

Alba 2 SPV S.r.l.

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

€ 150,000,000 Class A Asset Backed Floating Rate Notes due December 2041
€ 152,900,000 Class B Asset Backed Floating Rate Notes due December 2041

This prospectus (the "Prospectus") contains information relating to the issue by Alba 2 SPV S.r.l. (the "Issuer") of the € 150,000,000 Class A Asset Backed Floating Rate Notes due December 2041 (the "Senior Notes") and the € 152,900,000 Class B Asset Backed Floating Rate Notes due December 2041 (the "Junior Notes" and, together with the Senior Notes, the "Notes").

The Issuer is a limited liability company incorporated under the laws of the Republic of Italy pursuant to article 3 of Italian law No. 130 of 30 April 1999, as amended and supplemented from time to time (the "Securitisation Law") having its registered office at Via Vittorio Alfieri No. 1, 31015 Conegliano (TV), Italy. The Issuer is enrolled in the register of the "società veicolo" held by the Bank of Italy and in the Companies Register of Treviso under No. 04146750262.

This Prospectus is issued pursuant to article 2, paragraph 3 of the Securitisation Law and constitutes a *prospetto informativo* for all the Notes in accordance with such Securitisation Law. The Notes are not being offered pursuant to this Prospectus.

Capitalised words and expressions in this Prospectus shall, except otherwise specified or so far as the context otherwise requires, have the meanings set out herein and in the section entitled "Terms and Conditions of the Notes" below.

The principal source of payment of interest and of repayment of principal on the Notes will be Collections and Recoveries made in respect of the Receivables arising from the Lease Contracts executed by Alba Leasing S.p.A. (the "Originator") and certain Lessees purchased and to be purchased by the Issuer from the Originator pursuant to the terms of the Transfer Agreement. The Initial Portfolio of Receivables has been purchased by the Issuer from the Originator on 6 December 2011 and the relevant Purchase Price will be funded through the proceeds of the Notes. During the Revolving Period, subject to the terms and conditions of the Transfer Agreement, the Originator may assign and transfer to the Issuer, and the Issuer shall purchase from the Originator, Subsequent Portfolios of Receivables, the Purchase Price of which will be funded through the Issuer Available Funds used in accordance with the applicable Priority of Payments.

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 Aggregate Portfolio 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.

Interest in respect of the Notes will accrue on a daily basis and will be payable in Euro quarterly in arrears on the First Payment Date, being 20 March 2012, and on each Payment Date thereafter, being 20 March, 20 June, 20 September and 20 December of each year (or, if such day is not a Business Day, the immediately following Business Day), in each case, in accordance with the applicable Priority of Payments. The rate of interest applicable to the Notes for each Interest Period will be equal to EURIBOR (except in respect of the Initial Interest Period where an interpolated interest rate based on 2 and 3 month deposits in Euro will be substituted for EURIBOR), plus the following respective margins in respect of each Class of Notes:

- Class A Notes:

- (i) 1.95 per cent. *per annum* from the Issue Date (included) up to the First Step-Up Date (excluded);
- (ii) 2.40 per cent. *per annum* from the First Step-Up Date (included) up to the Second Step-Up Date (excluded); and
- (iii) 3.90 per cent. *per annum* from the Second Step-Up Date (included) up to date of full redemption and/or cancellation of the Class A Notes (included); and

- Class B Notes: 2.00 per cent. *per annum*.

Before the relevant maturity date, the Notes will be subject to mandatory and/or optional redemption in whole or in part in certain circumstances provided for by Condition 7 (*Redemption, Purchase and Cancellation*). Unless previously redeemed in full or cancelled in accordance with the Terms and Conditions, the Notes will be redeemed on the Final Maturity Date. Save as provided in the Terms and Conditions, the Notes will start to amortise on the Payment Date falling in June 2013, subject to there being sufficient Issuer Available Funds, in accordance with the applicable Priority of Payments. The Notes, to the extent not redeemed in full by the Cancellation Date, shall be cancelled on such date.

The Senior Notes will be privately subscribed by the Senior Notes Underwriter in accordance with the terms of the Senior Notes Subscription Agreement. The Junior Notes will be privately subscribed by the Junior Notes Underwriter in accordance with the terms of the Junior Notes Subscription Agreement.

Neither the Senior Notes nor the Junior Notes will be assigned a rating or listed on any stock exchange on the Issue Date.

As at the date of this Prospectus, payment of interest and other proceeds under the Notes may be subject to a Decree 239 Deduction (as recently amended). 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, save as provided in Condition 10 (*Taxation*) in relation to the Senior Notes.

The Notes will be direct, secured and limited recourse obligations solely of the Issuer and will not be the responsibility of, or be guaranteed by, any other entity. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, the Originator, the Servicer, the Lessees, the Representative of the Noteholders, the Computation Agent, the Italian Account Bank, the English Account Bank, the Cash Manager, the Paying Agent, the Corporate Services Provider, the Back-Up Servicer, the Sole Quotaholder, the Senior Notes Underwriter, the Junior Notes Underwriter, the Subordinated Loan Provider or the Arranger. 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 Holders. The Notes will be accepted for clearance by Monte Titoli with effect from the Issue Date. The Notes will at all times be in book entry form and title to the Notes will be evidenced by book entry in accordance with the provisions of (i) article 83 *bis* of the Financial Laws Consolidated Act; and (ii) Regulation 22 February 2008. No physical document of title will be issued in respect of the Notes. The Notes will be issued in the denomination of Euro 100,000.

THIS PROSPECTUS HAS BEEN PREPARED IN ACCORDANCE WITH ARTICLE 2 OF THE SECURITISATION LAW AND IS NOT SUBJECT TO THE APPROVAL OR AUTHORISATION OF CONSOB, BANCA D'ITALIA OR BORSA ITALIANA S.P.A.

The date of this Prospectus is 20 December 2011.

**ARRANGER
THE ROYAL BANK OF SCOTLAND PLC**

This Prospectus sets forth the minimum level of information required by article 2, paragraph 3 of the Securitisation Law and does not have the level of information that it would have had, had it been intended to be an offering document and is not aimed at giving information which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

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

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect the import of such information.

To the fullest extent permitted by law, the Arranger accepts no responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Arranger, in connection with the Issuer or Alba Leasing or the issue and offering of the Notes. The Arranger, accordingly, disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Prospectus or any such statement.

No person has been authorised to give any information or to make any representation not contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer, the other parties to the Transaction Documents, or any other person. Neither the delivery of this Prospectus nor any sale or allotment made in connection with the offering of any of the Notes shall, under any circumstances, constitute a representation or imply that there has been no change in the affairs of the Issuer or the information and data contained herein since the date hereof or that the information and data contained herein are correct as at any time subsequent to the date hereof.

The Notes constitute limited recourse obligations of the Issuer and, accordingly, the extent of the obligation of the Issuer to make payments under the Notes is limited to the amounts received or recovered by the Issuer in respect of the Aggregate Portfolio and the Issuer's Rights, net of any sums which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to or pari passu with the Notes. By holding the Notes the Noteholders acknowledge that the limited recourse nature of the Notes produces the effects of a contratto aleatorio under Italian law and are deemed to accept the consequences thereof, including, but not limited to, the provisions under Article 1469 of the Italian Civil Code.

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

This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, Alba Leasing or the Arranger that any recipient of this Prospectus should purchase any of the Notes. Each investor contemplating purchasing Notes shall not make its investment decisions on the basis of the information contained in this Prospectus, whilst it shall make its own independent investigation and due diligence of the Receivables, the Aggregate Portfolio, the Notes and of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

*The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), are in bearer form and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act). For a further description of certain restrictions on the offering and sale of the Notes and on distribution of this Prospectus, see "Subscription and sale" below.*

The Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering circular nor any prospectus, form of application, advertisement, other offering material nor other information relating to the Issuer or the Notes may be issued, distributed or published in any country or jurisdiction (including the Republic of Italy, the United Kingdom and the United States), except under circumstances that will result in

compliance with all applicable laws, orders, rules and regulations. No action has or will be taken which could allow an offering (offerta al pubblico) of the Notes to the public in the Republic of Italy.

THIS PROSPECTUS HAS BEEN PREPARED IN ACCORDANCE WITH ARTICLE 2 OF THE ITALIAN SECURITISATION LAW. THE NOTES WILL NOT BE LISTED ON ANY STOCK EXCHANGE. THIS PROSPECTUS IS SUBJECT NEITHER TO ANY APPROVAL OR AUTHORISATION OF CONSOB, BANCA D'ITALIA OR BORSA ITALIANA S.P.A., NOR TO ANY DISCLOSURE DUTIES IN THE REPUBLIC OF ITALY, OTHER THAN THOSE PROVIDED BY THE SECURITISATION LAW.

All references in this Prospectus to “Euro”, “€” and “euro” refer to the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended.

The language of this 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.

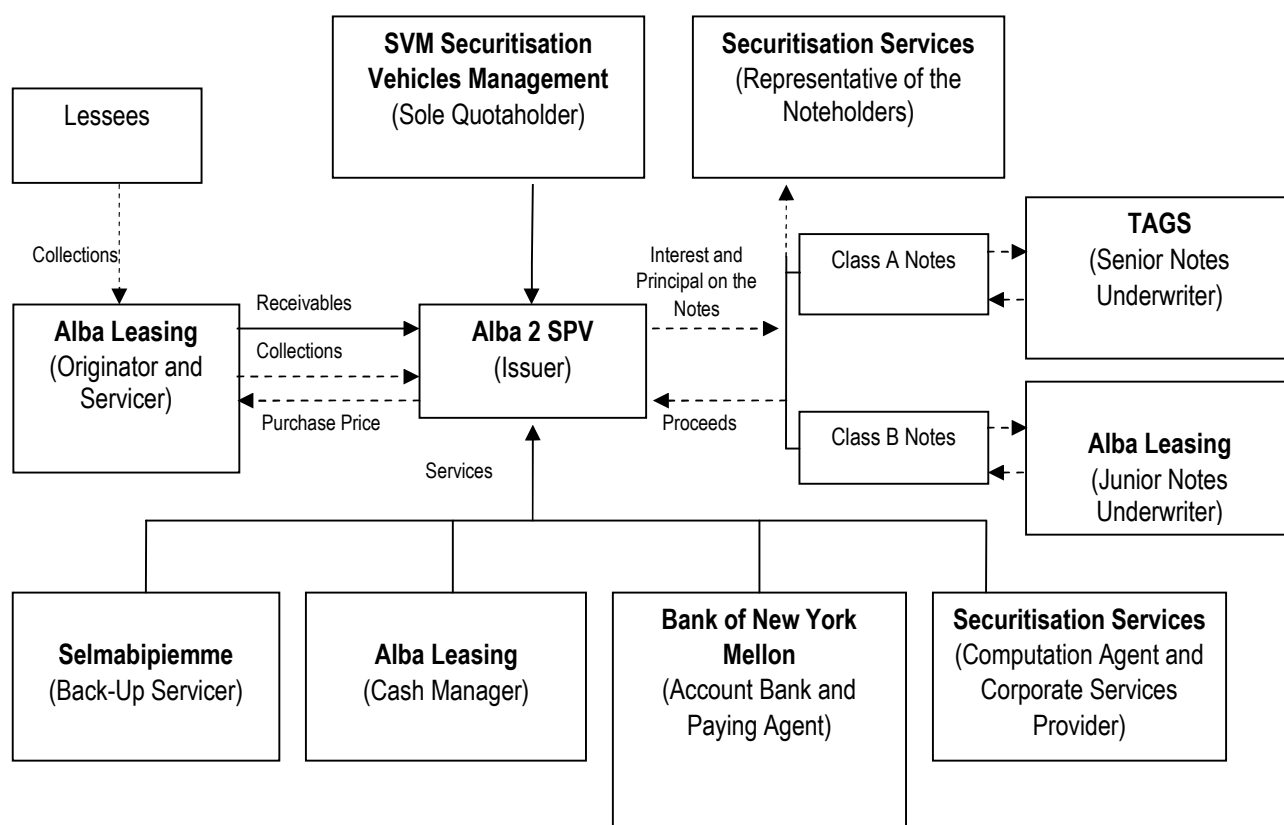
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TRANSACTION SUMMARY

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. TRANSACTION DIAGRAM



2. PRINCIPAL PARTIES

Issuer

Alba 2 SPV.

The Issuer has an issued quota capital of Euro 12,000, which is entirely held by the Sole Quotaholder.

Originator

Alba Leasing.

Servicer

Alba Leasing. The Servicer will act as such pursuant to the Servicing Agreement.

Back-Up Servicer

Selmabipiemme. The Back-Up Servicer will act as such pursuant to the Back-Up Servicing Agreement.

Computation Agent	Securitisation Services. The Computation Agent will act as such pursuant to the Cash Allocation, Management and Payment Agreement.
Italian Account Bank	BNYM Italian Branch. The Italian Account Bank will act as such pursuant to the Cash Allocation, Management and Payment Agreement.
English Account Bank	BNYM London Branch. The English Account Bank will act as such pursuant to the Cash Allocation, Management and Payment Agreement.
Paying Agent	BNYM Italian Branch. The Paying Agent will act as such pursuant to the Cash Allocation, Management and Payment Agreement.
Cash Manager	Alba Leasing. The Cash Manager will act as such pursuant to the Cash Allocation, Management and Payment Agreement.
Corporate Services Provider	Securitisation Services. The Corporate Services Provider will act as such pursuant to the Corporate Services Agreement.
Subordinated Loan Provider	Alba Leasing. The Subordinated Loan Provider will act as such pursuant to the Subordinated Loan Agreement.
Representative of the Noteholders	Securitisation Services. 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	SVM.
Senior Notes Underwriter	TAGS. The Senior Notes Underwriter will act as such pursuant to the Senior Notes Subscription Agreement.
Junior Notes Underwriter	Alba Leasing. The Junior Notes Underwriter will act as such pursuant to the Junior Notes Subscription Agreement.
Class A Guarantor	EIF. The Class A Guarantor will act as such pursuant to the EIF Guarantee.
Arranger	RBS.

3. PRINCIPAL FEATURES OF THE NOTES

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

The Senior Notes	- Euro 150,000,000 Class A Asset Backed Floating Rate Notes due December 2041;
The Junior Notes	- Euro 152,900,000 Class B Asset Backed Floating Rate Notes due December 2041.
Issue Date	The Notes will be issued on 21 December 2011.
Issue Price	<p>The Senior Notes will be issued at 100% of their principal amount.</p> <p>The Junior Notes will be issued at 100% of their principal amount.</p>
Interest on the Notes	<p>The Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at the EURIBOR (except that for the Initial Interest Period where an interpolated interest rate based on 2 and 3 month deposits in Euro will be substituted for EURIBOR) plus the following respective margins in respect of each Class of Notes:</p> <ul style="list-style-type: none"> - Senior Notes: (i) 1.95 per cent. <i>per annum</i> from the Issue Date (included) up to the First Step-Up Date (excluded); <li style="padding-left: 40px;">(ii) 2.40 per cent. <i>per annum</i> from the First Step-Up Date (included) up to the Second Step-Up Date (excluded); and <li style="padding-left: 40px;">(iii) 3.90 per cent. <i>per annum</i> from the Second Step-Up Date (included) up to date of full redemption and/or cancellation of the Class A Notes (included). <p>- Junior Notes: 2.00 per cent. <i>per annum</i>.</p> <p>Interest in respect of the Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on each Payment Date in accordance with the applicable Priority of Payments.</p> <p>The first payment of interest in respect of each Class of Notes will be due on the First Payment Date, being 20 March 2012, in respect of the period from (and including) the Issue Date to (but excluding) such date.</p>
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 Holders. The Notes will be accepted for clearance by Monte Titoli with effect from the Issue Date. The Notes will at all times be in book entry form and title to the Notes will be evidenced by book entry in accordance with the provisions of (i) article 83 *bis* of the Financial Laws Consolidated Act; and (ii) Regulation 22 February 2008. No physical document of title will be issued in respect of the Notes.

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

Status and subordination

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

- (a) prior to the service of a Trigger Notice:
 - (i) in respect of the obligations of the Issuer to pay interest on the Notes:
 - (1) the Senior Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but in priority to the Junior Notes;
 - (2) the Junior Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but subordinated to the Senior Notes;
 - (ii) in respect of the obligations of the Issuer to repay principal on the Notes:
 - (1) the Senior Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but in priority to the Junior Notes;
 - (2) the Junior Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but subordinated to the Senior Notes;

- (b) following the service of a Trigger Notice, in respect of the obligations of the Issuer to pay interest and repay principal on the Notes:
 - (i) the Senior Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but in priority to the Junior Notes;
 - (ii) the Junior Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but subordinated to the Senior Notes;

As a result, to the extent that any losses are suffered by any of the Noteholders, such losses will be borne in the first instance by the Junior Noteholders and then eventually (to the extent that the Senior Notes have not been redeemed) by the Senior Noteholders as described above.

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 (as recently amended). 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, save as provided in Condition 10 (*Taxation*) in relation to the Senior Notes.

In the event that any Notes are redeemed in whole or in part prior to the expiry of eighteen months from the Issue Date, the Issuer may be obliged to pay an additional amount in Italy which, at the date of this Prospectus, is equal to 20% of all interest and other proceeds accrued up to 31 December 2011 on such principal amount repaid early.

Mandatory Redemption

Unless previously redeemed in accordance with Condition 7.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) or Condition 7.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*), the Notes will be subject to mandatory redemption in full (or in part *pro rata*) on each Payment Date falling in the Amortisation Period, in accordance with the provisions of the Terms and Conditions, in each case if and to the extent that, on such dates, there are sufficient

Issuer Available Funds which may be applied towards redemption of the Notes, in accordance with the Pre-Enforcement Priority of Payments.

Optional Redemption

Unless previously redeemed in full, the Issuer may redeem the Senior Notes (in whole but not in part) and the Junior Notes (in whole or, subject to the prior consent of the Junior Noteholders, in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon up to the date fixed for redemption, on any Payment Date falling on or after the First Step-Up Date, in accordance with Condition 7.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) and the then applicable Priority of Payments.

Any such redemption shall be effected by the Issuer on giving not less than 30 days' prior notice in writing to the Representative of the Noteholders and the Noteholders in accordance with Condition 16 (*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 (other than the Noteholders and/or the Other Issuer Creditors), to discharge all its outstanding liabilities in respect of the relevant Notes to be redeemed and any amounts required to be paid under the applicable Priority of Payments 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 7.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) through the sale of all or part of the Aggregate Portfolio. In this respect, pursuant to the Transfer Agreement, the Originator has been granted with an option right to purchase the Aggregate Portfolio in accordance with the terms and conditions provided thereunder. The relevant sale proceeds deriving from any disposal of the Aggregate Portfolio 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 Payment Date:

- (a) amounts payable in respect of the Senior Notes by the Issuer and/or amounts payable to the Issuer in respect of the Receivables included in the Aggregate Portfolio would be subject to withholding or deduction (other than a Decree 239 Deduction) 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 (hereinafter, the "**Tax Event**"); and
- (b) the Issuer will have the necessary funds (not subject to the interests of any person (other than the Noteholders and/or the Other Issuer Creditors)) to discharge all its outstanding liabilities in respect of the relevant Notes to be redeemed and any amounts required to be paid under the applicable Priority of Payments in priority to or *pari passu* with such Notes,

then the Issuer may, on any such 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 Condition 16 (*Notices*), redeem, in accordance with the then applicable Priority of Payments, the Senior Notes (in whole but not in part) and the Junior Notes (in whole or, subject to the prior consent of the Junior Noteholders, in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon up to and including the relevant Payment Date fixed for redemption, in accordance with Condition 7.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*).

Following the occurrence of a Tax Event and in accordance with the Terms and Conditions, the Issuer may, or the Representative of the Noteholders (subject to the provisions of the Intercreditor Agreement) 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 Aggregate Portfolio or any part thereof to finance the early redemption of the relevant Notes under Condition 7.4 (*Redemption, Purchase and Cancellation -*

Redemption for Taxation). In this respect, pursuant to the Intercreditor Agreement, the Originator has been granted with a pre-emption right for the purchase of the Aggregate Portfolio in accordance with the terms and conditions provided thereunder. The relevant sale proceeds deriving from any disposal of the Aggregate Portfolio shall form part of the Issuer Available Funds.

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 Transfer Agreement and the relevant Deeds of Transfer. Under the Transfer Agreement the Originator has represented and warranted, *inter alia*, that all the Lease Contracts have been executed in compliance with the standard form of lease contract used from time to time by the Originator.

Segregation of the Aggregate Portfolio

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 Aggregate Portfolio 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.

The Aggregate Portfolio may not be seized or attached in any form by creditors of the Issuer other than the Noteholders, until full discharge by the Issuer of its payment obligations under the Notes or cancellation of the Notes. Pursuant to the terms of the Intercreditor Agreement and the Mandate Agreement, the Issuer has empowered the Representative of the Noteholders, following the service of a Trigger Notice or upon failure by the Issuer to promptly exercise its rights under the Transaction Documents, to exercise all the Issuer's Rights, powers and discretion under the

Transaction Documents taking such action in the name and on behalf of the Issuer as the Representative of the Noteholders may deem necessary to protect the interests of the Issuer, the Noteholders and the Other Issuer Creditors in respect of the Aggregate Portfolio and the Issuer's Rights. Italian law governs the delegation of such power.

In addition, security over certain monetary rights of the Issuer arising out of certain Transaction Documents and over any Eligible Investments has been granted by the Issuer in favour of the Representative of the Noteholders pursuant to the Deed of Pledge and the Deed of Charge for the benefit of the Noteholders and the Other Issuer Creditors.

Limited Recourse

Notwithstanding any other provision of the Transaction Documents, all obligations of the Issuer to the Noteholders and the Other Issuer Creditors are limited in recourse as set out below:

- (a) each Noteholder and/or Other Issuer Creditor 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;
- (b) sums payable to each Noteholder and/or Other Issuer Creditor in respect of the Issuer's obligations to such Noteholder and/or Other Issuer Creditor shall be limited to the lesser of (i) the aggregate amount of all sums due and payable to such Noteholder and/or Other Issuer Creditor; and (ii) the Issuer Available Funds, net of any sums which are payable by the Issuer in accordance with the Priority of Payments in priority to or *pari passu* with sums payable to such Noteholder and/or Other Issuer Creditor; and
- (c) following the date on which:
 - (i) the Representative of the Noteholders giving notice in accordance with Condition 16 (*Notices*) that it has determined, in its

sole and reasonable opinion, that there is no reasonable likelihood of there being any further amounts to be realised in respect of the Aggregate 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

- (ii) the Servicer having confirmed the same in writing to the Representative of the Noteholders,

the Noteholders and/or 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 discharged in full.

The Notes will be direct, secured and limited recourse obligations solely of the Issuer and will not be the responsibility of, or be guaranteed by, any other entity. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, the Originator, the Servicer, the Lessees, the Representative of the Noteholders, the Computation Agent, the Italian Account Bank, the English Account Bank, the Cash Manager, the Paying Agent, the Corporate Services Provider, the Back-Up Servicer, the Sole Quotaholder, the Senior Notes Underwriter, the Junior Notes Underwriter, the Subordinated Loan Provider or the Arranger. 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.

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 or Other Issuer Creditor shall be entitled to proceed directly against the Issuer to obtain payment of such obligations or to enforce the Security, save as provided in the Transaction Documents. In particular, each of the

Noteholders and the Other Issuer Creditors (other than the Representative of the Noteholders) has agreed with and acknowledged to each of the Issuer and the Representative of the Noteholders, and the Representative of the Noteholders has agreed with and acknowledged to the Issuer, that none of the Noteholders and the Other Issuer Creditors (nor any person on their behalf, other than the Representative of the Noteholders where appropriate) is entitled:

- (a) 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) save as expressly permitted by the Transaction Documents, to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to such Party;
- (c) 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 securitisation transaction carried out by the Issuer have been redeemed in full or cancelled in accordance with their terms and conditions, to cause, initiate or join any person in initiating an Insolvency Event in relation to the Issuer; and
- (d) 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.

Senior Notes Put Option

Under the terms of the Senior Notes Subscription Agreement, Alba Leasing has irrevocably granted to the Option Beneficiaries a put option pursuant to which the Option Beneficiaries will have the option to sell (in whole but not in part) to Alba Leasing all the Senior Notes held by each of them on the First Step-Up Date, on the Second Step-Up Date or on any Business Day thereafter.

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; and
- (c) the date on which the Representative of the Noteholders has certified to the Issuer and the Noteholders that, in its sole and reasonable opinion, there are no more Issuer Available Funds to be distributed as a result of no additional amount or asset relating to the Aggregate Portfolio being available to the Issuer at which date, subject to the consent of the Instructing Party, any amount outstanding, whether in respect of interest, principal or other amounts in respect of the Notes, shall be finally and definitively cancelled.

The Organisation of the Noteholders and the Representative of the Noteholders

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

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 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 the issue of the Notes, who is appointed by the Senior Notes Underwriter and the Junior Notes Underwriter, subject to and in accordance with the provisions of the Subscription Agreements. Each Noteholder is deemed to accept such appointment.

EIF Guarantee

Pursuant to the EIF Guarantee, EIF will grant a guarantee for the benefit of the Beneficiary in respect of the Senior Notes.

EIF Reserved Matters

Pursuant to the terms of the EIF Guarantee and of the Transaction Documents certain matters and decisions relating to the Securitisation and the Notes will need to be dealt with in accordance with the instructions or subject to the prior consent of EIF.

Moreover, under the Intercreditor Agreement the Representative of the Noteholders has undertaken to promptly provide EIF with certain notices and information relating to the Securitisation.

No Listing

No application has been made to list the Senior Notes and the Junior Notes on any stock exchange.

No Public Credit Rating

The Notes are not expected to be assigned with any public credit rating by an external credit assessment institution.

Governing Law

The Notes will be governed by Italian law.

Purchase of the Notes

The Issuer may not purchase any Notes at any time.

Selling restrictions

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

Material Net Economic Interest in the Securitisation

Under the Junior Notes Subscription Agreement Alba Leasing has undertaken to retain, on an on going basis, a material net economic interest which, in any event, shall not be less than 5% in this Securitisation in accordance with Article 122a of the CRD, as implemented into Italian law by the Bank of Italy Supervisory Regulations.

As of the Issue Date, such interest will, in accordance with Article, paragraph (1) sub d), of the CRD, be comprised of the retention by Alba Leasing of the Junior Notes.

After the Issue Date, under the Transaction Documents Alba Leasing has undertaken to prepare quarterly reports in which information regarding 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 and the Bank of Italy Supervisory Regulations.

4. ACCOUNTS

Collection Account

The Issuer has established the Collection Account with the Italian Account Bank into which all the Collections and Recoveries made in respect of the Aggregate Portfolio shall be credited, in accordance with the Servicing Agreement.

Payments Account

The Issuer has established the Payments Account with the Italian Account Bank into which, *inter alia*, all the amounts due to the Issuer under any Transaction Document (other than the Collections and the Recoveries) will be paid.

Principal Accumulation Account

The Issuer has established the Principal Accumulation Account with the Italian Account Bank into which, *inter alia*, on each Payment Date prior to the beginning of the Amortisation Period, certain Issuer Available Funds shall be credited in accordance with the Pre-Enforcement Priority of Payments and the Transaction Documents.

Debt Service Reserve Account

The Issuer has established the Debt Service Reserve Account with the Italian Account Bank into which (i) on the Issue Date the Debt Service Reserve Amount shall be credited from the Payments Account; and (ii) on each Payment Date until (but excluding) the Release Date, the Issuer will credit the Issuer Available Funds in accordance with the Pre-Enforcement Priority of Payments and the Transaction Documents, to bring the balance of such account up to the Debt Service Reserve Amount.

The amount standing to the credit of the Debt Service Reserve Account will form part of the Issuer Available Funds on each Payment Date.

The Release Date will be the earlier of

- (i) the Cancellation Date;
- (ii) the Payment Date during the Amortisation Period on which the Issuer Available Funds to be applied on such date, *minus* all payments or provisions to be made under item *First* to *Fifth* of the Pre-Enforcement Priority of Payments are sufficient to redeem the Senior Notes in full; and
- (iii) the Payment Date immediately succeeding the Service of a Trigger Notice.

Investment Account

The Issuer has established the Investment Account with the English Account Bank into which, *inter alia*,

amounts standing to the credit of the Collection Account, the Payments Account, the Principal Accumulation Account and the Debt Service Reserve Account shall be credited in accordance with the Cash Allocation, Management and Payment Agreement. All the amounts standing to the credit of the Investment Account will be applied on any Business Day by the English Account Bank for the purchase of Eligible Investments. The Eligible Investments deriving from the investment of funds standing to the credit of the Investment Account shall be deposited in such Investment Account.

Expenses Account

The Issuer has established the Expenses Account with Banca Antonveneta S.p.A., Conegliano branch, into which, on the Issue Date, the Retention Amount will be credited using the net proceeds of the Notes.

Quota Capital Account

The Issuer has established a quota capital account with Banca Antonveneta S.p.A., Conegliano branch, into which its contributed quota capital has been deposited.

5. CREDIT STRUCTURE

Issuer Available Funds

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

- (a) all Collections received during the immediately preceding 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 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 Transfer Agreement or by the Servicer pursuant to the Servicing Agreement during the immediately preceding 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) as of the last day of the immediately preceding Settlement Period;
- (e) any amounts standing to the credit of the Debt Service Reserve Account on the last day of the Settlement Period immediately preceding such Payment Date;
- (f) the net proceeds deriving from the Eligible Investments made out of the funds standing to the credit of the Accounts as at the last day of the Settlement Period immediately preceding such Payment Date;
- (g) any amount credited to the Principal Accumulation Account and not utilised by the Issuer to pay the Initial Purchase Price of any Subsequent Portfolio;
- (h) any other amount received during the Settlement Period immediately preceding such 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);
- (i) 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 Settlement Date immediately preceding such Payment Date);
- (l) starting from the Second Step-Up Date (included) any Advance made by the Subordinated Loan Provider under the Subordinated Loan,

but excluding: (i) any Residual Optional Instalment collected by the Issuer in the immediately preceding Settlement Period and (ii) any Excess Indemnity Amount.

Trigger Events

The Terms and Conditions provide the following Trigger Events:

(a) *Non-payment by the Issuer:*

The Issuer defaults in the payment of:

- (i) (1) the amount of interest accrued on the Most Senior Class of Notes then outstanding (but excluding, for the avoidance of any doubt, the relevant interest deferred in accordance with the Terms and Conditions); and/or
- (2) the amount of principal due on the Most Senior Class of Notes then outstanding; and/or
- (3) the amount required to redeem in full the Senior Notes on the Senior Notes Maturity Date,

and such default is not remedied within a period of five Business Days from the due date thereof;

- (ii) any amount due to the Other Issuer Creditors under items *First* and *Second* of the Priority of Payments and such default is not remedied within a period of five Business Days from the due date thereof; or

(b) *Breach of other obligations by the Issuer:*

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 (a) 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

(c) *Breach of Representations and Warranties by the Issuer.*

Any of the representations and warranties given by the Issuer under 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 to the Issuer requiring remedy; or

(d) *Insolvency of the Issuer:*

An Insolvency Event occurs in respect of the Issuer; or

(e) *Unlawfulness for the Issuer:*

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.

(f) *Occurrence of certain Purchase Termination Events:*

The delivery of a Purchase Termination Event Notice in respect of a Purchase Termination Event under paragraphs (d), (e), (f), (g) or (i) below.

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

- (1) in the case of a Trigger Event under (a) and (e) above, shall; and/or
- (2) in the case of a Trigger Event under (b), (c), (d), or (f) 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; in each case, subject to the provisions of the Intercreditor Agreement. 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 Aggregate Portfolio, subject to the terms and conditions of the Intercreditor Agreement, provided that (except where the Trigger Notice is served upon occurrence of a Trigger Event under (f)) the Originator shall have in such circumstance a pre-emption right to purchase the Aggregate Portfolio at the terms and conditions specified in the Intercreditor Agreement.

Purchase Termination Events

The Terms and Conditions provide the following Purchase Termination Events:

(a) *Trigger Notice or Tax Event*

A Trigger Notice is delivered to the Issuer by the Representative of the Noteholder and/or a Tax Event has occurred.

(b) *Breach of obligations by Alba Leasing*

Alba Leasing (in any role under the Transaction Documents) defaults in the performance of any of its obligations under the Transfer Agreement, the Servicing Agreement or under any other Transaction Document to which it is a party, if such default (i) is prejudicial to the interests of the Senior Noteholders; and (ii) remains unremedied within 20 (twenty) Business Days (or 5 (five) Business Days where the default relates to an obligation to pay of Alba Leasing) after the delivery by the Issuer (or the Senior Noteholders) of a written notice to Alba Leasing requiring the default to be remedied.

(c) *Breach of Representations and Warranties by Alba Leasing*

Any of the representations and warranties given by Alba Leasing under any of the Transfer Agreement, the Servicing Agreement or under any other Transaction Document is breached or is untrue, incomplete or inaccurate if the relevant breach (i) is materially prejudicial to the

interests of the Senior Noteholders, and (ii) remains unremedied within 20 (twenty) Business Days (or 5 (five) Business Days, where the default relates to an obligation to pay) after the delivery by the Issuer of a written notice to Alba Leasing requiring the default to be remedied.

(d) *Insolvency of Alba Leasing*

Alba Leasing is declared insolvent or admitted to any bankruptcy proceedings or Alba Leasing has adopted a resolution aimed at obtaining the admission to any of such proceedings; a liquidator or administrative receiver is appointed or Alba Leasing has adopted a resolution aimed at obtaining such appointments; the whole or a substantial part of Alba Leasing's assets are subject to enforcement proceedings.

(e) *Debts' reschedule or moratorium*

Alba Leasing 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 Alba Leasing, if the Representative of the Noteholders, in its reasonable opinion, deems that any of the above events have or may have a material adverse effect on Alba Leasing's financial condition, provided that Alba Leasing has the right to renegotiate any subordinated loan granted to it by its controlling company.

(f) *Dissolution or liquidation*

A resolution has been adopted for the dissolution or liquidation of Alba Leasing, except if such resolution is adopted in connection with a corporate reorganisation.

(g) *Amendment of corporate purpose of Alba Leasing*

Alba Leasing resolves upon any material amendment of its corporate purpose (*oggetto sociale*) or the transfer of its registered office outside Italy.

- (h) *Termination Alba Leasing's appointment as Servicer*

The Issuer terminates Alba Leasing's appointment as Servicer pursuant to the Servicing Agreement.

- (i) *Alba Leasing's external auditor's assessment*

Alba Leasing's external auditors express a negative assessment in the certification report (*relazione di certificazione*) relating to the Alba Leasing's annual financial statements or declare the impossibility to express an assessment in respect thereof.

- (j) *Failure to replenish the Debt Service Reserve Account*

At any 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 Debt Service Reserve Amount, as calculated on the Payments Report Date immediately preceding the relevant Payment Date.

- (k) *Gross Cumulative Default Ratio*

The Gross Cumulative Default Ratio, as evidenced in the relevant Settlement Report, exceeds the respective Relevant Trigger.

- (l) *Delinquency Ratio*

The Delinquency Ratio, as evidenced in the relevant Settlement Report, exceeds 6.5% for two consecutive Payment Dates.

- (m) *Asset Coverage Test*

The Asset Coverage Test is negative for two consecutive Payments Report Dates immediately preceding any Payment Date.

- (n) *Failure to transfer Subsequent Portfolios*

No Subsequent Portfolios are transferred to the Issuer for more than two consecutive Settlement Report Dates.

(o) *Alba Leasing's change of control*

The shareholders of Alba Leasing as at the Issue Date cease holding at least 70 per cent. of the share capital of Alba Leasing, unless with a written consent of EIF and of the Senior Noteholders (to the extent the Senior Notes are entirely held by TAGS and/or RBS).

(p) *Alba Leasing's principal shareholders*

There is a change in the shareholding structure of Alba Leasing so that, subsequent to the Issue Date, Banca Popolare dell'Emilia Romagna – Società cooperativa and Banco Popolare – Società Cooperativa, being the main shareholders of Alba Leasing, no longer hold, in aggregate, both directly and indirectly, at least 50 per cent. of Alba Leasing's share capital, unless such change in shareholding is made with the written consent of the Issuer, EIF and the Senior Noteholders (to the extent the Senior Notes are entirely held by TAGS and/or RBS).

(q) *Transaction Document no longer in effect, null, void or terminated*

The Transfer Agreement, the Servicing Agreement or any other Transaction Document is no longer in effect, is declared null or void, or is terminated for any reason.

(r) *Invalidity or unenforceability of the transfer of any Portfolio*

The validity or the enforceability of the transfer of any Portfolio to the Issuer is contested by Alba Leasing or by any third party in good faith and on reasonable grounds.

(s) *Redenomination of Lease Contracts or exit of Italy from the Euro zone*

The Lease Contracts out of which the Receivables comprised in the Aggregate

Portfolio arise are no more denominated in Euro, and/or it is officially announced by the relevant authorities the redenomination of the currency of the Republic of Italy in any currency other than Euro.

(t) *Bank of Italy's sanctions*

The Bank of Italy (or any other supervisory competent authority) issues any injunction or measure of any nature against Alba Leasing, which, if finally confirmed, might have a material adverse effect substantially prejudicial on Alba Leasing, save that such injunction or measure is lawfully contested by Alba Leasing before the competent authorities.

(u) *Alba Leasing Tier 1 Capital Ratio test*

The Tier 1 Capital Ratio of Alba Leasing, calculated on a six-month basis in accordance with the Bank of Italy Supervisory Regulations, is lower than 6% of its assets as set out in the last balance sheet approved and in the last semiannual financial statements.

(v) *Termination of the EIF Guarantee*

The EIF Guarantee is terminated for any reason, other than at the request of the Beneficiary.

(w) *Back-Up Servicer's requirements*

The Servicer and the Back-Up Servicer have not completed by 30 June 2012, the activities to be executed in order to enable the Back-Up Servicer to replace the Servicer timely by carrying out the duties set out in clause 2.3.3 and annex 2 of the Back-Up Servicing Agreement.

(x) *Termination of the Back-Up Servicer's appointment*

The Back-Up Servicer becomes insolvent and is admitted to any applicable Insolvency Proceedings (this being understood to mean compulsory winding up or other analogous insolvency proceedings pursuant to the Italian Bankruptcy Law, to the Consolidated

Banking Law and to other applicable regulations) or the appointment of the Back-Up Servicer is otherwise terminated and a replacement Servicer that has obtained the prior consent of the Representative of the Noteholders has not been appointed within 60 calendar days starting from the date on which the Insolvency Proceeding has started or the appointment of the Back-Up Servicer is terminated; or

(y) *Principal Deficiency Amount*

On any Payment Date the Principal Deficiency Amount is not totally covered.

Upon the occurrence of a Purchase Termination Event, the Representative of the Noteholders (subject to the provisions of the Intercreditor Agreement) shall deliver to the Issuer, the Computation Agent, the Originator and the Senior Notes Underwriter a Purchase Termination Event Notice. Following the delivery of a Purchase Termination Event Notice, (i) the Revolving Period will end and the Originator will be no longer allowed to sell further Subsequent Portfolios to the Issuer (which will be no longer allowed to purchase them from the Originator) and (ii) the Amortisation Period will begin and the Notes will start to be redeemed in accordance with the Pre-Enforcement Priority of Payments.

Pre-Enforcement Priority of Payments

On each 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 Priority of Payments (in each case, only if and to the extent that payments of a higher priority have been made in full, with the exception of any Advance made under the Subordinated Loan which shall be used exclusively to pay the Interest Amount due and payable in respect of the Senior Notes):

- (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 *pari passu* and *pro rata* according to the respective amounts thereof, of

- (a) 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);
 - (b) the replenishment of the Expenses Account by an amount up to the Retention Amount;
- (iii) in or towards satisfaction of the fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;
- (iv) in or towards satisfaction *pari passu* and *pro rata* according to the respective amounts thereof, of any amounts due and payable to the Italian Account Bank, the English Account Bank, the Cash Manager, the Paying Agent, the Computation Agent, the Corporate Services Provider, the Back-Up Servicer and the Servicer, to the extent not specifically provided under the following items;
- (v) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof,
 - (a) starting from the First Payment Date (included) up to but excluding the First Step-Up Date, of the Base Interest Amount due and payable in respect of the Senior Notes;
 - (b) starting from the First Step-Up Date (included) up to but excluding the Second Step-Up Date, of (1) the Base Interest Amount and (2) the First Step-Up Interest Amount, in each case, due and payable in respect of the Senior Notes;
 - (c) starting from the Second Step-Up Date (included), of (1) the Base Interest Amount, (2) the First Step-Up Interest Amount and (3) the Second Step-Up Interest Amount, in each case, due and payable in respect of the Senior Notes;

- (vi) until the Release Date (excluded), to credit to the Debt Service Reserve Account an amount (if any) to bring the balance of such account to the Debt Service Reserve Amount;
- (vii) during the Revolving Period, to credit the Principal Deficiency Amount into the Principal Accumulation Account so as to use such funds to pay to the Originator all amounts due and payable (including any amount past due) as Initial Purchase Price in respect of the Portfolios pursuant to the Transfer Agreement; *provided that* during the Revolving Period any amount credited into the Principal Accumulation Account which is not used for such purpose shall be retained into the Principal Accumulation Account so as to form part of the Issuer Available Funds and be available for the sole purpose of paying the Initial Purchase Price of Subsequent Portfolios on the next Payment Date;
- (viii) during the Amortisation Period, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of the Principal Amount Outstanding of the Senior Notes;
- (ix) in or towards satisfaction of any Gross-Up Amount due and payable in respect of the Interest Amount of the Senior Notes;
- (x) in or towards satisfaction of the interest due and payable (including any deferred interest amounts) on the Subordinated Loan in accordance with the Subordinated Loan Agreement;
- (xi) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of any amounts (other than the Deferred Purchase Price and to the extent not already provided under the other items of this Priority of Payments) due and payable (including any amount past due) by the Issuer to any Other Issuer Creditor pursuant to the Transaction Documents;
- (xii) 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;

- (xiii) to repay the principal due and payable on the Subordinated Loan in accordance with the Subordinated Loan Agreement;
- (xiv) during the Amortisation Period, upon the 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; and
- (xv) in or towards satisfaction of the Deferred Purchase Price due and payable to the Originator in respect of the Aggregate Portfolio.

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

Post-Enforcement Priority of Payments

Following the delivery of a Trigger Notice, the Issuer Available Funds shall be applied on each Payment Date in making or providing for the following payments in the following Priority of Payments (in each case only if and to the extent that payments of a higher priority have been made in full, with the exception of any Advance made under the Subordinated Loan which shall be used exclusively to pay the Interest Amount due and payable in respect of the Senior Notes):

- (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 *pari passu* and *pro rata* according to the respective amounts thereof, of
 - (a) 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);
 - (b) replenishment of the Expenses Account by an amount up to the Retention Amount;

- (iii) in or towards satisfaction of the fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;
- (iv) in or towards satisfaction *pari passu* and *pro rata* according to the respective amounts thereof, of any amounts due and payable to the Italian Account Bank, the English Account Bank, the Cash Manager, the Paying Agent, the Computation Agent, the Corporate Services Provider, the Back-Up Servicer and the Servicer, to the extent not specifically provided under the following items;
- (v) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof,
 - (a) starting from the First Payment Date (included) up to but excluding the First Step-Up Date, of the Base Interest Amount due and payable in respect of the Senior Notes;
 - (b) starting from the First Step-Up Date (included) up to but excluding the Second Step-Up Date, of (1) the Base Interest Amount and (2) the First Step-Up Interest Amount, in each case, due and payable in respect of the Senior Notes;
 - (c) starting from the Second Step-Up Date (included), of (1) the Base Interest Amount, (2) the First Step-Up Interest Amount and (3) the Second Step-Up Interest Amount, in each case, due and payable in respect of the Senior Notes;
- (vi) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of the Principal Amount Outstanding of the Senior Notes;
- (vii) in or towards satisfaction of any Gross-Up Amount due and payable in respect of the Interest Amount of the Senior Notes;
- (viii) in or towards satisfaction of the interest due

and payable (including any deferred interest amounts) on the Subordinated Loan in accordance with the Subordinated Loan Agreement;

- (ix) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of any amounts (other than the Deferred Purchase Price and to the extent not already provided under the other items of this Priority of Payments) due and payable (including any deferred amounts) by the Issuer to any Other Issuer Creditor pursuant to the Transaction Documents;
- (x) in or towards satisfaction of interest due and payable in respect of the Junior Notes;
- (xi) to repay the principal due and payable on the Subordinated Loan in accordance with the Subordinated Loan Agreement;
- (xii) upon the redemption in full of the Senior Notes, in or towards satisfaction of principal due and payable in respect of the Junior Notes; and
- (xiii) in or towards satisfaction of the Deferred Purchase Price due and payable to the Originator in respect of the Aggregate Portfolio.

6. REPORTS

Servicer's Reports

Under the Servicing Agreement, the Servicer has undertaken to prepare the Servicer's Reports setting out detailed information in relation to, *inter alia*, the Collections and the Recoveries in respect of the Receivables comprised in the Aggregate Portfolio.

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 Settlement Report Date (or at any time upon request by the Representative of the Noteholders), the English Account Bank Report setting out details of the Eligible Investments.

Payments Report

Under the Cash Allocation, Management and Payment Agreement, the Computation Agent has undertaken to prepare on each Payments Report

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 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 AGGREGATE PORTFOLIO

Transfer Agreement

On 6 December 2011, the Issuer entered into with the Originator the Transfer Agreement, setting out the terms and conditions for the transfer without recourse (*pro soluto*) of the Initial Portfolio and the Subsequent Portfolios from the Originator to the Issuer.

Aggregate Portfolio

The Aggregate Portfolio is comprised of any Receivable included in the Initial Portfolio and the Subsequent Portfolios purchased by the Issuer pursuant to the Transfer Agreement and the relevant Deeds of Transfer.

The Initial Portfolio

The Issuer has purchased from the Originator the Initial Portfolio on 6 December 2011 (with economic effect from 1 December 2011), in accordance with the terms and conditions of the Transfer Agreement and the relevant Initial Deed of Transfer.

In order to fund the purchase price of the Initial Portfolio the Issuer will issue the Notes on the Issue Date.

The Subsequent Portfolios

Subject to the terms of the Transfer Agreement, during the Revolving Period the Originator has the right to sell to the Issuer (which shall purchase) the Subsequent Portfolios. 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 and the provisions of the Transfer Agreement and the relevant Deed of Transfer. Pursuant to the Transfer Agreement, the Initial Purchase Price of any Subsequent Portfolio shall not be higher than the Maximum Purchase Amount.

Subsequent Portfolio Sale Conditions

Under the Transfer Agreement the assignment and transfer of each Subsequent Portfolio is subject to the satisfaction of the Subsequent Portfolio Sale

Conditions, being, *inter alia*, the following conditions (referred to the Aggregate Portfolio inclusive of the Receivables that are included in the relevant Subsequent Portfolio):

- (i) the amount of the Outstanding Principal of the Receivables included in Pool 1 is at least equal to 15% of the amount of the Outstanding Principal of the Receivables included in the Collateral Portfolio;
- (ii) the amount of the Outstanding Principal of the Receivables included in Pool 2 does not exceed 65% of the amount of the Outstanding Principal of the Receivables included in the Collateral Portfolio;
- (iii) the amount of the Outstanding Principal of the Receivables included in Pool 3 does not exceed 30% of the amount of the Outstanding Principal of the Receivables included in the Collateral Portfolio;
- (iv) the amount of the Outstanding Principal of the Receivables owed by the 50 (fifty) Debtors having the highest Outstanding Principal does not exceed 40% of the amount of the Outstanding Principal of the Receivables included in the Collateral Portfolio; provided that, with reference to Debtors being entities part of the same companies group, it shall be taken into account the Outstanding Principal of the Receivables owed both by the relevant Debtor and the entities part of the relevant companies group as resulting from the consolidated balance sheet;
- (v) the amount of the Outstanding Principal of the Receivables owed by the 100 (one hundred) Debtors having the highest Outstanding Principal does not exceed 55% of the amount of the Outstanding Principal of the Receivables included in the Collateral Portfolio; provided that, with reference to Debtors being entities part of the same companies group, it shall be taken into account the Outstanding Principal of the Receivables owed both by the relevant Debtor and the entities part of the relevant companies group as resulting from the

consolidated balance sheet;

- (vi) the aggregate amount of the Outstanding Principal of the Receivables arising from the Lease Contracts executed with Debtors domiciled in Calabria, Campania, Apulia, Basilicata, Abruzzo, Molise, Sicily and Sardinia aggregate does not exceed 22% of the amount of the Outstanding Principal of the Receivables included in the Collateral Portfolio;
- (vii) the aggregate amount of the Outstanding Principal of the Receivables arising from the Lease Contracts executed with Debtors domiciled in Emilia Romagna, Liguria, Piedmont, Valle d'Aosta, Lombardy, Trentino Alto Adige, Veneto and Friuli Venezia Giulia exceeds 60% of the amount of the Outstanding Principal of the Receivables included in the Collateral Portfolio;
- (viii) the amount of the Outstanding Principal of the Receivables included in the Building and Constructions Portfolio does not exceed 25% of the amount of the Outstanding Principal of the Receivables included in the Collateral Portfolio.

Pools

The Aggregate Portfolio shall comprise Receivables deriving from Lease Agreements of the following assets:

- (a) Pool 1: vehicles, motor-vehicles, cars, light lorries, commercial vehicles, industrial vehicles or other motorised vehicles;
- (b) Pool 2: instrumental assets (e.g. machineries, equipment and plants);
- (c) Pool 3: real estate properties; (not under construction); and
- (d) Pool 4: ships, aircrafts, vessels or trains.

Eligibility Criteria

The Receivables comprised in each Portfolio assigned and that will be assigned from time to time to the Issuer shall satisfy, *inter alia*, (unless otherwise specified) all the following criteria:

- (i) the relevant Lease Contracts are entered into by Alba Leasing in its role of lessor;

- (ii) the relevant Lease Contracts provide the effective date of the leasing not before 1 January 2010,
- (iii) the relevant Lease Contracts are denominated in Euro;
- (iv) only with reference to the Initial Portfolio, the Instalments related to the Lease Contracts are payable by the relevant Lessee on or after 1 January 2012; with reference to the Subsequent Portfolios, the Instalments related to the Lease Contracts are payable by the relevant Lessee after the relevant Valuation Date;
- (v) the Instalments related to the Lease Contracts are payable by the relevant Lessee through direct debit (*RID*) or wire bank transfer (*RIB*);
- (vi) the relevant Lease Contracts provide for the payment of the relevant Instalments on a monthly, two-month, quarterly or semi-annual basis;
- (vii) the relevant Lease Contracts provide for a fixed interest rate or, in case of floating interest rate, the relevant indexation is linked to a one-month Euribor, three-month Euribor or six-month Euribor, and provided that, in respect of Subsequent Portfolios, the relevant Lease Contracts will only have a floating rate base interest;
- (viii) the relevant Lease Contracts are governed by Italian law;
- (ix) the relevant Lease Contracts have not been entered pursuant to law No.1329, dated 29 November 1965 (the so called "*Legge Sabatin*", 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;

- (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) 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;
- (xiv) 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, by constituting an appendix (*appendice di vincolo*) in favour of the Originator;
- (xv) the Assets under the Lease Contracts include: (a) real estate properties located in Italy; (b) trains, aircrafts, ships, vessels; (c) vehicles, motor-vehicles, cars, light lorries, trucks, commercial vehicles, industrial vehicles, or other vehicles registered or having a numberplate in Italy, or (d) instrumental assets (such as machineries, equipments and plants), and *provided that*, in respect of the Subsequent Portfolios: (A) the Receivables described in paragraph (a) shall have a loan-to-value *ratio* not higher than 85% and an initial duration not longer than 18 years; (B) none of the Receivables described in paragraph (b) will be included; (C) the Receivables described in paragraph (c) above shall not have a principal amount outstanding which is higher than Euro 500,000 and shall have an initial duration not longer than 5 years; and (D) the

Receivables described in paragraph (d) above shall not have a principal amount outstanding which is higher than Euro 500,000 and shall have an initial duration not longer than 10 years;

- (xvi) no enforcement proceedings, precautionary or similar measure in relation to the Assets under a Lease Contract have been notified to the relevant Debtor by the Originator;
- (xvii) none of the Debtors has ever notified a report of theft of the Assets;
- (xviii) the building of the Assets has been completed and the Assets have been delivered to the relevant Debtor;
- (xix) 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;
- (xx) 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;
- (xxi) the Lease Contracts provide instalments whose amount has already been agreed and each instalment consists of a principal component and an interest component;
- (xxii) only with reference to the Initial Portfolio, the initial contractual duration of the Lease Contracts is not extended over a period of:
 - 1 96 months for those Lease Contracts concerning vehicles, motor-vehicles, cars, light lorries, commercial vehicles, industrial vehicles or other motorised vehicles;
 - 2 216 months for those Lease Contracts concerning instrumental assets (e.g. machineries, equipment and plants);

- 3 240 months for those Lease Contracts concerning real estate properties; and
 - 4 132 months for those Lease Contracts concerning ships, aircrafts, vessels or trains;
- (xxiii) in relation to which the payment date of the last Instalment (as indicated in the relevant Lease Contract) does not fall on after 1 June 2031, *provided that* in relation to the Subsequent Portfolios, no Receivable shall have Instalments due after 30 June 2031;
- (xxiv) the payment of the Instalments (also with regard to the sole principal component) at the relevant Valuation Date is not suspended in compliance with (a) *moratorium (accordi di moratoria)* entered into between the Originator and the relevant Lessee; or (b) 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);
- (xxv) only in relation to the Subsequent Portfolios, the Debtors have fully and timely paid at least one Instalment.

**Representation and Warranties
in relation to the Aggregate Portfolio**

Under the Transfer Agreement, the Originator has given certain representations and warranties to the Issuer in relation to, *inter alia*, itself and the Receivables comprised in the Aggregate 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.

Aggregate Portfolio Call Option

Pursuant to the Transfer Agreement, the Issuer has granted to the Originator a call option pursuant to which the Originator will have the option to purchase from the Issuer the Receivables comprised in the Aggregate Portfolio on any Payment Date falling on or after the First Step-Up Date.

Servicing Agreement

Pursuant to the Servicing Agreement entered into on 6 December 2011 between the Issuer and Alba Leasing, as Servicer, the latter has agreed to administer and service the Receivables comprised in the Aggregate Portfolio in accordance with the terms thereof and in compliance with the Securitisation Law.

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

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.

8. OTHER TRANSACTION DOCUMENTS

Intercreditor Agreement

Pursuant to the Intercreditor Agreement, the Issuer, the Representative of the Noteholders, EIF and the Other Issuer Creditors have agreed to, *inter alia*:

- (a) the application of the Issuer Available Funds, in accordance with the applicable Priority of Payments;
- (b) the limited recourse nature of the obligations of the Issuer; and
- (c) the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to the Aggregate Portfolio.

Cash Allocation, Management and Payment Agreement

Pursuant to the Cash Allocation, Management and Payment Agreement, the Computation Agent, the Italian 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.

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.

Mandate Agreement

Pursuant to 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.

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.

Quotaholder Agreement

Pursuant to the Quotaholder 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.

Corporate Services Agreement

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

Subordinated Loan Agreement

Pursuant to the Subordinated Loan Agreement, the Subordinated Loan Provider has granted to the Issuer the Subordinated Loan in an aggregate amount of Euro 10,000,000. The Subordinated Loan may be drawn-down by the Issuer by way of various Advances each of which will:

- (a) will be made on each Advance Date; and
- (b) have an amount equal to the relevant Step-Up Interest Amount due and payable in respect of the Senior Notes on the Payment Date immediately succeeding the relevant Advance Date.

The Parties agree and acknowledge that upon termination of the Facility Availability Period, no further amount shall be advanced by the Subordinated Loan Provider to the Issuer under the Subordinated Loan.

The Issuer shall repay the outstanding principal amount due under the Subordinated Loan Agreement on each Payment Date, subject to the

terms and conditions of such agreement and within the limits of the Issuer Available Funds available for such purpose under the applicable Priority of Payments.

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 (other than the Receivables, the Collections and the Recoveries).

Deed of Charge

Pursuant to the Deed of Charge (governed by English Law), as security for the Secured Obligations the Issuer has assigned, in favour of the Representative of the Noteholders (for the benefit of the Noteholders and the Other Issuer Creditors), all of the Issuer's rights, title, interest and benefit (present and future) in, to and under the Eligible Investments and all the amounts and securities from time to time standing to the credit of the Investment Account and any other future accounts which the Issuer may open in England or Wales pursuant to the Transaction Documents, and all monies payable in respect thereof and all other rights, benefits and proceeds deriving therefrom.

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 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 Legislative Decree No. 58 of 24 February 1998 and (ii) Regulation jointly issued on 22 February 2008 by the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") and the Bank of Italy, as amended from time to time. The Noteholders are deemed to have notice of and are bound by, and shall have the benefit of, inter alia, the terms of the Rules of the Organisation of Noteholders (as defined below).*

In these Terms and Conditions, references to (i) any agreement or other document shall include such agreement or other 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.

INTRODUCTION

The Euro 150,000,000 Class A Asset Backed Floating Rate Notes due December 2041 (the "**Senior Notes**") and the Euro 152,900,000 Class B Asset Backed Floating Rate Notes due December 2041 (the "**Junior Notes**" and, together with the Senior Notes, the "**Notes**") have been issued by Alba 2 SPV S.r.l. (the "**Issuer**") on 21 December 2011 (the "**Issue Date**") in the context of a securitisation transaction (the "**Securitisation**") to finance the purchase of the Aggregate Portfolio (as defined below) of the Receivables arising out of Lease Contracts entered into between Alba Leasing S.p.A. (the "**Originator**"), as lessor, and the Lessees thereunder.

Capitalised words and expressions in these Terms and Conditions shall, except otherwise specified or so far as the context otherwise requires, have the meanings set out herein in Condition 1 (*Definitions and Interpretation*) below.

Any reference, in these Terms and Conditions, to a "**Class**" of Notes or a "**Class**" of holders of Notes shall be a reference to the Senior Notes or the Junior Notes, as the case may be, or to the respective holders thereof.

Upon issuance, the Notes will not be listed on any stock exchange and are not expected to be assigned any public credit rating.

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 entered into between the Originator, as lessor, and the Lessees thereunder.

The Receivables have been and will be purchased by the Issuer from the Originator pursuant to the terms of a transfer agreement (the "**Transfer Agreement**") entered into on 6 December 2011 between the Issuer and the Originator and the relevant Deeds of Transfer.

Pursuant to an initial deed of transfer (the "**Initial Deed of Transfer**") entered into on 6 December 2011 between the Issuer and the Originator in accordance with the Transfer Agreement, on such date the Issuer has purchased from the Originator on a without recourse (*pro soluto*) basis an

initial portfolio of Receivables (the "**Initial Portfolio**") arising out of the Lease Contracts, the relevant Initial Purchase Price of which has been funded out of the proceeds deriving from the issuance of the Notes.

Subject to the terms of the Transfer Agreement, during the Revolving Period the Originator will have the right to sell to the Issuer, which shall purchase from the Originator, subsequent portfolios of Receivables arising out of the Lease Contracts (the "**Subsequent Portfolios**"), pursuant to the deeds of transfers to be entered into from time to time between the Issuer and the Originator in accordance with the Transfer Agreement (the "**Subsequent Deeds of Transfer**" and, together with the Initial Deed of Transfer, the "**Deeds of Transfer**" and each a "**Deed of Transfer**"). The Initial Purchase Price of each Subsequent Portfolio will be funded by the Issuer out of the Issuer Available Funds applied in accordance with the applicable Priority of Payments.

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 Aggregate Portfolio 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.

Under the terms of the Transfer 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.

Under the terms of a servicing agreement entered into on 6 December 2011 between the Issuer and Alba Leasing (the "**Servicing Agreement**"), the Issuer has appointed Alba Leasing as Servicer to carry out the administration, management, collection, recovery and cashing of the Receivables comprised in the Aggregate Portfolio.

Under the terms of a back-up servicing agreement entered into on or prior to the Issue Date between the Issuer, Selmabipiemme and Alba Leasing, as Servicer (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.

Under the terms of a corporate services agreement entered into on or prior to the Issue Date between the Issuer, the Corporate Services Provider and the Representative of the Noteholders (the "**Corporate Services Agreement**"), the Corporate Services Provider has agreed to provide the Issuer with certain administrative and corporate services.

Under the terms of a letter of undertaking entered into on or prior to the Issue Date between the Issuer, the Originator and the Representative of the Noteholders (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.

Under the terms of a quotaholder agreement entered into on or prior to the Issue Date between the Issuer, the Sole Quotaholder and the Representative of the Noteholders (the "**Quotaholder 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.

Under a cash allocation, management and payment agreement entered into on or prior to the Issue Date between the Issuer, the Computation Agent, the Italian Account Bank, the English Account Bank, the Paying Agent, the Cash Manager, the Originator, the Servicer, the Corporate Services Provider and the Representative of the Noteholders (the "**Cash Allocation, Management and Payment Agreement**"), the Computation Agent, the Italian 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. 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 and conditions provided thereunder.

Under the terms of a mandate agreement entered into on or prior to the Issue Date between the Issuer and the Representative of the Noteholders (the "**Mandate Agreement**"), the Representative of the Noteholders has been 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.

Under the terms of a deed of pledge entered into on or prior to the Issue Date between the Issuer and the Representative of the Noteholders (the "**Deed of Pledge**"), as security for the Secured Obligations the Issuer has, *inter alia*, 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).

Under the terms of a deed of charge (governed by English Law) entered into on or prior to the Issue Date between the Issuer and the Representative of the Noteholders (the "**Deed of Charge**"), as security for the Secured Obligations the Issuer has, *inter alia*, assigned, in favour of the Representative of the Noteholders (for the benefit of the Noteholders and the Other Issuer Creditors), all of the Issuer's rights, title, interest and benefit (present and future) in, to and under the Eligible Investments and all the amounts and securities from time to time standing to the credit of the Investment Account and any other future accounts which the Issuer may open in England or Wales pursuant to the Transaction Documents, and all monies payable in respect thereof and all other rights, benefits and proceeds deriving therefrom.

Under the terms of a Senior Notes subscription agreement entered into on or prior to the Issue Date between the Issuer, the Originator, the Arranger, the Representative of the Noteholders and the Senior Notes Underwriter (the "**Senior Notes Subscription Agreement**"), the Issuer has undertaken to issue the Senior Notes, the Senior Notes Underwriter has undertaken to subscribe for such Senior Notes and Securitisation Services has been appointed as legal representative of the Senior Noteholders, subject to and in accordance with the terms and conditions set out therein.

Under the terms of a junior notes subscription agreement entered into on or prior to the Issue Date between the Issuer, the Representative of the Noteholders and the Junior Notes Underwriter (the "**Junior Notes Subscription Agreement**"), the Issuer has undertaken to issue the Junior Notes, the Junior Notes Underwriter has undertaken to subscribe for such Junior Notes and Securitisation Services has been appointed as legal representative of the Junior Noteholders, subject to and in accordance with the terms and conditions set out therein.

Under the terms of a subordinated loan agreement entered into on or prior to the Issue Date between the Issuer and the Subordinated Loan Provider (the "**Subordinated Loan Agreement**"),

the Subordinated Loan Provider has granted to the Issuer the Subordinated Loan starting from the Second Step-Up Date (included).

Under the terms of a guarantee entered into on or prior to the Issue Date between EIF and the Beneficiaries (the "**EIF Guarantee**"), EIF has granted a guarantee for the benefit of the Beneficiary in respect of the Senior Notes.

Under the terms of an intercreditor agreement entered into on or prior to the Issue Date between the Issuer, the Other Issuer Creditors and EIF (the "**Intercreditor Agreement**") provision has been made as to, *inter alia*, (i) the application of the Issuer Available Funds in accordance with the Priority of Payments, (ii) the limited recourse nature of the obligations of the Issuer, and (iii) the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to the Aggregate Portfolio.

Under the terms of a master definitions agreement entered into on or about the Issue Date between all the parties to the Transaction Documents (the "**Master Definitions Agreement**"), the definitions of certain terms used in such Transaction Documents have been set out.

The Issuer has established (1) with the Italian Account Bank, the following accounts: (i) the Collection Account; (ii) the Payments Account; (iii) the Debt Service Reserve Account; and (iv) the Principal Accumulation Account; (2) with Banca Antonveneta S.p.A., Conegliano branch, the following accounts: (i) the Expenses Account; and (ii) the Quota Capital Account; and (3) with the English Account Bank, the Investment Account. The Issuer will manage such accounts as provided by the terms and conditions set out in the Cash Allocation, Management and Payment Agreement and the other Transactions Documents.

These Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Transaction Documents. Copies of the Transaction Documents are available for inspection during normal business hours at the office of the Representative of the Noteholders, being, as at the Issue Date, Securitisation Services S.p.A., Via Vittorio Alfieri, 1 - 31015 Conegliano (TV), Italy.

The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents applicable to them. In particular, each Noteholder recognises that the Representative of the Noteholders is its representative and accepts to be bound by the terms of those Transaction Documents which have been signed by the Representative of the Noteholders as if it had signed such documents itself.

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. DEFINITIONS AND INTERPRETATION

In these Terms and Conditions, unless otherwise specified or unless the context otherwise requires:

- (a) the exhibit hereto constitute an integral and essential part of these Terms and Conditions and shall have the force of and shall take effect as covenants; and
- (b) headings and subheadings are for ease of reference only and shall not affect the

construction of these Terms and Conditions.

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 any of the Eligible Accounts and the Expenses Account, and **"Accounts"** means any of them.

"Account Banks" means the Italian Account Bank and the English Account Bank, collectively, and **"Account Bank"** means any of them.

"Advance" means each of the Initial Advance and any Further Advance and **"Advances"** means the Initial Advance and any Further Advances, collectively.

"Advance Date" means, during the Facility Availability Period, (a) with reference to the Initial Advance, two Business Days prior to the Payments Report Date immediately preceding the Second Step-Up Date and (b) with reference to each Further Advance, two Business Days before the Payments Report Date immediately preceding each Payment Date after the Second Step-Up Date.

"Agents" means the Paying Agent, the Computation Agent, the Account Banks, and the Cash Manager, and **"Agent"** means each of them.

"Aggregate Portfolio" means, on any given date, all the Receivables comprised in the Initial Portfolio and in all the Subsequent Portfolios sold by the Originator to the Issuer up to any such date, pursuant to the Transfer Agreement.

"Agreed Prepayments" means a portion of the Prepayment Amount payable to the Originator by a Lessee upon the early termination of a Lease Contract, equal to the sum of:

- (a) the accrued and unpaid Instalments plus any penalties; and
- (b) the nominal value of all future Instalments and of the Residual Optional Instalment, both discounted back at a rate which is equal to:
 - (i) in case of a Floating Rate Lease Contract, the Index Rate provided in such Lease Contract for the calculation of the last Instalment paid (as of the early termination date) by the relevant Lessee, less 1%; and
 - (ii) in case of a Fixed Rate Lease Contract, the lower between:
 - (x) the three month Euribor calculated on the first Local Business Day of the month preceding the month on which the early repayment is due to be made, less 1%; and
 - (y) the three month Euribor rate applicable at the time of the execution of the relevant Lease Contract, less 1%;

provided that any such early termination is subject to the prior consent of the Originator and the payment by the relevant Lessee of an amount equal to or greater than the Prepayment Amount.

It remain understood that the Agreed Prepayment (as defined above) shall be equal at least to the Outstanding Amount as at the date of the early termination of the relevant

Lease Contract and the portion of the Prepayment Amount that the Originator is entitled to receive shall be equal to the lower between:

- (x) the Residual Optional Instalment plus any instalments in respect of which such Originator remains owner, discounted back at the applicable rate referred to above; and
- (y) the Prepayment Amount less the Agreed Prepayment.

"Alba 2 SPV", means Alba 2 SPV S.r.l., a limited liability company incorporated under the laws of the Republic of Italy, whose registered office is at Via Vittorio Alfieri No. 1, 31015 Conegliano (TV), Italy, Fiscal Code and registration with the Companies' Register of Treviso No. 04146750262, with quota capital of Euro 12,000, (fully paid up), enrolled in the register of the società veicolo held by Bank of Italy and having as its sole corporate object the realisation of securitisation transactions pursuant to Article 3 of the Securitisation Law.

"Alba Leasing" means Alba Leasing S.p.A., a joint stock company incorporated under the laws of the Republic of Italy, whose registered office is at Via Sile No. 18, 20139 Milan, Italy, with paid in share capital of Euro 255,000,000, Fiscal Code and registration with the Companies' Register of Milan No. 06707270960.

"Amortisation Period" means the period (A) commencing after the end of the Revolving Period and (B) ending on the Cancellation Date.

"Arranger" means The Royal Bank of Scotland plc.

"Article 72" means article 72 of the Italian Bankruptcy Law.

"Article 72-quater" means article 72-*quater* of the Italian Bankruptcy Law.

"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 Payments Report Date immediately preceding a Payment Date (taking into account all payments expected to be made on such Payment Date), between:

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

and

- (b) (i) the Principal Amount Outstanding of the Notes on such Payment Date;
multiplied by
- (ii) 0.98.

"Back-Up Servicer" means Selmabipiemme or any other entity acting as back-up servicer pursuant to the Back-Up Servicing Agreement from time to time.

"Back-Up Servicing Agreement" means the back-up servicing agreement entered into on or about 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.

"Bank of Italy Supervisory Regulations" means the Supervisory Regulations for the Banks and/or the Supervisory Regulations for Financial Intermediaries, as the case may be.

"Base Interest Amount" means the portion of Interest Amount which will accrue and be payable on the Senior Notes starting from and including the Issue Date, such amount in respect of any Interest Period to be calculated by applying the Base Rate of Interest to the Principal Amount Outstanding of the Senior Notes on the Payment Date at the commencement of the relevant Interest Period (after deducting therefrom any payment of principal due on that 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).

"Base Rate of Interest" means the rate equal to the aggregate of: (a) the EURIBOR *plus* (b) a margin of 1.95 per cent. *per annum*.

"Beneficiary" means, (i) TAGS or (ii) RBS, if it becomes holder of the Senior Notes and TAGS transfers to RBS all its rights and obligations under the EIF Guarantee in accordance with the terms and conditions of such guarantee.

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

"BNYM Italian Branch" means The Bank of New York Mellon (Luxembourg) S.A., Italian Branch, a company incorporated under the laws of the Grand Duchy of Luxembourg, acting through its Italian branch, having its registered office at via Carducci No. 31, 20123, Milan, Italy.

"BNYM London Branch" means The Bank of New York Mellon, London Branch a New York banking corporation acting through its London branch, whose registered office is at One Canada Square, London E14 5AL, United Kingdom.

"Cancellation Date" means the earlier of:

- (a) the date on which the Notes have been redeemed in full;
- (b) the Final Maturity Date; and
- (c) the date on which the Representative of the Noteholders has certified to the

Issuer and the Noteholders that, in its sole and reasonable opinion, there are no more Issuer Available Funds to be distributed as a result of no additional amount or asset relating to the Aggregate Portfolio being available to the Issuer at which date, subject to the consent of the Instructing Party, any amount outstanding, whether in respect of interest, principal or other amounts in respect of the Notes, shall be finally and definitively cancelled.

"Cash Allocation, Management and Payment Agreement" means the cash allocation management and payment agreement entered into on or about the Issue Date between, *inter alios*, the Issuer, the Originator, the Servicer, the Corporate Services Provider, the Representative of the Noteholders, the Paying Agent, the Account Banks, 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 or any other entity acting as cash manager pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"Class A Guarantor" means EIF.

"Class" shall be a reference to a class of Notes, being the Senior Notes and the Junior Notes and **"Classes"** shall be construed accordingly.

"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" (*Conto Incassi*) means the Euro denominated account opened with the Italian Account Bank IBAN IT30Y0335101600008414039780, 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" (*Procedura di Riscossione*) 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 in respect of the Receivables comprised in the Portfolios.

"Common Criteria" means the criteria indicated in article 5.2.1 (*Criteri Comuni*) of the Transfer Agreement.

"Computation Agent" means Securitisation Services 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.

"Contractual Rights" has the meaning ascribed to such term in clause 2.1 (*Subject Matter*) of the Mandate Agreement.

"Corporate Services Agreement" means the corporate services agreement entered into on or about the Issue Date between the Issuer and the Corporate Services Provider, 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 Services Provider" means Securitisation Services S.p.A. or any other entity acting as corporate services provider pursuant to the Corporate Services Agreement from time to time.

"CRD" means Directive 2006/48/EC (as amended and supplemented from time to time) of the European Parliament and of the Council of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions.

"Debt Service Reserve Account" means the Euro denominated account with IBAN IT82Z0335101600008414049780 which will be held 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 an amount equal to (i) Euro 4,950,000, starting from the Issue Date (included) up to the Release Date (excluded) and (ii) zero, starting from the Release Date (included).

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

"Decree 170" means the Italian Legislative Decree No. 170 of 21 May 2004, as amended and supplemented from time to time and any related regulations.

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

"Decree No. 213" means Italian Legislative Decree No. 213 of 24 June 1998, as amended and supplemented from time to time and any related regulations.

"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 English law deed of charge entered into on or about the Issue Date between the Issuer and the Representative of the Noteholders (acting on behalf of the Noteholders and as agent of the Other Issuer Creditors), as from time to time modified in accordance with the provisions herein contained and including any agreement or other document expressed to be supplemental thereto.

"Deed of Pledge" means the Italian law deed of pledge entered into on or about the Issue Date between the Issuer and the Representative of the Noteholders (acting on behalf of the Noteholders and as agent of 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.

"Deed of Transfer" means each deed of transfer to be entered into between the Issuer and the Originator in accordance with the terms and conditions of the Transfer Agreement in order to transfer each Portfolio.

"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 two-month payments; (iii) 2 (two) in relation to Lease Contracts which provide quarterly payments; or (iv) 1 (one) in relation to Lease Contracts which provide 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 portion, if any, of the purchase price in respect of each Receivable being equal to:

- (a) the difference between:
- (i) all the amounts collected and/or recovered during the Settlement Period immediately preceding the relevant Payment Date in respect of the Receivables comprised in the Portfolio, including any proceeds deriving from the sale of the relevant Receivables (to the extent included in the definition of Issuer Available Funds), *plus*
 - (ii) the aggregate amount of the interest accrued and credited on the Eligible Accounts
 - (iii) any interest or profit generated by the Eligible Investments (as will be specified in the relevant Settlement Report)

less

- (1) the Principal Deficiency Amount in respect of such Payment Date; and
- (2) the amount paid as Servicer's Fee on such Payment Date;

less

any other amount due and payable on such Payment Date by the Issuer out of the relevant Issuer Available Funds in priority to the Deferred Purchase Price in accordance with the applicable Priority of Payments (but excluding any amount described under items (a)(1) and (a)(2) above and the amount necessary for the constitution of the Debt Servicer Reserve Amount on such Payment Date),

provided that, in case such definition is referred to a single 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 Settlement Date, the ratio between:

- (a) the Outstanding Amount of all the Receivables arising from Delinquent Lease Contracts comprised in the Collateral Portfolio as of the last day of the relevant Settlement Period; and
- (b) the Outstanding Amount of all the Receivables comprised in the Collateral Portfolio as of the last day of the relevant Settlement Period.

"EIF" means European Investment Fund, an international financial institution, having its registered office at 96 boulevard Konrad Adenauer, L-2968 Luxembourg, Grand Duchy of Luxembourg.

"EIF Guarantee" means the guarantee issued on or about the Issue Date by EIF in favour of the Beneficiary.

"Eligibility Criteria" (*Criteria*) means the objective criteria for the identification of the Receivables comprised in each Portfolio, as set out in the Transfer Agreement and the relevant Offer Notice.

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

"Eligible Institution" means:

- (a) any depository institution organised under the laws of any state which is a member of the European Union or of the United States, whose:
 - (i) short-term unsecured, unsubordinated and unguaranteed debt obligations are rated at least P-1 by Moody's; and
 - (ii) long-term, unsecured and unsubordinated debt obligations are rated at least A1 by Moody's, or such other rating as may be acceptable from time to time to Moody's, or
- (b) any other institution qualified as "Eligible Institution" by the Transaction Documents.

"Eligible Investment" means:

- (a) euro denominated senior (unsubordinated) debt securities, bank account, deposit (including, for the avoidance of doubt, time deposits) or other debt instruments, provided that, in all cases:
 - (i) such investments are immediately repayable on demand, disposable without penalty or have a maturity date falling not later than the next succeeding Eligible Investment Maturity Date;

- (ii) such investments provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount) or in case of repayment or disposal, the principal amount upon repayment or disposal is at least equal to the principal amount invested; and
 - (iii) the short-term unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity with which the account is opened or deposits are made are rated by at least two global rating agencies at least P-1 by Moody's, A-1+ by Standard and Poor's or F1+ by Fitch or such other ratings that are consistent with the published criteria of the ECAI for a Aaa/AAA rating;
- (b) Euro denominated Money Market Funds which permit daily liquidation of investments and which are rated:
- (i) Aaa/MR1+ by Moody's or
 - (ii) the highest rating from at least two other global external credit assessment institutions or

provided that, in no case such investment shall be made, in whole or in part, actually or potentially, in credit linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives or tranches of other asset-backed securities. Following the downgrade of the short-term unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or the entity with which the account is opened or deposits are made falls below the minimum level described under (a)(iii) and (b) above, such Eligible Investment shall be removed by the Cash Manager within 60 calendar days following such downgrade without incurring additional costs to be borne by the Issuer.

"Eligible Investment Maturity Date" means the second Business Day prior to each Payment Date.

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

"English Account Bank Report" means the report setting out details of the Eligible Investments made in the immediately preceding 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 which shall be delivered by the English Account Bank to the Issuer, the Cash Manager, the Computation Agent, the Representative of the Noteholders and the Corporate Services Provider no later than 1 Business Day prior to each Settlement Report Date.

"EURIBOR" means the Euro-Zone inter-bank offered rate for three month Euro deposits, 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 IT 68 K 05040 61621 000001279660, 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 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.

"Facility Availability Period" means the period commencing on the Second Step-Up Date (included) and ending on the Cancellation Date (excluded), or, if earlier, upon redemption in full of the Senior Notes.

"Final Maturity Date" means the Payment Date falling in December 2041.

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

"Financial Laws Consolidated Act" means Italian Legislative Decree No. 58 of 24 February 1998, as amended and supplemented from time to time.

"First Payment Date" means the Payment Date falling on 20 March 2012.

"First Settlement Date" means 29 February 2012.

"First Step Up Date" means the Payment Date falling in March 2013.

"First Step-Up Interest Amount" means the additional portion of Interest Amount which will accrue and be payable on the Senior Notes starting from and including the First Step-Up Date, such amount in respect of any Interest Period to be calculated by applying the First Step-Up Rate of Interest to the Principal Amount Outstanding of the Senior Notes on the Payment Date occurring at the commencement of the relevant Interest Period (after deducting therefrom any payment of principal due on that 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).

"First Step-Up Rate of Interest" means a margin of 0.45 per cent. *per annum*.

"Fitch" means Fitch Ratings Limited.

"Fixed Rate Lease Contracts" means the Lease Contracts which provide for fixed interest rate.

"Floating Rate Lease Contracts" means the Lease Contracts which provide for floating interest rate.

"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.

"FSMA" means the Financial Services and Markets Act 2000.

"Further Advance" means each further advance of the Subordinated Loan which shall be made available by the Subordinated Loan Provider in favour of the Issuer for the amount set out in the relevant Request and equal to the relevant Step-Up Interest Amount due and payable on each Payment Date falling after the Second Step-Up Date and **"Further Advances"** means all of them.

"Further Notes" has the meaning ascribed to such term in the Intercreditor Agreement.

"Further Securities" has the meaning ascribed to such term in 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 4.2 (*Covenants - Further Securitisations*).

"Gross-Up Amount" has the meaning set out in Condition 10 (*Taxation*).

"Gross Cumulative Default Ratio" means, on each 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 Settlement Date; and

(b) the Initial Purchase Price (as of the relevant Valuation Date) of the Initial Portfolio.

"**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.

"**Guarantor Event of Default**" means the occurrence of any of the following events and the Beneficiary has provided evidence of such event occurring to the Representative of the Noteholders.

- (i) EIF has not fully paid any amount due and payable by it under the EIF Guarantee on the relevant due date and such amount remains unpaid for five Business Days after such due date; or
- (ii) a court of competent jurisdiction enters a final and non-appealable order, judgment or decree for the winding up, or the appointment of an administrator or receiver (including an administrative receiver or manager) of EIF (or, as the case may be, of a material part of its property or assets); or
- (iii) EIF institutes a proceeding seeking a judgment of insolvency or bankruptcy in respect of itself.

"**Guarantor Release Event**" shall be deemed to have occurred when:

- (a) no claim can be made under the EIF Guarantee and no Payment Demand has been made by a Beneficiary which has not been repaid in full;
- (b) EIF is irrevocably released from all its obligations under clauses 3 and 4 of the EIF Guarantee and has no obligation to make any payment to the Beneficiary under the EIF Guarantee (other than an Avoided Payment);
- (c) EIF has not at such time paid any Guaranteed Note Amount, or if any Guaranteed Note Amount has been paid by EIF, such amount has been repaid in full to EIF;
- (d) any amount owed to EIF under the EIF Guarantee has been paid in full other than any Break Fee (as defined in the EIF Guarantee);

provided that:

- (i) in the event of the termination of the EIF Guarantee by the Beneficiary in accordance with clause 15.5 of the EIF Guarantee, a Guarantor Release Event shall be deemed to have occurred on the Termination Effective Date (as defined in the EIF Guarantee);
- (ii) a Guarantor Release Event (including a Guarantor Release Event deemed to have occurred on the Termination Effective Date) shall cease to be deemed to have occurred if:
 - (x) any of the conditions (a) - (d) above cease to be satisfied; or
 - (y) if Insolvency Proceedings are commenced by or against the Issuer within two years after the Termination Effective Date or the Beneficiary becomes entitled to make a claim under the EIF Guarantee in relation to an Avoided Payment.

"Guarantor Reserved Matters" means, any amendment, modification, derogation, waiver (including the grant of any grace period), authorisation, determination, release or exercise of any other right or grant or refusal of any consent with respect to (a) the Terms and Conditions and/or (b) any provision of any Transaction Document in each case which, in the opinion of the Class A Guarantor (acting reasonably)

- (i) would, or could reasonably be expected to, increase or adversely affect EIF's obligations or liabilities under the EIF Guarantee, the Terms and Conditions and the Intercreditor Agreement; or
- (ii) would, or could reasonably be expected to, otherwise be materially prejudicial to the interests of EIF.

"Indemnities" means the "*Indennizzi da Perdita*" and the "*Indennizzi da Polizze*".

"Index Rate" means the base component of the interest rate applicable to each Floating Rate Lease Contract.

"Initial Advance" means the first advance of the Subordinated Loan which shall be made available by the Subordinated Loan Provider in favour of the Issuer for the amount set out in the relevant Request and equal to the relevant Step-Up Interest Amount due and payable on the Second Step-Up Date.

"Initial Deed of Transfer" means the Deed of Transfer entered into between the Issuer and the Originator on 6 December 2011 pursuant to the Transfer Agreement.

"Initial Interest Period" means the first Interest Period, that shall begin on (and include) the Issue Date and end on (but exclude) the First Payment Date.

"Initial Portfolio" means the initial portfolio of Receivables purchased by the Issuer pursuant to the Transfer Agreement and the Initial Deed of Transfer.

"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.

"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, 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) or any of the events under Article 2484 of the Italian civil code occurs with respect to such company or corporation.

"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 Transfer 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.

"Instructing Party" means

- (i) the Class A Guarantor, unless either a Guarantor Event of Default has occurred and is continuing or a Guarantor Release Event has occurred; or
- (ii) the Senior Noteholders, if either a Guarantor Event of Default has occurred and is continuing or a Guarantor Release Event has occurred and the Senior Notes have not been repaid in full; or
- (iii) the Junior Noteholders, if the Senior Notes have been repaid in full,

subject to, with reference to paragraphs (ii) and (iii), all the amounts owed to the Class A Guarantor having been paid in full.

Alba Leasing shall be notified:

- (a) the occurrence of a Guarantor Event of Default by the Beneficiary; or
- (b) the occurrence of a Guarantor Release Event by EIF.

"Insurance Policy" means any insurance policies executed by a Debtor or by the Originator with respect to, or as condition of, a Lease Contract, including, without limitation, the policies for the coverage of the risks regarding the Assets.

"Intercreditor Agreement" means the intercreditor agreement entered into on or about the Issue Date between the Issuer, EIF 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 Interest Period, calculated according to Condition 6.3 (*Determination of the Rate of Interest and Calculation of the Interest Amount*).

"Interest Determination Date" means with respect to the Initial Interest Period, the date falling two Business Days prior to the Issue Date and, with respect to each subsequent Interest Period, the date falling two Business Days prior to the Payment Date at the beginning of such Interest Period.

"Interest Period" means (a) the Initial Interest Period, and (b) each interest period from (and including) a Payment Date to (but excluding) the next following Payment Date.

"Investment Account" means the cash and securities account IBAN: GB09IRVT70022584140780 opened in accordance with the Cash Allocation, Management and Payment Agreement with the English Account Bank for, *inter alia*, the deposit of the 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" means the quarterly report setting out certain information with respect to the Portfolios and the Notes which shall be delivered by the Computation Agent to, *inter alios*, the Issuer, the Representative of the Noteholders, the Servicer, the Paying Agent, the Account Banks, the Cash Manager, the Corporate Services Provider and the Originator on each Investor Report Date pursuant to the Cash Allocation, Management and Payments Agreement.

"Investor Report Date" means the fifth Business Day after each Payment Date.

"Issue Date" means 21 December 2011, or any other subsequent date agreed in writing among the Issuer and the Senior Notes Underwriter.

"Issuer" means Alba 2 SPV.

"Issuer Available Funds" means on each Payment Date, the Issuer Available Funds shall comprise the aggregate amounts (without duplication) of:

- (a) all Collections received during the immediately preceding 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 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 Transfer Agreement or by the Servicer pursuant to the Servicing Agreement during the immediately preceding 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) as of the last day of the immediately preceding Settlement Period;
- (e) any amounts standing to the credit of the Debt Service Reserve Account on the last day of the Settlement Period immediately preceding such Payment Date;
- (f) the net proceeds deriving from the Eligible Investments made out of the funds standing to the credit of the Accounts as at the last day of the Settlement Period immediately preceding such Payment Date;
- (g) any amount credited to the Principal Accumulation Account and not utilised by the Issuer to pay the Initial Purchase Price of any Subsequent Portfolio;
- (h) any other amount received during the Settlement Period immediately preceding such 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);
- (i) 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 Settlement Date immediately preceding such Payment Date);
- (l) starting from the Second Step-up Date (included) any Advance made by the Subordinated Loan Provider under the Subordinated Loan

but excluding: (i) any Residual Optional Instalment collected by the Issuer in the immediately preceding Settlement Period and (ii) any Excess Indemnity Amount.

"Issue Price" means 100 per cent.

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

"Italian Account Bank" means BNYM Italian Branch or any other entity acting as Italian account bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

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

"Junior Notes" means the Euro 152,900,000 Class B Asset Backed Floating Rate Notes due December 2041.

"Junior Notes Subscription Agreement" means the subscription agreement in relation to the Junior Notes entered into on or about the Issue Date, between the Issuer, the Junior Notes Underwriter 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 Underwriter" means Alba Leasing.

"Late Payments" means payments in respect of Receivables which have been made

after the due date thereof.

"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 on or 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.

"Loan Principal Amount Outstanding" means, on any given date, the principal amount outstanding of the Subordinated Loan, being equal to the aggregate of the Initial Advance and any Further Advance made up to any such given date, less the aggregate amount of all principal repayments which have been made in respect of the Subordinated Loan up to any such given date.

"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.

"Mandatory" means Securitisation Services or any other entity acting as mandatory pursuant to the Mandate Agreement from time to time.

"Mandate Agreement" means the mandate agreement entered into 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.

"Mandator" means Alba 2 SPV or any other entity acting as mandator pursuant to the Mandate Agreement from time to time.

"Master Definitions Agreement" means the master definitions agreement entered into on or about the Issue Date between all the parties to each of the Transaction Documents, as from time to time modified in accordance with the provisions therein contained and including any agreement, deed or other document expressed to be supplemental thereto.

"Maximum Purchase Amount" means on each Payments Report Date and with reference to the immediately preceding Settlement Date, the Principal Deficiency Amount provided that the Maximum Purchase Amount shall not be higher than the Issue Available Funds to be applied as Principal Deficiency Amount 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 Rating" means, in respect of the long-term, unsecured, unsubordinated and unguaranteed debt obligations of any entity, a rating of at least: (a) Baa3 by Moody's and (b) BBB- by Fitch or Standard & Poor's.

"Money Market Fund" means a collective investment undertaking that primarily invests in money market instruments and/or other transferable debt instruments with a residual maturity of up to one year, and/or that pursues a rate of return that approaches the interest rates on money market instruments.

"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.

"Moody's" means Moody's Investors Service.

"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 Senior Notes and the Junior Notes, collectively, and **"Noteholder"** means any of them.

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

"Offer Notice" means in respect of each Portfolio, the relevant sale notice as provided for by the Transfer Agreement and **"Offer Notices"** means all of them.

"Official Gazette" means the *Gazzetta Ufficiale della Repubblica Italiana*.

"Optional Redemption" has the meaning set out in Condition 7.3 (*Optional Redemption*).

"Option Beneficiaries" means, (i) TAGS and/or (ii) RBS, if it becomes holder of the Senior Notes and **"Option Beneficiary"** means any of them.

"Option Completion Date" means the date on which the sale of the relevant Senior Notes to Alba Leasing shall take place following the exercise of the Put Option by any of the Optional Beneficiaries, such date to be:

- (i) the First Step-Up Date, in case Alba Leasing receives the relevant Option Notice prior to such First Step-Up Date;
- (ii) the Second Step-Up Date, in case Alba Leasing receives the relevant Option Notice after the First Step-Up Date but prior to such Second Step-Up Date; and
- (iii) the date specified by the Option Beneficiaries in the relevant Option Notice, in case Alba Leasing receives such Option Notice after the Second Step-Up Date.

"Option Notice" means a notice substantially in the form of Schedule 6 of the Senior Notes Subscription Agreement.

"Option Period" means the period comprised between the (i) First Step-Up Date (included) and (ii) the date (excluded) on which the Beneficiaries receive copy of the option notice relating to the Aggregate Portfolio Call Option, following the exercise of such option by Alba Leasing; provided that if, following the delivery of such notice, Alba Leasing does not repurchase the Aggregate Portfolio and does not pay to the Issuer the relevant repurchase price strictly in accordance with the terms and conditions of the Transfer Agreement, then the Option Period shall immediately restart and thereafter shall end on the Cancellation Date (excluded).

"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.

"Other Issuer Creditors" means the Originator, the Representative of the Noteholders, the Paying Agent, the Computation Agent, the Account Banks, the Servicer, the Cash Manager, the Corporate Services Provider, the Sole Quotaholder, the Back-Up Servicer, the Subordinated Loan Provider, the Arranger, the Senior Notes Underwriter and the Junior Notes Underwriter.

"Outstanding Amount" means, on any date and with respect to each Receivable, the sum of:

(a) all the Principal Instalments due but unpaid, outstanding as of such date pursuant to the amortisation schedule of the relevant Lease Contract,

and

(b) the Outstanding Principal.

"Outstanding Principal" means, on any date and with respect to each Receivable, the difference between

(a) the sum of all the Instalments plus the Residual Optional Instalment that are not yet due as of such date pursuant to the amortization schedule of the relevant Lease Contract, discounted at the Contractual Interest Rate

and

(b) the Residual Optional Instalment.

"Paying Agent" means The Bank of New York Mellon (Luxembourg) S.A., Italian Branch or any other entity acting as paying agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"Payment Date" means the First Payment Date and thereafter the 20st day of March, June, September and December of each year or, if such day is not a Business Day, the immediately following Business Day. The First Payment Date will fall on 20 March 2012.

"Payments Report Date" (*Data del Rapporto di Pagamento*) means the date falling 4 (four) Business Days prior to each relevant Payment Date.

"Payments Account" means the Euro denominated account IBAN: IT30A0335101600008414059780 opened with the Italian 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, 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 8.1.1 and 8.1.3 (as applicable) of the Cash Allocation, Management and Payments Agreement,

"**Pledged Claims**" has the meaning ascribed to such term in clause 2.1 (*Pledged Claims*) of the Deed of Pledge.

"**Pledgor**" means Alba Leasing.

"**Pool**" means, as the case may be, the Pool No. 1, the Pool No. 2, the Pool No. 3 or the Pool No. 4.

"**Pool No. 1**" means those Receivables originated under Lease Contracts the related Assets of which are vehicles, motor vehicles, cars, light lorries, trucks, commercial vans, industrial vehicles, and/or other vehicles.

"**Pool No. 2**" means those Receivables originated under Lease Contracts the related Assets of which are instrumental assets (e.g. machinery, equipment and/or plants).

"**Pool No. 3**" means those Receivables originated under Lease Contracts the related Assets of which are real estate assets.

"**Pool No. 4**" means those Receivables originated under Lease Contracts the related Assets of which are ships, airplanes, vessels and/or trains.

"**Portfolio**" means, as the case may be, the Initial Portfolio or any 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 6.2 (*Priority of Payments - Post-Enforcement Priority of Payments*).

"**Pre-emption Right**" has the meaning ascribed to such term in clause 22.1 (c) of the Intercreditor Agreement.

"**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 6.1 (*Priority of Payments - Pre-Enforcement Priorities of Payments*).

"**Prepayment Amount**" means in relation to a Lease Contract, the amount payable to the Originator by the relevant Lessee upon the early termination of such Lease Contract, equal to the sum of:

- (a) the accrued and unpaid instalments plus any relevant penalties; and
- (b) the nominal value of all future instalments and of the Residual Optional Instalment, discounted back at a rate which is equal to:
 - (i) in case of a Floating Rate Lease Contract, the Index Rate provided in such Lease Contract for the calculation of the last Instalment paid (as of such early termination date) by the relevant Lessee, less 1%; and
 - (ii) in case of a Fixed Rate Lease Contract, the lower between,
 - (x) the three month Euribor calculated on the first Local Business Day of the month preceding the month on which the early repayment is being made, less 1%; and
 - (y) the three month Euribor rate applicable at the time of the execution of

the relevant Lease Contract less 1%.

"Principal Accumulation Account" means the Euro denominated account IBAN: IT82B0335101600008414069780 opened with the Italian 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 with respect to any Note on any date, the principal amount thereof upon issue less the aggregate amount of all principal repayments made in respect of that Note prior to such date.

"Principal Deficiency Amount" means the amount, as calculated by the Computation Agent on each Payments Report Date immediately preceding a Payment Date, equal to the difference, if positive, between:

- (a) the Principal Amount Outstanding of the Notes; and
- (b) the Outstanding Amount of the Receivables comprised in the Collateral Portfolio which do not derive from to Delinquent Lease Contracts, plus the amount credited into the Debt Service Reserve Account on the relevant 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.

"Privacy Law" means (i) Italian Law No. 675 of 31 December 1996, (together with any relevant implementing regulations as integrated from time to time by the *Autorità Garante per la Protezione dei Dati Personali*) as subsequently amended, modified or supplemented from time to time, with reference to the period starting on the entry into force of such law and ending on the repealing of such law by the entry into force of Legislative Decree No. 196 of 30 June 2003, published in the Official Gazette No. 174 of 29 July 2003, Ordinary Supplement No. 123/L (the "**Personal Data Protection Code**") and (ii) after such repeal of Italian Law n. 675 of 31 December 1996, the Personal Data Protection Code (together with any relevant implementing regulations as integrated from time to time by the *Autorità Garante per la Protezione dei Dati Personali*) as subsequently amended, modified or supplemented from time to time.

"Pro Rata Share" (*Quota Parte*) means, in respect of each Receivables, the percentage equivalent to the ratio between:

- (a) the sum of:
 - (i) 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
 - (ii) 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 prospectus prepared in relation to the Notes.

"Prospectus Directive" means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003.

"Purchase Price" means the purchase price of the Initial Portfolio or the Subsequent Portfolio.

"Purchase Price of the Residual Optional Instalment" means in respect of each Payment Date and with respect to each Receivable an amount equal to the Residual Optional Instalment of such Receivable collected by the Issuer in the immediately preceding Settlement Period, or in case such term refers to a Portfolio, the sums of the purchase prices of the residual optional instalments of such Portfolio.

"Purchase Termination Event" means any of the events described in Condition 14 (*Purchase Termination Events*).

"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 Revolving Period has elapsed.

"Quota Capital Account" means the Euro denominated account opened by the Issuer with No. 1190868, IBAN IT52X05040 61621000001190868, 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 Agreement" means the quotaholder 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 6.2 (*Interest - Rate of Interest*).

"Receivable" means with reference to each Portfolio, each and any claims (save as stated below) arising from the Lease Contracts (and each contract, deed, agreement or document related to those Lease Contracts), satisfying the relevant Eligibility Criteria of the relevant Portfolio, including, without limitation:

- (a) the Instalments;
- (b) the Agreed Prepayments and the Prepayment Amounts;
- (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) expenses due by the Lessee pursuant to the relevant Lease Contract;
 - (iii) default interests in respect of amounts due under (a) and (b) 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.

"Records" has the meaning ascribed to such term in the Cash Allocation, Management and Payment Agreement.

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

"Redemption for Taxation" has the meaning set out in Condition 7.4 (*Redemption for Taxation.*)

"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 7.7 (*Reference Banks and Paying Agent*). The initial Reference Banks shall be JP Morgan, BNP Paribas and Barclays Bank plc.

"Regulation 22 February 2008" means the regulation, regarding post-trading systems, issued by the Bank of Italy and the CONSOB on 22 February 2008, as subsequently amended and supplemented from time to time.

"Release Date" means the earlier of: (i) the Cancellation Date; and (ii) the Payment Date during the Amortisation Period on which the Issuer Available Funds to be applied on such date, minus all payments or provisions to be made under item First to Fifth of the Pre-Enforcement Priority of Payments are sufficient to redeem the Senior Notes in full and (iii) the Payment Date immediately succeeding the Service of a Trigger Notice.

"Relevant Documents" has the meaning ascribed to such term in the Deed of Pledge.

"Relevant Trigger" means with reference to each Payment Date and for the purpose of determining if the Gross Cumulative Default Ratio is triggered, a percentage equal to 4 per cent, as evidenced in the relevant Settlement Report.

"Representative of the Noteholders" means Securitisation Services 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.

"Request" means the request for the Initial Advance and for each Further Advance under the Subordinated Loan, substantially in the form of Schedule 1 (*Form of Request*) of the Subordinated Loan Agreement or in such other form as may be agreed from time to time by the parties of such agreement.

"Requirements" has the meaning ascribed to such term in clause 4.3.1 (*Notices*) of the Back-Up Servicing Agreement.

"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 Transfer 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.

"Responsabile del Trattamento" has the meaning ascribed to such term in clause 9.2 (*Privacy*) of the Corporate Services Agreement.

"Retained Amount" has the meaning ascribed to such term in clause 6.1 (c) of the Cash Allocation, Management and Payment Agreement.

"Retention Amount" means Euro 20,000.

"Revolving Period" means the period beginning on the Issue Date and ending on the earlier of:

- (a) the Payment Date falling in June 2013 (excluded); and
- (b) the date on which the Representative of the Noteholders serves a Purchase Termination Notice or a Trigger Notice on the Issuer.

"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.

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

"Second Step-Up Interest Amount" means the additional portion of Interest Amount which will accrue and be payable on the Senior Notes starting from and including the Second Step-Up Date, such amount in respect of any Interest Period to be calculated by applying the Second Step-Up Rate of Interest to the Principal Amount Outstanding of the Senior Notes on the Payment Date occurring at the commencement of the relevant Interest Period (after deducting therefrom any payment of principal due on that 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).

"Second Step-Up Date" means the Payment Date falling in June 2013.

"Second Step-Up Rate of Interest" means a margin of 1.50 per cent. *per annum*.

"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.

"Securities Act" means the U.S. Securities Act of 1933, as subsequently amended and supplemented.

"Securitisation" means the securitisation of the Receivables made by the Issuer through the issuance of the Notes.

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

"Securitisation Services" means Securitisation Services S.p.A., a joint stock company incorporated under the laws of the Republic of Italy, whose registered office is at Via Alfieri No. 1, 31015 Conegliano (TV), Italy, with share capital of Euro 1,595,055 (fully paid up), registered with No. 03546510268 in the Treviso Companies' Register, registered in the General Register and in the Special Register under No. 31816, both held by the Bank of Italy pursuant to, respectively, Articles 106 and 107 of the Consolidated Banking Act, subject to the activity of management and coordination ("*attività di direzione e coordinamento*") of Finanziaria Internazionale Holding S.p.A.

"Security" means, collectively, the security created under the Deed of Pledge and under the Deed of Charge.

"Security Documents" means, collectively, the Deed of Pledge and the Deed of Charge.

"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.

"Selmabipiemme" means Selmabipiemme Leasing S.p.A., a joint stock company incorporated under the laws of the Republic of Italy, with paid in share capital of Euro 41,305,000, whose registered office is at Via Battistotti Sassi, No. 11/A, Milan, Italy.

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

"Senior Notes" means the Euro 150,000,000 Class A Asset Backed Floating Rate Notes due December 2041.

"Senior Notes Maturity Date" means the Payment Date falling in December 2026.

"Senior Notes Put Option" has the meaning ascribed to such term in the Senior Notes Subscription Agreement.

"Senior Notes Subscription Agreement" means the subscription agreement in relation to the Senior Notes entered into on or about the Issue Date, between the Issuer, the Senior Notes Underwriter, 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.

"Senior Notes Underwriter" means TAGS.

"Servicer" means Alba Leasing or any other entity acting as Servicer pursuant to the Servicing Agreement from time to time.

"Servicer Account" means the Euro denominated account with IBAN: IT63V0030691271100000009593 established in the name of the Servicer with the Servicer Account Bank, or with any other bank having the Minimum Rating, for the collection of the Receivables, managed by the Servicer pursuant to the Servicing Agreement.

"Servicer Account Bank" means Intesa Sanpaolo S.p.A. and any its successor and assignees.

"Servicer's Reports" means the Settlement Report.

"Servicer Termination Event" has the meaning ascribed to it in clause 11.2 of the Servicing Agreement.

"Servicer's Fee" means the fee due to the Servicer pursuant to the Servicing Agreement.

"Services" has the meaning ascribed to such term in clause 2.1 (*Appointment and Services of the Corporate Services Provider*) of the Corporate Services Agreement.

"Servicing Agreement" means the servicing agreement entered into on 6 December 2011 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 the last calendar day of February, May, August and November. The First Settlement Date will fall on 29 February 2012.

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

"Settlement Report" means a report which the Servicer has undertaken to deliver on each Settlement Report Date, setting out the performance of the Receivables, to be prepared substantially in the form of schedule 2 of the Servicing Agreement.

"Settlement Report Date" means the fifth Local Business Day following a Settlement Date.

"Signing Date" means 6 December 2011, being the date on which the Transfer Agreement and the Servicing Agreement have been entered into.

"Sole Quotaholder" means SVM.

"Specific Criteria" means the criteria indicated in article 5.2.2 (*specific criteria*) of the Transfer Agreement.

"SVM" means SVM - Securitisation Vehicles Management S.r.l., a limited liability company incorporated under the laws of the Republic of Italy, whose registered office is

at Via Vittorio Alfieri No. 1, 31015 Conegliano (TV), Italy, Fiscal Code and registration with the Companies' Register of Treviso under No. 03546650262, with quota capital of Euro 30,000 (fully paid up).

"Step-Up Interest Amount" means, in relation to the Second Step-Up Date and each Payment Date thereafter during the Facility Availability Period, the aggregate of the First Step-Up Interest Amount and the Second Step-Up Interest Amount.

"Sub-Delegate" has the meaning ascribed to it in clause 8 (*Sub-Delegation*) of the Corporate Services Agreement.

"Subject Matter of the Mandate" has the meaning ascribed to such term in clause 2.1 (*Subject Matter*) of the Mandate Agreement

"Subject Matter of the Pledge" has the meaning ascribed to such term in article 2 of the Deed of Pledge.

"Subordinated Loan" means the limited recourse loan granted to the Issuer by the Subordinated Loan Provider pursuant to the Subordinated Loan Agreement.

"Subordinated Loan Agreement" means the subordinated loan agreement entered into on or about the Issue Date between the Issuer and the Subordinated Loan Provider, 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.

"Subordinated Loan Provider" means Alba Leasing, in its capacity as subordinated loan provider pursuant to the Subordinated Loan Agreement and any of its permitted successors and assignees.

"Subscription Agreements" means, collectively, the Senior Notes Subscription Agreement and the Junior Notes Subscription Agreement.

"Subsequent Deed of Transfer" means, each Offer Notice of a Subsequent Portfolio, as the case may be, and the relevant acceptance.

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

"Subsequent Portfolio Sale Conditions" means each of the "*Condizioni Per Procedere All'acquisto dei Portafogli Successivi*" as set out in schedule 2 of the Transfer Agreement.

"Successor Corporate Services Provider" has the meaning ascribed to such term in clause 11.1 (*Termination*) of the Corporate Services Agreement.

"Successor Servicer" has the meaning ascribed to definition "*Successore del Servicer*" contained in clause 11.4 of the Servicing Agreement.

"Supervisory Regulations" means the Supervisory Regulations for the Banks or the Supervisory Regulations for Financial Intermediaries as the context requires.

"Supervisory Regulations for the Banks" means the "*Istruzioni di Vigilanza per le banche*" issued by the Bank of Italy by Circular No. 229 of 21 April 1999, as amended and supplemented from time to time.

"Supervisory Regulations for Financial Intermediaries" means the "*Istruzioni di*

Vigilanza per gli Intermediari Finanziari" issued by the Bank of Italy by Circular No. 216 of 5 August 1996, as amended and supplemented from time to time.

"**Supplemental Deed**" has the meaning ascribed to such term in the Exhibit 2 attached to the Deed of Pledge.

"**TAGS**" means Thames Asset Global Securitization No. 1, Inc., a company incorporated under the laws of the State of Delaware, whose registered office is at c/o Corporation Service Company, 2711 Centerville Road Wilmington, DE 19808, United States of America.

"**Tax Event**" shall have the meaning ascribed to such term in Condition 8.4 (*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 the terms and conditions of the Notes and "**Condition**" means any of those.

"**Titolare del Trattamento**" has the meaning ascribed to such term in clause 9.2 (*Privacy*) of the Corporate Services Agreement.

"**Transaction**" means the securitisation transaction of the Receivables made by the Issuer through the issuance of the Notes.

"**Transaction Documents**" means the Transfer Agreement, each Subsequent Transfer Agreement, the Servicing Agreement, the Back-Up Servicing 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 Agreement, the EIF Guarantee, the Subordinated Loan 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 the transfer agreement entered into on 6 December 2011, 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, between the Issuer and the Originator pursuant to which the Issuer purchased from the Originator the Initial Portfolio and may agreed to purchase the Subsequent Portfolios during the Revolving Period pursuant to Subsequent Transfer Agreement.

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

"**Trigger Event**" means any of the events described in Condition 12 (*Trigger Events*).

"**Trigger Notice**" means the notice described in Condition 12 (*Trigger Events*).

"**Underwriters**" means the Senior Notes Underwriter and the Junior Notes Underwriter, collectively, and "**Underwriter**" means any of them.

"**Usury Law**" means Italian Law No. 108 of 7 March 1996 (*Disposizioni in materia di*

usura), as subsequently amended and supplemented.

"**Valuation Date**" means the valuation date of each Portfolio indicated in the relevant Offer Notice.

2. FORM, DENOMINATION AND TITLE

2.1 Form

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. Monte Titoli shall act as depository for Clearstream and Euroclear.

2.2 Denomination

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

2.3 Title

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 Legislative Decree No. 58 of 24 February 1998; and (ii) Regulation 22 February 2008. No physical document of title will be issued in respect of the Notes.

2.4 Security Documents

Each Note is issued subject to and has the benefit of the Security Documents.

3. STATUS, PRIORITY AND SEGREGATION

3.1 Status

The Notes constitute limited recourse obligations of the Issuer as set out in Condition 8 (*Non Petition and Limited Recourse*) and, accordingly, the extent of the obligation of the Issuer to make payments under the Notes is limited to the amounts received or recovered by the Issuer in respect of the Aggregate Portfolio and the Issuer's Rights, net of any sums which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to or *pari passu* with the Notes. By holding the Notes the Noteholders acknowledge that the limited recourse nature of the Notes produces the effects of a *contratto aleatorio* under Italian law and are deemed to accept the consequences thereof, including, but not limited to, the provisions under Article 1469 of the Italian Civil Code.

3.2 Segregation

3.2.1 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 Aggregate Portfolio 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.

- 3.2.2 Each Noteholder and any Other Issuer Creditor will have a claim only in respect of the Issuer Available Funds and at all times only in accordance with the applicable Priority of Payments and will not have any claim, by operation of law or otherwise, against, or recourse to, the Issuer's other assets or its contributed capital. 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 or any other entities.

3.3 Ranking

In respect of the obligations of the Issuer to pay interest and repay principal on the Notes,

- (a) prior to the service of a Trigger Notice:
- (i) in respect of the obligations of the Issuer to pay interest on the Notes:
 - (1) the Senior Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but in priority to the Junior Notes;
 - (2) the Junior Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but subordinated to the Senior Notes;
 - (ii) in respect of the obligations of the Issuer to repay principal on the Notes:
 - (1) the Senior Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but in priority to the Junior Notes;
 - (2) the Junior Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but subordinated to the Senior Notes;
- (b) following the service of a Trigger Notice, in respect of the obligations of the Issuer to pay interest and repay principal on the Notes:
- (i) the Senior Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but in priority to the Junior Notes; and
 - (ii) the Junior Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but subordinated to the Senior Notes.

3.4 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 (subject to the provisions of the Intercreditor Agreement) 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.

4. COVENANTS

4.1 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 (and subject to the provisions of the Intercreditor Agreement), or (b) as provided in or contemplated by any of the Transaction Documents:

- 4.1.1 *Negative pledge:* create or permit to subsist any Security Interest whatsoever over the Aggregate Portfolio 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 Aggregate Portfolio or any of its other assets; or
- 4.1.2 *Restrictions on activities:*
- (i) 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
 - (ii) 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
 - (iii) 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; or
 - (iv) become the owner of any real estate asset; or
- 4.1.3 *Dividends or Distributions:* pay any dividend or make any other distribution or return or repay any equity capital to its quotaholders, or increase its capital, save as required by the applicable law; or
- 4.1.4 *De-registrations:* ask for de-registration from the register of the società *veicolo* held by Bank of Italy, for as long as any 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
- 4.1.5 *Borrowings:* incur any indebtedness in respect of borrowed money whatsoever or give any guarantee in respect of indebtedness or of any obligation of any person, other than for the purposes of the Securitisation or any Further Securitisation; or

- 4.1.6 *Merger*: consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person; or
- 4.1.7 *No variation or waiver*: subject to the provisions of the Intercreditor Agreement, permit any of the Transaction Documents to which it is party to be amended, terminated or discharged if such amendment, termination or discharge may negatively affect the interest of the Noteholders, 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 which may negatively affect the interest of the Noteholders, or permit any party to any of the Transaction Documents to which it is a party to be released from such obligations, if such release may negatively affect the interest of the Noteholders; or
- 4.1.8 *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
- 4.1.9 *Statutory Documents*: amend, supplement or otherwise modify its *statuto* or *atto costitutivo*, except where such amendment, supplement or modification is required by compulsory provisions of Italian law or by the competent regulatory authorities; or
- 4.1.10 *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
- 4.1.11 *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; or
- 4.1.12 *Corporate Records*: cease to maintain corporate records, financial statements or books of account separate from those of any other person or entity; or
- 4.1.13 *Corporate Formalities*: cease to comply with all necessary corporate formalities.

4.2 Further Securitisations

Nothing in these Terms and Conditions or the Transaction Documents shall prevent or restrict the Issuer from carrying out any one or more other securitisation transactions pursuant to the Securitisation Law or, without limiting the generality of the foregoing, implementing, entering into, making or executing any document, deed or agreement in connection with any other securitisation transaction (each, a "**Further Securitisation**"), provided that, subject to the provisions of the Intercreditor Agreement, the Issuer confirms in writing to the Representative of the Noteholders or the Representative of the Noteholders (which, for such purpose, may rely on the advice of any certificate or opinion of or any information obtained from any lawyer, accountant, banker, broker or other expert) is otherwise satisfied that:

- (a) the transaction documents entered into in the context of the relevant Further Securitisation constitute valid, legally binding and enforceable obligations of the parties thereto under the relevant governing law;

- (b) in the context of the relevant Further Securitisation the Sole Quotaholder gives undertakings in relation to the management of the Issuer, the exercise of its rights as quotaholder or the disposal of the quotas of the Issuer which are the same as or, in the sole discretion of the Representative of the Noteholders, equivalent to the undertakings provided for in the Quotaholder Agreement;
- (c) all the participants to the relevant Further Securitisation and the holders of the notes issued in the context of such Further Securitisation will accept non-petition provisions and limited recourse provisions in all material respects equivalent to those provided in Condition 8 (*Non Petition and Limited Recourse*);
- (d) the security deeds or agreements entered into in connection with the relevant Further Securitisation do not comprise or extend over any of the Receivables or any of the Issuer's Rights;
- (e) the notes to be issued in the context of the relevant Further Securitisation:
 - (i) are not cross-collateralised or cross-defaulted with the Notes or any note issued by the Issuer in the context of any other previous Further Securitisations; and
 - (ii) include provisions which are the same as or, in the sole discretion of the Representative of the Noteholders, equivalent to those provided for by the Terms and Conditions.

In giving any confirmation on the foregoing, the Representative of the Noteholders (subject to the provisions of the Intercreditor Agreement) 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 29 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 Condition 4.2.

5. PRIORITY OF PAYMENTS

5.1 Pre-Enforcement Priority of Payments

On each 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 Priority of Payments (in each case, only if and to the extent that payments of a higher priority have been made in full, with the exception of any Advance made under the Subordinated Loan which shall be used exclusively to pay the Interest Amount due and payable in respect of the Senior Notes):

- (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 *pari passu* and *pro rata* according to the respective

amounts thereof, of

- (a) 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);
 - (b) the replenishment of the Expenses Account by an amount up to the Retention Amount;
- (iii) in or towards satisfaction of the fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;
- (iv) in or towards satisfaction *pari passu* and *pro rata* according to the respective amounts thereof, of any amounts due and payable to the Italian Account Bank, the English Account Bank, the Cash Manager, the Paying Agent, the Computation Agent, the Corporate Services Provider, the Back-Up Servicer and the Servicer, to the extent not specifically provided under the following items;
- (v) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof,
 - (a) starting from the First Payment Date (included) up to but excluding the First Step-Up Date, of the Base Interest Amount due and payable in respect of the Senior Notes;
 - (b) starting from the First Step-Up Date (included) up to but excluding the Second Step-Up Date, of (1) the Base Interest Amount and (2) the First Step-Up Interest Amount, in each case, due and payable in respect of the Senior Notes;
 - (c) starting from the Second Step-Up Date (included), of (1) the Base Interest Amount, (2) the First Step-Up Interest Amount and (3) the Second Step-Up Interest Amount, in each case, due and payable in respect of the Senior Notes;
- (vi) until the Release Date (excluded), to credit to the Debt Service Reserve Account an amount (if any) to bring the balance of such account to the Debt Service Reserve Amount;
- (vii) during the Revolving Period, to credit the Principal Deficiency Amount into the Principal Accumulation Account so as to use such funds to pay to the Originator all amounts due and payable (including any amount past due) as Initial Purchase Price in respect of the Portfolios pursuant to the Transfer Agreement; *provided that* during the Revolving Period any amount credited into the Principal Accumulation Account which is not used for such purpose shall be retained into the Principal Accumulation Account so as to form part of the Issuer Available Funds and be available for the sole purpose of paying the Initial Purchase Price of Subsequent Portfolios on the next Payment Date;
- (viii) during the Amortisation Period, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of the Principal Amount Outstanding of the Senior Notes;
- (ix) in or towards satisfaction of any Gross-Up Amount due and payable in respect of

the Interest Amount of the Senior Notes;

- (x) in or towards satisfaction of the interest due and payable (including any deferred interest amounts) on the Subordinated Loan in accordance with the Subordinated Loan Agreement;
- (xi) in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of any amounts (other than the Deferred Purchase Price and to the extent not already provided under the other items of this Priority of Payments) due and payable (including any amount past due) by the Issuer to any Other Issuer Creditor pursuant to the Transaction Documents;
- (xii) 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;
- (xiii) to repay the principal due and payable on the Subordinated Loan in accordance with the Subordinated Loan Agreement;
- (xiv) during the Amortisation Period, upon the 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; and
- (xv) in or towards satisfaction of the Deferred Purchase Price due and payable to the Originator in respect of the Aggregate Portfolio.

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

5.2 Post-Enforcement Priority of Payments

Following the delivery of a Trigger Notice, the Issuer Available Funds shall be applied on each Payment Date in making or providing for the following payments in the following Priority of Payments (in each case only if and to the extent that payments of a higher priority have been made in full, with the exception of any Advance made under the Subordinated Loan which shall be used exclusively to pay the Interest Amount due and payable in respect of the Senior Notes):

- (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 *pari passu* and *pro rata* according to the respective amounts thereof, of
 - (a) 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);
 - (b) replenishment of the Expenses Account by an amount up to the Retention Amount;
- (iii) in or towards satisfaction of the fees, costs and expenses of, and all other amounts due and payable to, the Representative of the Noteholders;

- (iv) in or towards satisfaction pari passu and pro rata according to the respective amounts thereof, of any amounts due and payable to the Italian Account Bank, the English Account Bank, the Cash Manager, the Paying Agent, the Computation Agent, the Corporate Services Provider, the Back-Up Servicer and the Servicer, to the extent not specifically provided under the following items;
- (v) in or towards satisfaction, pari passu and pro rata according to the respective amounts thereof,
 - (a) starting from the First Payment Date (included) up to but excluding the First Step-Up Date, of the Base Interest Amount due and payable in respect of the Senior Notes;
 - (b) starting from the First Step-Up Date (included) up to but excluding the Second Step-Up Date, of (1) the Base Interest Amount and (2) the First Step-Up Interest Amount, in each case, due and payable in respect of the Senior Notes;
 - (c) starting from the Second Step-Up Date (included), of (1) the Base Interest Amount, (2) the First Step-Up Interest Amount and (3) the Second Step-Up Interest Amount, in each case, due and payable in respect of the Senior Notes;
- (vi) in or towards satisfaction, pari passu and pro rata according to the respective amounts thereof, of the Principal Amount Outstanding of the Senior Notes;
- (vii) in or towards satisfaction of any Gross-Up Amount due and payable in respect of the Interest Amount of the Senior Notes;
- (viii) in or towards satisfaction of the interest due and payable (including any deferred interest amounts) on the Subordinated Loan in accordance with the Subordinated Loan Agreement;
- (ix) in or towards satisfaction, pari passu and pro rata according to the respective amounts thereof, of any amounts (other than the Deferred Purchase Price and to the extent not already provided under the other items of this Priority of Payments) due and payable (including any amount past due) by the Issuer to any Other Issuer Creditor pursuant to the Transaction Documents;
- (x) in or towards satisfaction of interest due and payable in respect of the Junior Notes;
- (xi) to repay the principal due and payable on the Subordinated Loan in accordance with the Subordinated Loan Agreement;
- (xii) upon the redemption in full of the Senior Notes, in or towards satisfaction of principal due and payable in respect of the Junior Notes; and
- (xiii) in or towards satisfaction of the Deferred Purchase Price due and payable to the Originator in respect of the Aggregate Portfolio.

6. INTEREST

6.1 Payment Dates and Interest Periods

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).

Interest in respect of the Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on each Payment Date in accordance with the applicable Priority of Payments in respect of the Interest Period ending immediately prior thereto. The first Payment Date will be 20 March 2012 in respect of the period from (and including) the Issue Date (but excluding) such date.

Interest in respect of any Interest Period or any other period will be calculated on the basis of the actual number of days elapsed and a 360 day year.

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 16 (*Notices*).

6.2 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 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 Interest Period shall be:

- (i) in respect of the Senior Notes, the aggregate of: (a) the EURIBOR (except that for the Initial Interest Period where an interpolated interest rate based on two and three month deposits in Euro will be substituted for EURIBOR) *plus* (b) the following margin:
 - a. 1.95 per cent. *per annum* from the Issue Date (included) up to the Payment Date falling on March 2013 (the "**First Step Up Date**") (excluded);
 - b. 2.40 per cent. *per annum* from the First Step-Up Date (included) up to the Payment Date falling on June 2013 (the "**Second Step Up Date**") (excluded); and
 - c. 3.90 per cent. *per annum* from the Second Step-Up Date (included) up to date of full redemption and/or cancellation of the Class A Notes (included).
- (ii) In respect of the Junior Notes, the aggregate of: (a) the EURIBOR (except that for the Initial Interest Period where an interpolated interest rate based on two and three month deposits in Euro will be substituted for EURIBOR) *plus* (b) the following margin: 2.00 per cent. *per annum*.

6.3 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 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 of each Class in respect of the immediately following Interest Period. The Interest Amount in respect of any Interest Period shall be calculated by applying the relevant Rate of Interest as provided for by Condition 6.2 (*Interest - Rate of Interest*) to the Principal Amount Outstanding of the Notes on the Payment Date at the commencement of such Interest Period (after deducting therefrom any payment of principal due on that 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).

6.4 Publication of the Rate of Interest and the Interest Amount

The Paying Agent shall cause the Rate of Interest and the Interest Amount applicable to each Interest Period (specifying (i) the Payment Date to which such Interest Amount refers to; (ii) the number of days of the relevant 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 Representative of the Noteholders, the Italian Account Bank, the English Account Bank, the Computation Agent, the Cash Manager and the Corporate Services Provider and will cause the same to be published in accordance with Condition 16 (*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 Interest Period in respect of such relevant Interest Determination Date.

6.5 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 6, then the Representative of the Noteholders as legal representative of the Organisation of the Noteholders shall:

- (a) 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
- (b) calculate the Interest Amount in the manner specified in Condition 6.3 (*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.

6.6 Notifications to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 6, 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 Italian Account Bank, the English Account Bank, the Representative of the Noteholders and all the Noteholders and (in such absence as aforesaid) no liability 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.

6.7 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, BNP Paribas and Barclays Bank plc. 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 16 (*Notices*).

6.8 Unpaid Interest

Without prejudice to Condition 12 item (i) (*Trigger Events - Non-payment*), in the event that the Issuer Available Funds available to the Issuer on any Payment Date (in accordance with the applicable Priority of Payments), for the payment of interest on the Notes on such Payment Date are not sufficient to pay in full the relevant Interest Amount, the amount by which the aggregate amount of interest paid on such Payment Date falls short of the Interest Amount which would otherwise be due, shall be aggregated with the amount of, and treated for the purposes of these Terms and Conditions as if it were, Interest Amount accrued on the Notes on the immediately following Payment Date. Any such unpaid amount shall not accrue additional interest.

The Paying Agent shall give notice in writing to the Issuer, the Servicer, the Representative of the Noteholders and Monte Titoli of any unpaid Interest Amount as resulting from any Payments Report and cause notice to that effect to be given to the Noteholders in accordance with Condition 16 (*Notices*), no later than 3 (three) Business Days prior to any Payment Date on which the Interest Amount on the Notes will not be paid in full.

7. REDEMPTION, PURCHASE AND CANCELLATION

7.1 Final Maturity Date

Unless previously redeemed in full as provided for in this Condition 7, 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 Condition 7.2 (*Mandatory Redemption*), 7.3 (*Optional Redemption*) or 7.4 (*Redemption for Taxation*), below and without prejudice to Condition 12 (*Trigger Events*).

7.2 Mandatory Redemption

Unless previously redeemed in accordance with Condition 7.3 (*Optional Redemption*) or

Condition 7.4 (*Redemption for Taxation*), the Notes will be subject to mandatory redemption in full (or in part *pro rata*) on each Payment Date falling in the Amortisation Period, in accordance with this Condition 7, in each case if and to the extent that, on such dates, there are sufficient Issuer Available Funds (including, for avoidance of doubt, proceeds deriving from any sales of the Aggregate Portfolio) which may be applied towards redemption of the Notes, in accordance with the Pre-Enforcement Priority of Payments.

7.3 Optional Redemption

- 7.3.1 Unless previously redeemed in full, the Issuer may redeem the Senior Notes (in whole but not in part) and the Junior Notes (in whole or, subject to the prior consent of the Junior Noteholders, in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon up to the date fixed for redemption, on any Payment Date falling on or after the First Step-Up Date, in accordance with this Condition 7.3 and the then applicable Priority of Payments.
- 7.3.2 Any redemption of the Notes in accordance with this Condition 7.3 shall be effected by the Issuer on giving not less than 30 days' prior notice in writing to the Representative of the Noteholders and the Noteholders in accordance with Condition 16 (*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, (other than the Noteholders and/or the Other Issuer Creditors) to discharge all its outstanding liabilities in respect of the relevant Notes to be redeemed and any amounts required to be paid under the applicable Priority of Payments in priority to or *pari passu* with such Notes.
- 7.3.3 The Issuer may obtain the necessary funds in order to effect the early redemption of the Notes in accordance with this Condition 7.3 through the sale of all or part of the Aggregate Portfolio. In this respect pursuant to the Transfer Agreement, the Originator has been granted with an option right to purchase the Aggregate Portfolio in accordance with the terms and conditions provided thereunder. The relevant sale proceeds deriving from any disposal of the Aggregate Portfolio shall form part of the Issuer Available Funds.

7.4 Redemption for Taxation

- 7.4.1 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 Payment Date:
- (a) amounts payable in respect of the Senior Notes by the Issuer and/or amounts payable to the Issuer in respect of the Receivables included in the Aggregate Portfolio would be subject to withholding or deduction (other than a Decree 239 Deduction) 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 (hereinafter, the "**Tax Event**"); and

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

then the Issuer may, on any such 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 Condition 16 (*Notices*), redeem, in accordance with the then applicable Priority of Payments, the Senior Notes (in whole but not in part) and the Junior Notes (in whole or, subject to the prior consent of the Junior Noteholders, in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon up to and including the relevant Payment Date fixed for redemption.

- 7.4.2 Following the occurrence of a Tax Event, the Issuer may, or the Representative of the Noteholders (subject to the provisions of the Intercreditor Agreement) 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 Aggregate Portfolio or any part thereof to finance the early redemption of the relevant Notes in accordance with this Condition 7.4. In this respect, pursuant to the Intercreditor Agreement, the Originator has been granted with a pre-emption right for the purchase of the Aggregate Portfolio in accordance with the terms and conditions provided thereunder. The relevant sale proceeds deriving from any disposal of the Aggregate Portfolio shall form part of the Issuer Available Funds.

7.5 Calculation of Issuer Available Funds and Principal Amount Outstanding

- 7.5.1 On each Payments Report Date immediately preceding a Payment Date, 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 Payment Date which falls during the Amortisation Period;
 - (b) the Principal Amount Outstanding of the Notes of each Class on the next following Payment Date (after deducting any principal payment due to be made on that Payment Date) and the portion of Interest Amount that will not be paid in full on the following Payment Date (if any);
 - (c) the amount of the Debt Service Reserve Amount and the amount required to bring the balance then standing to the credit of the Debt Service Reserve Account to the Debt Service Reserve Amount;
 - (d) the Issuer Available Funds;
 - (e) prior to the Amortisation Period, the Initial Purchase Price of any Subsequent Portfolio to be paid on the immediately following Payment Date (on the basis of (i) the relevant Offer Notice and the Issuer's acceptance and (ii) evidence given by the Corporate Service Provider (in

accordance with the Intercreditor Agreement) that the Formalities related to the transfer of such Subsequent Portfolio have been finalised;

- (f) prior to the Amortisation Period, the Principal Deficiency Amount exceeding the Initial Purchase Price of the Subsequent Portfolio to be paid on the immediately following Payment Date;
- (g) the Deferred Purchase Price of the Receivables comprised in the Aggregate Portfolio due on the immediately following Payment Date and all other payments due to be done by the Issuer on the immediately following Payment Date.

7.5.2 Each determination by or on behalf of the Issuer of Issuer Available Funds, any principal payment on the Notes and the Principal Amount Outstanding of the Notes shall in each case (in the absence of wilful default (*dolo*), gross negligence (*colpa grave*), bad faith or manifest error) be final and binding on all persons.

7.5.3 The Issuer will, on each Payments Report 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 Representative of the Noteholders, the Servicer, the Paying Agent, the Italian Account Bank, the English Account Bank, the Cash Manager, the Corporate Services Provider 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 16 (*Notices*).

7.5.4 The principal amount redeemable in respect of each Note shall be a *pro rata* share of the aggregate amount of Issuer Available Funds determined in accordance with Condition 7.2 (*Mandatory Redemption*) to be available for redemption of the Notes of the same Class as such Note on such date, calculated with reference to the ratio between (A) the then Principal Amount Outstanding of such Note and (B) the then Principal Amount Outstanding of all the Notes of the same Class (rounded down to the nearest cent), provided always that no such principal payment may exceed the Principal Amount Outstanding of the relevant Note.

7.5.5 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 7.5, such principal payment on the Notes and Principal Amount Outstanding on the Notes shall be determined by the Representative of the Noteholders in accordance with Condition 7 (*Redemption, Purchase and Cancellation*) and each such determination or calculation shall be deemed to have been made by the Issuer.

7.6 Notice of Redemption

Any notice of redemption as set out in Condition 7.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) and 7.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*) must be given in accordance with Condition 16 (*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 7.

7.7 No purchase by Issuer

The Issuer is not permitted to purchase any of the Notes.

7.8 Cancellation

Subject to the provisions of the Intercreditor Agreement, 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.

8. NON PETITION AND LIMITED RECOURSE

8.1 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:

- 8.1.1 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;
- 8.1.2 shall, save as expressly permitted by the Transaction Documents, have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to it;
- 8.1.3 shall be entitled, until the date falling one year and one day after the date on which all the notes and any other asset-backed notes issued in the context of any securitisation transaction by the Issuer have been redeemed in full or cancelled in accordance with their terms and conditions, to initiate or join any person in initiating an Insolvency Event in relation to the Issuer; and
- 8.1.4 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.

8.2 Limited recourse obligations of Issuer

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

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

- 8.2.2 sums payable to each Noteholder in respect of the Issuer's obligations to such Noteholder shall be limited to the lesser of (a) the aggregate amount of all sums due and payable to such Noteholder; and (b) the Issuer Available Funds, net of any sums which are payable by the Issuer in accordance with the Priority of Payments in priority to or *pari passu* with sums payable to such Noteholder;
- 8.2.3 subject to Condition 8.2.4 if the Issuer Available Funds are insufficient to pay any amount due and payable by the Issuer on any Payment Date in accordance with the applicable Priority of Payments, then the relevant shortfall will not be due and payable until a subsequent Payment Date on which the Issuer Available Funds may be used for such purpose in accordance with the relevant Priority of Payments; and
- 8.2.4 upon the Representative of the Noteholders giving notice in accordance with Condition 16 (*Notices*) that it has determined, in its sole opinion, that there is no reasonable likelihood of there being any further amounts to be realised in respect of the Aggregate 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 Servicer having confirmed the same in writing to the Representative of the Noteholders, the Noteholders shall have no further claim against the Issuer in respect of any such unpaid amounts and such unpaid amounts shall be cancelled and discharged in full.

9. PAYMENTS

9.1 Payments through Monte Titoli

Payment of principal and interest in respect of the Notes will be made in Euro and 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.

9.2 Payments subject to fiscal laws

Payments of principal and interest in respect of the Notes are subject in all cases to any fiscal or other laws and regulations applicable thereto.

9.3 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).

9.4 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 16 (*Notices*).

10. TAXATION

All payments in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes, duties or charges of whatsoever nature other than a Decree 239 Deduction or any other withholding or deduction required to be made by applicable law. If the Issuer is compelled to make any such withholding or deduction (other than a Decree 239 Deduction) in respect of the Senior Notes, it will pay, in accordance with the applicable Priority of Payments, to the receiving Senior Noteholder such additional amounts as are necessary to ensure receipt by the receiving Senior Noteholder of the full amount which that Senior Noteholder would have received if no such withholding or deduction were applicable.

11. 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.

12. TRIGGER EVENTS

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

(a) Non-payment by the Issuer:

the Issuer defaults in the payment of:

- (1) the amount of interest accrued on the Most Senior Class of Notes then outstanding (but excluding, for the avoidance of any doubt, the relevant interest deferred in accordance with these Terms and Conditions); and/or
- (2) the amount of principal due on the Most Senior Class of Notes then outstanding, and/or
- (3) the amount required to redeem in full the Senior Notes on the Senior Notes Maturity Date,

and such default is not remedied within a period of five Business Days from the due date thereof;

(b) *Breach of other obligations by the Issuer:*

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 (a) 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

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

any of the representations and warranties given by the Issuer under 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 to the Issuer requiring remedy; or

(d) *Insolvency of the Issuer:*

an Insolvency Event occurs in respect of the Issuer; or

(e) *Unlawfulness for the Issuer:*

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; or

(f) *Occurrence of certain Purchase Termination Events:*

the delivery of a Purchase Termination Event Notice in respect of a Purchase Termination Event under paragraphs (d), (e), (f), (g) or (i) below; then, the Representative of the Noteholders:

- (1) in the case of a Trigger Event under (a) and (e) above, shall; and/or
- (2) in the case of a Trigger Event under (b), (c), (d), or (f) 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 in each case, subject to the provisions of the Intercreditor Agreement. 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 and subject to the provisions of the Intercreditor Agreement) or the Representative of the Noteholders may (or shall, if so requested by an Extraordinary Resolution of the Senior Noteholders and subject to the provisions of the Intercreditor Agreement) direct the Issuer to, dispose of the Aggregate Portfolio, subject to the terms and conditions of the Intercreditor Agreement, *provided that* (except where the Trigger Notice is served upon occurrence of a Trigger Event under (f)) the Originator

shall have in such circumstance a pre-emption right to purchase the Aggregate Portfolio at the terms and conditions specified in the Intercreditor Agreement.

13. ACTIONS FOLLOWING THE DELIVERY OF A TRIGGER NOTICE

13.1 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 (and subject to the provisions of the Intercreditor Agreement), 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 5.2 (*Priority of Payments – Post-Enforcement Priority of Payments*).

13.2 Determinations to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Condition 12 (*Trigger Events*) or this Condition 13 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.

13.3 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.

14. 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 Transfer Agreement:

(a) *Trigger Notice or Tax Event*

A Trigger Notice is delivered to the Issuer by the Representative of the Noteholder and/or a Tax Event has occurred.

(b) *Breach of obligations by Alba Leasing*

Alba Leasing (in any role under the Transaction Documents) defaults in the performance of any of its obligations under the Transfer Agreement, the Servicing Agreement or under any other Transaction Document to which it is a party, if such default (i) is prejudicial to the interests of the Senior Noteholders; and (ii) remains unremedied within 20 (twenty) Business Days (or 5 (five) Business Days where the default relates to an obligation to pay) after the delivery by the Issuer (or the Senior Noteholders) of a written notice to Alba Leasing requiring the default to be remedied.

(c) *Breach of Representations and Warranties by Alba Leasing*

Any of the representations and warranties given by Alba Leasing under any of the Transfer Agreement, the Servicing Agreement or under any other Transaction Document is breached or is untrue, incomplete or inaccurate if the relevant breach (i) is materially prejudicial to the interests of the Senior Noteholders, and (ii) remains unremedied within 20 (twenty) Business Days (or 5 (five) Business Days, where the default relates to an obligation to pay of Alba Leasing) after the delivery by the Issuer of a written notice to Alba Leasing requiring the default to be remedied.

(d) *Insolvency of Alba Leasing*

Alba Leasing is declared insolvent or admitted to any bankruptcy proceedings or Alba Leasing has adopted a resolution aimed at obtaining the admission to any of such proceedings; a liquidator or administrative receiver is appointed or Alba Leasing has adopted a resolution aimed at obtaining such appointments; the whole or a substantial part of Alba Leasing's assets are subject to enforcement proceedings.

(e) *Debts' reschedule or moratorium*

Alba Leasing 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 Alba Leasing, if the Representative of the Noteholders, in its reasonable opinion, deems that any of the above events have or may have a material adverse effect on Alba Leasing's financial condition, provided that Alba Leasing has the right to renegotiate any subordinated loan granted to it by its controlling company.

(f) *Dissolution or liquidation*

A resolution has been adopted for the dissolution or liquidation of Alba Leasing, except if such resolution is adopted in connection with a corporate reorganisation.

(g) *Amendment of corporate purpose of Alba Leasing*

Alba Leasing resolves upon any material amendment of its corporate purpose (*oggetto sociale*) or the transfer of its registered office outside Italy.

(h) *Termination Alba Leasing's appointment as Servicer*

The Issuer terminates Alba Leasing's appointment as Servicer pursuant to the Servicing Agreement.

(i) *Alba Leasing's external auditor's assessment*

Alba Leasing's external auditors express a negative assessment in the certification report (*relazione di certificazione*) relating to the Alba Leasing's annual financial statements or declare the impossibility to express an assessment in respect thereof.

(j) *Failure to replenish the Debt Service Reserve Account*

At any 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 Debt Service Reserve Amount, as calculated on the Payments Report Date immediately preceding the relevant Payment Date.

(k) *Gross Cumulative Default Ratio*

The Gross Cumulative Default Ratio, as evidenced in the relevant Settlement Report, exceeds the respective Relevant Trigger.

(l) *Delinquency Ratio*

The Delinquency Ratio, as evidenced in the relevant Settlement Report, exceeds 6.5% for two consecutive Payment Dates.

(m) *Asset Coverage Test*

The Asset Coverage Test is negative for 2 (two) consecutive Settlement Dates immediately preceding any Payments Report Date.

(n) *Failure to transfer Subsequent Portfolios*

No Subsequent Portfolios are transferred to the Issuer for more than 2 (two) consecutive Settlement Report Dates.

(o) *Alba Leasing's change of control*

The shareholders of Alba Leasing as at the Issue Date cease, after the Issue Date, holding, directly or indirectly, at least 70 per cent. of the share capital of Alba Leasing, unless with a written consent of EIF and of the Senior Noteholders (to the extent the Senior Notes are entirely held by TAGS and/or RBS).

(p) *Alba Leasing's principal shareholders:*

There is a change in the shareholding structure of Alba Leasing so that, subsequent to the Issue Date, Banca Popolare dell'Emilia Romagna – Società cooperativa and Banco Popolare – Società Cooperativa, being the main shareholders of Alba Leasing, no longer hold, in aggregate, both directly and indirectly, at least 50 per cent. of Alba Leasing's share capital, unless such change in shareholding is made with the written consent of the Issuer, EIF and the Senior Noteholders (to the extent the Senior Notes are entirely held by TAGS and/or RBS).

(q) *Transaction Document no longer in effect, null, void or terminated*

The Transfer Agreement, the Servicing Agreement or any other Transaction Document is no longer in effect, is declared null or void, or is terminated for any reason.

(r) *Invalidity or unenforceability of the transfer of any Portfolio*

The validity or the enforceability of the transfer of any Portfolio to the Issuer is contested by Alba Leasing or by any third party in good faith and on reasonable

grounds.

(s) *Redenomination of Lease Contracts or exit of Italy from the Euro zone*

The Lease Contracts out of which the Receivables comprised in the Aggregate Portfolio arise are no more denominated in Euro, and/or it is officially announced by the relevant authorities the redenomination of the currency of the Republic of Italy in any currency other than Euro.

(t) *Bank of Italy's sanctions*

The Bank of Italy (or any other supervisory competent authority) issues any injunction or measure of any nature against Alba Leasing, which, if finally confirmed, might have a material adverse effect substantially prejudicial on Alba Leasing, save that such injunction or measure is lawfully contested by Alba Leasing before the competent authorities.

(u) *Alba Leasing Tier 1 Capital Ratio test*

The Tier 1 Capital Ratio of Alba Leasing, calculated on a six-month basis in accordance with the Bank of Italy Supervisory Regulations, is lower than 6% of its assets as set out in the last balance sheet approved and in the last semiannual financial statements.

(v) *Termination of the EIF Guarantee*

The EIF Guarantee is terminated for any reason, other than at the request of the Beneficiary.

(w) *Back-Up Servicer's requirements*

The Servicer and the Back-Up Servicer have not completed by 30 June 2012, the activities to be executed in order to enable the Back-Up Servicer to replace the Servicer timely by carrying out the duties set out in clause 2.3.3 and annex 2 of the Back-Up Servicing Agreement.

(x) *Termination of the Back-Up Servicer's appointment*

The Back-Up Servicer becomes insolvent and is admitted to any applicable Insolvency Proceedings (this being understood to mean compulsory winding up or other analogous insolvency proceedings pursuant to the Italian Bankruptcy Law, to the Consolidated Banking Law and to other applicable regulations) or the appointment of the Back-Up Servicer is otherwise terminated and a replacement Servicer that has obtained the prior consent of the Representative of the Noteholders has not been appointed within 60 calendar days starting from the date on which the Insolvency Proceeding has started or the appointment of the Back-Up Servicer is terminated; or

(y) *Principal Deficiency Amount*

On any Payment Date the Principal Deficiency Amount is not totally covered.

Upon the occurrence of a Purchase Termination Event, the Representative of the Noteholders (subject to the provisions of the Intercreditor Agreement) shall deliver to the Issuer, the Computation Agent, the Originator and the Senior Notes Underwriter a

Purchase Termination Event Notice. Following the delivery of a Purchase Termination Event Notice, (i) the Revolving Period will end and the Originator will be no longer allowed to sell further Subsequent Portfolios to the Issuer (which will be no longer allowed to purchase them from the Originator) and (ii) the Amortisation Period will begin and the Notes will start to be redeemed in accordance with the Pre-Enforcement Priority of Payments.

15. THE REPRESENTATIVE OF THE NOTEHOLDERS

15.1 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.

15.2 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 Senior Notes, who is appointed by both the Senior Notes Underwriter and the Junior Notes Underwriter in the Subscription Agreements. Each Noteholder is deemed to accept such appointment.

15.3 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: (x) can be removed by the Noteholders at any time, provided a successor Representative of the Noteholders is appointed; and (y) 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.

15.4 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.

16. NOTICES

16.1 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.

16.2 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.

17. GOVERNING LAW AND JURISDICTION

17.1 Governing Law

The Notes and all non-contractual obligations arising out or in connection with the Notes are governed by, and shall be construed according to, Italian law.

17.2 Jurisdiction

The Courts of Milan shall have exclusive jurisdiction in respect to any and all disputes arising out of, or in connection with, the validity, effectiveness, interpretation, enforceability and/or rescission of the Notes.

EXHIBIT 1
TO THE TERMS AND CONDITIONS OF THE NOTES
RULES OF THE ORGANISATION OF THE NOTEHOLDERS

TITLE I
GENERAL PROVISIONS

1 General

1.1 *Establishment*

The Organisation of the Noteholders is created concurrently with the issue by Alba 2 SPV S.r.l. of and subscription for the Euro 150,000,000 Class A Asset Backed Floating Rate Notes due December 2041 and the Euro 152,900,000 Class B Asset Backed Floating Rate Notes due December 2041 and is governed by these Rules of the Organisation of the Noteholders (the "**Rules**").

1.2 *Validity*

These Rules shall remain in force and effect until full repayment or cancellation of all the Notes.

1.3 *Integral part of the Notes*

These Rules are deemed to be an integral part of each Note issued by the Issuer.

2 Definitions and interpretations

2.1 *Interpretation*

- 2.1.1 Unless otherwise provided in these Rules, any capitalised term shall have the meaning attributed to it in the Terms and Conditions.
- 2.1.2 Any reference herein to an "Article" shall be a reference to an article of these Rules.
- 2.1.3 Headings and subheadings used herein are for ease of reference only and shall not affect the construction of these Rules.

2.2 *Definitions*

In these Rules, the terms set out below shall have the following meanings:

"**Basic Terms Modification**" means any proposal to:

- (a) change the date of maturity of the Notes of any Class;
- (b) change any date fixed for the payment of principal or interest in respect of the Notes of any Class;
- (c) reduce or cancel the amount of principal or interest payable on any date in respect of the Notes of any Class (other than any reduction or cancellation permitted under the Terms and Conditions) or alter the method of calculating the amount of any payment in respect of the Notes of any Class on redemption or maturity;
- (d) change the quorum required at any Meeting or the majority required to pass any Resolution;
- (e) change the currency in which payments are due in respect of any Class of Notes;
- (f) alter the priority of payments affecting the payment of interest and/or the repayment of principal in respect of any of the Senior Notes;

- (g) 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;
- (h) a change to this definition.

"Blocked Notes" means Notes which have been blocked by an authorised intermediary in an account with a clearing system.

"Block Voting Instruction" means in relation to a Meeting, the document obtained by the Paying Agent stating *inter alia*:

- (a) that the Blocked Notes specified therein will not be released until a specified date which falls after the conclusion of the Meeting;
- (b) that the Paying Agent has been instructed by the holder of the relevant Notes to cast the votes attributable to such Blocked Notes in a particular way on each resolution to be put to the relevant Meeting and that during the period of 48 hours before the time fixed for the Meeting such instructions may not be amended or revoked; and
- (c) authorising a Proxy to vote in accordance with such instructions.

"Chairman" means, in relation to any Meeting, the individual who takes the chair in accordance with Title II, Article 7 of these Rules.

"Extraordinary Resolution" means a resolution passed at a Meeting, duly convened and held in accordance with the provisions contained in these Rules to resolve on the objects set out in Article 18.

"Meeting" means a meeting of Noteholders of any Class or Classes (whether originally convened or resumed following an adjournment).

"Monte Titoli Account Holder" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli including any depository banks appointed by Euroclear and Clearstream.

"Ordinary Resolution" means a resolution passed at a Meeting, duly convened and held in accordance with the provisions contained in these Rules to resolve on the object set out in Article 17.

"Proxy" means any person to which the powers to vote at a Meeting have been duly granted under a Voting Certificate or a Block Voting Instruction.

"Resolution" means an Ordinary Resolution and/or an Extraordinary Resolution, as the case may be.

"Terms and Conditions" means the terms and conditions of the Notes, as from time to time modified in accordance with the provisions herein contained and including any agreement or other document expressed to be supplemental thereto, and any reference to a numbered **"Condition"** is to the corresponding numbered provision thereof.

"Voter" means, in relation to any Meeting, the holder of a Voting Certificate or a Proxy.

"Voting Certificate" means, in relation to any Meeting, a certificate issued by the Monte Titoli Account Holder in accordance with Regulation 22 February 2008, as subsequently amended and supplemented, stating *inter alia*:

- (a) that the Blocked Notes specified therein will not be released until a specified date which falls after the conclusion of the Meeting; and
- (b) that the bearer of such certificate is entitled to attend and vote at such Meeting in respect of such Blocked Notes.

"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.

3 Purpose of the Organisation

3.1 Membership

Each Noteholder is a member of the Organisation of the Noteholders.

3.2 Purpose

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 NOTEHOLDERS

4 Voting Certificates and Validity of the Proxies and Voting Certificates

4.1 Participation in Meetings

Noteholders may participate in any Meeting by obtaining a Voting Certificate or by depositing a Block Voting Instruction at the specified office of the Representative of the Noteholders not later than 24 hours before the relevant Meeting.

4.2 Validity

A Block Voting Instruction or a Voting Certificate shall be valid only if deposited at the specified office of the Representative of the Noteholders, or at any other place approved by the Representative of the Noteholders, at least 24 hours before the time of the relevant Meeting. If a Block Voting Instruction or a Voting Certificate is not deposited before such deadline, it shall not be valid unless the Chairman decides otherwise before the Meeting proceeds to discuss the items on the agenda. If the Representative of the Noteholders so requires, a notarised copy of each Voting Certificate or Block Voting Instruction and satisfactory evidence of the identity of each Proxy named therein shall be produced at the Meeting but the Representative of the Noteholders shall not be obliged to investigate the validity of a Voting Certificate, a Block Voting Instruction or the identity of any Proxy.

4.3 Mutually exclusive

A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

4.4 Blocking and release of Notes

References to the blocking or release of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of Monte Titoli (or any other applicable clearing system).

5 Convening the Meeting

5.1 Meetings convened by the Representative of the Noteholders

The Representative of the Noteholders may convene a Meeting at any time.

The Representative of the Noteholders shall convene a Meeting at any time it is requested to do so in writing by (a) the Issuer, or (b) Noteholders representing at least one-tenth of the aggregate Principal Amount Outstanding of all the Notes outstanding for the Class in respect of which the Meeting is to be convened.

5.2 Request from the Issuer

Whenever the Issuer requests the Representative of the Noteholders to convene a Meeting, it shall immediately send a communication in writing to that effect to the Representative of the Noteholders specifying the proposed day, time and place of the Meeting and the items to be included in the agenda.

5.3 *Time and place of the Meeting*

Every Meeting will be held on a date and at a time and place selected or approved by the Representative of the Noteholders.

6 Notice of Meeting and Documents Available for Inspections

6.1 *Notice of meeting*

At least 21 days' notice (exclusive of the day on which notice is delivered and of the day on which the relevant Meeting is to be held), specifying the day, time and place of the Meeting, must be given by the Paying Agent (upon instruction from the Representative of the Noteholders) to the relevant Noteholders, with copy to the Issuer and the Representative of the Noteholders.

6.2 *Content of the notice*

The notice of any resolution to be proposed at the Meeting shall specify at least the following information:

- (a) day, time and place of the Meeting, on first and second call;
- (b) agenda of the Meeting; and
- (c) nature of the Resolution.

6.3 *Validity notwithstanding lack of notice*

Notwithstanding the formalities required by this Article 6, a Meeting is validly held if the entire Principal Amount Outstanding of the relevant Class or Classes of Notes is represented thereat and the Issuer and the Representative of the Noteholders are present.

6.4 *Documentation Available for Inspection*

All the documentation (including, if possible, the full text of the resolution to be proposed at the Meeting) which is necessary, useful or appropriate for the Noteholders consciously to (i) determine whether or not to take part in the relevant Meeting and (ii) exercise their right to vote on the items on the agenda, shall be deposited at the specified office of the Representative of the Noteholders at least 7 days before the date set for the relevant Meeting.

7 Chairman of the Meeting

7.1 *Appointment of the Chairman*

The Meeting is chaired by an individual (who may, but need not be, a Noteholder) appointed by the Representative of the Noteholders. If the Representative of the Noteholders fails to make such appointment or the individual so appointed declines or is not present within 15 minutes after the time fixed for the Meeting, the Meeting shall be chaired by the person elected by the majority of the Voters present, failing which, the Issuer shall appoint a Chairman.

7.2 *Duties of the Chairman*

The Chairman ascertains that the Meeting has been duly convened and validly constituted, manages the business of the Meeting, monitors the fairness of proceedings, leads and moderates the debate and defines the terms for voting.

7.3 *Assistance*

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.

8 Quorum

8.1 Quorum and Passing of Resolution

The quorum (*quorum constitutivo*) at any Meeting shall be:

- (a) in respect of a Meeting convened to vote on an Ordinary Resolution:
 - (i) on first call, one or more Voters holding or representing at least one half of the Principal Amount Outstanding of the outstanding Notes for the Class in respect of which the Meeting is convened; or
 - (ii) on second call, following any adjournment pursuant to Article 9, such fraction of the Principal Amount Outstanding of the outstanding Notes as is represented or held by Voters present at the Meeting;
- (b) in respect of a Meeting convened to vote on an Extraordinary Resolution, other than in respect of a Basic Terms Modification:
 - (i) on first call, one or more Voters holding or representing at least two thirds of the Principal Amount Outstanding of the Notes outstanding for the Class in respect of which the Meeting is convened; or
 - (ii) on second call, following any adjournment pursuant to Article 9, such fraction of the Principal Amount Outstanding of the outstanding Notes as is represented or held by Voters present at the Meeting;
- (c) in respect of a Meeting convened to vote on an Extraordinary Resolution in respect of a Basic Terms Modification:
 - (i) on first call, one or more Voters holding or representing at least three quarters of the Principal Amount Outstanding of the outstanding Notes for the Class in respect of which the Meeting is convened; or
 - (ii) on second call, following any adjournment pursuant to Article 9, one or more Voters holding or representing at least one half of the Principal Amount Outstanding of the outstanding Notes for the Class in respect of which the Meeting is convened.

8.2 Passing of a Resolution

A Resolution shall be deemed validly passed if voted by the following majorities:

- (a) in respect of an Ordinary Resolution, a majority of the votes cast; and
- (b) in respect of an Extraordinary Resolution, a majority of not less than three quarters of the votes cast.

9 Adjournment for lack of quorum

If a quorum is not reached within 30 minutes after the time fixed for any Meeting:

- (a) if such Meeting was requested by Noteholders, the Meeting shall be dissolved; or
- (b) in any other case, the Meeting (unless the Issuer and the Representative of the Noteholders otherwise agree) shall 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 and time as the Chairman determines with the approval of the Representative of the Noteholders, provided however that no meeting may be adjourned more than once for want of quorum.

10 Adjourned Meeting

Except as provided in Article 9, 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.

11 Notice following adjournment

11.1 Notice required

If a Meeting is adjourned in accordance with the provisions of Article 9, Articles 5 and 6 above shall apply to the resumed meeting except that:

- (a) 10-days' notice (exclusive of the day on which the notice is delivered and of the day on which the Meeting is to be resumed) shall be sufficient; and
- (b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

11.2 Notice not required

It shall not be necessary to give notice to resume any Meeting adjourned for reasons other than those described in Article 9.

12 Participation

The following categories of persons may attend and speak at a Meeting:

- (a) Voters;
- (b) the director(s) and the auditors of the Issuer;
- (c) the Representative of the Noteholders;
- (d) financial and/or legal advisers to the Issuer and the Representative of the Noteholders; and
- (e) any other person authorised by the Issuer, the Representative of the Noteholders or by virtue of a resolution of the relevant Meeting.

13 Voting by show of hands

13.1 First instance vote

Every question submitted to a Meeting shall be decided in the first instance by a vote by show of hands.

13.2 Demand of poll

If, before the vote by show of hands, the Issuer, the Representative of the Noteholders, the Chairman or one or more Voters who represent or hold at least one-tenth of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Notes request to vote by poll, the question shall be voted on in compliance with the provisions of Article 14. No request to vote by poll shall hinder the continuation of the Meeting in relation to the other items on the agenda.

13.3 Approval of a resolution

A resolution is only passed on a vote by show of hands if the Meeting has been validly constituted and the relevant resolution is unanimously approved by all the Voters at the Meeting. The Chairman's declaration that on a show of hands a resolution has been passed or rejected shall be conclusive. Whenever it is not possible to approve a resolution by show of hands, voting shall be carried out by poll.

14 Voting by poll

14.1 Demand for a poll

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Representative of the Noteholders or one or more Voters representing or holding not less than one-tenth of the Principal Amount Outstanding of the outstanding Notes entitled to vote at the Meeting. A poll may be taken immediately or after any adjournment as decided by the Chairman, but any poll demanded on the election of a Chairman or on any question of adjournment shall be taken immediately. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business.

14.2 *Conditions of a poll*

The Chairman sets the conditions for voting by poll, including for counting and calculating the votes, and may set a time limit by which all votes must be cast. Any vote which is not cast in compliance with the conditions set by the Chairman shall be null. After voting ends, the votes shall be counted and after the counting the Chairman shall announce to the Meeting the outcome of the vote.

15 Votes

15.1 *Votes*

Each Voter shall have:

- (a) one vote, when voting by a show of hands; and
- (b) one vote for each Euro 1,000 of Principal Amount Outstanding of each Note represented or held by the Voter, when voting by poll.

15.2 *Exercise of multiple votes*

Unless the terms of any Block Voting Instruction or Voting Certificate borne by a Proxy state otherwise, a Voter shall not be obliged to exercise all the votes to which such Voter is entitled or to cast all the votes which he exercises in the same manner.

15.3 *Voting tie*

In case of a voting tie, the Chairman shall have the casting vote.

16 Voting by Proxy

16.1 *Validity*

Any vote by a Proxy appointed in accordance with the relevant Block Voting Instruction or Voting Certificate shall be valid even if such Block Voting Instruction or Voting Certificate or any other instruction pursuant to which it has been given had been amended or revoked provided that none of the Paying Agent, the Issuer, the Representative of the Noteholders or the Chairman has been notified in writing of such revocation at least 24 hours prior to the time set for the relevant Meeting.

16.2 *Adjournment of Meeting*

Unless revoked, the appointment of a Proxy in relation to a Meeting shall remain valid also in relation to a resumption of such Meeting following an adjournment, unless such Meeting was adjourned for lack of quorum pursuant to Article 9. If a Meeting is adjourned pursuant to Article 9, any person appointed to vote in such Meeting must be re-appointed by virtue of a Block Voting Instruction or Voting Certificate in order to vote at the resumed Meeting.

17 Ordinary Resolutions

Save as provided by Article 18 and subject to the provisions of Article 19 and the provisions of the Intercreditor Agreement, a Meeting shall have the power exercisable by Ordinary Resolution to:

- (a) waive (including to waive a prior breach) any breach by the Issuer of its obligations arising under the Transaction Documents or the Notes, or waive a Trigger Event, if such waivers are not previously authorised by the Representative of the Noteholders in accordance with the Transaction Documents;

- (b) determine any other matters submitted to the Meeting, other than matters required to be subject of an Extraordinary Resolution, in accordance with the provisions of these Rules and the Transaction Documents; and
- (c) 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 Extraordinary Resolutions

The Meeting, subject to Article 19 and the provisions of the Intercreditor Agreement, shall have power exercisable by Extraordinary Resolution to:

- (a) approve any Basic Terms Modification;
- (b) approve any proposal by the Issuer or the Representative of the Noteholders for any alteration or waiver of the rights of the Noteholders against the Issuer;
- (c) approve any scheme or proposal related to the mandatory exchange or substitution of any Class of Notes;
- (d) save as provided by Article 29, approve any amendments of the provisions of (i) these Rules, (ii) the Terms and Conditions, (iii) the Intercreditor Agreement, (iv) the Cash Allocation, Management and Payment Agreement, or (v) any other Transaction Document in respect of the obligations of the Issuer under or in respect of the Notes which is not a Basic Terms Modification be proposed by the Issuer, the Representative of the Noteholders and/or any other party thereto;
- (e) discharge or exonerate (including prior or retrospective discharge or exoneration) the Representative of the Noteholders from any liability in relation to any act or omission for which the Representative of the Noteholders has or may become liable pursuant or in relation to these Rules, the Terms and Conditions or any other Transaction Document;
- (f) grant any authority, order or sanction which, under the provisions of these Rules or under the Terms and Conditions, must be granted by Extraordinary Resolution (including the issue of a Trigger Notice as a result of a Trigger Event pursuant to Condition 13);
- (g) authorise and ratify the actions of the Representative of the Noteholders in compliance with these Rules, the Intercreditor Agreement and any other Transaction Document;
- (h) authorise the Representative of the Noteholders or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- (i) appoint and remove the Representative of the Noteholders; and
- (j) authorise or object to individual actions or remedies of Noteholders under Article 23.

19 Relationship between Classes and conflict of interests

19.1 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 (to the extent that there are Notes outstanding in any of such other Class).

19.2 Extraordinary Resolution other than in respect of a Basic Terms Modification or Ordinary Resolution

No Extraordinary Resolution of any Class of Notes to approve any matter other than a Basic Terms Modification or a matter to be approved by an Ordinary Resolution shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes ranking at that time senior to such Class with respect to the repayment of the principal pursuant to Condition 5.2 and in accordance with the applicable Priority of Payments (to the extent that there are Notes outstanding ranking senior to such Class).

19.3 *Binding nature of the Resolutions*

Any Resolution passed at a Meeting of the Noteholders of one or more Classes of Notes duly convened and held in accordance with these Rules shall be binding upon all Noteholders of such Class or Classes, whether or not present at such Meeting and whether or not dissenting and whether or not voting and, except in the case of Meeting relating to a Basic Terms Modification, any Resolution passed at a meeting of the then Most Senior Class of Noteholders duly convened and held as aforesaid shall also be binding upon all the other Class of Noteholders. In each such case, all of the relevant Classes of Noteholders shall be bound to give effect to any such resolutions accordingly.

19.4 *Conflict between Classes*

If, however, in the opinion of the Representative of the Noteholders, there is a conflict between interests of

- (i) different Classes of Noteholders, then the Representative of the Noteholders is required to have regard to the interests of the Most Senior Class of Noteholders only;
- (ii) the Noteholders and of the Other Issuer Creditors, the Representative of the Noteholders will have regard to the interests of whichever Noteholder and/or Other Issuer Creditor ranks higher in the applicable Priority of Payments.

19.5 *Resolution of the Junior Noteholders*

For the avoidance of doubt, amendments or modifications which (in the opinion of the Representative of the Noteholders) do not affect (directly or indirectly) the payment of interest and/or the repayment of principal in respect of any of the Senior Notes and/or any other interest or rights of the Senior Noteholders may be passed at a Meeting of the Junior Noteholders without any sanction being required by the holders of the Senior Notes.

19.6 *Joint Meetings*

Subject to the provisions of these Rules and the Terms and Conditions, if the Representative of the Noteholders considers it is not detrimental to the holders of any relevant Class of Notes, joint meetings of the Class A Noteholders and of the Class B Noteholders may be held to consider the same Resolution and the provisions of these Rules shall apply *mutatis mutandis* thereto.

19.7 *Separate and combined Meetings of the Noteholders*

Subject to the aforesaid provisions of this Article 19, the following provisions shall apply where outstanding Notes belong to more than one Class:

- (a) business which, in the sole opinion of the Representative of the Noteholders, affects only one Class of Notes shall be transacted at a separate Meeting of the Noteholders of such Class;
- (b) business which, in the opinion of the Representative of the Noteholders, affects more than one Class of Notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one such Class of Notes and the Noteholders of the other Class of Notes shall be transacted either at separate Meetings of the Noteholders of each such Class of Notes or at a single Meeting of the Noteholders of all such Classes of Notes, as the Representative of the Noteholders shall determine in its absolute discretion; and
- (c) business which, in the opinion of the Representative of the Noteholders, affects the Noteholders of more than one Class of Notes and gives rise to an actual or potential conflict of interest between the Noteholders of one such Class of Notes and the Noteholders of the other Class of Notes shall be transacted at separate Meetings of the Noteholders of each such Class.

In this paragraph "**business**" includes (without limitation) the passing or rejection of any Resolution.

19.8 *Notice of Resolution*

Within 14 days after the conclusion of each Meeting, the Issuer shall give notice, in accordance with Condition 16 (*Notices*), of the result of the votes on each resolution put to the Meeting. Such notice shall also be sent by the Issuer (or its agents) to the Paying Agent and the Representative of the Noteholders.

20 Challenge of Resolution

Any absent or dissenting Noteholder has the right to challenge Resolutions which are not passed in compliance with the provisions of these Rules.

21 Minutes

Minutes shall be made of all resolutions and proceedings of each Meeting. The Minutes shall be signed by the Chairman and shall be prima facie evidence of the proceedings therein recorded. Unless and until the contrary is proved, every Meeting in respect of which minutes have been signed by the Chairman shall be regarded as having been duly convened and held and all resolutions passed or proceedings transacted shall be regarded as having been duly passed and transacted.

22 Written Resolution

Notwithstanding the formalities required by Article 6, a Meeting is validly held if a resolution in writing is signed by or on behalf of all Noteholders of the relevant Class or Classes who at any relevant time are entitled to participate in a Meeting in accordance with the provisions of these Rules, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more of such Noteholders (the "**Written Resolution**").

A Written Resolution shall take effect as if it were an Extraordinary Resolution or an Ordinary Resolution, in respect of matters to be determined by Extraordinary Resolution or Ordinary Resolution, as the case may be.

23 Individual Actions and Remedies

23.1 Individual actions of the Noteholders

Each Noteholder is deemed to have accepted and is bound by the limited recourse and non petition provisions of Condition 8 (*Non Petition and Limited Recourse*). Accordingly, the right of each Noteholder to bring individual actions or use other individual remedies to enforce his/her rights under the Notes or the Transaction Documents will be subject to a Meeting passing an Extraordinary Resolution authorising such individual action or other remedy. In this respect, the following provisions shall apply:

- (a) the Noteholder intending to enforce his/her rights under the Notes or the Transaction Documents will notify the Representative of the Noteholders of his/her intention;
- (b) the Representative of the Noteholders will, without delay, call a Meeting in accordance with these Rules at the expense of such Noteholder;
- (c) if the Meeting passes a resolution objecting to the enforcement of the individual action or remedy, the Noteholder will be prevented from taking such action or remedy (without prejudice to the fact that after a reasonable period of time, the same matter may be resubmitted for review of another Meeting); and
- (d) if the Meeting of Noteholders authorises such individual action or remedy, the Noteholder will not be prohibited from taking such individual action or remedy.

23.2 Individual actions subject to Resolution

No Noteholder will be permitted to take any individual action or remedy to enforce his/her rights under the Notes or the Transaction Documents unless a Meeting has been held to resolve on such action or remedy in accordance with the provisions of this Article 23.

23.3 Breach of Condition 8 (Non Petition and Limited Recourse)

No Noteholder shall be permitted to take any individual action or remedy to enforce his/her rights under the Notes or the Transaction Documents in the event that such action or remedy would cause or result in a breach of Condition 8 (*Non Petition and Limited Recourse*).

23.4 *Exclusive power of the Representative of the Noteholders*

Save as provided in this Article 23, only the Representative of the Noteholders may pursue the remedies available under the general law or the Transaction Documents to obtain payment of obligations or to enforce the Security and no Noteholder shall be entitled to proceed directly against the Issuer to obtain or enforce such remedies.

24 Further Regulations

Subject to all other provisions contained in these Rules, the Representative of the Noteholders may, without the consent of the Issuer, prescribe such further regulations regarding the holding of Meetings and attendance and voting at them and/or the provisions of a Written Resolution as the Representative of the Noteholders in its sole discretion may decide.

TITLE III

THE REPRESENTATIVE OF THE NOTEHOLDERS

25 Appointment, Removal and Remuneration

25.1 *Appointment*

The appointment of the Representative of the Noteholders takes place by Extraordinary Resolution of the Most Senior Class of Noteholders in accordance with the provisions of this Article 25, except for the appointment of the first Representative of the Noteholders which will be Securitisation Services S.p.A.

25.2 *Requirements for the Representative of the Noteholders*

The Representative of the Noteholders shall be:

- (a) a bank incorporated in any jurisdiction of the European Union, or a bank incorporated in any other jurisdiction acting through an Italian branch; or
- (b) a company or financial institution enrolled with the register held by the Bank of Italy pursuant to Article 106 of the Consolidated Banking Act; or
- (c) any other entity which is not prohibited from acting in the capacity of Representative of the Noteholders pursuant to the law.

25.3 *Directors and auditors of the Issuer*

The directors and auditors of the Issuer cannot be appointed as the Representative of the Noteholders, and if appointed as such they shall be automatically removed.

25.4 *Duration of appointment*

Unless the Representative of the Noteholders is removed by Extraordinary Resolution pursuant to Title II above or it resigns in accordance with Article 27, it shall remain in office until full repayment or cancellation of all the Notes.

25.5 *Removal*

Subject to the provisions of the Intercreditor Agreement, the Representative of the Noteholders may be removed by Extraordinary Resolution of the Most Senior Class of Noteholders at any time.

25.6 *Office after termination*

In the event of a termination of the appointment of the Representative of the Noteholders for any reason whatsoever, such Representative of the Noteholders shall remain in office until a substitute Representative

of the Noteholders, which shall be a subject among those listed in Article 25.2, paragraphs (a), (b), and (c) above, accepts its appointment, and the powers and authority of the Representative of the Noteholders whose appointment has been terminated shall, pending the acceptance of its appointment by the substitute, be limited to those necessary to perform the essential functions required in connection with the Notes.

25.7 *Remuneration*

The Issuer shall pay to the Representative of the Noteholders for its services as 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 separate fee letter. Such fees shall accrue from day to day and shall be payable in accordance with the applicable Priority of Payments.

26 Duties and Powers of the Representative of the Noteholders

26.1 *Legal representative of the Organisation of the Noteholders*

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 pursuant to the Transaction Documents in order to protect the interests of the Noteholders.

26.2 *Meetings and implementation of Resolutions*

Subject to Article 28.9, the Representative of the Noteholders is responsible for implementing all resolutions of the Noteholders and has the right to convene Meetings to propose any course of action which it considers from time to time necessary or desirable.

26.3 *Delegation*

26.3.1 The Representative of the Noteholders may also, whenever it considers it expedient and in the interest of the Noteholders, whether by power of attorney or otherwise, delegate to any person(s) specific activities vested in it as aforesaid.

26.3.2 The terms and conditions (including power to sub-delegate) of such appointment shall be established by the Representative of the Noteholders depending on what it deems suitable in the interest of the Noteholders.

26.3.3 The Representative of the Noteholders shall not, other than in the normal course of its business, be bound to supervise the acts or proceedings of such delegate or sub-delegate, provided that the Representative of the Noteholders shall use all reasonable care in the appointment of any such delegate, shall be responsible for the instructions given by it to such delegate (*culpa in eligendo*) and for any loss and liability incurred by the Issuer which is a direct consequence of the wilful (*dolosa*) or gross negligent (*dovuta a colpa grave*) misconduct, omission or default on the part of such delegate or sub-delegate.

26.3.4 As soon as reasonably practicable, the Representative of the Noteholders shall give notice to the Issuer of the appointment of any delegate and any renewal, extension and termination of such appointment, and shall procure that any delegate shall give notice to the Issuer of the appointment of any sub-delegate as soon as reasonably practicable.

26.4 *Judicial proceedings*

The Representative of the Noteholders is authorised to represent the Organisation of the Noteholders, *inter alia*, in any judicial proceedings.

27 Resignation of the Representative of the Noteholders

27.1 *Resignation*

The Representative of the Noteholders may resign at any time by giving at least three calendar months' written notice to the Issuer, with no need to provide any specific reason for the resignation and without being responsible for any costs incurred as a result of such resignation.

27.2 *Effectiveness*

The resignation of the Representative of the Noteholders shall not become effective until a new Representative of the Noteholders has been appointed by an Extraordinary Resolution of the Most Senior Class of Noteholders and such new Representative of the Noteholders has accepted its appointment provided that if the 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 25.

28 Exoneration of the Representative of the Noteholders

28.1 *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.

28.2 *Other limitations*

Without limiting the generality of Article 28.1, the Representative of the Noteholders:

- (i) shall not be under any obligation to take any steps to ascertain whether a Trigger Event or any other event, condition or act, the occurrence of which would cause a right or remedy to become exercisable by the Representative of the Noteholders hereunder or under any other Transaction Document has occurred, and until the Representative of the Noteholders has actual knowledge or express notice to the contrary, it shall be entitled to assume that no Trigger Event has occurred;
- (ii) shall not be under any obligation to monitor or supervise the observance and performance by the Issuer or any other parties of their obligations contained in the Terms and Conditions and hereunder or, as the case may be, in any Transaction Document to which each such party is a party, and until it shall have actual knowledge or express notice to the contrary, the Representative of the Noteholders shall be entitled to assume that the Issuer and each other party to the Transaction Documents are carefully observing and performing all their respective obligations;
- (iii) except as otherwise required under these Rules or the Transaction Documents, shall not be under any obligation to give notice to any person of its activities in performance of the provisions of these Rules or any other Transaction Document;
- (iv) shall not be responsible for (or for investigating) the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules or of any Transaction Document, or of any other document or any obligation or rights created or purported to be created hereby or thereby or pursuant hereto or thereto, and (without prejudice to the generality of the foregoing) it shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:
 - (1) the nature, status, creditworthiness or solvency of the Issuer;
 - (2) the existence, accuracy or sufficiency of any legal or other opinion, search, report, certificate, valuation or investigation delivered or obtained or required to be delivered or obtained at any time in connection herewith;
 - (3) the suitability, adequacy or sufficiency of any collection procedure operated by the Servicer or compliance therewith;
 - (4) 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 Aggregate Portfolio; and

- (5) any accounts, books, records or files maintained by the Issuer, the Servicer, and the Paying Agent or any other person in respect of the Aggregate Portfolio or the Notes;
- (v) shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes or the distribution of any of such proceeds to the persons entitled thereto;
- (vi) shall not be responsible for (or for investigating) any matter which is the subject of any recital, statement, warranty or representation by any party other than the Representative of the Noteholders contained herein or in any Transaction Document or any certificate, document or agreement relating to thereto or for the execution, legality, validity, effectiveness, enforceability or admissibility in evidence thereof;
- (vii) 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 Aggregate 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;
- (viii) shall not be liable for any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting these Rules or any Transaction Document;
- (ix) shall not be under any obligation to guarantee or procure the repayment of the Aggregate Portfolio or any part thereof;
- (x) shall not be obliged to evaluate the consequences that any modification of these Rules or any of the Transaction Documents or exercise of its rights, powers and authorities may have for any individual Noteholder;
- (xi) shall not (unless and to the extent ordered to do so by a court of competent jurisdiction) be under any obligation to disclose to any Noteholder, any Other Issuer Creditor or any other party any confidential, financial, price sensitive or other information made available to the Representative of the Noteholders by the Issuer or any other person in connection with these Rules and no Noteholder, Other Issuer Creditor or any other party shall be entitled to take any action to obtain from the Representative of the Noteholders any such information;
- (xii) shall not be responsible for reviewing or investigating any report relating to the Aggregate Portfolio provided by any person;
- (xiii) shall not be responsible for or have any liability with respect to any loss or damage arising from the realisation of the Aggregate Portfolio or any part thereof;
- (xiv) shall not be responsible for (except as otherwise provided in the Terms and Conditions or in the Transaction Documents) making or verifying any determination or calculation in respect of the Aggregate Portfolio and the Notes; and
- (xv) shall not be deemed responsible for having acted pursuant to instructions received from the Meeting, even if it is later discovered that the Meeting had not been validly convened or constituted, and that such resolution had not been duly approved or was not otherwise valid or binding for the Noteholders.

28.3 *Discretion*

28.3.1 The Representative of the Noteholders:

- (i) save as expressly otherwise provided herein and in the Intercreditor Agreement, shall have absolute discretion as to the exercise, non-exercise or refraining from exercise of any right, power and discretion vested in the Representative of the Noteholders by these Rules or by operation of law, and the Representative of the Noteholders shall not be responsible for any loss, cost, damage, expense or inconvenience resulting from the exercise, non-exercise or refraining from exercise thereof except insofar as the same are incurred as a result of its wilful default (*dolo*) or gross negligence (*colpa*)

grave);

- (ii) in connection with matters in respect of which the Representative of the Noteholders is entitled to exercise its discretion hereunder, the Representative of the Noteholders has the right - but not the obligation - to convene a Meeting or Meetings in order to obtain the Noteholders' instructions as to how it should act. Prior to undertaking any action, the Representative of the Noteholders shall be entitled to request that the Noteholders indemnify it and/or provide it with security to its satisfaction against all actions, proceedings, claims and demands which may be brought against it and against all costs, charges, damages, expenses and liabilities which it may incur by taking such action;
- (iii) may certify whether or not a Trigger Event is in its opinion prejudicial to the interest of the Noteholders and any such certification shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other subject party to the Transaction Documents;
- (iv) may determine whether or not a default in the performance by the Issuer of any obligation under the provisions of these Rules, the Notes or any other Transaction Documents may be remedied, and if the Representative of the Noteholders certifies that any such default is, in its opinion, not capable of being remedied, such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other party to the Transaction Documents;

28.3.2 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.

28.4 *Certificates*

The Representative of the Noteholders:

- (i) may act on the advice of or a certificate or opinion of or any information obtained from any lawyer, accountant, banker, broker, credit or rating agency or other expert whether obtained by the Issuer, the Representative of the Noteholders or otherwise, and shall not be responsible for any loss incurred by so acting in the absence of gross negligence (*colpa grave*) or wilful default (*dolo*) on the part of the Representative of the Noteholders;
- (ii) may call for, and shall be at liberty to accept as sufficient evidence of any fact or matter, a certificate duly signed by the Issuer, and the Representative of the Noteholders shall not be bound in any such case to call for further evidence or be responsible for any loss that may be incurred as a result of acting on such certificate unless it has information which casts a doubt on the truthfulness of the certificates signed by the Issuer;
- (iii) shall have the right to call for (or have the Issuer call for) and to rely on written attestations issued by any one of the parties to the Intercreditor Agreement or by any Other Issuer Creditor. The Representative of the Noteholders shall not be required to seek additional evidence and shall not be held responsible for any loss, liability, cost, damage, expense, or charge incurred as a result of having failed to do so.

28.5 *Ownership of the Notes*

28.5.1 In order to ascertain ownership of the Notes, the Representative of the Noteholders may fully rely on the certificates issued by any authorised institution listed in article 30 of Decree No. 213, which certificates are conclusive proof of the statements attested to therein.

28.5.2 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.

28.6 *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 Regulation 22 February 2008, as amended from time to time, which certificates are to be conclusive proof of the matters certified therein.

28.7 *Certificates of 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.

28.2 *Illegality*

No provision of these 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 or otherwise risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its powers or discretion, and the Representative of the Noteholders may refrain from taking any action which would or might, in its opinion, be contrary to any law of any jurisdiction or any regulation or directive of any agency of any state, or if it has reasonable grounds to believe that it will not be reimbursed for any funds it expends, or that it will not be indemnified against any loss or liability which it may incur as a consequence of such action. The Representative of the Noteholders may do anything which, in its opinion, is necessary to comply with any such law, regulation or directive as aforesaid.

29 Amendments to the Transaction Documents

29.1 *Consent of the Representative of the Noteholders*

Subject to the provisions of the Intercreditor Agreement, the Representative of the Noteholders may agree to any amendment or modification to these Rules or to any of the Transaction Documents, without the prior consent or sanction of the Noteholders if in its opinion:

- (i) it is expedient to make such amendment or modification in order to correct a manifest error or an error of a formal, minor or technical nature; or
- (ii) save as provided under paragraph (i) above, such amendment or modification (which shall be other than in respect of a Basic Terms Modification or any provision in these Rules which makes a reference to the definition of "Basic Terms Modification") is not materially prejudicial to the interest of the Most Senior Class of Noteholders.

29.2 *Binding nature of amendments*

Any such amendment or modification shall be binding on the Noteholders and the Other Issuer Creditors and, unless the Representative of the Noteholders otherwise agrees, the Issuer shall procure that such amendment or modification be notified to the Noteholders and the Other Issuer Creditors as soon as practicable thereafter.

30 Security Documents

30.1 *Exercise of rights under the Security Documents*

The Representative of the Noteholders shall have the right to exercise all the rights granted by the Issuer to Noteholders which have the benefit of the Deed of Pledge and of the Deed of Charge. The beneficiaries of the Deed of Pledge and of the Deed of Charge are referred to as the "**Secured Noteholders**".

30.2 *Rights of the Representative of the Noteholders*

The Representative of the Noteholders, acting on behalf of the Secured Noteholders, shall be entitled to:

- (a) appoint and entrust the Issuer to collect, in the Secured Noteholders' interest and on their behalf, any amounts deriving from the receivables and from the pledged receivables and rights, and

shall be entitled to give instructions, jointly with the Issuer, to the respective debtors of the pledged receivables to effect the payments related to such receivables standing to the credit of the relevant Accounts or any other account opened in the name of the Issuer;

- (b) attest that the account(s) to which payments have been made in respect of the pledged receivables shall be deposit accounts for the purpose of Article 2803 of the Italian Civil Code, and procure that such account(s) is(are) operated in compliance with the provisions of the Cash Allocation, Management and Payment Agreement and the Intercreditor Agreement. For such purpose and until a Trigger Notice is served, the Representative of the Noteholders, acting in the name and on behalf of the Secured Noteholders, shall appoint the Issuer to manage the Accounts in compliance with the Cash Allocation, Management and Payment Agreement;
- (c) procure that all funds credited to the relevant Accounts from time to time are applied in accordance with the Cash Allocation, Management and Payment Agreement and the Intercreditor Agreement; and
- (d) procure that the funds from time to time deriving from the pledged receivables and the amounts standing to the credit of the relevant Accounts are applied towards satisfaction not only of the amounts due to the Secured Noteholders, but also of such amounts due and payable to any other parties that rank prior to the Secured Noteholders according to the applicable Priority of Payments set forth in the Terms and Conditions, and to the extent that all amounts due and payable to the Secured Noteholders have been paid in full, that any remaining amount be used towards satisfaction of any amounts due to any other parties that rank below the Secured Noteholders.

30.3 *Waiver of the Secured Noteholders*

The Secured Noteholders irrevocably waive any right they may have in relation to any amount deriving from time to time from the pledged receivables or credited to the Accounts which is not in accordance with the provisions of this Article 30.

30.4 *Limitation of rights*

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 receivables under the Deed of Pledge except in accordance with the provisions of this Article 30 and the Intercreditor Agreement.

31 Indemnity

31.1 *Indemnification*

Pursuant to the Subscription Agreements, the Issuer has covenanted and undertaken to reimburse, pay or discharge (on a full indemnity basis) upon demand, to the extent not already reimbursed, paid or discharged by the Noteholders, all costs, liabilities, losses, charges, expenses, damages, actions, proceedings, receivables and demand (including, without limitation, legal fees and any applicable tax, value added tax or similar tax) properly incurred by or made against the Representative of the Noteholders or any subject to which the Representative of the Noteholders has delegated any power, authority or discretion in relation to the exercise or purported exercise of its powers, authority and discretion and the performance of its duties under and otherwise in relation to these Rules and the Transaction Documents, including but not limited to legal and travelling expenses, and any stamp, issue, registration, documentary and other taxes or duties paid by the Representative of the Noteholders in connection with any action and/or legal proceedings brought or contemplated by the Representative of the Noteholders pursuant to the Transaction Documents against the Issuer, or any other person to enforce any obligation under these Rules, the Notes or the Transaction Documents, except insofar as the same are incurred because of the fraud, gross negligence or wilful misconduct of the Representative of the Noteholders or the abovementioned appointed persons. It remains understood and agreed that such costs, expenses and liabilities shall be reasonably incurred.

31.2 *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 gross negligence (*colpa grave*) or wilful default (*dolo*) of the Representative of the Noteholders.

TITLE IV

THE ORGANISATION OF THE NOTEHOLDERS AFTER SERVICE OF A TRIGGER NOTICE

32 Powers

It is hereby acknowledged that, upon the occurrence of a Trigger Event, pursuant to the Mandate Agreement, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, shall be entitled - also in the interest of the Other Issuer Creditors, pursuant to articles 1411 and 1723 of the Italian Civil Code - to exercise certain rights in relation to the Aggregate Portfolio. Therefore, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, will be authorised, pursuant to the terms of the Mandate Agreement, to exercise, in the name and on behalf of the Issuer and as *mandatario in rem propriam* of the Issuer, any and all of the Issuer's rights under certain Transaction Documents, including the right to give directions and instructions to the relevant parties to the relevant Transaction Documents.

TITLE V

GOVERNING LAW AND JURISDICTION

33 Governing law and Jurisdiction

33.1 *Governing law*

These Rules and all non-contractual obligations arising in any way whatsoever out of or in connection with these Rules will be governed by, and construed in accordance with, the laws of the Republic of Italy.

33.2 *Jurisdiction*

Any dispute arising from the interpretation and execution of these Rules or from the legal relationships established by these Rules will be submitted to the exclusive jurisdiction of the Courts of Milan.

USE OF PROCEEDS

The total proceeds of the issue of the Notes, are expected be, on the Issue Date, Euro 302,900,000 and will be applied by the Issuer to pay to the Originator the Initial Portfolio Purchase Price, in accordance with the Transfer Agreement, and to fund the Debt Service Reserve Amount and the Retention Amount.

TRANSACTION COSTS AND PROCEEDS

The costs of the Securitisation (with the exception of certain initial costs of setting up such Securitisation which will be paid by the Originator) including the amounts payable to the various agents of the Issuer appointed in connection with the issue of the Notes, will be funded from the Issuer Available Funds and will therefore be included in the applicable Priority of Payments.

It is not anticipated that the Issuer will make any profits from the Securitisation.

The estimated annual fees and expenses payable in connection with the Securitisation amount to approximately Euro 130,000 which may vary depending on the performance of the Aggregate Portfolio.

PRIVATE PLACEMENT OF THE NOTES

TAGS (the “**Senior Notes Underwriter**”) has, pursuant to a subscription agreement dated on or about the Issue Date between the Issuer, the Senior Notes Underwriter, the Representative of the Noteholders, RBS and Alba Leasing (the “**Senior Notes Subscription Agreement**”), agreed by way of a private placement to subscribe the Senior Notes and pay the Issue Price in relation to such Senior Notes.

The Senior Notes Subscription Agreement is subject to a number of conditions and may be terminated in certain circumstances prior to payment to the Issuer for the Senior Notes.

The Junior Notes Underwriter has, pursuant to a subscription agreement dated on or about the Issue Date between the Issuer, the Junior Notes Underwriter and the Representative of the Noteholders (the “**Junior Notes Subscription Agreement**” and, together with the Senior Notes Subscription Agreement, the “**Subscription Agreements**” and each a “**Subscription Agreement**”), agreed by way of a private placement to subscribe the Junior Notes and pay for the Issue Price in relation to such Junior Notes.

The Junior Notes Subscription Agreement is subject to a number of conditions and may be terminated by the Junior Notes Underwriter in certain circumstances prior to payment to the Issuer for the Junior Notes.

ARTICLE 122A OF THE CAPITAL REQUIREMENTS DIRECTIVE

Retention statement

Alba Leasing will retain a material net economic interest of at least 5% in the securitisation in accordance with Article 122a of CRD 2. As at the Issue Date, such interest will be comprised of an interest in the Junior Notes which is not less than 5% of the nominal value of the securitized exposures. Any change to this manner in which this interest is held will be notified to investors.

Investors to assess compliance

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with Article 122a and none of the Issuer, nor the Arranger or the Senior Notes Underwriter or the other parties to the Transaction Documents make any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes. In addition each prospective Noteholder should ensure that they comply with the implementing provisions in respect of Article 122a in their relevant jurisdiction. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.