decree. By such decision the Italian Constitutional Court has established that the lower interest rates fixed in accordance with the Usury Law Decree are to be substituted on instalments payable from the date on which such Decree came into force (31 December 2000) and not on instalments payable after 2 January 2001.

Prospective noteholders should note that under the terms of the Master Receivable Purchase Agreement, the Originator has represented and warranted to the Issuer, *inter alia*, that the terms and conditions of each Lease Contract comply with all applicable laws and regulations from time to time into force, including usury provisions, and has undertaken to indemnify the Issuer from and against all damages, loss, claims, liabilities, costs and expenses incurred by it arising from the application of the Usury Law in relation to interest accrued, or to accrue, on Lease Contracts.

21. **COMPOUNDING OF INTEREST (*ANATOCISMO*)**

According to article 1283 of the Italian civil code, in respect of a monetary claim or receivable, accrued interests can be capitalised after a period of not less than six months provided that the capitalisation has been agreed after the date on which it has become due and payable or from the date when the relevant legal proceedings are commenced in respect of that monetary claim or receivable. According to article 1283 of the Italian civil code, such

provision may be derogated from only in the event that there are recognised customary practices (*usi normativi*) to the contrary.

Banks and financial institutions in the Republic of Italy have traditionally capitalised accrued interest on a quarterly basis on the grounds that such practice could be characterised as a customary practice (*uso normativo*). However, a number of judgments from Italian courts (including Judgments No. 2593/2003 and No. 2374/1999 of the Italian Supreme Court) have held that such practice do not meet the legal definition of customary practice (*uso normativo*).

In this respect, it should be noted that article 25 of Legislative Decree No. 342 of 4 August 1999 (the "**Decree 342**"), enacted by the Italian Government under a delegation granted pursuant to Law No. 142 of 19 February 1992 (the "**Legge Delega**"), has delegated to the Interministerial Committee of Credit and Savings (the "**CICR**") powers to fix the conditions for the capitalisation of accrued interests. Pursuant to a resolution of the CICR dated 9 February 2000 (the "**Resolution**"), banks can capitalise accrued interest due from clients provided that they capitalise with the same frequency interest owed to clients. In particular, in compliance with the provisions set forth in the Resolution, from the date on which the Resolution entered into force (*i.e.* 22 April 2000), the capitalisation of accrued interest will still be possible upon the terms established by the Resolution which further provided that all conditions applied in relation to contracts executed prior to its coming into force were to be adjusted so to comply with such new regulation by 30 June 2000 with effect from 1 July 2000. Decree 342 was challenged before the Italian Constitutional Court on the grounds that it falls outside the scope of the legislative powers delegated under the *Legge Delega*.

On 17 October 2000, the Italian Constitutional Court (Judgment No. 425/2000) upheld the challenge of article 25 of Decree 342 on the grounds of *eccesso di delega*, declaring such article as unconstitutional, thus null and void on the basis of conflict with Italian constitutional principles. In addition, the Italian Supreme Court stated (by way of decision No. 21095 of 4 November 2004, thereafter confirmed by decision No. 10376 of 2006 of 5 May 2006) that the practice by the banks to capitalise accrued interests on a quarterly basis is invalid also in relation to agreements executed before Judgment No. 2374/99 by the Italian Supreme Court and not only for those agreements executed after such judgment.

As a consequence thereof, to the extent the Originator were to capitalise interests in violation of the principle stated by article 1283 of the Italian civil code, a Lessee could challenge such practice and this could have a negative effect on the returns generated from the lease contracts.

However, prospective noteholders should note that under the terms of the Master Receivable Purchase Agreement, the Originator has represented that all Lease Contracts originated by it have been executed and performed in compliance with the provisions of article 1283 of the Italian civil code and have furthermore undertaken to indemnify the Issuer from and against all damages, loss, claims, liabilities, costs and expenses incurred by it arising from the non-compliance of the terms and conditions of any Lease Contract with the Italian law provisions concerning the capitalisation of accrued interest.

22. **SERVICING OF THE RECEIVABLES**

Prior to their transfer to the Issuer, the Receivables comprised in any of the Portfolios have always been collected by Alba Leasing in its capacity as owner of such Receivables. Following their sale to the Issuer, the Receivables will be collected by Alba Leasing in its capacity as Servicer pursuant to the Servicing Agreement. Consequently, the net cash flows from the Receivables may be affected by the collection procedures adopted by Alba Leasing.

The Servicer has agreed to prepare and submit to, *inter alios*, the Issuer, the Representative of the Noteholders, the Computation Agent, the English Account Bank, and the Account Bank the Quarterly Settlement Report, or the Monthly Settlement Report during the Warehouse Period, containing information as to the collections of interest, principal and penalties and any other amount due in respect of the Receivables.

23. **BACK-UP SERVICER**

Pursuant to the terms of the Back-Up Servicing Agreement, the Back-Up Servicer has undertaken to act as substitute Servicer of the Portfolios on the same terms and conditions of the Servicing Agreement, in the event that the appointment of Alba Leasing as Servicer is terminated in accordance with the Servicing Agreement. For further details, see the section entitled "*Description of the Back-Up Servicing Agreement*".

24. **CREDIT RISK OF ALBA LEASING AND OTHER PARTIES**

The ability of the Issuer to make payments in respect of the Notes will depend to a significant extent upon the due performance by Alba Leasing and the other parties to the Transaction Documents of their various obligations under the Transaction Documents to which they are a party. In particular, the timely payment of amounts due on the Notes will depend on the ability of Alba Leasing to service and collect the Receivables pursuant to the Servicing Agreement and on the ability of the Originator to comply with its indemnification obligations under the Master Receivables Purchase Agreement.

In particular, the Issuer is subject to the risk of the failure by Alba Leasing, in its capacity as Servicer to collect sufficient funds in respect of the Receivables in order to enable the Issuer to discharge all amounts payable under the Notes when due. In any case, there can be no assurance that the levels of Collections and Recoveries will be adequate to ensure timely and full receipt of all the amounts due under the Notes.

It is not certain that a suitable alternative servicer could be found to service the Portfolios in the event that (i) Alba Leasing becomes insolvent or its appointment as Servicer under the Servicing Agreement is otherwise terminated and (ii) the Back-Up Servicer fails or is unable for any reasons to replace Alba Leasing as Servicer, in accordance with the Back-Up Servicing Agreement (for further details, see the section entitled "*Description of the Back-Up Servicing Agreement*" and paragraph "*Back-Up Servicer*" above of this section entitled "*Risk Factors*"). If such an alternative servicer were to be found, it is not certain whether it would agree to service the Portfolios on the same terms and conditions of the Servicing Agreement. In such circumstances, the Issuer could attempt to sell the Portfolios, but there is no assurance that the amount received on such a sale would be sufficient to repay in full all amounts due to the Noteholders.

25. **POLITICAL AND ECONOMIC DEVELOPMENTS IN THE REPUBLIC OF ITALY AND IN THE EUROPEAN UNION**

The performance of the Italian economy has a significant impact on Alba Leasing as its activity is principally concentrated in the Republic of Italy. A severe or extended downturn in the Republic of Italy's economy would adversely affect the results of operations of the Originator and the financial condition of both the Lessees and the Originator which could in turn affect the ability of the latter to perform its obligations under the Transaction Documents to which it is a party.

26. **BENEFIT OF THE LEASED ASSETS**

Under the financial lease contracts the lessor is the owner of the leased assets and the ownership over the leased assets is not transferred to the Issuer together with the Receivables. In spite of this, the Issuer can nevertheless obtain the benefit of the proceeds generated by the sale or the re-lease of the leased assets in the event that the original financial lease contract is terminated. This is provided through the assignment by the Originator to the Issuer under the Master Receivables Purchase Agreement of the sale proceeds or future rentals in a maximum amount determined in accordance with the Master Receivables Purchase Agreement (or, if only part of the Instalments under the terminated lease contract have been assigned to the Issuer, the Pro Rata Share of such sale proceeds or future rentals) deriving from the sale or the re-lease of the leased assets, being such assignment effective upon termination of the original financial lease contract. It should however be noted that the benefit of the leased assets could not survive the bankruptcy or the compulsory liquidation of the lessor. For further details, see paragraph "*Rights to Future Receivables*" of this section entitled "*Risk Factors*".

27. **EFFECT ON LEASE CONTRACTS OF INSOLVENCY OF THE LESSEES OR THE ORIGINATOR**

Article 59 of Legislative Decree No. 5 of 9 January 2006 amended the Bankruptcy Law by introducing a supplemental article *72-quater* ("**Article 72-quater**") specifically regulating the impact of the insolvency of a lessee or a lessor under financial lease agreements.

Pursuant to Article *72-quater*, the effects of the insolvency of a lessee on a financial lease agreement are regulated by article 72 of the Bankruptcy Law ("**Article 72**").

As a result of the application of to Article 72, if the lessee is declared bankrupt, the execution of the contract remains suspended until the bankruptcy receiver (*curatore*), with the authorisation of the committee of creditors (*comitato dei creditori*), declares to either (i) succeed under the contract in place of the lessee by assuming all of the relevant contractual obligations, or (ii) terminate such contract.

However, the lessor can request the official receiver (*giudice delegato*) to assign to the bankruptcy receiver a time limit of not more than 60 days (for making the declaration mentioned above), upon the expiry of which (without such declaration having been made), the contract is intended to be terminated.

Article *72-quater* further provides that, if the temporary continuation of the business is provided, the contract continues to be in force unless the bankruptcy receiver declares the termination of the contract.

In case of termination of the contract, the lessor is entitled to the restitution of the leased asset and is obliged to pay to the official receivership (*curatela*) the difference, if any, between (i) the higher amount received by the lessor from the sale or from other disposal of the leased asset and (ii) the outstanding claims of the lessor in respect of principal under the lease contract; provided however that any instalments paid by the lessee prior to the insolvency are not subject to claw-back, in accordance with article 67, third paragraph, item (a) of the Bankruptcy Law.

The lessor, in turn, has the right to prove his claim in bankruptcy for the difference between (i) his claim (under the lease contract) as of the date of the bankruptcy and (ii) the amount received from the new assignment of the leased asset.

With reference to the bankruptcy of companies authorised to carry out financial activity in the form of financial leases (such as the Originator), Article 72-*quater* provides that the contract continues; the lessee maintains the option to purchase, on the expiry of the contract, the leased asset, subject to the payment of the relevant instalments and the agreed purchase price.

28. LAW NO. 3 OF 27 JANUARY 2012

Law no. 3 of 27 January 2012, published in the Official Gazette of the Republic of Italy no. 24 of 30 January 2012 (the "**Over Indebtedness Law**") has become effective as of 29 February 2012 and introduced a new procedure, by means of which, inter alia, debtors who: (i) are in a state of over indebtedness (*sovraindebitamento*), and (ii) cannot be subject to bankruptcy proceedings or other insolvency proceedings pursuant to the Bankruptcy Law, may request to enter into a debt restructuring agreement (*accordo di ristrutturazione*) with their respective creditors, provided that, in respect of future proceedings, the relevant debtor has not made recourse to the debt restructuring procedure enacted by the Over Indebtedness Law during the preceding 3 years.

The Over Indebtedness Law provides that the relevant debt restructuring agreement, subject to the relevant court approval, shall entail, *inter alia*: (i) the renegotiation of payments' terms with the relevant creditors; (ii) the full payment of the secured creditors; (iii) the full payment of any other creditors which are not part of the debt restructuring agreement (provided that the payments due to any creditors which have not approved the debt restructuring agreement, including any secured creditors, may be suspended for up to one year); and (iv) the possibility to appoint a trustee for the administration and liquidation of the debtor's assets and the distribution to the creditors of the proceeds of the liquidation.

Should the debtors under the Portfolio enter into such debt restructuring agreement (be it with the Issuer or with any other of its creditors) the Issuer could be subject to the risk of having the payments due by the relevant debtor suspended for up one year.

29. TERMS OF THE LEASE CONTRACTS

The Lease Contracts entered into by Alba Leasing with the Lessees were entered into on the standard terms of Alba Leasing which include, *inter alia*, (i) no express right for the Lessee to terminate the Lease Contract earlier than its stated expiration date, and (ii) upon the expiration of each Lease Contract, a right of the Lessee to purchase the relevant Assets by paying the Residual Optional Instalment. The Originator has represented in the Master

Receivables Purchase Agreement that the Lease Contracts conform to its standard forms of lease contracts as from time to time adopted.

30. INTEREST RATE RISK

The Issuer expects to meet its floating rate payment obligations under the Notes primarily from the payments relating to the Collections and 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 Notes.

31. FURTHER SECURITISATIONS

The Issuer will not have as at the Issue Date any significant assets other than the Initial Portfolio, the Collections derived therefrom and the Issuer's Rights.

The Issuer may carry out Further Securitisations in addition to the Transaction provided that the conditions set out in Condition 6.2 (*Covenants - Further Securitisations*) are fully satisfied.

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

32. LIMITED NATURE OF CREDIT RATINGS SHOULD A RATING BE ASSIGNED TO THE SENIOR NOTES

Each credit rating eventually assigned to the Senior Notes reflects the rating agencies' assessment only in relation to likelihood of timely payment of interest and the ultimate repayment of principal on or before the Final Maturity Date, not that such payments will be paid when expected or scheduled. These ratings will be based, among other things, on the rating agencies' determination of the value of the Portfolios, the reliability of the payments on the Portfolios and the availability of credit enhancement.

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

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

A rating is not a recommendation to purchase, hold or sell the Senior Notes.

Once assigned, the rating agencies may lower their ratings or withdraw their rating if, in the sole judgment of the rating agencies, the credit quality of the Senior Notes has declined or is in question. If any rating assigned to the Senior Notes is lowered or withdrawn, the market value of the Senior Notes may be affected.

33. **THE REPRESENTATIVE OF THE NOTEHOLDERS**

The Terms and Conditions, the Rules of the Organisation of the Noteholders and the Intercréditor Agreement contain provisions requiring the Representative of the Noteholders, in the event of a conflict between the interests of the holders of different Classes of Notes, to exercise its powers, authorities, rights, duties and discretions in full accordance with the provisions set forth in the Rules of the Organisation of the Noteholders. Remedies pursued by the Representative of the Noteholders in such circumstances may have regard only to the interests of the holders of the Most Senior Class of Notes then outstanding and, therefore, may be adverse to the interest of the holders of the other (lower ranking) Classes of Notes.

34. **WITHHOLDING TAX UNDER THE NOTES**

Payments under the Notes may in certain circumstances, described in the section headed "*Taxation*" of this Prospectus, be subject to a Decree 239 Deduction. In such circumstance, beneficial owner of an interest payment relating to the Notes of any Class will receive amounts of interest payable on the Notes net of a Decree 239 Deduction. At the date of this Prospectus, such Decree 239 Deduction, if applicable is levied at the rate of 20%, or such lower rate as may be applicable under the relevant double taxation treaty if applicable.

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

35. **TAX TREATMENT OF THE ISSUER**

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 29 March 2000, as subsequently confirmed by the regulations issued by the Bank of Italy on 14 February 2006 (*Istruzioni per la Redazione dei Bilanci degli Intermediari Finanziari Iscritti nell' "Elenco Speciale", degli Imel, 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. 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 Aggregate Portfolio. This opinion has been expressed by scholars and tax specialists and has been confirmed by the Italian Tax Authority (Circular No. 8/E issued by Agenzia delle Entrate on 6 February 2003) 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 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.

36. EU DIRECTIVE ON THE TAXATION OF SAVINGS INCOME

On June 3, 2003, the European Council of Economics and Finance Ministers adopted a Directive on the taxation of savings income under which Member States are required starting from July 1, 2005, to provide to the tax authorities of another Member State the details of payments of interest (or similar income) paid by a person within its jurisdiction, qualifying as paying agent under the Directive, to an individual resident in that other Member State, except that, for a transitional period, Luxembourg, Austria and five European Third Countries (Switzerland, Andorra, Liechtenstein, Monaco and San Marino) and certain Member States' relevant dependent or associated territories (the Channel Islands, the Isle of Man and the dependent or associated territories in the Caribbean) will instead be required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain Third Countries).

Luxembourg and Austria may however elect to introduce automatic exchange of information during the transitional period, in which case they will no longer apply the withholding tax.

The Council Directive was implemented in Italy by Legislative Decree No. 84 of 18 April 2005. Pursuant to said decree Italian paying agents (e.g., banks, SIMs, SGRs., financial companies and fiduciary companies resident in Italy for tax purposes, permanent establishments in Italy of non-resident persons as well as any other person resident in Italy for tax purposes paying interest for professional or commercial reasons) are required to report to the Italian tax authorities details of interest payments made from 1 July 2005 to individuals which qualify as beneficial owners thereof and are resident for tax purposes in another EU Member State. Such information must be transmitted by the Italian tax authorities to the competent authorities of the State of residence of the beneficial owner of the interest payment by 30th June of the fiscal year following the fiscal year in which said interest payment is made.

Prospective investors resident in a Member State of the European Union should consult their own legal or tax advisers regarding the consequences of the Directive in their particular circumstances.

37. U.S. FOREIGN ACCOUNT TAX COMPLIANCE WITHHOLDING

The Issuer and other non-U.S. financial institutions through which payments on the Notes are made may be required to withhold U.S. tax at a rate of 30 per cent. on all, or a portion of, payments made after 31 December 2016 in respect of any Notes issued or materially modified after 31 December 2012, or that are treated as equity for U.S. federal income tax purposes whenever issued, pursuant to Sections 1471 through 1474 of the Code, U.S. Treasury regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto ("FATCA"). This withholding tax may be triggered if (i) the Issuer is a foreign financial institution (an "FFI") (as defined in

FATCA) which enters into and complies with an agreement with the U.S. Internal Revenue Service (the "IRS") to provide certain information on its account holders (making the Issuer a "participating FFI"), (ii) the Issuer has a positive "passthrough percentage" (as defined in FATCA), and (iii) (a) an investor does not provide information sufficient for the participating FFI to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States account" of the Issuer or such other non-U.S. financial institution, or (b) an investor does not consent, where necessary, to have its information disclose to the IRS, or (c) any FFI through or to which payment on such Notes is made is not a participating FFI.

The application of FATCA to interest, principal or other amounts paid with respect to the Notes is not clear. If an amount in respect of U.S. withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes as a result of a holder's failure to comply with these rules or as a result of the presence in the payment chain of a non-participating FFI, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding of such tax. As a result, investors may, if FATCA is implemented as currently proposed by the IRS, receive less interest or principal than expected. Holders of Notes should consult their own tax advisers on how these rules may apply to payments they receive under the Notes.

38. **MARKET FOR THE SENIOR NOTES**

There is currently no market for the Senior Notes.

The Senior 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 Senior Notes will develop or, if a secondary market does develop, that it will provide the holders of the Senior Notes with liquidity of investments or that it will continue for the life of such Senior Notes. Consequently, any purchaser of Senior Notes must be prepared to hold such Senior Notes until the Cancellation Date.

39. **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 may thereby affect the price and liquidity of asset-backed securities in the secondary market.

In particular, investors should be aware of article 122(a) of the Capital Requirements Directive ("CRD"), which comprises Directive 2006/48/EC and Directive 2006/49/CE, as amended by Directive 2009/111/EC, which will apply to newly issued asset-backed securities after 31 December 2010, and to asset-backed securities issued on or before that date from the beginning of 2015 to the extent that new underlying exposures are added or substituted after 31 December 2014.

Article 122(a) of the CRD, implemented into Italian law by the Bank of Italy Circular No. 263 of 27 December 2006 ("*Nuove disposizioni di vigilanza prudenziale per le banche*" – as amended by the 11th revision of 31 January 2012) requires, amongst other things, a EU regulated credit institution to only invest in asset-backed securities in respect of which the originator, sponsor or original lender of the securitisation has explicitly disclosed to the credit institution that it will retain, on an on-going basis, a net economic interest of not less than 5 per cent in respect of certain specified credit risk tranches or asset exposures.

Article 122(a) of the CRD also requires that, before investing, and as appropriate thereafter, credit institutions, shall be able to demonstrate to the competent authorities for each of their individual securitisation positions, that they have a comprehensive and thorough understanding of and have implemented formal policies and procedures for analysing, understanding and stress testing their securitisation exposures and, where applicable, the underlying exposures. Furthermore credit institutions shall regularly perform their own stress tests appropriate to their securitisation positions on an on-going basis.

Investors in the Notes are responsible for analysing their own regulatory position and are required to independently assess and determine the sufficiency of the information provided by the Originator for the purposes of complying with Article 122(a) of the CRD, as implemented. Consequently, none of the Issuer, the Initial Senior Notes Subscriber or the Originator makes any representation to any prospective investor or purchaser of the Notes (i) regarding the regulatory capital treatment of their investment on the Issue Date or at any time in the future (in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes) and (ii) that such information is sufficient in all circumstances for the purposes of complying with Article 122(a) of the CRD, and the relevant implementation. Failure to comply with one or more of the requirements set out in Article 122(a) of the CRD and in the relevant implementation will result in the imposition of a penal capital charge on the Notes acquired by the relevant investor. In particular, where the relevant requirements of Article 122(a) of the CRD, as implemented are not complied with in any material respect and there is negligence or omission in the fulfilment of the due diligence obligations on the part of a credit institution that is investing in the Notes, a proportionate additional risk weight of no less than 250 per cent of the risk weight (with the total risk weight capped at 1250 per cent) which would otherwise apply to the relevant securitisation position shall be imposed on such credit institution.

Consequently, the Noteholders should make themselves aware of the provisions of the Article 122(a) of the CRD and make their own investigation and analysis as to the impact of the CRD on any holding of Notes.

To date there is limited guidance, and no regulatory or judicial determination, on the interpretation and application of Article 122(a) of the CRD. Until additional guidance is available and such determinations are made, there remains considerable uncertainty with respect to the interpretation and application of the provisions of Article 122(a) of the CRD and, in particular, what will be required to demonstrate compliance with Article 122(a) of the CRD to national regulators.

Investors should take their own advice on compliance with, and the application of, the provisions of Article 122(a) of the CRD.

In addition, investors should be aware that the regulatory framework published by the Basel Committee on Banking Supervision (the "**Basel Committee**") in 2006 ("**Basel II framework**") has not been fully implemented in all participating countries. The implementation of the framework in relevant jurisdictions may affect the risk-weighting of the Notes for investors who are or may become subject to capital adequacy requirements that follow the framework.

On 16th December 2010 and 13 January 2011, the Basel Committee issued its final guidance on the proposed changes to capital adequacy and liquidity requirements ("**Basel III**"), which envisages a substantial strengthening of existing capital rules, including through the following proposals:

- (a) raising the quality of the Core Tier 1 capital base in a harmonized manner (including through changes to the items which give rise to adjustments to that capital base and a reform of the capital structure);
- (b) introducing a requirement for non-Core Tier I and Tier II capital instruments to have a mechanism that requires them to be written off on the occurrence of a bailout of the institution;
- (c) strengthening the risk coverage of the capital framework;
- (d) promoting the build-up of capital buffers; and
- (e) introducing a new leverage ratio as well as short-term and long-term standards for funding liquidity (referred to as the Liquidity Coverage Ratio and the Net Stable Funding Ratio).

In order to facilitate the implementation of the Basel III capital and liquidity standards in Europe, in July 2011 the European Commission proposed a legislative package to strengthen the regulation of the banking sector. This package is known as ("**CRD IV**"). CRD IV will replace the current Capital Requirements Directives (2006/48 and 2006/49) with a directive and a regulation and aims to create a sounder and safer financial system. The CRD IV directive governs access to deposit-taking activities while the CRD IV regulation establishes the prudential requirements institutions need to respect. It is expected that the implementation of CRD IV will begin to take effect in national legislation as of 1 January 2013 and that the application in full of all measures will have to be completed before 1 January 2019.

Significant uncertainty remains around the final requirements and implementation of these proposed initiatives. There can be no guarantee that the regulatory capital treatment of the Notes for investors will not be affected by any future implementation of and changes to the CRD, Directive 2009/138/EC, the Basel II framework (including the Basel III changes described above) or other regulatory or accounting changes.

40. **COMMINGLING RISK**

The Issuer is subject to the risk that, in the event of insolvency of the Servicer, the Collections and the Recoveries held at the time the insolvency occurs, might be treated by the bankruptcy estate as an unsecured claim of the Issuer. The Servicing Agreement includes provisions in relation to the transfer of Collections into the Collection Account intended to reduce the amount of the monies from time to time subject to the commingling risk. In

particular, pursuant to the Servicing Agreement, the Servicer has undertaken to perform certain actions aimed at ensuring that the sums due in respect of the Receivables will be paid directly into a dedicated bank account opened with the Servicer Account Bank, being the Servicer Account. Moreover, pursuant to the above provisions (i) no sums other than those due in respect of the Receivables shall be credited into the Servicer Account, (ii) no right of set-off can be exercised by the Servicer and the Servicer Account Bank in respect of the sums standing to the credit of the Servicer Account and (iii) any Collection paid into the Servicer Account shall be transferred, upon instruction of the Servicer, into the Collection Account on a daily basis and, in any event, no later than 17.00 (Milan time) of the Local Business Day following the date on which the relevant payment into such bank account is made.

The Servicer Account has been opened by the Servicer and will be at all times maintained with the Servicer Account Bank.

41. **PRIORITY OF PAYMENTS**

The validity of contractual priority of payments such as those contemplated in this transaction has been challenged recently 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 bondholders 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 Mellon Corporate Trustee Services Ltd* (2009 EWCA Civ 1160) (the “**Perpetual Case**”) dismissed this argument and upheld the validity of similar priority of payments, stating that the anti-deprivation principle was not breached by such provisions. However, Judge Peck of the U.S. Bankruptcy Court for the Southern District of New York has, in the case of *Lehman Brothers Special Financing Inc. v BNY Mellon Corporate Trustee Services Limited* Case No. 09-01242 (Bankr. S.D.N.Y.)(JMP) (the “**Lehman Brothers Case**”) granted Lehman Brothers Special Finance Inc.'s motion for summary judgement to the effect that such provisions do infringe the anti-deprivation principle in a U.S. insolvency. Judge Peck acknowledged that this has resulted in the U.S. courts coming to a decision “directly at odds with the judgement of the English Courts”. The implications of this conflicting judgment are not yet known and the insolvent party in the Perpetual Case has been granted leave to appeal the decision to the Supreme Court, whilst BNY Mellon Corporate Trustee Services Limited has filed its motion for leave to appeal the Lehman Brothers Case decision with the U.S. Bankruptcy Court. The question of the validity of the payment priorities will therefore be considered again and, 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.

42. **STATUTE OF LIMITATIONS**

Certain rights of the Issuer under the Transaction Documents may become barred under statutes of limitation by operation of law. In particular, there is a possibility that the one year statute of limitation period set out in article 1495 of the Italian civil code could be held to apply to some or all of the representations and warranties given by the Originator in the Warranty and Indemnity Agreement, on the ground that such provisions may not be

derogated from by the parties to a sale contract (*contratto di compravendita*) (such as the Master Receivables Purchase Agreement).

However, the parties to the Warranty and Indemnity Agreement have acknowledged and agreed that the representations and warranties given by the Originator thereunder were given as a separate and independent guarantee (which is in addition to those provided for by law) and, accordingly, the provision of article 1495 et seq. of the Italian civil code is not applicable in respect thereto.

43. CHANGE OF LAW

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

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

THE PORTFOLIOS

General Description of the Portfolios

ALBALEASING_STRATIFICATION TABLES

General Statistics (as of 1ST October 2012)

Current Net Outstanding	EUR		148.500.005
Number of obligors	Number		2.596
Number of loans	Number		3.361
Average Current Net Outstanding	EUR		44.183
Average number of paid instalments	Number		7
Maximum Current Net Outstanding Loan	EUR		2.019.817
Weighted Average Seasoning	Years		0,7
Weighted Average Residual Terms	Years		6,3
Weighted Average Current LTV	%		78,1%
Weighted Average Original LTV	%		90,2%
Weighted Average Spread	%		4,63%
Weighted Average Rate	%		6,27%
Fixed Rate Net Outstanding	%		1,0%
Floating Rate Net Outstanding	%		99,0%
Geographical Concentration (North - Central - South)	%		63,79%- 19,4%- 16,8 %
Longest Maturity Date	Date		01/09/2030
Longest Maturity by Pool (in month)	Pool 1 (Auto)		80
	Pool 2 (strumentale)	139	
	Pool 3 (immobiliare)	212	

Table 1 - Breakdown of the Portfolio by Pool

Pool	Net Outstanding	Net Outstanding in %	N° of Lease Loans	N° of Lease Loans in %
P2 = strumentale	89.670.988	60%	1.742	52%
P1 = auto	37.920.680	26%	1.528	45%
P3 = immobiliare	20.908.337	14%	91	3%
Total	148.500.005	100,0%	3.361	100,0%

Table 2 - Breakdown of the Portfolio by Payment Frequency

Payment Frequency	Net Outstanding	Net Outstanding in %	N° of Lease Loans	N° of Lease Loans in %
1 (Monthly)	139.149.356	94%	3.270	97%
3 (Quarterly)	8.892.971	6%	82	2%
2 (Bi-monthly)	457.679	0%	9	0%
Total	148.500.005	100%	3.361	100%

Table 3 - Breakdown of the Portfolio by Net Outstanding

Range Net Outstanding	Net Outstanding	Net Outstanding in %	N° of Lease Loans	N° of Lease Loans in %
Balance < 25000	26.859.898	18%	1.858	55%
25000 <= Balance < 50000	25.467.419	17%	747	22%
50000 <= Balance < 75000	18.339.110	12%	300	9%

75000 <= Balance < 100000		8%		4%
	12.118.563		141	
100000 <= Balance < 150000		15%		6%
	22.837.189		186	
150000 <= Balance < 250000		9%		2%
	13.456.141		76	
250000 <= Balance < 500000		8%		1%
	11.464.859		34	
500000 <= Balance < 1000000		5%		0%
	7.436.397		12	
1000000 <= Balance < 2000000		6%		0%
	8.500.613		6	
2000000 <= Balance < 5000000		1%		0%
	2.019.817		1	
Total	148.500.005	100%	3.361	100%

Table 4 - Breakdown of the Portfolio by Area

Area	Net Outstanding	Net Outstanding in %	N° of Lease Loans	N° of Lease Loans in %
North	94.733.702	64%	2.228	66%
Centre	28.813.193	19%	498	15%
South	24.953.110	17%	635	19%
Total	148.500.005	100%	3.361	100%

Table 5 - Breakdown of the Portfolio by Region

Net Outstanding by Region	Net Outstanding	Net Outstanding in %	N° of Lease Loans	N° of Lease Loans in %
Lombardia	37.752.217	25%	1.033	31%
Emilia Romagna	24.689.382	17%	512	15%
Veneto	19.602.790	13%	329	10%

Lazio	14.719.125	10%	262	8%
Piemonte	6.904.671	5%	199	6%
Toscana	10.889.691	7%	201	6%
Campania	6.284.621	4%	163	5%
Sicilia	5.812.993	4%	139	4%
Puglia	3.492.922	2%	117	3%
Calabria	4.154.330	3%	71	2%
Abruzzo	3.737.360	3%	98	3%
Marche	3.035.478	2%	28	1%
Liguria	2.486.994	2%	69	2%
Trentino Alto Adige	2.662.168	2%	64	2%
Basilicata	997.555	1%	32	1%
Friuli Venezia Giulia	550.412	0%	17	1%
Molise	471.084	0%	13	0%
Umbria	168.900	0%	7	0%
Valle d'Aosta	85.067	0%	5	0%
Sardegna	2.244	0%	2	0%
Total	148.500.005	100%	3.361	100%

Table 6 - Breakdown of the Portfolio by Tipologia di Pagamento

Tipologia di Pagamento	Net Outstanding	Net Outstanding in %	N° of Lease Loans	N° of Lease Loans in %
RID	147.521.913	99%	3.341	99%
RIBA	978.093	1%	20	1%
Total	148.500.005	100%	3.361	100%

The Lease Contracts

The Lease Contracts have been entered into by Alba Leasing primarily with small and medium size private businesses, law firms, medical professionals and other individual entrepreneurs. The Lease Contracts are based on Alba Leasing's standard form, which incorporates certain standard terms and conditions and contains a description of the relevant Asset and the rental payments together with the specific provisions applicable to such Asset and other negotiated terms and conditions, if any. All the Lease Contracts are governed by Italian law.

All of the Lease Contracts are so called "net leases" which require the relevant Lessee to maintain the relevant Asset in good working order or condition and to bear all other costs of operating and maintaining the Asset (inclusive of payment of taxes and insurance relating thereto) and cannot be cancelled by the Lessee.

Lease contracts expressly prohibit the lessee from terminating the contract earlier than its stated expiration date. However, the Originator often waives such prohibition when a Lessee specifically and reasonably requires termination, and in these cases operates in such a way as not to incur any adverse financial consequences. Historically, only a small percentage of the Originators' lease contracts have been terminated by negotiated early settlement. Upon the expiration of each lease contract, the lessee may, but is not under an obligation to, purchase the relevant asset by paying the Residual Optional Instalment. Such option is exercised by most lessees and, in the case of real estate lease contracts, the Originator's experience has been that the purchase option is always exercised.

Rentals related to the Lease Contracts are paid by debiting the relevant amounts to the Lessee's bank account through an automatic debit system, and crediting such amounts to Alba Leasing through the RID and RIBA system.

The Assets

The underlying Assets covered by the Lease Contracts comprised in the Portfolios may be classified into three pools:

- **Pool No. 1** comprises Receivables originated under Lease Contracts the related Assets of which are "*beni mobili registrati*" (i.e. motor vehicles, cars, light lorries, trucks, commercial vans and other automobiles);

- **Pool No. 2** comprises Receivables originated under Lease Contracts the related Assets of which are equipment and machinery; and
- **Pool No. 3** comprises Receivables originated under Lease Contracts the related Assets of which are real estate assets.

The Eligibility Criteria for the Portfolios

The Receivables comprised in each Portfolio assigned and that will be assigned from time to time to the Issuer, will be selected on the basis of the following general objective criteria (the "**Common Criteria**"), as well as on the basis of additional objective criteria (the "**Specific Criteria**"), if any, to be intended cumulative with the Common Criteria (collectively, the "**Eligibility Criteria**") in order to ensure that such Receivables have the same legal and financial characteristics.

Common Criteria

The Receivables comprised in each Portfolio, as at the relevant Valuation Date (or on the different date indicated in the relevant *criterium*), fulfilled the following Common Criteria, to be intended as cumulative:

- (i) the relevant Lease Contracts have been executed in accordance with the Credit and Collection Policies;
- (ii) the relevant Lease Contracts do not include the distance contracts (*contratti a distanza*);
- (iii) the relevant Lease Contracts provide the effective date of the leasing not before 1 January 2010,
- (iv) the relevant Lease Contracts are denominated in Euro;
- (v) the Instalments related to the Lease Contracts are payable by the relevant Lessee through direct debit (RID) or RIBA;
- (vi) the relevant Lease Contracts provide for a fixed interest rate or a for floating interest rate;
- (vii) in case of floating interest rate, the relevant indexation is linked to a one-month Euribor or three-month Euribor;
- (viii) the relevant Lease Contracts are governed by the Italian law;
- (ix) the relevant Lease Contracts have not been entered pursuant to law No.1329, dated 29 November 1965 (the so called "*Legge Sabatini*", as further amended and integrated), as eventually indicated in the related Lease Contracts, nor on the basis of any other facility or contribution by the State or public administrations or public entities, or private companies, being directly or indirectly, controlled by a public administration, nor on the basis of any provision, giving right to any *droit de suite* (*diritto di seguito*), property or other privilege in favour of such entities, save for the facilities or contributions provided by the law No. 240, dated 21 May 1981 (*Provvidenze a favore dei consorzi e delle società consortili tra piccole e medie imprese nonché delle società consortili miste*) (codes no. 200 and 205), by the law of the Province of Bolzano no.1 of 8 January 1993 (*Interventi provinciali per lo sviluppo dell'economia cooperativa*) (code no. 536), by the law of the Region of Veneto no. 5 of 9 February 2001 (code no. 496), by the "Programma Operativo Regionale" (POR-FESR) 2007-2013 of the Region of Veneto, by the Resolution of the Regional Government no. 3495 of 17 November 2009 (code no. 495) and by the "*Programma Operativo Regionale*" (POR-FESR)

2007-2013 of the Region of Liguria, by the Resolution of the Regional Government no. 1278 of 26 October 2007 (code no. 440) and by Italian law no. 662 of 23 December 1996 (*Misure di razionalizzazione della finanza pubblica*) (code no. 494);

- (x) whose Debtor declared, in the relevant Lease Contracts, to be domiciled in Italy;
- (xi) the Debtors are not employees or shareholders of the Originator, nor public administrations or public entities, nor private companies, being directly or indirectly controlled by a public administration;
- (xii) the Debtors are not subject to any bankruptcy or insolvency proceedings, nor are in default of payment of any Instalment, due to the Originator, after 30 days from the relevant due date;
- (xiii) the Debtors have duly and timely paid at least one Instalment;
- (xiv) whose Debtors have duly and timely paid all the Instalments or there are no Instalments due and unpaid for more than 30 days from the relevant due date;
- (xv) the Lease Contracts provide the obligation of the relevant Lessee to entered into an insurance policy issued by a primary insurance company in order to guarantee the Asset and, with respect to the Lease Contracts concluded from 1 October 2012, by constituting an appendix (*appendice di vincolo*) in favour of the Originator;
- (xvi) the Assets under the Lease Contracts include: real estate assets located in Italy, industrial vehicles or other vehicles registered in Italy or instrumental assets (such as machineries and equipments);
- (xvii) the Asset under the Lease contracts do not include naval-air or railway assets;
- (xviii) the Assets under a Lease Contract are not subject to any enforcement proceedings, precautionary or similar measure against the Originator;
- (xix) none of the Debtors has ever notified a report of theft of the Assets;
- (xx) the building of the Assets have been realised and the Assets have been delivered to the relevant Debtor;
- (xxi) the Lease Contracts provide the relevant Debtor to be obliged to perform all the due payments also in case the Asset should not meet the requirements for its scope of use, should be destroyed or should not be at disposal of the relevant Debtor for any reason not ascribable to the Originator;
- (xxii) the Lease Contracts expressly provide the possibility in favour of the relevant Debtor to purchase the relevant Asset at the expiration of the Lease Contract;
- (xxiii) the Receivables derive from instalment whose amount has been contractually agreed and each instalment consists of a principal component and an interest component;
- (xxiv) the initial contractual duration of the Lease Contracts does not exceed:
 - (a) 144 months for those Lease Contracts concerning auto vehicles and industrial vehicles;
 - (b) 240 months for those Lease Contracts concerning real estate and property assets;
 - (c) 144 months for those Lease Contracts concerning instrumental assets;

(xxv) in relation to which the payment date of the last Instalment (as indicated in the relevant Lease Contract) does fall on after 1 January 2032;

(xxvi) the payment of the Instalments (also with regard to the principal component) as at the Valuation Date is not suspended in compliance with (i) moratorium (accordi di moratoria) entered into between the Originator and the relevant Lessee; or (ii) the convention, executed on 3 August 2009 (as subsequently extended) by and between the Ministry of Economy and Finance, the Italian Banking Association and the associations representing the enterprises (Casartigiani, CIA, CAN, Coldiretti, Confagricoltura e Confapi);

(xxvii) the relevant Lease Contracts have been originated by Alba Leasing S.p.A.

Specific Criteria of the Initial Portfolio

The Initial Portfolio has been selected on the basis, collectively, of (i) the Common Criteria, and (ii) the following Specific Criteria:

- (i) excluding those receivables related to instalments which have not been identified with any code such as "ALB03MMAA", notified to the assigned debtors and delivered by means of "postel" or similar service with due date comprise between 1 January 2013 and the date identified by the month and year as indicated in such code, respectively as "mm" and "aa".

Specific Criteria of the Additional Portfolios or Subsequent Portfolios

The Specific Criteria of each Additional Portfolios and each Subsequent Portfolios from time to time selected by the Originator (among those set out below or among any other additional criteria chosen by the Originator), will be specified in the relevant Offer Notice. It being understood that, in any case, the Specific Criteria may not be in contrast with the Common Criteria and may be also utilised in order to select each of the Additional Portfolios or the Subsequent Portfolios, so that the relevant Initial Purchase Price is equal to and not higher than the relevant Maximum Purchase Amount.

THE ORIGINATOR, THE SERVICER AND THE CASH MANAGER

Alba Leasing SpA ("Alba Leasing") is the new leasing company incorporated at the beginning of 2010 following the turnaround of Banca Italease Group. Banca Italease assigned to Alba Leasing its outstanding performing portfolio of approximately € 4.9 billion originated through the banking channel.

Alba Leasing is owned by Banca Popolare Emilia Romagna (36.43%, rated BBB by Fitch and BB+ by S&P), Banco Popolare Group (32.79%, rated BBB by Fitch, BBB- by S&P and Baa3 by Moody's), Banca Popolare di Sondrio (20.95%, rated BBB+ by Fitch) and Banca Popolare di Milano (9.83% rated BBB- by Fitch, BB+ by S&P and Baa3 by Moody's) with a total shareholder capital of around €325 million.

The main origination channel is through the shareholder networks spread around Italy (approx. 4,500 branches and 2 million customers). Alba Leasing has a unique track record on the Italian leasing market (40 years of experience). It has originated a granular portfolio of new leasing receivable of € 449 million (average ticket size € 74k) at 30/09/2012. During the last year Alba produced new leasing of 940 million (average ticket € size 81k)

Strategies include:

- (a) wide and efficient coverage all around Italy, which means:
 - (i) Origination mainly through shareholder local branches (no brokers): (approx. 4,500 branches and 2 million customers)
 - (ii) Wide range of leasing products, tailored on customer needs
 - (iii) No big tickets
 - (iv) Active origination platform with the support of other local banks, with a bilateral agreement
- (b) operative efficiency, by means of the optimization of the internal procedures
- (c) new internal rating scoring, capable of monitoring the credit risk and the level of defaults, with primary focus on small tickets.

Alba Leasing is able to provide a large variety of leasing products to its customers (inclusive of energy leasing and leasing to public sector). The new production is originated through an innovative internal process capable of assessing, in a very detailed way, the risk exposure.

As of 30 June 2012, the total outstanding portfolio accounted approximately Euro 4.5 billion of Euro.

According to Assilea data, Alba ranked among the top ten Italian leasing companies, with a market share of 3.81%, with a focus on the equipment sector, reaching a market share of 6.95% at 30/09/2012.

THE ISSUER

The Issuer was incorporated in the Republic of Italy pursuant to the Securitisation Law on 17 May 2012 as a limited liability company with a sole quotaholder (*società a responsabilità limitata con un unico socio*). The registered office of the Issuer is in Via Gustavo Fara, 26, 20124 Milan, Italy, and its telephone number is +39 02 7788051. The Issuer is registered with No. 07857260967 in the Companies Register of Milan and with No. 35049.6. in the *elenco speciale delle società veicolo* held by Bank of Italy pursuant to article 4 of the Bank of Italy's regulation dated 29 April 2011. Since the date of its incorporation, the Issuer has not engaged in any business not related with the purchase of the Portfolios, no dividends have been declared or paid, other than: (i) the authorisation and the execution of the Transaction Documents to which it is a party; (ii) the activities incidental to any registration under the laws of the Republic of Italy; (iii) the activities referred to or contemplated in this Prospectus and in the Transaction Documents; and (iv) the authorisation by it of the Notes.

Quotaholding

The authorised equity capital of the Issuer is €10,000. The issued and paid-up equity capital of the Issuer is €10,000. No other amount of equity capital has been agreed to be issued. The sole quotaholder of the Issuer (the "**Sole Quotaholder**") is Stichting SFM Italy No. 1

On 5 December 2012, the Sole Quotaholder has purchase 100% of the quotas of the Issuer by means of a quota transfer agreement, by private deed with certified signatory, Rep. 11357, Racc. 5044, from Structured Finance Management – Italy S.r.l.

Pursuant to the Quotaholders' Agreement, the Sole Quotaholder has agreed certain provisions in relation to the management of the Issuer. The Quotaholder Agreement also provides that the Sole Quotaholder will not approve the payment of any dividends or any repayment or return of capital by the Issuer prior to the date on which all amounts of principal and interest on the Notes have been paid in full. The Quotaholder Agreement, and any non-contractual obligations arising out of and in connection with it, are governed by Italian law.

Special purpose vehicle

The Issuer has been established as a special purpose vehicle for the purposes of issuing asset-backed Securities and accordingly it may carry out further securitisation transactions in addition to the Transaction, subject to the provisions set forth in the Terms and Conditions.

Accounting treatment of the Claims

Pursuant to the Bank of Italy's regulations, the accounting information relating to the securitisation of the Claims will be contained in the explanatory notes to the Issuer's accounts (*nota integrativa*). The explanatory notes, together with the balance sheet and the profit and loss statements, form part of the financial statements of Italian limited liability companies (*società a responsabilità limitata*).

Accounts of the Issuer

The fiscal year of the Issuer begins on 1 January of each calendar year and ends on 31 December of the same calendar year, with the exception of the first fiscal year, which started on 17 May 2012 and ended on 31 December 2012.

Issuer's Principal Activities

THE ACCOUNT BANK, THE ENGLISH ACCOUNT BANK AND THE PAYING AGENT

Pursuant to the Cash Allocation, Management and Payment Agreement: (i) The Bank of New York Mellon, shall act as English Account Bank and (ii) The Bank of New York Mellon (Luxembourg) S.A., shall act as Paying Agent and Account Bank.

1. The Bank of New York Mellon

The Bank of New York Mellon (formerly The Bank of New York), a wholly owned subsidiary of The Bank of New York Mellon Corporation, is incorporated, with limited liability by Charter, under the Laws of the State of New York by special act of the New York State Legislature, Chapter 616 of the Laws of 1871, with its Head Office situate at One Wall Street, New York, NY 10286, USA and having a branch registered in England & Wales with FC No 005522 and BR No 000818 with its principal office in the United Kingdom situated at One Canada Square, London E14 5AL.

The Bank of New York Mellon's corporate trust business services \$12 trillion in outstanding debt from 55 locations around the world. It services all major debt categories, including corporate and municipal debt, mortgage-backed and asset-backed securities, collateralized debt obligations, derivative securities and international debt offerings. The Bank of New York Mellon's corporate trust and agency services are delivered through The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A.

The Bank of New York Mellon Corporation is a global financial services company focused on helping clients manage and service their financial assets, operating in 34 countries and serving more than 100 markets. The company is a leading provider of financial services for institutions, corporations and high-net-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. It has more than \$23 trillion in assets under custody and administration and more than \$1.1 trillion in assets under management. Additional information is available at www.bnymellon.com¹.

2. The Bank of New York Mellon (Luxembourg) S.A.

The Bank of New York Mellon (Luxembourg) S.A. was incorporated in the Grand Duchy of Luxembourg as a société anonyme on 15 December 1998 under the Luxembourg Law of 10 August 1915 on commercial companies, as amended, and has its registered office at 2-4 rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg. It is an indirect wholly-owned subsidiary of The Bank of New York Mellon Corporation.

On 20 January 1999 The Bank of New York Mellon (Luxembourg) S.A. received its banking licence in accordance with the Luxembourg Law of 5 April 1993 on the financial sector, as amended, and has engaged in banking activities since then. On 19 October 2006 The Bank of New York Mellon (Luxembourg) S.A. has enhanced its banking licence to cover as well the activities of administrative agent of the financial sector.

The Bank of New York Mellon (Luxembourg) S.A. is supervised by the Luxembourg financial regulator, the Commission de Surveillance du Secteur Financier.

¹ Please note, the information included in this website does not form part of this Prospectus.

THE COMPUTATION AGENT

Zenith Service S.p.A. is a joint stock company (*società per azioni*), incorporated and organised under the laws of the Republic of Italy, with registered office at Via Guidubaldo del Monte n. 61, 00197 Rome, Italy, and administrative office at Via Gustavo Fara n. 26, 20124 Milan, Italy, with a share capital of Euro 2,000,000 fully paid-up, enrolled with the companies register of Rome with No. 02200990980, with the general register of financial intermediaries held by the Bank of Italy pursuant to article 106 of the Banking Act under number 32819 and with the special register (*elenco speciale*) held by the Bank of Italy pursuant to article 107 of the Banking Act.

Zenith Service S.p.A. in the context of securitisation transactions acts, inter alia, as Servicer, Master and Back-up Servicer, Back-up Servicer Facilitator, Special Servicer, Corporate Servicer, Calculation Agent, Cash Manager and Representative of the Noteholders.

In the context of this Securitisation, Zenith Service S.p.A. acts as Corporate Servicer, Computation Agent and Representative of the Noteholders.

USE OF PROCEEDS

Proceeds available to the Issuer from the Notes Initial Instalment Payments will be applied by the Issuer in or towards full payment of the Initial Purchase Price of the Initial Portfolio and, with respect to each Junior Notes Further Instalment Payment, also to fund the Debt Service Reserve Amount as of the Issue Date.

Proceeds available to the Issuer from any Notes Further Instalment Payment, will be applied by the Issuer on the Issue Date in or towards full payment of the Purchase Price of any Additional Portfolio and, with respect to each Junior Notes Further Instalment Payment, also to fund the relevant Required Debt Service Reserve Amount.

DESCRIPTION OF THE MASTER RECEIVABLES PURCHASE AGREEMENT

The description of the Master Receivables Purchase Agreement set out below is a summary of certain features of the agreement and is qualified by reference to the detailed provisions of the Master Receivables Purchase Agreement. Capitalised terms used in the description below, to the extent not defined in this Prospectus, shall have the meanings ascribed to them in the Glossary.

General

The Issuer and the Originator entered into the Master Receivables Purchase Agreement, setting out, *inter alia*, the terms and conditions for the sale of the Initial Portfolio and any Additional Portfolio or Subsequent Portfolio, as the case may be, transferred and that will be transferred by the Originator to the Issuer.

The Initial Portfolio

Under the Master Receivables Purchase Agreement, the Issuer purchased, on 11 December 2012, the Initial Portfolio from the Originator (with economic effects as of 1 December 2012), the Initial Purchase Price of which was funded through the net proceeds of the Notes Initial Instalment Payments.

Additional Portfolios and Subsequent Portfolios

Subject to the terms of the Master Receivables Purchase Agreement, the Originator is allowed to sell to the Issuer which, upon occurrence of the conditions set forth in the Master Receivable Purchase Agreement, shall purchase from the Originator (i) during the Warehouse Period, the Additional Portfolios and (ii) during the Revolving Period, the Subsequent Portfolios, pursuant to the Transfer Agreements.

The Initial Purchase Price of any Additional Portfolio will be paid by the Issuer out of (i) the Principal Instalments collected in respect of the Receivables and any other Monthly Issuer Available Funds or Issuer Available Funds, as the case may be, available to such purpose and (ii) should the amounts under (i) not be sufficient to such purpose, the Notes Further Instalment Payments. The Initial Purchase Price of any Subsequent Portfolio will be paid by the Issuer out of the Issuer Available Funds in accordance with the applicable Priority of Payments.

According to the Master Receivables Purchase Agreement, the Initial Purchase Price of any Additional Portfolio or any Subsequent Portfolio, as the case may be, shall not be higher than the Maximum Purchase Amount.

Key features of the sales of the Portfolios

The Initial Portfolio has been transferred, and each Additional Portfolio and Subsequent Portfolio will be transferred, without recourse (*pro soluto*), in accordance with the Securitisation Law and subject to the satisfaction of certain conditions set forth in the Master Receivables Purchase Agreement.

The Initial Portfolio has been selected and each Additional Portfolio and Subsequent Portfolio will be selected, as the case may be, on the basis of the Eligibility Criteria (for further details, see the section entitled "*The Portfolios*").

Purchase Price

The Purchase Price of each Receivable comprised in each Portfolio shall be the aggregate of: (a) the Initial Purchase Price; (b) the Deferred Purchase Price; and (c) if any, the Purchase Price of the Residual Optional Instalment.

Option to repurchase all of the Receivables comprised in the Portfolios

Under the Master Receivables Purchase Agreement, the Issuer has irrevocably granted to the Originator an option (the "**Option**"), pursuant to article 1331 of Italian Civil Code, to repurchase (in whole but not in part) the aggregate of the Portfolios.

The Option can be exercised on any Quarterly Payment Date falling on the Quarterly Payment Date falling 60 months after the Issue Date or, thereafter, on any subsequent Quarterly Payment Date.

In order to exercise the Option, Alba Leasing shall:

- (a) send a written notice to the Issuer at least 15 (fifteen) Business Days before the Quarterly Payment Date upon which the Notes will be redeemed in accordance with Condition 10.4 (*Optional Redemption*);
- (b) have obtained all the necessary approvals and authorizations requested for the Option;
- (c) deliver to the Issuer a certificate signed by its legal representative duly authorised stating that it is solvent and dated not more than 10 Business Days before the date on which the Option will be exercised.

Upon the Option being exercised, the repurchase price of the relevant Receivables will be equal to:

- (a) with respect to the Receivables other than the Defaulted Receivables, the Outstanding Amount of such Receivables as at the Quarterly Settlement Report Date immediately preceding the Quarterly Payment Date immediately after the date on which the notice for the Option has been sent; and
- (b) with respect to the Defaulted Receivables, the nominal value of such Receivables as at the Quarterly Settlement Report Date immediately preceding the Quarterly Payment Date immediately after the date on which the notice for the Option has been sent,

provided that the adequacy of the above repurchase price provided under paragraph (b) above shall be confirmed by a third party appointed jointly by Alba Leasing and the Issuer or, in case of lack of agreement, by the Chairman of the Italian Bank Association (*Associazione Bancaria Italiana*).

Pursuant to the Intercreditor Agreement, Alba Leasing will be entitled to exercise the Option provided that the Issuer will have, upon receipt of the purchase price of the Receivables (determined in accordance with clause 22.4 of the Master Receivables Purchase Agreement) sufficient funds (taking into account any other Issuer Available Funds available on the Quarterly Payment Date on which the Notes will be redeemed) to discharge in full all amounts owing to the holders of the relevant Notes to be redeemed in accordance with Condition 10.4 (*Optional Redemption*), and amounts ranking in priority thereto or *pari passu* therewith.

Following the exercise of the Option by Alba Leasing, the Issuer shall promptly exercise its option to early redeem the Notes in accordance with the terms set out under Condition 10.4 (*Optional Redemption*).

Governing Law and Jurisdiction

The Master Receivables Purchase Agreement and all non-contractual obligations arising out or in connection with such agreement are governed by, and shall be construed according to Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Master Receivables Purchase Agreement.

DESCRIPTION OF THE SERVICING AGREEMENT

The description of the Servicing Agreement set out below is a summary of certain features of that agreement and it is qualified by reference to the detailed provisions of the Servicing Agreement. Capitalised terms used in the description below, to the extent not defined in this Prospectus, shall have the meanings ascribed to them in the Glossary.

General

Pursuant to the Servicing Agreement the Servicer agreed to administer and service the Receivables comprised in the Portfolios in compliance with the Securitisation Law and, in particular, to (i) collect and recover amounts due in respect of the Receivables; (ii) administer relationships with the Lessees; and (iii) carry out certain activities in relation to the Receivables, in accordance with the Servicing Agreement and the Collection Policies.

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

Under the terms of the Servicing Agreement, the Servicer may delegate to third parties certain activities concerning the Receivables, without prejudice however to the responsibilities of the Servicer for any activities so delegated.

Obligations of the Servicer

Under the terms of the Servicing Agreement the Servicer has undertaken, among others:

- (a) to supervise the compliance by the Lessees with their payment obligations provided for by the Lease Contracts;
- (b) to administer and make Collections in accordance with the provisions of the Servicing Agreement and the Collection Policies;
- (c) to exercise the rights owing to the Issuer relating to the Receivables and to carry out all the actions against the Lessors which are necessary or appropriate in order to defend such rights;
- (d) to take all necessary acts to maintain the validity and enforceability of the Receivables and any relevant security;
- (e) to carry out the management, administration and collection of the Receivables and to manage the recovery of the Defaulted Lease Contracts;
- (f) to maintain effective accounting and auditing procedures so as to ensure the compliance with the provisions of the Servicing Agreement;
- (g) not to authorise, other than in certain limited circumstances specified in the Servicing Agreement, any waiver in respect of any Receivables or other security interest, lien or privilege pursuant to or in connection with the Lease Contracts and not to authorise any modification thereof which may be prejudicial to the Issuer's interests unless such waiver or modification is imposed by law, by judicial or other authority or is authorised by the Issuer;

- (h) to ensure that the interest rates applicable in accordance with the Lease Contracts do not breach the Usury Law;
- (i) comply with the provisions of the Italian anti-money laundering laws and comply with the other obligations of such laws, including to (a); and (b) provide the competent authorities with all required information;
- (j) ensure the segregation of the Collections from the other assets of the Servicer and from other securitisation transactions;
- (k) prepare and deliver the Servicer's Reports, as better specified below.

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

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

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

Payment of Collections and Recoveries into the Collection Account

Under the terms of the Servicing Agreement, the Servicer shall collect the Receivables on behalf of the Issuer and shall, subject to below, pay any such Collections (or procure the payment thereof) into the Collection Account on the Local Business Day immediately succeeding the date on which such sums have been received, except for any Late Payments, Agreed Prepayments and Residual Optional Instalments which - to the extent that the sum of such Late Payments, Agreed Prepayments and Residual Optional Instalments does not exceed Euro 300,000 - shall be paid into the Collection Account on or before the last Local Business Day of the calendar month in which such Late Payments, Agreed Prepayments and Residual Optional Instalments have been received by the Servicer. In the event that during any calendar month the sum of Late Payments and Agreed Prepayments exceeds Euro 300,000, then the Servicer will credit such amount (or procure that such sums be credited) to the Collection Account on the Local Business Day immediately following the date on which the above limit of Euro 300,000 has been exceeded.

Servicer Account

Under the terms of the Servicing Agreement, the Servicer has undertaken to open with the Servicer Account Bank an account bank for the deposit of all the sums due in respect of the Receivables (the "**Servicer Account**"). The Servicer has undertaken to procure, *inter alia*, that (i) all the sums due in respect of the Receivables and the additional expenses in respect of the Instalments are paid directly into the Servicer Account (ii) no right of set-off can be exercised by the Servicer and the Servicer Account in respect of the sums standing to the credit of such bank account; (iii) all cost and expense related to such Servicer Account are paid by the Servicer (iv) any Collection paid into the Servicer Account shall be transferred, upon instruction of the Servicer, into the Collection Account on a daily basis and, in any event, no later than 17.00 (Milan time) of the Local Business Day following the

date on which the relevant payment into such bank account is made and (v) upon revocation of the Servicer, the Issuer is authorized to instruct the Servicer Account Bank to transfer all amounts standing to the credit of the Servicer Account to another account as indicated by the Issuer.

Performance

Under the terms of the Servicing Agreement, the Servicer shall perform the duties provided for by the Servicing Agreement and take any steps and decisions in relation to the management, servicing, recovery and collection of the Receivables in compliance with:

- (a) the Collection Policies;
- (b) the Securitisation Law and any other applicable laws and regulations; and
- (c) the instructions which may be given by the Issuer in accordance with the Servicing Agreement.

Pursuant to the Servicing Agreement, the Servicer has undertaken (i) to perform its duties in compliance with the applicable law and any instructions received from the Issuer (or, where relevant, the Representative of Noteholders), and (ii) to act at all times in good faith and with utmost professional diligence. The Servicer's obligations include also maintaining accurate and complete records and operating an efficient filing and data-storage system and providing access to same on 3 (three) days prior notice from the Issuer.

Delegation of activities

The Servicer is entitled to delegate to one or more entities certain activities entrusted to it pursuant to the Servicing Agreement provided that the Servicer will remain directly responsible for the performance of all duties and obligations delegated to any of such entities and will be liable for the conduct of all of them.

Reports of the Servicer

The Servicer has undertaken to prepare and deliver the Quarterly Settlement Report to the Issuer, the Account Bank, the Computation Agent, the Corporate Servicer, the Rating Agency and the Representative of the Noteholders, on each Quarterly Settlement Report Date.

The Servicer has undertaken to prepare and deliver the Monthly Settlement Report to the Issuer, the Account Bank, the English Account Bank, the Computation Agent, the Corporate Servicer, the Rating Agency and the Representative of the Noteholders, within the relevant Monthly Settlement Report Date, in case, during the Warehouse Period Alba Leasing intends to deliver an Offer Notice with respect to an Additional Portfolio (whose Initial Purchase Price is due on a Monthly Payment Date).

Renegotiation

Pursuant to the terms of the Servicing Agreement, the Issuer has authorised the Servicer to renegotiate and reschedule the Lease Contracts where the Servicers may consider opportune in light of the Collection Policies or in line with prudent financial practices, according to the terms and conditions and within the limits provided by the Servicing Agreement.

The Servicer shall in any case not be entitled to renegotiate Lease Contracts, the receivables of which have been assigned to the Issuer partially pursuant to clause 12 of the Master Receivables Purchase Agreement.

Repurchase of Receivables

As an alternative to the renegotiation power granted to the Servicer under the Servicing Agreement (or, with respect to the Lease Contracts whose receivables have been assigned to the Issuer partially, in order to allow the Originator to make such renegotiation), the Servicer has been granted the power to repurchase Receivables from the Issuer. The amount of repurchases shall not exceed the percentage limits indicated in the Servicing Agreement.

Servicing Fee

In return for the services provided by the Servicer, the Issuer will pay to the Servicer the following Servicing Fee, out of the Issuer Available Funds, in accordance with the applicable Priority of Payments:

- (a) for the administration, management and collection of the Receivables and any other activities carried out under the Master Servicing Agreement (other than the recovery and compliance activities specified, respectively, in paragraphs (b) and (c) below): a fee equal to 0.05 per cent. (plus VAT, if applicable) of the Collections received by the Servicer in respect of the Receivables (other than Recoveries) during the Quarterly Settlement Period immediately preceding the relevant Quarterly Payment Date;
- (b) for the administration, management and collection of Receivables in relation to the Defaulted Lease Contracts and Delinquent Lease Contracts: on a quarterly basis a fee equal to 0.005 per cent. (plus VAT, if applicable), of the Outstanding Amount of the Receivables relating to any Lease Contract classified as a Defaulted Lease Contract or Delinquent Lease Contract on the last day of the Quarterly Settlement Period immediately preceding the relevant Quarterly Payment Date, subject to a quarterly minimum fee of Euro 500 (plus VAT, if applicable); and
- (c) for the activity of compliance (i.e. compliance with duties imposed by the applicable regulation and/or reporting and communication duties), on each Payment Date a fee equal to Euro 500 (plus VAT, if applicable).

Servicer Termination Events

Pursuant to the Servicing Agreement, the Issuer may, with the prior consent of the Representative of the Noteholders, or shall, if so requested in writing by the Representative of the Noteholders (it being understood that the Representative of the Noteholders in making such request shall (a) confirm the occurrence of a Servicer Termination Event and (b) if the Senior Notes are held by a sole Senior Noteholder, have obtained the relevant written instruction by such sole Senior Noteholder), terminate the appointment of the Servicer, *inter alia*, if any of the following events takes place:

- (a) an order of the competent authority is made or an effective resolution is passed of the competent body of the Servicer for liquidation, administration, insolvency in any form ;
- (b) the Servicer (i) restructures its obligations or postpone the respective fulfilments; (ii) enters into extrajudicial agreements with its creditors; (iii) ask for the suspension of the payments or of its obligations or the enforcement of the guarantees given to secure such obligations;
- (c) failure on the part of the Servicer to deposit or pay any amount required to be paid or deposited within 10 days after the due date thereof, except where such failure is attributable to strikes, technical delays or other justified reason;

- (d) failure by the Servicer to comply with any other terms and conditions of the Servicing Agreement which failure to comply is not remedied within a period of 14 Business Days from the date on which the Servicer receives written notice of such non-compliance from the Issuer;
- (e) any of the representation and warranties given by the Servicer under the Servicing Agreement is incorrect or incomplete, unless the Servicer provides a remedy within 30 Business Days from the date on which such representation or warranty is contested;
- (f) any obligations of the Servicer pursuant to the Servicing Agreement or any Transaction Documents to which it is a party becomes illegal;
- (g) an order of the competent authority is made or is passed of the competent body of the Servicer for the winding-up or dissolution.

As a result of such termination, the appointment of the Back-Up Servicer as Successor Servicer pursuant to the Back-Up Servicing Agreement shall become effective.

Assignment

Under the terms of the Servicing Agreement, the Servicer may not assign the Servicing Agreement or transfer any or all of its rights, benefits and/or obligations under the Servicing Agreement to any entity without the prior written consent of the Issuer.

Governing Law and Jurisdiction

The Servicing Agreement and any non-contractual obligations arising out or in connection with such agreement are governed by, and shall be construed according to Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Servicing Agreement.

DESCRIPTION OF THE WARRANTY AND INDEMNITY AGREEMENT

The description of the Warranty and Indemnity Agreement set out below is a summary of certain features of that agreement and it is qualified by reference to the detailed provisions of the Warranty and Indemnity Agreement. Capitalised terms used in the description below, to the extent not defined in this Prospectus, shall have the meanings ascribed to them in the Glossary.

General

Pursuant to the Warranty and Indemnity Agreement, the Originator has given certain representations and warranties in favour of the Issuer in relation to the Receivables comprised in the Portfolio and certain other matters and has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer that may be incurred in connection with the purchase and ownership of the Receivables.

The Warranty and Indemnity Agreement contains representations and warranties given by the Originator as to matters of law and fact affecting the Originator including, without limitation, that the Originator validly exists as a juridical person, has the corporate authority and power to enter into the Transaction Documents to which it is party and assume the obligations contemplated therein and has all the necessary authorisations therefore.

The Warranty and Indemnity Agreement sets out standard representations and warranties in respect of the Receivables including, *inter alia*, that, as of the date of execution of the Warranty and Indemnity Agreement, the Receivables comprised in the Portfolio (i) are valid, in existence and in compliance with the Criteria, and (ii) relate to Leasing Contracts which have been entered into, executed and performed by the Originator in compliance with all applicable laws, rules and regulations (including the Usury Law).

Option to repurchase individual Receivables in respect of which the relevant representation or warranty has been breached

As an alternative to the obligation of the Originator (provided by clause 6 of the Warranty and Indemnity Agreement) to indemnify the Issuer in the circumstances indicated therein, under clause 6 of the Warranty and Indemnity Agreement, the Issuer has granted to the Originator, pursuant to article 1331 of the Italian Civil Code, the right to repurchase individual Receivables in respect of which a misrepresentation (related to any representation made under schedule 2 of the Warranty and Indemnity Agreement) occurred, such right to be exercised within a period of 22 Local Business Days from the date on which the Originator has received a request of indemnity.

If the Originator does not exercise such option within the time limit stated by clause 5 of the Warranty and Indemnity Agreement or does not pay the repurchase price in relation to such Receivables in accordance with clause 5.3 of the Warranty and Indemnity Agreement, the Issuer will have the right to be indemnified in accordance with clause 6 of the Warranty and Indemnity Agreement.

Indemnity obligations of the Originator

Pursuant to clause 6 of the Warranty and Indemnity Agreement, the Originator has agreed to indemnify and hold harmless the Issuer from and against all damages, loss, costs and expenses incurred by it arising from:

- (a) breach by the Originator of its obligations under the Warranty and Indemnity or any laws or regulation applicable to the Warranty and Indemnity Agreement;

- (b) any representation or warranty made by the Originator under the Warranty and Indemnity Agreement, the Master Receivables Purchase Agreement and each Transfer Agreement being false, incomplete or incorrect;
- (c) the failure to collect or recover any Receivables as a consequence of the legitimate exercise by a Lessee of any set-off claim against such Originator.

Governing Law and Jurisdiction

The Warranty and Indemnity Agreement and all non-contractual obligations arising out or in connection with such agreement are governed by, and shall be construed according to Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Warranty and Indemnity Agreement.

DESCRIPTION OF THE OTHER TRANSACTION DOCUMENTS

The description of the Transaction Documents set out below is a summary of certain features of that agreement and it is qualified by reference to the detailed provisions of such Transaction Documents. Capitalised terms used in the description below, to the extent not defined in this Prospectus, shall have the meanings ascribed to them in the Glossary.

1. THE BACK-UP SERVICING AGREEMENT

General

Pursuant to the Back-Up Servicing Agreement, the Back-Up Servicer has agreed to be appointed and act as substitute Servicer under the same terms and conditions as those on which the Servicer was appointed under the Servicing Agreement (excluding for (i) the fees for acting as substitute Servicer which have been agreed separately on the Back-Up Servicing Agreement; and (ii) the compliance with the requirements under the Privacy Law, in relation to which the Back-Up Servicer would be entitled to act as *responsabile del trattamento dei dati*).

The parties to the Back-Up Servicing Agreement have acknowledged that the mandate granted to the Back-Up Servicer, in case such entity shall act as substitute Servicer, shall not include the activity of renegotiation of the Receivables provided by clause 16 of the Servicing Agreement.

Pursuant to the terms of the Back-Up Servicing Agreement, the Back-Up Servicer shall substitute Alba Leasing as Servicer in the event that:

- (a) the Servicer is removed from its duty pursuant to the Servicing Agreement; or
- (b) the Servicer renounced the mandate granted to it in accordance with the relevant provisions of the Servicing Agreement.

Pursuant to the terms of the Back-Up Servicing Agreement, the Back-Up Servicer has represented and warranted, *inter alia*, that it satisfies the requirements for a Back-Up Servicer provided for by the Back-Up Servicing Agreement.

The fees due to Selmabipiemme for the role of Back-Up Servicer shall be due and payable by Alba Leasing. Should the appointment of Selmabipiemme as substitute Servicer become effective, then the relevant servicing fee shall be due and payable by the Issuer.

Governing Law and Jurisdiction

The Back-Up Servicing Agreement and all non-contractual obligations arising out or in connection with such agreement are governed by, and shall be construed according to Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Back-Up Servicing Agreement.

2. THE CASH ALLOCATION, MANAGEMENT AND PAYMENT AGREEMENT

General

On or about the Issue Date, the Issuer, the Originator, the Servicer, the Cash Manager, the Paying Agent, the Account Bank, the English Account Bank, the Corporate Servicer, the

Computation Agent and the Representative of the Noteholders have entered into the Cash Allocation, Management and Payment Agreement.

Pursuant to the Cash Allocation, Management and Payment Agreement, the Computation Agent, the Account Bank, the English Account Bank, the Paying Agent and the Cash Manager have agreed to provide the Issuer with certain calculation, notification, reporting and agency services, together with certain account handling, investment and cash management services.

Governing Law and Jurisdiction

The Cash Allocation, Management and Payment Agreement and all non-contractual obligations arising out or in connection with the Cash Allocation, Management and Payment Agreement governed by, and shall be construed according to Italian law; and the courts of Milan shall have exclusive jurisdiction in respect to any and all disputes arising in respect of the Cash Allocation, Management and Payment Agreement.

3. THE INTERCREDITOR AGREEMENT

General

On or about the Issue Date, the Issuer, the Representative of the Noteholders (on its own behalf and as agent of the Noteholders) and the Other Issuer Creditors have entered into the Intercreditor Agreement.

Pursuant to the Intercreditor Agreement, the Issuer, the Representative of the Noteholders (on its own behalf and as agent of the Noteholders) and the Other Issuer Creditors have agreed to, *inter alia*, (i) the application of the Monthly Issuer Available Funds and the Issuer Available Funds, in accordance with the applicable 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 Portfolios.

Disposal of the Portfolios following the delivery of a Trigger Notice

Pursuant to the Intercreditor Agreement, following the delivery of a Trigger Notice and in accordance with the Terms and Conditions, the Issuer may or shall (if so requested by the Representative of the Noteholders) dispose of the Portfolios if:

- (a) the Issuer or the Representative of the Noteholders has been requested by an Extraordinary Resolution of the Most Senior Class of Notes;
- (b) a sufficient amount would be realised from such disposal to allow (taking into account any other Issuer Available Funds of the Issuer) discharge in full of all amounts owing to the Senior Noteholders and amounts ranking in priority thereto or *pari passu* therewith or, if such amount would not be realised, a certificate issued by a reputable bank or financial institution stating that the purchase price for the Portfolios is adequate (based upon such bank or financial institution's evaluation of the Portfolios) has been obtained by the Issuer or by the Representative of the Noteholders;
- (c) the relevant purchaser has obtained all the necessary approvals and authorisations;

- (d) the relevant purchaser has produced:
 - (i) a certificate signed by its legal representative stating that such purchaser is solvent, dated as of the date on which the ;
 - (ii) a solvency certificate (*certificato di iscrizione nella sezione ordinaria*) issued by the competent Companies Register office and dated not more than ten days before the date on which the Portfolios will be disposed; and
 - (iii) a certificate, issued by the Court competent for the territory in which is based the legal office of such purchaser, stating that no applications for commencement of insolvency proceedings against such purchaser has been made in the last five years,

provided that, without prejudice to the conditions under letter (i), (ii) and (iii) above, the Originator shall have in such circumstance a pre-emption right to purchase the Portfolios.

In addition, the Representative of the Noteholders may, at its discretion, carry out any further research or investigation for obtaining satisfactory evidence of the solvency of the relevant purchaser.

Disposal of the Portfolios following the occurrence of a Tax Event

Pursuant to the Intercreditor Agreement, following the occurrence of a Tax Event and in accordance with the Terms and Conditions,

- (a) the Issuer may, or
- (b) the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the holders of the Senior Notes then outstanding) direct the Issuer to dispose of the Portfolios or any part thereof to finance the early redemption of the relevant Notes under Condition 10.5 (*Redemption for taxation*) if:
 - (i) a sufficient amount would be realised from such disposal to allow (taking into account any other Issuer Available Funds of the Issuer) discharge in full of all amounts owing to the holders of the relevant Notes to be redeemed in accordance with Condition 10.5 (*Redemption for taxation*), and amounts ranking in priority thereto or *pari passu* therewith;
 - (ii) the relevant purchaser has obtained all the necessary approvals and authorisations; and
 - (iii) the relevant purchaser has produced:
 - (A) a certificate signed by its legal representative stating that such purchaser is solvent;
 - (B) a good standing certificate (*certificato di iscrizione nella sezione ordinaria*) issued by the competent Companies Register and dated not more than one month before the date on which the Portfolios will be disposed; and
 - (C) a certificate, issued by the Court competent for the territory in which is based the legal office of such purchaser, stating that no

applications for commencement of insolvency proceedings against such purchaser has been made in the last five years and dated not more than twenty days before the date on which the Portfolios will be disposed,

provided that, without prejudice to the conditions under letter (A), (B) and (C) above, the Originator shall have in such circumstance a Pre-emption Right in accordance with clause 21 (*Disposal of the Portfolios following the delivery of a Trigger Notice*) of the Intercreditor Agreement.

In addition, the Representative of the Noteholders may, at its discretion, carry out any further research or investigation for obtaining satisfactory evidence of the solvency of the relevant purchaser.

It is understood that, if the Representative of the Noteholders directs the Issuer to dispose of the Portfolios or any part thereof in the absence of an Extraordinary Resolution of the Senior Noteholders as described above and the Representative of the Noteholders does not receive from the Issuer a full and unconditional acceptance of its proposal within 5 (five) Business Days following the delivery of the relevant proposal, any disposal of the Portfolios shall be resolved by the Extraordinary Resolution of the holders of the Senior Notes then outstanding in accordance with the Rules of the Organisation of the Noteholders and then the Issuer shall dispose of the Portfolios in accordance with such resolution.

Governing Law and Jurisdiction

The Intercreditor Agreement and all non-contractual obligations arising out or in connection with such agreement are governed by, and shall be construed according to Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Intercreditor Agreement.

4. THE DEED OF PLEDGE

General

On or about the Issue Date the Issuer, the Representative of the Noteholders and the Other Issuer Creditors have entered into the Deed of Pledge in order to ensure the segregation of and create a pledge over the rights of the Issuer arising out of certain Transaction Documents (other than the Receivables, the Collections and the Recoveries) and any sum credited from time to time to the Collection Account, Debt Service Reserve Account and the Principal Accumulation Account.

Pursuant to the Deed of Pledge, without prejudice and in addition to any security, guarantees and other rights provided by the Securitisation Law securing the discharge of the Issuer's obligations towards the Noteholders and the Other Issuer Creditors, the Issuer has pledged in favour of the Noteholders and the Other Issuer Creditors all monetary claims and rights and all the amounts payable from time to time (including payment for claims, indemnities, damages, penalties, credits and guarantees) to which the Issuer is or will be entitled to from time to time pursuant to certain Transaction Documents (except for the Receivables and the relevant Collections and Recoveries).

Governing Law and Jurisdiction

The Deed of Pledge and all non-contractual obligations arising out or in connection with such agreement are governed by, and shall be construed according to Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Deed of Pledge.

5. **DEED OF CHARGE**

General

Pursuant to the terms of a charge agreement executed by the Issuer on or prior the Issue Date (the “**Deed of Charge**”) the Issuer has granted, in favour of the Representative of the Noteholders acting in its capacity as agent for the Noteholders and the Other Issuer Creditors, a first priority charge over (i) any sums standing to the credit of the Investment Accounts; and (ii) Eligible Investments credited to the Securities Accounts and all dividends, interest and other monies payable in respect thereof and all other rights, benefits and proceeds deriving therefrom.

Governing law and jurisdiction

The Deed of Charge is governed by, and shall be construed according to English law.

6. **THE MANDATE AGREEMENT**

General

On or about the Issue Date, the Issuer and the Representative of the Noteholders have entered into the Mandate Agreement. Pursuant to the Mandate Agreement, subject to the occurrence of a Trigger Event and the delivery of a Trigger Notice, the Representative of the Noteholders, acting in such capacity, shall be authorised to exercise all the Issuer's non-monetary rights arising out of the Transaction Documents to which the Issuer is a party.

Governing Law and Jurisdiction

The Mandate Agreement and all non-contractual obligations arising out or in connection with such agreement are governed by, and shall be construed according to Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Mandate Agreement.

7. **THE CORPORATE SERVICES AGREEMENT**

On or about the Issue Date, the Issuer, the Servicer and the Corporate Servicer have entered into the Corporate Services Agreement.

General

Pursuant to the Corporate Services Agreement, the Corporate Servicer has agreed to provide the Issuer with certain corporate administration and management services. These services include, *inter alia*, the safekeeping of documentation pertaining to meetings of the Issuer's quotaholders and directors, maintaining the quotaholders' register, preparing VAT and other tax and accounting records, preparing the Issuer's annual balance sheet, administering all matters relating to the taxation of the Issuer and liaising with the Representative of the Noteholders.

Governing law and jurisdiction

The Corporate Services Agreement and all non-contractual obligations arising out or in connection with such agreement are governed by, and shall be construed according to Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Corporate Services Agreement.

8. **THE LETTER OF UNDERTAKING**

General

On or about the Issue Date, the Originator, the Issuer and the Representative of the Noteholders have entered into the Letter of Undertaking.

Pursuant to the Letter of Undertaking, the Originator has undertaken to provide the Issuer with all necessary monies in order for the Issuer to pay certain losses, costs, expenses or liabilities indicated therein.

Governing law and jurisdiction

The Letter of Undertaking and all non-contractual obligations arising out or in connection with such agreement are governed by, and shall be construed according to Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Letter of Undertaking.

9. **THE QUOTAHOLDER'S AGREEMENT**

General

On or about the Issue Date, the Issuer, the Sole Quotaholder, and the Representative of the Noteholders have entered into the Quotaholder's Agreement.

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

The Sole Quotaholder has also agreed not to dispose of, or charge or pledge, the quotas in the Issuer without the previous written consent of the Representative of the Noteholders.

Governing law and jurisdiction

The Quotaholder's Agreement and all non-contractual obligations arising out or in connection with such agreement are governed by, and shall be construed according to Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Quotaholder's Agreement.

10. **THE SENIOR NOTES SUBSCRIPTION AGREEMENT**

General

Pursuant to the terms of a senior notes subscription agreement entered into on or prior to the Issue Date among the Issuer, the Originator, the Representative of the Noteholders and the Initial Senior Notes Subscriber (the "**Senior Notes Subscription Agreement**"), the Initial Senior Notes Subscriber has agreed, upon the terms and subject to the conditions specified therein, to subscribe for the Senior Notes and pay the Senior Notes Further Instalment Payments. Pursuant to the Senior Notes Subscription Agreement, Zenith Service S.p.A. has been appointed as legal representative of the Senior Noteholders.

Governing law and jurisdiction

The Senior Notes Subscription Agreement all non-contractual obligations arising out or in connection with such agreement are governed by, and shall be construed according to Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of such agreement.

11. THE JUNIOR NOTES SUBSCRIPTION AGREEMENT

General

Pursuant to the terms of a junior notes subscription agreement entered into on or prior to the Issue Date, the Issuer, the Representative of the Noteholders and the Initial Junior Notes Subscriber (the "**Junior Notes Subscription Agreement**"), the Initial Junior Notes Subscriber has agreed, upon the terms and subject to the conditions specified therein, to subscribe for the Junior Notes and pay the Junior Notes Further Instalment Payments. Pursuant to the Junior Notes Subscription Agreement, Zenith Service S.p.A. has been appointed as legal representative of the Junior Noteholders.

Governing law and jurisdiction

The Junior Notes Subscription Agreement all non-contractual obligations arising out or in connection with such agreement are governed by, and shall be construed according to Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of such agreement.

TERMS AND CONDITIONS OF THE NOTES

The following is the entire text of the terms and conditions of the Senior Notes and the Junior Notes (as defined below) (the “**Terms and Conditions**”). In these Terms and Conditions, references to the “holder” or to the “Noteholder” of a Senior Note and a Junior Note or to a Senior Noteholder and a Junior Noteholder are to the ultimate owners of the Senior Notes and the Junior Notes, as the case may be, issued in bearer form and held in dematerialised form and evidenced as book entries with Monte Titoli S.p.A.(“**Monte Titoli**”) in accordance with the provisions of (i) article 83-bis of the Financial Laws Consolidation Act and (ii) the Joint Regulation. The Noteholders are deemed to have notice of and are bound by, and shall have the benefit of, inter alia, the terms of the Rules of the Organisation of Noteholders (as attached as an Exhibit to, and forming part of, these Terms and Conditions).

In these Terms and Conditions, references to (i) any agreement or other document shall include such agreement or another document as may be modified from time to time in accordance with the provisions contained therein and any deed or other document expressed to be supplemental thereto, as modified from time to time; and (ii) any laws or regulation shall be interpreted and construed to include any amendments and implementation thereof as of the date of these Terms and Conditions.

The up to Euro 150,000,000 (the “**Senior Notes Maximum Amount**”) Class A Asset Backed Floating Rate Notes due September 2035 (the “**Senior Notes**”) and the up to Euro 133,000,000 (the “**Junior Notes Maximum Amount**”) Class B Asset Backed Floating Rate Notes due September 2035 (the “**Junior Notes**” and, together with the Senior Notes, the “**Notes**”) are issued by Alba 3 SPV S.r.l. (the “**Issuer**”) on 20 December 2012 (the “**Issue Date**”) in the context of a securitisation transaction (the “**Transaction**”) to finance the purchase of certain portfolios of receivables and connected rights arising out of lease contracts between the Originator, as lessor, and the lessees.

1. INTRODUCTION

The Transaction consists of the following three phases:

- (a) a first phase, being the Warehouse Period;
- (b) a second phase (excluding the case in which the Warehouse Period End Date is the date on which a Purchase Termination Event Notice or a Trigger Notice is delivered), being the Revolving Period; and
- (c) a third phase, being the Amortisation Period.

1.1. Source of payments

The principal source of payment of interest and of repayment of principal on the Notes will be the Collections and Recoveries made in respect of the Receivables arising out of the Lease Contracts between the Originator and the Lessees, purchased and to be purchased by the Issuer from the Originator pursuant to the Master Receivables Purchase Agreement and the relevant Transfer Agreements.

1.2. Senior Noteholders and Junior Noteholders deemed to have notice of Transaction Documents

The Senior Noteholders and the Junior 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).

1.3. Provisions of Terms and Conditions subject to Transaction Documents

Certain provisions of these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Transaction Documents.

1.4. Copies of Transaction Documents available for inspection

Copies of the Transaction Documents are available for inspection by the Noteholders during normal business hours at the registered office of the Representative of the Noteholders, being, as at the Issue Date, Zenith Service S.p.A. and at the registered office of the Issuer.

1.5. Description of the Transaction Documents

- 1.5.1 Under the Master Receivables Purchase Agreement, the Issuer purchased from the Originator on a without recourse (*pro soluto*) basis the Initial Portfolio, by funding such purchase out of the proceeds deriving from the Notes Initial Instalment Payments. Subject to the terms of the Master Receivables Purchase Agreement, the Originator is allowed to sell to the Issuer which, shall purchase from the Originator (i) during the Warehouse Period, the Additional Portfolios and (ii) during the Revolving Period, the Subsequent Portfolios, pursuant to the Transfer Agreements.

The Initial Purchase Price of any Additional Portfolio will be paid by the Issuer out of (i) the Principal Instalments collected in respect of the Receivables and any other Monthly Issuer Available Funds or Issuer Available Funds, as the case may be, available to such purpose and (ii) should the amounts under (i) not be sufficient to such purpose, the Notes Further Instalment Payments. The Initial Purchase Price of any Subsequent Portfolio will be paid by the Issuer out of the Issuer Available Funds used in accordance with the applicable Priority of Payments.

- 1.5.2 Under the Warranty and Indemnity Agreement, the Originator has given certain representations and warranties to the Issuer in relation to, inter alia, itself and the Receivables comprised in each Portfolio and has agreed to indemnify the Issuer in respect of certain liabilities incurred by the Issuer as a result of the purchase and ownership of such Receivables.
- 1.5.3 Under the Servicing Agreement, the Servicer has agreed to administer and service the Receivables comprised in the Portfolios in accordance with the terms and conditions set out therein.
- 1.5.4 Under the Back-Up Servicing Agreement, the Back-Up Servicer has agreed to act as substitute Servicer subject to, inter alia, the appointment of Alba Leasing as Servicer being terminated, in accordance with the terms of the Servicing Agreement.
- 1.5.5 Under the Corporate Services Agreement, the Corporate Servicer has agreed to provide the Issuer with certain administrative and corporate services.
- 1.5.6 Under the Letter of Undertaking, the Originator has undertaken to provide the Issuer with all necessary monies in order for the Issuer to pay certain losses, costs, expenses or liabilities indicated therein.

- 1.5.7 Under the Cash Allocation, Management and Payment Agreement, the Computation Agent, the Account Bank, the English Account Bank, the Paying Agent and the Cash Manager have agreed to provide the Issuer with certain agency services and certain calculation, notification and reporting services together with account handling services in relation to monies and securities from time to time standing to the credit of the Accounts. In accordance with the terms of the Cash Allocation, Management and Payment Agreement, amounts standing from time to time to the credit of the Investment Account may be invested in Eligible Investments.
- 1.5.8 Under the Intercreditor Agreement, provision is made as to the order of application of 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.
- 1.5.9 Under the Mandate Agreement, the Representative of the Noteholders will be authorised, subject to the delivery of a Trigger Notice, 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.
- 1.5.10 Under the Deed of Pledge, as security for the Secured Obligations the Issuer has pledged in favour of the Noteholders and the Other Issuer Creditors all existing and future monetary claims and rights deriving from certain Transaction Documents (other than the Receivables, the Collections and the Recoveries) and all amounts standing to the credit of the Collection Account, Debt Service Reserve Account and the Principal Accumulation Account.
- 1.5.11 Under the Deed of Charge, the Issuer has granted in favour of the Noteholders and the Other Issuer Creditors, acting through the Representative of the Noteholders, a first priority charge over (a) any sums standing to the credit of the Investment Account; and (b) Eligible Investments credited to the Investment Account and all dividends, interest and other monies payable in respect thereof and all other rights, benefits and proceeds deriving therefrom.
- 1.5.12 Under the Senior Notes Subscription Agreement, the Initial Senior Notes Subscriber has agreed, upon the terms and subject to the conditions specified therein, to subscribe for the Senior Notes and pay the Senior Notes Further Instalment Payments. Pursuant to the Senior Notes Subscription Agreement, Zenith Service S.p.A. has been appointed as legal representative of the Senior Noteholders.
- 1.5.13 Under the Junior Notes Subscription Agreement, the Initial Junior Notes Subscriber has agreed, upon the terms and subject to the conditions specified therein, to subscribe for the Junior Notes and pay the Junior Notes Further Instalment Payments. Pursuant to the Junior Notes Subscription Agreement, Zenith Service S.p.A. has been appointed as legal representative of the Junior Noteholders.
- 1.5.14 Under the Quotaholder's Agreement, certain rules in relation to the corporate management of the Issuer have been provided for the Securitisation.
- 1.5.15 Under the Master Definitions Agreement, the definitions of certain terms used in the Transaction Documents have been set out.

1.6. Organisation of the Noteholders

The rights and powers of the Noteholders may only be exercised in accordance with the Rules of Organisation of the Noteholders which are attached to these Terms and Conditions as

Exhibit 1 and which are deemed to form part an integral and substantial part of these Terms and Conditions and the Noteholders shall be bound by the provisions of such Rules of Organisation of the Noteholders as if they had been set out herein in full.

1.7. Acknowledgement

Each Senior Noteholder, by reason of holding Notes, acknowledges and agrees that the Initial Senior Notes Subscriber and the Initial Junior Notes Subscriber shall not be liable in respect of any loss, liability, claim, expenses or damages suffered or incurred by any of the Noteholders as a result of the performance by Zenith Service S.p.A. or any successor thereof of its duties as Representative of the Noteholders as provided for in the Transaction Documents.

2 DEFINITIONS

2.1 Definitions

In these Terms and Conditions the following expressions shall, except where the context otherwise requires and save where defined therein, have the following meanings:

“**Account**” means each of the Eligible Accounts, the Quota Capital Account and the Expenses Account, and “**Accounts**” means all of them.

“**Account Bank**” means BNYM Luxembourg or any other entity acting as account bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

“**Additional Debt Service Reserve Amount**” means,

with respect to any Payment Date, an amount equal to the difference between X and Y, where:

(X) means the higher of:

- (a) the amount of Euro 519.750,02;
- (b) the aggregate Outstanding Principal of all the Portfolios as of the Valuation Date immediately preceding the date of the most recent Junior Notes Further Instalment Payment, multiplied by 0.35%; and
- (c) the aggregate Outstanding Principal of all the Portfolios on the immediately preceding Valuation Date, multiplied by 0.35%.

and

(Y) means the sum of all payments made as Additional Debt Service Reserve Amount into the Debt Service Reserve Account as of the immediately preceding Payment Date (included).

“**Additional Portfolio**” means any portfolio of Receivables which will be purchased by the Issuer from the Originator during the Warehouse Period in accordance with the Master Receivables Purchase Agreement.

“**Agents**” means the Paying Agent, the Computation Agent, the Account Bank, the English Account Bank and the Cash Manager, and “**Agent**” means each of them.

“**Agreed Prepayments**” has the ascribed under the Master Definitions Agreements.

“**Amortisation Period**” means the third phase of the Transaction, which will commence on the Quarterly Payment Date immediately following the Revolving Period End Date (included), and ending on the Cancellation Date.

“**Asset**” means any real estate asset, registered and unregistered movable properties leased under a Lease Contract.

“**Asset Coverage Test**” means the difference, calculated on each Payment Report Date immediately preceding a Quarterly Payment Date (taking into account all payments expected to be made on such Quarterly Payment Date), between (a) and (b),

where:

(a) is equal to:

- (i) the aggregate of the Outstanding Amount of all Receivables comprised in the Collateral Portfolio (including the Additional Portfolio or Subsequent Portfolio the Initial Purchase Price of which is due, subject to the relevant Formalities having been perfected, on such Quarterly Payment Date); plus
- (ii) the balance of the Debt Service Reserve Account as of such Quarterly Payment Date; plus
- (iii) the balance of the Principal Accumulation Account as of such Quarterly Payment Date (in any case net of any amount utilized or to be utilized towards payment of the Initial Purchase Price of the Additional Portfolio or Subsequent Portfolio indicated under item (i) above);

(b) is equal to:

- (i) the Notes Principal Amount Outstanding on such Quarterly Payment Date taking into account the Notes Further Instalment Payments to be made on such Quarterly Payment Date; multiplied by
- (ii) 0.98.

“**Back-Up Servicer**” means Selmabipiemme Leasing S.p.A. and its permitted successors or assignees acting as back-up servicer pursuant to the provisions of the Back-Up Servicing Agreement.

“**Back-Up Servicing Agreement**” means the back-up servicing agreement entered into on or prior the Issue Date between Alba Leasing, the Issuer and the Back-Up Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“**Bankruptcy Law**” means Royal Decree No. 267 of 16 March 1942, as amended and supplemented from time to time.

“**Business Day**” means any day (other than Saturday or Sunday) on which banks are open for business in Milan, London and New York, and the Trans-European Automated Real Time Gross Settlement Express Transfer (TARGET 2) System (or any successor thereto) is open.

“**Cancellation Date**” means the earlier of:

- (a) the date on which the Notes have been redeemed in full;

- (b) the Final Maturity Date;
- (c) the date on which the Representative of the Noteholders has provided to the Issuer a certificate confirming that (i) all the Collections due in respect of all the Receivables comprised in the Portfolios have been received or recovered and/or the Receivables comprised in the Portfolios (then outstanding) have been fully written off by the Issuer (or on the Issuer behalf) and/or all judicial enforcement procedures in respect of the Portfolios have been completed and/or in its sole opinion there is no reasonable likelihood of there being any further amounts to be realised in respect of the Portfolios or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay unpaid amounts outstanding under the Transaction Documents and the Servicer having confirmed the same in writing to the Representative of the Noteholders, and (ii) the relevant Issuer Available Funds have been received and applied in accordance with the applicable Priority of Payments; and
- (d) the date on which the Representative of the Noteholders has provided to the Issuer a certificate confirming that (i) all the Receivables comprised in all the Portfolios have been sold and (ii) the relevant Issuer Available Funds have been received and applied in accordance with the applicable Priority of Payments.

“Cash Allocation, Management and Payment Agreement” means the cash allocation management and payment agreement executed on or about the Issue Date between, inter alios, the Issuer, the Originator, the Servicer, the Back-Up Servicer, the Corporate Servicer, the Representative of the Noteholders, the Paying Agent, the Account Bank, the English Account Bank, the Cash Manager and the Computation Agent, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Cash Manager” means Alba Leasing S.p.A. or any other entity acting as cash manager pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

“Cash Reserve Release Date” means the earlier of:

- (i) the Quarterly Payment Date on which the Issuer Available Funds would be sufficient to redeem in full the Senior Notes after that payments from item First to item Fourth of the Pre-Enforcement Priority of Payments have been made in full;
- (ii) the Quarterly Payment Date immediately following the delivery of a Trigger Notice; and
- (iii) the Cancellation Date.

“Class” shall be a reference to a class of Notes and **“Classes”** shall be construed accordingly.

“Closing Date” means 20 December 2012.

“Clearstream” means Clearstream Banking, société anonyme with registered office at 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg.

“Collateral Portfolio” means, on any given date, all the Receivables arising from Lease Contracts that are not, as of such date, Defaulted Lease Contracts.

“Collection Account” means the Euro denominated account opened with the Account Bank, with IBAN No. IT53H0335101600005920289780, or any other Euro denominated account opened with any Eligible Institution, in accordance with the Cash Allocation, Management and Payment

Agreement, to which all the Collections and Recoveries made and the Indemnities paid in respect of the Portfolios will be credited, in accordance with the Servicing Agreement.

“Collection Policies” means the documents setting forth the procedures for the collection and recovery of the Receivables annexed to the Servicing Agreement.

“Collections” means any amount received or recovered by Alba Leasing or the Issuer in respect of the Receivables comprised in the Portfolios.

“Common Criteria” means the objective criteria indicated in the section of this Prospectus entitled “The Portfolios – The Eligibility Criteria for the Portfolios – Common Criteria”.

“Computation Agent” means Zenith Service S.p.A. or any other entity acting as computation agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

“Condition” means a condition of the Terms and Conditions.

“CONSOB” means Commissione Nazionale per le Società e la Borsa.

“Consolidated Banking Act” means Legislative Decree No. 385 of 1 September 1993, as subsequently amended and implemented from time to time.

“Contractual Interest Rate” means the interest rate provided in each Lease Contract.

“Corporate Services Agreement” means the corporate services agreement executed before the Issue Date between the Issuer and the Corporate Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Corporate Servicer” means Zenith Service S.p.A. or any other entity acting as corporate servicer pursuant to the Corporate Services Agreement from time to time.

“Debtor” means the Lessee or any other person or entity liable for payment in respect of a Receivable.

“Debt Service Reserve Account” means the Euro denominated account, with IBAN No. IT98G0335101600005920279780 opened with the Account Bank or any other account held with an Eligible Institution for the deposit of the Debt Service Reserve Amount in accordance with the Cash Allocation, Management and Payment Agreement.

“Debt Service Reserve Amount” means:

- (a) on the Issue Date, an amount equal to Euro 2,301,750.09;
- (b) with respect to any Payment Date during the Warehouse Period (or the immediately following date on which the Formalities have been perfected), an amount equal to the higher of:
 - (i) the amount of Euro 2,301,750.09;
 - (ii) the aggregate Outstanding Principal of all the Portfolios as of the Valuation Date immediately preceding the date of the most recent Junior Notes Further Instalment Payment, multiplied by 1.55%; and
 - (iii) the aggregate Outstanding Principal of all the Portfolios on the immediately preceding Valuation Date, multiplied by 1.55%;

- (c) with respect to any Quarterly Payment Date following the Warehouse Period End Date, an amount equal to the amount calculated under item (b) above in respect of the most recent Junior Notes Further Instalment Payment made during the Warehouse Period.

“Decree 239 Deduction” means any withholding or deduction for or on account of *“imposta sostitutiva”* under Decree No. 239.

“Decree No. 239” means Italian Legislative Decree No. 239 of 1 April 1996, as amended and supplemented from time to time and any related regulations.

“Deed of Charge” means the deed of charge executed on or about the Issue Date between the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Deed of Pledge” means the Italian law deed of pledge executed on or about the Issue Date between the Issuer and the Secured Creditors, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Defaulted Instalment” means any Instalment which remains unpaid for more than 180 days after the date scheduled for payment thereof in the relevant Lease Contract or which arises out from Lease Contracts which have been classified as sofferenze pursuant to the Collection Policies.

“Defaulted Lease Contract” means a Lease Contract with respect to which there is at least one Defaulted Instalment and a number of Delinquent Instalments equal to or higher than (i) 6 (six) in relation to Lease Contracts which provide for monthly payments; (ii) 3 (three) in relation to Lease Contracts which provide for bimonthly payments; (iii) 2 (two) in relation to Lease Contracts which provide for quarterly payments and (iv) 1 (one) in relation to Lease Contracts for semi-annual payments.

“Defaulted Receivables” means the Receivables which arise from Defaulted Lease Contracts, and **“Defaulted Receivable”** means each of them.

“Deferred Purchase Price” means the second deferred portion of the purchase price in respect of each Receivable as set out in clause 6.1 of the Master Receivables Purchase Agreement or, in case such term is referred to a Portfolio, it will indicate the sum of the deferred purchase prices of the Receivables comprised in such Portfolio.

“Delinquent Instalment” means, in respect of any Receivables, any Instalment which remains unpaid by the related Lessee for 30 days or more after the scheduled date for payment thereof and which is not a Defaulted Instalment.

“Delinquent Lease Contract” means a Lease Contract with respect to which there is one or more Delinquent Instalment(s) but which is not a Defaulted Lease Contract.

“Delinquency Ratio” means, on each Quarterly Settlement Date, the average percentage of the three previous periods between: (i) the Outstanding Amount of all the Receivables arising from Delinquent Lease Contracts comprised in the Collateral Portfolio as of the last Business Day of each month of the relevant Quarterly Settlement Period; and (ii) the Outstanding Amount of all the Receivables comprised in the Collateral Portfolio as of the last day of each month of the relevant Quarterly Settlement Period.

“Eligibility Criteria” means the objective criteria for the identification of the Receivables comprised in each Portfolio, as set out in the Master Receivables Purchase Agreement and the relevant Offer Notice.

“Eligible Account” means each of the Collection Account, the Payments Account, the Principal Accumulation Account, the Debt Service Reserve Account and the Investment Account, and **“Eligible Accounts”** means all of them.

“Eligible Institution” means any depository institution organised under the laws of any state which is a member of the European Union or of the United States, whose (a) short-term rating is at least equal to “A-1” by S&P and (b) long-term rating is at least equal to “A” by S&P, or such other rating as may be acceptable from time to time to S&P.

“Eligible Investment” means

A. any euro denominated senior (unsubordinated) dematerialised debt securities or other debt instruments or time deposits provided that such investments (a) have a maturity not exceeding 3 months, (b) have a maturity not exceeding the next following Eligible Investments Maturity Date and (c) have the ratings indicated below:

(i) a short-term unsecured and unsubordinated rating of at least "A-1" for Eligible Investments maturing within 60 days or less, or a long-term unsecured and unsubordinated rating at least "AA-" or a short-term unsecured and unsubordinated rating at least "A-1+" for investments maturing within 365 days or less, or such other rating which does not negatively affect the then current rating of the Notes, as previously communicated to the Rating Agencies; or

(ii) such other rating as acceptable to S&P from time to time;

provided that in case of downgrade below the rating levels set out in points (i) and (ii) above: (a) the Issuer shall sell the securities, if it could be achieved without a loss, otherwise (b) the securities shall be allowed to mature; or

B. a Euro denominated bank account or deposit (excluding, for the avoidance of doubt, a time deposit) held with an Eligible Institution provided that (i) such investments are immediately repayable on demand, disposable without any penalty or any loss and have a maturity date falling not later than the next following Eligible Investments Maturity Date; (ii) such investments provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount); and (iii) within 30 calendar days from the date on which the institution ceases to be an Eligible Institution, such investment has to be transferred to another Eligible Institution at no costs for the Issuer; or

C. repurchase transactions between the Issuer and an Eligible Institution in respect of Euro denominated debt securities or other debt instruments provided that (i) title to the securities underlying such repurchase transactions (in the period between the execution of the relevant repurchase transactions and their respective maturity) effectively passes (as confirmed by a non-qualified legal opinion by a primary standing law firm) to the Issuer and the obligations of the relevant counterparty are not related to the performance of the underlying securities, and (ii) such repurchase transactions have a maturity date falling not later than the next following Eligible Investments Maturity Date and in any case shorter than 60 days,

provided that, in respect of all investments mentioned under points from (A) to (C) above:

- (a) in all cases, such investments provide a fixed principal amount at maturity (or upon disposal or liquidation, as the case may be) at least equal to the principal amount invested;
- (b) in any event, none of the Eligible Investments set out above may consist, in whole or in part, actually or potentially, of (i) credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives nor may any amount available to the Issuer in the context of the Securitisation otherwise be invested in any such instruments at any time, or (ii) asset-backed securities, irrespective of their subordination, status or ranking, or (iii) swaps, other derivatives instruments, or synthetic securities, or (iv) any other instrument from time to time specified in the European Central Bank monetary policy regulations applicable from time to time 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; and
- (c) the Eligible Investments under (a) above and any other Eligible Investments other than bank account, cash deposit or time deposit (but including without limitation, the securities underlying repurchase transactions) above are capable of being registered on the Securities Account;
- (d) such Eligible Investments are held directly with the English Account Bank and/or through Euroclear or Clearstream or other clearing systems and registered in the name of the Issuer or, only to the extent registration in the name of the Issuer is not possible, in the name of the English Account Bank and in no case Eligible Investments are held through a sub-custodian.

“Eligible Investment Maturity Date” means (a) during the Warehouse Period, the second Business Day prior to each Monthly Payment Date (or Quarterly Payment Date in those months on which no Monthly Payment Date will fall) and (b) thereafter the second Business Day prior to each Quarterly Payment Date.

“English Account Bank” means BNYM or any other entity acting as account bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time

“Euribor” means the one-month Euribor, the two-month Euribor or three-month Euribor, as the case may be, for deposits in Euro, as it appears on the Reuters page Euribor 01 (Tasso Telematico) or (aa) such other page as may replace Reuters page Euribor01 on that service for the purpose of displaying such information or (bb) if that service ceases to display such information, such page as displays such information on such equivalent service as may replace the Reuters page Euribor01 at or about 11.00 a.m. (Brussels time) on the relevant date from which interests start to accrue; (b) if such Tasso Telematico is unavailable at such time, then the rate for the relevant period shall be equal to the rate of interest applicable to the immediately preceding date on which such rate is available.

“Euro”, **“€”** and **“cents”** refer to the single currency introduced in the Member States of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957, as amended by, inter alia, the Single European Act 1986, the Treaty of the European Union of 7 February 1992 establishing the European Union and the European Council of Madrid of 16 December 1995.

“Euroclear” means Euroclear Bank S.A./N.V. with registered office at 1 Boulevard du Roi Albert II, B - 1210 Brussels, as operator of the Euroclear System.

“European Union Insolvency Regulation” means European Council Regulation (EC) No. 1346 of 29 May 2000 on insolvency proceeding, as amended and supplemented from time to time.

“Euro-Zone” means the region comprised of Member States of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992).

“Excess Indemnity Amount” means the excess indemnity amount to be paid by the Issuer to the Originator in accordance with clause 17 of the Servicing Agreement.

“Expenses” means any documented fees, costs and expenses required to be paid to any third party creditor (other than the Noteholders and the Other Issuer Creditors) arising in connection with the Transaction, and any other documented costs and expenses required to be paid in order to preserve the existence of the Issuer or to maintain it in good standing, or to comply with applicable legislation.

“Expenses Account” means the Euro denominated account opened with IBAN No. IT39D0335101600005920249780, into which the Retention Amount shall be credited and out of which the Expenses and the taxes due and payable by the Issuer will be paid during each Quarterly Settlement Period in accordance with the Cash Allocation, Management and Payment Agreement, or any other account that shall be opened by the Issuer in substitution of such account in accordance with the Cash Allocation, Management and Payment Agreement.

“Extraordinary Resolution” means a resolution passed at a Meeting of the relevant Noteholders, duly convened and held in accordance with the provisions contained in the Rules of the Organisation of the Noteholders, by a majority of not less than three quarters of the votes cast.

“Final Maturity Date” means the Quarterly Payment Date falling on 20 September 2035.

“Final Redemption Date” means the earlier to occur between: (i) the date when any amount payable on the Claims will have been paid, and (ii) the date when all the Claims then outstanding will have been entirely written off or sold by the Issuer.

“Financial Laws Consolidation Act” means Italian Legislative Decree number 58 of 24 February 1998, as amended and supplemented from time to time.

“First Monthly Payment Date” means 20 January 2013.

“First Monthly Settlement Date” means the Monthly Settlement Date which falls on 31 December 2012.

“First Quarterly Payment Date” means the Quarterly Payment Date which falls on 20 March 2013.

“First Quarterly Settlement Date” means the Quarterly Settlement Date which falls on 28 February 2013.

“Formalities” means with regard to each Portfolio, jointly (i) the publication of the notice of the assignment of the relevant Portfolio in the Official Gazette of the Republic of Italy (*Gazzetta Ufficiale della Repubblica Italiana*) and (ii) the deposit of the request of registration of such notice with the competent companies' register.

“**Further Notes**” has the meaning ascribed to such term in clause 11.5 (ii) of the Intercreditor Agreement.

“**Further Securities**” has the meaning ascribed to such term in Clause 11.5 (iii) of the Intercreditor Agreement.

“**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 7 (*Further Securitisations*).

“**Gross Cumulative Default Ratio**” means, on each Quarterly Settlement Date, the ratio between: (a) the aggregate of the Outstanding Amount (as of the date on which the relevant Lease Contract have become Defaulted Lease Contract) related to all the Receivables comprised in the Portfolios arising from Lease Contract which have become Defaulted Lease Contract in the period starting from the Valuation Date of the Initial Portfolio and ending on the last day of such Quarterly Settlement Date; and (b) the aggregate of the Outstanding Principal of the Receivables comprised in the Initial Portfolio and the Additional Portfolios at the relevant Valuation Date.

“**Guarantor**” means any person, other than the Debtor, who has granted any security in favour of the Originator in respect of any Receivables, or its permitted successors or assignees.

“**Index Rate**” means Euribor or any other index rate as applicable.

“**Initial Interest Period**” means (i) with respect to the Notes Initial Instalment Payments, the Quarterly Interest Period which shall begin on (and include) the Issue Date, and end on the immediately following Quarterly Payment Date, (ii) with respect to each subsequent Notes Further Instalment Payment related to a Monthly Payment Date, the Quarterly Interest Period which shall begin on (and include) such Monthly Payment Date (or, if subsequent, the date on which the relevant Notes Further Instalment Payment is made) and end on the immediately following Quarterly Payment Date, and (iii) with respect to each subsequent Notes Further Instalment Payment related to a Quarterly Payment Date, the Quarterly Interest Period which shall begin on (and include) such Quarterly Payment Date (or, if subsequent, the date on which the relevant Notes Further Instalment Payment is made) and end on the immediately following Quarterly Payment Date.

“**Initial Issue Price**” means, with respect to the Senior Notes Initial Instalment Payment, Euro 79,922,702.95, and with respect to the Junior Notes Initial Instalment Payment, Euro 70,879,052.62.

“**Initial Junior Notes Subscriber**” means Alba Leasing S.p.A.

“**Initial Portfolio**” means the initial portfolio of receivables which will be purchased by the Issuer pursuant to the Master Receivables Purchase Agreement.

“**Initial Purchase Price**” means in respect of each Receivable the initial purchase price due by the Issuer in relation to each Receivable, equal to the Outstanding Principal of such Receivable as of the relevant Valuation Date or, in case such term is referred to a Portfolio, the sum of the initial purchase price of the Receivables comprised in such Portfolio.

“**Initial Senior Notes Subscriber**” means Alba Leasing S.p.A..

“**Insolvency Event**” means in respect of any company or corporation that:

- (a) such company or corporation has become subject to any applicable bankruptcy, liquidation, administration, insolvency, composition or reorganisation (including, without limitation, “*fallimento*”, “*liquidazione coatta amministrativa*”, “*concordato preventivo*” and

“amministrazione straordinaria”, each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, and including also any equivalent or analogous proceedings under the law of any jurisdiction in which such company or corporation is deemed to carry on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration) or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a pignoramento or similar procedure having a similar effect (other than in the case of the Issuer, any portfolio of assets purchased by the Issuer for the purposes of further securitisation transactions), unless in the reasonable opinion of the Representative of the Noteholders, such proceedings are being disputed in good faith with a reasonable prospect of success; or

- (b) an application for the commencement of any of the proceedings under (a) above is made in respect of or by such company or corporation or such proceedings are otherwise initiated against such company or corporation and, in the reasonable opinion of the Representative of the Noteholders (or, in case the Senior Notes are held by the same holder, by the resolution of the sole holder of the Senior Notes), 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 deferral of a substantial part of its obligations or makes a general assignment or a general 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 a substantial part of its indebtedness or any guarantee of any indebtedness given by it or applies for suspension of payments; or
- (d) an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution in any form of such company or corporation (except a winding-up for the purposes of or pursuant to a solvent amalgamation or reconstruction approved by the Representative of the Noteholders and, in case the Senior Notes are held by the same holder, by a written resolution of the sole holder of the Senior Notes) or any of the events under Article 2484 of the Italian civil code occurs with respect to such company or corporation; or
- (e) such company is subject to a proceeding equivalent or similar to the proceeding provided by the laws of any jurisdiction under which the company carries out its business activity.

“Instalment” means each periodic lease instalment (excluding in any case the Residual Optional Instalment) due from Lessees under the Lease Contracts (net of VAT) the Receivables of which have been assigned under the terms of the Master Receivables Purchase Agreement. In case the receivables arising out of any Lease Contract are assigned only in part to the Issuer, Instalment shall mean only such periodic lease instalments which are included in the object of the relevant assignment.

“Intercreditor Agreement” means the intercreditor agreement executed on or about the Issue Date between, inter alios, the Issuer and the Other Issuer Creditors and, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Interest Amount” means the Euro amount accrued on the Notes in respect of each Quarterly Interest Period, calculated according to Condition 9.3.

“Interest Determination Date” means (i) during the Warehouse Period, (a) the second Business Day prior to each Quarterly Payment Date in respect of the Quarterly Interest Period commencing on that date or (b) in respect of each Initial Interest Period starting on a Payment Date or on the Issue Date, the second Business Days prior to such Payment Date or the second Business Days prior to the Issue Date respectively or (c) in respect of each Initial Interest Period starting after a Payment Date (due to the Further Notes Instalment Payments having been made after a Payment Date), the Business Day on which the conditions precedent under clauses 9.2.1 (Effective transfer of the Additional Portfolio) and 9.2.4 (*Closing certificates*) of the Senior Notes Subscription Agreement have been satisfied (and the Computation Agent has received the relevant documentation in such respect); and (ii) afterwards, the second Business Day prior to each Quarterly Payment Date in respect of the Quarterly Interest Period commencing on that date.

“Investment Account” means the cash and securities account no. GB41IRVT70022559202280 opened in accordance with the Cash Allocation, Management and Payment Agreement with the English Account Bank for, inter alia, the deposit of all Eligible Investments and out of which, upon written instruction of the Cash Manager in the name and on behalf of the Issuer, all amounts standing to the credit thereof will be applied on any Business Day by the English Account Bank for the purchase of Eligible Investments.

“Investor Report Date” means the date falling 5 (five) Business Days after each Quarterly Payment Date.

“Issue Date” means 20 December 2012.

“Issuer” means Alba 3 SPV S.r.l.

“Issuer Available Funds” shall be, on each Quarterly Payment Date, the aggregate amounts (without duplication) of:

- (a) all Collections received during the immediately preceding Quarterly Settlement Period pursuant to the Servicing Agreement and credited to the Collection Account (including, for the avoidance of doubt, penalties and/or the Agreed Prepayments received and any other sums paid by the Lessees pursuant to the relevant Lease Contracts in respect of the Receivables);
- (b) all Recoveries received during the immediately preceding Quarterly Settlement Period pursuant to the Servicing Agreement and credited to the Collection Account;
- (c) all amounts received by the Issuer from the Originator pursuant to the Master Receivables Purchase Agreement or by the Servicer pursuant to the Servicing Agreement during the immediately preceding Quarterly Settlement Period (other than the Collections and the Recoveries) and credited to the Payments Account;
- (d) any interest accrued and credited on the Accounts (other than the Expenses Account and the Quota Capital Account) as of the last day of the immediately preceding Quarterly Settlement Period;
- (e) any amounts credited as Total Debt Service Reserve Amount on the Quarterly Payment Date immediately preceding such Quarterly Payment Date;
- (f) the net proceeds deriving from the Eligible Investments made out of the funds standing to the credit of the Issuer Accounts during the Quarterly Settlement Period immediately preceding such Quarterly Payment Date;

- (g) only toward payments of (a) the Initial Purchase Price of each Additional Portfolio and (b) with respect to each Junior Notes Further Instalment Payments, the relevant Required Debt Service Reserve Amount, the Notes Further Instalment Payments to be paid by the relevant Noteholders on such Quarterly Payment Date, in accordance with the Subscription Agreements, provided that, should such Notes Further Instalment Payments be paid following such Quarterly Payment Date, the relevant funds (net of the relevant Required Debt Service Reserve Amount) shall be directly applied to pay the Initial Purchase Price of the relevant Additional Portfolio in accordance with the Transaction Documents;
- (h) any amount credited to the Principal Accumulation Account on the Quarterly Payment Date immediately preceding such Quarterly Payment Date as Principal Deficiency Amount and not utilised to purchase Subsequent Portfolios or Additional Portfolios;
- (i) any other amount received during the Quarterly Settlement Period immediately preceding such Quarterly Payment Date, not included in any of the items above (but excluding any amount expressly excluded from the Issuer Available Funds pursuant to any of the items above and below);
- (j) following delivery of a Trigger Notice or upon exercise of the Optional Redemption or Redemption for Taxation, all proceeds from the sale of the Receivables (also if credited to the Accounts following the Quarterly Settlement Date immediately preceding such Quarterly Payment Date),

but excluding: (i) any Principal Instalment collected and/or recovered in such Quarterly Settlement Period and utilised on (or about) a Monthly Payment Date towards payment of the Initial Purchase Price of any Additional Portfolio, (ii) any Residual Optional Instalment collected by the Issuer in the immediately preceding Quarterly Settlement Period and (iii) any Excess Indemnity Amount.

“Issuer's Rights” mean any and all the Issuer's rights and powers under the Transaction Documents.

“Joint Regulation” means the regulation issued jointly by the Bank of Italy and CONSOB on 22 February 2008 and published on the Official Gazette number 54 of 4 March 2008, as amended from time to time.

“Junior Notes” means the up to Euro 133,000,000.00 Class B Asset Backed Floating Rate Notes due September 2035.

“Junior Notes Subscription Agreement” means the subscription agreement in relation to the Junior Notes executed on or about the Issue Date, between the Issuer, the Initial Junior Notes Subscriber and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Junior Notes Further Instalment Payment” means any further instalment payment made by the Junior Noteholders on each Quarterly Payment Date or on each Monthly Payment Date, as the case may be, falling in the Warehouse Period, in accordance with the Junior Notes Subscription Agreement.

“Junior Notes Further Instalment Request” means the request of irrevocable order of payment made by the Computation Agent (on behalf of the Issuer) with respect to a Junior Notes Further Instalments pursuant to the Junior Notes Subscription Agreement.

“Junior Notes Further Instalment Request Date” means 4th Business Day prior to each Monthly Payment Date or Quarterly Payment Date, as the case may be.

“Junior Notes Initial Instalment Payment” means the initial instalment payment made by the Initial Junior Notes Subscriber in respect of the Junior Notes on the Issue Date, in accordance with the Junior Notes Subscription Agreement, equal to Euro 70,879,052.62 .

“Junior Notes Maximum Amount” means Euro 133,000,000.00 .

“Junior Notes Ratio” means 46.18%.

“Late Payments” means the payments with respect to the Receivables made after the date scheduled for such payment.

“Latest Report” has the meaning ascribed to such term in clause 9.1.4 of the Cash Allocation, Management and Payments Agreement.

“Lease Contract” means each financial leasing agreement between the Originator and a Lessee for the lease of an Asset (as subsequently amended and supplemented), from which the Receivables comprised in the Portfolios (satisfying and as selected pursuant to the Eligibility Criteria) arise.

“Lessees” means the parties which have signed the Lease Contracts with the Originator, and **“Lessee”** means each of them.

“Letter of Undertaking” means the letter of undertaking entered into about the Issue Date among the Issuer, the Representative of the Noteholders and the Originator, in accordance with the provisions therein contained, and including any agreement or other document expressed to be supplemental thereto.

“Local Business Day” means any day (other than Saturday or Sunday) on which banks are open for business in Milan and the Trans-European Automated Real Time Gross Settlement Express Transfer (TARGET 2) System (or any successor thereto) is open.

“Mandate Agreement” means the mandate agreement executed on or about the Issue Date between the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Master Definitions Agreement” means the master definitions agreement executed on or about the Issue Date between the Issuer and the Other Issuer Creditors, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Master Receivables Purchase Agreement” means the master receivables purchase agreement entered into between the Issuer and the Originator on 11 December 2012, and as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Maximum Additional Debt Service Reserve Amount” means an amount equal to Euro 975,473.80 .

“Maximum Purchase Amount” means on each Payments Report Date and with reference to the immediately preceding Settlement Date:

(i) during the Warehouse Period, with respect to each Payment Date, the difference, if positive, between (i) Euro 278,680,044.59 and (ii) the Outstanding Amount of the Collateral Portfolio as at such Settlement Date; and

(ii) after the Warehouse Period End Date, the Principal Deficiency Amount,

in any case within the limit of the Monthly Issuer Available Funds or the Issuer Available Funds available to such purpose on the relevant Payment Date.

“Meeting” means a meeting of Noteholders duly convened (whether originally convened or resumed following an adjournment) and held in accordance with the provisions contained in the Rules of the Organisation of the Noteholders.

“Minimum Servicer Account Bank Required Rating” means a short-term rating at least equal to “A-2” by S&P and (b) a long-term rating at least equal to “BBB” by S&P.

“Monte Titoli” means Monte Titoli S.p.A., with registered office at Via Mantegna 6, 20124 Milan, Italy.

“Monte Titoli Account Holder” means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli.

“Monthly Issuer Available Funds” on each Monthly Payment Date during the Warehouse Period the Monthly Issuer Available Funds shall comprise the aggregate amounts (without duplication) of:

(i) the Notes Instalment Payments to be paid by the relevant Noteholders on such Monthly Payment Date, in accordance with the Subscription Agreements;

(ii) the Principal Deficiency Amount credited to the Principal Accumulation Account on the immediately preceding Quarterly Payment Date, deducted by any amount already utilised to purchase Additional Portfolios; and

(iii) any Principal Instalment collected in the immediately preceding Monthly Settlement Period (and in any Monthly Settlement Period falling after the immediately preceding Quarterly Payment Date to the extent not already utilised to purchase Additional Portfolios).

“Monthly Payment Date” means, during the Warehouse Period the First Monthly Payment Date and thereafter the twentieth day of each month, or, if such day is not a Business Day, the immediately following Business Day (provided that no Monthly Payment Date will fall in any month on which a Quarterly Payment Date falls).

“Monthly Pre-Enforcement Priority of Payments” means the order of priority in which the Monthly Issuer Available Funds shall be applied prior to the delivery of a Trigger Notice in accordance with Condition 8.1 (A) (Priority of Payments - Pre-Enforcement Priorities of Payments – Monthly Pre-Enforcement Priority of Payments).

“Monthly Settlement Date” means, during the Warehouse Period, the last day of each calendar month. The First Monthly Settlement Date will fall on 31 December 2012.

“Monthly Settlement Period” means, during the Warehouse Period, each one month period commencing on (but excluding) a Monthly Settlement Date and ending on (and including) the immediately following Monthly Settlement Date; provided that the first Monthly Settlement Period commences on the Valuation Date of the Initial Portfolio (included) and will end on the First Monthly Settlement Date (included).

“Monthly Settlement Report” means, during the Warehouse Period, a report which the Servicer has undertaken to deliver on each Monthly Settlement Report Date in case the Originator intends to transfer an Additional Portfolio, setting out the performance of the Receivables, provided that each Monthly Settlement Report shall be substantially in the form of schedule 3 of the Servicing Agreement.

“Monthly Settlement Report Date” means, during the Warehouse Period, the fifth Local Business Day following a Monthly Settlement Date.

“Most Senior Class of Notes” means the Class of Notes outstanding which ranks highest in accordance with the applicable Priority of Payments.

“Noteholders” means the holders of the Notes and **“Noteholder”** means any of them.

“Notes” means, collectively, the Senior Notes and the Junior Notes, and **“Note”** means any of them.

“Notes Initial Instalment Payments” means, collectively, the Senior Notes Initial Instalment Payment and the Junior Notes Initial Instalment Payment.

“Notes Further Instalment Payment” means, collectively, the Senior Notes Further Instalment Payment and the Junior Notes Further Instalment Payment.

“Notes Further Instalment Request” means a Senior Notes Further Instalment Request or a Junior Notes Further Instalment Request, as the case may be.

“Notes Further Instalment Request Date” means a Senior Notes Further Instalment Request Date or a Junior Notes Further Instalment Request Date, as the case may be.

“Offer Notice” means in respect of any Portfolio, the relevant sale notice as provided for by the Master Receivables Purchase Agreement and **“Offer Notices”** means all of them.

“Official Gazette” means the Gazzetta Ufficiale della Repubblica Italiana.

“Organisation of the Noteholders” means the association of the Noteholders, organised pursuant to the Rules of the Organisation of the Noteholders.

“Originator” means Alba Leasing S.p.A.

“Other Issuer Creditors” means the Originator, the Representative of the Noteholders, the Paying Agent, the Computation Agent, the Account Bank, the English Account Bank, the Servicer, the Cash Manager, the Corporate Servicer, the Sole Quotaholder, the Back-Up Servicer, the Initial Senior Notes Subscriber and the Initial Junior Notes Subscriber.

“Outstanding Amount” means, on any date and with respect to each Receivable, the sum of (i) all the Principal Instalments due but unpaid, outstanding as of such date pursuant to the amortisation schedule of the relevant Lease Contract, plus (ii) the Outstanding Principal.

“Outstanding Principal” means, on any date and with respect to each Receivable, the difference between (i) the sum of all the Instalments plus the Residual Optional Instalment that are not yet due as of such date pursuant to the amortisation schedule of the relevant Lease Contract, discounted at the Contractual Interest Rate and (ii) the Residual Optional Instalment.

“Paying Agent” means BNYM Luxembourg or any other entity acting as paying agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

“Payment Date” means a Monthly Payment Date or the Quarterly Payment Date, as the case may be.

“Payments Account” means the Euro denominated account with IBAN No. IT91E0335101600005920259780 opened with the Account Bank or any other account opened in accordance with the Cash Allocation, Management and Payment Agreement with any Eligible Institution for the deposit, inter alia, of all amounts received from any party to a Transaction Documents to which the Issuer is a party, other than amounts expressly provided to be paid on other Accounts.

“Payments Report” means, as applicable, (i) the quarterly report (or, after a Trigger Notice has been served upon the Issuer following the occurrence of the Trigger Event, the report to be prepared quarterly or upon reasonable request by the Representative of the Noteholders) setting out all payments and information set forth in Clause 9.1.1 and 9.1.3 (as applicable) of the Cash Allocation, Management and Payments Agreement, or (ii) the monthly report setting out all payments and information set forth in Clause 9.1.2 and 9.1.3 (as applicable) of the Cash Allocation, Management and Payments Agreement, which shall be delivered by the Computation Agent to the Issuer, the Representative of the Noteholders, the Servicer, the Paying Agent, the Account Bank, the English Account Bank, the Cash Manager, the Corporate Servicer and the Originator on each Payments Report Date immediately preceding (i) a Quarterly Payment Date or (ii) a Monthly Payment Date immediately succeeding the delivery by the Servicer of the Monthly Settlement Report, pursuant to the Cash Allocation, Management and Payments Agreement.

“Payments Report Date” means the date falling 4 (four) Business Days prior to each relevant Payment Date.

“Portfolio” means, as the case may be, the Initial Portfolio or any Additional Portfolio or Subsequent Portfolio.

“Post-Enforcement Priority of Payments” means the order of priority in which the Issuer Available Funds shall be applied after the delivery of a Trigger Notice in accordance with Condition 16.1.

“Pre-Enforcement Priorities of Payments” means the Monthly Pre-Enforcement Priority of Payments and the Quarterly Pre-Enforcement Priority of Payments.

“Principal Accumulation Account” means the Euro denominated account with IBAN No. IT46F0335101600005920269780 opened with the Account Bank or any other account opened with any Eligible Institution in accordance with the Cash Allocation, Management and Payment Agreement.

“Principal Amount Outstanding” means, on any date and in relation to each Class of Notes: (i) the aggregate of the relevant Notes Initial Instalment Payment and of all Notes Further Instalment Payments made in respect thereof, minus (ii) the aggregate of all principal repayments made in respect thereof.

“Principal Deficiency Amount” means the amount, as calculated by the Computation Agent on each Payments Report Date immediately preceding a Quarterly Payment Date, equal to:

- (a) during the Warehouse Period, the difference, if positive, between (i) the lower of (1) Euro 283.000.000,00 and (2) the Principal Amount Outstanding of the Notes (taking into account the Notes Further Instalment Payments to be made on such Quarterly Payment Date) and (ii)

the Outstanding Amount of the Collateral Portfolio plus the Debt Service Reserve Amount credited into the Debt Service Reserve Account on such Quarterly Payment Date; and

- (b) after the Warehouse Period End Date, the difference, if positive, between: (i) the Principal Amount Outstanding of the Notes and (ii) the Outstanding Amount of the Collateral Portfolio plus the Debt Service Reserve Amount credited into the Debt Service Reserve Account on such Quarterly Payment Date.

“Principal Instalments” means, with respect to each Receivable, the principal component of the Instalments of such Receivables (excluding for the avoidance of doubt the Residual Optional Instalment).

“Priority of Payments” means, collectively, the Pre-Enforcement Priorities of Payments and the Post-Enforcement Priority of Payments.

“Pro Rata Share” means, in respect of each Receivables, the percentage equivalent to the ratio between:

- (a) the sum of: (a) the value, discounted at the relevant estimate date and determined in accordance with the relevant Index Rate, of the Instalments and of the Residual Optional Instalment not yet due as such date; and (b) the aggregate sum of all the Instalments and the Residual Optional Instalment comprised in such Receivable, due but unpaid as of such date and any relevant penalty payments (net of VAT); and
- (b) all instalments and the Residual Optional Instalment comprised in such Receivable, not yet due, discounted at the relevant estimate date in accordance with the relevant Index Rate, plus the Instalments and the Residual Optional Instalment due but unpaid comprised in the Lease Contract, plus and any relevant penalty payments, plus the Residual Optional Instalment, plus accrued VAT.

“Prospectus” means the final prospectus prepared in relation to the Notes.

“Purchase Price” means the purchase price payable by the Issuer to Alba Leasing in respect of the Initial Portfolio and each Subsequent Portfolio in accordance with Clause 6 of the Master Receivables Purchase Agreement.

“Purchase Price of the Residual Optional Instalment” means the purchase price of residual optional instalment to be paid by the Originator as set out in clause 6.1 of the Master Receivables Purchase Agreement or, in case such term is referred to a Portfolio, it will indicate the sum of the purchase price of residual optional instalment of such Portfolio.

“Purchase Termination Event” has the meaning ascribed to such term in Condition 16.6.

“Purchase Termination Event Notice” means the notice to be delivered to the Issuer, the Originator, the Servicer and the Computation Agent by the Representative of the Noteholders upon occurrence of a Purchase Termination Event, indicating that (i) the Purchase Termination Event has occurred; (ii) the Originator is not anymore allowed to sell the Receivables to the Issuer (which is not anymore allowed to purchase Receivables from the Originator); (iii) the Warehouse Period and the Revolving Period have elapsed.

“Quarterly Interest Period” means (a) any Initial Interest Period, and (b) (i) during the Warehouse Period, each period from (and including) a Quarterly Payment Date to (but excluding) the next

following Quarterly Payment Date; and (ii) afterwards, each period from (and including) a Quarterly Payment Date to (but excluding) the next following Quarterly Payment Date.

“Quarterly Payment Date” means the First Quarterly Payment Date and thereafter the twentieth day of March, June, September and December of each year or, if such day is not a Business Day, the immediately following Business Day.

“Quarterly Pre-Enforcement Priority of Payments” means the order of priority in which the Issuer Available Funds shall be applied prior to the delivery of a Trigger Notice in accordance with Condition 8.1 (B) (Priority of Payments - Pre-Enforcement Priorities of Payments – Quarterly Pre-Enforcement Priority of Payments).

“Quarterly Settlement Date” means the last calendar day of February, May, August and November. The First Quarterly Settlement Date will fall in 28 February 2013.

“Quarterly Settlement Period” means each three months period commencing on (but excluding) a Quarterly Settlement Date and ending on (and including) the immediately following Quarterly Settlement Date, provided that the first Quarterly Settlement Period commences on the Valuation Date of the Initial Portfolio) (included) and ends on First Quarterly Settlement Date (included).

“Quarterly Settlement Report” means a report which the Servicer has undertaken to deliver on each Quarterly Settlement Report Date, setting out the performance of the Receivables, provided that each Quarterly Settlement Report shall be substantially in the form of schedule 2 of the Servicing Agreement.

“Quarterly Settlement Report Date” means the fifth Local Business Day following a Quarterly Settlement Date.

“Quota Capital Account” means the Euro denominated account opened by the Issuer with the Account Bank with IBAN No. IT84C0335101600005920239780, to which the contributed quota capital of the Issuer is deposited, or any other account that shall be opened by the Issuer in substitution of such account in accordance with the Cash Allocation, Management and Payment Agreement.

“Quotaholder's Agreement” means the quotaholder's agreement entered into between the Issuer, the Representative of the Noteholders, and the Sole Quotaholder on or about the Issue Date, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Rate of Interest” shall have the meaning ascribed to it in Condition 9.5 (Interest - Rate of Interest).

“Rating Agency” means S&P.

“Receivable” means the right to receive from a Lessee the payment of any amount at any time and for any cause due (within the limits indicated under the relevant Eligibility Criteria and excluding any amount due before the relevant Valuation Date (excluded)) pursuant to the relevant Lease Contract (and each contract, deed, agreement or document related to that Lease Contract), including, without limitation:

- (a) the Instalments;
- (b) the Agreed Prepayments;
- (c) the Residual Optional Instalment;

- (d) default interest and/or other interest arising as a consequence of payment deferrals granted by the Originator, in each case, accrued and unpaid until the date of purchase of such Receivable and any other such interest payments which are to mature thereafter, on all amounts outstanding from the Lessees under the Lease Contracts;
- (e) amounts due as penalties;
- (f) any increase in Instalments as a result of any amendment to the Lease Contracts;

but excluding in all cases:

- (i) amounts due by way of VAT; and
- (ii) default interests in respect of amounts due under (a) above,

provided always that if only part of the Instalments under a Lease Contract have been assigned, the receivables under item (iv) and (v) above will be deemed to have been assigned only with respect to the relevant Pro Rata Share.

“Recoveries” means the recoveries, surety payments, insurance proceeds and penalties received in respect of any Defaulted Receivables, and **“Recovery”** means each such recovery.

“Reference Banks” means three (3) major banks in the Euro-Zone inter-bank market selected by the Issuer with the approval of the Representative of the Noteholders in accordance with Condition 9.10 (Reference Banks and Paying Agent). The initial Reference Banks shall be JP Morgan Chase, BNP Paribas S.A. and UniCredit Banca S.p.A.

“Relevant EURIBOR” means:

- (a) for the Initial Interest Period applicable to the Notes Initial Instalment Payments, the Euribor for 3 month Euro deposits;
- (b) for the Initial Interest Period applicable to a subsequent Notes Further Instalment Payment made on or about a Monthly Payment Date, the Euribor for two month Euro deposits (or the applicable interpolation between Euribor for two month Euro deposits and the Euribor for three month Euro deposits) or the Euribor for one month Euro deposits (or the applicable interpolation between Euribor for one month Euro deposits and the Euribor for two month Euro deposits), as applicable;
- (c) during the Warehouse Period for the Principal Amount Outstanding as of each Quarterly Payment Date (taking into account also the subsequent Further Instalment Payments made on or about such Quarterly Payment Date), the Euribor for three month Euro deposits; and
- (d) AFTERWARDS, the Euribor for three month Euro deposits,

in each case

- (i) as it appears on Reuters page Euribor01 or (aa) such other page as may replace Reuters page Euribor01 on that service for the purpose of displaying such information or (bb) if that service ceases to display such information, such page as displays such information on such equivalent service (or, if more than one, that one which is approved by the Representative of the Noteholders) as may replace the Reuters page Euribor01 (the **“Screen Rate”**) at or about 11.00 a.m. (Brussels time) on the relevant Interest Determination Date; or
- (ii) if the Screen Rate is unavailable at such time for the Relevant Euribor, then the rate for the relevant Quarterly Interest Period shall be the arithmetic mean (rounded to four decimal places with the mid-point rounded up) of the rates notified to the Paying Agent at its request and

communicated by the latter to the Computation Agent by each of the Reference Banks as the rate at which the Relevant Euribor in a similar representative amount are offered by that Reference Bank to leading banks in the Euro-zone inter-bank market at or about 11.00 a.m. (Brussels time) on that date; or

- (iii) if on any relevant Interest Determination Date, the Screen Rate is unavailable and only two of the Reference Banks provide such offered quotations to the Paying Agent the relevant rate shall be determined in the manner specified in (b) above, on the basis of the offered quotations of those Reference Banks providing such quotations; or
- (iv) if, on any relevant Interest Determination Date, the Screen Rate is unavailable and:
 - (A) only one of the Reference Banks provides the Paying Agent with such an offered quotation, the relevant rate shall be the determined on the basis of such offered quotation;
 - (B) none of the Reference Banks provides the Paying Agent with such an offered quotation, the relevant rate shall be the rate in effect for the immediately preceding period to which one of subparagraphs (a), (b) or (c) above shall have applied.

“**Relevant Trigger**” means, in relation to each Quarterly Payment Date:

Quarterly Payment Date	Trigger
First Quarterly Payment Date	1.75%
Second Quarterly Payment Date	1.75%
Third Quarterly Payment Date	2.25%
Fourth Quarterly Payment Date	3.00%
Fifth Quarterly Payment Date	3.50%
Sixth Quarterly Payment Date	4.50%
From the Seventh Quarterly Payment Date and thereafter	5.00%

“**Representative of the Noteholders**” means Zenith Service S.p.A. or any other entity acting as representative of the Noteholders pursuant to the Subscription Agreements and/or the Terms and Conditions from time to time.

“**Required Debt Service Reserve Amount**” means, with respect to any Payment Date during the Warehouse Period (or the immediately following date on which the Formalities have been perfected), and to the purpose of the relevant Junior Notes Further Instalment Payment and the relevant Junior Notes Further Instalment Request Date, an amount equal to:

- (a) the difference, if positive, between (a) the aggregate Outstanding Principal of all of the Portfolios as of the immediately preceding Valuation Date (taking into account also the Additional Portfolio to be purchased on such Payment Date), and (b) the aggregate Outstanding Principal of all of the Portfolios as of the immediately preceding Valuation Date (without taking into account the Additional Portfolio to be purchased on such Payment Date); multiplied by
- (b) 1.55%.

“Residual Optional Instalment” means the residual price (riscontro) due from a Lessee at the end of the contractual term of a Lease Contract (if the Lessee elects to exercise its option to purchase the related Asset) the Receivables of which have been assigned under the terms of the Master Receivables Purchase Agreement. In case the transfer of one or more Portfolios have as object only part of the receivables deriving from the relevant Lease Contracts, as Residual Optional Instalments shall be intended only the one comprised in the relevant transfer.

“Retention Amount” means Euro 20,000.

“Revolving Period” means the second phase of the Transaction (excluding the case in which the Warehouse Period End Date is the date on which a Purchase Termination Event Notice or a Trigger Notice is delivered), which will commence on (but excluding) the Warehouse Period End Date (excluded) and end on the earlier of (i) the date on which a Purchase Termination Event Notice or a Trigger Notice is delivered and (ii) the Quarterly Payment Date falling on 20 June 2014 (included) (or such other date which the Initial Senior Notes Subscriber shall be entitled to determine in its absolute discretion but which shall not be later than 24 months from the Issue Date).

“Revolving Period End Date” means (i) the date of termination of the Revolving Period, or (ii) the date of termination of the Warehouse Period in case the Warehouse Period End Date is the date on which a Purchase Termination Event Notice or a Trigger Notice is delivered.

“Rules of the Organisation of the Noteholders” means the Rules of the Organisation of the Noteholders attached as Exhibit 1 to the Terms and Conditions, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereof.

“Secured Creditors” means the Noteholders and the Other Issuer Creditors.

“Secured Obligations” means all of the Issuer's obligations vis-à-vis the Secured Creditors under the Notes and the Transaction Documents.

“Securitisation” means the securitisation transaction of the Receivables made by the Issuer through the issuance of the Notes.

“Securitisation Law” means Italian Law No. 130 of 30 April 1999, as amended and supplemented from time to time.

“Security” means, collectively, the security created under the Deed of Pledge, the Deed of Charge and under any other security documents executed from time to time in the context of the Securitisation.

“Security Documents” means the Deed of Pledge and the Deed of Charge and any other security documents executed from time to time in the context of the Securitisation.

“Security Interest” means any mortgage, charge, pledge, lien, right of set-off, special privilege (privilegio speciale), assignment by way of security, retention of title or any other security interest whatsoever or any other agreement or arrangement having the effect of conferring security.

“Senior Noteholder” means any holder of a Senior Note and **“Senior Noteholders”** means all of them.

“Senior Notes” means the up to Euro 150,000,000 Class A Asset Backed Floating Rate Notes due September 2035.

“Senior Notes Further Instalment Payment” means any further instalment payment made by the Senior Noteholders on each Quarterly Payment Date or on each Monthly Payment Date, as the case may be, falling in the Warehouse Period, in accordance with the Senior Notes Subscription Agreement.

“Senior Notes Further Instalment Request” means the request of irrevocable order of payment made by the Computation Agent (on behalf of the Issuer) with respect to a Senior Notes Further Instalments pursuant to the Senior Notes Subscription Agreement.

“Senior Notes Further Instalment Request Date” means 4th Business Day prior to each Monthly Payment Date or Quarterly Payment Date, as the case may be.

“Senior Notes Initial Instalment Payment” means the initial instalment payment made by the Initial Senior Notes Subscriber in respect of the Senior Notes on the Issue Date, in accordance with the Senior Notes Subscription Agreement, equal to Euro 79,922,702.95 .

“Senior Notes Maximum Amount” means Euro 150,000,000.

“Senior Notes Ratio” means 53,82%.

“Senior Notes Subscription Agreement” means the subscription agreement in relation to the Senior Notes executed on or about the Issue Date, between the Issuer, the Initial Senior Notes Subscriber, the Originator and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Servicer” means Alba Leasing S.p.A. or any other entity acting as Servicer pursuant to the Servicing Agreement from time to time.

“Servicer Account” means the Euro denominated account IBAN IT80 N 03032 12891 010000091477 opened by the Servicer with the Servicer Account Bank pursuant to the Servicing Agreement.

“Servicer Account Bank” means Credito Emiliano S.p.A., branch of Via Botticelli 1, 42100, Reggio Emilia or any other bank appointed in accordance with the Servicing Agreement.

“Servicer’s Reports” means, collectively, the Monthly Settlement Report and the Quarterly Settlement Report.

“Servicer Termination Event” has the meaning ascribed to it in clause 10.1 of the Servicing Agreement.

“Servicer’s Fee” means the fee due to the Servicer pursuant to the Servicing Agreement.

“Servicing Agreement” means the servicing agreement entered into on 11 December 2012 between the Issuer and the Servicer in order to administer and service the Receivables comprised in the Portfolios and as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Settlement Date” means a Monthly Settlement Date or a Quarterly Settlement Date, as the case may be.

“Settlement Report Date” means a Monthly Settlement Report Date or a Quarterly Settlement Report Date, as the case may be.

"Sole Quotaholder" means Stichting SFM Italy No. 1

"Specific Criteria" means the objective criteria indicated in the section of this Prospectus entitled "The Portfolios – The Eligibility Criteria for the Portfolios – Specific Criteria for the Initial Portfolio".

"Subscription Agreements" means, collectively, the Senior Notes Subscription Agreement and the Junior Notes Subscription Agreement and each of them is referred to a "Subscription Agreement".

"Subsequent Portfolio" means any portfolio of Receivables which will be purchased by the Issuer during the Revolving Period.

"Subsequent Transfer Agreement" means, collectively, each Offer Notice of an Additional Portfolio or Subsequent Portfolio, as the case may be, and the relevant acceptance.

"S&P" means Standard & Poor's Rating Services, a division of the McGraw Hill Companies.

"Tax" means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or any political subdivision thereof or any authority thereof or therein.

"Tax Deduction" means any deduction or withholding for or on account of Tax.

"Tax Event" shall have the meaning ascribed to it in Condition 10.5 (Redemption, Purchase and Cancellation - Redemption for Taxation).

"Termination Notice" means a Trigger Notice or a Purchase Termination Event Notice, as the case may be.

"Terms and Conditions" means these terms and conditions and "Condition" means any of those.

"Total Debt Service Reserve Amount" means,

- (i) with respect to any Payment Date, an amount equal to the sum of:
- (ii) the Debt Service Reserve Amount; and
- (iii) the sum of all the payments made as Additional Debt Service Reserve Amount into the Debt Service Reserve Account as of the immediately preceding Payment Date (included).

"Transaction" means the Securitisation.

"Transaction Documents" means the Master Receivables Purchase Agreement, the Transfer Agreements, the Servicing Agreement, the Back-Up Servicing Agreement, the Warranty and Indemnity Agreement, the Intercreditor Agreement, the Cash Allocation, Management and Payment Agreement, the Mandate Agreement, the Deed of Pledge, the Deed of Charge, the Corporate Services Agreement, the Senior Notes Subscription Agreement, the Junior Notes Subscription Agreement, the Quotaholder's Agreement, the Master Definitions Agreement, the Letter of Undertaking and the Terms and Conditions and any other deed, act, document or agreement executed in the context of the Securitisation.

"Transfer Agreement" means each Subsequent Transfer Agreement.

"Transfer Date" means the date of the entering into of the Master Receivables Purchase Agreement or of the Subsequent Transfer Agreement, as the case may be.

"Trigger Event" means any of the events described in Condition 15.1 (Trigger Events).

“Trigger Notice” means the notice described in Condition 15.1 (Trigger Events).

“Valuation Date” means 1 December 2012 with respect to the First Portfolio and, with respect to the Subsequent Portfolios, the valuation date of each Portfolio indicated in the relevant Offer Notice.

“Warehouse Period” means the first phase of the Transaction, which will start on the Issue Date and end on the Warehouse Period End Date.

“Warehouse Period End Date” means the earlier of (i) the date on which the Principal Amount Outstanding of the Senior Notes is equal to Euro 150,000,000, (ii) the date on which a Purchase Termination Event Notice or a Trigger Notice is delivered and (iii) the Monthly Payment Date falling on 20 July 2013.

“Warranty and Indemnity Agreement” means the warranty and indemnity agreement entered into on 11 December 2012 between the Issuer and the Originator, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

2.2 References in Terms and Conditions

Any reference in these Terms and Conditions to:

“holder” and “Holder” mean the ultimate holder of a Note and the words “holder”, “Noteholder” and related expressions shall be construed accordingly;

a “law” shall be construed as a reference to any law, statute, constitution, decree, judgment, treaty, regulation, directive, by-law, order or any other legislative measure of any government, supranational, local government, statutory or regulatory body and a reference to any provision of any law, statute, constitution, decree, judgment, treaty, regulation, directive, by-law, order or any such legislative measure is to that provision as amended or re-enacted;

a “person” shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state and any association or partnership (whether or not having legal personality) of two or more of the foregoing;

a “successor” of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under any Transaction Document or to which, under such laws, such rights and obligations have been transferred.

2.3 Transaction Documents and other agreements

Any reference to the Master Definitions Agreement, any other document defined as a “Transaction Document” or any other agreement or document shall be construed as a reference to the Master Definitions Agreement, such other Transaction Document or, as the case may be, such other agreement or document as the same may have been, or may from time to time be amended, varied, novated, supplemented or replaced.

2.4 Transaction parties

A reference to any person defined as a “Transaction Party” in these Terms and 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 PARTLY PAID NOTES

3.1 Partly paid notes

The Notes will be issued on a partly paid basis, pursuant to the terms provided for under this Condition 3 ("**Partly paid notes**"), and as a consequence thereof:

- (a) on the Issue Date the following initial instalment payment will be made in respect of each Class of Notes: (i) Euro 79,922,702.95 in respect of the Senior Notes (the "Senior Notes Initial Instalment Payment"); and (ii) Euro 70,879,052.62 in respect of the Junior Notes (the "**Junior Notes Initial Instalment Payment**" and together with the Junior Notes Initial Instalment Payment, the "**Notes Initial Instalment Payments**"); and
- (b) during the Warehouse Period, each of the Initial Senior Notes Subscriber and the Initial Junior Notes Subscriber may be requested, in accordance with the Transaction Documents, to make further instalment payments in respect of the relevant Class of Notes held by it and, in particular: (i) the Senior Notes, up to the Senior Notes Maximum Amount; (ii) the Junior Notes, up to the Junior Notes Maximum Amount (such further instalment payments, the "**Notes Further Instalment Payments**").

3.2 Notes Initial Instalment Payments

On the Issue Date, the respective Notes Initial Instalment Payment will be paid by the Initial Junior Notes Subscriber and the Initial Senior Notes Subscriber, in accordance with the relevant Subscription Agreement.

3.3 Senior Notes Further Instalment Payments

During the Warehouse Period the Issuer, through the Computation Agent, may request the Initial Senior Notes Subscriber, by making a request of irrevocable order of payment (the "Senior Notes Further Instalment Request"), to effect one or more payments in order to fund the payment of the Initial Purchase Price of one or more Additional Portfolios and increase the Principal Amount Outstanding of the Senior Notes by paying to the Issuer an additional subscription payment (the "Senior Notes Further Instalment Payment") equal to the Senior Notes Ratio of the following amount:

- (i) the Initial Purchase Price of the Additional Portfolio to be paid in accordance with the Master Receivables Purchase Agreement and the relevant Transfer Agreement; less
- (ii) the Monthly Issuer Available Funds or the Issuer Available Funds, as the case may be, (but excluding the relevant Notes Further Instalment Payment) available, in accordance with the Monthly Pre-Enforcement Priority of Payments or the Quarterly Pre-Enforcement Priority of Payments, as the case may be, for payment of the amount under item (i) above, as calculated by the Computation Agent on the same Payments Report Date;

provided that the Issuer may request the Initial Senior Notes Subscriber to pay the relevant Senior Notes Further Instalment Payment for an amount not higher than the difference between the Senior Notes Maximum Amount and the then current Principal Amount Outstanding of the Senior Notes.

Each Senior Notes Further Instalment Request shall be sent by the Issuer (or the Computation Agent on its behalf) to the Initial Senior Notes Subscriber via fax and anticipated by e-mail (in accordance with the Senior Notes Subscription Agreement) not later than 4 Business Days prior to each Monthly Payment Date or Quarterly Payment Date, as the case may be (the "Senior Notes Further Instalment Request Date") and shall include the following information:

- (i) the relevant Senior Notes Further Instalment Payment as calculated by the Computation Agent in the relevant Payments Report;
- (ii) the portion of the Initial Purchase Price of the Additional Portfolio to be paid out of such Notes Further Instalment Payment and the Monthly Payment Date or the Quarterly Payment Date for such payment pursuant to the relevant Transfer Agreement;
- (iii) confirmation that no Trigger Event or Purchase Termination Event has occurred or arisen and is continuing.

Under the Senior Notes Subscription Agreement, the Initial Senior Notes Subscriber has irrevocably and unconditionally undertaken to pay on the later of (a) the relevant Monthly Payment Date or Quarterly Payment Date, as the case may be, and (b) the second Business Day following the receipt by the Initial Senior Notes Subscriber of the Computation Agent Notice (provided that on such date the other conditions precedent set forth in clause 9 (*Conditions Precedent*) of the Senior Notes Subscription Agreement are met or waived by the Initial Senior Notes Subscriber, the Senior Notes Further Instalments Payment specified in the relevant Senior Notes Further Instalment Request in accordance with the terms of the Senior Notes Subscription Agreement, without prejudice in any case to what provided by clause 7.6.4 of the Master Receivables Purchase Agreement.

Against payment by the Initial Senior Notes Subscriber of the relevant Senior Notes Further Instalment Payments, the Issuer shall procure that each such Senior Notes Further Instalment Payments is duly registered by the Paying Agent with the Monte Titoli Account Holders for the account of the Initial Senior Notes Subscriber.

Any failure by the Initial Senior Notes Subscriber to pay (or cause to be paid) the relevant Senior Notes Further Instalment Payments will result in a shortage of funds for the Issuer to fulfill its payment obligations in respect of the purchase price of Additional Portfolio(s) on the respective due date therefor, and it shall be liable to indemnify the Issuer from any loss, cost, expense or damages incurred by the Issuer as a direct consequence of its breach of its undertaking under this Condition 3.3 (*Senior Notes Further Instalment Payments*).

No Senior Notes Further Instalment Payments may be requested by the Issuer following the expiry of the Warehouse Period.

3.4 Junior Notes Further Instalment Requests

During the Warehouse Period the Issuer, through the Computation Agent, may request the Initial Junior Notes Subscriber, by making a request of irrevocable order of payment (the "**Junior Notes Further Instalment Request**"), to effect one or more payments in order to (i) fund the payment of the Initial Purchase Price of one or more Additional Portfolios and the relevant Required Debt Service Reserve Amount, and (ii) increase the Principal Amount Outstanding of the Junior Notes, by paying to the Issuer an additional subscription payment (the "**Junior Notes Further Instalment Payment**") equal to the sum of:

- (a) the Junior Notes Ratio of the following amount:
 - (i) the Initial Purchase Price of the Additional Portfolio to be paid in accordance with the Master Receivables Purchase Agreement and the relevant Transfer Agreement; less
 - (ii) the Monthly Issuer Available Funds or the Issuer Available Funds, as the case may be, (but excluding the relevant Notes Further Instalment Payment) available, in accordance with the Monthly Pre-Enforcement Priority of Payments or the Quarterly Pre-Enforcement Priority of Payments, as the case may be, for payment of the amount under item (i) above, as calculated by the Computation Agent on the same Payments Report Date, and
- (b) the relevant Required Debt Service Reserve Amount.

provided that (i) the Issuer may request the Initial Junior Notes Subscriber to pay the relevant Junior Notes Further Instalment Payment for an amount that shall be not higher than the difference between the Junior Notes Maximum Amount and the then current Principal Amount Outstanding of the Junior Notes and (ii) on the date on which a Senior Notes Further Instalment Payment is to be made up to the Senior Notes Maximum Amount, the amounts under item (a) above will be increased up to the difference between the Junior Notes Maximum Amount and all the Junior Notes Initial Instalment Payment and Junior Notes Further Instalment Payments already paid.

Each Junior Notes Further Instalment Request shall be sent by the Issuer (or the Computation Agent on its behalf) to the Initial Junior Notes Subscriber via fax and anticipated by e-mail (in accordance with the Junior Notes Subscription Agreement) not later than 4 Business Days prior to each Monthly Payment Date or Quarterly Payment Date, as the case may be, (the "Junior Notes Further Instalment Request Date") and shall include the following information:

- (i) the relevant Junior Notes Further Instalment Payment as calculated by the Computation Agent in the relevant Payments Report;
- (ii) the portion of the Initial Purchase Price of the Additional Portfolio to be paid out of such Notes Further Instalment Payment and the Monthly Payment Date or the Quarterly Payment Date for such payment pursuant to the relevant Transfer Agreement;
- (iii) the Required Debt Service Reserve Amount;
- (iv) confirmation that no Trigger Event or Purchase Termination Event has occurred or arisen and is continuing.

Under the Junior Notes Subscription Agreement, the Initial Junior Notes Subscriber has irrevocably and unconditionally undertaken to pay on the later of (a) the relevant Monthly Payment Date or Quarterly Payment Date, as the case may be, and (b) the second Business Day following the receipt by the Initial Junior Notes Subscriber of the Computation Agent Notice (provided that on such date the other conditions precedent set forth in clause 8 (Conditions Precedent) of the Junior Notes Subscription Agreement are met or waived by the Initial Junior Notes Subscriber), the Junior Notes Further Instalments Payment specified in the relevant Junior Notes Further Instalment Request in accordance with the terms of the Junior Notes Subscription Agreement.

Against payment by the Initial Junior Notes Subscriber of the relevant Junior Notes Further Instalment Payments, the Issuer shall procure that each such Junior Notes Further Instalment Payments is duly registered by the Paying Agent with the Monte Titoli Account Holders for the account of the Initial Junior Notes Subscriber.

Any failure by the Initial Junior Notes Subscriber to pay (or cause to be paid) the relevant Junior Notes Further Instalment Payments will result in a shortage of funds for the Issuer to fulfill its payment obligations in respect of the purchase price of Additional Portfolio(s) on the respective due date therefore, and it shall be liable to indemnify the Issuer from any loss, cost, expense or damages incurred by the Issuer as a direct consequence of its breach of its undertaking under this Condition 3.4 (*Junior Notes Further Instalment Requests*).

No Junior Notes Further Instalment Payments may be requested by the Issuer following the expiry of the Warehouse Period.

4 FORM, DENOMINATION AND TITLE

4.1 Form

The Notes are issued in dematerialised form and 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) article 83-bis of the Financial Laws Consolidation Act and (ii) the Joint Regulation, as amended and supplemented from time to time.

4.2 Denomination

The Senior Notes will be issued in the denomination of Euro 100,000 and the Junior Notes will be issued in the denomination of Euro 100,000.

4.3 Title and Monte Titoli

The Notes will be held by Monte Titoli on behalf of the Senior Noteholders until redemption or cancellation thereof for the account of the relevant Monte Titoli Account Holder. No physical documents of title will be issued in respect of the Notes.

4.4 Rights under Deed of Pledge and Deed of Charge

The rights arising from the Deed of Pledge and the Deed of Charge are included in each Note.

5 STATUS, PRIORITY AND SEGREGATION

5.1 Status

The Notes constitute secured limited recourse obligations of the Issuer and, accordingly, the extent of the obligation of the Issuer to make payments under the Notes is conditional upon the receipt and recovery by the Issuer of amounts due, and is limited to the extent of any amounts received or recovered by the Issuer, in each case, in respect of the Portfolios and the other Issuer's Rights. Notwithstanding any other provision of these Terms and Conditions, the obligation of the Issuer to make any payment under the Notes shall be equal to the lesser of (a) the nominal amount of such payment and (b) the Issuer Available Funds which may be applied for the relevant purpose in accordance with the applicable Priority of Payments, provided that if the Issuer Available Funds are insufficient to pay any amount due and payable to the Noteholders on any Quarterly Payment Date in accordance with the applicable Priority of Payments, the shortfall then occurring will not be due and payable until a subsequent

Quarterly Payment Date on which the Issuer Available Funds may be used for such purpose in accordance with the relevant Priority of Payments and provided however that any claim towards the Issuer shall be deemed waived and cancelled on the Cancellation Date. Without prejudice to the foregoing, any payment obligations of the Issuer under the Notes which has remained unpaid to the extent referred to above upon the Cancellation Date, shall be deemed extinguished and the relevant claims irrevocably relinquished, waived and surrendered by the Noteholders to the Issuer and the Noteholders will have no further recourse to the Issuer in respect of such obligations. The Noteholders acknowledge that the limited recourse nature of the Notes produces the effects of a "*contratto aleatorio*" (aleatory agreement) 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.

5.2 Obligations of Issuer only

The Notes are obligations solely of the Issuer and they are not obligations of, or guaranteed by, any of the other parties to any of the Transaction Documents.

5.3 Segregation law and Security

By virtue of Italian law, the Issuer's right, title and interest in and to the Portfolio and to any sums collected from the Portfolio are segregated from all other assets of the Issuer and amounts deriving therefrom will only be available both prior to and following a winding-up of the Issuer to satisfy the obligations of the Issuer to the Noteholders and the Other Issuer Creditors and to any third party creditors in respect of costs, fees and expenses incurred by the Issuer in relation to the Securitisation. The Notes have the benefit of security over certain assets of the Issuer pursuant to the Deed of Pledge and pursuant to the Deed of Charge.

5.4 Ranking

Either prior to or after the service of a Trigger Notice, in respect of the obligations of the Issuer to pay interest and repay principal on the Notes, the Senior Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the Junior Notes; the Junior Notes will rank *pari passu* without preference or priority amongst themselves but subordinated to the Senior Notes.

5.5 Conflict of interest

The Intercreditor Agreement and the Rules of the Organisation of the Noteholders contain provisions regarding the protection of the respective interests of all Noteholders in connection with the exercise of the powers, authorities, rights, duties and discretions of the Representative of the Noteholders under or in relation to the Notes or any of the Transaction Documents. If, however, in the opinion of the Representative of the Noteholders, there is a conflict between the interests of the Noteholders of different Classes of Notes, the Representative of the Noteholders shall have regard only to the interests of the Class of Noteholders ranking higher in the applicable Priority of Payments, until such Class of Notes has been redeemed in full.

6 COVENANTS

6.1 Covenants by the Issuer

For so long as any amount remains outstanding in respect of the Notes of any Class, the Issuer shall not, save (a) with the prior written consent of the Representative of the Noteholders, or (b) as provided in or contemplated by any of the Transaction Documents:

- (i) *Negative pledge*: create or permit to subsist any Security Interest whatsoever over the Portfolios or any part thereof or over any of its other assets (save for any Security Interest created in connection with any Further Securitisation and to the extent that such Security Interest is created over assets which form part of the segregated assets of such Further Securitisation) or sell, lend, part with or otherwise dispose of all or any part of the Portfolios or any of its other assets; or
- (ii) *Restrictions on activities*:
 - (a) engage in any activity whatsoever which is not incidental to or necessary in connection with any Further Securitisation or with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage; or
 - (b) have any *società controllata* (subsidiary) or *società collegata* (affiliate) (as defined in Article 2359 of the Italian Civil Code) or any employees or premises; or
 - (c) at any time approve or agree or consent to any act or thing whatsoever which may be materially prejudicial to the interests of the Noteholders under the Transaction Documents and shall not do, or permit to be done, any act or thing in relation thereto which may be materially prejudicial to the interests of the Noteholders under the Transaction Documents; or
 - (d) become the owner of any real estate asset, including in the interest of enforcement proceedings related to the Real Estate Assets ; or
- (iii) *Dividends or Distributions*: pay any dividend or make any other distribution or return or repay any equity capital to its quotaholders, or increase its capital, save as required by the applicable law; or
- (iv) *De-registrations*: ask for de-registration from the register of special purpose vehicles (*elenco delle società veicolo*) held by Bank of Italy under Article 4 of the Bank of Italy's regulation dated 29 April 2011, for as long as the Securitisation Law, the Consolidated Banking Act or any other applicable law or regulation requires an issuer of notes issued under the Securitisation Law or companies incorporated pursuant to the Securitisation Law to be registered therein; or
- (v) *Borrowings*: incur any indebtedness in respect of borrowed money whatsoever (save for any indebtedness to be incurred in relation to any Further Securitisation) or give any guarantee in respect of indebtedness or of any 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
- (vi) *Merger*: consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person; or
- (vii) *No variation or waiver*: permit any of the Transaction Documents to which it is party to be amended, terminated or discharged, or exercise any powers of consent or waiver

pursuant to the terms of any of the other Transaction Documents to which it is a party, or permit any party to any of the Transaction Documents to which it is a party to be released from any of its obligations hereunder; or

- (viii) *Bank Accounts*: have an interest in any bank account other than the Accounts, the Quota Capital Account or any bank account opened in relation to any Further Securitisation; or
- (ix) *Statutory Documents*: amend, supplement or otherwise modify its articles by-laws (*statuto*) or deed of incorporation (*atto costitutivo*), except where such amendment, supplement or modification is required by compulsory provisions of Italian law or by the competent regulatory authorities; or
- (x) *Centre of Interest*: become resident, including without limitation for tax purposes, in any country outside Italy or cease to be managed and administrated in Italy or cease to have its "centre of main interest" (as that term is used in Article 3(1) of the European Union Insolvency Regulation) in Italy; or
- (xi) *Branch outside Italy*: establish any branch or "establishment" (as that term is used in Article 2(h) of the European Union Insolvency Regulation) outside the Republic of Italy.

7 Further Securitisations

Nothing in the Terms and Conditions or in the Transaction Documents shall prohibit the Issuer from:

- (i) acquiring, or financing pursuant to article 7 of the Securitisation Law, by way of separate transactions unrelated to this Transaction, further portfolios of monetary claims in addition to the Receivables either from the Originator or from any other entity;
- (ii) securitising such further portfolios (each, a "**Further Securitisation**") through the issue of further debt securities additional to the Notes (the "**Further Notes**");
- (iii) entering into agreements and transactions, with the Originator or any other entity, that are incidental to or necessary in connection with such Further Securitisation including, *inter alia*, the ring-fencing or the granting of security over such further portfolios and any right, benefit, agreement, instrument, document or other asset of the Issuer relating thereto to secure such Further Notes (the "**Further Security**"),

provided that:

- (A) the Issuer confirms in writing to the Representative of the Noteholders that such Further Security does not comprise or extend over any of the Receivables or any of the other Issuer's Rights;
- (B) the Issuer confirms in writing to the Representative of the Noteholders that the terms and conditions of the Further Notes contain provisions to the effect that the obligations of the Issuer whether in respect of interest, principal, premium or other amounts in respect of such Further Notes, are limited recourse obligations of the Issuer, limited to some or all of the assets comprised in such Further

Security;

- (C) the Issuer confirms in writing to the Representative of the Noteholders that each party to such Further Securitisation agrees and acknowledges that the obligations of the Issuer to such party in connection with such Further Securitisation are limited recourse obligations of the Issuer, limited to some or all of the assets comprised in such Further Security and that each creditor in respect of such Further Securitisation or the representative of the holders of such Further Notes has agreed to limitations on its ability to take action against the Issuer, including in respect of insolvency proceedings relating to the Issuer, on terms in all significant respects equivalent to those contained in this Agreement;
- (D) the Issuer (i) confirms in writing to the Representative of the Noteholders that such Further Securitisation shall not adversely affect the rating assigned to the Senior Notes (if any); and (ii) has received a written confirmation by the Rating Agency that any such Further Securitisation will not affect the then current rating of any of the Senior Notes;
- (E) the Issuer confirms in writing to the Representative of the Noteholders that the terms and conditions of such Further Notes will include: (I) covenants by the Issuer in all significant respects equivalent to those covenants provided in paragraphs (A) to (D) above; and (II) provisions which are the same as or, in the sole discretion of the Representative of the Noteholders, equivalent to this provision; and
- (F) the Representative of the Noteholders is satisfied that conditions (A) to (E) of this provision have been satisfied.

In giving any confirmation on the foregoing, the Representative of the Noteholders may require the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents (as may itself consent thereto on behalf of the Noteholders) or may impose such other conditions or requirements as the Representative of the Noteholders may deem expedient or appropriate (in its reasonable discretion) in the interests of the Noteholders and may rely on any written confirmation from the Issuer or as to the matters contained therein.

For the avoidance of doubt, the provisions contained in Article 31 of the Rules of the Organisation of the Noteholders (*Exoneration of the Representative of the Noteholders*) will also apply (where appropriate) to the Representative of the Noteholders when acting under this Conditions 7.2 (*Further Securitisations*).

8 PRIORITY OF PAYMENTS

8.1 Pre-Enforcement Priorities of Payments

The Monthly Issuer Available Funds and the Issuer Available Funds, as the case may be, in respect of each Monthly Payment Date and Quarterly Payment Date, shall be applied in accordance with the orders of priority set out below.

A. Monthly Pre-Enforcement Priority of Payments

On each Monthly Payment Date during the Warehouse Period, the Monthly Issuer Available Funds shall be applied (to the extent of the amounts necessary to such purpose) in or towards payment of the Initial Purchase Price due and payable to the Originator in respect of any Additional Portfolio.

Provided, however, that payments to the Originator under the Monthly Priority of Payments, if any, will be made on the later of: (i) the relevant Monthly Payment Date and (ii) the Business Day on which the relevant Formalities are finalised. In the latter case, such amounts will be retained by the Issuer in the Principal Accumulation Account until the Business Day on which the relevant Formalities, in accordance with the terms of the Master Receivables Purchase Agreement and the Cash Allocation Management and Payments Agreement.

Any Monthly Issuer Available Funds not necessary to pay the Initial Purchase Price of Additional Portfolios on a Monthly Payment Date shall remain to the balance of the Account on which are credited (and may be invested in Eligible Investments in accordance with the Cash Allocation, Management and Payment Agreement) and will be used as Monthly Issuer Available Funds or Issuer Available Funds, as the case may be, on the earlier of (i) the next following Monthly Payment Date in respect of which a sale of an Additional Portfolio is made and (ii) the next following Quarterly Payment Date.

B. Quarterly Pre-Enforcement Priority of Payments

On each Quarterly Payment Date prior to the delivery of a Trigger Notice, the Issuer Available Funds shall be applied in making or providing for the following payments in accordance with the following order of priority (the "Quarterly Pre-Enforcement Priority of Payments") (in each case, only if and to the extent that payments of a higher priority have been made in full):

- (i) in or towards satisfaction of any and all taxes due and payable by the Issuer (to the extent that the amount then standing to the balance of the Expenses Account is insufficient to pay such Expenses);
- (ii) in or towards satisfaction of (a) *pari passu* and pro rata according to the respective amounts thereof of any due and payable Expenses (to the extent that the amount then standing to the balance of the Expenses Account is insufficient to pay such Expenses) thereafter (b) replenishment of the Expenses Account by an amount equal to the lower of (i) the Retention Amount and (ii) any Expenses and taxes paid during the immediately preceding Quarterly Settlement Period, and thereafter (c) the fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;
- (iii) in or towards satisfaction *pari passu* and pro rata according to the respective amounts thereof, of any amounts due and payable to the Account Bank, the English Account Bank, the Cash Manager, the Paying Agent, the Computation Agent, the Corporate Servicer, the Back-Up Servicer, the Servicer and any Other Issuer Creditors to the extent not specifically provided under any of the following items;

- (iv) in or towards satisfaction, *pari passu* and pro rata according to the respective amounts thereof, of interest due and payable in respect of the Senior Notes;
 - (v) until the Cash Reserve Release Date (excluded), to credit to the Debt Service Reserve Account an amount (if any) to bring the balance of such account to the Total Debt Service Reserve Amount;
 - (vi) (a) during the Warehouse Period and the Revolving Period, to credit the Principal Deficiency Amount into the Principal Accumulation Account to be used to pay the Initial Purchase Price of the Additional Portfolios and the Subsequent Portfolios (provided that, for the avoidance of doubt, any remainder shall remain credited to the Principal Accumulation Account) and (b) during the Amortisation Period, (1) if the Gross Cumulative Default Ratio is higher than the applicable Relevant Trigger, in or towards satisfaction, *pari passu* and pro rata according to the respective amounts thereof, of principal due and payable in respect of the Senior Notes for an amount equal to the Issuer Available Funds available after payments under items from (i) to (v) above having been made, provided however that on any Quarterly Payment Date (if any) falling between the Revolving Period End Date (included) and the beginning of the Amortisation Period (excluded), such amount shall be credited to the Principal Accumulation Account and form part of the Issuer Available Funds of the next succeeding Quarterly Payment Date or (2) if the Gross Cumulative Default Ratio is lower than the applicable Relevant Trigger, to use the Principal Deficiency Amount in or towards satisfaction, *pari passu* and pro rata according to the respective amounts thereof, of principal due and payable in respect of the Senior Notes;
 - (vii) until the Quarterly Payment Date (excluded) on which the Maximum Additional Debt Service Reserve Amount is reached, to credit the Debt Service Reserve Account of an amount equal to the Additional Debt Service Reserve Amount;
 - (viii) in or towards satisfaction, *pari passu* and pro rata according to the respective amounts thereof, of any amounts (other than the Deferred Purchase Price) due and payable by the Issuer to the Originator pursuant to the Transaction Documents;
 - (ix) in or towards satisfaction, *pari passu* and pro rata according to the respective amounts thereof, any interest due and payable on the Junior Notes;
 - (x) upon redemption in full of the Senior Notes, in or towards satisfaction, *pari passu* and pro rata according to the respective amounts thereof, of principal due and payable in respect of the Junior Notes, provided however that prior to the beginning of the Amortisation Period, such amount shall be credited to the Principal Accumulation Account and form part of the Issuer Available Funds of the next succeeding Quarterly Payment Date;
 - (xi) to pay any surplus to the Originator as Deferred Purchase Price;
- provided, however, that:
- (A) payments to the Originator under item (vi)(a) above, if any, will be made on the later of: (i) the relevant Quarterly Payment Date and (ii) the Business Day on which the relevant Formalities are finalised. In the latter case, such amounts will be retained by the Issuer in the Principal Accumulation Account until the Business Day on which the relevant

Formalities are finalised, in accordance with the terms of the Master Receivables Purchase Agreement and the Cash Allocation Management and Payments Agreement; and

- (B) (x) should the Computation Agent not receive the Quarterly Settlement Report within the third Business Day following the Quarterly Settlement Report Date, it shall prepare the relevant Payments Report by applying any amount standing to the credit of the Issuer's Accounts to pay item from (first) to (fifth) of the Quarterly Pre-Enforcement Priority of Payments (provided that, in respect to any amount to be calculated on the basis of the Quarterly Settlement Report, the Computation Agent shall take into account the amounts indicated in the latest available Quarterly Settlement Report, the Computation Agent shall take into account the amounts indicated in the latest available Quarterly Settlement Report (the "Latest Report")); and (y) the Computation Agent shall not be liable for any liability suffered or incurred by any other Party or by any Other Issuer Creditor as a result of taking into account the amounts indicated in the Latest Report. In addition, the Parties agree that the Computation Agent on the immediately following Payments Report Date, subject to having received the relevant Quarterly Settlement Report, shall prepare a Payments Report which shall provide for the necessary adjustment in respect of payments made on the basis of the Latest Report and in respect of amounts unpaid in the preceding Quarterly Payment Date.

The Issuer shall, if necessary, make the payments set out under item (i), (ii)(a) and (vi)(a) above also during the relevant Quarterly Interest Period.

8.2 Post-Enforcement Priority of Payments

Following the delivery of a Trigger Notice, the Issuer Available Funds shall be applied on each Quarterly Payment Date in making or providing for the following payments in the following order of priority (the "Post-Enforcement Priority of Payments") (in each case only if and to the extent that payments of a higher priority have been made in full):

- (i) in or towards satisfaction of any and all taxes due and payable by the Issuer (to the extent that the amount then standing to the balance of the Expenses Account is insufficient to pay such taxes);
- (ii) in or towards satisfaction of (a) *pari passu* and pro rata according to the respective amounts thereof of any due and payable Expenses (to the extent that the amount then standing to the balance of the Expenses Account is insufficient to pay such Expenses) thereafter (b) replenishment of the Expenses Account by an amount equal to the lower of (i) the Retention Amount and (ii) any Expenses and taxes paid during the immediately preceding Quarterly Settlement Period, and thereafter (c) the fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;
- (iii) in or towards satisfaction *pari passu* and pro rata according to the respective amounts thereof, of any amounts due and payable to the Account Bank, the English Account Bank, the Cash Manager, the Paying Agent, the Computation Agent, the Corporate Servicer, the Back-Up Servicer, the Servicer and any Other Issuer Creditors to the extent not specifically provided under any of the following items;

- (iv) in or towards satisfaction, *pari passu* and pro rata according to the respective amounts thereof, of interest due and payable in respect of the Senior Notes;
- (v) in or towards satisfaction, *pari passu* and pro rata according to the respective amounts thereof, of the principal amount outstanding of the Senior Notes, provided that such amount prior to the beginning of the Amortisation Period shall be credited to the Principal Accumulation Account and form part of the Issuer Available Funds of the next succeeding Quarterly Payment Date;
- (vi) in or towards satisfaction, *pari passu* and pro rata according to the respective amounts thereof, of any amounts (other than the Deferred Purchase Price) due and payable by the Issuer pursuant to the Transaction Documents;
- (vii) in or towards satisfaction, *pari passu* and pro rata according to the respective amounts thereof, of interest due and payable in respect of the Junior Notes;
- (viii) upon redemption in full of the Senior Notes, in or towards satisfaction, *pari passu* and pro rata according to the respective amounts thereof, of principal due and payable in respect of the Junior Notes, provided however that prior to the beginning of the Amortisation Period, such amount shall be credited to the Principal Accumulation Account and form part of the Issuer Available Funds of the next succeeding Quarterly Payment Date;
- (ix) to pay any surplus to the Originator as Deferred Purchase Price.

The Issuer shall, if necessary, make the payments set out under items (i) and (ii)(a) above also during the relevant Quarterly Interest Period.

9 INTEREST

9.1 Accrual of interest

The Notes will bear interest on their Principal Amount Outstanding from (and including) the Issue Date at an annual rate equal to the Rate of Interest (as defined below).

9.2 Payment dates and Interest Periods

Interest in respect of the Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on each Quarterly Payment Date in accordance with the applicable Priority of Payments in respect of the Quarterly Interest Period ending immediately prior thereto. The First Quarterly Payment Date will be the Quarterly Payment Date falling on 20 March 2013.

9.3 Calculation of interest

Interest in respect of any Quarterly Interest Period or any other period will be calculated on the basis of the actual number of days elapsed and a 360 - day year.

9.4 Cessation of interest accrual

Interest shall cease to accrue on any part of the Principal Amount Outstanding of the Notes as from (and including) the due date for redemption of such part unless payment of principal due and payable but unpaid is improperly withheld or refused, whereupon interest shall continue to accrue on such principal (after as well as before judgment) at the rate of interest from time to time applicable to the relevant Class of Notes until the monies in respect thereof have been received by the Representative of the Noteholders or the Paying Agent on behalf of the

relevant Noteholders and notice to that effect is given in accordance with Condition 18 (Notices).

9.5 Rate of Interest

The rate of interest applicable from time to time in respect of the Notes (the "**Rate of Interest**") will be determined by the Paying Agent in respect of each Quarterly Interest Period on the relevant Interest Determination Date.

There shall be no maximum or minimum Rate of Interest. The Rate of Interest applicable to the Notes for each Quarterly Interest Period shall be:

- (i) in respect of the Senior Notes, the aggregate of (a) the Relevant EURIBOR, plus (b) the following margin: 2.30% per annum;
- (ii) in respect of the Junior Notes, the aggregate of (a) the Relevant EURIBOR, plus (b) the following margin: 2% per annum;

9.6 Determination of the Rate of Interest and Calculation of the Interest Amount

On each Interest Determination Date, the Paying Agent shall:

- (a) determine the Rate of Interest applicable to the Notes for the Quarterly Interest Period beginning after such Interest Determination Date (or, in respect of the Initial Interest Period, beginning on and including the Issue Date);
- (b) calculate the Euro amount (the "**Interest Amount**") that will accrue on the Notes in respect of the immediately following Quarterly Interest Period. The Interest Amount in respect of any Quarterly Interest Period shall be calculated by applying the relevant Rate of Interest to the Principal Amount Outstanding of the Notes on the Quarterly Payment Date at the commencement of such Quarterly Interest Period (after deducting therefrom any payment of principal due on that Quarterly Payment Date) and by multiplying the product of such calculation by the actual number of days to elapse in the relevant Interest Period divided by 360, and rounding the resultant figure to the nearest cent (half a cent being rounded up).

9.7 Notification of the Rate of Interest and the Interest Amount

The Paying Agent shall cause the Rate of Interest, the relevant margin and the Interest Amount applicable to each Quarterly Interest Period (specifying (i) the Quarterly Payment Date to which such Interest Amount refers to; (ii) the number of days of the relevant Quarterly Interest Period; and (iii) the first day and last day thereof), to be notified promptly after their determination to Monte Titoli, Euroclear, Clearstream, the Issuer, the Servicer, the Back-Up Servicer, the Representative of the Noteholders, the Account Bank, the English Account Bank, the Computation Agent, the Cash Manager and the Corporate Servicer and will cause the same to be published in accordance with Condition 18 (Notices) as soon as possible after the relevant Interest Determination Date, but in no event later than the first Business Day of the next following Quarterly Interest Period in respect of such relevant Interest Determination Date.

9.8 Determination or calculation by the Representative of the Noteholders

If the Paying Agent does not at any time for any reason determine the Rate of Interest and/or calculate the Interest Amount in accordance with the foregoing provisions of this Condition 8

(Interest), the Representative of the Noteholders as legal representative of the Organisation of the Noteholders shall:

determine the Rate of Interest at such rate as (having regard to the procedure described above) it shall consider fair and reasonable in all the circumstances; and/or

calculate the Interest Amount in the manner specified in Condition 9.6 (Interest - Determination of the Rate of Interest and Calculation of the Interest Amount) above,

and any such determination and/or calculation shall be deemed to have been made by the Paying Agent.

9.9 Notifications to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 9 (Interest), whether by the Reference Banks (or any of them), the Paying Agent, the Issuer or the Representative of the Noteholders shall (in the absence of manifest error, wilful default (*dolo*) or gross negligence (*colpa grave*)) be binding on the Reference Banks, the Paying Agent, the Computation Agent, the Issuer, the Account Bank, the English Account Bank, the Representative of the Noteholders and all the Noteholders and (in such absence as aforesaid) no liability shall attach to the Noteholders shall attach to the Reference Banks, the Paying Agent, the Computation Agent, the Issuer or the Representative of the Noteholders in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretion hereunder.

9.10 Reference Banks and Paying Agent

The Issuer shall ensure that, so long as any of the Notes remain outstanding, there shall at all times be three Reference Banks and a Paying Agent. The initial Reference Banks shall be JP Morgan Chase, BNP Paribas S.A. and Unicredit Banca S.p.A. In the event of any such bank being unable or unwilling to continue to act as a Reference Bank, the Issuer shall appoint such other bank as may have been previously approved in writing by the Representative of the Noteholders to act as such in its place. Any resignation of the Paying Agent shall not take effect until a successor has been duly appointed in accordance with the Transaction Documents. If a new Paying Agent is appointed a notice will be published in accordance with Condition 18 (*Notices*).

9.11 Unpaid Interest

Any unpaid interest on the Notes shall accrue no interest.

10 REDEMPTION, PURCHASE AND CANCELLATION

10.1 Final Maturity Date

Unless previously redeemed in full as provided for in this Condition 10 (Redemption, Purchase and Cancellation), the Issuer shall redeem in full the Notes at their Principal Amount Outstanding on 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 Conditions 10.5 (*Redemption for Taxation*), 10.2 (*Mandatory*

Redemption) or 10.4 (Optional Redemption) below, and without prejudice to Condition 15 (*Trigger Events*).

10.2 Mandatory Redemption

The Notes will be subject to mandatory redemption, in accordance with the applicable Priority of Payments, in full or in part pro-rata on each Quarterly Payment Date in accordance with this Condition 10.2 (Mandatory Redemption), in each case if and to the extent that on such dates there are sufficient Issuer Available Funds (including, for the avoidance of doubt, proceeds deriving from any sale of the Portfolios) which may be applied towards redemption of the Notes, in accordance with the applicable Priority of Payments set out in Condition 8 (*Priority of Payments*).

10.3 Mandatory redemption following the delivery of a Trigger Notice

After the delivery of a Trigger Notice, the Issuer Available Funds and any other amounts received or recovered by the Representative of the Noteholders shall be applied by the Representative of the Noteholders in accordance with the Post-Enforcement Priority of Payments.

10.4 Optional Redemption

Provided that no Trigger Notice has been served on the Issuer, unless previously redeemed in full, the Issuer may redeem the Notes (in whole but not in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon up to the date fixed for redemption and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with each Class of Notes (or, with the prior consent of the Junior Noteholders, may redeem the Senior Notes (in whole) and the Junior Notes (in whole or in part) and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with the relevant Notes to be redeemed), on the Quarterly Payment Date falling 60 months from the Issue Date or, thereafter, on any subsequent Quarterly Payment Date, in accordance with this Condition 10.4 (*Redemption, Purchase and Cancellation - Optional Redemption*).

Any such redemption shall be effected by the Issuer on giving not less than 15 days' prior notice in writing to the Representative of the Noteholders and the Noteholders in accordance with Condition 18 (*Notices*) and provided that the Issuer has, prior to giving such notice, certified to the Representative of the Noteholders and produced satisfactory evidence to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all its outstanding liabilities in respect of the relevant Notes to be redeemed and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with such Notes.

The Issuer may obtain the necessary funds in order to effect the early redemption of the Notes in accordance with this Condition 10.4 (*Redemption, Purchase and Cancellation - Optional Redemption*) through the sale of all or part of the Portfolios in accordance with the Transaction Documents and the relevant sale proceeds shall form part of the Issuer Available Funds and in this respect the Originator has been granted with an option right to purchase the Portfolios in accordance with the terms and conditions provided by the Master Receivables Purchase Agreement and the Intercreditor Agreement.

10.5 Redemption for Taxation

If the Issuer at any time satisfies the Representative of the Noteholders, immediately prior to giving the notice referred to below, that on the next Quarterly Payment Date:

- (a) the Issuer or any other person would be required to deduct or withhold (other than in respect of a Decree 239 Deduction) from any payment of principal or interest on any Class of Notes, any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Italy or any political or administrative sub-division thereof or any authority thereof or therein (or that amounts payable to the Issuer in respect of the Portfolios would be subject to withholding or deduction); and
- (b) the Issuer will have the necessary funds (not subject to the interests of any other person) to discharge all its outstanding liabilities in respect of the relevant Notes to be redeemed and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with such Notes;

(hereinafter the event under (a) above, the “**Tax Event**”), then the Issuer may, on any such Quarterly Payment Date at its option having given not less than 30 days' prior notice in writing to the Representative of the Noteholders and to the Noteholders in accordance with the Terms and Conditions, redeem the Notes (in whole but not in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon up to the date fixed for redemption and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with each Class of Notes (or, with the prior consent of the Junior Noteholders, may redeem the Senior Notes (in whole) and the Junior Notes (in whole or in part) and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with the relevant Notes to be redeemed), in accordance with Condition 10.5 (*Redemption, Purchase and Cancellation - Redemption for Taxation*).

Following the occurrence of a Tax Event, the Issuer may, or the Representative of the Noteholders may (or shall if so requested by the Senior Noteholders) direct the Issuer to, dispose of the Portfolios or any part thereof to finance the early redemption of the Notes in accordance with this Condition 10.5 (*Redemption, Purchase and Cancellation - Redemption for Taxation*) and as provided by the Intercreditor Agreement and the other Transaction Documents, provided that the Originator shall have in such circumstance a pre-emption right to purchase the Portfolios at the terms and conditions specified in the Intercreditor Agreement.

10.6 Calculation of Issuer Available Funds, Monthly Issuer Available Funds, Principal Amount Outstanding and Notes Further Instalment Payment

On each Payments Report Date immediately preceding a Quarterly Payment Date (on the basis, *inter alia*, of the information set out in the Quarterly Settlement Report provided by the Servicer), the Computation Agent shall determine, *inter alia*:

- (a) the amount of any principal payment due to be made on the Notes of each Class on the next following Quarterly Payment Date which falls during the Amortisation Period;
- (b) the Principal Amount Outstanding of the Notes of each Class on the next following Quarterly Payment Date (after deducting any principal payment due to be made on that

Quarterly Payment Date) and the portion of Interest Amount that will not be paid in full on the following Quarterly Payment Date (if any);

- (c) the amount of the Total Debt Service Reserve Amount and, during the Warehouse Period, of the relevant Required Debt Service Reserve Amount;
- (d) the Issuer Available Funds (specifying (i) the Maximum Purchase Amount; (ii) the Principal Deficiency Amount; and (iii) the amount available on the immediately following Quarterly Payment Date for the purchase of an Additional Portfolio or a Subsequent Portfolio (if applicable)) and, in case of a Quarterly Payment Date falling in the Warehouse Period, the relevant Notes Further Instalment Payment (if any) to be requested to the Initial Junior Notes Subscriber and the Initial Senior Notes Subscriber);
- (e) prior to the Amortisation Period, the Initial Purchase Price of any Additional Portfolio or Subsequent Portfolio to be paid on the immediately following Quarterly Payment Date (on the basis of (i) the relevant Offer Notice and the relevant Issuer's acceptance and (ii) evidence given by the Corporate Servicer (in accordance with clause 25 (Purchase of any Additional Portfolio or Subsequent Portfolio) of the Intercreditor Agreement) that the Formalities related to the transfer of such Portfolio have been finalised;
- (f) prior to the Amortisation Period, the Principal Deficiency Amount exceeding the Initial Purchase Price of the Additional Portfolio or Subsequent Portfolio to be paid on the immediately following Quarterly Payment Date;
- (g) the Deferred Purchase Price of the Receivables comprised in the Portfolios due on the immediately following Quarterly Payment Date and all other payments due to be done by the Issuer on the immediately following Quarterly Payment Date.

On each Payments Report Date immediately preceding a Monthly Payment Date immediately succeeding the delivery by the Servicer of the Monthly Settlement Report (on the basis, inter alia, of the information provided by the Servicer therein), the Computation Agent shall indicate, inter alia:

- (a) the Monthly Issuer Available Funds (specifying the relevant Notes Further Instalment Payment (if any) to be requested to the Initial Junior Notes Subscriber and the Initial Senior Notes Subscriber);
- (b) the Initial Purchase Price of any Additional Portfolio to be paid on the immediately following Monthly Payment Date (on the basis of (i) the relevant Offer Notice and the relevant Issuer's acceptance and (ii) evidence given by the Corporate Servicer (in accordance with clause 25 (Purchase of any Additional Portfolio or Subsequent Portfolio) of the Intercreditor Agreement) that the Formalities related to the transfer of such Additional Portfolio have been finalised;
- (c) the Monthly Issuer Available Funds exceeding the Initial Purchase Price of the Additional Portfolio to be paid on the immediately following Monthly Payment Date; and
- (d) the relevant Required Debt Service Reserve Amount.

Each determination by or on behalf of the Issuer under this Condition 10.6 (*Redemption, Purchase and Cancellation - Calculation of Issuer Available Funds, Monthly Issuer Available Funds, Principal Amount Outstanding and Notes Further Instalment Payment*) shall in each case (in the absence of manifest error, wilful default (*dolo*) or gross negligence (*colpa grave*)) be final and binding on all persons.

The Issuer will, on each Payments Report Date immediately preceding a Quarterly Payment Date, cause each determination of a principal payment on the Notes (if any) and Principal Amount Outstanding on the Notes to be notified by the Computation Agent (through the Payments Report) to the Issuer, the Representative of the Noteholders, the Servicer, the Paying Agent, the Account Bank, the English Account Bank, the Cash Manager, the Corporate Servicer and the Originator. The Issuer will cause notice of each determination of a principal payment on the Notes and of Principal Amount Outstanding on the Notes to be given to Monte Titoli, Euroclear and Clearstream and in accordance with Condition 18 (Notices).

If no principal payment on the Notes or Principal Amount Outstanding on the Notes is determined by or on behalf of the Issuer in accordance with the preceding provisions of this Condition 10.6 (*Redemption, Purchase and Cancellation - Calculation of Issuer Available Funds, Monthly Issuer Available Funds, Principal Amount Outstanding and Notes Further Instalment Payment*), such principal payment on the Notes and Principal Amount Outstanding on the Notes shall be determined by the Paying Agent in accordance with this Condition 10 (*Redemption, Purchase and Cancellation*) and each such determination or calculation shall be deemed to have been made by the Issuer.

10.7 Notice of Redemption

Any notice of redemption as set out in Condition 10.4 (*Redemption, Purchase and Cancellation - Optional Redemption*) and 10.5 (*Redemption, Purchase and Cancellation - Redemption for Taxation*) must be given in accordance with Condition 18 (Notices) and shall be irrevocable and, upon the expiration of such notice, the Issuer shall be bound to redeem the Notes in accordance with this Condition 10 (*Redemption, Purchase and Cancellation*).

10.8 No purchase by Issuer

The Issuer is not permitted to purchase any of the Notes.

10.9 Cancellation

The Notes will 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 will (unless payment of any such amounts is improperly withheld or refused) be finally and definitively cancelled and waived on the Cancellation Date. Upon cancellation the Notes may not be resold or re-issued.

11 NON PETITION AND LIMITED RECOURSE

11.1 Non Petition

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

- (a) no Noteholder or Other Issuer Creditor (nor any person on its behalf other than the Representative of the Noteholders, where appropriate) is entitled, otherwise than as permitted by the Transaction Documents, to direct the Representative of the Noteholders to enforce the Security or take any proceedings against the Issuer to enforce the Security;
- (b) no Noteholder or Other Issuer Creditor (nor any person on its behalf other than the Representative of the Noteholders, where appropriate) shall, save as expressly permitted by the Transaction Documents, have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to it;
- (c) both before and following the delivery of a Trigger Notice, until the date falling one year and one day after the date on which all the Notes and any other asset backed notes issued by the Issuer in the context of any Further Securitisation 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 Noteholders and only if the representative(s) of the Noteholders of the Further Securitisations have been so directed by an appropriate resolution of their respective noteholders in accordance with the relevant Transaction Documents) to cause, initiate or join any person in initiating an Insolvency Event in relation to the Issuer; and
- (d) no Noteholder or Other Issuer Creditor (nor any person on its behalf other than the Representative of the Noteholders) both before and following the delivery of a Trigger Notice, 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.

11.2 Limited recourse obligations of Issuer

Notwithstanding any other provision of the Transaction Documents and without prejudice to Condition 11.1 (*Non Petition*) all obligations of the Issuer to the Noteholders and Other Issuer Creditors are limited recourse as set out below:

- 11.2.1** all obligations of the Issuer to each Noteholder including, without limitation, the obligations under any Transaction Document to which such Noteholder is a party (including any obligation for the payment of damages or penalties);
- 11.2.2** each Noteholder and Other Issuer Creditor acknowledges and agrees that it will have a claim only in respect of the Issuer Available Funds and at all times only in accordance with the Priority of Payments and will not have any claim, by operation of law or otherwise, against, or recourse to, the Issuer's other assets or its contributed capital;
- 11.2.3** each Noteholder and Other Issuer Creditor acknowledges and agrees that all payments to be made by the Issuer to such Noteholder and Other Issuer Creditor on each Quarterly Payment Date, whether under any Transaction Document to which such Noteholder is a party or otherwise (including any obligations for the payment of damages or penalties) but excluding in any case the obligation of payment of (i) the Initial Purchase Price of the Initial Portfolio (decreased of an amount equal to the

Retention Amount) and of any other Portfolio, (ii) the Excess Indemnity Amount, and (iii) any Residual Optional Instalment;

11.2.4 if the Servicer has certified to the Representative of the Noteholders that there is no reasonable likelihood of there being any further realisations in respect of the Portfolio or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay unpaid amounts outstanding under the Transaction Documents and the Representative of the Noteholders has given notice on the basis of such certificate in accordance with Condition 18 (Notices) that there is no reasonable likelihood of there being any further realisations in respect of the Portfolio or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay amounts outstanding under the Transaction Documents, the Noteholders and the 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.

12 PAYMENTS

12.1 Payments through Monte Titoli

Payment of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent on behalf of the Issuer to the accounts of the relevant Monte Titoli Account Holder and thereafter credited by such Monte Titoli Account Holder from such aforementioned accounts to the accounts of the beneficial owners of those Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear and Clearstream, as the case may be.

12.2 Payments subject to fiscal laws

Any payments in respect of the Notes are subject in all cases to any fiscal or other laws and regulations applicable thereto. No such commissions or expenses shall be charged to the Noteholders in respect of such payments.

12.3 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 (or the relevant Monte Titoli Account Holder).

12.4 Change of Paying Agent

The Issuer reserves the right at any time to revoke the appointment of the Paying Agent by not less than 60 (sixty) calendar days' prior written notice provided, however, that such revocation shall not take effect until a successor has been duly appointed in accordance with the Cash Allocation, Management and Payments Agreement and notice of such appointment has been given to the Noteholders in accordance with Condition 18 (Notices).

13 TAXATION

13.1 Payments free from Tax

All payments in respect of the Notes will be made free and clear of and without withholding or deduction (other than a Decree 239 Deduction, where applicable) for any Taxes imposed,

levied, collected, withheld or assessed by applicable law unless the Issuer, the Representative of the Noteholders or the Paying Agent (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 or other person (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.

13.2 No payment of additional amounts

None of the Issuer, the Representative of the Noteholders or the Paying Agent shall be obliged to pay any additional amounts to Noteholders as a result of any such Tax Deduction.

13.3 Taxing jurisdiction

If the Issuer becomes subject at any time to any taxing jurisdiction other than the Republic of Italy, references in these Junior and Senior Notes Conditions to the Republic of Italy shall be construed as references to the Republic of Italy and/or such other jurisdiction.

13.4 Tax Deduction not a Trigger Event

Notwithstanding that the Representative of the Noteholders, the Issuer or the Paying Agent are required to make a Tax Deduction this shall not constitute a Trigger Event.

14 PRESCRIPTION

Claims against the Issuer for payments in respect of the Notes shall be prescribed and shall become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the date on which a payment in respect thereof first becomes due and payable, unless a case of interruption or suspension of the prescription applies in accordance with Italian law.

15 TRIGGER EVENTS

15.1 Trigger Events

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

(i) **Non-payment:**

on any Quarterly Payment Date (provided that a 7 Business Days' grace period shall apply) the amount paid by the Issuer as interest on the Most Senior Class of Notes is lower than the relevant Interest Amount; or

on the Final Maturity Date the Notes Principal Amount Outstanding of the Senior Notes is not totally redeemed; or

(ii) **Breach of other obligations:**

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

(iii) Breach of Representations and Warranties by the Issuer:

any of the representations and warranties given by the Issuer under the Warranty and Indemnity Agreement and any of the Transaction Documents to which it is party is, or proves to have been, incorrect or erroneous in any material respect when made, or deemed to be made, or at any time thereafter, unless it has been remedied within 30 days after the Representative of the Noteholders has served a notice requiring remedy; or

(iv) Insolvency of the Issuer:

an Insolvency Event occurs in respect of the Issuer; or

(v) Unlawfulness:

it is or will become unlawful for the Issuer to perform or comply with any of its material obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party when compliance with such obligations is deemed by the Representative of the Noteholders to be material.

then, the Representative of the Noteholders:

1. in the case of a Trigger Event under (i) and (v) above, shall; and/or
2. in the case of a Trigger Event under (ii) and (iii) above, if so directed by an Extraordinary Resolution of the Senior Noteholders, shall; and/or
3. in the case of a Trigger Event under (iv) above, may at its sole discretion or shall, if so directed by an Extraordinary Resolution of the Senior Noteholders,

serve a Trigger Notice to the Issuer. Upon the service of a Trigger Notice, the Issuer Available Funds shall be applied in accordance with the Post-Enforcement Priority of Payments.

Following the delivery of a Trigger Notice, the Issuer may (subject to the consent of the Representative of the Noteholders) or the Representative of the Noteholders may (or shall, if so requested by an Extraordinary Resolution of the Senior Noteholders) direct the Issuer to, dispose of the Portfolios, subject to the terms and conditions of the Intercreditor Agreement, provided that the Originator shall have in such circumstance a pre-emption right to purchase the Portfolios at the terms and conditions specified in the Intercreditor Agreement.

16 ACTIONS FOLLOWING THE DELIVERY OF A TRIGGER NOTICE

16.1 Proceedings

At any time after a Trigger Notice has been served, the Representative of the Noteholders may, or shall if so requested or authorised by an Extraordinary Resolution of the 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 interest thereon in accordance with the Priority of Payments set out in Condition 8.2 (*Priority of Payments – Post-Enforcement Priority of Payments*).

16.2 Determinations to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Condition 15 (*Trigger Events*) or this Condition 16 (*Actions following the delivery of a Trigger Notice*) by the Representative of the

Noteholders shall (in the absence of manifest error, wilful default (*dolo*) or gross negligence (*colpa grave*)) 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.

16.3 Directions to the Representative of the Noteholders

The Representative of the Noteholders may take action pursuant to Condition 16.1 (*Proceedings*) without having regard to the effect of such action on any individual Senior 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, 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 holders of the Most Senior Class of Notes; or
- (b) (if the Representative of the Noteholders is not of that opinion) such action is sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class of Notes.

16.4 Disposal of the Portfolio

Following the service of a Trigger Notice, the Issuer may, or the Representative of the Noteholders may direct the Issuer to, dispose of the Portfolio if all the following conditions are satisfied:

- (a) the Issuer or the Representative of the Noteholders has been so requested by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding;
- (b) the Issuer or the Representative of the Noteholders has obtained a certificate issued by a reputable bank or financial institution stating that the purchase price for the Portfolio is sufficient to allow discharge in full of all amounts owing to the Senior Noteholders and amounts ranking in priority thereto or *pari passu* therewith (based upon that bank or financial institution's evaluation of the Portfolio);
- (c) the relevant purchaser has obtained all the necessary approvals and authorisations for the purchase; and
- (d) the relevant purchaser has produced evidence of its solvency by producing at least the following documents: (i) a solvency certificate issued by the directors, (ii) a solvency certificate issued by the competent register of enterprises, (iii) a solvency certificate issued by the relevant 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.

16.5 Individual proceedings

No Noteholder shall be entitled to proceed directly against the Issuer unless the Representative of the Noteholders has become bound and fails to do so within a reasonable period and such failure shall be continuing.

16.6 Purchase Termination Events

The occurrence of each and any of the following events on any date will constitute a purchase termination event (a “**Purchase Termination Event**”) in accordance with the Master Receivables Purchase Agreement:

- (a) a Trigger Notice is delivered to the Issuer by the Representative of the Noteholders;
- (b) the Originator (in any role under the Transaction Documents) defaults in the performance of any of its obligations under the Master Receivables Purchase Agreement and the Servicing Agreement or under any other Transaction Document to which it is a party, if such default (i) in the opinion of the Representative of the Noteholders is materially prejudicial to the interests of the Senior Noteholders; and (ii) remains unremedied within 30 (thirty) Business Days (or 15 (fifteen) Business Days, where the default relates to an obligation to pay) after the delivery by the Issuer of a written notice to the Originator requiring the default to be remedied;
- (c) any of the representations and warranties given by the Originator or the Servicer under any of the Servicing Agreement or the Warranty and Indemnity Agreement is breached or is untrue, incomplete or inaccurate if the relevant breach (i) is, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Senior Noteholders, and (ii) remains unremedied within 30 (thirty) Business Days after the delivery by the Issuer of a written notice to the Originator requiring the default to be remedied;
- (d) the Originator is declared insolvent or admitted to any bankruptcy proceedings or the Originator has adopted a resolution aimed at obtaining the admission to any of such proceedings; a liquidator or administrative receiver is appointed or the Originator has adopted a resolution aimed at obtaining such appointments; the whole or a substantial part of the Originator's assets are subject to enforcement proceedings;
- (e) the Originator carries out any action for the purpose of rescheduling its own debts or postponing their relevant fulfilment, executes any extrajudicial arrangement with its creditors (including arrangements for the assignment of its assets to its creditors), files any petition for the suspension of its own payments or any competent court grants to it a moratorium for the fulfilment of its own debts or the enforcement of any security granted by the Originator, if the Representative of the Noteholders, in its justified opinion, deems that any of the above events have or may have a material adverse effect on the Originator's financial condition, provided that the Originator has the right to renegotiate any subordinated loan granted to it by its controlling company;
- (f) a resolution has been adopted for the dissolution or liquidation of the Originator, except if such resolution is adopted in connection with a corporate restructuring;
- (g) the Originator resolves upon any material amendment of its corporate purpose (*oggettosociale*) or the transfer of its registered office outside Italy;
- (h) the Issuer terminates the Originator's appointment as Servicer pursuant to the Servicing Agreement;

- (i) the Originator's external auditor expresses a negative assessment in the certification report (*relazione di certificazione*) relating to the Originator's annual financial statements or declares the impossibility to express an assessment in respect thereof;
- (j) at any Quarterly Payment Date, the Debt Service Reserve Account is not (or will not be) credited out of the Issuer Available Funds and in accordance with the applicable Priority of Payments, with the Total Debt Service Reserve Amount, as calculated on the Payments Report Date immediately preceding the relevant Quarterly Payment Date;
- (k) the Gross Cumulative Default Ratio, as evidenced in the relevant Quarterly Settlement Report, exceeds the respective Relevant Trigger;
- (l) the Delinquency Ratio, as evidenced in the relevant Quarterly Settlement Report, exceeds 5% for two consecutive Quarterly Settlement Date;
- (m) the Asset Coverage Test is negative for 2 consecutive Payments Report Dates immediately preceding a Quarterly Payment Date; and
- (n) the Originator has sent a notice irrevocably waiving its right to sell.

Upon occurrence of a Purchase Termination Event, the Representative of the Noteholders shall deliver to the Issuer, the Originator, the Servicer and the Computation Agent a notice indicating that (i) the Purchase Termination Event has occurred; (ii) the Originator is not anymore allowed to sell the Receivables to the Issuer (which is not anymore allowed to purchase Receivables from the Originator); and (iii) the Warehouse Period and the Revolving Period have elapsed (the "**Purchase Termination Event Notice**").

17 THE REPRESENTATIVE OF THE NOTEHOLDERS

17.1 The Organisation of Noteholders

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

17.2 Appointment of the Representative of the Noteholders

Pursuant to the Rules of the Organisation of the Noteholders, for as long as any Note is outstanding, there shall at all times be a Representative of the Noteholders. The Representative of the Noteholders is the legal representative (*rappresentante legale*) of the Organisation 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 both the Initial Senior Notes Subscriber and the Initial Junior Notes Subscriber in the Subscription Agreements. Each Noteholder is deemed to accept such appointment.

17.3 Successor to the Representative of the Noteholders

Pursuant to the provisions of the Rules of the Organisation of the Noteholders, the Representative of the Noteholders can be removed by the Noteholders at any time, provided a successor Representative of the Noteholders is appointed and can resign at any time. Such successor to 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 through a branch situated in a European Union country; or
- (b) a company or financial institution registered under article 106 of the Consolidated Banking Act; or
- (c) any other entity permitted by specific provisions of Italian law applicable to the securitisation of monetary rights and/or by any regulations, instructions, guidelines and/or specific approvals issued by the competent Italian supervising authorities.

17.4 Provisions relating to the Representative of the Noteholders

The Rules of the Organisation of the Noteholders contain provisions governing, inter alia, the terms of appointment, indemnification and exoneration from responsibility (and relief from responsibility) of the Representative of the Noteholders (including provisions relieving it from taking action unless indemnified and/or secured to its satisfaction and providing for the indemnification of the Representative of the Noteholders in certain other circumstances) and provisions which govern the termination of the appointment of the Representative of the Noteholders and amendments to the terms of such appointment.

18 NOTICES

18.1 Notices through Monte Titoli

Any notice regarding the Notes, as long as the Notes are held through Monte Titoli, shall be deemed to have been duly given if given through the systems of Monte Titoli. 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.

18.2 Other method of giving Notice

The Representative of the Noteholders shall be at liberty to sanction some other method of giving notice to the Noteholders if, in its opinion, such other method is reasonable having regard to market practice then prevailing and provided that notice of such other method is given to the Noteholders in such manner as the Representative of the Noteholders shall require.

19 GOVERNING LAW AND JURISDICTION

19.1 Governing Law of the Notes

The Notes and any non-contractual obligations arising out of them are governed by Italian law.

19.2 Jurisdiction of Court

The Courts of Milan are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes.

19.3 Governing Law of the Transaction Documents

All the Transaction Documents and any non-contractual obligations arising out of them are governed by Italian law.

RULES OF THE ORGANISATION OF THE NOTEHOLDERS

TITLE I

GENERAL PROVISIONS

1. GENERAL

The Organisation of the Noteholders is created concurrently with the issue of and subscription for the up to Euro 150,000,000 Class A Asset Backed Floating Rate Notes due September 2035, (the "**Class A Notes**" or the "**Senior Notes**") and the up to Euro 133,000,000 Class B Asset Backed Floating Rate Notes due September 2035 (the "**Junior Notes**") issued by Alba 3 SPV S.r.l., and is governed by the Rules of the Organisation of the Noteholders set out herein (the "**Rules**").

The Rules shall remain in force and effect until full repayment or cancellation of all the Notes.

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

In these Rules the terms set out below have the following meanings:

"Basic Terms Modification" means any proposal:

- (a) to change any date fixed for the payment of principal or interest in respect of the Notes of any Class;
- (b) to reduce or cancel the amount of principal or interest due on any date in respect of the Notes of any Class or to alter the method of calculating the amount of any payment in respect of the Notes of any Class on redemption or maturity;
- (c) to change the quorum required at any Meeting or the majority required to pass any Ordinary Resolution or Extraordinary Resolution;
- (d) to change the currency in which payments due in respect of any Class of Notes are payable;
- (e) to alter the priority of payments of interest or principal in respect of any of the Notes;
- (f) 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
- (g) to change this definition;

"Blocked Notes" means Notes which have been blocked in an account with a clearing system or otherwise are held to the order of or under the control of the Paying Agent for the purpose of obtaining from the Paying Agent a Block Voting Instruction or a Voting Certificate on terms that they will not be released until after the conclusion of the Meeting in respect of which the Block Voting Instruction or Voting Certificate is required;

"Block Voting Instruction" means, in relation to a Meeting, a document issued by the Paying Agent:

- (a) certifying that certain specified Notes are held to the order of the Paying Agent or under its control or have been blocked in an account with a clearing system and will not be released until the earlier of:
 - (i) a specified date which falls after the conclusion of the Meeting; and
 - (ii) the surrender to the Paying Agent not less than 48 Hours before the time fixed for the Meeting (or, if the meeting has been adjourned, the time fixed for its resumption) of the confirmation that the Notes are Blocked Notes and notification of the release thereof by the Paying Agent to the Issuer and Representative of the Noteholders;
- (b) certifying that the Holder of the relevant Blocked Notes or a duly authorised person on its behalf has notified the Paying Agent that the votes attributable to such Notes are to be cast in a particular way on each resolution to be put to the Meeting and that during the period of 48 hours before the time fixed for the Meeting such instructions may not be amended or revoked;
- (c) listing the total number of such specified Blocked Notes, distinguishing between those in respect of which instructions have been given to vote for, and against, each resolution; and
- (d) authorising a named individual to vote in accordance with such instructions;

“**Chairman**” means, in relation to a Meeting, the individual who takes the chair in accordance with Article 8 (*Chairman of the Meeting*) of the Rules.

“**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.

“**Monte Titoli**” means Monte Titoli S.p.A.;

“**Monte Titoli Account Holder**” means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli (as *intermediariaderenti*) in accordance with article 83-*quater* of Italian Legislative Decree No. 58 of 24 February 1998 and includes any depositary banks approved by Clearstream and Euroclear.

“**Monte Titoli Mandate Agreement**” means the agreement entered into between the Issuer and Monte Titoli.

“**Most Senior Class of Notes**” means the Senior Notes while they remain outstanding and, thereafter, the Junior Notes.

“**Ordinary Resolution**” means any resolution passed at a Meeting duly convened and held in accordance with the provisions contained in the Rules by a majority of the vote cast.

“**Proxy**” means a person appointed to vote under a Voting Certificate as a proxy or the person appointed to vote under a Block Voting Instruction, in each case, other than:

- (a) any person whose appointment has been revoked and in relation to whom the Paying Agent, has been notified in writing of such revocation by the time which is 48 hours before the time fixed for the relevant Meeting; and

- (b) any person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been reappointed to vote at the Meeting when it is resumed;

“**Resolutions**” means Ordinary Resolutions and Extraordinary Resolutions collectively.

“**Specified Office**” means in relation to any Paying Agent:

- (a) the office specified against its name in clause 30.3 (*Addresses for notices*) of the Cash Allocation, Management and Payments Agreement; or
- (b) such other office as the Paying Agent may specify in accordance with clause 28.4 (*Change in Specified Office*) of the Cash Allocation Management and Payments Agreement; and
- (c) with respect to any additional or other paying agent appointed pursuant to the Conditions and the provisions of the Cash Allocation, Management and Payments Agreement, the specified office notified to the Noteholders upon notification of the appointment of each such paying agent in accordance with Condition 12.4 (*Change of Paying Agent and appointment of additional paying agents*) and in each such case, such other address as the Paying Agent may specify in accordance with the provisions of the Cash Allocation, Management and Payment Agreement.

“**Terms and Conditions**” means the terms and conditions of the Senior 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 in relation to the Notes accordingly.

“**Transaction Party**” means any person who is a party to a Transaction Document.

“**Trigger Event**” means any of the events described in Condition 15 (*Trigger Events*).

“**Trigger Notice**” means a notice described as such in Condition 15 (*Trigger Notice*).

“**Voter**” means, in relation to any Meeting, the Holder or a Proxy named in a Voting Certificate, the bearer of a Voting Certificate issued by the Paying Agent or a Proxy named in a Block Voting Instruction.

“**Voting Certificate**” means, in relation to any Meeting:

- (a) a certificate, or document, as the case may be, issued by a Monte Titoli Account Holder in accordance with the regulation issued jointly by the Bank of Italy and CONSOB on 22 February 2008, as amended on 24 December 2010 and from time to time, and/or such other law or regulation or regulatory procedures which was become applicable to such Monte Titoli Account Holder; or
- (b) a certificate or document, as the case may be, issued by the Paying Agent or released by any other Monte Titoli Account Holder in accordance with the above procedures, stating:
 - (i) that Blocked Notes will not be released until the earlier of:
 - (1) a specified date which falls after the conclusion of the Meeting; and
 - (2) the surrender of such certificate to the Paying Agent or Monte Titoli Account Holder, as the case may be.
 - (ii) the bearer of the certificate, or document, as the case may be, is entitled to attend and vote at such Meeting in respect of such Blocked Notes.

"Written Resolution" means a resolution in writing signed by or on behalf of all Noteholders of the relevant Class or Classes who at any relevant time are entitled to participate in a Meeting in accordance with the provisions of the Rules, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more of such Noteholders;

"24 hours" means a period of 24 hours including all or part of a day on which banks are open for business both in the place where any relevant Meeting is to be held and in the place where the Paying Agent has its Specified Office;

"48 hours" means 2 consecutive periods of 24 hours.

Unless otherwise provided in these Rules, or the context requires otherwise, words and expressions used in the Rules shall have the meanings and the constructions ascribed to them in the Terms and Conditions.

2.2 Interpretation

Any reference herein to an **"Article"** shall, except where expressly provided to the contrary, be a reference to an article of these Rules.

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.

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

If a Noteholder wishes to vote in person, it may obtain a Voting Certificate in respect of a Meeting by requesting its Monte Titoli Account Holder to issue a Voting Certificate.

A Noteholder may also obtain a Voting Certificate from the Paying Agent or require the Paying Agent to issue a Block Voting Instruction by arranging for Notes to be (to the satisfaction of the Paying Agent) held to its order or under its control or blocked in an account in a clearing system (other than Monte Titoli) not later than 48 hours before the time fixed for the relevant Meeting.

4.2 Expiry of validity

A Voting Certificate or Block Voting Instruction shall be valid until the release of the Blocked Notes to which it relates.

4.3 Proxy

If a Noteholder wishes to vote through a proxy of its choice, it should request its Monte Titoli Account Holder (i) to provide it with a Voting Certificate and (ii) to block the Notes held by such Noteholder (if so requested by the applicable law or regulation).

4.4 Deemed holder

So long as a Voting Certificate or Block Voting Instruction is valid, the party named therein as Holder or Proxy, in the case of a Voting Certificate and any Proxy named therein in the case of a Block Voting Instruction shall be deemed to be the Holder of the Notes to which it refers for all purposes in connection with the Meeting to which such Voting Certificate or Block Voting Instruction relates.

4.5 Mutually exclusive

A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

4.6 References to the 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 shall be valid only if it is deposited at the Specified Office of the Paying Agent, or at any other place approved by the Representative of the Noteholders, at least 24 hours before the time of the relevant Meeting. If such a Block Voting Instruction or Voting Certificate is not deposited before such deadline, it shall not be valid (unless the Chairman of the relevant meeting decides otherwise before the Meeting proceeds to discuss the items on the agenda). If the Representative of the Noteholders so requires, satisfactory evidence of the identity of each Proxy named in a Block Voting Instruction or of each Holders or Proxy named in a Voting Certificate issued by a Monte Titoli Account Holder shall be produced at the Meeting but the Representative of the Noteholders shall not be obliged to investigate the validity of a Block Voting Instruction or Voting Certificate or the identity of any Proxy named in a Voting Certificate or Block Voting Instruction or the identity of any Holder named in a Voting Certificate issued by a Monte Titoli Account Holder.

6. CONVENING 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 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 selected or approved by the Representative of the Noteholders.

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, time and place of the Meeting, must be given to the relevant Noteholders and the Paying Agent, with a copy to the Issuer, where the Meeting is convened by the Representative of the Noteholders, or with a copy to the Representative of the Noteholders, where the Meeting is convened by the Issuer.

7.2 Content of notice

The notice shall set out the full text of any resolution to be proposed at the Meeting unless the Representative of the Noteholders agrees that the notice shall instead specify the nature of the resolution without including the full text and shall state that Voting Certificate for the purpose of such Meeting may be obtained from a Monte Titoli Account Holder in accordance with the provisions of the regulation issued jointly by the Bank of Italy and CONSOB on 22 February 2008, as amended on 24 December 2010 and from time to time, and/or such other law or regulation or regulatory procedures which has become applicable to such Monte Titoli Account Holder and that for the purpose of obtaining Voting Certificates from the Paying Agent or appointing Proxies under a Block Voting Instruction, Notes must (to the satisfaction of the Paying Agent) be held to the order of or placed under the control of the Paying Agent or blocked in an account with a clearing system not later than 48 hours before the relevant Meeting.

7.3 Validity notwithstanding lack of notice

A Meeting is valid notwithstanding that the formalities required by this Article 7 are not complied with if the Holders of the Notes constituting the Principal Amount Outstanding of all outstanding Notes, the Holders of which are entitled to attend and vote, are represented at such Meeting, and the Issuer and the Representative of the Noteholders are present at the Meeting.

8. CHAIRMAN OF THE MEETING

8.1 Appointment of Chairman

An individual (who may, but need not be, a Noteholder), nominated by the Representative of the Noteholders may take the chair at any Meeting, but if:

- 8.2.1.** the Representative of the Noteholders fails to make a nomination; or
- 8.2.2.** the individual nominated declines to act or is not present within 15 minutes after the time fixed for the Meeting,
- 8.2.3.** 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:

9.1.1 an Ordinary Resolution relating to a Meeting of a particular Class or Classes will be two or more persons holding or representing at least 50 per cent of the Principal Amount Outstanding of the Notes then outstanding in that Class or these Classes or, at any adjourned Meeting two or more persons being or representing Noteholders of that Class or these Classes whatever the Principal Amount Outstanding of the Notes then outstanding so held or represented in such Class or Classes.

9.1.2 an Extraordinary Resolution, other than in respect of a Basic Terms Modification, relating to a Meeting of a particular Class or Classes of Notes, will be two or more persons holding or representing at least 50 per cent of the Principal Amount Outstanding of the Notes then outstanding in that Class or those Classes, or at an adjourned Meeting, two or more persons being or representing Noteholders of that Class or those Classes whatever the Principal Amount Outstanding of the Notes then outstanding so held or represented in such Class or Classes;

9.1.3 an Extraordinary Resolution, in respect of a Basic Terms Modification (which must be proposed separately to each Class of Noteholders), will be two or more persons holding or representing at least 75 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 whatever the Principal Amount Outstanding of the Notes so held or represented in such Class.

providedthat, if in respect of any Class of Notes, the Paying Agent has received evidence that all the Notes of that Class are held by a single Holder and the Voting Certificates and/or Block Voting Instructions so confirm, then a single Voter appointed in relation thereto or being the Holder of the Notes thereby represented shall be deemed to be two Voters for the purpose of forming a quorum.

10. ADJOURNMENT FOR WANT OF QUORUM

10.1 If a quorum is not present within 15 minutes after the time fixed for any Meeting:

10.1.1 if such Meeting was requested by Noteholders, the Meeting shall be dissolved; and

10.1.2 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 14 days and no later than 42 days after the

original date of such Meeting, and to such place as the Chairman determines with the approval of the Representative of the Noteholders provided that:

- 10.1.3 no Meeting may be adjourned more than once for want of a quorum; and
- 10.1.4 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 a quorum*), the Chairman may, with the prior consent of any Meeting, and shall if so directed by any Meeting, adjourn such Meeting to another time and place. 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:

- 12.1.1 10-days' notice (exclusive of the day on which the notice is delivered and of the day on which the Meeting is to be resumed) shall be sufficient; and
- 12.1.2 the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

12.2 Notice not required

It shall not be necessary to give notice of resumption of any Meeting adjourned for reasons other than those described in Article 10 (*Adjournment for want of a quorum*).

13 PARTICIPATION

The following categories of persons may attend and speak at a Meeting:

- (a) Voters;
- (b) the directors and the auditors of the Issuer;
- (c) representatives of the Issuer and the Representative of the Noteholders;
- (d) financial advisers to the Issuer and the Representative of the Noteholders;
- (e) legal advisers to the Issuer and the Representative of the Noteholders;
- (f) any other person authorised by virtue of a resolution of such Meeting or by the Representative of the Noteholders.

14 VOTING BY SHOW OF HANDS

Every question submitted to a Meeting shall be decided in the first instance by a vote by a show of hands.

Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed or passed by a particular majority or rejected, or rejected by a particular majority, shall be conclusive without proof of the number of votes cast for, or against, the resolution.

15 VOTING BY POLL

15.1 Demand for a poll

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Representative of the Noteholders or one or more Voters representing or holding not less than *one-fiftieth* of the Principal Amount Outstanding of the outstanding Notes conferring the right to vote at the Meeting. A poll may be taken immediately or after such adjournment as is decided by the Chairman but any poll demanded on the election of a Chairman or on any question of adjournment shall be taken immediately. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business.

15.2 The Chairman and a poll

The Chairman sets the conditions for the voting, including for counting and calculating the votes, and may set a time limit by which all votes must be cast. Any vote which is not cast in compliance with the terms specified by the Chairman shall be null. After voting ends, the votes shall be counted and after the counting the Chairman shall announce to the Meeting the outcome of the vote.

16 VOTES

16.1 Voting

Each Voter shall have:

- (a) on a show of hands, one vote; and
- (b) on a poll, one vote for each Euro 1,000 in aggregate face amount of outstanding Notes represented or held by the Voter.

16.2 Block Voting Instruction

Unless the terms of any Block Voting Instruction or Voting Certificate appointing a Proxy state otherwise, a Voter shall not be obliged to exercise all the votes to which such Voter is entitled or to cast all the votes he exercises the same way.

16.3 Voting tie

In the case of a voting tie, the relevant resolution shall be deemed to have been rejected.

17 VOTING BY PROXY

17.1 Validity

Any vote by a Proxy in accordance with the relevant Block Voting Instruction or Voting Certificate appointing a Proxy shall be valid even if such Block Voting Instruction or any instruction pursuant to which it has been given had been amended or revoked **provided that** none of the Issuer, the Representative of the Noteholders or the Chairman, has been notified in writing of such amendment or revocation at least 24 hours prior to the time set for the relevant Meeting.

17.2 Adjournment

Unless revoked, the appointment of a Proxy under a Block Voting Instruction or Voting Certificate in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment save that no such appointment of a Proxy in relation to a meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such meeting when it is resumed. Any person appointed to vote at such Meeting must be re-

appointed under a Block Voting Instruction or Voting Certificate to vote at the Meeting when it is resumed.

18 ORDINARY RESOLUTIONS

18.1 Powers exercisable by Ordinary Resolution

Subject to Article 19 (*Extraordinary Resolutions*), a Meeting shall have power exercisable by Ordinary Resolution, to:

18.1.1 grant any authority, order or sanction which, under the provisions of the Rules, the Terms and Conditions, is required to be the subject of an Ordinary Resolution or required to be the subject of a resolution or determined by a Meeting and not required to be the subject of an Extraordinary Resolution; and

18.1.2 to authorise the Representative of the Noteholders or any other person to execute all documents and do all things necessary to give effect to any Ordinary Resolution.

18.2 Ordinary Resolution of a single Class

No Ordinary Resolution of any Class of Noteholders shall be effective unless it is sanctioned by an Ordinary Resolution of the Holders of each of the other Classes of Notes ranking with or senior to such Class (to the extent that there are Notes outstanding ranking with or senior to such Class), unless the Representative of the Noteholders considers that none of the Holders of each of the other Classes of Notes ranking *pari passu* with or senior to such Class would be materially prejudiced by the absence of such sanction.

19 EXTRAORDINARY RESOLUTIONS

19.1 Power exercisable by Extraordinary Resolution

A Meeting, in addition to any powers assigned to it in the Terms and Conditions, shall have power exercisable by Extraordinary Resolution to:

19.1.1 approve any Basic Terms Modification;

19.1.2 approve any modification, abrogation, variation or compromise of the provisions of these Rules, the Senior Notes Conditions, the Junior Notes 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;

19.1.3 in accordance with Article 28 (*Appointment, Removal and Remuneration*), appoint and remove the Representative of the Noteholders;

19.1.4 authorise the Representative of the Noteholders to issue a Trigger Notice as a result of a Trigger Event pursuant to Condition 15;

19.1.5 discharge or exonerate, including retrospectively, the Representative of the Noteholders from any liability in relation to any act or omission for which the Representative of the Noteholders has or may become liable pursuant or in relation to these Rules, the Terms and Conditions or any other Transaction Document;

- 19.1.6 grant any authorisation or approval, which, under the provisions of these Rules or of the Terms and Conditions, must be granted by an Extraordinary Resolution;
- 19.1.7 authorise and ratify the actions of the Representative of the Noteholders in compliance with these Rules, the Intercreditor Agreement and any other Transaction Document;
- 19.1.8 authorise optional redemption of the Notes in the circumstances set out in Condition 10.4;
- 19.1.9 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;
- 19.1.10 to appoint any persons as a committee to represent the interests of the Noteholders and to confer on any such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution; or
- 19.1.11 authorise the Representative of the Noteholders (subject to its being indemnified and/or secured to its satisfaction) and/or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution.

19.2 Basic Terms Modification

No Extraordinary Resolution involving a Basic Terms Modification that is passed by the Holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the Holders of each of the other Classes of Notes then outstanding.

19.3 Extraordinary Resolution of a single Class

No Extraordinary Resolution to approve any matter other than a Basic Terms Modification of any Class of Noteholders shall be effective unless it is sanctioned by an Extraordinary Resolution of the Holders of each of the other Classes of Notes ranking senior to such Class (to the extent that there are Notes outstanding ranking senior to such Class), unless the Representative of the Noteholders considers that none of the Holders of each of the other Classes of Notes ranking senior to such Class would be materially prejudiced by the absence of such sanction and, for the purposes of this Article 20.3 (*Extraordinary Resolution of a single Class*), the Senior Notes rank senior to Junior 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 any resolution passed at a meeting of the Senior Noteholders duly convened and held as aforesaid shall also be binding upon all the Junior 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 Agent (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 Servicer on behalf of the Issuer).

23 WRITTEN RESOLUTION

A Written Resolution shall take effect as if it were an Extraordinary Resolution or, in respect of matters required to be determined by Ordinary Resolution, as if it were an Ordinary Resolution.

24 JOINT MEETINGS

Subject to the provisions of the Rules, the Terms and Conditions, joint Meetings of the Senior Noteholders and the Junior 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 Combined Meetings

The following provisions shall apply in respect of Meetings where outstanding Notes belong to more than one Class:

25.1.1 business which, in the sole opinion of the Representative of the Noteholders, affects only one Class of Notes shall be transacted at a separate Meeting of the Noteholders of such Class;

25.1.2 business which, in the sole opinion of the Representative of the Noteholders, affects more than one Class of Notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one Class of Notes and the Noteholders of any other Class of Notes shall be transacted either at separate Meetings of the Noteholders of each such Class of Notes or at a single Meeting of the Noteholders of all such Classes of Notes as the Representative of the Noteholders shall determine in its absolute discretion; and

25.1.3 business which, in the sole opinion of the Representative of the Noteholders, affects the Noteholders of more than one Class of Notes and gives rise to an actual or potential conflict of interest between the Noteholders of one such Class of Notes and the Noteholders of any other Class of Notes shall be transacted at separate Meetings of the Noteholders of each such Class.

26 INDIVIDUAL ACTIONS AND REMEDIES

Each Noteholder has accepted and is bound by the provisions of Condition 11 (*Limited Recourse and Non Petition*) and, accordingly, if any Noteholder is considering bringing individual actions or using other individual remedies to enforce his/her rights under the Notes, any such action or remedy shall be subject to a Meeting not passing an 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:

26.1.1 the Noteholder intending to enforce his/her rights under the Notes will notify the Representative of the Noteholders of his/her intention;

26.1.2 the Representative of the Noteholders will, without delay, call a Meeting in accordance with the Rules;

26.1.3 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

26.1.4 if the Meeting of Noteholders does not object to an individual action or remedy, the Noteholder may take such individual action or remedy.

No Noteholder will be allowed to take any individual action or remedy to enforce his/her rights under the Notes unless a Meeting of 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 sole discretion may decide.

TITLE III

THE REPRESENTATIVE OF THE NOTEHOLDERS

28 APPOINTMENT, REMOVAL AND REMUNERATION

28.1 Appointment

The appointment of the Representative of the Noteholders takes place by Extraordinary Resolution of the holders of the Most Senior Class of Notes in accordance with the provisions of this Article 28, except for the appointment of the first Representative of the Noteholders which will be Zenith Service S.p.A.

28.2 Identity of Representative of the Noteholders

The Representative of the Noteholders shall be:

28.2.1 a bank incorporated in any jurisdiction of the European Union, or a bank incorporated in any other jurisdiction acting through an Italian branch; or

28.2.2 a company or financial institution enrolled with the register held by the Bank of Italy pursuant to Article 106 of the Consolidated Banking Act; or

28.2.3 any other entity which is not prohibited from acting in the capacity of Representative of the Noteholders pursuant to the law.

The directors and auditors of the Issuer and those who fall within the conditions set out in Article 2399 of the Italian civil code 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 20 (*Extraordinary Resolutions*) or resigns pursuant to Article 30 (*Resignation of the Representative of the Noteholders*), it shall remain in office until full repayment or cancellation of all the Notes.

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 29.2 (*Identity of Representative of the Noteholders*), accepts its appointment, and the powers and authority of the Representative of the Noteholders the appointment of which has been terminated shall, pending the acceptance of its appointment by the substitute, be limited to those necessary to perform the essential functions required in connection with the Notes.

28.5 Remuneration

The Issuer shall pay to the Representative of the Noteholders an annual fee for its services as Representative of the Noteholders from the Issue Date, as agreed either in the initial agreement(s) for the issue of and subscription for the Notes or in a separate fee letter. Such fees shall accrue from day to day and shall be payable in accordance with the Priority of Payments up to (and including) the date when the Notes shall have been repaid in full or cancelled in accordance with the Term and Conditions.

29 RESIGNATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS

The Representative of the Noteholders may resign at any time by giving at least three calendar months' written notice to the Issuer, without needing to provide any specific reason for the resignation and without being responsible for any costs incurred as a result of such resignation. The resignation of the Representative of the Noteholders shall not become effective until:

- (a) a new Representative of the Noteholders has been appointed in accordance with Article 29.1 (*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 Noteholders fail to select a new Representative of the Noteholders within three months of written notice of resignation delivered by the Representative of the Noteholders, the Representative of the Noteholders may appoint a successor which is a qualifying entity pursuant to Article 29.2 (*Identity of the Representative of the Noteholders*).

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 rights, 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 may be made upon such conditions and subject to such regulations (including power to sub-delegate) as the Representative of the Noteholders may think fit in the interest of the Noteholders. The Representative of the Noteholders shall not be bound to supervise the acts or proceedings of such delegate or sub-delegate and shall not in any way or to any extent be responsible for any loss incurred by reason of any misconduct, omission or default on the part of such delegate or sub-delegate, **provided that** the Representative of the Noteholders shall use all reasonable care in the appointment of any such delegate and shall be responsible for the instructions given by it to such delegate. The Representative of the Noteholders shall, as soon as reasonably practicable, give notice to the Issuer of the appointment of any delegate and any renewal, extension and termination of such appointment, and shall procure that any delegate shall give notice to the Issuer of the appointment of any sub-delegate as soon as reasonably practicable.

30.4 Judicial Proceedings

The Representative of the Noteholders is authorised to initiate and to represent the Organisation of the Noteholders in any judicial proceedings, including Insolvency Proceedings.

30.5 Consents given by Representative of Noteholders

Any consent or approval given by the Representative of the Noteholders under these Rules and any other Transaction Document may be given on such terms and subject to such conditions (if any) as the Representative of the Noteholders deems appropriate and notwithstanding anything to the contrary contained in these Rules or in the Transaction Documents such consent or approval may be given retrospectively.

30.6 Discretions

Save as expressly otherwise provided herein, the Representative of the Noteholders shall have absolute discretion as to the exercise or non-exercise of any right, power and discretion vested in the Representative of the Noteholders by these Rules or by operation of law.

30.7 Obtaining instructions

In connection with matters in respect of which the Representative of the Noteholders is entitled to exercise its discretion hereunder, the Representative of the Noteholders has the right (but not the obligation) to convene a Meeting or Meetings in order to obtain the Noteholders' instructions as to how it should act. Prior to undertaking any action, the Representative of the Noteholders shall be entitled to request that the Noteholders indemnify it and/or provide it with security as specified in Article 31.2 (*Specific Limitations*).

30.8 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 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 sole opinion, not capable of being remedied, such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other party to the Securitisation.

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, the Representative of the Noteholders:

- 31.2.1 : shall not be under any obligation to take any steps to ascertain whether a Trigger Event or any other event, condition or act, the occurrence of which would cause a right or remedy to become exercisable by the Representative of the Noteholders hereunder or under any other Transaction Document, has occurred and until the Representative of the Noteholders has actual knowledge or express notice to the contrary, it shall be entitled to assume that no Trigger Event or such other event, condition or act has occurred;
- 31.2.2 : shall not be under any obligation to monitor or supervise the observance and performance by the Issuer or any other parties of their obligations contained in these Rules, the Transaction Documents or the Terms and Conditions and, until it shall have actual knowledge or express notice to the contrary, the Representative of the Noteholders shall be entitled to assume that the Issuer and each other party to the Transaction Documents are duly observing and performing all their respective obligations;

- 31.2.3 except as 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;
- 31.2.4 shall not be responsible for investigating the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules or of any Transaction Document, or of any other document or any obligation or right 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:
- 31.2.5 the nature, status, creditworthiness or solvency of the Issuer;
- 31.2.6 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 Portfolios;
- 31.2.7 the suitability, adequacy or sufficiency of any collection procedure operated by the Servicer or compliance therewith;
- 31.2.8 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 Portfolios; and
- 31.2.9 any accounts, books, records or files maintained by the Issuer, the Servicer and the Paying Agent or any other person in respect of the Portfolios;
- 31.2.10 shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes or the distribution of any of such proceeds to the persons entitled thereto;
- 31.2.11 shall have no responsibility for procuring or maintaining any rating of the Notes by any credit or rating agency or any other person;
- 31.2.12 shall not be responsible for or for investigating any matter which is the subject of any recital, statement, warranty, representation or covenant by any party other than the Representative of the Noteholders contained herein or in any Transaction Document or any certificate, document or agreement relating thereto or for the execution, legality, validity, effectiveness, enforceability or admissibility in evidence thereof;
- 31.2.13 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 the Rules or any Transaction Document;
- 31.2.14 shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer in relation to the Portfolio or any part thereof, whether such defect or failure was known to the Representative of the Noteholders or might have been discovered upon examination or enquiry or whether capable of being remedied or not;
- 31.2.15 shall not be under any obligation to guarantee or procure the repayment of the Portfolio or any part thereof;
- 31.2.16 shall not be responsible for reviewing or investigating any report relating to the Portfolios provided by any person;

- 31.2.17 shall not be responsible for or have any liability with respect to any loss or damage arising from the realisation of the Portfolios or any part thereof;
- 31.2.18 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;
- 31.2.19 shall not be under any obligation to insure the Portfolio or any part thereof;
- 31.2.20 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 delivery by the Representative of the Noteholders of a certificate of material prejudice on the basis of an opinion formed by it in good faith.

31.3 Specific Permissions

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.

The Representative of the Noteholders shall, as regards the exercise and performance of the powers, authorities, duties and discretions vested in it by the Transaction Documents, except where expressly provided otherwise herein or therein, have regard to the interests of both the Noteholders and the Other Issuer Creditors but if, in the sole opinion of the Representative of the Noteholders, there is a conflict between their interests the Representative of the Noteholders will have regard solely to the interest of the Noteholders.

Where the Representative of the Noteholders is required to consider the interests of the Noteholders and, in its sole opinion, there is a conflict between the interests of the Holders of different Classes of Notes, the Representative of the Noteholders will consider only the interests of the Holders of the Most Senior Class of Notes.

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, the Representative of the Noteholders or otherwise, and shall not be liable for any loss occasioned by so acting.

32.2 Transmission of Advice

Any opinion, advice, certificate or information referred to in Clause 32.1 (*Advice*) may be sent or obtained by letter, telegram, e-mail or fax transmission and the Representative of the Noteholders shall not be liable for acting on any opinion, advice, certificate or information purporting to be so conveyed although the same contains some error or is not authentic.

32.3 Certificates of Issuer

The Representative of the Noteholders may call for, and shall be at liberty to accept as sufficient evidence:

- 32.3.1 as to any fact or matter prima facie within the Issuer's knowledge, a certificate duly signed by an authorized representative of the Issuer on its behalf;
- 32.3.2 that such is the case, a certificate of an authorized representative of the Issuer on its behalf to the effect that any particular dealing, transaction, step or thing is expedient; and
- 32.3.3 as sufficient evidence that such is the case, a certificate signed by an authorized representative of the Issuer on its behalf to the effect that the Issuer has sufficient funds to make an optional redemption under the Conditions.

and the Representative of the Noteholders shall not be bound in any such case to call for further evidence or be responsible for any loss that may be incurred as a result of acting on such certificate unless any of its officers responsible for the administration of the Securitisation shall have actual knowledge or express notice of the untruthfulness of the matters contained in the certificate.

32.4 Resolution or direction of Noteholders

The Representative of the Noteholders shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any Meeting in respect whereof minutes have been made and signed or a direction of the requisite percentage of Noteholders, even though it may subsequently be found that there was some defect in the constitution of the Meeting or

the passing of the Written Resolution or the giving of such directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the giving of the direction was not valid or binding upon the Noteholders.

32.5 Certificates of Monte Titoli Account Holders

The Representative of the Noteholders, in order to ascertain ownership of the Notes, may fully rely on the certificates issued by any Monte Titoli Account Holder in accordance with the regulation issued jointly by the Bank of Italy and CONSOB on 22 February 2008, as amended on 24 December 2010 and 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 Agency

The Representative of the Noteholders shall be entitled to assume, for the purposes of exercising any power, authority, duty or discretion under or in relation to these Rules that such exercise will not be materially prejudicial to the interests of the Noteholders or, as the case may be, the holder of the Most Senior Class of Notes if the Rating Agency has confirmed that the then current rating of the 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 such confirmation does not impose on or extend to the Rating Agency 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 its rights or fulfil its obligations, deems it necessary to obtain the views of the Rating Agency as to how a specific act would affect any outstanding rating of the Notes of any Class thereof, the Representative of the Noteholders may inform the Issuer, which will then obtain such views at its expense on behalf of the Representative of the Noteholders or the Representative of the Noteholders may seek and obtain such views itself at the cost of the Issuer.

32.8 Certificates of Parties to Transaction Document

The Representative of the Noteholders shall have the right to call for or require the Issuer to call for and to rely on written certificates issued by any party (other than the Issuer) to the Intercreditor Agreement or any other Transaction Document,

32.8.1 in respect of every matter and circumstance for which a certificate is expressly provided for under the Conditions or any Transaction Document;

32.8.2 as any matter or fact *prima facie* within the knowledge of such party; or

32.8.3 as to such party's opinion with respect to any issue

and the Representative of the Noteholders shall not be required to seek additional evidence in respect of the relevant fact, matter or circumstances and shall not be held responsible for any loss, liability, cost, damage, expense, or charge incurred as a result of having failed to do so unless any of its officers responsible for the administration of the Securitisation shall have actual knowledge or express notice of the untruthfulness of the matter contained in the certificate.

32.9 Auditors

The Representative of the Noteholders shall not be responsible for reviewing or investigating any auditors' report or certificate and may rely on the contents of any such report or certificate.

33 MODIFICATIONS

33.1 Modification

The Representative of the Noteholders may from time to time and without the consent or sanction of the Noteholders concur with the Issuer and any other relevant parties in making:

33.1.1 any modification to these Rules, the Notes or to any of the Transaction Documents in relation to which its consent is required if, in the opinion of the Representative of the Noteholders, such modification is of a formal, minor, administrative or technical nature, is made to comply with mandatory provisions of law or is made to correct a manifest error;

33.1.2 any modification to these Rules or any of the Transaction Documents (other than in respect of a Basic Terms Modification or any provision of these Rules or any of the Transaction Documents referred to in the definition of Basic Terms Modification) in relation to which its consent is required which, in the opinion the Representative of the Noteholders, is not materially prejudicial to the interests of the Holders of the Most Senior Class of Notes then outstanding; and

33.1.3 any modification to these Rules or the Transaction Documents (other than in respect of a Basic Terms Modification or any provision of the Rules or any of the Transaction Documents referred to in the definition of a Basic Terms Modification) which the Issuer has requested the Representative of the Noteholders to approve in the context of any further securitisation referred to Condition 7 and which, in the opinion of the Representative of the Noteholders, will not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes.

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 of Noteholders and the relevant Transaction Documents.

34 WAIVER

34.1 Waiver of Breach

The Representative of the Noteholders may at any time and from time to time in its sole direction, without prejudice to its rights in respect of any subsequent breach, condition, event or act, from time

to time and at any time, but only if and in so far as in its opinion the interests of the Holders of the Most Senior Class of Notes then outstanding shall not be materially prejudiced thereby:

34.1.1 authorise or waive, on such terms and subject to such conditions (if any) as it may decide, any proposed breach or breach of any of the covenants or provisions contained in the Notes or any of the Transaction Documents; or

34.1.2 determine that any Trigger Event shall not be treated as such for the purposes of the Transaction Documents,

34.1.3 without any consent or sanction of the Noteholders.

34.2 Binding Nature

Any authorisation, waiver or determination referred in Article 34.1 (*Waiver of Breach*) shall be binding on the Noteholders.

34.3 Restriction on powers

The Representative of the Noteholders shall not exercise any powers conferred upon it by this Article 34 (*Waiver*) in contravention of any express direction by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or of a request or direction in writing made by the holders of not less than 25 per cent in aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding but so that no such direction or request:

34.3.1 shall affect any authorisation, waiver or determination previously given or made or

34.3.2 shall authorise or waive any such proposed breach or breach relating to a Basic Terms Modification unless each Class of Notes has, by Extraordinary Resolution, so authorised its exercise.

34.4 Notice of waiver

Unless the Representative of the Noteholders agrees otherwise, the Issuer shall cause any such authorisation, waiver or determination to be notified to the Noteholders and the Other Issuer Creditors, as soon as practicable after it has been given or made in accordance with the provisions of the conditions relating to Notices and the relevant Transaction Documents.

35 SECURITY DOCUMENTS

35.1 The Deed of Pledge and the Deed of Charge

The Representative of the Noteholders shall have the right to exercise all the rights granted by the Issuer to the Noteholders pursuant to the Deed of Pledge and the Deed of Charge. The beneficiaries of the Deed of Pledge and of the Deed of Charge are referred to in this Article 35 as the "**Secured Noteholders**".

35.2 Rights of Representative of the Noteholders

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 Payments Account or to any other account opened in the name of the Issuer and appropriate for such purpose; and

the Secured Noteholders irrevocably waive any right they may have in relation to any amount deriving from time to time from the pledged claims or credited to the 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 under the Deed of Pledge and the Deed of Charge 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 against and to reimburse, pay or discharge (on a full indemnity basis), to the extent not already reimbursed, paid or discharged by the Noteholders and without any obligation to first make demand upon the Noteholders or the Other Issuer Creditors, all costs, liabilities, losses, charges, expenses, damages, actions, proceedings, claims and demands properly incurred by or made against the Representative of the Noteholders, or any entity to which the Representative of the Noteholders has delegated any power, authority or discretion, in relation to the exercise or purported exercise of its powers, authorities and discretions and the performance of its duties under and otherwise in relation to the Rules and the Transaction Documents, including but not limited to, legal and travelling expenses, and any stamp, issue, registration, documentary and other taxes or duties paid by the Representative of the Noteholders in connection with any action and/or legal proceedings brought or contemplated by the Representative of the Noteholders pursuant to the Transaction Documents against the Issuer, or any other person to enforce any obligation under the Rules, the Notes or the Transaction Documents.

37 LIABILITY

Notwithstanding any other provision of these Rules, the Representative of the Noteholders shall not be liable for any act, matter or thing done or omitted in any way in connection with the Transaction Documents, the Notes or these Rules except in relation to its own fraud (*frode*), gross negligence (*colpa grave*) or wilful default (*dolo*).

TITLE IV

THE ORGANISATION OF THE NOTEHOLDERS AFTER SERVICE OF AN ENFORCEMENT NOTICE

38 POWERS

It is hereby acknowledged that, upon service of a Trigger Notice or, prior to the 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 articles 1411 and 1723 of the Italian civil code, to exercise certain rights in relation to the Portfolio. Therefore, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, will be authorised, pursuant to the terms of the Mandate Agreement, to exercise, in the name and on behalf of the Issuer and as *mandatario in rem propriam* of the Issuer, any and all of the Issuer's Rights under certain Transaction Documents,

including the right to give directions and instructions to the relevant parties to the relevant Transaction Documents.

TITLE V

GOVERNING LAW AND ALTERNATIVE DISPUTES RESOLUTIONS

39 GOVERNING LAW

The Rules and any non- contractual obligations arising out of them are governed by, and will be construed in accordance with, the laws of the Republic of Italy.

40 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

1. THE SECURITISATION LAW

The Securitisation Law was enacted on 30 April 1999 and subsequently amended and was conceived to simplify the securitisation process and to facilitate the increased use of securitisation as a financing technique in the Republic of Italy.

It applies to securitisation transactions involving the "true" sale (by way of non-gratuitous assignment) of receivables, where the sale is to a company created in accordance with article 3 of the Securitisation Law and all amounts paid by the assigned debtors are to be used by the relevant company exclusively to meet its obligations under notes issued to fund the purchase of such receivables and all costs and expenses associated with the securitisation transaction.

2. RING-FENCING OF THE ASSETS

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

However, under Italian law, any creditor of the Issuer would be able to commence insolvency or winding-up proceedings against the Issuer in respect of any unpaid debt.

3. THE ASSIGNMENT

The assignment of receivables under the Securitisation Law is governed by article 58 paragraphs 2, 3 and 4 of the Consolidated Banking Act. The prevailing interpretation of this provision, which view has been strengthened by article 4 of the Securitisation Law, is that the assignment can be perfected against the relevant originator, the assigned debtors and third party creditors by way of publication in the Official Gazette and registration in the Register of Companies competent for the place where the Issuer has its registered offices, so avoiding the need for notification to be served on each assigned debtor.

As of the date of publication of the notice in the Official Gazette, and registration of the transfer with the competent Register of Companies, the assignment becomes enforceable against:

- (a) the assigned debtors and any creditors of the originator who have not prior to the date of publication of the notice commenced enforcement proceedings in respect of the relevant receivables;

- (b) the liquidator or any other bankruptcy officials of the assigned debtors (so that any payments made by an assigned debtor to the purchasing company may not be subject to any claw-back action according to article 67 of the Bankruptcy Law);
- (c) other permitted assignees of the originator who have not perfected their assignment prior to the date of publication.

Pursuant to paragraph 3 of Article 58 of the Consolidated Banking Act, which is expressly cross referred by article 4 of the Securitisation Law, the benefit of any privilege, guarantee or security interest guaranteeing or securing repayment of the assigned receivables will automatically be transferred to and perfected with the same priority in favour of the Issuer, without the need for any formality or annotation.

As from the date of publication of the notice of the assignment in the Official Gazette, no legal action may be brought against the receivables assigned or the sums derived therefrom other than for the purposes of enforcing the rights of the holders of the notes issued for the purpose of financing the acquisition of the relevant receivables and to meet the costs of the securitisation transaction.

At the date of this Prospectus the assignment of the Initial Portfolio purchased by the Issuer pursuant to the Master Receivables Purchase Agreement has already been duly published in the Official Gazette and registered in the Issuer Companies' Register. In particular, notice of the assignment of the Initial Portfolio was published in the Official Gazette No. 146 of 15 December 2012 and registered with the Register of Companies of Milan on 14 December 2012. In addition, pursuant to the Master Receivables Purchase Agreement, upon acquisition of each Additional Portfolio or Subsequent Portfolio the relevant assignment shall be published in the Official Gazette and registered with the relevant Register of Companies.

Assignments executed under the Securitisation Law are subject to revocation on bankruptcy under article 67 of the Bankruptcy Law but only in the event that the adjudication of bankruptcy of the relevant party is made within three months of the securitisation transaction or, in cases where paragraph 1 of article 67 applies, within six months of the securitisation transaction.

4. CLAW BACK OF THE SALE OF THE RECEIVABLES

The sale of the portfolio of receivables by the originator to the issuer may be clawed back by a receiver of the originator under Article 67 of the Bankruptcy Law but only in the event that the originator was insolvent when the assignment was entered into and its execution was made within three months of the admission of the originator to compulsory liquidation (*liquidazione coatta amministrativa*) pursuant to Title IV, Heading I, Section III of the Consolidated Banking Act or in cases where paragraph 1 of Article 67 applies, within six months of the admission to compulsory liquidation.

5. CLAW-BACK ACTION AGAINST PAYMENTS MADE TO COMPANIES INCORPORATED UNDER THE SECURITISATION LAW

According to Article 4 of the Securitisation Law, payments made by an assigned debtor to the issuer may not be subject to any claw-back action according to Article 67 of the Bankruptcy Law.

All other payments made to the issuer by any party under a transaction document in the one year suspect period prior to the date on which such party has been declared bankrupt or has been admitted to the compulsory liquidation may be subject to claw-back action according to Article 67 of the Bankruptcy Law. The relevant payment will be set aside and clawed back if the receiver gives evidence that the recipient of the payments had knowledge of the state of insolvency when the payments were made. The question as to whether or not the issuer had actual or constructive knowledge of the state of insolvency at the time of the payment is a question of fact with respect to which a court may in its discretion consider all relevant circumstances.

6. **INEFFECTIVENESS OF PREPAYMENTS**

Pursuant to Article 65 of the Insolvency Law, payments of receivables made in the two years preceding the pay or' s declaration of insolvency are ineffective as against the pay or' s creditors (including a receiver in the pay or' s insolvency) provided that the relevant payment with respect to such receivable falls due only on or after the pay or' s insolvency declaration.

Whilst Article 4 of the Securitisation Law expressly rules that no claw-back under Article 67 of the Insolvency Law applies to payments made to the Issuer by the borrowers of the underlying loans, the application of Article 65 of the Insolvency Law with respect to such payments has not been excluded by any provision of the Securitisation Law. Therefore it cannot be excluded that, in principle, prepayments made to the issuer by any debtor with respect to any of the underlying purchased receivables who may be subject to insolvency proceedings (i.e. corporate entities and private individuals carrying out certain business activities), if any, may in certain circumstances be subject to claw-back under Article 65 of the Insolvency Law, with the consequence that the issuer would be required to pay back to the receiver of such debtor, with priority to any payment due by the issuer under the notes, the amount so prepaid by such debtor in the two years preceding the date such debtor has been declared insolvent unless the relevant payment matured during such a two year period.

7. **THE ISSUER**

Under the regime normally prescribed for Italian companies under the Italian civil code, it is unlawful for any company (other than banks) to issue securities for an amount exceeding twice the company's share capital, legal reserves and other reserves. Under the provisions of the Securitisation Law, the standard provisions described above are inapplicable to the relevant issuer.

The Issuer must be registered on the register of special purpose vehicles (*elenco delle società veicolo*) held by the Bank of Italy pursuant to article 4 of the Bank of Italy's regulation dated 29 April 2011.

8. **ITALIAN LAW ON LEASING**

The contract of financial leasing (*locazione finanziaria*) ("**Financial Leasing**") is a type of contract not expressly addressed by the Italian civil code that may be validly entered into pursuant to the general provisions of article 1322 of the Italian civil code. According to this article, the parties to a contract can enter into any contract not belonging to a type subject to a specific legal discipline provided that such contract aims to fulfil interests that deserve to

be protected by the legal system. The Italian courts have established that Financial Leasing contracts fall within the scope of this provision.

Under Financial Leasing contracts, the lessor leases to the lessee certain assets (for the purpose of this section, the "**Leased Property**") which have been purchased by the lessor from, or have been constructed for the lessor by, a third party supplier, with the consideration to be paid by the lessee to the lessor determined by reference to the duration of the lease, the cost of the assets and remuneration of the financing provided by the lessor. Upon the expiry of the Financial Leasing contract, the lessee has the option to (i) return the Leased Property to the lessor, (ii) purchase upon payment of the agreed price (*riscatto*) or (iii) enter into a new lease contract. Accordingly, three parties are generally involved in the transaction (i.e. lessor, lessee and supplier) which is completed through the stipulation of two contracts: the Financial Leasing contract between lessor and lessee, and the transfer agreement between the supplier and the lessor. The Italian Supreme Court has established that although these contracts are separate, there is a contractual link between them arising from the fact that the assets acquired by the lessor from the supplier are selected and chosen by the lessee, who is responsible for their maintenance and is subject to the risk of their loss.

Financial Leasing is subject to the provisions on contracts of the Italian civil code in general and to those provisions regulating specific contracts that can be applied in analogy when, in view of the particular contractual discipline agreed by the parties, the circumstances are similar to those foreseen by such provisions.

In a number of decisions given by the Italian Supreme Court in 1989 and confirmed, *inter alia*, by a decision given by the *Sezioni Unite* of the Italian Supreme Court in 1993 (Cass. Sez. Un., 7 January 1993, No. 65), contracts of Financial Leasing are distinguished into two different types: firstly, *leasing finanziario di godimento*, under which the payment of the agreed rentals represents, in line with the intention of the parties involved, only remuneration for the use of the Leased Property by the lessee; and secondly, *leasing finanziario traslativo*, under which the parties foresee, at the time of the conclusion of the contract, that the Leased Property (in view of its nature, the envisaged use and the duration of the contract) is to retain, upon expiry of the contract, a residual value significantly higher than the *riscatto*. Accordingly, it is reasonable to hold that rentals to be paid under *leasing finanziario traslativo* represent part of the consideration for the transfer of the Leased Property to the lessee following expiry of the contract upon payment of the *riscatto*, and that the exercise of the purchase option and transfer of the Leased Property to the lessee upon expiry of the contract does not constitute merely an option of the lessee but forms part of the original intention of the parties to the contract.

The Italian Supreme Court (Cass. sez. III, 8 January 2010, No. 73; Cass. sez. III, 28 August 2007, No. 18195) has established that the provisions of article 1526 of the Italian civil code are to be applied by analogy to contractual relationships between lessors and lessees under the *leasing finanziario traslativo*. Article 1526 of the Italian civil code establishes that, in relation to a sale by instalments with retention of title, if the contract is terminated as a result of the non-performance by the purchaser of its obligations, the vendor must repay the instalments received, save for its right to an equitable compensation for the use of the good and damages. Such provisions of article 1526 do not apply to *leasing finanziario di godimento*, in respect of which the general provisions of the Italian civil code shall apply;

according to article 1458, paragraph 1, of the Italian civil code, termination of a lease contract for breach of contract has, as between the parties thereto, a retroactive effect unless the lease contract provides for continuing performance, in which case the termination does not affect those acts already performed by the parties.

Therefore, according to the above interpretation of the Italian Supreme Court, in the event of termination of a lease contract for breach by the lessee, under *leasing finanziario di godimento*, the lessor is entitled to have the Leased Property returned to him and to retain the amounts received in respect of the lease instalments matured prior to termination. On the contrary, in the event of termination of a *leasing finanziario traslativo*, the lessee has the right to receive from the lessor any amounts paid in respect of the lease instalments before termination but the lessee must return the Leased Property to the lessor and pay to the lessor an equitable compensation for use of the Leased Property and, where appropriate, damages.

9. FORCED SALE OF DEBTOR'S GOODS AND REAL ESTATE ASSETS

A lender may resort to a forced sale of the debtor's (or guarantor's) goods (*pignoramento mobiliare*) or real estate assets (*pignoramento immobiliare*), having previously been granted a "judicial" mortgage following a court order or injunction to pay amounts in respect of any outstanding debt or unperformed obligation.

Forced sale proceedings are directed against the debtor's properties following notification of an *atto di precetto* to the borrower together with a *titolo esecutivo* obtained from a court.

The attachment of the debtor's movable properties is carried out at the debtor's premises or on third party's premises by a bailiff who removes the attached property or forbids the debtor from in any way transferring or disposing of the attached goods, and appoints a custodian thereof (in practice usually the debtor himself).

Not earlier than ten days but not later than ninety days from the attachment:

- (a) in case of a *pignoramento mobiliare*, the creditor may ask the court to deliver to himself all monies found at the debtor's premises, to transfer properties consisting of listed or marketed equities and to sell with or without auction the remaining attached goods; and
- (b) in case of a *pignoramento immobiliare*, the mortgage lender may request the court to sell the mortgaged property.

The average length of a *pignoramento mobiliare*, from the court order or injunction of payment to the final sharing-out, is about three years.

The average length of a *pignoramento immobiliare*, from the court order or injunction of payment to the final sharing-out, is between six and seven years. In the medium-sized central and northern Italian cities it can be significantly less whereas in major cities or in southern Italy the duration of the procedure can significantly exceed the average.

10. 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.

11. 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 Issuer's Nota Integrativa which, together with the Balance Sheet and the Profit and Loss statements, form part of the financial statements of Italian companies.

12. CONSUMER CREDIT LEGISLATION

The Portfolio will comprise, *inter alia*, Receivables arising under Lease Contracts entered into with Lessees which fall into the definition of consumer pursuant to articles 121 to 125 of the Consolidated Banking Act, as recently amended by Italian Legislative Decree 13 August 2010 No. 141 (the "**Decree 141**") and, therefore, regulated by the Decree 141 and the provisions of Legislative Decree 6 September 2005 No. 206, as subsequently amended (the "**Consumer Code**").

The Decree 141

(a) *Content and form of consumer credit contracts*

The Decree 141 provides for certain requirements as to the content and form of consumer credit contracts. Failure to observe the requirements of the Decree 141 can lead to the contract being null and void.

The Decree 141 has, *inter alia*, entirely replaced, as from 19 September 2010, Title VI, Chapter II of the Consolidated Banking Act, introducing a number of provisions applicable to contracts entered into with consumers.

Among the most significant changes introduced by Decree 141 and relevant for consumer financial leasing contracts, the following should be mentioned:

- (i) the items which are to be considered for the calculation of the Annual Effective Global Rate (TAEG) have been widened;
- (ii) no amount may be requested or debited to a consumer unless provided for in an explicit contractual provision;
- (iii) any provision requiring a consumer to pay for costs which have not been included in the calculation of the publicised TAEG will be null and void;
- (iv) the consumer may at any time, irrespective of the provisions set out in the relevant agreement prepay, in whole or in part, the amounts owed to the financier, and in that case will be entitled to a discount equal to interest and costs owed for the remaining term of the contract;
- (v) in case of prepayment, the financier may charge a fair indemnity payment or fee for the costs directly connected to the prepayment, which can not exceed 1% of the prepaid amount if the remaining term of the financing exceeds one year or 0.50% if the remaining term of the financing is equal to or less than one year and in any case may not exceed the amount of interest which the consumer would have paid for the remaining life of the financing. Such prepayment indemnity or fee will not be due, *inter alia*, in case of prepayment in full or if the prepayment amount does not exceed or is equal to Euro 10,000.

(b) *Rights against finance providers in the event of breach of obligations by the suppliers*

Article 125-quinquies of the Consolidated Banking Act (as amended by Decree 141), *inter alia*, provides with particular reference to financial leasing contracts, that, in the event of any material default in the performance of any obligation by the relevant supplier, the lessee, after having served on the supplier, without success, a written notice asking for the performance of the relevant obligation, may request to the lessor to terminate the transfer agreement between the supplier and the lessor. Upon delivery of such request, the payment of lease instalments shall be suspended.

Following the termination of the transfer agreement between the supplier and the lessor, the financial leasing contracts will automatically be terminated, without any cost or penalty. Following the termination of the financial leasing contract, all the lease instalments paid to the lessor shall be returned to the lessee, without any obligation on the lessee to pay any amount paid by the lessor to the supplier. The lessee will be entitled to exercise the above rights also against the assignee of the lessor (in our case the Issuer).

The Consumer Code - Unfair Contract Terms Provisions

The Consumer Code, which implements the relevant EU Legislation on the protection of the consumers, provides that certain clauses in contracts with consumers, considered unfair and detrimental to the interests of the consumers, are not enforceable as a matter of law (**Unfair Contract Terms Provisions**).

Terms which under article 36 of the Consumer Code are always considered unfair and, therefore, not enforceable include, *inter alia*, any clause which (i) has the effect of excluding or limiting the liability of the non-consumer contracting party to a consumer contract (the **Non-Consumer**) arising out of the death or personal damage to the consumer caused by an act or an omission of the Non-Consumer, (ii) has the effect of excluding or limiting the remedies of the consumer in case of total or partial failure by the Non-Consumer to perform its obligations under the consumer contract, (iii) has the effect of making the consumer party to clauses which he/she has not had any opportunity to consider and evaluate before entering into the consumer contract and (iv) applies to the consumer contract the laws of a country which is not a member of the European Union and which has the effect of depriving the consumer of the protection afforded to the consumer by Italian legislation where the consumer contract has a closer connection to a member country of the European Union.

Article 33 of the Consumer Code also identifies clauses (*clausole vessatorie*) which, if included in consumer contracts, are deemed to be *prima facie* unfair but which can be considered fair and enforceable if, pursuant to article 34, it can be shown that such clauses were the subject of negotiation between the parties or that they can be considered fair in the context of the relevant consumer contract and according to principles of good faith. Such clauses include, *inter alia*, clauses which give the right to the Non-Consumer to: (i) terminate the contract or (ii) modify the conditions of the contract (including price and interest rate), in each case, without prior notice and reasonable cause. With regard to financial contracts, however, for valid reasons the Non-Consumer may amend the economic terms of the contract (including the interest rate and other conditions) provided that the consumer is promptly informed; in such a case, the consumer may terminate the contract.

The Originator has warranted in the Warranty and Indemnity Agreement that each Lease Contract is enforceable in accordance with its terms.

TAXATION

The following is a general summary of current Italian law and practice relating to certain Italian tax considerations concerning the subscription, purchase, ownership and disposition of the Senior Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to your decision to subscribe, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of the Notes, some of which may be subject to special rules. The following summary does not discuss the treatment of the Notes that are held in connection with a permanent establishment or fixed base through which a non Italian resident beneficial owner carries on business or performs professional services in Italy.

This summary is based upon tax laws and practice of Italy in effect on the date of this Prospectus which are however subject to a potential retroactive change. Prospective noteholders should consult their tax advisers as to the consequences under Italian tax law, under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws.

Prospective noteholders should in any event seek their own professional advice regarding the Italian or other jurisdictions tax consequences of the subscription, purchase, ownership and disposition of the Notes, including the effect of Italian or other jurisdictions' tax rules on residence of individuals and entities.

Republic of Italy

Tax treatment of Notes issued by the Issuer

Decree No. 239 sets out the applicable regime regarding the 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**") deriving from Notes falling within the category of bonds (*obbligazioni*) and similar securities issued, *inter alia*, by Italian limited liability company incorporated under article 3 of Law No. 130 of 30 April 1999. The provisions of Decree 239 only apply to Notes issued by the Issuer to the extent that they qualify as *obbligazioni* (bonds) or as *titoli similari alle obbligazioni* (securities similar to bonds) pursuant to Article 44 of Presidential Decree No. 917 of 22 December 1986, as amended and supplemented ("**Decree No. 917**").

For this purpose, debentures similar to bonds are securities that (i) incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value and (ii) do not grant to the relevant holders any right to directly or indirectly participate in the management of the issuer or of the business in relation to which they are issued or to control the same management.

Italian resident Noteholders

Where an Italian resident Noteholder is:

- (a) an individual not engaged in an entrepreneurial activity to which the Notes are connected (unless he has opted for the application of the *risparmio gestito regime* – see under "*Capital gains tax*" below);
- (b) a non-commercial partnership;
- (c) a non-commercial private or public institution; or

(d) an investor exempt from Italian corporate income taxation,

interest, premium and other income relating to the Notes, accrued during the relevant holding period, are subject to a withholding tax, referred to as "*imposta sostitutiva*", levied at the rate of 20 per cent.. In the event that the Noteholders described under (a) and (c) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax and may be deducted from the taxation on income due.

Where an Italian resident Noteholder is a company or similar commercial entity, or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected, and the Notes are deposited with an authorised intermediary, Interest from the Notes shall not be subject to *imposta sostitutiva*. They must, however, be included in the relevant Noteholder's income tax return and are therefore subject to general Italian corporate taxation (and, in certain circumstances, depending on the "status" of the Noteholder, also to IRAP (the regional tax on productive activities)).

Italian real estate funds created under Article 37 of Italian Legislative Decree No. 58 of 24 February 1998 and Article 14 bis of Italian Law No. 86 of 25 January 1994, are not subject to any substitute tax at the fund level nor to any other income tax in the hands of the fund.

If the investor is resident in Italy and is an open-ended or closed-ended investment fund or a SICAV, and the Notes are held by an authorised intermediary, Interest accrued during the holding period on the Notes shall not be subject to *imposta sostitutiva*, in the hands of the relevant Noteholder; a withholding tax of 20 per cent. shall be levied on proceeds distributed by the investment fund or the SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by article 17 of the Italian Legislative Decree No. 252 of 5 December 2005) and the Notes are deposited with an authorised intermediary, Interest relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but shall be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to an 11 per cent. substitute tax.

Pursuant to Decree No. 239, *imposta sostitutiva* is applied by banks, SIMs, fiduciary companies, SGRs, stockbrokers and other entities identified by a decree of the Ministry of Finance (each an "**Intermediary**").

An Intermediary shall (a) be resident in Italy or be a permanent establishment in Italy of a non-Italian resident financial intermediary, and (b) intervene, in any way, in the collection of interest or in the transfer 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 are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian financial intermediary paying interest to a Noteholders or, absent that, by the Issuer.

Non-Italian resident Noteholders

Where the Noteholder is a non-Italian resident, an exemption from the *imposta sostitutiva* applies provided that the non-Italian resident beneficial owner is:

- (a) resident, for tax purposes, in a country which allows for a satisfactory exchange of information with Italy (the "**White List States**") as listed (i) in the Italian Ministerial Decree dated 4 September 1996, as amended from time to time, or (ii) as from the tax year in which the decree pursuant to article 168-bis of Decree No. 917 is effective, in the list of States allowing an adequate exchange of information with the Italian tax authorities as per the decree issued to implement Article 168-bis, paragraph 1 of Decree No. 917 (for the 5 years starting on the date of publication of the Decree in the Official Gazette, States and territories that are not included in the current black-lists set forth by Italian Ministerial Decrees of 4 May 1999, 21 November 2001 and 23 January 2002 nor in the current white list set forth by Italian Ministerial Decree of 4 September 1996 are deemed to be included in the new white-list); or
- (b) an international body or entity set up in accordance with international agreements which have entered into force in Italy; or
- (c) a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or
- (d) an "institutional investor", whether or not subject to tax, which is established in a country which allows for a satisfactory exchange of information with Italy.

In order to ensure gross payment, non-Italian resident Noteholders must be the beneficial owners of the payments of Interest and must:

- (a) deposit, directly or indirectly, the Notes with a resident bank or SIM or a permanent establishment in Italy of a non-Italian resident bank or SIM or with a non-Italian resident entity or company participating in a centralised securities management system which is in contact, via computer, with the Ministry of Economy and Finance; and
- (b) file with the relevant depository, prior to or concurrently with the deposit of the Notes, a statement of the relevant Noteholders, which remains valid until withdrawn or revoked, in which the Noteholders declares to be eligible to benefit from the applicable exemption from *imposta sostitutiva*. This statement, which is not requested for international bodies or entities set up in accordance with international agreements which have entered into force in Italy nor in the case of foreign Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State, must comply with the requirements set forth by Ministerial Decree of 12 December 2001.

The *imposta sostitutiva* shall be applicable at the rate of 20 per cent. to Interest paid to Noteholders who do not qualify for the exemption.

Noteholders who are subject to the *imposta sostitutiva* 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 Noteholder.

Capital gains tax

Any gain obtained from the sale or redemption of the Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the Noteholder, also as part of the net value of the production for IRAP purposes) if realised by an Italian company, a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Where an Italian resident Noteholder is an individual not engaged in an entrepreneurial activity to which the Notes are connected, any capital gain realised by such Noteholder from the sale or redemption of the Notes would be subject to an *imposta sostitutiva*, levied at the rate of 20 per cent.. The Noteholders may set off any losses with their gains.

In respect of the application of *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below:

- (a) Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Italian resident individuals not engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains (net of any incurred capital loss) realised by the Italian resident individual Noteholders holding the Notes. In this instance, "capital gains" means any capital gain not connected with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. Italian resident individuals holding the Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay the *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.
- (b) As an alternative to the tax declaration regime, Italian resident individual Noteholders holding the Notes not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (the *risparmio amministrato regime*). Such separate taxation of capital gains is allowed subject to:
 - (i) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and
 - (ii) an express election for the *risparmio amministrato* regime being timely made in writing by the relevant Noteholder.

The depository must account for the *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss. The depository must also pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholders or using funds provided by the Noteholders for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Notes results in a capital loss, which may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the

risparmio amministrato regime, the Noteholders are not required to declare the capital gains in the annual tax return.

- (a) In the "*risparmio gestito*" regime, any capital gains realised by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity who have entrusted the management of their financial assets (including the Notes) to an authorised intermediary, will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 20 per cent., to be paid by the managing authorised intermediary. Any depreciation of the managed assets accrued at the yearend may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. The Noteholders are not required to declare the capital gains realised in the annual tax return.

Any capital gains realised by a Noteholder who is an Italian open ended or a closed-ended investment fund or a SICAV shall not be subject to *imposta sostitutiva* on capital gains, in the hands of the relevant Noteholders; a withholding tax of 20 per cent. shall be levied on proceeds distributed by the investment funds or the SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Italian real estate funds created under Article 37 of Italian Legislative Decree No. 58 of 24 February 1998 and Article 14 bis of Italian Law No. 86 of 25 January 1994, are not subject to any substitute tax at the fund level nor to any other income tax in the hands of the fund.

Any capital gains realised by a Noteholder who is an Italian pension fund (subject to the regime provided for by article 17 of the Italian Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to an 11 per cent. substitute tax.

Capital gains realised by non-Italian resident Noteholders from the sale or redemption of Notes issued by an Italian resident issuer and traded on regulated markets are not subject to the *imposta sostitutiva*.

Capital gains realised by non-Italian resident Noteholders, without a permanent establishment in Italy to which the Notes are effectively connected, from the sale or redemption of Notes issued by an Italian resident issuer not traded on regulated markets are not subject to the *imposta sostitutiva*, provided that the effective beneficiary is:

- (a) resident in a country which allows for a satisfactory exchange of information with Italy (i.e. a country included in the list of States, as per the decree referred to in Article 168 *bis*, paragraph 1 of Decree No. 917, allowing for an adequate exchange of information with the Italian tax Authorities);
- (b) an international entity or body set up in accordance with international agreements which have entered into force in Italy;
- (c) a Central Bank or an entity which manages, inter alia, the official reserves of a foreign State;
or
- (d) an "institutional investor", whether or not subject to tax, which is established in a country which allows for a satisfactory exchange of information with Italy (i.e. a country allowing for a satisfactory exchange of information with the Italian Tax Authorities according to the legislative provisions mentioned above).

If none of the conditions above is met, capital gains realised by non-Italian resident Noteholders, without a permanent establishment in Italy to which the Notes are effectively connected, from the sale or redemption of Notes issued by an Italian resident issuer and not traded on regulated markets are subject to the *imposta sostitutiva* at the current rate of 20 per cent.. However, Noteholders may benefit from an applicable tax treaty with Italy providing that capital gains realised upon the sale or redemption of the Notes are to be taxed only in the resident tax country of the recipient.

Inheritance and Gift Tax

Transfers of any valuable asset (including shares, Notes or other securities) as a result of death or donation are taxed as follows:

- (a) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or gift exceeding Euro 1,000,000;
- (b) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree are subject to an inheritance and gift tax at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or gift exceeding Euro 100,000; and
- (c) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or gift.

Transfer tax

Contracts relating to the transfer of Notes are subject to a Euro 168 registration tax as follows: (i) public deeds and notarised deeds are subject to mandatory registration; (ii) private deeds are subject to registration only in the case of voluntary registration.

Stamp Duty

Pursuant to Article 19(1) of Decree No. 201 of 6 December 2011, converted by Law No. 214 of 22 December 2011 (the “**Decree No. 201**”), a proportional stamp duty applies on an annual basis to any periodic reporting communications which may be sent by a financial intermediary to a Noteholders in respect of any Notes which may be deposited with such financial intermediary. The stamp duty applies at a rate of 0.1 per cent. for the year 2012 and at 0.15 per cent. for subsequent years; this stamp duty is determined on the basis of the market value or – if no market value figure is available – the nominal value or redemption amount of the Notes held. The stamp duty can be no lower than € 34.20 and, for the year 2012 only, it cannot exceed € 1,200.00.

The stamp duty applies both to Italian resident and non-Italian resident investors, to the extent that Notes are held with an Italian-based financial intermediary. Although the stamp duty is already applicable, certain aspects of the relevant discipline are expected to be clarified by future guidelines.

Wealth Tax on securities deposited abroad

Pursuant to Article 19(18) of Decree No. 201, Italian resident individuals holding the Notes outside the Italian territory are required to pay an additional tax at a rate of 0.1 per cent. for 2011 and 2012, and at 0.15 per cent. for subsequent years. In this case the above mentioned stamp duty provided for by Article 19(1) of Decree No. 201 does not apply.

EU Savings Directive

Under EC Council Directive 2003/48/EC (the "EU Savings Directive") on the taxation of savings income, each Member State is required, from 1 July 2005, to provide to the tax authorities of another Member State details of payments of interest or other similar income (within the meaning of the EU Savings Directive) paid by a paying agent within its jurisdiction to, or collected by such a paying agent for an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria and Luxembourg are permitted to apply an optional information reporting system, whereby if a beneficial owner (within the meaning of the EU Savings Directive) does not comply with one of two procedures for information reporting, the relevant Member State will levy a withholding tax on payments to such beneficial owner. The withholding tax system applies for a transitional period; the current rate of the withholding at stake is equal to 35 per cent.. The transitional period is to terminate at the end of the first full tax year following agreement by certain non-EU countries to the exchange of information relating to such payments.

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

On 13 November 2008 the European Commission published a more detailed proposal for amendments to the Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

Implementation in Italy of the Savings Directive

Italy has implemented the Savings Directive through Legislative Decree No. 84 of 18 April 2005 (Decree No. 84). Under Decree No. 84, subject to a number of important conditions being met, for interest paid from 1 July 2005 to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner and shall not apply the withholding tax. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax Authorities of the State of residence of the beneficial owner.

Tax monitoring

Pursuant to Law Decree No. 167 of 28 June, 1990, converted by Law No. 227 of 4 August, 1990, as amended, individuals resident in Italy who, at the end of the fiscal year, hold investments abroad or have financial activities abroad must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return). Such obligation is not provided if, *inter alia*, each of the overall value of the foreign

investments or financial activities held at the end of the fiscal year, and the overall value of the related transfers carried out during the relevant fiscal year, does not exceed Euro 10,000.

SUBSCRIPTION AND SALE

Pursuant to the Senior Notes Subscription Agreement, the Initial Senior Notes Subscriber, shall, subject to the terms and conditions specified therein, subscribe the Senior Notes and pay (i) on the Issue Date the relevant Initial Issue Price, equal to 100% (one hundred per cent.) of the initial principal amount outstanding of the Senior Notes as of the Issue Date and (ii) each Senior Notes Further Instalment Payments. In addition, pursuant to the Senior Notes Subscription Agreement, the Initial Senior Notes Subscriber shall appoint the Representative of the Noteholders to act as the representative of the Noteholders.

Pursuant to the Junior Notes Subscription Agreement entered into on or prior the Issue Date between the Issuer, the Originator, the Initial Junior Notes Subscriber, the Computation Agent and the Representative of the Noteholders, the Initial Junior Notes Subscriber, shall, subject to the terms and conditions specified therein, subscribe the Junior Notes and pay (i) on the Issue Date the relevant Initial Issue Price, equal to 100% (one hundred per cent.) of the initial principal amount outstanding of the Junior Notes as of the Issue Date and (ii) each Junior Notes Further Instalment Payments. In addition, pursuant to the Junior Notes Subscription Agreement, the Initial Junior Notes Subscriber shall appoint the Representative of the Noteholders to act as the representative of the Noteholders.

Pursuant to the Subscription Agreements, the Initial Senior Notes Subscriber and the Initial Junior Notes Subscriber have undertaken no to sell any of the Notes before the Warehouse Period End Date.

The Subscription Agreements will be subject to a number of conditions and may be terminated in certain circumstances.

GENERAL

The purchase, offer, sale and delivery of the Notes shall be made in compliance with all applicable laws and regulations in each jurisdiction in which the Notes are purchased, offered, sold or delivered. Furthermore, there will not be, directly or indirectly, offer, sell or deliver any Notes or distribution or publication of any prospectus (including this Prospectus), form of application, advertisement or other offering material in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Unless otherwise herein provided, no action will be taken to obtain permission for public offering of the Notes in any country where action would be required for such purpose.

UNITED STATES OF AMERICA

- (a) The Initial Senior Notes Subscriber is acquiring or has acquired the Senior Notes for its own account or an account with respect to which it exercises sole investment discretion and that it and each such account is an Accredited Investor as defined in paragraph (I), (2), (3) or (7) of Rule 501(a) under the U.S. Securities Act of 1933 as amended (the "**Securities Act**"); and that in the normal course of its business, it invests in or purchases securities similar to the Senior Notes and it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of purchasing any of the Senior Notes. It is aware that it (or any investor account) may be required to bear the economic risk of an investment in the Senior Notes for an indefinite period of time and it (or such investor account) is able to bear such risk for an indefinite period.

- (b) The Initial Senior Notes Subscriber is a "*qualified purchaser*" as that term is defined under the U.S. Investment Company Act of 1940, as amended (the "**Investment Company Act**"), and it is not purchasing or did not purchase the Senior Notes with the intention of evading, either alone or in conjunction with any other person, the requirements of the Investment Company Act. It is aware that the Issuer has not been and will not be registered as an investment company under the Investment Company Act.
- (c) The Initial Senior Notes Subscriber was not formed solely for the purpose of investing in the Senior Notes.
- (d) The Initial Senior Notes Subscriber has had the opportunity to ask questions and receive answers concerning the terms and conditions of the Senior Notes and to obtain any additional information which the Issuer possesses or can acquire in relation to the Senior Notes.
- (e) The Initial Senior Notes Subscriber is not (i) an employee benefit plan as defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and subject to Title I of ERISA, (ii) a plan subject to Section 4975 of the US Internal Revenue Code of 1986, as amended (the "**Code**"), (iii) a governmental plan or church plan which is subject to any federal, state or local law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code or (iv) an entity whose assets are treated as assets of any such plan.
- (f) The Initial Senior Notes Subscriber understands and agrees that the Senior Notes were offered only in a transaction not involving any public offering within the meaning of the Securities Act, and that if it resells, pledges or otherwise transfers such Senior Notes, such Senior Notes may be resold, pledged or transferred only (i) in a transaction exempt from registration under the Securities Act where the transferor, prior to such transfer, furnishes to the Issuer, a signed instrument from the transferee containing certain certifications and agreements relating to the restrictions on transfer of the Senior Notes, including that the purchases are being made for investment purposes, for its own account and not with a view to, or for offer or sale in connection with, any distribution in violation of the Securities Act and that such transferee is an Accredited Investor and a "*Qualified Purchaser*" or (ii) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States and in each case, only to transferees that are "*Qualified Purchasers*".
- (g) It acknowledges that the Senior Notes have not been registered under the Securities Act or any state securities laws, may not be offered or sold except as set forth in clause (f) above and will not be "*Rule 144A eligible*" securities and may not be resold in reliance on such Rule; it agrees that it will deliver to each person to whom it transfers Senior Notes notice of the restrictions on transfer of such Senior Notes and it will not sell, pledge or otherwise transfer any of the Senior Notes unless the transferee complies with clause (f) above.
- (h) It acknowledges that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements, and agrees that if any of the acknowledgements, representations or warranties deemed to have been made by it by its purchase of Senior Notes is no longer accurate, it will promptly notify the Issuer. If it is acquiring any Senior Notes as a fiduciary or agent for one or more investor accounts, it

represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

ITALY

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("CONSOB") pursuant to Italian securities legislation. Each Initial Subscriber has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy will be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation. In particular, no Notes may be offered, sold or delivered, nor copies of this Prospectus or of any other document relating to any Note may be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of the Financial Laws Consolidated Act and Article 34-ter, first paragraph, letter b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time ("Regulation No. 11971"); or
- (ii) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Laws Consolidated Act and Regulation No. 11971.

Any such offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 58 of 24 February 1998, CONSOB Regulation No. 16190 of 29 October 2007 and Legislative Decree No. 385 of 1 September 1993 (in each case as amended from time to time); and
- (ii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or any other Italian authority.

FRANCE

The Prospectus has not been prepared in the context of a public offering in France within the meaning of article L.411-1 of the Code monétaire et financier and Title I of Book II of the *Règlement Général* of the *Autorité des marchés financiers* (the "AMF") and therefore has not been approved by, or registered or filed with the AMF. Consequently, neither the Prospectus nor any other offering material relating to the Junior Notes has been and will be released, issued or distributed or caused to be released, issued or distributed to the public in France or used in connection with any offer for subscription or sale of notes to the public in France.

In connection with the initial distribution of the Junior Notes, (A) there has been and there will be no offer or sale, directly or indirectly, of the Junior Notes to the public in the Republic of France (*an offre au public de titres financiers as defined in article L. 411-1 of the French Code monétaire et financier*); (B) offers and sales of Junior Notes in the Republic of France will be made in compliance with applicable laws and regulations and only to (i) qualified investors (*investisseurs qualifiés*) other than individuals, as defined in articles L. 411-2 and D. 411-1 to D. 411-3 of the French Code monétaire et financier and acting for their own account; or (ii) corporate investors meeting one of the four criteria provided in article D. 341-1 of the French Code monétaire et financier and belonging to a restricted circle of less than 100 investors for their own account (*cerclerestreint*

d'investisseurs), in accordance with articles L. 411-2, D. 411-1 to D. 411-4, D. 744-1, D. 754-1 and D. 764-1 of the French Code *monétaire et financier*; or (iii) providers of investment services relating to portfolio management for the account of third parties (*gestion de portefeuille pour compte de tiers*) as mentioned in article L. 411-2 of the Code *monétaire et financier* (together the "Investors"). Offers and sales of the Junior Notes in the Republic of France will be made on the condition that (i) the Prospectus shall not be circulated or reproduced (in whole or in part) by the Investors and (ii) the Investors undertake not to transfer the Junior Notes, directly or indirectly, to the public in France, other than in compliance with applicable laws and regulations pertaining to a public offering (and in particular articles L.411-1, L.411-2, L.412-1 and L.621-8 to L. 621-8-3 of the French Code *monétaire et financier*).

SELLING RESTRICTIONS ADDRESSING ADDITIONAL UNITED KINGDOM SECURITIES LAWS

The Initial Senior Notes Subscriber represents and agrees that:

- (i) *No deposit-taking*: In relation to any Senior Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Senior Notes other than to persons;
 - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or
 - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,where the issue of the Senior Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (ii) *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
- (iii) *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 Senior Notes in, from or otherwise involving the United Kingdom.

EEA STANDARD SELLING RESTRICTION

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date"), there has not been and there will not be an offer and/or distribution of the Notes to the public in that Relevant Member State, except that an offer of Notes to the public in that Relevant Member State may, with effect from and including the Relevant Implementation Date, be made:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive; or
- (b) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, **provided that** no such offer or distribution of the Notes referred to in (a) to (c) above shall require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expressions "**PD Amending Directive**" means Directive 2010/73/EU.

GENERAL INFORMATION

1. **Authorisations**

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 the Issuer through the resolution of the Sole Quotaholder passed on 27 September 2012.

2. **Funds available to the Issuer**

The source of funds available to the Issuer for the payment of interest and the repayment of principal on the Notes will be collections made in respect of the Portfolios and in the Receivables thereunder.

3. **No material litigation**

The Issuer is not involved in any litigation, arbitration or administrative proceeding relating to claims or amounts which are material in the context of the issue of the Notes and which may have, or have had, since the date of its incorporation, a significant effect on its financial position nor is the Issuer, to the best of its knowledge, aware that any such proceedings are pending or threatened.

4. **No borrowing or indebtedness**

Save as disclosed in this Prospectus, the Issuer has no outstanding loan capital, borrowings, indebtedness or contingent liabilities, nor has the Issuer created any mortgages, charges or given any guarantees.

5. **Clearing of the Notes**

The Notes have been accepted for clearance through Monte Titoli, Euroclear and Clearstream as follows:

	ISIN	Common Code
Senior Notes	IT0004883150	086923815
Junior Notes	IT0004883176	

6. **Post Issuance Reporting**

The Issuer does not intend to provide *post* issuance transaction information regarding securities to be admitted to trading and the performance of the underlying collateral.

GLOSSARY

“**Account**” means each of the Eligible Accounts, the Quota Capital Account and the Expenses Account, and “**Accounts**” means all of them.

“**Account Bank**” means BNYM Luxembourg or any other entity acting as account bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

“**Additional Debt Service Reserve Amount**” means,

with respect to any Payment Date, an amount equal to the difference between X and Y, where:

(X) means the higher of:

(d) the amount of Euro 519.750,02;

(e) the aggregate Outstanding Principal of all the Portfolios as of the Valuation Date immediately preceding the date of the most recent Junior Notes Further Instalment Payment, multiplied by 0.35%; and

(f) the aggregate Outstanding Principal of all the Portfolios on the immediately preceding Valuation Date, multiplied by 0.35%.

and

(Y) means the sum of all payments made as Additional Debt Service Reserve Amount into the Debt Service Reserve Account as of the immediately preceding Payment Date (included).

“**Additional Portfolio**” means any portfolio of Receivables which will be purchased by the Issuer from the Originator during the Warehouse Period in accordance with the Master Receivables Purchase Agreement.

“**Agents**” means the Paying Agent, the Computation Agent, the Account Bank, the English Account Bank and the Cash Manager, and “**Agent**” means each of them.

“**Agreed Prepayments**” has the ascribed under the Master Definitions Agreements.

“**Amortisation Period**” means the third phase of the Transaction, which will commence on the Quarterly Payment Date immediately following the Revolving Period End Date (included), and ending on the Cancellation Date.

“**Asset**” means any real estate asset, registered and unregistered movable properties leased under a Lease Contract.

“**Asset Coverage Test**” means the difference, calculated on each Payment Report Date immediately preceding a Quarterly Payment Date (taking into account all payments expected to be made on such Quarterly Payment Date), between (a) and (b),

where:

(c) is equal to:

(iv) the aggregate of the Outstanding Amount of all Receivables comprised in the Collateral Portfolio (including the Additional Portfolio or Subsequent Portfolio the Initial Purchase Price of which is due, subject to the relevant Formalities having been perfected, on such Quarterly Payment Date); plus

(v) the balance of the Debt Service Reserve Account as of such Quarterly Payment Date;
plus

(vi) the balance of the Principal Accumulation Account as of such Quarterly Payment Date (in any case net of any amount utilized or to be utilised towards payment of the Initial Purchase Price of the Additional Portfolio or Subsequent Portfolio indicated under item (i) above);

(d) is equal to:

(iii) the Notes Principal Amount Outstanding on such Quarterly Payment Date taking into account the Notes Further Instalment Payments to be made on such Quarterly Payment Date; multiplied by

(iv) 0.98.

“Back-Up Servicer” means Selmabipiemme Leasing S.p.A. and its permitted successors or assignees acting as back-up servicer pursuant to the provisions of the Back-Up Servicing Agreement.

“Back-Up Servicing Agreement” means the back-up servicing agreement entered into on or prior the Issue Date between Alba Leasing, the Issuer and the Back-Up Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Bankruptcy Law” means Royal Decree No. 267 of 16 March 1942, as amended and supplemented from time to time.

“Business Day” means any day (other than Saturday or Sunday) on which banks are open for business in Milan, London and New York, and the Trans-European Automated Real Time Gross Settlement Express Transfer (TARGET 2) System (or any successor thereto) is open.

“Cancellation Date” means the earlier of:

(e) the date on which the Notes have been redeemed in full;

(f) the Final Maturity Date;

(g) the date on which the Representative of the Noteholders has provided to the Issuer a certificate confirming that (i) all the Collections due in respect of all the Receivables comprised in the Portfolios have been received or recovered and/or the Receivables comprised in the Portfolios (then outstanding) have been fully written off by the Issuer (or on the Issuer behalf) and/or all judicial enforcement procedures in respect of the Portfolios have been completed and/or in its sole opinion there is no reasonable likelihood of there being any further amounts to be realised in respect of the Portfolios or the Security (whether arising from judicial enforcement proceedings, enforcement of the Security or otherwise) which would be available to pay unpaid amounts outstanding under the Transaction Documents and the Servicer having confirmed the same in writing to the Representative of the Noteholders, and (ii) the relevant Issuer Available Funds have been received and applied in accordance with the applicable Priority of Payments; and

(h) the date on which the Representative of the Noteholders has provided to the Issuer a certificate confirming that (i) all the Receivables comprised in all the Portfolios have been sold and (ii)

the relevant Issuer Available Funds have been received and applied in accordance with the applicable Priority of Payments.

“Cash Allocation, Management and Payment Agreement” means the cash allocation management and payment agreement executed on or about the Issue Date between, inter alios, the Issuer, the Originator, the Servicer, the Back-Up Servicer, the Corporate Servicer, the Representative of the Noteholders, the Paying Agent, the Account Bank, the English Account Bank, the Cash Manager and the Computation Agent, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Cash Manager” means Alba Leasing S.p.A. or any other entity acting as cash manager pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

“Cash Reserve Release Date” means the earlier of:

- (iv) the Quarterly Payment Date on which the Issuer Available Funds would be sufficient to redeem in full the Senior Notes after that payments from item First to item Fourth of the Pre-Enforcement Priority of Payments have been made in full;
- (v) the Quarterly Payment Date immediately following the delivery of a Trigger Notice; and
- (vi) the Cancellation Date.

“Class” shall be a reference to a class of Notes and **“Classes”** shall be construed accordingly.

“Closing Date” means 20 December 2012.

“Clearstream” means Clearstream Banking, société anonyme with registered office at 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg.

“Collateral Portfolio” means, on any given date, all the Receivables arising from Lease Contracts that are not, as of such date, Defaulted Lease Contracts.

“Collection Account” means the Euro denominated account opened with the Account Bank, with IBAN No. IT53H0335101600005920289780, or any other Euro denominated account opened with any Eligible Institution, in accordance with the Cash Allocation, Management and Payment Agreement, to which all the Collections and Recoveries made and the Indemnities paid in respect of the Portfolios will be credited, in accordance with the Servicing Agreement.

“Collection Policies” means the documents setting forth the procedures for the collection and recovery of the Receivables annexed to the Servicing Agreement.

“Collections” means any amount received or recovered by Alba Leasing or the Issuer in respect of the Receivables comprised in the Portfolios.

“Common Criteria” means the objective criteria indicated in the section of this Prospectus entitled **“The Portfolios – The Eligibility Criteria for the Portfolios – Common Criteria”**.

“Computation Agent” means Zenith Service S.p.A. or any other entity acting as computation agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

“Condition” means a condition of the Terms and Conditions.

“CONSOB” means Commissione Nazionale per le Società e la Borsa.

“Consolidated Banking Act” means Legislative Decree No. 385 of 1 September 1993, as subsequently amended and implemented from time to time.

“Contractual Interest Rate” means the interest rate provided in each Lease Contract.

“Corporate Services Agreement” means the corporate services agreement executed before the Issue Date between the Issuer and the Corporate Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Corporate Servicer” means Zenith Service S.p.A. or any other entity acting as corporate servicer pursuant to the Corporate Services Agreement from time to time.

“Debtor” means the Lessee or any other person or entity liable for payment in respect of a Receivable.

“Debt Service Reserve Account” means the Euro denominated account, with IBAN No. IT98G0335101600005920279780 opened with the Account Bank or any other account held with an Eligible Institution for the deposit of the Debt Service Reserve Amount in accordance with the Cash Allocation, Management and Payment Agreement.

“Debt Service Reserve Amount” means:

- (d) on the Issue Date, an amount equal to Euro 2,301,750.09;
- (e) with respect to any Payment Date during the Warehouse Period (or the immediately following date on which the Formalities have been perfected), an amount equal to the higher of:
 - (iv) the amount of Euro 2,301,750.09;
 - (v) the aggregate Outstanding Principal of all the Portfolios as of the Valuation Date immediately preceding the date of the most recent Junior Notes Further Instalment Payment, multiplied by 1.55%; and
 - (vi) the aggregate Outstanding Principal of all the Portfolios on the immediately preceding Valuation Date, multiplied by 1.55%;
- (f) with respect to any Quarterly Payment Date following the Warehouse Period End Date, an amount equal to the amount calculated under item (b) above in respect of the most recent Junior Notes Further Instalment Payment made during the Warehouse Period.

“Decree 239 Deduction” means any withholding or deduction for or on account of *“imposta sostitutiva”* under Decree No. 239.

“Decree No. 239” means Italian Legislative Decree No. 239 of 1 April 1996, as amended and supplemented from time to time and any related regulations.

“Deed of Charge” means the deed of charge executed on or about the Issue Date between the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Deed of Pledge” means the Italian law deed of pledge executed on or about the Issue Date between the Issuer and the Secured Creditors, as from time to time modified in accordance with the

provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Defaulted Instalment” means any Instalment which remains unpaid for more than 180 days after the date scheduled for payment thereof in the relevant Lease Contract or which arises out from Lease Contracts which have been classified as sofferenze pursuant to the Collection Policies.

“Defaulted Lease Contract” means a Lease Contract with respect to which there is at least one Defaulted Instalment and a number of Delinquent Instalments equal to or higher than (i) 6 (six) in relation to Lease Contracts which provide for monthly payments; (ii) 3 (three) in relation to Lease Contracts which provide for bimonthly payments; (iii) 2 (two) in relation to Lease Contracts which provide for quarterly payments and (iv) 1 (one) in relation to Lease Contracts for semi-annual payments.

“Defaulted Receivables” means the Receivables which arise from Defaulted Lease Contracts, and **“Defaulted Receivable”** means each of them.

“Deferred Purchase Price” means the second deferred portion of the purchase price in respect of each Receivable as set out in clause 6.1 of the Master Receivables Purchase Agreement or, in case such term is referred to a Portfolio, it will indicate the sum of the deferred purchase prices of the Receivables comprised in such Portfolio.

“Delinquent Instalment” means, in respect of any Receivables, any Instalment which remains unpaid by the related Lessee for 30 days or more after the scheduled date for payment thereof and which is not a Defaulted Instalment.

“Delinquent Lease Contract” means a Lease Contract with respect to which there is one or more Delinquent Instalment(s) but which is not a Defaulted Lease Contract.

“Delinquency Ratio” means, on each Quarterly Settlement Date, the average percentage of the three previous periods between: (i) the Outstanding Amount of all the Receivables arising from Delinquent Lease Contracts comprised in the Collateral Portfolio as of the last Business Day of each month of the relevant Quarterly Settlement Period; and (ii) the Outstanding Amount of all the Receivables comprised in the Collateral Portfolio as of the last day of each month of the relevant Quarterly Settlement Period.

“Eligibility Criteria” means the objective criteria for the identification of the Receivables comprised in each Portfolio, as set out in the Master Receivables Purchase Agreement and the relevant Offer Notice.

“Eligible Account” means each of the Collection Account, the Payments Account, the Principal Accumulation Account, the Debt Service Reserve Account and the Investment Account, and **“Eligible Accounts”** means all of them.

“Eligible Institution” means any depository institution organised under the laws of any state which is a member of the European Union or of the United States, whose (a) short-term rating is at least equal to “A-1” by S&P and (b) long-term rating is at least equal to “A” by S&P, or such other rating as may be acceptable from time to time to S&P.

“Eligible Investment” means

- D. any euro denominated senior (unsubordinated) dematerialised debt securities or other debt instruments or time deposits provided that such investments (a) have a maturity not exceeding

3 months, (b) have a maturity not exceeding the next following Eligible Investments Maturity Date and (c) have the ratings indicated below:

- (iii) a short-term unsecured and unsubordinated rating of at least "A-1" for Eligible Investments maturing within 60 days or less, or a long-term unsecured and unsubordinated rating at least "AA-" or a short-term unsecured and unsubordinated rating at least "A-1+" for investments maturing within 365 days or less, or such other rating which does not negatively affect the then current rating of the Notes, as previously communicated to the Rating Agencies; or
- (iv) such other rating as acceptable to S&P from time to time;

provided that in case of downgrade below the rating levels set out in points (i) and (ii) above:
(a) the Issuer shall sell the securities, if it could be achieved without a loss, otherwise (b) the securities shall be allowed to mature; or

- E. a Euro denominated bank account or deposit (excluding, for the avoidance of doubt, a time deposit) held with an Eligible Institution provided that (i) such investments are immediately repayable on demand, disposable without any penalty or any loss and have a maturity date falling not later than the next following Eligible Investments Maturity Date; (ii) such investments provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount); and (iii) within 30 calendar days from the date on which the institution ceases to be an Eligible Institution, such investment has to be transferred to another Eligible Institution at no costs for the Issuer; or
- F. repurchase transactions between the Issuer and an Eligible Institution in respect of Euro denominated debt securities or other debt instruments provided that (i) title to the securities underlying such repurchase transactions (in the period between the execution of the relevant repurchase transactions and their respective maturity) effectively passes (as confirmed by a non-qualified legal opinion by a primary standing law firm) to the Issuer and the obligations of the relevant counterparty are not related to the performance of the underlying securities, and (ii) such repurchase transactions have a maturity date falling not later than the next following Eligible Investments Maturity Date and in any case shorter than 60 days,

provided that, in respect of all investments mentioned under points from (A) to (C) above:

- (e) in all cases, such investments provide a fixed principal amount at maturity (or upon disposal or liquidation, as the case may be) at least equal to the principal amount invested;
- (f) in any event, none of the Eligible Investments set out above may consist, in whole or in part, actually or potentially, of (i) credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives nor may any amount available to the Issuer in the context of the Securitisation otherwise be invested in any such instruments at any time, or (ii) asset-backed securities, irrespective of their subordination, status or ranking, or (iii) swaps, other derivatives instruments, or synthetic securities, or (iv) any other instrument from time to time specified in the European Central Bank monetary policy regulations applicable from time to time 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; and

- (g) the Eligible Investments under (a) above and any other Eligible Investments other than bank account, cash deposit or time deposit (but including without limitation, the securities underlying repurchase transactions) above are capable of being registered on the Securities Account;
- (h) such Eligible Investments are held directly with the English Account Bank and/or through Euroclear or Clearstream or other clearing systems and registered in the name of the Issuer or, only to the extent registration in the name of the Issuer is not possible, in the name of the English Account Bank and in no case Eligible Investments are held through a sub-custodian.

“Eligible Investment Maturity Date” means (a) during the Warehouse Period, the second Business Day prior to each Monthly Payment Date (or Quarterly Payment Date in those months on which no Monthly Payment Date will fall) and (b) thereafter the second Business Day prior to each Quarterly Payment Date.

“English Account Bank” means BNYM or any other entity acting as account bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time

“Euribor” means the one-month Euribor, the two-month Euribor or three-month Euribor, as the case may be, for deposits in Euro, as it appears on the Reuters page Euribor 01 (Tasso Telematico) or (aa) such other page as may replace Reuters page Euribor01 on that service for the purpose of displaying such information or (bb) if that service ceases to display such information, such page as displays such information on such equivalent service as may replace the Reuters page Euribor01 at or about 11.00 a.m. (Brussels time) on the relevant date from which interests start to accrue; (b) if such Tasso Telematico is unavailable at such time, then the rate for the relevant period shall be equal to the rate of interest applicable to the immediately preceding date on which such rate is available.

“Euro”, “€” and “cents” refer to the single currency introduced in the Member States of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957, as amended by, inter alia, the Single European Act 1986, the Treaty of the European Union of 7 February 1992 establishing the European Union and the European Council of Madrid of 16 December 1995.

“Euroclear” means Euroclear Bank S.A./N.V. with registered office at 1 Boulevard du Roi Albert II, B - 1210 Brussels, as operator of the Euroclear System.

“European Union Insolvency Regulation” means European Council Regulation (EC) No. 1346 of 29 May 2000 on insolvency proceeding, as amended and supplemented from time to time.

“Euro-Zone” means the region comprised of Member States of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992).

“Excess Indemnity Amount” means the excess indemnity amount to be paid by the Issuer to the Originator in accordance with clause 17 of the Servicing Agreement.

“Expenses” means any documented fees, costs and expenses required to be paid to any third party creditor (other than the Noteholders and the Other Issuer Creditors) arising in connection with the Transaction, and any other documented costs and expenses required to be paid in order to preserve the existence of the Issuer or to maintain it in good standing, or to comply with applicable legislation.

“Expenses Account” means the Euro denominated account opened with IBAN No. IT39D0335101600005920249780, into which the Retention Amount shall be credited and out of which the Expenses and the taxes due and payable by the Issuer will be paid during each Quarterly Settlement Period in accordance with the Cash Allocation, Management and Payment Agreement, or any other account that shall be opened by the Issuer in substitution of such account in accordance with the Cash Allocation, Management and Payment Agreement.

“Extraordinary Resolution” means a resolution passed at a Meeting of the relevant Noteholders, duly convened and held in accordance with the provisions contained in the Rules of the Organisation of the Noteholders, by a majority of not less than three quarters of the votes cast.

“Final Maturity Date” means the Quarterly Payment Date falling on 20 September 2035.

“Final Redemption Date” means the earlier to occur between: (i) the date when any amount payable on the Claims will have been paid, and (ii) the date when all the Claims then outstanding will have been entirely written off or sold by the Issuer.

“Financial Laws Consolidation Act” means Italian Legislative Decree number 58 of 24 February 1998, as amended and supplemented from time to time.

“First Monthly Payment Date” means 20 January 2013.

“First Monthly Settlement Date” means the Monthly Settlement Date which falls on 31 December 2012.

“First Quarterly Payment Date” means the Quarterly Payment Date which falls on 20 March 2013.

“First Quarterly Settlement Date” means the Quarterly Settlement Date which falls on 28 February 2013.

“Formalities” means with regard to each Portfolio, jointly (i) the publication of the notice of the assignment of the relevant Portfolio in the Official Gazette of the Republic of Italy (*Gazzetta Ufficiale della Repubblica Italiana*) and (ii) the deposit of the request of registration of such notice with the competent companies' register.

“Further Notes” has the meaning ascribed to such term in clause 11.5 (ii) of the Intercreditor Agreement.

“Further Securities” has the meaning ascribed to such term in Clause 11.5 (iii) of the Intercreditor Agreement.

“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 7 (*Further Securitisations*).

“Gross Cumulative Default Ratio” means, on each Quarterly Settlement Date, the ratio between: (a) the aggregate of the Outstanding Amount (as of the date on which the relevant Lease Contract have become Defaulted Lease Contract) related to all the Receivables comprised in the Portfolios arising from Lease Contract which have become Defaulted Lease Contract in the period starting from the Valuation Date of the Initial Portfolio and ending on the last day of such Quarterly Settlement Date; and (b) the aggregate of the Outstanding Principal of the Receivables comprised in the Initial Portfolio and the Additional Portfolios at the relevant Valuation Date.

“Guarantor” means any person, other than the Debtor, who has granted any security in favour of the Originator in respect of any Receivables, or its permitted successors or assignees.

“Index Rate” means Euribor or any other index rate as applicable.

“Initial Interest Period” means (i) with respect to the Notes Initial Instalment Payments, the Quarterly Interest Period which shall begin on (and include) the Issue Date, and end on the immediately following Quarterly Payment Date, (ii) with respect to each subsequent Notes Further Instalment Payment related to a Monthly Payment Date, the Quarterly Interest Period which shall begin on (and include) such Monthly Payment Date (or, if subsequent, the date on which the relevant Notes Further Instalment Payment is made) and end on the immediately following Quarterly Payment Date, and (iii) with respect to each subsequent Notes Further Instalment Payment related to a Quarterly Payment Date, the Quarterly Interest Period which shall begin on (and include) such Quarterly Payment Date (or, if subsequent, the date on which the relevant Notes Further Instalment Payment is made) and end on the immediately following Quarterly Payment Date.

“Initial Issue Price” means, with respect to the Senior Notes Initial Instalment Payment, Euro 79,922,702.95, and with respect to the Junior Notes Initial Instalment Payment, Euro 70,879,052.62.

“Initial Junior Notes Subscriber” means Alba Leasing S.p.A.

“Initial Portfolio” means the initial portfolio of receivables which will be purchased by the Issuer pursuant to the Master Receivables Purchase Agreement.

“Initial Purchase Price” means in respect of each Receivable the initial purchase price due by the Issuer in relation to each Receivable, equal to the Outstanding Principal of such Receivable as of the relevant Valuation Date or, in case such term is referred to a Portfolio, the sum of the initial purchase price of the Receivables comprised in such Portfolio.

“Initial Senior Notes Subscriber” means Alba Leasing S.p.A..

“Insolvency Event” means in respect of any company or corporation that:

- (f) such company or corporation has become subject to any applicable bankruptcy, liquidation, administration, insolvency, composition or reorganisation (including, without limitation, *“fallimento”*, *“liquidazione coatta amministrativa”*, *“concordato preventivo”* and *“amministrazione straordinaria”*, each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, and including also any equivalent or analogous proceedings under the law of any jurisdiction in which such company or corporation is deemed to carry on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration) or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a pignoramento or similar procedure having a similar effect (other than in the case of the Issuer, any portfolio of assets purchased by the Issuer for the purposes of further securitisation transactions), unless in the reasonable opinion of the Representative of the Noteholders, such proceedings are being disputed in good faith with a reasonable prospect of success; or
- (g) an application for the commencement of any of the proceedings under (a) above is made in respect of or by such company or corporation or such proceedings are otherwise initiated against such company or corporation and, in the reasonable opinion of the Representative of the Noteholders (or, in case the Senior Notes are held by the same holder, by the resolution of

the sole holder of the Senior Notes), the commencement of such proceedings are not being disputed in good faith with a reasonable prospect of success; or

- (h) such company or corporation takes any action for a re-adjustment of deferment of a substantial part of its obligations or makes a general assignment or a general 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 a substantial part of its indebtedness or any guarantee of any indebtedness given by it or applies for suspension of payments; or
- (i) 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 (except a winding-up for the purposes of or pursuant to a solvent amalgamation or reconstruction approved by the Representative of the Noteholders and, in case the Senior Notes are held by the same holder, by a written resolution of the sole holder of the Senior Notes) or any of the events under Article 2484 of the Italian civil code occurs with respect to such company or corporation; or
- (j) such company is subject to a proceeding equivalent or similar to the proceeding provided by the laws of any jurisdiction under which the company carries out its business activity.

“Instalment” means each periodic lease instalment (excluding in any case the Residual Optional Instalment) due from Lessees under the Lease Contracts (net of VAT) the Receivables of which have been assigned under the terms of the Master Receivables Purchase Agreement. In case the receivables arising out of any Lease Contract are assigned only in part to the Issuer, Instalment shall mean only such periodic lease instalments which are included in the object of the relevant assignment.

“Intercreditor Agreement” means the intercreditor agreement executed on or about the Issue Date between, inter alios, the Issuer and the Other Issuer Creditors and, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Interest Amount” means the Euro amount accrued on the Notes in respect of each Quarterly Interest Period, calculated according to Condition 9.3.

“Interest Determination Date” means (i) during the Warehouse Period, (a) the second Business Day prior to each Quarterly Payment Date in respect of the Quarterly Interest Period commencing on that date or (b) in respect of each Initial Interest Period starting on a Payment Date or on the Issue Date, the second Business Days prior to such Payment Date or the second Business Days prior to the Issue Date respectively or (c) in respect of each Initial Interest Period starting after a Payment Date (due to the Further Notes Instalment Payments having been made after a Payment Date), the Business Day on which the conditions precedent under clauses 9.2.1 (Effective transfer of the Additional Portfolio) and 9.2.4 (*Closing certificates*) of the Senior Notes Subscription Agreement have been satisfied (and the Computation Agent has received the relevant documentation in such respect); and (ii) afterwards, the second Business Day prior to each Quarterly Payment Date in respect of the Quarterly Interest Period commencing on that date.

“Investment Account” means the cash and securities account no. GB41IRVT70022559202280 opened in accordance with the Cash Allocation, Management and Payment Agreement with the English Account Bank for, inter alia, the deposit of all Eligible Investments and out of which, upon

written instruction of the Cash Manager in the name and on behalf of the Issuer, all amounts standing to the credit thereof will be applied on any Business Day by the English Account Bank for the purchase of Eligible Investments.

“Investor Report Date” means the date falling 5 (five) Business Days after each Quarterly Payment Date.

“Issue Date” means 20 December 2012.

“Issuer” means Alba 3 SPV S.r.l.

“Issuer Available Funds” shall be, on each Quarterly Payment Date, the aggregate amounts (without duplication) of:

- (k) all Collections received during the immediately preceding Quarterly Settlement Period pursuant to the Servicing Agreement and credited to the Collection Account (including, for the avoidance of doubt, penalties and/or the Agreed Prepayments received and any other sums paid by the Lessees pursuant to the relevant Lease Contracts in respect of the Receivables);
- (l) all Recoveries received during the immediately preceding Quarterly Settlement Period pursuant to the Servicing Agreement and credited to the Collection Account;
- (m) all amounts received by the Issuer from the Originator pursuant to the Master Receivables Purchase Agreement or by the Servicer pursuant to the Servicing Agreement during the immediately preceding Quarterly Settlement Period (other than the Collections and the Recoveries) and credited to the Payments Account;
- (n) any interest accrued and credited on the Accounts (other than the Expenses Account and the Quota Capital Account) as of the last day of the immediately preceding Quarterly Settlement Period;
- (o) any amounts credited as Total Debt Service Reserve Amount on the Quarterly Payment Date immediately preceding such Quarterly Payment Date;
- (p) the net proceeds deriving from the Eligible Investments made out of the funds standing to the credit of the Issuer Accounts during the Quarterly Settlement Period immediately preceding such Quarterly Payment Date;
- (q) only toward payments of (a) the Initial Purchase Price of each Additional Portfolio and (b) with respect to each Junior Notes Further Instalment Payments, the relevant Required Debt Service Reserve Amount, the Notes Further Instalment Payments to be paid by the relevant Noteholders on such Quarterly Payment Date, in accordance with the Subscription Agreements, provided that, should such Notes Further Instalment Payments be paid following such Quarterly Payment Date, the relevant funds (net of the relevant Required Debt Service Reserve Amount) shall be directly applied to pay the Initial Purchase Price of the relevant Additional Portfolio in accordance with the Transaction Documents;
- (r) any amount credited to the Principal Accumulation Account on the Quarterly Payment Date immediately preceding such Quarterly Payment Date as Principal Deficiency Amount and not utilised to purchase Subsequent Portfolios or Additional Portfolios;
- (s) any other amount received during the Quarterly Settlement Period immediately preceding such Quarterly Payment Date, not included in any of the items above (but excluding any

amount expressly excluded from the Issuer Available Funds pursuant to any of the items above and below);

- (t) following delivery of a Trigger Notice or upon exercise of the Optional Redemption or Redemption for Taxation, all proceeds from the sale of the Receivables (also if credited to the Accounts following the Quarterly Settlement Date immediately preceding such Quarterly Payment Date),

but excluding: (i) any Principal Instalment collected and/or recovered in such Quarterly Settlement Period and utilised on (or about) a Monthly Payment Date towards payment of the Initial Purchase Price of any Additional Portfolio, (ii) any Residual Optional Instalment collected by the Issuer in the immediately preceding Quarterly Settlement Period and (iii) any Excess Indemnity Amount.

“Issuer's Rights” mean any and all the Issuer's rights and powers under the Transaction Documents.

“Joint Regulation” means the regulation issued jointly by the Bank of Italy and CONSOB on 22 February 2008 and published on the Official Gazette number 54 of 4 March 2008, as amended from time to time.

“Junior Notes” means the up to Euro 133,000,000.00 Class B Asset Backed Floating Rate Notes due September 2035.

“Junior Notes Subscription Agreement” means the subscription agreement in relation to the Junior Notes executed on or about the Issue Date, between the Issuer, the Initial Junior Notes Subscriber and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Junior Notes Further Instalment Payment” means any further instalment payment made by the Junior Noteholders on each Quarterly Payment Date or on each Monthly Payment Date, as the case may be, falling in the Warehouse Period, in accordance with the Junior Notes Subscription Agreement.

“Junior Notes Further Instalment Request” means the request of irrevocable order of payment made by the Computation Agent (on behalf of the Issuer) with respect to a Junior Notes Further Instalments pursuant to the Junior Notes Subscription Agreement.

“Junior Notes Further Instalment Request Date” means 4th Business Day prior to each Monthly Payment Date or Quarterly Payment Date, as the case may be.

“Junior Notes Initial Instalment Payment” means the initial instalment payment made by the Initial Junior Notes Subscriber in respect of the Junior Notes on the Issue Date, in accordance with the Junior Notes Subscription Agreement, equal to Euro 70,879,052.62 .

“Junior Notes Maximum Amount” means Euro 133,000,000.00 .

“Junior Notes Ratio” means 46.18%.

“Late Payments” means the payments with respect to the Receivables made after the date scheduled for such payment.

“Latest Report” has the meaning ascribed to such term in clause 9.1.4 of the Cash Allocation, Management and Payments Agreement.

“Lease Contract” means each financial leasing agreement between the Originator and a Lessee for the lease of an Asset (as subsequently amended and supplemented), from which the Receivables comprised in the Portfolios (satisfying and as selected pursuant to the Eligibility Criteria) arise.

“Lessees” means the parties which have signed the Lease Contracts with the Originator, and **“Lessee”** means each of them.

“Letter of Undertaking” means the letter of undertaking entered into about the Issue Date among the Issuer, the Representative of the Noteholders and the Originator, in accordance with the provisions therein contained, and including any agreement or other document expressed to be supplemental thereto.

“Local Business Day” means any day (other than Saturday or Sunday) on which banks are open for business in Milan and the Trans-European Automated Real Time Gross Settlement Express Transfer (TARGET 2) System (or any successor thereto) is open.

“Mandate Agreement” means the mandate agreement executed on or about the Issue Date between the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Master Definitions Agreement” means the master definitions agreement executed on or about the Issue Date between the Issuer and the Other Issuer Creditors, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Master Receivables Purchase Agreement” means the master receivables purchase agreement entered into between the Issuer and the Originator on 11 December 2012, and as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Maximum Additional Debt Service Reserve Amount” means an amount equal to Euro 975,473.80 .

“Maximum Purchase Amount” means on each Payments Report Date and with reference to the immediately preceding Settlement Date:

(iii) during the Warehouse Period, with respect to each Payment Date, the difference, if positive, between (i) Euro 278,680,044.59 and (ii) the Outstanding Amount of the Collateral Portfolio as at such Settlement Date; and

(iv) after the Warehouse Period End Date, the Principal Deficiency Amount,

in any case within the limit of the Monthly Issuer Available Funds or the Issuer Available Funds available to such purpose on the relevant Payment Date.

“Meeting” means a meeting of Noteholders duly convened (whether originally convened or resumed following an adjournment) and held in accordance with the provisions contained in the Rules of the Organisation of the Noteholders.

“Minimum Servicer Account Bank Required Rating” means a short-term rating at least equal to “A-2” by S&P and (b) a long-term rating at least equal to “BBB” by S&P.

“Monte Titoli” means Monte Titoli S.p.A., with registered office at Via Mantegna 6, 20124 Milan, Italy.

“Monte Titoli Account Holder” means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli.

“Monthly Issuer Available Funds” on each Monthly Payment Date during the Warehouse Period the Monthly Issuer Available Funds shall comprise the aggregate amounts (without duplication) of:

- (iv) the Notes Instalment Payments to be paid by the relevant Noteholders on such Monthly Payment Date, in accordance with the Subscription Agreements;
- (v) the Principal Deficiency Amount credited to the Principal Accumulation Account on the immediately preceding Quarterly Payment Date, deducted by any amount already utilised to purchase Additional Portfolios; and
- (vi) any Principal Instalment collected in the immediately preceding Monthly Settlement Period (and in any Monthly Settlement Period falling after the immediately preceding Quarterly Payment Date to the extent not already utilised to purchase Additional Portfolios).

“Monthly Payment Date” means, during the Warehouse Period the First Monthly Payment Date and thereafter the twentieth day of each month, or, if such day is not a Business Day, the immediately following Business Day (provided that no Monthly Payment Date will fall in any month on which a Quarterly Payment Date falls).

“Monthly Pre-Enforcement Priority of Payments” means the order of priority in which the Monthly Issuer Available Funds shall be applied prior to the delivery of a Trigger Notice in accordance with Condition 8.1 (A) (Priority of Payments - Pre-Enforcement Priorities of Payments – Monthly Pre-Enforcement Priority of Payments).

“Monthly Settlement Date” means, during the Warehouse Period, the last day of each calendar month. The First Monthly Settlement Date will fall on 31 December 2012.

“Monthly Settlement Period” means, during the Warehouse Period, each one month period commencing on (but excluding) a Monthly Settlement Date and ending on (and including) the immediately following Monthly Settlement Date; provided that the first Monthly Settlement Period commences on the Valuation Date of the Initial Portfolio (included) and will end on the First Monthly Settlement Date (included).

“Monthly Settlement Report” means, during the Warehouse Period, a report which the Servicer has undertaken to deliver on each Monthly Settlement Report Date in case the Originator intends to transfer an Additional Portfolio, setting out the performance of the Receivables, provided that each Monthly Settlement Report shall be substantially in the form of schedule 3 of the Servicing Agreement.

“Monthly Settlement Report Date” means, during the Warehouse Period, the fifth Local Business Day following a Monthly Settlement Date.

“Most Senior Class of Notes” means the Class of Notes outstanding which ranks highest in accordance with the applicable Priority of Payments.

“Noteholders” means the holders of the Notes and **“Noteholder”** means any of them.

“Notes” means, collectively, the Senior Notes and the Junior Notes, and **“Note”** means any of them.

“Notes Initial Instalment Payments” means, collectively, the Senior Notes Initial Instalment Payment and the Junior Notes Initial Instalment Payment.

“Notes Further Instalment Payment” means, collectively, the Senior Notes Further Instalment Payment and the Junior Notes Further Instalment Payment.

“Notes Further Instalment Request” means a Senior Notes Further Instalment Request or a Junior Notes Further Instalment Request, as the case may be.

“Notes Further Instalment Request Date” means a Senior Notes Further Instalment Request Date or a Junior Notes Further Instalment Request Date, as the case may be.

“Offer Notice” means in respect of any Portfolio, the relevant sale notice as provided for by the Master Receivables Purchase Agreement and **“Offer Notices”** means all of them.

“Official Gazette” means the Gazzetta Ufficiale della Repubblica Italiana.

“Organisation of the Noteholders” means the association of the Noteholders, organised pursuant to the Rules of the Organisation of the Noteholders.

“Originator” means Alba Leasing S.p.A.

“Other Issuer Creditors” means the Originator, the Representative of the Noteholders, the Paying Agent, the Computation Agent, the Account Bank, the English Account Bank, the Servicer, the Cash Manager, the Corporate Servicer, the Sole Quotaholder, the Back-Up Servicer, the Initial Senior Notes Subscriber and the Initial Junior Notes Subscriber.

“Outstanding Amount” means, on any date and with respect to each Receivable, the sum of (i) all the Principal Instalments due but unpaid, outstanding as of such date pursuant to the amortisation schedule of the relevant Lease Contract, plus (ii) the Outstanding Principal.

“Outstanding Principal” means, on any date and with respect to each Receivable, the difference between (i) the sum of all the Instalments plus the Residual Optional Instalment that are not yet due as of such date pursuant to the amortisation schedule of the relevant Lease Contract, discounted at the Contractual Interest Rate and (ii) the Residual Optional Instalment.

“Paying Agent” means BNYM Luxembourg or any other entity acting as paying agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

“Payment Date” means a Monthly Payment Date or the Quarterly Payment Date, as the case may be.

“Payments Account” means the Euro denominated account with IBAN No. IT91E0335101600005920259780 opened with the Account Bank or any other account opened in accordance with the Cash Allocation, Management and Payment Agreement with any Eligible Institution for the deposit, inter alia, of all amounts received from any party to a Transaction Documents to which the Issuer is a party, other than amounts expressly provided to be paid on other Accounts.

“Payments Report” means, as applicable, (i) the quarterly report (or, after a Trigger Notice has been served upon the Issuer following the occurrence of the Trigger Event, the report to be prepared quarterly or upon reasonable request by the Representative of the Noteholders) setting out all payments and information set forth in Clause 9.1.1 and 9.1.3 (as applicable) of the Cash Allocation, Management and Payments Agreement, or (ii) the monthly report setting out all payments and

information set forth in Clause 9.1.2 and 9.1.3 (as applicable) of the Cash Allocation, Management and Payments Agreement, which shall be delivered by the Computation Agent to the Issuer, the Representative of the Noteholders, the Servicer, the Paying Agent, the Account Bank, the English Account Bank, the Cash Manager, the Corporate Servicer and the Originator on each Payments Report Date immediately preceding (i) a Quarterly Payment Date or (ii) a Monthly Payment Date immediately succeeding the delivery by the Servicer of the Monthly Settlement Report, pursuant to the Cash Allocation, Management and Payments Agreement.

"Payments Report Date" means the date falling 4 (four) Business Days prior to each relevant Payment Date.

"Portfolio" means, as the case may be, the Initial Portfolio or any Additional Portfolio or Subsequent Portfolio.

"Post-Enforcement Priority of Payments" means the order of priority in which the Issuer Available Funds shall be applied after the delivery of a Trigger Notice in accordance with Condition 16.1.

"Pre-Enforcement Priorities of Payments" means the Monthly Pre-Enforcement Priority of Payments and the Quarterly Pre-Enforcement Priority of Payments.

"Principal Accumulation Account" means the Euro denominated account with IBAN No. IT46F0335101600005920269780 opened with the Account Bank or any other account opened with any Eligible Institution in accordance with the Cash Allocation, Management and Payment Agreement.

"Principal Amount Outstanding" means, on any date and in relation to each Class of Notes: (i) the aggregate of the relevant Notes Initial Instalment Payment and of all Notes Further Instalment Payments made in respect thereof, minus (ii) the aggregate of all principal repayments made in respect thereof.

"Principal Deficiency Amount" means the amount, as calculated by the Computation Agent on each Payments Report Date immediately preceding a Quarterly Payment Date, equal to:

- (c) during the Warehouse Period, the difference, if positive, between (i) the lower of (1) Euro 283.000.000,00 and (2) the Principal Amount Outstanding of the Notes (taking into account the Notes Further Instalment Payments to be made on such Quarterly Payment Date) and (ii) the Outstanding Amount of the Collateral Portfolio plus the Debt Service Reserve Amount credited into the Debt Service Reserve Account on such Quarterly Payment Date; and
- (d) after the Warehouse Period End Date, the difference, if positive, between: (i) the Principal Amount Outstanding of the Notes and (ii) the Outstanding Amount of the Collateral Portfolio plus the Debt Service Reserve Amount credited into the Debt Service Reserve Account on such Quarterly Payment Date.

"Principal Instalments" means, with respect to each Receivable, the principal component of the Instalments of such Receivables (excluding for the avoidance of doubt the Residual Optional Instalment).

"Priority of Payments" means, collectively, the Pre-Enforcement Priorities of Payments and the Post-Enforcement Priority of Payments.

“Pro Rata Share” means, in respect of each Receivables, the percentage equivalent to the ratio between:

- (c) the sum of: (a) the value, discounted at the relevant estimate date and determined in accordance with the relevant Index Rate, of the Instalments and of the Residual Optional Instalment not yet due as such date; and (b) the aggregate sum of all the Instalments and the Residual Optional Instalment comprised in such Receivable, due but unpaid as of such date and any relevant penalty payments (net of VAT); and
- (d) all instalments and the Residual Optional Instalment comprised in such Receivable, not yet due, discounted at the relevant estimate date in accordance with the relevant Index Rate, plus the Instalments and the Residual Optional Instalment due but unpaid comprised in the Lease Contract, plus and any relevant penalty payments, plus the Residual Optional Instalment, plus accrued VAT.

“Prospectus” means the final prospectus prepared in relation to the Notes.

“Purchase Price” means the purchase price payable by the Issuer to Alba Leasing in respect of the Initial Portfolio and each Subsequent Portfolio in accordance with Clause 6 of the Master Receivables Purchase Agreement.

“Purchase Price of the Residual Optional Instalment” means the purchase price of residual optional instalment to be paid by the Originator as set out in clause 6.1 of the Master Receivables Purchase Agreement or, in case such term is referred to a Portfolio, it will indicate the sum of the purchase price of residual optional instalment of such Portfolio.

“Purchase Termination Event” has the meaning ascribed to such term in Condition 16.6.

“Purchase Termination Event Notice” means the notice to be delivered to the Issuer, the Originator, the Servicer and the Computation Agent by the Representative of the Noteholders upon occurrence of a Purchase Termination Event, indicating that (i) the Purchase Termination Event has occurred; (ii) the Originator is not anymore allowed to sell the Receivables to the Issuer (which is not anymore allowed to purchase Receivables from the Originator); (iii) the Warehouse Period and the Revolving Period have elapsed.

“Quarterly Interest Period” means (a) any Initial Interest Period, and (b) (i) during the Warehouse Period, each period from (and including) a Quarterly Payment Date to (but excluding) the next following Quarterly Payment Date; and (ii) afterwards, each period from (and including) a Quarterly Payment Date to (but excluding) the next following Quarterly Payment Date.

“Quarterly Payment Date” means the First Quarterly Payment Date and thereafter the twentieth day of March, June, September and December of each year or, if such day is not a Business Day, the immediately following Business Day.

“Quarterly Pre-Enforcement Priority of Payments” means the order of priority in which the Issuer Available Funds shall be applied prior to the delivery of a Trigger Notice in accordance with Condition 8.1 (B) (Priority of Payments - Pre-Enforcement Priorities of Payments – Quarterly Pre-Enforcement Priority of Payments).

“Quarterly Settlement Date” means the last calendar day of February, May, August and November. The First Quarterly Settlement Date will fall in 28 February 2013.

“Quarterly Settlement Period” means each three months period commencing on (but excluding) a Quarterly Settlement Date and ending on (and including) the immediately following Quarterly Settlement Date, provided that the first Quarterly Settlement Period commences on the Valuation Date of the Initial Portfolio) (included) and ends on First Quarterly Settlement Date (included).

“Quarterly Settlement Report” means a report which the Servicer has undertaken to deliver on each Quarterly Settlement Report Date, setting out the performance of the Receivables, provided that each Quarterly Settlement Report shall be substantially in the form of schedule 2 of the Servicing Agreement.

“Quarterly Settlement Report Date” means the fifth Local Business Day following a Quarterly Settlement Date.

“Quota Capital Account” means the Euro denominated account opened by the Issuer with the Account Bank with IBAN No. IT84C0335101600005920239780, to which the contributed quota capital of the Issuer is deposited, or any other account that shall be opened by the Issuer in substitution of such account in accordance with the Cash Allocation, Management and Payment Agreement.

“Quotaholder's Agreement” means the quotaholder's agreement entered into between the Issuer, the Representative of the Noteholders, and the Sole Quotaholder on or about the Issue Date, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Rate of Interest” shall have the meaning ascribed to it in Condition 9.5 (Interest - Rate of Interest).

“Rating Agency” means S&P.

“Receivable” means the right to receive from a Lessee the payment of any amount at any time and for any cause due (within the limits indicated under the relevant Eligibility Criteria and excluding any amount due before the relevant Valuation Date (excluded)) pursuant to the relevant Lease Contract (and each contract, deed, agreement or document related to that Lease Contract), including, without limitation:

- (g) the Instalments;
- (h) the Agreed Prepayments;
- (i) the Residual Optional Instalment;
- (j) default interest and/or other interest arising as a consequence of payment deferrals granted by the Originator, in each case, accrued and unpaid until the date of purchase of such Receivable and any other such interest payments which are to mature thereafter, on all amounts outstanding from the Lessees under the Lease Contracts;
- (k) amounts due as penalties;
- (l) any increase in Instalments as a result of any amendment to the Lease Contracts;

but excluding in all cases:

- (iii) amounts due by way of VAT; and
- (iv) default interests in respect of amounts due under (a) above,

provided always that if only part of the Instalments under a Lease Contract have been assigned, the receivables under item (iv) and (v) above will be deemed to have been assigned only with respect to the relevant Pro Rata Share.

“**Recoveries**” means the recoveries, surety payments, insurance proceeds and penalties received in respect of any Defaulted Receivables, and “**Recovery**” means each such recovery.

“**Reference Banks**” means three (3) major banks in the Euro-Zone inter-bank market selected by the Issuer with the approval of the Representative of the Noteholders in accordance with Condition 9.10 (Reference Banks and Paying Agent). The initial Reference Banks shall be JP Morgan Chase, BNP Paribas S.A. and UniCredit Banca S.p.A.

“**Relevant EURIBOR**” means:

- (e) for the Initial Interest Period applicable to the Notes Initial Instalment Payments, the Euribor for 3 month Euro deposits;
- (f) for the Initial Interest Period applicable to a subsequent Notes Further Instalment Payment made on or about a Monthly Payment Date, the Euribor for two month Euro deposits (or the applicable interpolation between Euribor for two month Euro deposits and the Euribor for three month Euro deposits) or the Euribor for one month Euro deposits (or the applicable interpolation between Euribor for one month Euro deposits and the Euribor for two month Euro deposits), as applicable;
- (g) during the Warehouse Period for the Principal Amount Outstanding as of each Quarterly Payment Date (taking into account also the subsequent Further Instalment Payments made on or about such Quarterly Payment Date), the Euribor for three month Euro deposits; and
- (h) AFTERWARDS, the Euribor for three month Euro deposits,

in each case

- (v) as it appears on Reuters page Euribor01 or (aa) such other page as may replace Reuters page Euribor01 on that service for the purpose of displaying such information or (bb) if that service ceases to display such information, such page as displays such information on such equivalent service (or, if more than one, that one which is approved by the Representative of the Noteholders) as may replace the Reuters page Euribor01 (the “Screen Rate”) at or about 11.00 a.m. (Brussels time) on the relevant Interest Determination Date; or
- (vi) if the Screen Rate is unavailable at such time for the Relevant Euribor, then the rate for the relevant Quarterly Interest Period shall be the arithmetic mean (rounded to four decimal places with the mid-point rounded up) of the rates notified to the Paying Agent at its request and communicated by the latter to the Computation Agent by each of the Reference Banks as the rate at which the Relevant Euribor in a similar representative amount are offered by that Reference Bank to leading banks in the Euro-zone inter-bank market at or about 11.00 a.m. (Brussels time) on that date; or
- (vii) if on any relevant Interest Determination Date, the Screen Rate is unavailable and only two of the Reference Banks provide such offered quotations to the Paying Agent the relevant rate shall be determined in the manner specified in (b) above, on the basis of the offered quotations of those Reference Banks providing such quotations; or
- (viii) if, on any relevant Interest Determination Date, the Screen Rate is unavailable and:
 - (A) only one of the Reference Banks provides the Paying Agent with such an offered quotation, the relevant rate shall be the determined on the basis of such offered quotation;

(B) none of the Reference Banks provides the Paying Agent with such an offered quotation, the relevant rate shall be the rate in effect for the immediately preceding period to which one of subparagraphs (a), (b) or (c) above shall have applied.

“**Relevant Trigger**” means, in relation to each Quarterly Payment Date:

Quarterly Payment Date	Trigger
First Quarterly Payment Date	1.75%
Second Quarterly Payment Date	1.75%
Third Quarterly Payment Date	2.25%
Fourth Quarterly Payment Date	3.00%
Fifth Quarterly Payment Date	3.50%
Sixth Quarterly Payment Date	4.50%
From the Seventh Quarterly Payment Date and thereafter	5.00%

“**Representative of the Noteholders**” means Zenith Service S.p.A. or any other entity acting as representative of the Noteholders pursuant to the Subscription Agreements and/or the Terms and Conditions from time to time.

“**Required Debt Service Reserve Amount**” means, with respect to any Payment Date during the Warehouse Period (or the immediately following date on which the Formalities have been perfected), and to the purpose of the relevant Junior Notes Further Instalment Payment and the relevant Junior Notes Further Instalment Request Date, an amount equal to:

- (c) the difference, if positive, between (a) the aggregate Outstanding Principal of all of the Portfolios as of the immediately preceding Valuation Date (taking into account also the Additional Portfolio to be purchased on such Payment Date), and (b) the aggregate Outstanding Principal of all of the Portfolios as of the immediately preceding Valuation Date (without taking into account the Additional Portfolio to be purchased on such Payment Date); multiplied by
- (d) 1.55%.

“**Residual Optional Instalment**” means the residual price (riscatto) due from a Lessee at the end of the contractual term of a Lease Contract (if the Lessee elects to exercise its option to purchase the related Asset) the Receivables of which have been assigned under the terms of the Master Receivables Purchase Agreement. In case the transfer of one or more Portfolios have as object only part of the receivables deriving from the relevant Lease Contracts, as Residual Optional Instalments shall be intended only the one comprised in the relevant transfer.

“**Retention Amount**” means Euro 20,000.

“**Revolving Period**” means the second phase of the Transaction (excluding the case in which the Warehouse Period End Date is the date on which a Purchase Termination Event Notice or a Trigger Notice is delivered), which will commence on (but excluding) the Warehouse Period End Date (excluded) and end on the earlier of (i) the date on which a Purchase Termination Event Notice or a

Trigger Notice is delivered and (ii) the Quarterly Payment Date falling on 20 June 2014 (included) (or such other date which the Initial Senior Notes Subscriber shall be entitled to determine in its absolute discretion but which shall not be later than 24 months from the Issue Date).

“Revolving Period End Date” means (i) the date of termination of the Revolving Period, or (ii) the date of termination of the Warehouse Period in case the Warehouse Period End Date is the date on which a Purchase Termination Event Notice or a Trigger Notice is delivered.

“Rules of the Organisation of the Noteholders” means the Rules of the Organisation of the Noteholders attached as Exhibit 1 to the Terms and Conditions, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereof.

“Secured Creditors” means the Noteholders and the Other Issuer Creditors.

“Secured Obligations” means all of the Issuer's obligations vis-à-vis the Secured Creditors under the Notes and the Transaction Documents.

“Securitisation” means the securitisation transaction of the Receivables made by the Issuer through the issuance of the Notes.

“Securitisation Law” means Italian Law No. 130 of 30 April 1999, as amended and supplemented from time to time.

“Security” means, collectively, the security created under the Deed of Pledge, the Deed of Charge and under any other security documents executed from time to time in the context of the Securitisation.

“Security Documents” means the Deed of Pledge and the Deed of Charge and any other security documents executed from time to time in the context of the Securitisation.

“Security Interest” means any mortgage, charge, pledge, lien, right of set-off, special privilege (privilegio speciale), assignment by way of security, retention of title or any other security interest whatsoever or any other agreement or arrangement having the effect of conferring security.

“Senior Noteholder” means any holder of a Senior Note and **“Senior Noteholders”** means all of them.

“Senior Notes” means the up to Euro 150,000,000 Class A Asset Backed Floating Rate Notes due September 2035.

“Senior Notes Further Instalment Payment” means any further instalment payment made by the Senior Noteholders on each Quarterly Payment Date or on each Monthly Payment Date, as the case may be, falling in the Warehouse Period, in accordance with the Senior Notes Subscription Agreement.

“Senior Notes Further Instalment Request” means the request of irrevocable order of payment made by the Computation Agent (on behalf of the Issuer) with respect to a Senior Notes Further Instalments pursuant to the Senior Notes Subscription Agreement.

“Senior Notes Further Instalment Request Date” means 4th Business Day prior to each Monthly Payment Date or Quarterly Payment Date, as the case may be.

“Senior Notes Initial Instalment Payment” means the initial instalment payment made by the Initial Senior Notes Subscriber in respect of the Senior Notes on the Issue Date, in accordance with the Senior Notes Subscription Agreement, equal to Euro 79,922,702.95 .

“Senior Notes Maximum Amount” means Euro 150,000,000.

“Senior Notes Ratio” means 53,82%.

“Senior Notes Subscription Agreement” means the subscription agreement in relation to the Senior Notes executed on or about the Issue Date, between the Issuer, the Initial Senior Notes Subscriber, the Originator and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Servicer” means Alba Leasing S.p.A. or any other entity acting as Servicer pursuant to the Servicing Agreement from time to time.

“Servicer Account” means the Euro denominated account IBAN IT80 N 03032 12891 010000091477 opened by the Servicer with the Servicer Account Bank pursuant to the Servicing Agreement.

“Servicer Account Bank” means Credito Emiliano S.p.A., branch of Via Botticelli 1, 42100, Reggio Emilia or any other bank appointed in accordance with the Servicing Agreement.

“Servicer's Reports” means, collectively, the Monthly Settlement Report and the Quarterly Settlement Report.

“Servicer Termination Event” has the meaning ascribed to it in clause 10.1 of the Servicing Agreement.

“Servicer's Fee” means the fee due to the Servicer pursuant to the Servicing Agreement.

“Servicing Agreement” means the servicing agreement entered into on 11 December 2012 between the Issuer and the Servicer in order to administer and service the Receivables comprised in the Portfolios and as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

“Settlement Date” means a Monthly Settlement Date or a Quarterly Settlement Date, as the case may be.

“Settlement Report Date” means a Monthly Settlement Report Date or a Quarterly Settlement Report Date, as the case may be.

“Sole Quotaholder” means Stichting SFM Italy No. 1

“Specific Criteria” means the objective criteria indicated in the section of this Prospectus entitled “The Portfolios – The Eligibility Criteria for the Portfolios – Specific Criteria for the Initial Portfolio”.

“Subscription Agreements” means, collectively, the Senior Notes Subscription Agreement and the Junior Notes Subscription Agreement and each of them is referred to a “Subscription Agreement”.

“Subsequent Portfolio” means any portfolio of Receivables which will be purchased by the Issuer during the Revolving Period.

“Subsequent Transfer Agreement” means, collectively, each Offer Notice of an Additional Portfolio or Subsequent Portfolio, as the case may be, and the relevant acceptance.

“S&P” means Standard & Poor's Rating Services, a division of the McGraw Hill Companies.

“Tax” means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or any political subdivision thereof or any authority thereof or therein.

“Tax Deduction” means any deduction or withholding for or on account of Tax.

“Tax Event” shall have the meaning ascribed to it in Condition 10.5 (Redemption, Purchase and Cancellation - Redemption for Taxation).

“Termination Notice” means a Trigger Notice or a Purchase Termination Event Notice, as the case may be.

“Terms and Conditions” means these terms and conditions and **“Condition”** means any of those.

“Total Debt Service Reserve Amount” means,

- (iv) with respect to any Payment Date, an amount equal to the sum of:
- (v) the Debt Service Reserve Amount; and
- (vi) the sum of all the payments made as Additional Debt Service Reserve Amount into the Debt Service Reserve Account as of the immediately preceding Payment Date (included).

“Transaction” means the Securitisation.

“Transaction Documents” means the Master Receivables Purchase Agreement, the Transfer Agreements, the Servicing Agreement, the Back-Up Servicing Agreement, the Warranty and Indemnity Agreement, the Intercreditor Agreement, the Cash Allocation, Management and Payment Agreement, the Mandate Agreement, the Deed of Pledge, the Deed of Charge, the Corporate Services Agreement, the Senior Notes Subscription Agreement, the Junior Notes Subscription Agreement, the Quotaholder's Agreement, the Master Definitions Agreement, the Letter of Undertaking and the Terms and Conditions and any other deed, act, document or agreement executed in the context of the Securitisation.

“Transfer Agreement” means each Subsequent Transfer Agreement.

“Transfer Date” means the date of the entering into of the Master Receivables Purchase Agreement or of the Subsequent Transfer Agreement, as the case may be.

“Trigger Event” means any of the events described in Condition 15.1 (Trigger Events).

“Trigger Notice” means the notice described in Condition 15.1 (Trigger Events).

“Valuation Date” means 1 December 2012 with respect to the First Portfolio and, with respect to the Subsequent Portfolios, the valuation date of each Portfolio indicated in the relevant Offer Notice.

“Warehouse Period” means the first phase of the Transaction, which will start on the Issue Date and end on the Warehouse Period End Date.

“Warehouse Period End Date” means the earlier of (i) the date on which the Principal Amount Outstanding of the Senior Notes is equal to Euro 150,000,000, (ii) the date on which a Purchase

Termination Event Notice or a Trigger Notice is delivered and (iii) the Monthly Payment Date falling on 20 July 2013.

“Warranty and Indemnity Agreement” means the warranty and indemnity agreement entered into on 11 December 2012 between the Issuer and the Originator, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

ISSUER

Alba 3 SPV S.r.l.
Via Gustavo Fara, 26
20124 Milan
Italy

**ORIGINATOR, SERVICER, CASH MANAGER, INITIAL SENIOR NOTES SUBSCRIBER
AND INITIAL JUNIOR NOTES SUBSCRIBER**

Alba Leasing S.p.A.
Via Sile, 18
20139 Milan
Italy

BACK-UP SERVICER

SelmaBipiemmeLeasing S.p.A.
Via Battistotti Sassi, 11/A
20133 Milan
Italy

**REPRESENTATIVE OF THE NOTEHOLDERS, CORPORATE SERVICER AND
COMPUTATION AGENT**

Zenith Service S.p.A.
Via Guidubaldo del Monte, 61
00197, Rome
Italy

SOLE QUOTAHOLDER

Stichting SFM Italy No. 1
Claude Debussylaan 18
1082 MD Amsterdam
Netherlands

ACCOUNT BANK AND PAYING AGENT

The Bank of New York Mellon (Luxemborug S.A.)
Via Carducci, 31
20123 Milan
Italy

ENGLISH ACCOUNT BANK

The Bank of New York Mellon

One Canada Square

London E14 5AL

United Kingdom

LEGAL ADVISER TO THE ISSUER AND THE ORIGINATOR

Chiomenti Studio Legale

Via XXIV Maggio, 43

00184 Rome

Italy

