

IN THE NAME AND ON BEHALF OF

ALBA 5 SPV S.R.L.
AS ISSUER

IN THE NAME AND ON BEHALF OF

ALBA LEASING S.P.A
AS ORIGINATOR

PROSPECTUS dated 15 May 2013

pursuant to Article 2 of Italian Law No. 130 of 30 April 1999

ALBA 5 SPV S.R.L.

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

€ 450,000,000 Series 2013-1-A Asset Backed Floating Rate Notes due April 2040

Issue Price: 100 per cent.



This Prospectus contains information relating to the issue by Alba 5 SPV S.r.l., a limited liability company with sole quotaholder organised under the laws of the Republic of Italy ("Alba 5" or the "Issuer") of the € 450,000,000 Series 2013-1-A Asset Backed Floating Rate Notes due April 2040 (the "Series 2013-1-A Notes" or the "Senior Notes"). In connection with the issue of the Senior Notes, the Issuer will also issue the € 230,000,000 Series 2013-1-B Asset Backed Floating Rate Notes due April 2040 (the "Series 2013-1-B Notes" or the "Junior Notes" and, together with the Senior Notes, the "Notes").

Application has been made to the Irish Stock Exchange for the Senior Notes to be admitted to the Official List and trading on its Regulated Market. The Regulated Market of the Irish Stock Exchange is a regulated market for the purposes of the Directive on Markets in Financial Instruments 2004/39/EC. No application has been made to list the Junior Notes on any stock exchange. The Junior Notes are not being offered pursuant to this Prospectus. The Notes will be issued on 16 May 2013 (the "Issue Date"). This document constitutes a *Prospetto Informativo* for all Notes for the purposes of Article 2, sub-section 3 of the Securitisation Law and a prospectus for the purposes of Article 5.3 of the Directive 2003/71/EC, as amended and supplemented from time to time (the "Prospectus Directive").

This Prospectus has been approved by the Central Bank of Ireland (the "Central Bank"), as competent authority under the Prospectus Directive. The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Senior Notes which are to be admitted to trading on the Regulated Market of the Irish Stock Exchange or other regulated markets for the purpose of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area.

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 "Glossary" set out herein.

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 Aggregate Portfolio of the Receivables arising out of financial lease contracts entered into between Alba Leasing S.p.A. ("Alba Leasing" or the "Originator") and the relevant lessees (the "Lessees"). The Aggregate Portfolio is comprised of receivables purchased by the Issuer from, respectively, Alba 1 SPV S.r.l. ("Alba 1") and Alba 2 SPV S.r.l. ("Alba 2") pursuant to the terms of the Transfer Agreement on 11 April 2013.

By virtue of the operation of Article 3 of the Securitisation Law and the Transaction Documents, the Issuer's rights, title and interest in and to the Aggregate Portfolio will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, to the Other Issuer Creditors and to any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the Securitisation.

Interest on the Senior Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on each Payment Date. The rate of interest applicable to the Senior Notes for each Interest Period shall be the rate *per annum* equal to the EURIBOR as determined in accordance with Condition 7 (*Interest*) for three month deposits (except in respect of the Initial Interest Period, where an interpolated interest rate based on 2 and 3 month deposits will be substituted for EURIBOR) plus a margin of 1.50 per cent. *per annum*.

The Senior Notes are expected, on issue, to be rated "A2 (sf)" by Moody's Italia S.r.l. ("Moody's") and "A (sf)" by Standard & Poor's credit Market Services Italy S.r.l. ("S&P"). The credit rating applied for in relation to the Notes will be issued by Moody's Italia S.r.l. and Standard & Poor's Credit Market Services Italy S.r.l. that are established in the European Union and that are registered, as set out in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority ("ESMA"), under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by regulation (EU) No. 513/2011 of the European Parliament and of the Council of 11 May 2011 and further amended and supplemented from time to time. It is not expected that the Junior Notes will be assigned a credit rating.

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

As at the date of this Prospectus, all payments of principal and interest in respect of the Notes will be made free and clear of any withholding or deduction for or on account of Italian taxes, unless such a withholding or deduction is required to be made by Italian Decree No. 239 or otherwise by applicable law. If any withholding or deduction for or on account of tax is made in respect of 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. For further details, see the section entitled "Taxation".

The Notes will be limited recourse obligations solely of the Issuer. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any of the Originator, the Servicer, the Representative of the Noteholders, any of the Other Issuer Creditors 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.

As of the Issue Date, the Notes will be held in dematerialised form on behalf of the beneficial owners by Monte Titoli for the account of the relevant Monte Titoli Account Holders. Monte Titoli shall act as depositary for Euroclear and Clearstream. The Notes will at all times be in book entry form and title to the Notes will be evidenced by book entry in accordance with the provisions of (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.

Before the relevant maturity date, the Notes will be subject to mandatory and/or optional redemption in whole or in part in certain circumstances (as set out in Condition 8 (*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 amortise on each Payment Date, subject to there being sufficient Issuer Available Funds and 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.

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

Arranger



Responsibility statements

None of the Issuer, the Other Issuer Creditors, the Arranger or any other party to the Transaction Documents other than the Originator has undertaken or will undertake any investigations, searches or other actions to verify the details of the Receivables sold by the Sellers to the Issuer or to establish the creditworthiness of any Lessee. In the Warranty and Indemnity Agreement the Originator has given certain representations and warranties to the Issuer in relation to, inter alia, the Receivables, the Lease Contracts and the Lessees.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Alba Leasing accepts responsibility for the information contained in this Prospectus in the sections entitled "The Aggregate Portfolio" and "Alba Leasing and the Sellers" and any other information contained in this Prospectus relating to itself, the Sellers, the Receivables, the Lease Contracts and the Guarantees. To the best of the knowledge and belief of Alba Leasing (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each of The Bank of New York Mellon (Luxembourg) S.A. and The Bank of New York Mellon S.A./N.V. is a subsidiary of The Bank of New York Mellon Corporation and accepts responsibility for the information contained in this Prospectus in the section entitled "The Bank of New York Mellon". To the best of the knowledge and belief of The Bank of New York Mellon (Luxembourg) S.A. and The Bank of New York Mellon S.A./N.V. (which have taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

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

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

Representations about the Notes

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

Limited recourse

The Notes constitute direct, secured, limited recourse obligations of the Issuer. By virtue of the operation of the Securitisation Law and the Transaction Documents, the Issuer's rights, title and interest in and to the Aggregate Portfolio will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a

winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, to the Other Issuer Creditors and to any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the Securitisation. The Noteholders will agree that the Issuer Available Funds will be applied by the Issuer in accordance with the applicable Priority of Payments.

Other business relations with the Originator

The Arranger and its affiliates may, from time to time, enter into other business relations with the Originator including, but not limited to, the provision of lending and advisory services.

Selling Restrictions

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

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

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

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

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

Neither this Prospectus nor any other information supplied in connection with the issue of the Notes should be considered as a recommendation or an invitation or offer by the Issuer, Alba Leasing (in any capacity) or the Arranger that any recipient of this Prospectus, or of any other information supplied in connection with the issue of the Notes, should purchase any of the Notes. Each investor contemplating purchasing any of the Notes must make its own independent investigation and appraisal of the financial condition and affairs of the Issuer.

For a further description of certain restrictions on offers and sales of the Notes and the distribution of this Prospectus, see the section entitled "Subscription and Sale".

Interpretation

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

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

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.

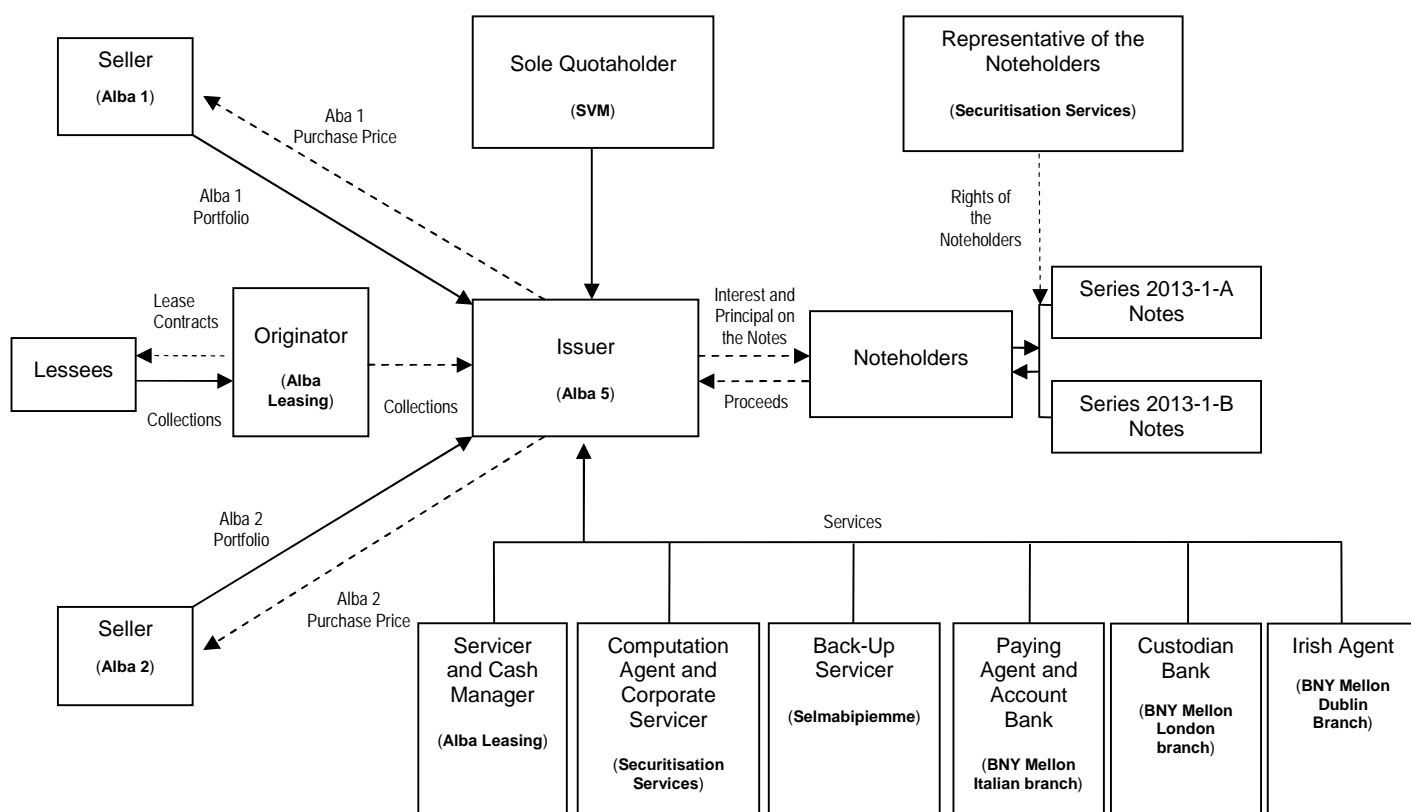
CONTENTS

TRANSACTION OVERVIEW	6
RISK FACTORS	29
THE AGGREGATE PORTFOLIO	50
ALBA LEASING AND THE SELLERS	59
THE ISSUER	61
THE BANK OF NEW YORK MELLON	63
USE OF PROCEEDS	64
DESCRIPTION OF THE TRANSFER AGREEMENT	65
DESCRIPTION OF THE WARRANTY AND INDEMNITY AGREEMENT	68
DESCRIPTION OF THE SERVICING AGREEMENT	74
DESCRIPTION OF THE BACK-UP SERVICING AGREEMENT	78
DESCRIPTION OF THE CASH ALLOCATION, MANAGEMENT AND PAYMENT AGREEMENT	79
DESCRIPTION OF THE INTERCREDITOR AGREEMENT	82
DESCRIPTION OF THE DEED OF PLEDGE	86
DESCRIPTION OF THE DEED OF CHARGE	87
DESCRIPTION OF THE MANDATE AGREEMENT	88
DESCRIPTION OF THE CORPORATE SERVICES AGREEMENT	89
DESCRIPTION OF THE QUOTAHOLDER AGREEMENT	90
DESCRIPTION OF THE LETTER OF UNDERTAKINGS	91
THE ACCOUNTS	92
EXPECTED AVERAGE LIFE OF THE SENIOR NOTES	94
TERMS AND CONDITIONS OF THE SENIOR NOTES	95
SELECTED ASPECTS OF ITALIAN LAW	156
TAXATION	165
SUBSCRIPTION AND SALE	174
GENERAL INFORMATION	183
GLOSSARY	185

TRANSACTION OVERVIEW

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

1. TRANSACTION DIAGRAM



2. THE PRINCIPAL PARTIES

Issuer

ALBA 5.

The issued quota capital of the Issuer is equal to Euro 10,000 and is fully held by the Sole Quotaholder.

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

Originator

ALBA LEASING.

For further details, see the section entitled "*Alba Leasing and the Sellers*".

Seller Alba 1 Portfolio	ALBA 1. For further details, see the section entitled " <i>Alba Leasing and the Sellers</i> ".
Seller Alba 2 Portfolio	ALBA 2. For further details, see the section entitled " <i>Alba Leasing and the Sellers</i> ".
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.
Account Bank	BNYM ITALIAN BRANCH. The Account Bank will act as such pursuant to the Cash Allocation, Management and Payment Agreement.
Custodian Bank	BNYM LONDON BRANCH. The Custodian 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.
Representative of the Noteholders	SECURITISATION SERVICES. The Representative of the Noteholders will act as such pursuant to the Subscription Agreements, the Terms and Conditions, the Rules of the Organisation of the Noteholders, the Intercreditor Agreement and the other Transaction Documents.
Corporate Servicer	SECURITISATION SERVICES. The Corporate Servicer will act as such pursuant to the Corporate Services Agreement.
Sole Quotaholder	SVM.
Irish Agent	BNYM IRISH. The Irish Agent will act as such pursuant to the Cash Allocation, Management and Payment Agreement.
Listing Agent	BNYM IRISH.

Arranger	BANCA IMI.
Senior Notes Underwriter	ALBA LEASING. 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.

3. THE PRINCIPAL FEATURES OF THE NOTES

The Notes	The Notes will be issued by the Issuer on the Issue Date in the following classes:
The Senior Notes	Euro 450,000,000 Series 2013-1-A Asset Backed Floating Rate Notes due April 2040.
The Junior Notes	Euro 230,000,000 Series 2013-1-B Asset Backed Floating Rate Notes due April 2040.
Issue Date	The Notes will be issued on 16 May 2013.
Issue Price	The Notes will be issued at 100 per cent. of their principal amount.
Interest on the Notes	<p>The Senior Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at the EURIBOR (except in respect of the Initial Interest Period, where an interpolated interest rate based on 2 and 3 month deposits will be substituted for EURIBOR) plus a margin of 1.50 per cent. <i>per annum</i>.</p> <p>Interest in respect of the Senior Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on each Payment Date in accordance with the applicable Priority of Payments. The first payment of interest in respect of the Senior Notes will be due on the Payment Date falling in July 2013 in respect of the period from (and including) the Issue Date to (but excluding) such date.</p> <p>The Junior Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at a rate of interest equal to the EURIBOR (except in respect of the Initial Interest Period, where an interpolated interest rate based on 2 and 3 month deposits will be substituted for EURIBOR) plus a margin of 2.00 per cent. <i>per annum</i>.</p> <p>Interest in respect of the Junior 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. The first payment of interest in respect of the Junior Notes will be due on the Payment Date falling in July 2013 in respect of the period from (and including) the Issue Date to (but excluding) such date.</p>

Terms and Conditions of the Junior Notes

Save for the rate of interest applicable to the Junior Notes for each Interest Period, the Junior Notes Conditions are substantially the same as the Senior Notes Conditions.

Form and Denomination

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

Status and Ranking

Both prior to and following the service of a Trigger Notice, in respect of the obligations of the Issuer to pay interest and repay principal on the Notes:

- (a) the Series 2013-1-A Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but in priority to the Series 2013-1-B Notes; and
- (b) the Series 2013-1-B Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but subordinated to the Series 2013-1-A Notes.

In respect of the obligation of the Issuer to make payments on the Notes, under the Senior Notes Conditions and the Junior Notes Conditions the payment obligations of the Issuer in respect of the Junior Notes are subordinated to its payment obligations in respect of the Senior Notes, the Other Issuer Creditors and any other creditors of the Issuer, as provided by the Priority of Payments. Therefore, in the event that the Issuer sustains losses and is unable to meet in full its obligations in respect of each of its creditors, the first creditors to bear any shortfall shall be the Junior Noteholders.

Withholding on the Notes

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

withholding or deduction.

For further details, see the section entitled "*Taxation*".

Mandatory Redemption

The Notes of each Series will be subject to mandatory redemption in full (or in part *pro rata*) on any Payment Date, 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 applicable Priority of Payments.

Optional Redemption

Unless previously redeemed in full, the Issuer may redeem the Notes (in whole but not in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon up to the date fixed for redemption and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with each Series of Notes (or, with the prior consent of the Junior Noteholders, may redeem the Senior Notes (in whole) and the Junior Notes (in whole or in part) and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with the relevant Notes to be redeemed), on any Payment Date, in accordance with Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*), provided that the Issuer has certified to the Representative of the Noteholders and produced evidence acceptable to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all its outstanding liabilities in respect of the relevant Notes to be redeemed and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with such Notes.

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*).

The Issuer may obtain the necessary funds in order to effect the early redemption of the Notes in accordance with Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) through the sale of all or part of the Aggregate Portfolio to Alba Leasing, subject to the terms of the Intercreditor Agreement, and the relevant sale proceeds shall form part of the Issuer Available Funds.

Redemption for Taxation

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

- (a) the Issuer or any other person would be required to deduct or withhold (other than in respect of a Decree 239 Deduction) from any payment of principal or interest on any Series of Notes (the "**Affected Series**"), any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Italy or any political or administrative sub-division thereof or any authority thereof or therein (or that amounts payable to the Issuer in respect of the Aggregate Portfolio would be subject to withholding or deduction) (hereinafter, the "**Tax Event**"); and
- (b) the Issuer will have the necessary funds (not subject to the interests of any other person) to discharge all of its outstanding liabilities in respect of the Affected Series to be redeemed and any amount required to be paid, according to the applicable Priority of Payments, in priority to or *pari passu* with the Notes of the Affected Series to be redeemed,

then the Issuer may, on any such Payment Date at its option having given not less than 30 days' prior notice to the Representative of the Noteholders in writing and to the Noteholders in accordance with Condition 16 (*Notices*), redeem the Notes of the Affected Series (if the Affected Series is the Senior Notes, in whole but not in part or, if the Affected Series is the Junior Notes, in whole or, subject to the Junior Noteholders' consent, in part) at their Principal Amount Outstanding together with all accrued but unpaid interest thereon up to and including the relevant Payment Date, in accordance with Condition 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*).

Following the occurrence of a Tax Event, the Issuer may, or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders) direct the Issuer to dispose of the Aggregate Portfolio, or any part thereof, to finance the early redemption of the Notes in accordance with Condition 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*), subject to the terms and conditions of the Intercreditor Agreement, provided that the Originator shall have in such circumstance a pre-emption right to purchase the Aggregate Portfolio at the terms and conditions specified in the Intercreditor Agreement. For further details, see the section entitled "*Description of the Intercreditor Agreement*".

Source of Payments of the Notes

The principal source of payment of interest and of repayment of principal on the Notes will be the Collections made in respect of the Receivables arising out of the Lease Contracts, purchased by the Issuer from the Sellers pursuant to the Transfer Agreement.

Segregation of the Aggregate Portfolio

By virtue of the operation of Article 3 of the Securitisation Law and the Transaction Documents, the Issuer's rights, title and interest in and to the Aggregate Portfolio will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law) and, therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, to the Other Issuer Creditors and to any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the 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. For further details, see the sections entitled "*Description of the Deed of Pledge*" and "*Description of the Deed of Charge*".

Limited Recourse Obligations of the 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:

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

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, save as provided by the Rules of the Organisation of the Noteholders. In particular no Noteholder:

- (a) is entitled, save as expressly permitted by the Transaction Documents, to direct the Representative of the Noteholders to enforce the Security or take any proceedings against the Issuer to enforce the Security;

- (b) shall, save as expressly permitted by the Transaction Documents, have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to it;
- (c) shall be entitled, until the date falling one year and one day after the date on which all the Notes and any other notes issued 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) shall be entitled to take or join in the taking of any corporate action, legal proceeding or other procedure or step which would result in the Priority of Payments not being complied with.

Final Maturity Date

Unless previously redeemed in full or cancelled in accordance with the relevant Terms and Conditions, the Notes are due to be repaid in full at their respective Principal Amount Outstanding (together with interest accrued thereon) 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 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 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 Alba Leasing as Senior Notes Underwriter and Junior Notes Underwriter, subject to and in accordance with the provisions of the Subscription Agreements. Each Noteholder is deemed to accept such appointment.

Listing and admission to trading

Application has been made to the Irish Stock Exchange for the Senior Notes to be admitted to the official list and trading on its Regulated Market.

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

Rating

The Senior Notes are expected, on the Issue Date, to be assigned the rating "A2 (sf)" by Moody's and "A (sf)" by S&P.

The credit rating applied for in relation to the Notes will be issued by credit rating agencies established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009, as amended by regulation (EU) No. 513/2011 of the European Parliament and of the Council of 11 May 2011 and further amended and supplemented from time to time.

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

The Junior Notes will not be assigned any credit rating.

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.

For further details, see the section entitled "*Subscription and Sale*".

4. ACCOUNTS

Collection Account

The Issuer has established the Collection Account with the Account Bank to which all the Collections made and the Indemnities paid in respect of the Aggregate Portfolio will be credited, in accordance with the Servicing Agreement. Out of the Collection Account, on each Payment Date (i) any Excess Indemnity Amount received by the Issuer on the immediately preceding Settlement Period; and (ii) the Purchase Price of the Residual Optional Instalment equal to any Residual Optional Instalment collected by the Issuer on the immediately preceding Settlement Period, shall be paid to the Originator in accordance with the relevant Quarterly Settlement Report.

Payments Account

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

Debt Service Reserve Account

The Issuer has established with the Account Bank the Debt Service Reserve Account, into which the Debt Service Reserve Amount will be deposited on the Issue Date and, thereafter, on each Payment Date until (but excluding) the Release Date, in accordance with the Pre-Enforcement Priority of Payments.

Investment Account

The Issuer has established with the Custodian Bank the Investment Account, into which, *inter alia*, amounts standing to the credit of the Collection Account, the Payments 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 Custodian 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 Monte dei Paschi di Siena, into which, on the Issue Date, the Retention Amount will be credited.

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

To the extent that the amount standing to the credit of the Expenses Account on any Payment Date is lower than the Retention Amount, the Issuer shall credit available amounts to the Expenses Account in accordance with the relevant Priority of Payments.

Quota Capital Account

The Issuer has established the Quota Capital Account with Banca Monte dei Paschi di Siena, for the deposit of the Issuer's quota capital.

The Eligible Accounts will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

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

5. CREDIT STRUCTURE

Aggregate Portfolio

The Receivables purchased by the Issuer pursuant to the Transfer Agreement and comprised in the Alba 1 Portfolio and the Alba 2 Portfolio derive from Lease Contracts entered into by the Originator with the relevant Lessees.

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

Issuer Available Funds

The Issuer Available Funds, in respect of any Payment Date, are constituted by the aggregate of:

- (i) all Collections received or recovered by the Servicer in respect of the Receivables during the immediately preceding Settlement Period;
- (ii) all amounts received by the Issuer from the Originator pursuant to the Transfer Agreement and the Warranty and Indemnity Agreement during the immediately preceding Settlement Period;
- (iii) the amount credited to the Payments Account on the immediately preceding Payment Date;
- (iv) any revenues and other amounts matured or deriving from the realisation, liquidation and any other proceeds on maturity of any Eligible Investments (including, for the avoidance of doubt, interest, premium or any other amount representing its yield) and credited to the Payments Account 2 (two) Business Days prior to such Payment Date;
- (v) all amounts (other than the amounts already allocated under other items of the Issuer Available Funds) of interest accrued (net of any withholding or expenses, if due) and paid on the Issuer's Accounts, other than the Expenses Account and the Quota Capital Account, during the immediately preceding Settlement Period;
- (vi) all the proceeds deriving from the sale (in whole or in part), if any, of the Aggregate Portfolio, in

accordance with the provisions of the Transaction Documents;

- (vii) all the proceeds deriving from the sale, if any, of individual Receivables in accordance with the provisions of the Transaction Documents during the immediately preceding Settlement Period;
- (viii) any amounts (other than the amounts already allocated under other items of the Issuer Available Funds) received by the Issuer from any party to the Transaction Documents during the immediately preceding Settlement Period;
- (ix) the balance of the Debt Service Reserve Account to be transferred to the Payments Account on or prior to such Payment Date,

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

For the avoidance of doubt, following the delivery of a Trigger Notice, the Issuer Available Funds, in respect of any Payment Date, shall also comprise any other amount standing to the credit of the Issuer's Accounts (except for the Quota Capital Account) as at the immediately preceding Payment Report Date.

Principal Payment Amount

On any Payment Date prior to the service of a Trigger Notice and until repayment in full of the Series 2013-1-A Notes, the Issuer will pay an amount equal to the Class A Notes Formula Redemption Amount out of the Issuer Available Funds in accordance with item (vii) of the Pre-Enforcement Priority of Payments, such amount to be applied towards redemption of the then outstanding principal of the Series 2013-1-A Notes.

Trigger Events

The Terms and Conditions provide the following Trigger Events:

- (i) *Non-payment:*
 - (a) on any Payment Date (provided that a 3 Business Days' grace period shall apply) the amount paid by the Issuer as interest on the Most Senior Class of Notes is lower than the relevant Interest Amount; or
 - (b) on the Final Maturity Date (provided that a 5 Business Days' grace period shall apply) the Issuer defaults in the payment of the

amount of principal due and payable on the Senior Notes; or

- (ii) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party (other than any obligation specified in (i) above) which is in the Representative of the Noteholders' reasonable opinion materially prejudicial to the interests of the Noteholders and such default remains unremedied for 30 days after the Representative of the Noteholders has given written notice thereof to the Issuer requiring the same to be remedied (except where, in the reasonable opinion of the Representative of the Noteholders, such default is not capable of remedy in which case no term of 30 days will be given); or
- (iii) *Breach of Representations and Warranties by the Issuer*: any of the representations and warranties given by the Issuer under any of the Transaction Documents to which it is party is, or proves to have been, incorrect or erroneous in any material respect when made, or deemed to be made, or at any time thereafter, unless it has been remedied within 30 days after the Representative of the Noteholders has served a notice requiring remedy; or
- (iv) *Insolvency of the Issuer*: an Insolvency Event occurs in respect of the Issuer; or
- (v) *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its material obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party when compliance with such obligations is deemed by the Representative of the Noteholders to be material.

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

- (1) in the case of a Trigger Event under (i) or (v) above, shall; and/or
- (2) in the case of a Trigger Event under (ii) or (iii) above, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, shall; and/or

- (3) in the case of a Trigger Event under (iv) above, may at its sole discretion or shall, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders,

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

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

Pre-Enforcement Priority of Payments

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

- (i) *First*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Expenses (to the extent that amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Settlement Period);
- (ii) *Second*, to credit into the Expenses Account the amount necessary to bring the balance of such account up to (but not in excess of) the Retention Amount;
- (iii) *Third*, to pay the remuneration due to the Representative of the Noteholders and to pay any indemnity amounts properly due under and any proper costs and expenses incurred by the Representative of the Noteholders under the provisions of, or in connection with, any of the Transaction Documents;
- (iv) *Fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any amount due and payable on account of remuneration, indemnities or proper costs and expenses incurred

by the relevant Agent on such Payment Date to the Account Bank, the Custodian Bank, the Cash Manager, the Irish Agent, the Computation Agent, the Paying Agent, the Corporate Servicer, the Servicer and the Back-Up Servicer;

- (v) *Fifth*, to pay, *pari passu and pro rata*, all amounts of interest due and payable on the Series 2013-1-A Notes on such Payment Date;
- (vi) *Sixth*, until the Release Date (excluded), to credit into the Debt Service Reserve Account the amount necessary to bring the balance of such account up to (but not in excess of) the Debt Service Reserve Amount;
- (vii) *Seventh*, to repay, *pari passu and pro rata*, the outstanding principal of the Series 2013-1-A Notes in an amount equal to the Class A Notes Formula Redemption Amount on such Payment Date;
- (viii) *Eighth*, to pay, *pari passu and pro rata*, according to the respective amounts thereof, any amounts (other than the amounts specifically provided in this Pre-Enforcement Priority of Payments) due and payable by the Issuer to the Other Issuer Creditors pursuant to the Transaction Documents;
- (ix) *Ninth*, if the Cash Trapping Condition is satisfied or the Series 2013-1-A Notes have been redeemed in full, to pay, *pari passu and pro rata* the Series 2013-1-B Notes Interest Amount due and payable on such Payment Date, otherwise if the Cash Trapping Condition is not satisfied, all Issuer Available Funds after payments from item (i) to item (viii) will be credited into the Payments Account;
- (x) *Tenth*, to the extent that the Senior Notes have been fully redeemed, to repay in full, *pari passu and pro rata*, the outstanding principal of the Series 2013-1-B Notes on such Payment Date;
- (xi) *Eleventh*, to pay, *pari passu and pro rata*, any Additional Remuneration on the Series 2013-1-B Notes.

The Issuer shall, if necessary, make the payments set out under items First and Second above also during the relevant Interest Period.

Post-Enforcement Priority of Payments

On each Payment Date following the delivery of a Trigger

Notice and upon full redemption of all the Notes pursuant to the Conditions, the Issuer Available Funds shall be applied in making the following payments in the following order of priority (in each case, only if and to the extent that payments of higher priority have been made in full):

- (i) *First*, if the relevant Trigger Event is not an Insolvency Event, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Expenses (to the extent that amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Interest Period);
- (ii) *Second*, if the relevant Trigger Event is not an Insolvency Event, to credit into the Expenses Account the amount necessary to bring the balance of such account up to (but not in excess of) the Retention Amount;
- (iii) *Third*, to pay, *pari passu* and *pro rata*, according to the respective amount thereof, the remuneration due to the Representative of the Noteholders and to pay any indemnity amounts properly due under and any proper costs and expenses incurred by the Representative of the Noteholders under the provisions of, or in connection with, any of the Transaction Documents;
- (iv) *Fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any amount due and payable on account of remuneration, indemnities or proper costs and expenses incurred by the relevant Agent on such Payment Date to the Account Bank, the Custodian Bank, the Cash Manager, the Irish Agent, the Computation Agent, the Paying Agent, the Corporate Servicer, the Servicer and the Back-Up Servicer;
- (v) *Fifth*, to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Series 2013-1-A Notes on such Payment Date;
- (vi) *Sixth*, to pay, *pari passu* and *pro rata*, all amounts in respect of principal outstanding on the Series 2013-1-A Notes;
- (vii) *Seventh*, to pay, *pari passu* and *pro rata*, according to the respective amounts thereof, any amounts (other than the amounts specifically provided in this Post-Enforcement Priority of Payments) due and

payable by the Issuer to the Other Issuer Creditors pursuant to the Transaction Documents;

- (viii) *Eighth*, if the Cash Trapping Condition is satisfied or the Series 2013-1-A Notes have been redeemed in full, to pay, *pari passu and pro rata*, the Series 2013-1-B Notes Interest Amount due and payable on such Payment Date, otherwise if the Cash Trapping Condition is not satisfied, all Issuer Available Funds after payments from item (i) to item (vii) will be credited into the Payments Account;
- (ix) *Ninth*, to pay, *pari passu and pro rata*, to the extent that the Senior Notes have been redeemed in full, all amounts outstanding in respect of principal due and payable on the Series 2013-1-B Notes; and
- (x) *Tenth*, to pay *pari passu and pro rata*, any Additional Remuneration on the Series 2013-1-B Notes.

The Issuer shall, if necessary, make the payments set out under items First and Second above also during the relevant Interest Period.

6. REPORTS

Quarterly Settlement Report

Under the Servicing Agreement, the Servicer has undertaken to prepare, on or prior to each Quarterly Settlement Report Date, the Quarterly Settlement Report setting out detailed information in relation to, *inter alia*, the Collections received or recovered in respect of the Receivables comprised in the Aggregate Portfolio.

Custodian Bank Report

Under the Cash Allocation, Management and Payment Agreement, the Custodian Bank has undertaken to prepare, on or prior to each Custodian Bank Report Date, the Custodian Bank Report setting out the Eligible Investments made during the preceding Settlement Period pursuant to the Cash Allocation, Management and Payment Agreement.

Payments Report

Under the Cash Allocation, Management and Payment Agreement, the Computation Agent has undertaken to prepare, on or prior to each Payments Report Date prior to the delivery of a Trigger Notice, 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 Pre-Enforcement Priority of Payments.

Post Trigger Report

Under the Cash Allocation, Management and Payment

Agreement, the Computation Agent has undertaken to prepare, on the date(s) to be agreed between the Representative of the Noteholders, the Computation Agent and the relevant Party following the delivery of a Trigger Notice, the Post Trigger 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 Post-Enforcement Priority of Payments.

Investor Report

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

Material Net Economic Interest in the Securitisation

Under the Senior Notes Subscription Agreement, Alba Leasing has covenanted to and agreed with the Issuer and with the Representative of the Noteholders that it will retain on the Issue Date and maintain on an on-going basis at least 5 per cent. of net economic interest in accordance with option (d) of Article 122(a) of the CRD, as implemented into Italian law by the Bank of Italy Supervisory Regulations.

As of the Issue Date such net economic interest will be - in accordance with option (d) of Article 122(a) of the CRD - comprised of the retention by Alba Leasing of the Junior Notes.

Under the Senior Notes Subscription Agreement Alba Leasing has represented, warranted and undertaken to prepare reports in which information with regard to the Receivables will be disclosed publicly together with an overview of the retention of material net economic interest by Alba Leasing with a view of complying with Article 122(a) paragraph (7) of the CRD.

For further details, see the section entitled "*Subscription and Sale*", paragraph 4 "*Regulatory Disclosure and Retention Undertaking under CRD II*".

7. FURTHER SECURITISATIONS

Further Securitisations

The Issuer may carry out Further Securitisations in addition to the Securitisation described in this Prospectus, provided that the Issuer confirms in writing to the Representative of the Noteholders – or the Representative of the Noteholders is otherwise satisfied – that the conditions set out in the Terms and Conditions (Condition 5.2 (*Covenants – Further*

Securitisations)) are fully satisfied.

For further details, see the sections entitled "*Risk Factors - Further Securitisations*" and "*Terms and Conditions of the Senior Notes*".

8. TRANSFER AND ADMINISTRATION OF THE AGGREGATE PORTFOLIO

Transfer of the Aggregate Portfolio

On 11 April 2013, Alba 1, Alba 2, Alba Leasing and the Issuer entered into the Transfer Agreement, pursuant to which Alba 1 and Alba 2 assigned and transferred to the Issuer, respectively, the Alba 1 Portfolio and the Alba 2 Portfolio. Each of the Portfolios has been assigned and transferred to the Issuer without recourse (*pro soluto*), in accordance with the Securitisation Law and subject to the terms and conditions thereof.

The Receivables comprised in each Portfolio have been selected on the basis of the Criteria respectively set forth in the Transfer Agreement.

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

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

Warranties in relation to the Portfolio

Pursuant to the Warranty and Indemnity Agreement, Alba Leasing, in its capacity as Originator and servicer of the Receivables, has given certain representations and warranties in favour of the Issuer in relation to, *inter alia*, itself, each of the Sellers, the Receivables, each of the Portfolios, the Lease Contracts, the Assets and the Guarantees and has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer incurred in connection with the purchase and ownership of the Aggregate Portfolio.

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

Servicing Agreement

Pursuant to the terms of the Servicing Agreement, the Servicer has agreed to administer and service the Receivables comprised in the Aggregate Portfolio on behalf of the Issuer and, in particular, to:

- (a) collect and recover amounts due in respect thereof;
- (b) administer relationships with the Lessees; and

- (c) carry out, on behalf of the Issuer, certain activities in relation to the Receivables in accordance with the Servicing Agreement and the Collection Policies.

In particular, the Servicer will be the entity responsible for the collection of the assigned receivables and the cash and payment services (*"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, it has undertaken to verify that the operations comply with the law and this Prospectus, in accordance with Article 2, paragraph 6-bis, of the Securitisation Law.

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

Back-Up Servicing Agreement

Pursuant to the terms of the Back-Up Servicing Agreement, the Back-Up Servicer has undertaken to promptly replace Alba Leasing as Servicer subject to the termination of the appointment of the Servicer in accordance with the terms of the Servicing Agreement.

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

9. OTHER TRANSACTION DOCUMENTS

Intercreditor Agreement

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

The parties to the Intercreditor Agreement have agreed that the obligations owed by the Issuer to each of the Noteholders and, in general, to each of the Other Issuer Creditors will be limited recourse obligations of the Issuer. The Other Issuer Creditors will have a claim against the Issuer only to the extent of the Issuer Available Funds and in accordance with the applicable Priority of Payments, subject to and as provided in the Intercreditor Agreement and the other Transaction Documents.

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

Cash Allocation, Management and Payment Agreement

Pursuant to the Cash Allocation, Management and Payment Agreement, the Agents have agreed to provide

the Issuer with certain agency services and certain calculation, notification and reporting services together with account handling, investment and cash management 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 Eligible Accounts may be invested in Eligible Investments.

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

Mandate Agreement

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

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

Corporate Services Agreement

Pursuant to the Corporate Services Agreement, the Corporate Servicer has agreed to provide the Issuer with certain corporate administrative services, including the maintenance of corporate books and of accounting and tax registers, in compliance with reporting requirements relating to the Receivables and with other regulatory requirements imposed on the Issuer.

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

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.

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

Letter of Undertakings

Pursuant to the Letter of Undertakings, the Originator has undertaken to indemnify the Issuer in respect of certain tax charges and other costs which may at any time be incurred by the Issuer.

For further details, see the section entitled "*Description of the Letter of Undertakings*".

Deed of Pledge

Pursuant to the Deed of Pledge, the Issuer has granted and undertaken to grant, in favour of the Noteholders and the Other Issuer Creditors as security for the Secured Obligations, a first priority pledge over all existing and future monetary claims and rights deriving from certain Transaction Documents (other than the Receivables and the Collections).

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

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.

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

RISK FACTORS

The following paragraphs set out certain aspects of the issue of the Notes of which prospective noteholders should be aware. Prospective noteholders should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making an investment decision.

RISK FACTORS RELATED TO THE ISSUER

Securitisation Law

The Securitisation Law was enacted in Italy on April 1999. As at the date of this Prospectus, as far as the Issuer is aware, no interpretation of the application of the Securitisation Law has been issued by any Italian court or governmental or regulatory authority, except for: (a) regulations issued by the Bank of Italy concerning, *inter alia*, the accounting treatment of securitisation transactions for special purpose companies incorporated under the Securitisation Law, such as the Issuer, and the duties of companies which carry out collection and recovery activities in the context of a securitisation transaction; (b) the Circular No. 8/E issued by *Agenzia delle Entrate* on 6 February 2003 on the tax treatment of the issuers (see paragraph entitled "*Tax treatment of the Issuer*"); (c) the Decree of the Italian Ministry of Treasury dated 14 December 2006 No. 310 on the covered bonds, as provided by Article 7-*bis* of the Securitisation Law, and (d) the Decree of the Italian Ministry of Economy and Finance No. 29 of 17 February 2009 on the terms for the registration of the financial intermediaries in the registers held by the Bank of Italy pursuant to Article 106 of the Consolidated Banking Act and the Italian Legislative Decree 13 August 2010 No. 141 which has, *inter alia*, entirely replaced, as from 19 September 2010, Title V of the Consolidated Banking Act, even though the implementing regulations with respect to the amended provisions on the registration of financial intermediaries have not yet been issued by the Bank of Italy. Consequently, it is possible that such or different authorities may issue further regulations relating to the Securitisation Law or the interpretation thereof, the impact of which cannot be predicted by the Issuer as at the date of this Prospectus.

Issuer's ability to meet its obligations under the Notes

The ability of the Issuer to meet its payment obligations in respect of the Notes will be dependent on the receipt by the Issuer of: (a) the Collections made on its behalf by the Servicer in respect of the Aggregate Portfolio; and (b) any other amounts required to be paid to the Issuer by the various agents and counterparts of the Issuer pursuant to the terms of the relevant Transaction Documents. The performance by such parties of their respective obligations under the relevant Transaction Documents is dependent on the solvency of each relevant party.

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

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

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

No independent investigation in relation to the Receivables

None of the Issuer or the Arranger nor any other party to the Transaction Documents (other than the Originator) has undertaken or will undertake any investigation, search or other action to verify the details of the Receivables sold by Alba 1 and Alba 2, respectively, to the Issuer, nor has any of such persons undertaken, nor will any of them undertake, any investigation, search or other action to establish the creditworthiness of any of the Lessees.

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

The Issuer will rely instead on the representations and warranties given by the Originator in the Warranty and Indemnity Agreement and the Originator and each Seller in the Transfer Agreement. The only remedies of the Issuer in respect of the occurrence of a breach of a representation and warranty which materially and adversely affects the value of a Receivable will be the requirement that the Originator indemnifies the Issuer for the damage deriving therefrom, subject to the terms and conditions of the Warranty and Indemnity Agreement. There can be no assurance, however, that the Originator will have the financial resources to honour such obligations. For further details, see the section entitled "*Description of the Warranty and Indemnity Agreement*".

Commingling Risk

The Issuer is subject to the risk that, in the event of insolvency of the Servicer, the Collections held by the Servicer are lost or frozen. Such risk is mitigated through the transfer of any Collections held by the Servicer to the Collection Account on a daily basis pursuant to the Servicing Agreement. In particular, pursuant to the Servicing Agreement, the Servicer has undertaken to perform certain actions aimed at ensuring that the sums due in respect of the Receivables will be paid directly into a dedicated bank account opened with the Servicer Account Bank, being the Servicer Account.

Specifically, pursuant to the Servicing Agreement the Servicer has undertaken, *inter alia*, to transfer or credit (or procure to be transferred or credited) into the Collection Account from the Issue Date, all the Collections in relation to the Receivables received and recovered during the relevant Settlement Period by 17:00 of the Local Business Day immediately following the Local Business Day on which such amounts have been received by the Servicer, except for any Late Payments, Agreed Prepayments and Residual Optional Instalments which shall be paid into the Collection Account on or before the last Local Business Day of the calendar month in which such Late Payments, Agreed Prepayments and Residual Optional Instalments have been made.

Moreover, pursuant to the Servicing Agreement the Servicer has undertaken to ensure, *inter alia*, that:

- (a) no sums other than those due in respect of the Receivables be credited into the Servicer Account (save for the amounts relating to VAT and the expenses relating to collection of Instalments);
- (b) the relevant account bank agreement entered into for the opening of the Servicer Account does not provide the right of set-off between (i) any amounts due by the Servicer to the Servicer Account Bank and (ii) the sums standing to the credit of the Servicer Account; and
- (c) the Servicer Account Bank undertakes the obligation to transfer into the Collection Account upon specific instructions by the Servicer any Collections credited on the Servicer Account, on a daily basis and in any event no later than 17.00 (Italian time) of the Local Business Day following the date on which the relevant Collection has been credited into the Servicer Account.

The Servicer Account has been opened by the Servicer with Intesa Sanpaolo S.p.A. as Servicer Account Bank, and will be at all times maintained with an Eligible Institution.

Liquidity and Credit Risk

The Issuer is subject to the risk of delay arising between the receipt of payments due from the Lessees and the scheduled payment dates. This risk is mitigated, in respect of the Senior Notes, through the establishment of a cash reserve into the Debt Service Reserve Account.

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

The Issuer is also subject to the risk of default in payment by the Lessees and the failure to realise or to recover sufficient funds in respect of the Receivables in order to discharge all amounts due from those Lessees under the Receivables. With respect to the Senior Notes, this risk is mitigated by the credit support provided by the Junior Notes.

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

Credit Risk of Alba Leasing and the other parties to the Transaction Documents

The ability of the Issuer to make payments in respect of the Notes will depend to a significant extent upon the due performance by the Originator and the other parties to the Transaction Documents of their respective various obligations under the Transaction Documents to which they are a party. In particular, without limiting the generality of the foregoing, the timely payment of amounts due on the Notes will depend on the ability of the Servicer to service the Aggregate Portfolio and to recover the amounts relating to Defaulted Receivables (if any). In addition, the ability of the Issuer to make payments under the Notes may depend to an extent upon the due performance by the Originator of its obligations under the Warranty and Indemnity Agreement in respect of the Aggregate Portfolio. The performance by such parties of their respective obligations under the relevant Transaction Documents may be influenced on the solvency of each relevant party.

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

Such risk is mitigated by the provisions of the Back-Up Servicing Agreement pursuant to which the Back-Up Servicer has undertaken to promptly replace Alba Leasing as Servicer in the event of revocation of the appointment of the Servicer, in accordance with the terms and conditions provided by the Servicing Agreement and the further terms and conditions specified in the Back-Up Servicing Agreement and the Collection Policies.

Claims of Unsecured Creditors of the Issuer

By virtue of the operation of Article 3 of the Securitisation Law and of the Transaction Documents, the Issuer's rights, title and interest in and to the Aggregate Portfolio 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 creditors of the Issuer in respect of any costs, fees and expenses in relation to the Securitisation. Amounts deriving from the Aggregate Portfolio will not be available to any other creditor of the Issuer. However, under Italian law, any other creditor of the Issuer would be able to commence insolvency or winding up proceedings against the Issuer in respect of any unpaid debt.

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

The Issuer is unlikely to have a large number of creditors unrelated to the Securitisation or any Further Securitisation because (a) the corporate object of the Issuer, as contained in its By-laws (*statuto*) is very limited and (b) under the Terms and Conditions, the Issuer has undertaken to the Noteholders, *inter alia*, not to engage in any activity whatsoever which is not incidental to or necessary in connection with any Further Securitisation or with any of the activities in which the Transaction Documents provide and envisage that the Issuer will engage. Therefore, the Issuer must comply with certain covenants provided for by the Terms and Conditions which contain restrictions on the activities which the Issuer may carry out (including incurring further substantial debt), with the result that the Issuer may only carry out limited transactions in connection with the Securitisation and, subject to the satisfaction of Condition 5.2 (*Covenants – Further Securitisations*), future securitisations. Accordingly, the Issuer is less likely to have creditors who would claim against it other than the ones related to the Further Securitisations, if any, the Noteholders and the Other Issuer Creditors (all of whom have agreed to non-petition provisions contained in the Transaction Documents) and the other third parties creditors in respect of any taxes, costs, fees or expenses incurred in relation to such securitisations and in order to preserve the corporate existence of the Issuer, to maintain it in good standing and to comply with applicable legislation.

To the extent that the Issuer incurs any on-going taxes, costs, fees and expenses (whether or not related to the Securitisation), the Issuer has established the Expenses Account, into which the Retention Amount shall be credited on the Issue Date and refilled on each Payment Date in accordance with the applicable Priority of Payments and out of which payments of the aforementioned taxes, costs, fees and expenses shall be paid during any Settlement Period.

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

Further Securitisations

The Issuer's principal assets are the Aggregate Portfolio purchased by the Issuer from the Sellers in the context of the Securitisation. By operation of the Securitisation Law, the Aggregate Portfolio is segregated in favour of the Noteholders. The Issuer may carry out Further Securitisations in addition to the Securitisation described in this Prospectus, provided that the Issuer confirms in writing to the Representative of the Noteholders – or the Representative of the Noteholders is otherwise satisfied – that the conditions set out in the Terms and Conditions (Condition 5.2 (*Covenants – Further Securitisations*)) are fully satisfied.

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

available to the holders of notes issued to finance any other securitisation transaction or to general creditors of the issuer company.

RISK FACTORS RELATED TO THE NOTES

Suitability

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

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

No communication (written or oral) received from the Issuer, the Originator, the Arranger or the Senior Notes Underwriter or from any other person shall be deemed to be an assurance or guarantee as to the expected results of an investment in the Notes.

Source of Payments to Noteholders

The Notes will be limited recourse obligations solely of the Issuer 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 any of the Originator, the Servicer, the Representative of the Noteholders, any of the Other Issuer Creditors or the Arranger. None of such parties, other than the Issuer, will accept any liability whatsoever in respect of any failure by the Issuer to make any payment of any amount due under the Notes.

The Issuer will not as at the Issue Date have any significant assets for the purpose of meeting its obligations under the Securitisation, other than the Aggregate Portfolio, any amounts and/or securities standing to the credit of the Accounts and its rights under the Transaction Documents to which it is a party. Consequently, there is a risk that, over the life of the Notes or at the redemption date of the Notes (whether on the Final Maturity Date, upon redemption by acceleration of maturity following the service of a Trigger Notice or otherwise), the funds available to the Issuer may be insufficient to pay interest on the Notes or to repay the Notes in full.

Limited Recourse Nature of the Notes

The Notes will be limited recourse obligations solely of the Issuer. The Noteholders will receive payment in respect of principal and interest on the Notes only if and to the extent that the Issuer has sufficient Issuer Available Funds to make such payment in accordance with the applicable Priority of Payments. If there are not sufficient Issuer Available Funds to pay in full all principal and interest and other amounts due in respect of the Notes, then the Noteholders will have no further claims against the Issuer in respect of any such unpaid amounts. Following the service of a Trigger Notice, the only remedy available to the Noteholders and the Other Issuer Creditors is the exercise by the Representative of the Noteholders of the Issuer's Rights.

Yield and Prepayment Considerations

The yield to maturity of the Notes of each Series will depend on, *inter alia*, the amount and timing of repayment of principal (including prepayments and proceeds from the sale of the Assets upon termination of the Lease Contracts) on the Receivables and on the actual date (if any) of exercise of the Optional Redemption pursuant to Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*). Such yield may be adversely affected by higher or lower than anticipated rates of prepayment, delinquency and default of the Receivables.

The rates of prepayment, delinquency and default of Receivables cannot be predicted and are influenced by a wide variety of economic, social and other factors, including prevailing market interest rates and margin offered by the banking system, the availability of alternative financing and local and regional economic conditions. Therefore, no assurance can be given as to the level of prepayments, delinquency and default that the Receivables will experience. For further details, see the section entitled "*Expected Average Life of the Senior Notes*".

Subordination

Both prior to and following the service of a Trigger Notice, in respect of the obligations of the Issuer to pay interest and repay principal on the Notes:

- (a) the Series 2013-1-A Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but in priority to the Series 2013-1-B Notes; and
- (b) the Series 2013-1-B Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but subordinated to the Series 2013-1-A 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 Series 2013-1-B Noteholders and then (to the extent that the Series 2013-1-A Notes have not been redeemed) by the Series 2013-1-A Noteholders as described above.

As long as the Notes are outstanding, the Most Senior Class of Noteholders shall be entitled to determine the remedies to be exercised in connection with the outstanding Notes.

Limited Enforcement Rights

The protection and exercise of the Noteholders' rights against the Issuer and the preservation and enforcement of the security under the Notes is one of the duties of the Representative of the Noteholders to the extent provided by the Transaction Documents. The Terms and Conditions and the Rules of the Organisation of the Noteholders limit the ability of each individual Noteholder to bring individual actions against the Issuer.

Only the Representative of the Noteholders may pursue the remedies available under 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, save as provided by the Rules of the Organisation of the Noteholders.

The Representative of the Noteholders

The Terms and Conditions and the Intercreditor Agreement contain provisions requiring the Representative of the Noteholders to have regard to the interests of the holders of each Series of Notes as regards all powers, authorities, duties and discretion of the Representative of the Noteholders as if they formed a

single class (except where expressly provided otherwise) but requiring the Representative of the Noteholders, in the event of a conflict between the interests of the holders of different Series of Notes, to have regard only to the interests of the holders of the Series of Notes ranking highest in the order of priority then outstanding.

Limited Secondary Market

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

Although an application has been made to the Irish Stock Exchange for the Senior Notes to be admitted to the official list and trading on its Regulated Market, there can be no assurance that a secondary market for any of the Notes will develop or, if a secondary market does develop in respect of any of the Notes, that it will provide the holders of such Notes with liquidity of investments or that it will continue until the final redemption or cancellation of such Notes. Consequently, any purchaser of Notes may be unable to sell such Notes to any third party and it may therefore have to hold the Notes until final redemption or cancellation thereof.

Limited liquidity in the secondary market may continue to have an adverse effect on the market value of the asset-backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the requirements of limited categories of investors. Consequently, whilst these market conditions persist, an investor in the Notes may not be able to sell or acquire credit protection on its Notes readily and market values of the Notes are likely to fluctuate. Any of these fluctuations may be significant and could result in significant losses to an investor.

Limited Nature of Credit Ratings Assigned to the Senior Notes

The credit rating assigned to the Senior Notes reflects the Rating Agencies' assessment only of the likelihood that interest will be paid promptly and principal will be paid by the final redemption date, not that it will be paid when expected or scheduled. This rating is based, among other things, on the reliability of the payments on the Aggregate Portfolio and the availability of credit enhancement.

The rating does not address, *inter alia*, the following:

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

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

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

Regulatory capital framework

The Basel Committee on Banking Supervision (the "**Basel Committee**") published certain regulatory capital standards which have not yet been fully implemented by its member countries. The regulatory framework currently in force was published by the Basel Committee in 2006 (the "**Basel II Framework**") and was implemented at the EU level by Directives 2009/27/EC, 2009/83/EC and 2009/111/EC (collectively, the

"CRD II") amending the so-called capital requirements directive (being and expression making reference to Directive 2006/48/EC and Directive 2006/49/EC) (as amended, the "CRD"), relating to, *inter alia*, exposures to transferred credit risk in the context of securitisation transactions.

In December 2010, the Basel Committee published a new set of rules which brings significant changes to the Basel II Framework (the "**Basel III Framework**"). In particular, the Basel III Framework provides for, *inter alia*, the introduction of the following capital and liquidity requirements:

- new capital requirements to be implemented by member countries from January 2013;
- a Leverage Ratio (aiming to constrain the build-up of leverage in the banking sector, help avoid destabilising deleveraging processes which can damage the broader financial system and the economy and reinforce the risk based requirements) to be used as a supplementary measure to the risk based capital requirements from January 2011;
- a Liquidity Coverage Ratio (aiming to promote resilience to potential liquidity disruptions over a thirty day horizon) to be implemented by member countries from January 2015;
- a Net Stable Funding Ratio (aiming to limit over-reliance on short-term wholesale funding during times of buoyant market liquidity and to encourage better assessment of liquidity risk across all on- and off-balance sheet items) to be implemented by member countries from January 2018.

The European Commission has presented in July 2011 a proposal of directive and regulation in order to implement the Basel III Framework ("**CRD IV**").

Investors to which the Basel III Framework applies may be affected by the recent changes in the capital and liquidity requirements with respect to the Basel II Framework and, as a consequence, such changes may have a negative impact on the liquidity and/or value of the Notes.

It is not possible at this stage to predict the precise effects of the implementation of the Basel III Framework. Investors should monitor the state of implementation of the Basel III Framework and consult with professional advisors to understand the actual impact of such new rules.

Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the asset-backed securities

In Europe, the United States and elsewhere an increased political and regulatory scrutiny of the asset-backed securities industry has occurred. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital requirements to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities.

In particular, in Europe, investors should be aware that pursuant to Article 122a of the CRD as amended by CRD II ("**Article 122a**"), an EU regulated credit institution, other than when acting as originator, sponsor or original lender, may assume an exposure in the context of a securitisation in its trading or non-trading book only if the originator, sponsor or original lender has explicitly disclosed to such credit institution that it will retain, on an on-going basis, a material net economic interest not lower than 5% in such securitisation.

Article 122a became effective on 1 January 2011 and has been implemented in Italy in the *Nuove disposizioni di vigilanza prudenziale per le banche*.

In light of Article 122a, under the Senior Notes Subscription Agreement, Alba Leasing, in its capacity as Originator, has undertaken to the Issuer and the Representative of the Noteholders that it will retain at the

Issue Date and maintain on an on-going basis a net economic interest in the Securitisation described in this Prospectus not lower than 5% in accordance with option (d) of Article 122a or, in accordance with Article 122a, any alternative permitted method to the extent that adequate disclosure on such alternative method has been given to the Noteholders.

Article 122a further requires an EU regulated credit institution, before investing, and as appropriate thereafter, for each of its individual exposure in securitisation transaction, to carry out a due diligence in respect of each such exposure and the relevant securitisation, to implement formal policies and appropriate procedures for such activities to be conducted on an on-going basis, to regularly perform its own stress tests appropriate to its exposure and to monitor on an on-going basis and in a timely manner performance information on such exposures. Failure to comply with one or more of the requirements set out in Article 122a will result in the imposition of a higher capital requirement in relation to the relevant exposure by the relevant EU regulated credit institution. In such respect, Article 122a requires originators and sponsors to ensure that prospective investors have readily available access as at the Issue Date and on an on-going basis to all information necessary to comply with their due diligence and monitoring obligations and all relevant data necessary to conduct comprehensive and well informed stress tests on the underlying exposures.

Alba Leasing, in its capacity as Originator, (a) has made available on the Issue Date and (b) has undertaken under the Senior Notes Subscription Agreement to make available on a periodical basis, in the Quarterly Settlement Report, until Alba Leasing acts as Servicer and, in the event that its appointment as Servicer is terminated, in monthly reports, the information required by Article 122a necessary to prospective investors for the purposes above. Such information will include information with regard to the Receivables, together with an overview of the retention of material net economic interest by the Originator.

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

The CRD and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Arranger or any other party makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment on the Issue Date or at any time in the future or compliance of the Securitisation with the relevant investors' supervisory regulations.

Series 2013-1-A Notes as Eligible Collateral for ECB Liquidity and/or Open Market Transactions

After the Issue Date an application may be made to a central bank in the Euro-Zone to record the Series 2013-1-A Notes as eligible collateral, within the meaning of the guidelines issued by the European Central Bank in February 2010 (*"The Implementation of Monetary Policy in the Euro Area"*), as subsequently amended and integrated from time to time (the **"ECB Guidelines"**), for liquidity and/or open market transactions carried out with such central bank. In this respect, it should be noted that in accordance with the ECB Guidelines and the central banks of the Euro-Zone policies, neither the European Central Bank nor such central banks will confirm the eligibility of the Series 2013-1-A Notes for the above purpose prior to their issuance and if the Series 2013-1-A Notes are accepted for such purpose, the relevant central bank may amend or withdraw any such approval in relation to the Series 2013-1-A Notes at any time. The

assessment and/or decision as to whether the Series 2013-1-A Notes qualify as eligible collateral for liquidity and/or open market transactions rests with the relevant central bank. None of the Issuer, the Originator, the Arranger or the Senior Notes Underwriter or any other party to the Transaction Documents gives any representation or warranty as to the eligibility of the Series 2013-1-A Notes for such purpose, nor do they accept any obligation or liability in relation to such eligibility or lack of it of the Senior Notes at any time.

RISK FACTORS RELATED TO THE UNDERLYING ASSETS

Right to future Receivables

The Transfer Agreement provides the transfer by each Seller to the Issuer, in addition to the claims in respect of the lease rentals, of: (a) the right to receive the Residual Optional Instalment; (b) any claim relating to any additional amount payable as lease rental pursuant to the Lease Contracts as a result of any amendment of such Lease Contracts (the "**Rental Increase Claims**"); and (c) the claims relating to any Policies Indemnities and Losses Indemnities (the "**Indemnities Claims**"). Moreover, pursuant to the Transfer Agreement, each Seller has transferred to the Issuer, by way of satisfaction in the event of termination of a Lease Contract: (i) the claims (previously transferred by the Originator to Alba 1 and Alba 2 in the context of, respectively, the Alba 1 Securitisation and the Alba 2 Securitisation) relating to the purchase price due to the Originator for the sale of the relevant Asset and (ii) in case such leased Asset is leased by the Originator to a new lessee, the claims (previously transferred by the Originator to Alba 1 and Alba 2 in the context of, respectively, the Alba 1 Securitisation and the Alba 2 Securitisation) deriving from the relevant new financial lease contract (collectively, the "**Termination Claims**").

In the event that the Sellers or the Originator, as applicable, are or become insolvent, the court may treat the Issuer's claims to the Residual Optional Instalment, the Rental Increase Claims, the Indemnities Claims and the Termination Claims sold by the Sellers as "future receivables". The Issuer's claims to any future receivables (a) that have not yet arisen at the time of the relevant Seller's or Originator's admission to the relevant insolvency proceedings or (b) which have arisen at such time but in respect of which the transfer formalities have not been completed before such date, might not be effective and enforceable against the insolvency receiver of the relevant Seller or the Originator.

Insolvency proceedings of the Lessees

The Lease Contracts have been entered into with Lessees which are commercial companies or commercial entrepreneurs (*imprenditore che esercita un'attività commerciale*) and, as such, may be subject to insolvency proceedings (*procedura concorsuale*) under the Italian Bankruptcy Law being, *inter alia*, bankruptcy (*fallimento*) or pre-bankruptcy agreement (*concordato preventivo*).

Bankruptcy procedure applies to commercial entrepreneurs which are in a state of insolvency. An entrepreneur which is in a "state of financial distress" (which may not be a state of insolvency yet) may propose to its creditors a pre-bankruptcy agreement (*concordato preventivo*). Such agreement may provide for the restructuring of debts and terms for the satisfaction of creditors, the assignment of the debtor's assets, the division of creditors in classes and the different treatments for creditors belonging to different classes. Furthermore, pursuant to Article 182-bis of the Italian Bankruptcy Law, an entrepreneur in a state of financial distress can enter into a debt restructuring agreement with its creditors representing at least 60 per cent. of the debtor's debts, together with, *inter alia*, a report of an expert in relation to the feasibility of said agreement, particularly with respect to the payment in full of the debts to the creditors who have not entered into the agreement.

With respect to such insolvency proceedings, due to their complexity, the time involved and the possibility for challenges and appeals by the Lessees and the other parties involved, there can be no assurance that any such insolvency proceeding would result in the payment in full of the outstanding amounts due under the Lease Contracts or that such proceedings would be concluded before the stated maturity of the Senior Notes.

For further details see the following paragraph entitled "*Prepayments under Lease Contracts*" of this section entitled "*Risk Factors*" and the section entitled "*Selected Aspects of Italian Law*".

Prepayments under Lease Contracts

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

While pursuant to Article 4, paragraph 3, of the Securitisation Law payments made by the Debtors to the Issuer may not be clawed-back pursuant to Article 67 of the Italian Bankruptcy Law in the event of insolvency of the relevant Debtor, it is doubtful whether the protection given by such provision against the claw-back actions taken pursuant to Article 67 of the Italian Bankruptcy Law may be extended in order to provide protection against the claw-back actions taken pursuant to Article 65. In addition, it should be noted that Italian court decisions are not binding on other courts.

Benefit of the leased Assets

Under the financial lease contracts the lessor is the owner of the leased assets and the ownership over the leased assets is not transferred to the Issuer together with the Receivables. In spite of this, the Issuer can nevertheless obtain the benefit of the proceeds generated by the sale or the re-lease of the leased assets in the event that the original financial lease contract is terminated. This is provided through the assignment by the Sellers to the Issuer under the Transfer Agreement of the sale proceeds or future rentals (previously transferred by the Originator to Alba 1 and Alba 2 in the context of, respectively, the Alba 1 Securitisation and the Alba 2 Securitisation) in a maximum amount determined in accordance with the Transfer Agreement deriving from the sale or the re-lease of the leased assets, being such assignment effective upon termination of the original financial lease contract. It should however be noted that the benefit of the leased assets could not survive the bankruptcy or the compulsory liquidation of the lessor. For further details, see paragraph above "*Right to future Receivables*" of this section entitled "*Risk Factors*".

Effect on Lease Contracts of insolvency of the Lessees or the Originator

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

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

Pursuant to Article 72, in case a contract is still unexecuted or has not been completely executed by either party, when either of such parties is declared bankrupt (i.e. the lessee), the execution of the contract remains suspended until the bankruptcy receiver (*curatore*), with the authorisation of the committee of

creditors (*comitato dei creditori*), declares to either (i) replace the lessee under the contract by assuming all of the relevant obligations, or (ii) terminate such contract.

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

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

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

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

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

Terms of the Lease Contracts

The Lease Contracts entered into by Alba Leasing with the Lessees were entered into on the standard terms of Alba Leasing which include, *inter alia*, (i) no express right for the Lessee to terminate the Lease Contract earlier than its stated expiration date, and (ii) upon the expiration of each Lease Contract, a right of the Lessee to purchase the relevant Assets by paying the Residual Optional Instalment. In the Warranty and Indemnity Agreement the Originator has represented that the Lease Contracts conform to its standard forms of financial lease contracts as from time to time adopted.

Lease Contracts' Performance

The Aggregate Portfolio is comprised of receivables deriving from financial lease contracts under which no instalments are due and unpaid from more than 90 days (for further details, see the section entitled "*The Aggregate Portfolio*"). There can be no guarantee that the Lessees will not default under the relevant Lease Contracts and that they will therefore continue to perform.

The recovery of amounts due in relation to Defaulted Receivables will be subject to the effectiveness of enforcement proceedings in respect of the Aggregate Portfolio which in Italy can take a considerable time depending on the type of action required and where such action is taken and on several other factors, including the following: (a) enforcement proceedings in certain courts may take longer than the national average; (b) obtaining title deeds from land registries which are in the process of computerising their records can take up to two or three years; (c) further time is required if it is necessary to obtain an injunction decree (*decreto ingiuntivo*) and whether or not the relevant Lessee raises a defence or counterclaim to the

proceedings; and (d) it takes an average of eight to ten years from the time lawyers commence enforcement proceedings until the time an auction date is set for the forced sale of any real estate asset.

Law No. 302 of 3 August 1998 and Law No. 80 of May 2005 allowed notaries and certain lawyers and accountants to conduct certain stages of the foreclosure procedures in place of the courts, aiming to reduce the length of foreclosure proceedings.

Italian laws and regulations protecting the debtors and promoting competitiveness in the Italian banking and financial sector

In the last years the Italian Legislator has introduced certain provisions aimed at, *inter alia*, protecting the debtors and promoting competitiveness in the Italian banking and financial sector.

In particular, prospective Noteholders should note that:

- (a) under the Servicing Agreement, the Servicer has been authorised by the Issuer to renegotiate the interest rate under the Lease Contracts and to grant delay (*riscadenziamento*) in relation to the payment obligation of the Lessees only in certain limited circumstances specified in the Servicing Agreement;
- (b) under the Warranty and Indemnity Agreement, the Originator has represented and warranted that as at the Valuation Date there are no Debtors who benefit of the suspension or renegotiations of payments of Instalments also pursuant to:
 - (i) the common announcement subscribed on 3 August 2009 by, *inter alios*, the Economy and Finance Ministry and the Italian Banking Association ("*Avviso Comune*"), as subsequently amended and supplemented;
 - (ii) the agreement entered into on 16 February 2011 by, *inter alios*, the Economy and Finance Ministry and the Italian Banking Association ("*Accordo per il Credito alle PMI*"), as subsequently amended and supplemented; and
 - (iii) the agreement entered into on 28 February 2012 by, *inter alios*, the Economy and Finance Ministry and the Italian Banking Association ("*Nuove Misure per il Credito alle PMI*"), as subsequently amended and supplemented.

Back-Up Servicer

Pursuant to the terms of the Back-Up Servicing Agreement, the Back-Up Servicer has undertaken to be appointed and act as Successor Servicer in the event of revocation of the appointment of the Servicer. For further details, see the section entitled "*Description of the Back-Up Servicing Agreement*".

Settlement of the crisis (*sovraindebitamento*) under Law No. 3/2012

Law No. 3 of 27 January 2012 ("*disposizioni in materia di usura e di estorsione, nonché di composizione delle crisi da sovraindebitamento*") (the "**Law No. 3/2012**") provides for, *inter alia*, the possibility for a debtor:

- (a) to enter into a debt restructuring agreement (the "**Settlement Agreement**") with his creditors through a specific procedure set forth therein (the "**Settlement Procedure**"). A Settlement Agreement can only be approved (*omologato*) by the competent Court if it is entered into by a debtor with creditors representing at least 60 per cent. of such debtor's debts;

- (b) to the extent such debtor is qualified as "consumer" under Law No. 3/2012, to submit a plan for the settlement of its debts (the "**Consumer's Plan**") through a specific procedure set forth therein (the "**Consumer's Plan Procedure**"); or
- (c) as an alternative to the actions and procedures set out in (a) and (b) above, to file a petition for the liquidation of all its assets (the "**Liquidation of Assets**") through a specific procedure set forth therein (the "**Liquidation of Assets Procedure**").

The collection of Receivables may be adversely affected under Law No. 3/2012 in consideration of the fact that in the context of a Settlement Procedure (in case such procedure provides for the continuation of the debtor's business) or a Consumer's Plan Procedure, as applicable, the payments owed to a secured creditor (*creditore privilegiato*) in respect of the relevant receivables by a debtor may be subject to a one-year *moratorium* starting from the approval of the Settlement Agreement or Consumer's Plan, to the extent that such agreement or plan does not imply the sale of the charged assets. Furthermore, the Court may issue a decree which has (in the case of the Settlement Procedure or Liquidation of Assets Procedure) or may have (in the case of the Consumer's Plan Procedure), *inter alia*, the effect of preventing creditors from commencing or continuing foreclosure proceedings (*azioni esecutive*) and seizures (*sequestri conservativi*) and creating pre-emption rights on the assets of the debtor until the approval decision becomes final.

For further details regarding the relevant features of the procedures described above, see the section entitled "*Selected aspects of Italian law - Settlement of the crisis (sovraindebitamento) under Law No. 3/2012*" of this Prospectus.

RISK FACTORS RELATED TO TAX MATTERS

Tax Treatment of the Issuer

Taxable income of the Issuer is determined in accordance with Italian Presidential Decree No. 917 of 22 December 1986. Pursuant to the regulations issued by the Bank of Italy on 29 March 2000, as subsequently confirmed by the regulations issued by the Bank of Italy on 14 February 2006, as subsequently replaced by the regulations issued by the Bank of Italy on 13 March 2012 (*schema di bilancio delle società per la cartolarizzazione dei crediti*), the assets, liabilities, costs and revenues of the Issuer in relation to the securitisation of the Receivables will be treated as off-balance sheet assets, liabilities, costs and revenues. Based on the general rules applicable to the calculation of net taxable income of a company, such taxable income should be calculated on the basis of the accounting, i.e. on-balance sheet, earnings, subject to such adjustments as specifically provided for by applicable income tax rules and regulations. On this basis, no taxable income should accrue to the Issuer in the context of the transfer to the Issuer of the Aggregate Portfolio. This opinion has been expressed by scholars and tax specialists and has been confirmed by the tax authority (Circular No. 8/E issued by *Agenzia delle Entrate per la Lombardia* on 6 February 2003, recently confirmed by Ruling 77/E issued by *Agenzia delle Entrate* on 4 August 2010) on the grounds that the net proceeds generated by the Receivables may not be considered as legally available to the Issuer insofar as any and all amounts deriving from the underlying assets of each of the securitisations are specifically destined to satisfy the obligations of such Issuer to the holders of the notes issued in the context of each such securitisation, to the other creditors of the Issuer and certain third party creditors in respect of each such securitisation in compliance with applicable law.

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

As confirmed by the tax authority (Ruling No. 222 issued by *Agenzia delle Entrate* on 5 December 2003), the interest accrued on the Accounts will be subject to withholding tax on account of corporate income tax. As of the date of this Prospectus, such withholding tax is levied at the rate of 20 per cent. and is to be imposed at the time of payment.

Withholding Tax under the Notes

Payments of interest under the Notes may or may not be subject to withholding for or on account of tax. For example, according to Decree No. 239, any non-Italian resident beneficial owner of an interest payment relating to the Notes who is (a) either not resident, for tax purposes, in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information or (b), even if resident in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information, does not timely comply with the requirements set forth in Decree No. 239 and the relevant application rules in order to benefit from the exemption from substitute tax, will receive amounts of interest payable on the Notes net of Italian substitute tax. As at the date of this Prospectus such substitute tax is levied at the rate of 20 per cent., or such lower rate as may be applicable under the relevant double taxation treaty. For further details, see the section entitled "*Taxation*".

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

European Withholding Tax Directive

On 3 June 2003, the EU Council of Economic and Finance Ministers adopted the EU Directive 2003/48/EC, (the "**European Withholding Tax Directive**") a directive regarding the taxation of savings income which proposes that each EU Member State will be required to provide to tax authorities of another EU Member State details of payments of interest or other similar income paid by a person within its jurisdiction to an individual resident in that other Member State (the "**Disclosure of Information Method**"). The European Withholding Tax Directive provides that Austria and Luxembourg will instead apply a withholding tax in relation to such payments for a transitional period as defined therein, unless during such period they would elect otherwise. The Italian Government has implemented the aforesaid European Withholding Tax Directive with the Italian Legislative Decree No. 84 of 18 April 2005. For further details, see the section entitled "*Taxation*".

GENERAL RISK FACTORS

Clawback of the Sales of the Receivables

Assignments executed under the Securitisation Law are subject to revocation on bankruptcy under Article 67 of the Italian Bankruptcy Law but only in the event that the adjudication of bankruptcy of the relevant Seller is made within three months from the securitisation transaction or, in cases where paragraph 1 of Article 67 applies, within six months from the securitisation transaction.

Interest Rate Risk

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

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

The interest rate risk in respect of the Senior Notes would consist in the basis risk (i.e. the risk represented by the mismatch between the fixing of the coupon payable on the Notes and the fixing applied on the Floating Rate Lease Contracts and the Fixed Rate Lease Contracts). As of the Issue Date, no hedging agreement has been entered into by the Issuer in order to hedge itself against the interest rate risk and therefore the Issuer's ability to make payments of interest under the Notes may be adversely affected in case of a difference occurring in the interest rates or between the dates of collection of interest on the Aggregate Portfolio and the date on which payment of interest under the Notes fall due.

Prospective Noteholders should also note that the composition of the Aggregate Portfolio and the cash flows that should derive therefrom have been appropriately evaluated and, notwithstanding the above, the Receivables have the characteristics that would demonstrate the capacity to produce funds to service any payments due and payable under the Notes.

Historical Information

The historical financial and other information set out in the sections headed "*Alba Leasing and the Sellers*" and "*The Aggregate Portfolio*", including in respect of the default rates, represents the historical experience of Alba Leasing. Alba Leasing accepts responsibility for the fairness and accuracy of these sections. However, there can be no assurance that the future experience and performance of Alba Leasing as Servicer will be similar to the experience shown in this Prospectus.

Servicing of the Aggregate Portfolio

The Receivables comprised in the Aggregate Portfolio have been serviced by the Servicer starting from the Transfer Date pursuant to the Servicing Agreement. Previously, the Receivables comprised in the Alba 1 Portfolio and the Alba 2 Portfolio were always serviced by Alba Leasing as servicer in the context of, respectively, the Alba 1 Securitisation and the Alba 2 Securitisation and, prior to such transactions, as owner of such Receivables. The net cash flows deriving from the Aggregate Portfolio may be affected by decisions made, actions taken and collection procedures adopted by the Servicer pursuant to the provisions of the Servicing Agreement.

The Servicer has undertaken to prepare and submit to the Issuer on a periodical basis certain reports in the form set out in the Servicing Agreement, containing information as to, *inter alia*, the Collections made in respect of the Aggregate Portfolio.

Rights of Set-off (*compensazione*) and Other Rights of the Lessees

Under general principles of Italian law, the lessees are entitled to exercise rights of set-off in respect of amounts due under any financial lease contract against any amounts payable by the lessor to the relevant lessee.

The assignment of receivables under the Securitisation Law is governed by Article 58 paragraphs 2, 3 and 4 of the Consolidated Banking Act. According to the prevailing interpretation of such provisions, such assignment becomes enforceable against the relevant debtors as of the later of (a) the date of the publication of the notice in the Official Gazette and (b) the date of its registration in the competent companies' register. Consequently, Lessees may exercise a right of set off against the Issuer on the basis of claims against Alba Leasing and/or the Issuer which have arisen before both the publication of the notice in the Official Gazette and the registration in the competent companies register have been completed.

Under the terms of the Warranty and Indemnity Agreement, Alba Leasing has agreed to indemnify the Issuer in respect of any reduction in amounts received by the Issuer in respect of the Aggregate Portfolio as a result of the exercise by any relevant Lessee of a right of set-off.

Italian Usury Law

Italian Law No. 108 of 7 March 1996 (the "**Usury Law**") introduced legislation preventing lenders from applying interest rates equal to or higher than rates (the "**Usury Rates**") set every three months on the basis of a Decree issued by the Italian Treasury (the latest of these Decrees having been issued on 25 March 2013 and published in the Official Gazette of 29 March 2013, No. 75).

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

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

The Italian Government has intervened in this situation with Law Decree No. 394 of 29 December 2000 (the "**Usury Law Decree**"), converted into Law No. 24 by the Italian Parliament on 28 February 2001, which provides, *inter alia*, that interest is to be deemed usurious only if the interest rate agreed by the parties exceeds the Usury Rate applicable at the time the relevant agreement is reached. The Usury Law Decree has also provided that, as an extraordinary measure due to the exceptional fall in interest rates in the years 1998 and 1999, interest rates due on instalments payable after 2 January 2001 on loans already entered into on the date on which the Usury Law Decree came into force (namely 31 December 2000) are to be substituted with a lower interest rate fixed in accordance with parameters fixed by the Usury Law Decree. The validity of the Usury Law Decree has been challenged before the Italian Constitutional Court by certain consumers' associations claiming that the Usury Law Decree does not comply with the principles set out in the Italian Constitution.

By decision No. 29 of 14 February 2002, the Italian Constitutional Court has stated, *inter alia*, that the Usury Law Decree complies with the principles set out in the Italian Constitution except for such provisions of the Usury Law Decree providing that the interest rates due on instalments payable after 2 January 2001 on loans are to be substituted with lower interest rates fixed in accordance with the Usury Law Decree. By such decision the Italian Constitutional Court has established that the lower interest rates fixed in accordance with the Usury Law Decree are to be substituted on instalments payable from the date on which such Decree came into force (31 December 2000) and not on instalments payable after 2 January 2001.

Prospective Noteholders should note that whilst Alba Leasing has undertaken in the Warranty and Indemnity Agreement to indemnify the Issuer in respect of any damages, losses, claims, costs and expenses that may be incurred by the Issuer in connection with any loss or reduction in any interest accrued on the relevant financial lease as a result of the application of the Usury Law or of the Usury Law Decree, the ability of the Issuer to maintain scheduled payments of interest and principal on the Senior Notes may be adversely affected as a result of a financial lease being found to be in contravention with the

Usury Law, thus allowing the relevant Lessee to claim relief on any interest previously paid and obliging the Issuer in the future to accept a reduced rate of interest, or potentially no interest, payable on such financial lease.

The Originator has represented in the Warranty and Indemnity Agreement that the interest rates applicable under the Lease Contracts are in compliance with the then applicable Usury Rate.

Compounding of Interest (*Anatocismo*)

According to Article 1283 of the Italian Civil Code, in respect of a monetary claim or receivable, accrued interest can be capitalised after a period of not less than six months provided that the capitalisation has been agreed after the date on which it has become due and payable or from the date when the relevant legal proceedings are commenced in respect of that monetary claim or receivable. According to Article 1283 of the Italian Civil Code, such provision may be derogated from only in the event that there are recognised customary practices (*usi*) to the contrary. Traditionally, capitalisation of interest (including the capitalisation of interest on bonds and other debt instruments) in Italy is a common market practice on the grounds that such practice should be characterised as a customary rule (*uso normativo*). According to certain judgements from Italian Supreme Court (*Corte di Cassazione*) (including judgements No. 2374/1999, No. 2593/2003 and No. 21095/2004 as recently confirmed by judgment No. 24418/2010 of the same Court), such practice has been re-characterised as an agreed clause (*uso negoziale*) and as such, has been deemed not to permit derogation from the aforementioned provisions of the Italian Civil Code.

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

According to a ruling of the Tribunal of Bari dated 29 October 2008 the amortisation plans known as "French amortisation plans" (applied to certain type of loans in Italy) are not valid, being in breach of Articles 1283 and 1284 of the Italian Civil Code. The rationale behind such ruling seems to be, *inter alia*, that the French amortisation plans would *per se* lead to apply to the relevant loan an interest rate higher than the interest rate contractually agreed between the lender and the borrower and, therefore, to increase the cost of the financing for the borrower. According to such ruling, banks which use in their loans the French amortisation plan would be in breach of Article 1283 and 1284 as the relevant rate of interest and the cost of the financing would not be clearly indicated in the relevant loan agreement. As a result, the relevant contractual interest rate may be challenged by the relevant borrower and the legal interest rate may apply.

Prospective Noteholders should note that under the terms of the Warranty and Indemnity Agreement, the Originator has represented that all the Lease Contracts have been executed and performed in compliance with all applicable laws, provisions and regulations including, *inter alia*, all the applicable financial lease laws and regulations, the Usury Law and the provisions of Article 1283 of the Italian Civil Code.

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

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

Concentration of roles in Alba Leasing

Under the terms of the Transaction Documents Alba Leasing has performed and will perform multiple roles in the context of the Securitisation, such as, *inter alia*, the Originator and the Servicer. The concentration of such roles in one entity may, in the event of insolvency of Alba Leasing, adversely impact the structure of the Securitisation and the Issuer's ability to meet its obligations under the Notes. Prospective Noteholders should note, however, that such risk is mitigated by the provisions of the Transaction Documents, which already provide and regulate the terms and conditions of the replacement of the different Issuer's counterparts in the context of the Securitisation.

Recharacterisation of Fixed Security Interest

There is a possibility that a court finds that the fixed security interests expressed to be created by the Issuer under the Deed of Charge could take effect as floating charges as the description given to them as fixed charges is not determinative. Whether the fixed security interests will be upheld as fixed security interests rather than floating security interests will depend, among other things, on whether the Representative of the Noteholders has the requisite degree of control over the relevant assets and, if so, whether such control is exercised by the Representative of the Noteholders in practice. Where the chargor is free to deal with the secured assets, or any proceeds received on realisation of the secured assets, without the consent of the chargee, the court would be likely to hold that the security interest in question constitutes a floating charge, notwithstanding that it may be described as a fixed charge. If the fixed security interests are recharacterised as floating security interests, the claims of certain statutorily defined preferential creditors of the relevant chargor may have priority over the rights of the relevant chargee, as the case may be, to the proceeds of enforcement of such security. A receiver appointed by the Representative of the Noteholders under the Deed of Charge would be obliged to pay preferential creditors out of floating charge realisations in priority to payments to the Noteholders and the Other Issuer Creditors. However, the only categories of preferential debts are certain amounts payable with respect to occupational pension schemes, employee remuneration and levies on coal and steel production. The Issuer has undertaken not to have any employees.

Change of Law

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

Projections, forecasts and estimates

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

Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements. Prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this

Prospectus and are based on assumptions that may prove to be inaccurate. No one undertakes any obligation to update or revise any forward-looking statements contained in this Prospectus to reflect events or circumstances occurring after the date of this Prospectus.

Withholding under U.S. Foreign Account Tax Compliance Act

The U.S. has issued complex regulations under the Foreign Account Tax Compliance ("**FATCA**") provisions of the Hiring Incentives to Restore Employment Act of 2010. In some circumstances these regulations may require withholding of U.S. tax at a rate of 30 per cent. on all, or a portion of, certain payments including, among others, payments on debt or equity securities or the proceeds of sale of such securities.

If the Notes are treated as debt for U.S. federal tax purposes and are issued on or before the date that is six months after the date on which final regulations that define "foreign passthru payments" are published, they should be "grandfathered" and FATCA withholding would not be required with respect to interest, principal or other payments on the Notes or the proceeds of sale of the Notes unless the Notes are substantially modified after that date.

If the Notes are not grandfathered it is possible that U.S. tax regulations issued in the future might require the Issuer and any non-U.S. financial institutions through which payments on the Notes are made to withhold U.S. tax at a rate of 30 per cent. on all, or a portion of, payments made in respect of the Notes after 31 December 2016. Such withholding may be required if the Issuer, which will be a foreign financial institution ("**FFI**") (as defined in FATCA) or any of the non-U.S. financial institutions through which payments are made enters into and complies with an agreement with the U.S. Internal Revenue Service ("**IRS**") (or an equivalent arrangement provided for under a law implementing an intergovernmental approach to FATCA) to provide certain information on its account holders (making the Issuer and any such non-U.S. financial institutions a "**Participating FFI**" within the meaning of FATCA), and (i) the Issuer has a positive "passthru payment percentage" (as determined under FATCA), and (ii) (a) an investor does not provide information sufficient for the relevant Participating FFI to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States Account" of the Issuer, (b) an investor does not consent, where necessary, to have its information disclosed to the IRS, or (c) any FFI that is an investor, or through which payments on the Notes are made, is not a Participating FFI.

It is not clear if or when such regulations might be issued nor the requirements that might be set out in such regulations. Furthermore, Italy has announced its intention to enter into an intergovernmental agreement with the United States. It is possible that, in certain circumstances, withholding may be required under any legislation implementing such an intergovernmental approach to FATCA.

If an amount in respect of FATCA or as required under an intergovernmental approach to FATCA were to be deducted or withheld from interest, principal, or other payments on the Notes, none of the Issuer, the Paying Agent or any other person would, pursuant to the Terms and Conditions or any other Transaction Document, be required to pay additional amounts or otherwise indemnify a Noteholder as a result of the deduction or withholding of such tax and Noteholders might receive less interest or principal than expected.

FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE ISSUER, THE NOTES, AND THE NOTEHOLDERS IS UNCERTAIN AT THIS TIME. THE ABOVE DESCRIPTION IS BASED IN PART ON REGULATIONS AND OFFICIAL GUIDANCE THAT IS SUBJECT TO CHANGE. FURTHERMORE, WHILE ITALY HAS ANNOUNCED ITS INTENTION TO DEVELOP AN INTERGOVERNMENTAL APPROACH TO FATCA, THE PARTICULARS OF THEIR APPROACH ARE NOT KNOWN AND COULD AFFECT THE WAY IN WHICH FATCA MIGHT APPLY TO THIS SECURITISATION, THE ISSUER, THE NOTES AND THE NOTEHOLDERS. EACH POTENTIAL NOTEHOLDER SHOULD CONSULT ITS OWN

TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT EACH NOTEHOLDER IN ITS PARTICULAR CIRCUMSTANCE.

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

THE AGGREGATE PORTFOLIO

Introduction

The Aggregate Portfolio consists of the Receivables comprised in the Alba 1 Portfolio and the Alba 2 Portfolio, arising out of financial lease contracts entered into by Alba Leasing with its relevant lessees and classified as performing by Alba Leasing. The information relating to the Aggregate Portfolio contained in this Prospectus is, unless otherwise specified, a description of the Aggregate Portfolio as at 1 April 2013 (the "**Valuation Date**"). As at the date of this Prospectus, no material changes in respect of the Aggregate Portfolio have occurred and no Receivable is classified as Defaulted Receivable.

The Receivables do not consist, in whole or in part, actually or potentially, of credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives.

The Lease Contracts

As at the Valuation Date, the Aggregate Portfolio comprised debt obligations owed by 8,650 Lessees under 13,535 Lease Contracts. All the Lease Contracts are governed by Italian law.

The Lease Contracts have been entered into primarily with small and medium size private businesses, small and medium-sized enterprises, law firms, medical professionals and other individual entrepreneurs. Rentals are paid by debiting the relevant amounts to the lessee's bank account through an automatic debit system, and crediting such amounts to Alba Leasing through the RID system and the RIBA system. The Lease Contracts are based on Alba Leasing's standard form, which incorporates certain standard terms and conditions and contains a description of the relevant Asset and the rental payments together with the specific provisions applicable to such Asset and other negotiated terms and conditions, if any.

The Lease Contracts concern (a) real estate assets, (b) equipment and (c) both registered and unregistered movable properties. All Lease Contracts have been entered into by Alba Leasing and each Lease Contract provides for a predetermined payment schedule, with the Lessee being granted the option to purchase the related Asset by payment of the Residual Optional Instalment at the end of the contractual term after performance by the Lessee of all its obligations under such Lease Contract.

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

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

For a large majority of the Lease Contracts, Instalments are paid by debiting the relevant amounts to the Lessee's bank account through an automatic debit system, and crediting such amounts to Alba Leasing through the RID or RIB system.

The Receivables have been transferred to the Issuer pursuant to the terms of the Transfer Agreement, together with any ancillary rights of each Seller to guarantees or security interests and any related rights, which have been granted to each Seller to secure or ensure the payment and/or the recovery of any of the Receivables. The Outstanding Balance of the Aggregate Portfolio as at the Valuation Date was equal to Euro 672,559,016.40.

The Assets

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

- **Pool No. 1** comprises those Receivables originated under Lease Contracts the related Assets of which are vehicles, motor-vehicles, cars, light lorries, commercial vehicles, industrial vehicles or other motorised vehicles excluding aircrafts;
- **Pool No. 2** comprises those Receivables originated under Lease Contracts the related Assets of which are instrumental assets (e.g. machinery, equipment and/or plants);
- **Pool No. 3** those Receivables originated under Lease Contracts the related Assets of which are real estate properties; and
- **Pool No. 4** those Receivables originated under Lease Contracts the related Assets of which are ships, vessels or trains.

Eligibility criteria for the Alba 1 Portfolio

All the Receivables comprised in the Alba 1 Portfolio purchased by the Issuer from Alba 1 pursuant to the Transfer Agreement, as at the Valuation Date (save as otherwise specified), met the following criteria:

- (1) have been previously transferred by Alba Leasing to Alba 1 and notice of such transfer has been published in the Official Gazette of the Republic of Italy, as resulting from the relevant notices of transfer published in the following numbers of the Official Gazette of the Republic of Italy:
 - No. 19 of 17 February 2011, Part II;
 - No. 67 of 14 June 2011, Part II;
 - No. 119 of 13 October 2011, Part II;
 - No. 5 of 12 January 2012, Part II;
 - No. 45 of 14 April 2012, Part II;
 - No. 81 of 12 July 2012, Part II;
 - No. 120 of 11 October 2012, Part II; and
 - No. 5 of 12 January 2013, Part II;
- (2) the relevant Lease Contracts have been entered into by Alba Leasing as lessor of the Asset pursuant to a financial lease arrangement;
- (3) originate from Lease Contracts:
 - (a) whose payment date of the last instalment (as set out in the relevant Lease Contract) falls after 1 May 2013 (included);

- (b) in respect of which at least one instalment is past due and has been paid by the relevant Lessee;
- (c) whose related Lessees and debtors:
 - (i) are not subjected to bankruptcy or other insolvency proceedings;
 - (ii) have timely paid all the instalments or the relevant instalments are not due and unpaid for more than 90 (ninety) days as of the due date provided by the relevant Lease Contract;
 - (iii) have not notified in writing to Alba Leasing any report of theft of the Asset relating to the relevant Lease Contract or the suspension of payments of the instalments relating to the relevant Lease Contract or the restitution of the Asset;
 - (iv) have not requested in writing the early termination of the relevant Lease Contract; and
 - (v) have not been notified in writing of:
 - (1) enforcement proceedings, precautionary proceedings or similar proceedings by Alba Leasing in relation to the Assets relating to the relevant Lease Contract;
 - (2) the sale by Alba Leasing of the Assets relating to the relevant Lease Contract;
 - (3) the termination of the relevant Lease Contract by Alba Leasing; and
- (3) do not arise from Lease Contracts to which Alba Leasing has assigned (as communicated in writing by Alba Leasing to the relevant Lessee) one of the following identification codes:
 - 1.002.132;
 - 1.002.542;
 - 1.003.266;
 - 1.008.884;
 - 1.009.324;
 - 1.010.847;
 - 1.010.875;
 - 1.013.845;
 - 1.014.569;
 - 1.014.952;
 - 1.036.585.

Eligibility criteria for the Alba 2 Portfolio

All the Receivables comprised in the Alba 2 Portfolio purchased by the Issuer from Alba 2 pursuant to the Transfer Agreement, as at the Valuation Date (save as otherwise specified), met the following criteria:

- (1) have been previously transferred by Alba Leasing to Alba 2 and notice of such transfer has been published in the Official Gazette of the Republic of Italy, as resulting from the relevant notices of transfer published in the following numbers of the Official Gazette of the Republic of Italy:
 - No. 144 of 15 December 2011, Part II;
 - No. 31 of 13 March 2012, Part II;
 - No. 69 of 14 June 2012, Part II;
 - No. 108 of 13 September 2012, Part II; and
 - No. 144 of 11 December 2012, Part II;
- (2) the relevant Lease Contracts have been entered into by Alba Leasing as lessor of the Asset pursuant to a financial lease arrangement;
- (3) originate from Lease Contracts:
 - (a) whose payment date of the last instalment (as set out in the relevant Lease Contract) falls after 1 May 2013 (included);
 - (b) in respect of which at least one instalment is past due and has been paid by the relevant Lessee;
 - (c) whose related Lessees and debtors:
 - (i) are not subjected to bankruptcy or other insolvency proceedings;
 - (ii) have timely paid all the instalments or the relevant instalments are not due and unpaid for more than 90 (ninety) days as of the due date provided by the relevant Lease Contract;
 - (iii) have not notified in writing to Alba Leasing any report of theft of the Asset relating to the relevant Lease Contract or the suspension of payments of the instalments relating to the relevant Lease Contract or the restitution of the Asset;
 - (iv) have not requested in writing the early termination of the relevant Lease Contract; and
 - (v) have not been notified in writing of:
 - (1) enforcement proceedings, precautionary proceedings or similar proceedings by Alba Leasing in relation to the Assets relating to the relevant Lease Contract;
 - (2) the sale by Alba Leasing of the Assets relating to the relevant Lease Contract;
 - (3) the termination of the relevant Lease Contract by Alba Leasing; and
 - (3) do not arise from Lease Contracts to which Alba Leasing has assigned (as communicated in writing by Alba Leasing to the relevant Lessee) one of the following identification codes:
 - 1.017.513;
 - 1.021.046;

- 1.025.895;
- 1.026.905;
- 1.014.034;
- 1.018.753;
- 1.020.001;
- 1.026.136.

The transfer of the Receivables from each Seller to the Issuer has been (i) registered on the Companies Register of Treviso on 15 April 2013 and (ii) published in the Official Gazette No. 45 Part II of 16 April 2013.

Description of the Aggregate Portfolio

The Aggregate Portfolio had the following global characteristics as at the Valuation Date:

- (a) the aggregate outstanding principal of the Receivables owed by the same Lessee is equal to or lower than 0.70 per cent. of the aggregate outstanding principal of all the Receivables; and
- (b) the aggregate outstanding principal of the Receivables owed by the first ten Lessees (by outstanding principal) is equal to or lower than 5.55 per cent. of the aggregate outstanding principal of all the Receivable.

The following tables set out details of the Aggregate Portfolio derived from information provided by Alba Leasing as Originator and Servicer on behalf of the Issuer of the Receivables comprised in the Aggregate Portfolio. The information in the following tables reflects the position as at the Valuation Date, unless otherwise specified.

PORTFOLIO DESCRIPTION

<i>Amounts in Euro (data as of 01/04/2013)</i>	Amount	
Number of Loans	13,535	
Number of Debtors	8,650	
Total Outstanding Balance (residual value INCLUDED)	710,340,651.71	
Total Outstanding Balance (residual value EXCLUDED)	672,559,016.40	
Original Loan Amount (Euro)	1,048,270,419.68	
Average Outstanding Balance (by loan)	49,690.36	
Average Outstanding Balance (by debtor)	77,752.49	
Max Outstanding Balance (by loan)	4,710,530.47	0.70%
Max Outstanding Balance (by debtor)	4,710,530.47	0.70%
Weighted Average Original Term	101.54	months
Weighted Average Seasoning	23.90	months
Weighted Average Residual Life	79.90	months
Weighted Average Original LTV	88.7%	
Weighted Average Current LTV	61.3%	
Longest maturity (date)	01/06/31	
AUTO LEASE	104,684,317.43	15.57%
EQUIPMENT LEASE	400,653,995.06	59.57%
REAL ESTATE LEASE	148,469,123.61	22.08%
SHIPPING/AIRCRAFT/RAILWAYS	18,751,580.30	2.79%

Geographical distribution (% of Outstanding Principal):

- Northern Italy	461,405,464.52	68.60%
- Central Italy	121,237,823.25	18.03%
- Southern Italy	89,915,728.63	13.37%
First Borrower (%)	4,710,530.47	0.70%
First 5 Borrowers (%)	20,210,939.74	3.01%
First 10 Borrowers (%)	37,329,333.72	5.55%
First 20 Borrowers (%)	64,230,030.16	9.55%

BREAKDOWN BY OUTSTANDING PRINCIPAL

Amounts in Euro (data as of 01/04/2013)

Range (Euro)	Number of Loans		Original Loan Amount		Average Size	Outstanding Principal		Average Size
		%		%			%	
< 50,000	10,379	76.7%	332,544,495.93	31.7%	32,040.13	167,898,540.65	25.0%	16,176.76
50,000 - 100,000	1,796	13.3%	191,234,300.64	18.2%	106,477.90	121,719,359.29	18.1%	67,772.47
100,000 - 200,000	827	6.1%	156,526,584.51	14.9%	189,270.36	108,689,252.30	16.2%	131,425.94
200,000 - 300,000	211	1.6%	71,080,080.06	6.8%	336,872.42	48,751,648.16	7.2%	231,050.47
300,000 - 500,000	149	1.1%	71,657,228.13	6.8%	480,920.99	51,655,150.56	7.7%	346,678.86
500,000 - 750,000	83	0.6%	64,437,764.93	6.1%	776,358.61	46,813,625.09	7.0%	564,019.58
750,000 - 1,000,000	39	0.3%	40,027,911.81	3.8%	1,026,356.71	30,811,603.46	4.6%	790,041.11
1,000,000 - 2,000,000	30	0.2%	49,538,653.07	4.7%	1,651,288.44	37,408,016.65	5.6%	1,246,933.89
> 2,000,000	21	0.2%	71,223,400.60	6.8%	3,391,590.50	58,811,820.24	8.7%	2,800,562.87
Total	13,535	100.00%	1,048,270,419.68	100.00%	77,448.87	672,559,016.40	100.00%	49,690.36

BREAKDOWN BY ORIGINAL TERM

Amounts in Euro (data as of 01/04/2013)

Months	Number of Loans		Original Loan Amount		Average Size	Outstanding Principal		Average Size
		%		%			%	
0-23	2	0.01%	3,762.47	0.00%	1,881.24	1,728.33	0.00%	864.16
23-47	652	4.82%	25,777,815.59	2.46%	39,536.53	9,353,259.33	1.39%	14,345.49
48-71	10,448	77.19%	546,235,094.76	52.11%	52,281.31	301,074,222.60	44.77%	28,816.45
72-95	1,859	13.73%	228,714,718.76	21.82%	123,031.05	162,055,113.65	24.10%	87,173.27
96-119	139	1.03%	29,704,726.45	2.83%	213,703.07	23,159,704.63	3.44%	166,616.58
120-143	57	0.42%	29,028,644.53	2.77%	509,274.47	22,729,211.28	3.38%	398,758.09
144-167	15	0.11%	10,404,057.15	0.99%	693,603.81	8,959,324.89	1.33%	597,288.33

168-191	1	0.01%	1,085,875.00	0.10%	1,085,875.00	955,012.56	0.14%	955,012.56
192-215	7	0.05%	9,067,922.50	0.87%	1,295,417.50	8,102,184.46	1.20%	1,157,454.92
216-240	355	2.62%	168,247,802.47	16.05%	473,937.47	136,169,254.67	20.25%	383,575.37
Total	13,535	100.00%	1,048,270,419.68	100.00%	77,448.87	672,559,016.40	100.00%	49,690.36

BREAKDOWN BY TYPE OF LEASE

Amounts in Euro (data as of 01/04/2013)

Category	Number of Loans		Original Loan Amount		Average Size	Outstanding Principal		Average Size
	%		%			%		
AUTO LEASE	5,937	43.9%	206,295,780.25	19.68%	34,747.48	104,684,317.43	15.57%	17,632.53
EQUIPMENT LEASE	7,166	52.9%	631,442,061.88	60.24%	88,116.39	400,653,995.06	59.57%	55,910.41
REAL ESTATE LEASE	367	2.7%	183,032,247.55	17.46%	498,725.47	148,469,123.61	22.08%	404,548.02
SHIPPING/AIRCRAFT/RAILWAYS	65	0.5%	27,500,330.00	2.62%	423,082.00	18,751,580.30	2.79%	288,485.85
Total	13,535	100.00%	1,048,270,419.68	100.00%	77,448.87	672,559,016.40	100.00%	49,690.36

BREAKDOWN BY SELLER

Amounts in Euro (data as of 01/04/2013)

Seller	Number of Loans		Original Loan Amount		Average Size	Outstanding Principal		Average Size
	%		%			%		
ALBA 1 SPV	8,874	65.6%	671,311,332.57	64.0%	75,649.24	403,991,518.81	60.07%	45,525.30
ALBA 2 SPV	4,661	34.4%	376,959,087.11	36.0%	80,875.15	268,567,497.59	39.93%	57,620.15
Total	13,535	100.00%	1,048,270,419.68	100.00%	77,448.87	672,559,016.40	100.00%	49,690.36

BREAKDOWN BY PAYMENT FREQUENCY

Amounts in Euro (data as of 01/04/2013)

Frequency	Number of Loans		Original Loan Amount		Average Size	Outstanding Principal		Average Size
	%		%			%		
Monthly	12,730	94.1%	977,674,243.79	93.27%	76,800.80	627,076,242.05	93.24%	49,259.72

Bi-monthly	8	0.1%	835,199.87	0.08%	104,399.98	581,886.31	0.09%	72,735.79
Quarterly	792	5.9%	69,337,429.84	6.61%	87,547.26	44,684,806.04	6.64%	56,420.21
Semi-annually	5	0.0%	423,546.18	0.04%	84,709.24	216,082.00	0.03%	43,216.40
Total	13,535	100.00%	1,048,270,419.68	100.00%	77,448.87	672,559,016.40	100.00%	49,690.36

BREAKDOWN BY REGION OF THE BORROWER

Amounts in Euro (data as of 01/04/2013)

Region	Number of Loans		Original Loan Amount		Average Size	Outstanding Principal		Average Size
		%		%			%	
Valle d'Aosta	18	0.1%	612,151.01	0.1%	34,008.39	419,395.86	0.1%	23,299.77
Piemonte	648	4.8%	49,414,239.32	4.7%	76,256.54	32,002,839.04	4.8%	49,387.10
Liguria	233	1.7%	13,506,106.20	1.3%	57,966.12	9,077,904.00	1.3%	38,960.96
Lombardia	3,880	28.7%	311,220,172.80	29.7%	80,211.38	200,863,571.26	29.9%	51,768.96
Veneto	1,182	8.7%	95,746,692.96	9.1%	81,003.97	60,620,178.76	9.0%	51,286.11
Trentino Alto Adige	104	0.8%	8,956,931.39	0.9%	86,124.34	5,705,920.84	0.8%	54,864.62
Friuli Venezia Giulia	45	0.3%	4,601,407.06	0.4%	102,253.49	2,715,160.55	0.4%	60,336.90
Emilia Romagna	3,033	22.4%	234,641,155.39	22.4%	77,362.73	150,000,494.21	22.3%	49,456.15
Total North Regions	9,143	67.6%	718,698,856	68.6%	595,187	461,405,465	68.6%	379,361
Toscana	746	5.5%	52,506,815.40	5.0%	70,384.47	33,995,805.81	5.1%	45,570.79
Lazio	1,054	7.8%	103,641,273.79	9.9%	98,331.38	64,344,704.31	9.6%	61,048.11
Umbria	46	0.3%	5,485,478.96	0.5%	119,249.54	3,697,768.80	0.5%	80,386.28
Marche	384	2.8%	23,002,297.48	2.2%	59,901.82	14,490,098.05	2.2%	37,734.63
Abruzzo	95	0.7%	7,145,439.21	0.7%	75,215.15	4,709,446.28	0.7%	49,573.12
Totale Central Regions	2,325	17.2%	191,781,305	18.3%	423,082	121,237,823	18.0%	274,313
Molise	56	0.4%	6,069,727.95	0.6%	108,388.00	4,650,756.29	0.7%	83,049.22
Puglia	426	3.1%	25,832,429.45	2.5%	60,639.51	16,763,362.85	2.5%	39,350.62
Sardegna	8	0.1%	316,137.15	0.0%	39,517.14	140,300.84	0.0%	17,537.60
Sicilia	464	3.4%	32,840,563.85	3.1%	70,777.08	21,184,878.10	3.1%	45,657.06
Basilicata	167	1.2%	8,715,763.71	0.8%	52,190.20	4,682,689.80	0.7%	28,040.06
Calabria	304	2.2%	19,581,750.74	1.9%	64,413.65	12,373,631.97	1.8%	40,702.74
Campania	642		44,433,885.86	4.2%	69,211.66	30,120,108.78	4.5%	46,916.06
Total Southern Regions	2,067	10.5%	137,790,259	13.1%	465,137	89,915,729	13.4%	301,253
Total	13,535	95.3%	1,048,270,419.68	100.0%	77,448.87	672,559,016.40	100.0%	49,690.36

BREAKDOWN BY TYPE OF INTERERST RATE

Amounts in Euro (data as of 01/04/2013)

Type of Rate	Number of Loans		Original Loan Amount		Average Size	Outstanding Principal		Average Size
		%		%			%	
VAR - EUR1M	6,608	48.8%	548,953,482.03	52.37%	83,074.07	313,214,600.20	46.57%	47,399.30
VAR - EUR3M	6,416	47.4%	465,669,037.49	44.42%	72,579.34	340,654,118.33	50.65%	53,094.47
VAR - EUR6M	4	0.0%	361,342.85	0.03%	90,335.71	173,571.59	0.03%	43,392.90
FIXED	507	3.7%	33,286,557.31	3.18%	65,653.96	18,516,726.28	2.75%	36,522.14

Total	13,535	100.00%	1,048,270,419.68	100.00%	77,448.87	672,559,016.40	100.00%	49,690.36
--------------	---------------	----------------	-------------------------	----------------	------------------	-----------------------	----------------	------------------

BREAKDOWN BY INTEREST RATE

Amounts in Euro (data as of 01/04/2013)

Range	Number of Loans		Original Loan Amount		Average Size	Outstanding Principal		Average Size
		%		%			%	
< 2,00	327	2.42%	87,947,874.35	8.39%	268,953.74	51,209,444.71	7.61%	156,603.81
2,00 - 3,00	3,345	24.71%	440,190,873.95	41.99%	131,596.67	283,564,089.26	42.16%	84,772.52
3,00 - 4,00	6,149	45.43%	292,994,765.72	27.95%	47,649.17	167,925,739.41	24.97%	27,309.44
4,00 - 5,00	2,304	17.02%	141,886,589.26	13.54%	61,582.72	104,137,102.79	15.48%	45,198.40
5,00 - 6,00	1,121	8.28%	72,651,765.11	6.93%	64,809.78	56,945,882.49	8.47%	50,799.18
6,00 - 7,00	264	1.95%	11,898,769.66	1.14%	45,071.10	8,242,539.06	1.23%	31,221.74
7,00 - 8,00	24	0.18%	685,716.36	0.07%	28,571.52	530,849.57	0.08%	22,118.73
> 8,00	1	0.01%	14,065.27	0.00%	14,065.27	3,369.11	0.00%	3,369.11
Total	13,535	100.00%	1,048,270,419.68	100.00%	77,448.87	672,559,016.40	100.00%	49,690.36

BREAKDOWN BY DELINQUENCY LEVEL

Amounts in Euro (data as of 01/04/2013)

Status	Number of Loans		Original Loan Amount		Average Size	Outstanding Principal		Average Size
		%		%			%	
PERFORMING	13,429	99.22%	1,042,260,337.59	99.43%	77,612.65	668,862,496.60	99.45%	49,807.32
DELINQUENT - 60 DAYS	74		4,082,045.91	0.39%	55,162.78	2,408,546.86	0.36%	32,547.93
DELINQUENT - 90 DAYS	32	0.24%	1,928,036.18	0.18%	60,251.13	1,287,972.94	0.19%	40,249.15
Total	13,535	100.00%	1,048,270,419.68	100.00%	77,448.87	672,559,016.40	100.00%	49,690.36

Capacity to produce funds

In light of the above and subject to the risks set out in the section entitled "Risk Factors", the Receivables have characteristics that demonstrate capacity to produce funds to service any payments due under the Senior Notes.

ALBA LEASING AND THE SELLERS

Alba Leasing

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

Alba Leasing is owned by Banca Popolare Emilia Romagna (owning 36.43% of the share capital, rated "BBB" by Fitch and "BB+" by S&P), Banco Popolare Group (owning 32.79% of the share capital, rated "BBB" by Fitch, "BBB-" by S&P and "Baa3" by Moody's), Banca Popolare di Sondrio (owning 20.95% of the share capital, rated "BBB+" by Fitch) and Banca Popolare di Milano (owning 9.83% of the share capital, rated "BBB-" by Fitch, "BB+" by S&P and "Baa3" by Moody's).

The total shareholder capital of Alba Leasing stands at Euro 325 million, included the capital increase of €70 million approved by the executive board and paid on 28/01/2013.

Alba Leasing's mission is to become in the medium-term a best practicing entity in terms of business effectiveness and operational efficiency, leveraging on a unique track record on the Italian leasing market (40 years of experience).

According to Assilea data (as at 31/12/2012), Alba Leasing ranked among the top ten Italian leasing companies, with a market share of 4.09%, with a focus on the equipment sector, reaching a market share of 7.46%.

The main origination channel of Alba Leasing is through the shareholder networks spread around Italy (approx. 4,700 branches and 2 million customers).

Since 2010, Alba Leasing has originated Euro 2,480 mn in new leasing contracts (average ticket size Euro 83,000), with the following breakdown:

- Equipment Euro 1,636 mn (66%)
- Real estate Euro 574 mn (23%)
- Automotive Euro 217 mn (9%)
- Other (air/naval/rail) Euro 53 mn (2%)

As of 31/12/2012, the total assets accounted to approximately Euro 4.6 billion.

Alba Leasing's strategies include:

- (a) wide and efficient coverage all around Italy, which means:
 - (i) Origination mainly through bank channel (no brokers) with approx. 4,700 bank branches and 2 million customers
 - (ii) Wide range of leasing products, tailored to customer needs
 - (iii) Small ticket average and low emphasis on real estate business
 - (iv) Active origination platform with the support of other local banks, with a bilateral agreement
- (b) Operative efficiency, by means of the optimization of internal procedures

- (c) New internal rating scoring, capable of monitoring credit risk and the level of defaults, with primary focus on small tickets

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

The Sellers

Alba 1

Alba 1 was incorporated in the Republic of Italy as a special purpose vehicle pursuant to the Securitisation Law on 2 November 2009 as a limited liability company (*società a responsabilità limitata*). Alba 1 was previously named "Lipsi Finance S.r.l." and it changed its name into its current name (i.e. "Alba 1 SPV S.r.l.") pursuant to a resolution passed by its quotaholders' meeting on 28 October 2010. The registered office of Alba 1 is in Via Vittorio Alfieri 1, Conegliano (Treviso), Italy and its telephone number is +39 0438 360926. Alba 1 is registered in the Treviso Companies Register with No. 04333910265.

Since the date of its incorporation Alba 1 has not engaged in any business other than the Alba 1 Securitisation. Alba 1 has no employees and no subsidiaries. The authorised and issued capital of Alba 1 is Euro 10,000.00, fully paid up. The sole quotaholder of Alba 1 is SVM, which holds 100 per cent. of the quota capital of Alba 1.

The principal corporate object of Alba 2 as set out in Article 3 of its by-laws (*statuto*) and in compliance with the Securitisation Law is to perform securitisation transactions (*operazioni di cartolarizzazione*).

Alba 2

Alba 2 was incorporated in the Republic of Italy as a special purpose vehicle pursuant to the Securitisation Law on 7 May 2007 as a limited liability company (*società a responsabilità limitata*). Alba 2 was previously named "Anubi Finance S.r.l." and it changed its name to "Talisman-1 Finance Italy S.r.l." pursuant to a resolution passed by its quotaholders' meeting on 23 July 2007 and subsequently into its current name (i.e. "Alba 2 SPV S.r.l.") pursuant to a resolution passed by its quotaholders' meeting on 19 November 2010. The registered office of Alba 2 is in Via Vittorio Alfieri 1, Conegliano (Treviso), Italy and its telephone number is +39 0438 360926. Alba 2 is registered in the Treviso Companies Register with No. 04146750262.

Since the date of its incorporation Alba 2 has not engaged in any business other than the Alba 2 Securitisation. Alba 2 has no employees and no subsidiaries. The authorised and issued capital of Alba 2 is Euro 10,000.00, fully paid up. The sole quotaholder of Alba 2 is SVM, which holds 100 per cent. of the quota capital of Alba 2.

The principal corporate object of Alba 2 as set out in Article 3 of its by-laws (*statuto*) and in compliance with the Securitisation Law is to perform securitisation transactions (*operazioni di cartolarizzazione*).

The information contained herein relates to and has been obtained from Alba Leasing, Alba 1 and Alba 2. Such information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by Alba Leasing, Alba 1 and Alba 2, no facts have been omitted which would render the reproduced information inaccurate or misleading. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Alba Leasing, Alba 1 and Alba 2 since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

THE ISSUER

Introduction

The Issuer was incorporated in the Republic of Italy as a special purpose vehicle pursuant to the Securitisation Law on 3 April 2013 as a limited liability company (*società a responsabilità limitata*) under the name "Alba 5 SPV S.r.l.". The registered office of the Issuer is in Via Vittorio Alfieri 1, Conegliano (Treviso), Italy and its telephone number is +39 0438 360926. The Issuer is registered in the Treviso Companies Register with No. 04591530268. Since the date of its incorporation the Issuer has not engaged in any business other than the purchase of the Aggregate Portfolio. No dividends have been declared or paid and no indebtedness has been incurred by the Issuer other than the Issuer's costs and expenses of incorporation. The Issuer has no employees and no subsidiaries. The Issuer operates under Italian Law and shall expire on 31 December 2100.

The authorised and issued capital of the Issuer is Euro 10,000.00, fully paid up. The Sole Quotaholder of the Issuer is SVM, which holds 100 per cent. of the quota capital of the Issuer. To the best of its knowledge, the Issuer is not aware of direct or indirect ownership or control apart from its Sole Quotaholder.

Issuer's Principal Activities

The principal corporate object of the Issuer as set out in Article 4 of its by-laws (*statuto*) and in compliance with the Securitisation Law is to perform securitisation transactions (*operazioni di cartolarizzazione*).

The Issuer was established as a special purpose vehicle and accordingly it may carry out further securitisation transactions in addition to the Securitisation, subject to the provisions set forth in the Terms and Conditions (Condition 5.2 (*Further Securitisations*)).

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

The Issuer has covenanted to observe, *inter alia*, those restrictions set forth in Condition 5 (*Covenants*).

Management

The current Sole Director of the Issuer is Mr Andrea Fantuz, appointed on 2 April 2013.

The Issuer confirms that the Sole Director Mr Andrea Fantuz has appropriate expertise and experience for the management of its business.

The business address of the Sole Director of the Issuer is at Via Vittorio Alfieri 1, Conegliano (Treviso), Italy.

No Board of Statutory Auditors is provided to be appointed.

Documents Available for Inspection

Copies of the following documents may be inspected during normal business hours at the registered office of each of the Issuer and of the Representative of the Noteholders:

- (a) the memorandum and articles of association of the Issuer (*atto costitutivo* and *statuto*); and
- (b) the Issuer's financial statements, the relevant auditor's report, and all reports, letters, and other documents, historical financial information, valuations and statements (if any) prepared by any expert at the Issuer's request, any part of which is included or referred to this Prospectus.

Capitalisation and Indebtedness Statement

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

<i>Capital</i>	<i>Euro</i>
Issued, authorised and fully paid up capital	10,000.00
<i>Loan Capital</i>	<i>Euro</i>
Euro 450,000,000 Series 2013-1-A Asset Backed Floating Rate Notes due April 2040	450,000,000
Euro 230,000,000 Series 2013-1-B Asset Backed Floating Rate Notes due April 2040	230,000,000
 Total Capitalisation and Indebtedness	 680,010,000

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

Financial statements and Auditors' Report

Since the date of its incorporation, the Issuer has not commenced operations and no financial statements have been made up as at the date of this Prospectus.

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

The auditors of the Issuer are independent of the Issuer and comply with the applicable guidelines on independence issued by their national bodies.

THE BANK OF NEW YORK MELLON

(i) The Bank of New York Mellon (Luxembourg) S.A., Italian Branch, (ii) The Bank of New York Mellon S.A./N.V., London Branch, and (iii) The Bank of New York Mellon S.A./N.V. Dublin Branch shall act, respectively, as (i) Paying Agent and Account Bank; (ii) Custodian Bank and (iii) Irish Agent pursuant to the Cash Allocation, Management and Payment Agreement.

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

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

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

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

2. The Bank of New York Mellon S.A./N.V.

The Bank of New Mellon S.A./N.V. is a Belgian limited liability company established September 30, 2008 under the form of a Société Anonyme/Naamloze Vennootschap. It was granted its banking license by the former CBFA on March 10 2009. It has its headquarters and main establishment at 46 rue Montoyerstraat, 1000 Bruxelles/Brussel. The Bank of New York Mellon S.A./N.V. is a subsidiary of BNY Mellon (BNYM), the main banking subsidiary of The BNY Mellon Corporation. It is under the prudential supervision of the National Bank of Belgium and regulated by the Belgian Financial Services and Markets Authority in respect of Conduct of Business. The Bank of New York Mellon S.A./N.V. engages in Global Custody, Local Custody, Global Clearing, Global Collateral Management, Global Markets, Securities Lending and Depot Bank. The Bank of New York Mellon S.A./N.V. operates from locations in Belgium, the Netherlands, Germany, London, Luxembourg, Paris and Dublin.

The information contained herein relates to and has been obtained from each of The Bank of New York Mellon (Luxembourg) S.A. and The Bank of New York Mellon S.A./N.V., respectively. Such information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by The Bank of New York Mellon (Luxembourg) S.A. and The Bank of New York Mellon S.A./N.V., no facts have been omitted which would render the reproduced information inaccurate or misleading. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of The Bank of New York Mellon (Luxembourg) S.A. and The Bank of New York Mellon S.A./N.V. since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

USE OF PROCEEDS

The proceeds from the issue of the Notes, being equal to Euro 680,000,000 will be applied by the Issuer on the Issue Date to make the following payments:

- (i) First, to credit Euro 20,000 into the Expenses Account as Retention Amount;
- (ii) Second, to credit Euro 7,420,983.60 into the Debt Service Reserve Account as Debt Service Reserve Amount; and
- (iii) Third, to pay to each Seller the Initial Purchase Price of each Portfolio,

being understood that, after the payments set out in (i), (ii) and (iii) above, any remaining amount will be credited to the Payments Account on the Issue Date.

DESCRIPTION OF THE TRANSFER AGREEMENT

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

General

On 11 April 2013, the Sellers, Alba Leasing and the Issuer entered into the Transfer Agreement pursuant to which each of the Sellers assigned and transferred without recourse (*pro soluto*) to the Issuer, and the Issuer acquired from each of the Sellers, in accordance with the Securitisation Law, all of their rights, title and interest in and to the Receivables comprised, respectively, in the Alba 1 Portfolio and the Alba 2 Portfolio.

The Receivables comprised in each Portfolio have been selected by Alba Leasing on the basis of the relevant Criteria (for further details, see the section entitled "*The Aggregate Portfolio*").

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

Each Seller has also transferred to the Issuer, together with the relevant Receivables:

- (a) the Indemnities; and
- (b) the credit claims deriving from the first demand Guarantees securing the relevant Receivables.

Additionally, each Seller has transferred to the Issuer the following claims, previously transferred by the Originator, by way of satisfaction in the event of termination of a Lease Contract, to each Seller in the context of, respectively, the Alba 1 Securitisation and the Alba 2 Securitisation:

- (i) claims relating to the purchase price due to the Originator for the sale of the relevant Asset; and
- (ii) claims deriving from the relevant new financial lease contract in case such Asset is leased by the Originator to a new lessee.

Purchase Price

Individual Purchase Price

The Individual Purchase Price of each Receivable is equal to the sum of:

- (i) the Initial Purchase Price, equal to:
 - (1) the Outstanding Principal; and
 - (2) the outstanding amounts of principal and interests in relation to Instalments, due and unpaid,
as at the Valuation Date; and
- (ii) the Purchase Price of the Residual Optional Instalment, equal to the Residual Optional Instalment received by the Issuer from the relevant Lessees following the exercise of the option to purchase the relevant Asset.

The Initial Purchase Price of each Portfolio is equal to:

- (a) in relation to the Alba 1 Portfolio, Euro 403,991,518.81; and
- (b) in relation to the Alba 2 Portfolio, Euro 268,567,497.59.

Purchase Price

The Purchase Price of each Portfolio is the aggregate of the Individual Purchase Price of all the Receivables comprised in such Portfolio.

Assignment of the Purchase Price of the Residual Optional Instalment to Alba Leasing

Pursuant to the Transfer Agreement, Alba 1 and Alba 2 have assigned to Alba Leasing all their credit claims against the Issuer in relation to the payment of the Purchase Price of the Residual Optional Instalment of, respectively, the Alba 1 Portfolio and the Alba 2 Portfolio.

Payment and interest

Initial Purchase Price

The Initial Purchase Price of each Portfolio will be paid by the Issuer to, respectively, Alba 1 and Alba 2 on the Issue Date.

No interest will accrue on the Initial Purchase Price during the period between the Transfer Date and the Issue Date.

Purchase Price of the Residual Optional Instalment

The Purchase Price of the Residual Optional Instalment of each of the Portfolios (if any) will be paid in its entirety by the Issuer to Alba Leasing (in its capacity as assignee of the credit claims of Alba 1 and Alba 2 in relation to the Purchase Price of the Residual Optional Instalment of the Alba 1 Portfolio and the Alba 2 Portfolio) by transferring all the Residual Optional Instalments received by the Issuer to Alba Leasing, from time to time, on the Payment Date immediately following the Quarterly Settlement Report Date immediately following the date on which the relevant Residual Optional Instalments have been received by the Issuer, in accordance with the provisions of the Intercreditor Agreement.

The amounts received by the Issuer from the relevant Lessees as Residual Optional Instalments will not form part of the Issuer Available Funds and the relevant Purchase Price of the Residual Optional Instalments will be paid by the Issuer to Alba Leasing irrespective of the Priority of Payments.

Adjustment of the Purchase Price

The Transfer Agreement provides that if after the Transfer Date any of the receivables included in the relevant List of Receivables proves not to meet the Criteria on the Valuation Date, then such receivable will be deemed not to have been assigned and transferred to the Issuer pursuant to the Transfer Agreement.

The Purchase Price of the relevant Portfolio shall be then adjusted in accordance with the provisions of the Transfer Agreement.

Undertakings of the Sellers and Alba Leasing

The Transfer Agreement contains certain undertakings by the Sellers and Alba Leasing in respect of the Receivables. Each of the Sellers and/or Alba Leasing, as applicable, have undertaken, *inter alia*, to refrain

from carrying out any activities with respect to the Receivables which may have an adverse effect on the Receivables and, in particular, not to assign or transfer (in whole or in part) the Receivables to any third party or to create any security interest, charge, lien or encumbrance or other right in favour of any third party in respect of the Receivables in the period of time between (i) the date on which the Transfer Agreement is entered into and (ii) the date on which the relevant notice of sale is published in the Official Gazette and registered in the competent Companies Register. Each of the Sellers and/or Alba Leasing, as applicable, have also undertaken to refrain from any action which could cause the invalidity of any of the Receivables and not to assign or transfer any of the Lease Contracts.

Governing Law and Jurisdiction

The Transfer Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Transfer Agreement (including a dispute relating to the existence, validity or termination of the Transfer Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE WARRANTY AND INDEMNITY AGREEMENT

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

General

Pursuant to the Warranty and Indemnity Agreement entered into on 11 April 2013 (as amended on 15 May 2013) between the Issuer and Alba Leasing, the Issuer has given certain representations and warranties in favour of Alba Leasing in relation to itself, and Alba Leasing, in its capacity as Originator and servicer of the Alba 1 Receivables and the Alba 2 Receivables in the context of, respectively, the Alba 1 Securitisation and the Alba 2 Securitisation, (a) has given certain representations and warranties in favour of the Issuer in relation to, *inter alia*, itself, each of the Sellers and the Receivables comprised in each Portfolio and (b) has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer incurred in connection with the purchase and ownership of the Aggregate Portfolio. The Warranty and Indemnity Agreement contains representations and warranties by Alba Leasing in respect of the following categories:

- (1) general;
- (2) existence and legal ownership of the Receivables;
- (3) transfer of the Receivables;
- (4) Lease Contracts;
- (5) Privacy Law;
- (6) Guarantees and Insurance Policies; and
- (7) Assets.

Representations and Warranties of Alba Leasing

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

Existence and legal ownership of the Receivables:

- All the Receivables are existing and constitute valid, lawful and binding obligations of the Lessees and/or any Guarantors for the amount indicated in the List of Receivables;
- as of the Valuation Date and the Transfer Date each Receivable was fully and unconditionally owned by and available to the relevant Seller and it was not subject to any lien (*pignoramento*), seizure (*sequestro*) or other charges in favour of any third party and was therefore freely transferable to the Issuer;
- each of the Sellers has the exclusive and free legal ownership of all the relevant Receivables purchased by it in the context of the relevant securitisation transaction and none of the Sellers has assigned (whether in full or by way of security), charged, transferred or otherwise assigned one or more of the Receivables, nor has it created or allowed others to create or constitute any lien, pledge, liability, charge or other right, claim or security in favour of any third party on one or more of the Receivables, nor has any of the Sellers waived any of the rights to which it is entitled in respect

of the Receivables. The Originator has the exclusive and free legal ownership of all the Assets; the Originator has not assigned (whether in full or by way of security), participated, charged, transferred or otherwise assigned, or constitute mortgages on, one or more of the Assets, nor has it created or allowed others to create or constitute any lien, pledge, mortgage, liability, charge or other right, claim or security in favour of any third party on one or more of the Assets;

- the transfer of the Receivables to the Issuer does not affect the payment obligations of the relevant Lessees and/or Guarantor or other Debtors in respect of the Receivables;
- as at the Valuation Date and the Transfer Date none of the Receivables relates to Defaulted Lease Contract;
- as of the execution date of each relevant Lease Contract no Debtor was negatively classified (i.e. as "*incaglio*" or "*sofferenza*") by the Originator to the Central Credit Register ("*Centrale dei Risch*");
- the Receivables are not comprised, in whole or in part, actually or potentially, of tranches of asset-backed or credit-linked notes, swaps or other derivative instruments or synthetic notes;
- none of the Debtors has entered into with Alba Leasing any derivative agreement linked or not with the relevant Lease Contract;

Transfer of the Receivables

- to the best of Alba Leasing's knowledge, having carried out the necessary examinations, the Receivables comprised in the Aggregate Portfolio constitute a portfolio of a plurality of homogenous monetary rights identifiable as "a block" pursuant to Articles 1 and 4 of the Securitisation Law;
- each List of Receivables attached to the Transfer Agreement is an accurate and complete list of all and only the Receivables comprised in the relevant Portfolio and all information contained in each List of Receivables, including the Initial Purchase Price of each Receivable, is true, correct, complete in any respect and is updated as of the Valuation Date and the Transfer Date, as the case may be;
- in the Lease Contracts and in the other related contracts, deeds, agreements or documents (including the Leasing Conventions and Insurance Policies) there are no clauses or provisions pursuant to which any of the Sellers and the Originator is prevented, even only partially, from transferring, assigning or otherwise disposing of the Receivables (and the related Losses Indemnities and Policies Indemnities);
- all the information and data supplied by each of the Sellers and the Originator to the Arranger and the Issuer and its agents and consultants in connection with the Warranty and Indemnity Agreement, the other Transaction Documents and, generally, in relation to the Securitisation, and relating to, including but not limited to, the Originator, the Sellers, the Lease Contracts, the Instalments, the Receivables, the Lessees, the Assets and the Criteria, are true, correct and complete in any respect;

Lease Contracts

- to the best of Alba Leasing's knowledge having carried out the necessary examinations, each Lease Contracts and any other related contract, deed, agreement or document, including the Guarantees and the Leasing Conventions, is valid and effective, and there is no ground for the declaration of invalidity or ineffectiveness of the same or of one or more of its provisions, and

constitutes for the parties thereto (including any Guarantors) source of valid, lawful, binding obligations legally enforceable against those parties pursuant to the relevant terms and conditions;

- each Lease Contract and any other contract, deed, agreement or document related thereto, has been signed and executed in compliance with all applicable laws, rules and regulations, including, but not limited to, the laws, rules and regulations governing leasing activities, the Usury Law, the Privacy Law and the provisions of Article 1283 of the Italian Civil Code, as subsequently amended and supplemented from time to time;
- all Lease Contracts have been executed in compliance with the contractual standards for financial lease contracts of the Originator as utilised from time to time. Afterwards, between the date of execution of the relevant Lease Contract and the date of the transfer of the Receivables to the Issuer, none of the Lease Contracts has been amended so as to prejudice, even if only potentially, the rights and claims of any of the Sellers, save as provided by the Collection Policies and the Transaction Documents;
- to the best of Alba Leasing's knowledge having carried out the necessary examinations, all Lease Contracts and any other contract, deed, agreement or document related thereto, has been signed and executed without any fraud (*frode*) or wilful misconduct (*dolo*) by or on behalf of the Originator or any of its directors (*amministratori*), managers (*dirigenti*), officers (*funzionari*) and/or employees (*impiegati*);
- each Lease Contract provides the obligation for the relevant Lessee to make in any case the scheduled payments in the amount and on the due dates set out therein, also in the case the Asset proves not to be suitable for the purpose for which it was utilised by the Lessee, is destroyed (in whole or in part), the Lessee loses the legal ownership of the Asset or such legal ownership is challenged, the Asset is unusable, in whole or in part, for evident or hidden defects or is not available to the Lessee for reasons not attributable to the Originator and the Lessee cannot validly suspend the payment of the Instalments or request the refund of the Instalments paid or the termination of the Lease Contract upon occurrence of the abovementioned events or any event provided by Article 1455 of the Italian Civil Code;
- each of the Sellers and the Originator has kept and keeps books, registers, information and documents relating to each Lease Contract, Receivable, Lessee and Asset, in a complete and diligent manner;
- as at the Valuation Date and the Transfer Date, there are no disputes, civil or administrative judicial proceedings, arbitration proceedings or legal actions in course, pending, incumbent or threatened in writing in relation to the Lease Contracts and the Receivables;
- to the best of Alba Leasing's knowledge having carried out the necessary examinations, the Lessees have entered into the Lease Contracts in the course of their commercial activity;
- each Lease Contract is a financing in the form of financial lease and holds all the features to be qualified as, and comprised in the category of, "*leasing traslativo*" as identified by the prevailing view adopted by the Supreme Court, according to which such category comprises lease agreements which provide: (i) on expiration of the contract, a redemption price (*prezzo di riscatto*), to be paid by the Lessee for the exercise of the option to purchase the leased Asset, equal to an amount substantially lower than the residual value of the Asset; and (ii) instalments to be paid by the Lessee during the life of the contract, which not only include the consideration for the utilisation of the Asset but also a part of the price of such Asset;

- none of the Lease Contracts expressly provides the right of a Lessee to obtain the early termination of the relevant Lease Contract;
- the financing granted to the relevant Lessees pursuant to the Lease Contracts is not comprised of structured, syndicated or leveraged loans;
- there are no Debtors who benefit of the suspension of payments of Instalments pursuant to:
 - (i) the common announcement subscribed on 3 August 2009 by, *inter alios*, the Economy and Finance Ministry and the Italian Banking Association ("*Avviso Comune*"), as subsequently amended and supplemented;
 - (ii) the agreement entered into on 16 February 2011 by, *inter alios*, the Economy and Finance Ministry and the Italian Banking Association ("*Accordo per il Credito alle PMI*"), as subsequently amended and supplemented; and
 - (iii) the agreement entered into on 28 February 2012 by, *inter alios*, the Economy and Finance Ministry and the Italian Banking Association ("*Nuove Misure per il Credito alle PMI*"), as subsequently amended and supplemented.

Guarantees and Insurance Policies

- each Guarantee has been duly granted, created, registered, renewed (when necessary) and preserved and is therefore valid, effective and enforceable against third parties. Each Guarantee meets all requirements under all existing and applicable laws or regulations and is not affected by any defect. Each Guarantee has been created simultaneously (in a material way) with the execution of the relevant Lease Contract;
- none of the Sellers and the Originator has discharged or relieved any Lessees, Guarantor or other Debtor from the respective obligations, nor has it entered into any agreement relating to composition, restructuring, rescheduling, which sets forth *moratorium* or *pactum de non petendo* for a certain period of time, or any subordination and/or waiver of rights of any of the Sellers and the Originator in relation to a Receivable, which are effective as of the Valuation Date and/or involve analogous effects, or subordinated its rights to other creditors' rights, or waived any rights, except in relation to payments made in a corresponding amount in satisfaction of the relevant Receivables and except cases in which the above mentioned agreements, renegotiations and waivers have been made (i) in order to grant to the relevant Lessees rights arising from any laws or regulations or (ii) in accordance with the procedures of management, administration, collection and recovery adopted from time to time by Alba Leasing;
- all insurance premia due in relation to the Insurance Policies on the date of execution of the relevant Lease Contract have been paid in time and in full and the obligations to report claims have been correctly and timely fulfilled.

Assets

- the leased Assets have been directly selected by the respective Lessees and the terms and conditions of the respective purchase agreements (including, but not limited to, price, modalities, terms of delivery, guarantee and assistance and excluding the modalities of insurance) have been agreed by them directly with the sellers and the Originator has perfected the sale and purchase agreements of the Assets exclusively on the basis of the indications received from the Lessees;

- to the best of Alba Leasing's knowledge having carried out the necessary examinations, on the basis of the information acquired by the Originator at the date of execution of the relevant Lease Contract, the real estate Assets comply with the applicable planning and building legislation and all historical and architectural restrictions applicable to them. In the cases in which they are not duly registered, a valid petition of amnesty with reference to any existing irregularity has been duly filed with the competent authorities and the envisaged tolls, taxes, penalties or fines have been timely paid. Each real estate Asset has no defects that would affect its marketability and has no defects in accordance with and for the purposes of Law No. 47 of 28 February 1985 ("*Norme in materia di controllo dell'attività urbanistico-edilizia, recupero e sanatoria delle opere edilizie*") and Law No. 298 of 21 June 1985 as subsequently amended and/or supplemented and/or extended from time to time, as well as any other applicable legislation.
- the real estate Assets have been completely built, have the characteristics and qualities specified in the Lease Contracts and have been duly registered with the competent Land Registry Office (*Agenzia del Territorio*) and Property and Land Registry (*Ufficio del Catasto Urbano e dei Terreni*) or, otherwise, an application for such registration has been duly filed;
- to the best of Alba Leasing's knowledge having carried out the necessary examinations, the real estate Assets comply with all applicable laws and regulations concerning health and safety and environmental protection (*leggi e regolamenti in materia di igiene e sicurezza e di tutela ambientale*) as to the date of execution of the related Lease Contract. Alba Leasing was not aware of the presence of dangerous or polluting materials under all the applicable Italian laws concerning safety and environmental protection, even if they are not specifically relevant for the real estate Assets, or of the non-compliance of any real estate Asset with all the applicable laws and regulations concerning health and safety and environmental protection;
- none of the Lease Contracts provides the right of the Lessee to purchase the relevant Asset before the expiration of the term contractually set out for the finance lease.

Each of the representations and warranties of Alba Leasing under the Warranty and Indemnity Agreement has been made as of the Transfer Date. However, such representations and warranties shall be deemed to be repeated and confirmed by Alba Leasing on the Issue Date, with reference to the facts and circumstances then subsisting.

Indemnities in favour of the Issuer

Pursuant to the Warranty and Indemnity Agreement, the Originator has agreed to indemnify and hold harmless the Issuer from and against any and all damages, expenses, costs, claims and/or losses awarded against, or incurred by, the Issuer as a result of:

- (a) the failure by Alba Leasing to comply with any of its undertakings and obligations under the Warranty and Indemnity Agreement, the Transfer Agreement or the Servicing Agreement, or to comply with any laws or regulations applicable to such agreements;
- (b) any representations and warranties made by Alba Leasing, Alba 1 and Alba 2 under the Warranty and Indemnity Agreement, the Transfer Agreement or the Servicing Agreement, being false, incomplete, inaccurate or incorrect;
- (c) any Receivable not being collected or recovered as a result of the exercise of any right of set-off or counterclaim against the Originator by a Debtor.

Any indemnity due by the Originator shall be paid to the Issuer within 35 Business Days following receipt by the Originator of the Issuer's request of indemnification and in any case by the immediately following Payment Date provided that such Payment Date falls at least 20 calendar days after receipt of the Issuer's request.

Call Option

As an alternative to the payment of the indemnity as described in paragraph "*Indemnities in favour of the Issuer*" of this section "*Description of the Warranty and Indemnity Agreement*", under the Warranty and Indemnity Agreement, in the event of any misrepresentation or breach of any of its representations and warranties made under such agreement in relation to any Receivables included in the Aggregate Portfolio, the Issuer has irrevocably granted to the Originator an option, pursuant to Article 1331 of the Italian Civil Code, to repurchase without recourse (*pro soluto*) from the Issuer any such Receivables within 22 Business Days from the receipt of the Issuer's indemnity request by sending to the Issuer a Repurchase Notice.

The purchase price of such Receivables shall be equal to the sum of (a) the Initial Purchase Price of the relevant Receivables as at the Valuation Date net of any principal amount collected or recovered by the Issuer in respect of such Receivables; (b) interest on the Initial Purchase Price to be calculated with respect to the period between (i) the Valuation Date (excluded) and (ii) the Payment Date immediately preceding the date of the Repurchase Notice at a rate equal to the interest rate applicable to the Senior Notes at the Payment Date immediately preceding the date on which the Repurchase Notice is sent by the Originator, or in the case the date of the Repurchase Notice falls prior to the first Payment Date, at the Issue Date; and (c) any duly documented costs and expenses borne by the Issuer in connection with such Receivables up to the date of payment by the Originator of the Repurchase Price.

Representations and Warranties of the Issuer

Under the Warranty and Indemnity Agreement the Issuer has given certain representations and warranties to the Originator in relation to its due incorporation, solvency and due authorisation, execution and delivery of the Warranty and Indemnity Agreement and the other Transaction Documents.

Limited Recourse

The Warranty and Indemnity Agreement provides that the obligations of the Issuer to make any payments thereunder, including the indemnity obligations of the Issuer shall be limited to the lesser of the nominal amount thereof and the Issuer Available Funds which may be applied by the Issuer in making such payment in accordance with the applicable Priority of Payments. Alba Leasing has acknowledged that the obligations of the Issuer contained in the Warranty and Indemnity Agreement will be limited to such sums as aforesaid and that it will have no further recourse to the Issuer in respect of such obligations.

Governing Law and Jurisdiction

The Warranty and Indemnity Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Warranty and Indemnity Agreement (including a dispute relating to the existence, validity or termination of the Warranty and Indemnity Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE SERVICING AGREEMENT

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

General

Pursuant to the Servicing Agreement entered into on 11 April 2013 (as amended on 15 May 2013) between the Issuer and Alba Leasing, the Issuer has appointed Alba Leasing as Servicer of the Receivables and the Servicer has agreed to administer and service the Receivables.

Under the Servicing Agreement, the Servicer shall transfer or credit (or procure to be transferred or credited) into the Collection Account from the Issue Date, all the Collections in relation to the Receivables received and recovered during the relevant Settlement Period by 17:00 of the Local Business Day immediately following the Local Business Day on which such amounts have been received by the Servicer, except for any Late Payments, Agreed Prepayments and Residual Optional Instalments which shall be paid into the Collection Account on or before the last Local Business Day of the calendar month in which such Late Payments, Agreed Prepayments and Residual Optional Instalments have been made. In the event that during any calendar month the sum of Late Payments, Agreed Prepayments and Residual Optional Instalments exceeds Euro 300,000.00, then the Servicer will credit such amount to the Collection Account by 17:00 of the Local Business Day following the Local Business Day on which the above limit of Euro 300,000.00 has been exceeded. The receipt of cash collections in respect of the Lease Contracts is the responsibility of the Servicer. Alba Leasing will also act as the entity responsible for the collection of the assigned credits and cash and payment services ("*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. In such capacity, Alba Leasing shall also be responsible for ensuring that such operations comply with all applicable laws and the Prospectus pursuant to Article 2, paragraphs 6 and 6-bis of the Securitisation Law.

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

Obligations of the Servicer

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

- (a) to supervise the compliance by the Lessees with their payment obligations provided for by the Lease Contracts;
- (b) to exercise the rights owing to the Issuer relating to the Receivables and to carry out all the actions against the Lessees which are necessary or appropriate in order to defend such rights;
- (c) to carry out the management, administration and collection of the Receivables and to carry out all the activities provided by the Collection Policies in relation to the recovery of the Defaulted Receivables and Delinquent Receivables and to bring or participate in the relevant enforcement procedures in relation thereto;
- (d) not to authorise, other than in certain limited circumstances specified in the Servicing Agreement, any waiver in respect of any Receivables or other security interest, lien or privilege pursuant to or in

connection with the Lease Contracts and not to authorise any modification thereof which may be prejudicial to the Issuer's interests;

- (e) to ensure that the Usury Law will not be breached in carrying out its functions under the Servicing Agreement;
- (f) in accordance with Article 11, paragraph 3-bis, of Law Decree No. 231 of 21 November 2007, comply with the provisions of the Italian anti-money laundering laws with reference to the Securitisation: (a) carry out the adequate verification of the clients; (b) monitoring the clients; (c) maintain and update the sole database (*archivio unico informatico*); and (d) be responsible for the selection and delivery of the notices of relevant transactions to the competent authorities;
- (g) ensure the segregation of the Collections from the other assets of the Servicer and from other securitisation transactions;
- (h) prepare and deliver the Servicer's reports, as better specified below.

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

The Servicer has undertaken to use all due diligence to maintain all accounting records in respect of the Receivables and on the Defaulted Receivables and Delinquent Receivables.

The Servicing Agreement provides that the Servicer will indemnify the Issuer from and against any cost and expenses incurred by it in connection with any material failure on the part of the Servicer to observe or perform any of its obligations under the Servicing Agreement.

The Issuer and the Representative of the Noteholders have the right to inspect and take copies of the documentation and records relating to the Receivables in order to verify the performance by the Servicer of its obligations pursuant to the Servicing Agreement to the extent the Servicer has been informed of such inspection with 3 (three) Local Business Day prior notice.

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

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

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

Servicer Account

Under the terms of the Servicing Agreement, the Servicer has undertaken to deposit of all the sums received or recovered in respect of the Receivables in Servicer Account opened by the Servicer with the Servicer's Account Bank. The Servicer has undertaken to procure that (i) all the sums due in respect of the Receivables (with reference to the Alba 2 Receivables, starting from June 2013) are paid directly into the Servicer Account (ii) no right of set-off can be exercised by the Servicer and the Servicer' Account Bank in respect of the sums standing to the credit of the Servicer Account; and (iii) any Collection paid into the Servicer Account shall be transferred, upon instruction of the Servicer, into the Collection Account on a daily basis and, in any event, no later than 17:00 of the Local Business Day following the date on which the relevant Collection is made, except for any Late Payments, Agreed Prepayments and Residual Optional Instalments which shall be paid into the Collection Account on or before the last Local Business Day of the calendar month in which such Late Payments, Agreed Prepayments and Residual Optional Instalments have been made.

Delegation of activities

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

Renegotiations

Pursuant to the terms of the Servicing Agreement, the Issuer has authorised the Servicer to re-negotiate the interest rates under the Lease Contracts and to grant delay (*riscadenziamento*) in relation to the payment obligations of the Lessees, only in certain limited circumstances specified in the Servicing Agreement.

Repurchase of Receivables

As an alternative to the renegotiation power granted to the Servicer under the Servicing Agreement the Servicer has been granted the power to repurchase Receivables from the Issuer. The amount of repurchases shall not exceed the percentage limits indicated in the Servicing Agreement.

Reports of the Servicer

The Servicer has undertaken to prepare and deliver to the Issuer, the Account Bank, the Computation Agent, the Back-Up Servicer, the Corporate Servicer, the Representative of the Noteholders and the Rating Agencies, on each Quarterly Servicer's Report Date, the Quarterly Settlement Report (substantially in the form of Schedule 2 (*Modello di Rapporto Periodico Trimestrale del Servicer*) to the Servicing Agreement).

The above report shall set out detailed information in relation to, *inter alia*, the Collections in relation to the Receivables comprised in the Aggregate Portfolio.

Servicing Fee

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

- (a) for the administration, management and collection of performing Receivables (excluding the activities of recovery and compliance under (b) and (c) below, respectively) on each Payment Date: a fee equal to 0.05 per cent. (plus VAT, if applicable) of the Collections made by the Servicer in respect of the Receivables (other than Recoveries) during the Settlement Period immediately preceding the relevant Payment Date;

- (b) for the administration, management and collection of Receivables in relation to the Defaulted Lease Contracts and Delinquent Lease Contracts (excluding the activity of compliance under (c) below) on each Payment Date: a fee equal to 0.005 per cent. and at least equal to Euro 500,00 (plus VAT, if applicable) of the Outstanding Amount of the Receivables relating to any Lease Contract classified as a Defaulted Lease Contract or Delinquent Lease Contract on the last day of the Settlement Period immediately preceding the relevant Payment Date; and
- (c) for the activity of compliance (i.e. compliance with duties imposed by the applicable regulation and/or reporting and communication duties), on each Payment Date a fee equal to Euro 500.00 (plus VAT, if applicable).

Termination of the Appointment of the Servicer

The Issuer may, with the prior written consent of the Representative of the Noteholders, or shall, if so requested in writing by the Representative of the Noteholders (it being understood that the Representative of the Noteholders in making such request shall confirm the occurrence of a Servicer Termination Event and, in case the Notes are held in full by a sole Noteholder, obtain the relevant written instructions from the sole Noteholder), terminate the appointment of the Servicer if any of the following events takes place:

- (a) the Servicer has been declared bankrupt or a judgement has been issued by any competent court, or a resolution has been approved, for its liquidation or winding-up or for the appointment of a insolvency liquidator or a receiver in relation to all of its assets or to a substantial part of its assets, rights or incomes (with the exception of voluntary deeds of debt restructuring or pre-bankruptcy agreement in the absence of state of insolvency of the Servicer, provided that the Issuer gives its prior written consent to the execution of such deeds;
- (b) an event has occurred which, following the giving of notice or passage of time or both, has exposed directly or indirectly the Servicer to any of the events or procedures set out in (a) above;
- (c) the Servicer fails to deposit or pay any amount due under the Servicing Agreement within 5 (five) days from the day on which such amount is due (unless such failure is due to strikes, technical delays or other justified reason);
- (d) the Servicer fails to comply with any other terms, conditions, agreement or covenant under the Servicing Agreement and such failure is not remedied within a period of 14 (fourteen) Local Business Days from the date on which the Servicer receives written notice of such non-compliance;
- (e) any of the representations and warranties given by the Servicer under the Servicing Agreement proves to be false or incomplete and is not remedied by the Servicer within 20 (twenty) Local Business Days from the date on which such representation or warranty is contested.

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

Governing Law and Jurisdiction

The Servicing Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Servicing Agreement (including a dispute relating to the existence, validity or termination of the Servicing Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE BACK-UP SERVICING AGREEMENT

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

On or about the Issue Date the Issuer, the Back-Up Servicer, the Servicer and the Representative of the Noteholders entered into the Back-Up Servicing Agreement, pursuant to which the Back-Up Servicer has agreed to be appointed and act as Successor Servicer.

Pursuant to the terms of the Back-Up Servicing Agreement, the Back-Up Servicer has undertaken to act as Successor Servicer in accordance with the terms and conditions provided by the Servicing Agreement and the further terms and conditions specified in the Back-Up Servicing Agreement and the Collection Policies, in the event of revocation of the appointment of the Servicer.

Pursuant to the terms of the Back-Up Servicing Agreement, the Back-Up Servicer has represented and warranted, *inter alia*, that it satisfies the specific requirements to carry out the activities of management, collection and recovery of the Receivables and to perform all the other obligations under the Back-Up Servicing Agreement and the Supervisory Regulations.

Governing Law and Jurisdiction

The Back-Up Servicing Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Back-Up Servicing Agreement (including a dispute relating to the existence, validity or termination of the Back-Up Servicing Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE CASH ALLOCATION, MANAGEMENT AND PAYMENT AGREEMENT

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

General

Pursuant to the Cash Allocation, Management and Payment Agreement entered into on or about the Issue Date, the Agents have agreed to provide the Issuer with certain calculation, notification, reporting and agency services together with account handling, investment and cash management services in relation to monies and securities from time to time standing to the credit of the Accounts.

Account Bank and Custodian Bank

The Account Bank has agreed to open in the name of the Issuer and manage in accordance with the Cash Allocation, Management and Payment Agreement the Collection Account, the Payments Account and the Debt Service Reserve Account with certain reporting services together with certain handling services in relation to monies from time to time standing to the credit of the Accounts held with it.

The Custodian Bank has agreed to open in the name of the Issuer and manage in accordance with the Cash Allocation, Management and Payment Agreement the Investment Account and provide the Issuer with certain investment and reporting services together with certain handling services in relation to funds, securities and other financial instruments from time to time deposited on the Investment Account.

In particular, the Account Bank and the Custodian Bank shall deliver to the Issuer, the Representative of the Noteholders, the Cash Manager, the Corporate Servicer, the Servicer and the Computation Agent, no later than 1 Business Day prior to each Settlement Report Date, a copy of the statement of each of the Eligible Accounts held with it setting out the balance thereof as of the last day of the immediately preceding Settlement Period and details of amounts credited to and withdrawn from each such Eligible Account during such period.

Furthermore, the Custodian Bank shall deliver to the Issuer, the Representative of the Noteholders, the Servicer, the Corporate Servicer, the Computation Agent and the Cash Manager, not later than each Custodian Bank Report Date, the Custodian Bank Report, which shall include details of all Eligible Investments made in the immediately preceding Settlement Period out of the funds of the Investment Account and the amounts deriving from the disposal and liquidation of such Eligible Investments.

The Account Bank and the Custodian Bank will be required at all times to be an Eligible Institution.

Cash Manager

The Cash Manager has agreed to provide the Issuer with certain cash management services in relation to the amounts standing to the credit of the Investment Account. The Cash Manager shall, in the name and on behalf of the Issuer, select the Eligible Investments in which such credit balance (or most of it) will be invested and shall instruct the Custodian Bank accordingly (provided that any such Eligible Investment has a maturity date falling not later than the Eligible Investment Maturity Date).

Computation Agent

The Computation Agent has agreed to provide the Issuer with certain other calculation, monitoring and reporting services. The Computation Agent shall prepare, on behalf of the Issuer, on each Investor Report Date, the Investor Report setting out certain information with respect to the Notes. The Computation Agent shall prepare, on behalf of the Issuer, on each Payments Report Date and deliver the Payments Report containing, *inter alia*, the amount of the Issuer Available Funds and the amounts of each of the payments and allocations to be made by the Issuer pursuant to the Intercreditor Agreement in accordance with the Pre-Enforcement Priority of Payments. In addition, following the service of a Trigger Notice by the Representative of the Noteholders, upon request of the Representative of the Noteholders and upon receipt by the Computation Agent of the relevant information on the date(s) to be agreed between the Representative of the Noteholders, the Computation Agent and the relevant party, the Computation Agent shall prepare and deliver the Post Trigger Report containing, *inter alia*, the amount of the Issuer Available Funds and the amounts of each of the payments and allocations to be made by the Issuer pursuant to the Intercreditor Agreement in accordance with the Post-Enforcement Priority of Payments, as soon as reasonably practicable following the date of request for its production and, in any event, no later than 10 (ten) Business Days following such request.

Paying Agent

The Paying Agent has agreed to provide the Issuer with certain calculation, payment and agency services in relation to the Notes, including without limitation, calculating the Rate of Interest on the Notes, making payment to the Noteholders, giving notices and issuing certificates and instructions in connection with any meeting of the Noteholders. In particular, with respect to each Interest Determination Date, 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; (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 Account Bank, the Custodian Bank, the Computation Agent, the Cash Manager, the Corporate Servicer, the Rating Agencies and the Irish Stock Exchange, and will cause the same to be published 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.

Irish Agent

The Irish Agent has agreed, *inter alia*, to procure, that all the facilities and information necessary to enable the Noteholders to exercise their rights are available at its specified office (including the Prospectus available in electronic form) and ensure that the integrity of data is preserved.

Payments to Noteholders

Under the Cash Allocation, Management and Payment Agreement, the Issuer will instruct the Account Bank to arrange for the transfer into the Payments Account, on or before 10.00 a.m. (Central European time) of one Business Day prior to each Payment Date, an amount equal to the amount of principal and/or (as the case may be) interest falling due in respect of the Notes on such date as indicated by the Computation Agent in the relevant Payments Report.

On each Payment Date, the Paying Agent shall apply such amounts (in accordance with the Payments Report) by crediting directly or indirectly through Monte Titoli itself (through its central account with Bank of Italy) the accounts of the Monte Titoli Account Holders in which the Notes are held.

Revocation, termination or resignation of the appointment of the Agents

The Issuer may revoke the appointment of any of the Paying Agent, the Computation Agent, the Account Bank, the Custodian Bank and the Cash Manager by not less than 60 (sixty) calendar days' prior written notice to the relevant Agent (with a copy, in the case of an Agent other than the Paying Agent, to the Paying Agent) and the Rating Agencies provided, however, that such revocation shall not take effect until a successor has been duly appointed and notice of such appointment has been given to the Noteholders in accordance with Condition 16 (*Notices*).

Upon the occurrence of certain events, the appointment of any of the Paying Agent, the Computation Agent, the Account Bank, the Custodian Bank, the Irish Agent or the Cash Manager may be terminated by the Representative of the Noteholders or the Issuer, subject to the prior written approval of the Representative of the Noteholders, by notice in writing to the relevant Agent, copied to the other Parties and the Rating Agencies, with effect from a date (not earlier than the date of the notice) specified in the notice.

Each of the Paying Agent, the Computation Agent, the Account Bank, the Custodian Bank and the Cash Manager may resign from its appointment under the Cash Allocation, Management and Payment Agreement, upon giving not less than 60 (sixty) calendar days' prior written notice to the Issuer (with a copy, in the case of an Agent other than the Paying Agent, to the Paying Agent), the other Parties and the Rating Agencies, provided, however, that:

- (a) if such resignation would otherwise take effect less than 30 (thirty) days before or after the Final Maturity Date or other date for redemption of the Notes or any Payment Date in relation to the Notes, it shall not take effect until the thirtieth day following such date; and
- (b) such resignation shall not take effect until a successor has been duly appointed in accordance with the terms of the Cash Allocation, Management and Payment Agreement. In case the Issuer fails to appoint a successor within 90 (ninety) calendar days following the relevant notice of resignation, the resigning Agent may, on behalf of the Issuer, appoint a successor provided that (a) prior notice to that effect is given to the Representative of the Noteholders indicating the identity of the proposed successor and (b) the Representative of the Noteholders does not object on such proposed successor within 10 (ten) Business Days following receipt of the relevant notice.

Governing Law and Jurisdiction

The Cash Allocation, Management and Payment Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Cash Allocation, Management and Payment Agreement (including a dispute relating to the existence, validity or termination of the Cash Allocation, Management and Payment Agreement or any non-contractual obligation arising out of or in connection with it).

The provisions of the Cash Allocation, Management and Payment Agreement concerning the establishment, maintenance and operation of the Investment Account and all non-contractual obligations deriving therefrom shall be governed by, and be construed according to the English law. The Courts of England have jurisdiction to settle any dispute arising out of, or in connection with, the provisions of the Cash Allocation, Management and Payment Agreement concerning the establishment, maintenance and operation of the Investment Account (including a dispute regarding the existence, validity or termination of such provisions or the consequences of its nullity), provided that the Representative of the Noteholders is not prevented in relation to any such document from taking proceedings in any other Courts having jurisdiction.

DESCRIPTION OF THE INTERCREDITOR AGREEMENT

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

General

On or about the Issue Date, the Issuer and the Other Issuer Creditors entered into the Intercreditor Agreement, pursuant to which provision is made, *inter alia*, as to the order of application of the Issuer Available Funds and the circumstances under which the Representative of the Noteholders will be entitled to exercise certain of the Issuer's rights in relation to the Aggregate Portfolio and the Transaction Documents.

Priority of Payments

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

Limited Recourse Obligations

The obligations owed by the Issuer to the Noteholder and each of the Other Issuer Creditors, including without limitation, the obligations under any Transaction Document to which the Noteholder and any of such Other Issuer Creditors is a party, but excluding in any case the obligation of payment of the Initial Purchase Price of each Portfolio, will be limited recourse obligations of the Issuer. Each of the Other Issuer Creditors will have a claim against the Issuer only to the extent of the Issuer Available Funds and at all times only in accordance with the applicable Priority of Payments and will not have, by operation of law or otherwise, any claim against, or recourse to, the Issuer's other assets or its contributed capital, in each case subject to and as provided in the Intercreditor Agreement and the other Transaction Documents.

Excess Indemnity Amount and Residual Optional Instalment

The obligation of the Issuer to pay to Alba Leasing the Excess Indemnity Amount will be a limited recourse obligation as it will be funded exclusively out of and within the limit of the amounts collected by the Issuer in accordance with the Servicing Agreement.

The obligation of the Issuer to pay to Alba Leasing the Purchase Price of the Residual Optional Instalment will be a limited recourse obligation as it will be funded exclusively out of and within the limit of the Residual Optional Instalment received by the Issuer in accordance the Transfer Agreement.

Directions of the Representative of the Noteholders following the service of a Trigger Notice

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

Disposal of the Aggregate Portfolio upon Trigger Event

Following the delivery of a Trigger Notice and in accordance with the Terms and Conditions, the Issuer shall (if so requested by the Representative of the Noteholders), dispose of the Aggregate Portfolio if:

- (a) a sufficient amount would be realised from such disposal to allow (taking into account any other Issuer Available Funds of the Issuer) discharge in full of all amounts owing to the Senior Noteholders and amounts ranking in priority thereto or *pari passu* therewith or, if such amount would not be realised, a certificate issued by a reputable bank or financial institution stating that the purchase price for the Aggregate Portfolio is adequate (based upon such bank's or financial institution's evaluation of the Aggregate Portfolio) has been obtained by the Issuer (with the prior consent of the Representative of the Noteholders) or by the Representative of the Noteholders;
- (b) the relevant purchaser has obtained all the necessary approvals and authorisations;
- (c) the relevant purchaser has produced:
 - (i) a certificate signed by its legal representative stating that such purchaser is solvent;
 - (ii) a solvency certificate (*certificato di iscrizione nella sezione ordinaria*) issued by the competent Companies Register office to be dated not more than 10 (ten) calendar days before the date on which the Aggregate Portfolio will be disposed;
 - (iii) a certificate, issued by the Court competent for the territory in which is based the legal office of such purchaser (such certificate to be dated no more than 20 (twenty) days before the date on which the Aggregate Portfolio will be disposed), stating that no applications for commencement of insolvency proceedings against such purchaser has been made in the last 5 (five) years.

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

In such circumstance the Originator will have a Pre-Emption Right to purchase the Aggregate Portfolio.

Disposal of the Aggregate Portfolio following the occurrence of a Tax Event

Following the occurrence of a Tax Event and in accordance with the Terms and Conditions, the Issuer may, or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution 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 8.4 (*Redemption for taxation*) if:

- (a) a sufficient amount would be realised from such disposal to allow (taking into account any other Issuer Available Funds of the Issuer) discharge of all its outstanding liabilities in respect of the Notes of the Affected Series to be redeemed and any amount required to be paid according to the applicable Priority of Payments in priority to or *pari passu* with such Notes of the Affected Series to be redeemed;
- (b) the relevant purchaser has obtained all the necessary approvals and authorisations; and
- (c) the relevant purchaser has produced:
 - (i) a certificate signed by its legal representative stating that such purchaser is solvent;
 - (ii) a solvency certificate (*certificato di iscrizione nella sezione ordinaria*) issued by the competent Companies Register office to be dated not more than 1 (one) month before the date on which the Aggregate Portfolio will be disposed;

- (iii) a certificate, issued by the Court competent for the territory in which is based the legal office of such purchaser, stating that no applications for commencement of insolvency proceedings against such purchaser has been made in the last 5 (five) years and dated not more than 20 (twenty) days before the date on which the Aggregate Portfolio will be disposed.

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

In such circumstance the Originator will have a Pre-Emption Right to purchase the Aggregate Portfolio.

Option to repurchase the Aggregate Portfolio in favour of the Originator

Under the Intercreditor Agreement, the Issuer has irrevocably granted to Alba Leasing the Portfolio Call Option, pursuant to Article 1331 of the Italian Civil Code, to repurchase (in whole but not in part, as a block and at once) the Aggregate Portfolio then outstanding on any Payment Date falling in or after the Payment date falling in April 2014. In order to exercise the Portfolio Call Option the Alba Leasing shall:

- (a) send a written notice to the Issuer at least 15 (fifteen) Business Days before the Payment Date upon which the Notes will be redeemed in accordance with Condition 8.3 (*Optional Redemption*);
- (b) have obtained all the necessary approvals and authorisations;
- (c) deliver to the Issuer the following documents:
 - (i) a certificate signed by its legal representative stating that Alba Leasing is solvent;
 - (ii) a solvency certificate (*certificato di iscrizione nella sezione ordinaria*) issued by the competent Companies Register office to be dated not more than 1 (one) month before the date on which the Option will be exercised;
 - (iii) a certificate, issued by the Court competent for the territory in which is based the legal office of the Originator, stating that no applications for commencement of insolvency proceedings against the Originator has been made in the last 5 (five) years and dated not more than 20 (twenty) days before the date on which the Option will be exercised.

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

The repurchase price of the relevant Receivables shall be equal to (1) the Outstanding Amount of the Receivables deriving from Lease Contracts which are not Defaulted Lease Contracts as at the Quarterly Settlement Report Date immediately preceding the Payment Date on which the Option is exercised; and (2) the current value of the Receivables deriving from Defaulted Lease Contracts as at the Quarterly Settlement Report Date immediately preceding the Payment Date on which the Option is exercised.

The repurchase price of the Receivables plus any other funds which will be available to the Issuer shall be at least equal to an amount sufficient to: (a) redeem the Notes in full (or, with the consent of the Junior Noteholders, the Senior Notes in full and the Junior Notes in full or in part) on the relevant Payment Date and pay interest accrued on the Notes and unpaid as of such Payment Date, and (b) make all payments and pay all documented costs and expenses due by the Issuer on such Payment Date in priority to, or *pari passu* with, the relevant Notes to be redeemed, in accordance with the applicable Priority of Payments.

In the event that the Originator exercises the Portfolio Call Option, the Issuer shall promptly exercise the optional redemption of the Notes provided by Condition 8.3 (*Redemption, Purchase and Cancellation – Optional Redemption*) by using the amounts of the purchase price paid by the Originator to the Issuer.

Governing Law and Jurisdiction

The Intercreditor Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Intercreditor Agreement (including a dispute relating to the existence, validity or termination of the Intercreditor Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE DEED OF PLEDGE

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

The Deed of Pledge

On or about the Issue Date the Issuer and the Representative of the Noteholders (acting on behalf of the Noteholders and the Other Issuer Creditors) entered into an Italian law Deed of Pledge.

Pursuant to the Deed of Pledge, the Issuer has granted in favour of the Noteholders and the Other Issuer Creditors, as security for the Secured Obligations, a first priority pledge over all existing and future monetary claims and rights deriving from certain Transaction Documents (other than the Receivables and the Collections).

Governing Law and Jurisdiction

The Deed of Pledge and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Deed of Pledge (including a dispute relating to the existence, validity or termination of the Deed of Pledge or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE DEED OF CHARGE

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

General

On or about the Issue Date the Issuer and the Representative of the Noteholders (acting on behalf of the Noteholders and of the Other Issuer Creditors) have entered into the English law Deed of Charge pursuant to which the Issuer, as security for the Secured Obligations, 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

Governing Law and Jurisdiction

The Deed of Charge and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian law and the Courts of England shall have exclusive jurisdiction in relation to any disputes arising in respect of the Deed of Charge (including a dispute relating to the existence, validity or termination of the Deed of Charge or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE MANDATE AGREEMENT

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

General

On or about the Issue Date, the Issuer and the Representative of the Noteholders, have entered into the Mandate Agreement, pursuant to which, subject to a Trigger Notice being served or upon failure by the Issuer to exercise its rights under the Transaction Documents, the Representative of the Noteholders, acting in such capacity, shall be authorised to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of the Transaction Documents to which the Issuer is a party.

Governing Law and Jurisdiction

The Mandate Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Mandate Agreement (including a dispute relating to the existence, validity or termination of the Mandate Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE CORPORATE SERVICES AGREEMENT

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

General

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

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

Governing Law and Jurisdiction

The Corporate Services Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Corporate Services Agreement (including a dispute relating to the existence, validity or termination of the Corporate Services Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE QUOTAHOLDER AGREEMENT

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

General

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

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

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

Governing Law and Jurisdiction

The Quotaholder Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Quotaholder Agreement (including a dispute relating to the existence, validity or termination of the Quotaholder Agreement or any non-contractual obligation arising out of or in connection with it).

DESCRIPTION OF THE LETTER OF UNDERTAKINGS

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

General

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

Pursuant to the Letter of Undertakings, the Originator has undertaken to indemnify the Issuer in respect of certain tax charges and other costs which may be incurred by the Issuer at any time.

Governing Law and Jurisdiction

The Letter of Undertakings and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Letter of Undertakings (including a dispute relating to the existence, validity or termination of the Letter of Undertakings or any non-contractual obligation arising out of or in connection with it).

THE ACCOUNTS

The Issuer shall at all times maintain the following accounts:

- (a) a Euro denominated account with IBAN IT41O0335101600006412879780 (the "**Collection Account**"), opened with the Account Bank, to which all the Collections made and the Indemnities paid in respect of the Aggregate Portfolio will be credited, in accordance with the Servicing Agreement;
- (b) a Euro denominated account with IBAN IT48Q0335101600006412899780 (the "**Payments Account**"), opened with the Account Bank, into which, *inter alia*, all amounts due to the Issuer under any of the Transaction Documents (other than the Collections) will be paid;
- (c) a Euro denominated account with IBAN IT93P0335101600006412889780 (the "**Debt Service Reserve Account**"), opened with the Account Bank, into which the Debt Service Reserve Amount will be deposited on the Issue Date and, thereafter, on each Payment Date until (but excluding) the Release Date, in accordance with the Pre-Enforcement Priority of Payments;
- (d) a Euro denominated cash and securities account with IBAN GB15BNYM16556153571980 (the "**Investment Account**"), opened with the Custodian Bank, into which, *inter alia*, amounts standing to the credit of the Collection Account, the Payments 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 Custodian 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;
- (e) a Euro denominated account with IBAN IT76V0103061621000001312020 (the "**Expenses Account**"), opened with Banca Monte dei Paschi di Siena, into which, on the Issue Date, the Retention Amount will be credited. During each Settlement Period, the Retention Amount will be used by the Issuer to pay the Expenses. To the extent that the amount standing to the credit of the Expenses Account on any Payment Date is lower than the Retention Amount, the Issuer shall credit available amounts to the Expenses Account in accordance with the relevant Priority of Payments; and
- (f) a Euro denominated account with IBAN IT05G0103061621000001311927 (the "**Quota Capital Account**"), opened with Banca Monte dei Paschi di Siena, for the deposit of the Issuer's quota capital.

The Collection Account, the Payments Account, the Debt Service Reserve Account and the Investment Account are, collectively, referred to as the "**Eligible Accounts**". The Eligible Accounts, the Expenses Account and the Quota Capital Account are, collectively, referred to as the "**Accounts**".

The Account Bank and the Custodian Bank will be required at all times to be an Eligible Institution pursuant to the Cash Allocation, Management and Payment Agreement.

If the Account Bank or the Custodian Bank cease to be, or to be deemed, an Eligible Institution, it or any other party who becomes aware of it, shall, upon becoming aware of such event, promptly (and in any case within 5 (five) Business Days) communicate it to the Issuer, the Representative of the Noteholders and the Rating Agencies, and the Issuer, with the assistance and cooperation of the relevant Agent, within 30 (thirty) calendar days from the relevant downgrading event, shall withdraw all amounts or securities credited to (or deposited in) the Eligible Accounts held with the Account Bank or the Custodian Bank, as the case may be,

and transfer them to accounts opened in the name of the Issuer with one or more Eligible Institutions, which shall agree, *inter alia*, to timely perform any activities to be performed by the Account Bank or the Custodian Bank, as the case may be, under the Cash Allocation, Management and Payment Agreement.

EXPECTED AVERAGE LIFE OF THE SENIOR NOTES

Weighted average life refers to the average amount of time that will elapse from the date of issuance of a security to the date of distribution to the investor of amounts distributed in net reduction of principal of such security. The weighted average life of the Senior Notes will be influenced by, *inter alia*, the actual rate of collection of the Receivables.

Calculations as to the weighted average life and the expected maturity of the Senior Notes can be made on the basis of certain assumptions, including the rate at which the Receivables are prepaid, the amount of the Defaulted Receivables and whether the Issuer exercises its option for an early redemption of the Notes.

The following table shows the weighted average life and the expected maturity of the Senior Notes and has been prepared based on the characteristics of the Receivables included in the Aggregate Portfolio, on historical performance and on the following additional assumptions (the "**Modelling Assumptions**"):

- (i) no Trigger Event occurs in respect to the Notes; and
- (ii) repayment of principal under the Senior Notes occurs from the Payment Date falling in July 2013; and
- (iii) the Optional Redemption under Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) is exercised on the Payment Date when the aggregate of the Outstanding Principal of the Aggregate Portfolio is equal to or less than 10 per cent of the Outstanding Principal of the Aggregate Portfolio as at the Valuation Date; and
- (iv) no events under Condition 8.4 (*Redemption, Purchase and Cancellation – Redemption for Taxation*) occur; and
- (v) no Receivable is a Defaulted Receivable; and
- (vi) there are no Receivables which are due and unpaid from more than 90 (ninety) days from the relevant due date.

The actual characteristics and performance of the Receivables are likely to differ from the assumptions used in constructing the table set forth below, which is hypothetical in nature and is provided only to give a general sense of how the principal cash-flows might behave. Any difference between such assumptions and the actual characteristics and performance of the Receivables will cause the weighted average life of the Senior Notes to differ (which difference could be material) from the corresponding information in the following table.

Constant prepayment rate	Weighted Average Life (years)	Expected Maturity
	<i>Series 2013-1-A Notes</i>	<i>Series 2013-1-A Notes</i>
0%	1.51	October 2016
2,5%	1.38	April 2016
5,0%	1.27	January 2016
7,5%	1.18	October 2015

TERMS AND CONDITIONS OF THE SENIOR NOTES

*The following is the text of the terms and conditions of the Senior Notes (the "**Senior Notes Conditions**"). In these Senior Notes Conditions, references to the "holder" of a Senior Note or to the "Senior Noteholders" are to the ultimate owners of the Senior Notes, issued in bearer form and dematerialised and evidenced as book entries with Monte Titoli S.p.A. ("**Monte Titoli**") in accordance with the provisions of (i) Article 83 bis of the Financial Laws Consolidated Act; and (ii) Regulation 22 February 2008.*

The Euro 450,000,000 Series 2013-1-A Asset Backed Floating Rate Notes due April 2040 (the "**Series 2013-1-A Notes**" or the "**Senior Notes**") and the Euro 230,000,000 Series 2013-1-B Asset Backed Floating Rate Notes due April 2040 (the "**Series 2013-1-B Notes**" or the "**Junior Notes**" and, together with the Senior Notes, the "**Notes**") have been issued by Alba 5 SPV S.r.l. (the "**Issuer**" or "**Alba 5**") on 16 May 2013 (the "**Issue Date**") to finance the purchase of certain portfolios of receivables and connected rights arising out of financial lease contracts between Alba Leasing S.p.A. ("**Alba Leasing**" or the "**Originator**"), as lessor, and the relevant Lessees (collectively, the "**Aggregate Portfolio**") purchased by the Issuer from, respectively, Alba 1 SPV S.r.l. ("**Alba 1**") and Alba 2 SPV S.r.l. ("**Alba 2**", and, together with Alba 1, the "**Sellers**").

The principal source of payment of interest and of repayment of principal on the Notes will be the Collections made in respect of the Aggregate Portfolio of the Receivables arising out of certain financial lease contracts entered into by Alba Leasing and the relevant Lessees thereunder. The Aggregate Portfolio was purchased by the Issuer from the Sellers pursuant to the terms of the Transfer Agreement.

Any reference in these Senior Notes Conditions to a "**Class**" or a "**Series**" 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 and any reference to any agreement or document shall be a reference to such agreement or document as the same may have been, or may from time to time be, amended, varied, novated or supplemented.

1. INTRODUCTION

1.1 Definitions

Capitalised words and expressions in these Senior Notes Conditions shall, unless otherwise specified or unless the context otherwise requires, have the meanings set out in Condition 2 (*Interpretation and Definitions*).

1.2 Senior Noteholders deemed to have notice of the Transaction Documents

The Senior Noteholders are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of, the Transaction Documents.

1.3 Provisions of the Senior Notes Conditions subject to the Transaction Documents

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

1.4 Transaction Documents

1.4.1 Transfer Agreement

By the Transfer Agreement, the Sellers have assigned and transferred to the Issuer all of their rights, title and interest in and to, respectively, the Alba 1 Portfolio and the Alba 2

Portfolio.

1.4.2 *Warranty and Indemnity Agreement*

By the Warranty and Indemnity Agreement, Alba Leasing, as Originator and servicer in the context of the Alba 1 Securitisation and Alba 2 Securitisation, has given certain representations and warranties in favour of the Issuer in relation to the Aggregate Portfolio and certain other matters and has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer incurred in connection with the purchase and ownership of the Aggregate Portfolio.

1.4.3 *Servicing Agreement*

By the Servicing Agreement, the Servicer has agreed to administer, service, collect and recover amounts in respect of the Aggregate Portfolio on behalf of the Issuer. The Servicer will act as the "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento*" (entity responsible for the collection of the assigned receivables and the cash and payment services) pursuant to the Securitisation Law and, in such capacity, shall be responsible for verifying that the operations comply with the law and the Prospectus pursuant to Article 2, paragraph 3(c) and Article 2, paragraph 6 *bis* of the Securitisation Law.

1.4.4 *Back-Up Servicing Agreement*

By the Back-Up Servicing Agreement, the Back-Up Servicer has undertaken to replace Alba Leasing as Servicer of the Aggregate Portfolio in the event of revocation of the appointment of the Servicer in accordance with the Servicing Agreement.

1.4.5 *Senior Notes Subscription Agreement*

By the Senior Notes Subscription Agreement, the Issuer has agreed to issue the Senior Notes and the Senior Notes Underwriter has agreed to subscribe for such Senior Notes, subject to the terms and conditions set out thereunder, and has also appointed Securitisation Services, which has accepted, as Representative of the Noteholders.

1.4.6 *Junior Notes Subscription Agreement*

By the Junior Notes Subscription Agreement, the Issuer has agreed to issue the Junior Notes and the Junior Notes Underwriter has agreed to subscribe for such Junior Notes, subject to the terms and conditions set out thereunder, and has also appointed Securitisation Services, which has accepted, as Representative of the Noteholders.

1.4.7 *Intercreditor Agreement*

By the Intercreditor Agreement, provision has been made as to, *inter alia*, (a) the application of the Issuer Available Funds in accordance with the 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.

1.4.8 *Cash Allocation, Management and Payment Agreement*

By the Cash Allocation, Management and Payment Agreement, the Agents have agreed to

provide the Issuer with certain calculation, notification, reporting and agency services, together with account handling, investment and cash management services in relation to monies and securities from time to time standing to the credit of the Accounts. The Cash Allocation, Management and Payment Agreement contains also provisions for the payment of principal and interest in respect of the Notes.

1.4.9 *Mandate Agreement*

By the Mandate Agreement, the Representative of the Noteholders shall be authorised, subject to a Trigger Notice being served or upon failure by the Issuer to exercise its rights under the Transaction Documents, to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of the Transaction Documents to which the Issuer is a party.

1.4.10 *Quotaholder Agreement*

By the Quotaholder Agreement, the Sole Quotaholder has given certain undertakings to the other parties thereto in relation to the management of the Issuer and the exercise of its rights as Sole Quotaholder of the Issuer.

1.4.11 *Letter of Undertakings*

By the Letter of Undertakings, the Originator has undertaken to indemnify the Issuer in respect of certain tax charges and other costs which may at any time be incurred by the Issuer.

1.4.12 *Corporate Services Agreement*

By the Corporate Services Agreement, the Corporate Servicer has agreed to provide the Issuer with certain corporate administrative services, in compliance with any reporting requirements relating to the Receivables and with other requirements imposed on the Issuer.

1.4.13 *Monte Titoli Mandate Agreement*

By the Monte Titoli Mandate Agreement, Monte Titoli has agreed to provide the Issuer with certain depository and administration services in relation to the Notes.

1.4.14 *Deed of Pledge*

By the Italian law Deed of Pledge, the Issuer has granted in favour of the Noteholders and the Other Issuer Creditors, as security for the Secured Obligations, a first priority pledge over all existing and future monetary claims and rights deriving from certain Transaction Documents (other than the Receivables and the Collections).

1.4.15 *Deed of Charge*

By the English law Deed of Charge, 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.

1.4.16 *Master Definitions Agreement*

By the Master Definitions Agreement, the definitions of certain terms used in the Transaction Documents have been set forth.

1.5 **Transaction Documents available for inspection**

Copies of the Transaction Documents are available for inspection during normal business hours at the office of the Representative of the Noteholders, being, as at the Issue Date, Via Vittorio Alfieri 1, 31015 Conegliano (Treviso), Italy.

1.6 **Rules of the Organisation of the Noteholders**

The Noteholders are deemed to have notice of, are bound by, and shall have the benefit of, *inter alia*, the terms of the Rules of the Organisation of the Noteholders which are attached to these Senior Notes Conditions as Exhibit 1 and which are deemed to form part of these Senior Notes Conditions. The rights and powers of the Senior Noteholders may only be exercised in accordance with the Rules of the Organisation of the Noteholders.

1.7 **Representative of the Noteholders**

Each Senior Noteholder recognises that the Representative of the Noteholders is the legal representative of the Organisation of the Noteholders and accepts to be bound by the terms of the Transaction Documents which have been signed by the Representative of the Noteholders as if it had signed such documents itself.

2. **INTERPRETATION AND DEFINITIONS**

2.1 **Interpretation**

In these Senior Notes Conditions, unless otherwise specified or unless the context otherwise requires:

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

2.2 **Definitions**

Unless otherwise defined in these Senior Notes Conditions, capitalised words and expressions used in these Senior Notes Conditions have the meanings and constructions ascribed to them in the Glossary to this Prospectus.

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

"**Account Bank**" means BNYM Italian Branch or any other Eligible Institution acting as account bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time, and any of its permitted successors or transferees.

"Additional Remuneration" the amount, if any, due by the Issuer being equal to the difference (if positive), on each Payments Report Date with reference to the immediately following Payment Date between:

- (i) the Issuer Available Funds, and
- (ii) the sum of any amount due and payable on such Payment Date by the Issuer out of the Issuer Available Funds in priority to the Additional Remuneration in accordance with the applicable Priority of Payments.

"Affected Series" shall have the meaning ascribed to it in Condition 8 (*Redemption for Taxation*).

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

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

$$A + B - CP - R$$

where:

A = the Principal Amount Outstanding of the Series 2013-1-A Notes on the day following the immediately preceding Payment Date;

B = the Principal Amount Outstanding of the Series 2013-1-B Notes on the day following the immediately preceding Payment Date;

CP = the Collateral Portfolio Outstanding Principal due on the last day of the immediately preceding Settlement Period; and

R = the Debt Service Reserve Amount calculated with reference to the relevant Payment Date.

"Aggregate Portfolio" means, collectively, the Alba 1 Portfolio and the Alba 2 Portfolio, and **"Portfolio"** means each of them.

"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: (i) the accrued and unpaid Instalments plus any penalties; and (ii) the nominal value of all future Instalments and of the Residual Optional Instalment, both discounted at a rate which is equal to: (a) 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 (b) 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 prepayment 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 Alba Leasing 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 Alba Leasing is entitled to receive shall be equal to the lower between: (x) the Residual Optional Instalment plus any instalments in respect of which Alba Leasing remains owner, discounted at the applicable rate referred to above and (y) the Prepayment Amount less the Agreed Prepayment.

"**Alba 1**" means Alba 1 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 1, 31015 Conegliano (Treviso), Italy, Fiscal Code and enrolment with the Companies Register of Treviso No. 04333910265.

"**Alba 1 Criteria**" means the criteria for the identification of the Alba 1 Receivables specified in schedule 2 (*Criteri relativi al Portafoglio Alba 1*) of the Transfer Agreement.

"**Alba 1 Individual Purchase Price**" means the individual purchase price of each Alba 1 Receivable, equal to, in relation to such Alba 1 Receivable, the sum of (i) the Initial Alba 1 Purchase Price, plus (ii) the Alba 1 Purchase Price of the Residual Optional Instalment.

"**Alba 1 Junior Notes**" means the notes Up to Euro 168,924,912 Class B Asset Backed Floating Rate Notes due April 2040 issued on 4 March 2011 by Alba 1 in the context of the Alba 1 Securitisation, pursuant to Articles 1 and 5 of the Securitisation Law.

"**Alba 1 Notes**" means, collectively, the Alba 1 Senior Notes and the Alba 1 Junior Notes.

"**Alba 1 Portfolio**" means the portfolio of Alba 1 Receivables transferred by Alba 1 to the Issuer pursuant to the Transfer Agreement.

"**Alba 1 Purchase Price**" means the purchase price of the Alba 1 Portfolio, equal to the sum of the Alba 1 Individual Purchase Price of the Receivables comprised in the Alba 1 Portfolio.

"**Alba 1 Purchase Price of the Residual Optional Instalment**" means the purchase price of the residual optional instalment due by the Issuer in relation to each Alba 1 Receivable as specified in clause 4.1.1 (*Prezzo di Acquisto Individuale dei Crediti Alba 1*) of the Transfer Agreement, or, in case such term is referred to the Alba 1 Portfolio, the sum of the purchase price of the residual optional instalment of the Alba 1 Receivables.

"**Alba 1 Receivable**" means each Receivable comprised in the Alba 1 Portfolio.

"**Alba 1 Securitisation**" means the securitisation transaction carried out by Alba 1 through the issuance of the Alba 1 Notes pursuant to Articles 1 and 5 of the Securitisation Law on 4 March 2011.

"**Alba 1 Senior Notes**" means the notes Up to Euro 300,000,000 Class A Asset-Backed Floating Rate Notes due April 2040 issued on 4 March 2011 by Alba 1 in the context of the Alba 1 Securitisation, pursuant to Articles 1 and 5 of the Securitisation Law.

"**Alba 1 Unwinding and Termination Agreement**" means the unwinding and termination agreement entered into on 8 April 2013 between Alba 1, Alba Leasing and the other parties of the Alba 1 Securitisation providing for, *inter alia*, the terms and conditions of the unwinding of the Alba 1 Securitisation and the redemption in full of the Alba 1 Notes.

"**Alba 2**" 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 1, 31015 Conegliano (Treviso), Italy, Fiscal Code and enrolment with the Companies Register of Treviso No. 04146750262.

"**Alba 2 Criteria**" means the criteria for the identification of the Alba 2 Receivables specified in schedule 3 (*Criteri relativi al Portafoglio Alba 2*) of the Transfer Agreement.

"**Alba 2 Individual Purchase Price**" means the individual purchase price of each Alba 2 Receivable, equal to, in relation to such Alba 2 Receivable, the sum of (i) the Initial Alba 2

Purchase Price, plus (ii) the Alba 2 Purchase Price of the Residual Optional Instalment.

"Alba 2 Junior Notes" means the notes Euro 152,900,000 Class B Asset Backed Floating Rate Notes due December 2041 issued on 21 December 2011 by Alba 2 in the context of the Alba 2 Securitisation, pursuant to Articles 1 and 5 of the Securitisation Law.

"Alba 2 Notes" means, collectively, the Alba 2 Senior Notes and the Alba 2 Junior Notes.

"Alba 2 Portfolio" means the portfolio of Alba 2 Receivables transferred by Alba 2 to the Issuer pursuant to the Transfer Agreement.

"Alba 2 Purchase Price" means the purchase price of the Alba 2 Portfolio, equal to the sum of the Alba 2 Individual Purchase Price of the Receivables comprised in the Alba 2 Portfolio.

"Alba 2 Purchase Price of the Residual Optional Instalment" means the purchase price of the residual optional instalment due by the Issuer in relation to each Alba 2 Receivable as indicated in clause 4.2.1 (*Prezzo di Acquisto Individuale dei Crediti Alba 2*) of the Transfer Agreement, or, in case such term is referred to the Alba 2 Portfolio, the sum of the purchase price of the residual optional instalment of the Alba 2 Receivables.

"Alba 2 Receivable" means each Receivable comprised in the Alba 2 Portfolio.

"Alba 2 Securitisation" means the securitisation transaction carried out by Alba 2 through the issuance of the Alba 2 Notes pursuant to Articles 1 and 5 of the Securitisation Law on 21 December 2011.

"Alba 2 Senior Notes" means the Euro 150,000,000 Class A Asset Backed Floating Rate Notes due December 2041 issued on 21 December 2011 by Alba 2 in the context of Alba 2 Securitisation, pursuant to Articles 1 and 5 of the Securitisation Law.

"Alba 2 Unwinding and Termination Agreement" means the unwinding and termination agreement entered into on 8 April 2013 between Alba 2, Alba Leasing and the other parties of the Alba 2 Securitisation providing for, *inter alia*, the terms and conditions of the unwinding of the Alba 2 Securitisation and the redemption in full of the Alba 2 Notes.

"Alba 5" means Alba 5 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 (Treviso), Italy, Fiscal Code and enrolment with the Companies Register of Treviso No. 04591530268.

"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 18, 20139 Milan, Italy, Fiscal Code and enrolment with the Companies Register of Milan No. 06707270960.

"Arranger" means Banca IMI S.p.A., a bank incorporated under the law of Republic of Italy as a joint stock company, whose registered office is at Largo Mattioli 3, 20121 Milan, Italy, Fiscal Code and enrolment with the Companies Register of Milan No. 04377700150, enrolled in the Register of Banks held with the Bank of Italy pursuant to Article 13 of the Consolidated Banking Act.

"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.

"Back-Up Servicer" means Selmabipiemme or any other entity acting as back-up servicer pursuant to the provisions of the Back-Up Servicing Agreement from time to time, and any of its permitted successors or transferees.

"Back-Up Servicing Agreement" means the back-up servicing agreement entered into on or prior the Issue Date between the Servicer, the Issuer and the Back-Up Servicer, as from time to time modified in accordance with the provisions therein contained and including any other deed or 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.

"BNYM Irish" means the Dublin Branch of The Bank of New York Mellon SA/NV, a credit institution incorporated under the laws of Belgium, with company number 0806.743.159, whose registered office is at Hanover Building, Windmill Lane, Dublin 2, Ireland.

"BNYM Italian Branch" means the Italian branch of The Bank of New York Mellon (Luxembourg) S.A., a credit institution incorporated under the laws of the Grand Duchy of Luxembourg, whose registered office is at Via Carducci 31, 20123 Milan, Italy.

"BNYM London Branch" means the London branch of The Bank of New York Mellon S.A./N.V., a credit institution incorporated under the laws of Belgium, with company number 0806.743.159, whose registered office is at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom.

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

"Call Option" means the option granted to the Originator under clause 5.1 (*Eventi di riacquisto*) of the Warranty and Indemnity Agreement, pursuant to Article 1331 of the Italian Civil Code, regarding the repurchase of individual Receivables upon the occurrence of certain circumstances.

"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 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.

"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 Servicer, the Representative of the Noteholders, the Paying Agent, the Irish Agent, the Account Bank, the Custodian Bank, the Cash Manager and the Computation Agent, as from time to time modified in accordance with the provisions therein contained and including any other deed or 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, and any of its permitted successors or transferees.

"Cash Trapping Condition" means, until all the Senior Notes have been redeemed in full, the condition that will be deemed to be satisfied if, during the relevant Collection Period, the Gross Cumulative Default Ratio, as evidenced in the relevant Quarterly Settlement Report, is lower than the respective Relevant Trigger

"Class" or **"Series"** means each class of Notes which will be issued.

"Class A Notes Formula Redemption Amount" means, in respect of any Payment Date on which the Issuer has to make principal payments for the Series 2013-1-A Notes in accordance with the relevant Priority of Payments:

- (i) in the event that a Trigger Event has not occurred, an amount equal to the lower of: (a) the Principal Amount Outstanding of the Series 2013-1-A Notes on the day following the immediately preceding Payment Date; and (b) the Aggregate Notes Formula Redemption Amount for that Payment Date;
- (ii) in the event that a Trigger Event has occurred, the Principal Amount Outstanding of the Series 2013-1-A Notes.

"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 comprised in the Aggregate Portfolio arising from Lease Contracts that are not, as of such date, Defaulted Lease Contracts.

"Collection Account" means the Euro denominated account with IBAN IT4100335101600006412879780, opened in the name of the Issuer with the Account Bank or any other Eligible Institution for the deposit of all the Collections during the Securitisation, in accordance with the Servicing Agreement.

"Collection Policies" means the procedures adopted by the Servicer for the collection of the Instalments and any other amount due from time to time in relation to the Receivables and the relevant Lease Contracts in force at the date of the Transfer Agreement as set out in schedule 1 (*Procedure di Riscossione*) of the Servicing Agreement.

"Collections" means any amount (including the Recoveries) collected by the Servicer or the Issuer in respect of the Receivables comprised in the Aggregate Portfolio.

"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, and any of its permitted successors or transferees.

"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.

"Consumer's Plan" means a consumer's plan entered into pursuant to Law No. 3/2012.

"Consumer's Plan Procedure" means the procedure provided for under Law No. 3/2012 in relation to Consumer's Plans.

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

"Corporate Services Agreement" means the corporate services agreement entered into on or about the Issue Date between the Issuer and the Corporate Servicer, as from time to time modified in accordance with the provisions therein contained and including any other deed or document expressed to be supplemental thereto.

"Corporate Servicer" means Securitisation Services or any other entity acting as corporate services provider pursuant to the Corporate Servicer from time to time, and any of its permitted successors or transferees.

"CRD II" means, collectively, Directive 2009/27/EC adopted on 7 April 2009 by the European Commission, Directive 2009/83/EC adopted on 27 July 2009 by the European Commission and Directive 2009/111/EC adopted on 16 September 2009 by the European Parliament and the European Council, which amended the so-called capital requirements directive (being and expression making reference to Directive 2006/48/EC and Directive 2006/49/EC) (as amended, the **"CRD"**), relating to, *inter alia*, exposures to transferred credit risk in the context of securitisation transactions.

"Criteria" means the Alba 1 Criteria and the Alba 2 Criteria, as the case may be.

"Custodian Bank" means BNYM London Branch or any other entity acting as custodian bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time, and any of its permitted successors or transferees.

"Custodian 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 Custodian Bank the Issuer, the Cash Manager, the Computation Agent, the Representative of the Noteholders and the Corporate Servicer no later than the Custodian Bank Report Date.

"Custodian Bank Report Date" means the fourth Business Day following each Settlement Date.

"Custody Terms and Conditions" means the custody terms and conditions of the Custodian Bank set out in schedule 5 (*Custody Terms and Conditions*) to the Cash Allocation, Management and Payment Agreement.

"Debt Service Reserve Account" means the Euro denominated account with IBAN IT93P0335101600006412889780 which will be held with the Account Bank or any other 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, in relation to each relevant Payment Date up to (but excluding) the Release Date, an amount equal to the lower of (without taking into account any principal payment to be made to the Noteholders on such Payment Date):

- (a) 1.65% of the Principal Amount Outstanding of the Senior Notes at the Issue Date; and

- (b) to the extent that on the immediately preceding Payment Date (except for the First Payment Date) the Debt Service Reserve Account has been credited with an amount equal to the Debt Service Reserve Amount, the greater of (i) 3.30% of the Principal Amount Outstanding of the Senior Notes on such Payment Date; and (ii) 0.75% of the Principal Amount Outstanding of the Senior Notes at the Issue Date.

"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 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.

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

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

"Defaulted Instalment" means any Instalment which remains due and 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 in relation to Lease Contracts which provide for monthly payments; (ii) 3 in relation to Lease Contracts which provide for bi-monthly payments; (iii) 2 in relation to Lease Contracts which provide for quarterly payments and (iv) 1 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.

"Delinquent Instalment" means any Instalment which remains due and unpaid for more than 30 days after the date scheduled for payment in the relevant Lease Contract and which is not a Defaulted Instalment.

"Delinquent Lease Contract" means a Lease Contract with respect to which there is at least one

Delinquent Instalment but which is not a Defaulted Lease Contract.

"Distributing Bank" means any bank through which the Lease Contract are promoted and/or placed and/or executed.

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

"Eligible Institution" means any depository institution organised under the laws of any State which is a member of the European Union or of the United States with at least the following ratings:

- (a) with respect to S&P: a long-term rating of at least "BBB" or, in case its short-term rating is not at least equal to "A-2", a long-term rating of at least "BBB"; and
- (b) with respect to Moody's: a short-term rating of at least "P-2" and a long-term rating of at least "Baa3".

"Eligible Investment" means:

- (1) any Euro denominated senior (unsubordinated) dematerialised debt securities or other debt instruments or time deposits provided that such investments (a) have a maturity not exceeding 3 months, (b) have a maturity not exceeding the next following Eligible Investment Maturity Date and (c) have the ratings indicated below:
 - (i) a short-term unsecured and unsubordinated rating of at least "A-2" by S&P and "P-2" by Moody's for Eligible Investments maturing within 60 days or less, or a long-term unsecured and unsubordinated rating at least "A" by S&P and "Baa2" by Moody's or a short-term unsecured and unsubordinated rating at least "A-1" by S&P or "P-2" by Moody's for investments maturing within 92 days or less, or such other rating which does not negatively affect the then current rating of the Senior Notes, as previously communicated to the Rating Agencies; or
 - (ii) such other rating as acceptable to S&P and Moody's from time to time;provided that in case of downgrade below the rating levels set out in points (i) and (ii) above: (a) the Issuer shall sell the securities, if it could be achieved without a loss, otherwise (b) the securities shall be allowed to mature; or
- (2) a Euro denominated bank account or deposit (excluding, for the avoidance of doubt, a time deposit) held with an Eligible Institution provided that (i) such investments are immediately repayable on demand, disposable without any penalty or any loss and have a maturity date falling not later than the next following Eligible Investment Maturity Date; and (ii) such investments provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount) and (iii) within 30 calendar days from the date on which the institution ceases to be an Eligible Institution, such investment has to be transferred to another Eligible Institution at no costs for the Issuer; or
- (3) repurchase transactions between the Issuer and an Eligible Institution in respect of Euro denominated debt securities or other debt instruments provided that (i) title to the securities underlying such repurchase transactions (in the period between the execution of the relevant repurchase transactions and their respective maturity) effectively passes (as confirmed by a non-qualified legal opinion by a primary standing law firm) to the Issuer and the obligations of the relevant counterparty are not related to the performance of the

underlying securities, and (ii) such repurchase transactions have a maturity date falling not later than the next following Eligible Investment Maturity Date and in any case shorter than 60 days, provided that, in respect of all investments mentioned under points from (1) to (3) above:

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

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

"EURIBOR" means the Euro-Zone inter-bank offered rate for three month Euro deposits:

- (a) as it appears on Reuters page Euribor01 or (aa) such other page as may replace Reuters page Euribor01 on that service for the purpose of displaying such information or (bb) if that service ceases to display such information, such page as displays such information on such equivalent service (or, if more than one, that one which is approved by the Representative of the Noteholders) as may replace the Reuters page Euribor01 (the **"Screen Rate"**) at or about 11.00 a.m. (Brussels time) on the relevant Interest Determination Date; or
- (b) if the Screen Rate is unavailable at such time, then the rate for the relevant Interest Period shall be the arithmetic mean (rounded to four decimal places with the mid-point rounded up) of the rates notified to the Paying Agent at its request and communicated by the latter to the Computation Agent by each of the Reference Banks as the rate at which the Euribor in a similar representative amount are offered by that Reference Bank to leading banks in the Euro-zone inter-bank market at or about 11.00 a.m. (Brussels time) on that date; or
- (c) if on any relevant Interest Determination Date, the Screen Rate is unavailable and only two

of the Reference Banks provide such offered quotations to the Paying Agent the relevant rate shall be determined in the manner specified in (b) above, on the basis of the offered quotations of those Reference Banks providing such quotations; or

- (d) if, on any relevant Interest Determination Date, the Screen Rate is unavailable and:
 - (i) only one of the Reference Banks provides the Paying Agent with such an offered quotation, the relevant rate shall be the determined on the basis of such offered quotation;
 - (ii) none of the Reference Banks provides the Paying Agent with such an offered quotation, the relevant rate shall be the rate in effect for the immediately preceding period to which one of subparagraphs (a), (b) or (c) above shall have applied.

"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 Alba Leasing in accordance with clause 16 (*Importi recuperati in relazione ai Crediti a seguito di azioni esecutive*) 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 Securitisation, 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 with IBAN IT76V0103061621000001312020 opened in the name of the Issuer with Banca Monte dei Paschi di Siena or any other account that shall replace of such account in accordance with the Cash Allocation, Management and Payment Agreement.

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

"Final Maturity Date" means the Payment Date falling in April 2040.

"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 22 July 2013.

"First Settlement Date" means the Settlement Date falling in 30 June 2013.

"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 the Aggregate Portfolio, collectively, the Publication in the Official Gazette and the Registration in the Companies Register.

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

"Further Notes" has the meaning ascribed to such term in clause 10.5 (b) of the Intercreditor Agreement.

"Further Securities" has the meaning ascribed to such term in clause 10.5 (c) of the Intercreditor Agreement.

"Further Securitisation" means any further securitisation transaction which may be carried out by the Issuer pursuant to the Securitisation Law and in accordance with Condition 5.2 (*Covenants - Further Securitisations*).

"Gross Cumulative Default Ratio" means, in relation to each Settlement Date, the per cent. ratio between: (i) the aggregate of the Outstanding Amount (as of the date on which the relevant Lease Contracts have become Defaulted Lease Contracts) related to all the Receivables comprised in the Aggregate Portfolio arising from Lease Contracts which have become Defaulted Lease Contracts in the period starting from the Valuation Date and ending on the last day of such Settlement Date; and (ii) the Initial Purchase Price (as of the Valuation Date) of all Receivables comprised in the Aggregate Portfolio.

"Guarantee" means any security or guarantee, including first demand guarantees, granted by a Debtor or a Guarantor to secure the Receivables (including the *Fideiussione DK*).

"Guarantor" means any person, other than the Debtor, who has granted any guarantee or security in favour of a Seller and/or the Originator in respect of any Receivables, and/or its permitted successors or assignees.

"Indemnities" means the Policies Indemnities and/or the Losses Indemnities, as the case may be.

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

"Initial Alba 1 Purchase Price" means in respect of each Alba 1 Receivable the initial purchase price due by the Issuer in relation to each Alba 1 Receivable, as specified in clause 4.1.1 (*Prezzo di Acquisto Individuale dei Crediti Alba 1*) of the Transfer Agreement or, in case such term is referred to the Alba 1 Portfolio, the sum of the initial purchase price of the Alba 1 Receivables.

"Initial Alba 2 Purchase Price" means in respect of each Alba 2 Receivable the initial purchase price due by the Issuer in relation to each Alba 2 Receivable, as specified in clause 4.2.1 (*Prezzo di Acquisto Individuale dei Crediti Alba 2*) of the Transfer Agreement or, in case such term is referred to the Alba 2 Portfolio, the sum of the initial purchase price of the Alba 2 Receivables.

"Initial Interest Period" means the period which begins on the Issue Date (included) and ends on the First Payment Date (excluded).

"Initial Purchase Price" means the Initial Alba 1 Purchase Price and the Initial Alba 2 Purchase Price, as the case may be.

"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 of deferment of a substantial part of its obligations or makes a general assignment or a general arrangement or composition with or for the benefit of its creditors (other than, in the case of the Issuer, the Other Issuer Creditors) or is granted by a competent court a moratorium in respect of a substantial part of its indebtedness or any guarantee of any indebtedness given by it or applies for suspension of payments; or
- (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, in relation to a Lease Contract, each periodic lease instalment (excluding in any case the Residual Optional Instalment) due from Lessees under such Lease Contract (net of VAT) the Receivables of which have been assigned to the Issuer under the terms of the Transfer Agreement.

"Insurance Policy" means any insurance policies executed by a Debtor or by Alba Leasing 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 agreement denominated "*Intercreditor Agreement*" entered into on or about the Issue Date between, *inter alios*, the Issuer and the Other Issuer Creditors, as from time to time modified in accordance with the provisions therein contained and including any other deed or 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 7.3 (*Determination of Rates of Interest and Calculation of Interest Amount*).

"Interest Determination Date" means (i) with respect to the Initial Interest Period, the date falling two Business Days prior to the Issue Date, and (ii) 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 the Initial Interest Period and afterwards, each period from (and including) a Payment Date to (but excluding) the next following Payment Date.

"Investment Account" means the Euro denominated cash and securities account with IBAN GB15BNYM16556153571980 opened in the name of the Issuer in accordance with the Cash Allocation, Management and Payment Agreement with the Custodian Bank for, *inter alia*, the deposit of all Eligible Investments.

"Investor Report" means the quarterly report setting out certain information with respect to the Aggregate Portfolio and the Notes which shall be delivered by the Computation Agent to the Issuer, the Representative of the Noteholders, the Servicer, the Paying Agent, the Account Bank, the Custodian Bank, the Cash Manager, the Corporate Servicer, the Originator and the Rating Agencies on the Investor Report Date pursuant to the Cash Allocation, Management and Payments Agreement.

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

"Irish Agent" means BNYM Irish or any other entity acting as Irish agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time and any of its permitted successors or transferees.

"Irish Stock Exchange" means the regulated market of the Republic of Ireland denominated "*Irish Stock Exchange*".

"Issue Date" means 16 May 2013 or the subsequent date agreed between the Issuer, the Notes Underwriters and the Arranger on which the Notes will be issued.

"Issue Price" means the following percentages of the principal amount of the Notes at which the Notes will be issued:

<i>Series</i>	<i>Issue Price</i>
---------------	--------------------

Series 2013-1-A	100 per cent.; and
-----------------	--------------------

Series 2013-1-B	100 per cent.
-----------------	---------------

"Issuer" means Alba 5.

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

- (i) all Collections received or recovered by the Servicer in respect of the Receivables during the immediately preceding Settlement Period;
- (ii) all amounts received by the Issuer from the Originator pursuant to the Transfer Agreement and the Warranty and Indemnity Agreement during the immediately preceding Settlement Period;
- (iii) the amount credited to the Payments Account on the immediately preceding Payment Date;
- (iv) any revenues and other amounts matured or deriving from the realisation, liquidation and any other proceeds on maturity of any Eligible Investments (including, for the avoidance of doubt, interest, premium or any other amount representing its yield) and credited to the Payments Account 2 (two) Business Days prior to such Payment Date;
- (v) all amounts (other than the amounts already allocated under other items of the Issuer Available Funds) of interest accrued (net of any withholding or expenses, if due) and paid on the Issuer's Accounts, other than the Expenses Account and the Quota Capital Account, during the immediately preceding Settlement Period;
- (vi) all the proceeds deriving from the sale (in whole or in part), if any, of the Aggregate Portfolio, in accordance with the provisions of the Transaction Documents;
- (vii) all the proceeds deriving from the sale, if any, of individual Receivables in accordance with the provisions of the Transaction Documents during the immediately preceding Settlement Period;
- (viii) any amounts (other than the amounts already allocated under other items of the Issuer Available Funds) received by the Issuer from any party to the Transaction Documents during the immediately preceding Settlement Period;
- (ix) the balance of the Debt Service Reserve Account to be transferred to the Payments Account on or prior to such Payment Date,

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

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

"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 230,000,000 Series 2013-1-B Asset Backed Floating Rate Notes due April 2040.

"Junior Notes Subscription Agreement" means the subscription agreement in relation to the Junior Notes entered into on or about the Issue Date, between Alba Leasing (as Originator, Servicer and Junior Notes Underwriter), the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any

other deed or document expressed to be supplemental thereto.

"Junior Notes Underwriter" means Alba Leasing as underwriter for the Junior Notes under the Junior Notes Subscription Agreement.

"Late Payments" means payments in respect of Receivables which have been made after the due date thereof.

"Latest Report" has the meaning ascribed to such term in Condition 8.5.5.

"Law No. 3/2012" means Law No. 3 of 27 January 2012, as amended and supplemented from time to time.

"Lease Contract" means each financial leasing agreement between the Originator and the relevant Lessee for the lease of an Asset (as subsequently amended and supplemented), from which the Receivables comprised in each Portfolio arise, as better identified on the basis of the relevant Criteria.

"Leasing Convention" means any convention and/or any similar agreement entered into between Alba Leasing and a Distributing Bank in order to mandate such Distributing Bank to arrange and, if applicable, approve in the name and on behalf of Alba Leasing, leasing transactions relating to, *inter alia*, the Lease Contracts.

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

"Letter of Undertakings" means the letter of undertakings entered into on or about the Issue Date between the Issuer, the Representative of the Noteholders and the Originator, as from time to time modified in accordance with the provisions therein contained, and including any other deed or document expressed to be supplemental thereto.

"Liquidation of Assets" means the liquidation of assets carried out pursuant to Law No. 3/2012.

"Liquidation of Assets Procedure" means the procedure provided for under Law No. 3/2012 in relation to Liquidation of Assets.

"Listing Agent" means BNYM Irish acting as listing agent in connection with the listing of the Senior Notes.

"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.

"Losses Indemnities" means the indemnities payable to Alba Leasing (in the event of termination of the Lease Contracts due to default in payment by the relevant Debtor) by any Distributing Bank with which Alba Leasing has entered into a Leasing Convention.

"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 other deed or document expressed to be supplemental thereto.

"Master Definitions Agreement" means the master definitions agreement entered into on or about

the Issue Date between the Issuer and the Other Issuer Creditors, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

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

"Minimum Servicer Account Bank Required Rating" means (a) a short-term rating of at least "A-3" by S&P and "P-3" by Moody's and (b) a long-term rating of at least "BBB-" by S&P and "Baa3" by Moody's.

"Monte Titoli" means Monte Titoli S.p.A., with registered office at Piazza Affari 6, 20123 Milan, Italy.

"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 Italia S.r.l.

"Most Senior Class of Noteholders" means the holders of the Most Senior Class of Notes.

"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.

"Notes Underwriters" means, collectively, the Senior Notes Underwriter and the Junior Notes Underwriter.

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

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

"Originator" means Alba Leasing.

"Other Issuer Creditors" means each Seller, the Originator, the Representative of the Noteholders, the Paying Agent, the Irish Agent, the Computation Agent, the Account Bank, the Custodian Bank, the Servicer, the Cash Manager, the Corporate Servicer, the Sole Quotaholder, the Back-Up Servicer, the Senior Notes Underwriter and the Junior Notes Underwriter.

"Outstanding Amount" means, on any date and with respect to each Receivable, the sum of (i) all the Principal Instalments due but unpaid, plus (ii) the Outstanding Principal.

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

- (a) the discounted nominal value at the relevant Contractual Interest Rate of all the Instalments and of the Residual Optional Instalment that are not yet due as of such date pursuant to the amortization schedule of the relevant Lease Contract; and

(b) the Residual Optional Instalment.

"Paying Agent" means BNYM Italian Branch or any other entity acting as paying agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time, and any of its permitted successors or transferees.

"Payment Date" means the First Payment Date and thereafter 20 January, 20 April, 20 July and 20 October in each year or, if such day is not a Business Day, the immediately following Business Day.

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

"Payments Account" means the Euro denominated account with IBAN IT48Q0335101600006412899780 opened in the name of the Issuer with the Account Bank or any other Eligible Institution for the deposit, *inter alia*, of all amounts (other than the Collections) received pursuant to the Transaction Documents and/or in accordance with the Cash Allocation, Management and Payment Agreement.

"Payments Report" means the quarterly report setting out all payments and information set forth in clause 8.1.1 (*Determinations and calculations*) of the Cash Allocation, Management and Payments Agreement in accordance with the Pre-Enforcement Priority of Payments, which shall be delivered by the Computation Agent to the Issuer, the Representative of the Noteholders, the Servicer, the Paying Agent, the Account Bank, the Custodian Bank, the Cash Manager, the Corporate Servicer, the Originator, the Irish Stock Exchange and the Rating Agencies on each Payments Report Date immediately preceding a Payment Date pursuant to the Cash Allocation, Management and Payments Agreement.

"Policies Indemnities" means indemnities liquidated under an Insurance Policy or deriving from assignment of interest in favour of Alba Leasing under the Insurance Policy, in the following events and limited to the amounts set out below:

- (a) in the event the Instalments assigned remain unpaid, up to their value;
- (b) in the event the loss, covered by the relevant Insurance Policy has determined a reduction in the amount of the Instalments, up to the amount of such reduction;
- (c) in the event the Lease Contract relating to the Asset to which the insurance indemnity refers has been terminated, for an amount equal to the sum of (x) the claim accrued towards the Lessee on the date of termination and unpaid on such date, and (y) the amount provided by the relevant Lease Contract in case of occurrence of such termination event.

"Pool" means, as the case may be, the Pool No. 1, the Pool No. 2, the Pool No. 3 and 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, commercial vehicles, industrial vehicles or other motorised vehicles excluding aircrafts.

"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 properties.

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

"Portfolio Call Option" or **"Option"** means the option provided for by clause 20.3 (*Option to Repurchase the Aggregate Portfolio*) of the Intercreditor Agreement pursuant to Article 1331 of the Italian Civil Code, regarding the repurchase of the Aggregate Portfolio by the Originator.

"Post-Enforcement Priority of Payments" means the order of priority of payments which shall be applied after the delivery of a Trigger Notice in accordance with the Terms and Conditions.

"Post Trigger Report" means the report to be prepared quarterly or upon reasonable request by the Representative of the Noteholders after a Trigger Notice has been served upon the Issuer following the occurrence of a Trigger Event, setting out all payments and information set forth in clause 8.1.1 (*Determinations and calculations*) of the Cash Allocation, Management and Payments Agreement in accordance with the Post-Enforcement Priority of Payments, which shall be delivered by the Computation Agent to the Issuer, the Representative of the Noteholders, the Servicer, the Paying Agent, the Account Bank, the Custodian Bank, the Cash Manager, the Corporate Servicer, the Originator, the Irish Stock Exchange and the Rating Agencies pursuant to the Cash Allocation, Management and Payments Agreement.

"Pre-Emption Right" has the meaning ascribed to such term in clause 20.1 (*Disposal of the Aggregate Portfolio following the delivery of a Trigger Notice*) of the Intercreditor Agreement.

"Pre-Enforcement Priority of Payments" means the order of priority of payments which shall be applied prior to the delivery of a Trigger Notice in accordance with the Terms and Conditions.

"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 penalties; and (b) the nominal value of all future instalments and of the Residual Optional Instalment, discounted 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 in which the payment of such prepayment amount is due, less 1%; and (y) the three month Euribor rate applicable at the time of the execution of the relevant Lease Contract less 1%.

"Principal Amount Outstanding" means, on any date and in relation to each Class of Notes: (i) the principal amount outstanding of the Notes at the Issue Date, minus (ii) the aggregate of all principal repayments made in respect thereof.

"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 Priority of Payments and the Post-Enforcement Priority of Payments.

"Privacy Law" means 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"), together with any relevant implementing regulations as integrated by the provisions enacted from time to time by the Autorità Garante per la Protezione dei Dati Personali as subsequently amended, modified or supplemented from time to time.

"Prospectus" means the prospectus prepared also pursuant to Article 2 of the Securitisation Law in connection with the issue of the Notes.

"Prospectus Directive" means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended and supplemented from time to time.

"Publication in the Official Gazette" means the publication of the notice of the assignment of the Receivables in the Official Gazette of the Republic of Italy (*Gazzetta Ufficiale della Repubblica Italiana*) pursuant to Article 4 of the Securitisation Law and Article 58 of the Consolidated Banking Act.

"Purchase Price" means the Alba 1 Purchase Price and/or the Alba 2 Purchase Price, as the case may be.

"Purchase Price of the Residual Optional Instalment" means the Alba 1 Purchase Price of the Residual Optional Instalment and/or the Alba 2 Purchase Price of the Residual Optional Instalment, as the case may be.

"Quarterly Settlement Report" means a report which the Servicer has undertaken to deliver on each Quarterly Settlement Report Date, setting out the performance of the Receivables, provided that each Quarterly Settlement Report shall be substantially in the form of schedule 2 (*Modello di Rapporto Periodico Trimestrale del Servicer*) of the Servicing Agreement.

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

"Quota Capital Account" means the Euro denominated account with IBAN IT05G0103061621000001311927 opened in the name of the Issuer with Banca Monte dei Paschi di Siena, to which the contributed quota capital of the Issuer is deposited in accordance with the Cash Allocation, Management and Payment Agreement.

"Quotaholder Agreement" means the quotaholder agreement entered into between the Issuer, the Originator, 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 other deed or document expressed to be supplemental thereto.

"Rate of Interest" shall have the meaning ascribed to it in Condition 7.2 (*Interest - Rate of Interest*).

"Rating Agency" means each of Moody's and S&P and **"Rating Agencies"** means all of them.

"Receivable" means, in relation to each Portfolio, each and every claim arising under and/or related to the relevant Lease Contracts (and each contract, deed, agreement or document related to that Lease Contract) which meets the Criteria relating to the relevant Portfolio at the Valuation Date, excluding any amounts falling due prior to (and excluding) the Valuation Date including without limitation:

- (i) the Instalments;
- (ii) the Agreed Prepayments;

- (iii) the Residual Optional Instalment;
- (iv) default interest and/or other interest due by the Lessees 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 due by the Lessees under the Lease Contracts which have been assigned pursuant to the other items of this definition;
- (v) amounts due as penalties;
- (vi) any increase in Instalments as a result of any amendment to the Lease Contracts;

but excluding in all cases:

- (a) amounts due by way of VAT;
- (b) expenses due by the Lessee under the relevant Lease Contract; and
- (c) default interests in respect of amounts due under (a) and (b) above.

"Records" has the meaning ascribed to such term in clause 12.2 (*Delivery of Records*) of the Cash Allocation, Management and Payment Agreement.

"Recoveries" means the Collections of the Receivables relating to Defaulted Lease Contracts and/or Delinquent Lease Contracts.

"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 Chase, BNP Paribas S.A. and Barclays Bank plc.

"Registration in the Companies Register" means the registration of the assignment of the Receivables in the competent Companies Register pursuant to Article 4 of the Securitisation Law and Article 58 of the Consolidated Banking Act.

"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.

"Regulation S" means Regulation S promulgated under the Securities Act.

"Release Date" means the earlier of:

- (a) the Cancellation Date;
- (b) the Payment Date on which the Issuer Available Funds to be applied on such date, minus all payments or provisions to be made under items First to Fifth of the Pre-Enforcement Priority of Payments are sufficient to redeem the Senior Notes in full; and
- (c) the Payment Date immediately succeeding the service of a Trigger Notice.

"Relevant Trigger" means, in relation to each Payment Date:

Payment Date	Trigger
July 2013	1.75%

October 2013	1.75%
January 2014	2.25%
April 2014	3.00%
July 2014	3.50%
October 2014	4.50%
January 2015 onward	5.00%

"Representative of the Noteholders" means Securitisation Services or any other entity acting as representative of the Noteholders pursuant to the Subscription Agreements, the Terms and Conditions and the Rules of the Organisation of the Noteholders from time to time, and any of its permitted successors or transferees.

"Residual Optional Instalment" means the residual price 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) assigned by the relevant Sellers to the Issuer under the terms of the Transfer Agreement.

"Retention Amount" means an amount equal to Euro 20,000.

"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 other deed or document expressed to be supplemental thereof.

"S&P" means Standard & Poor's Credit Market Services Italy S.r.l..

"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 carried out by the Issuer through the issuance of the Notes pursuant to Articles 1 and 5 of the Securitisation Law.

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

"Securitisation Services" means, a joint stock company incorporated under the laws of Italy, having its registered office at Via Vittorio Alfieri No. 1, 31015 Conegliano (Treviso), Italy, enrolment with the Companies Register of Treviso under No. 03546510268.

"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.

"Sellers" means, collectively, Alba 1 as seller of Alba 1 Portfolio and Alba 2 as seller of Alba 2

Portfolio and **"Seller"** means each of them.

"Selmabipiemme" means Selmabipiemme Leasing S.p.A., a joint stock company incorporated under the laws of the Republic of Italy, whose registered office is at Via Battistotti Sassi 11/A, 20133 Milan, Italy, Fiscal Code and enrolment with the Companies Register of Milan No. 00882980154.

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

"Senior Notes" means the Euro 450,000,000 Series 2013-1-A Asset Backed Floating Rate Notes due April 2040.

"Senior Notes Subscription Agreement" means the subscription agreement in relation to the Senior Notes entered into on or about the Issue Date, between Alba Leasing (as Originator, Servicer, Senior Notes Underwriter and Junior Notes Underwriter), the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any other deed or document expressed to be supplemental thereto.

"Senior Notes Underwriter" means Alba Leasing as underwriter for the Senior Notes under the Senior Notes Subscription Agreement.

"Servicer" means Alba Leasing or any other entity acting as servicer pursuant to the Servicing Agreement from time to time, and any of its permitted successors or transferees.

"Servicer Account" means the Euro denominated account with IBAN IT50U0306912711 100000008300 established in accordance with the Servicing Agreement in the name of the Servicer with the Servicer Account Bank, or with any other bank having the Minimum Servicer Account Bank Required 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. or any other bank having the Minimum Servicer Account Bank Required Rating with which the Servicer Account will be established and any of its permitted successors or transferees.

"Servicer Termination Event" has the meaning ascribed to it in clause 11.2 (*Eventi di revoca*) of the Servicing Agreement.

"Servicer's Fee" means the fee due to the Servicer pursuant to clause 10 (*Compenso*) of the Servicing Agreement.

"Servicing Agreement" means the servicing agreement entered into on the Transfer Date between the Originator, the Issuer and the Servicer for the management of the Receivables comprised in the Aggregate Portfolio, as amended on 15 May 2013 and as from time to time modified in accordance with the provisions therein contained, and including any other deed or document expressed to be supplemental thereto.

"Settlement Agreement" means a debt restructuring agreement entered into pursuant to Law No. 3/2012.

"Settlement Date" means the First Settlement Date and thereafter the last calendar day of March, June, September and December in each year.

"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 first Settlement Period commences on the Valuation Date (excluded) and ends on the First Settlement Date (included).

"Settlement Procedure" means the procedure provided for under Law No. 3/2012 in relation to Settlement Agreements.

"Sole Quotaholder" means SVM.

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

"Successor Servicer" means the Back-Up Servicer or the other person appointed from time to time by the Issuer as substitute Servicer pursuant to 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 and the "Nuove Disposizioni di Vigilanza per le Banche" issued by the Bank of Italy by Circular No. 263 of 27 December 2006, as amended and supplemented from time to time.

"Supervisory Regulations for Financial Intermediaries" means the "Istruzioni di Vigilanza per gli Intermediari Finanziari iscritti nell'Elenco Speciale" issued by the Bank of Italy by Circular No. 216 of 5 August 1996, as amended and supplemented from time to time.

"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 1, 31015 Conegliano (Treviso), Italy, Fiscal Code and enrolment with the Companies Register of Treviso No. 03546650262.

"Tax Event" shall have the meaning ascribed to it in Condition 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*).

"Terms and Conditions" means the Senior Notes Conditions and/or the Junior Notes Conditions as the context may require.

"Transaction Documents" means:

- (1) the Transfer Agreement;
- (2) the Warranty and Indemnity Agreement;
- (3) the Servicing Agreement;
- (4) the Corporate Services Agreement;
- (5) the Intercreditor Agreement;
- (6) the Cash Allocation, Management and Payment Agreement;
- (7) the Letter of Undertakings;

- (8) the Quotaholder Agreement;
- (9) the Mandate Agreement;
- (10) the Deed of Pledge;
- (11) the Deed of Charge;
- (12) the Monte Titoli Mandate Agreement;
- (13) the Senior Notes Subscription Agreement;
- (14) the Junior Notes Subscription Agreement;
- (15) the Master Definitions Agreement;
- (16) the Back-Up Servicing Agreement;
- (17) the Terms and Conditions;
- (18) the Prospectus; and
- (19) any other contract, agreement, deed, or document entered into in the context of the Securitisation identified by the relevant parties as a "Transaction Document".

"Transfer Agreement" means the transfer agreement of the Receivables comprised in each Portfolio entered into on the Transfer Date between the Sellers, Alba Leasing and the Issuer, as from time to time modified in accordance with the provisions therein contained and including any other deed or document expressed to be supplemental thereto.

"Transfer Date" means 11 April 2013.

"Transparency Directive" means Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004.

"Trigger Event" means any of the events described in Condition 13.1 (*Trigger Events*).

"Trigger Notice" means the notice described in Condition 13.1 (*Trigger Events*).

"Unwinding and Termination Agreements" means, collectively, the Alba 1 Unwinding and Termination Agreement and the Alba 2 Unwinding and Termination Agreement.

"Usury Law" means, collectively, Italian Law No. 108 of 7 March 1996 and Italian Law No. 24 of 28 February 2001, which converted into law the Law Decree No. 394 of 29 December 2000 (including the provisions of Article 1, paragraphs 2 and 3 of such decree) as amended and supplemented from time to time.

"Valuation Date" means 1 April 2013.

"Warranty and Indemnity Agreement" means the warranty and indemnity agreement entered into on the Transfer Date between the Originator and the Issuer, as amended on 15 May 2013 and as from time to time modified in accordance with the provisions therein contained and including any other deed or document expressed to be supplemental thereof.

3. **FORM, DENOMINATION AND TITLE**

3.1 **Form**

The Senior 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.

3.2 **Denomination**

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

3.3 **Title**

The Senior Notes will be accepted for clearance by Monte Titoli with effect from the Issue Date. The Senior Notes will at all times be evidenced by, and title thereto will be transferable by means of, book entries in accordance with the provisions of (i) Article 83-*bis* of the Financial Laws Consolidated Act; and (ii) Regulation 22 February 2008. No physical document of title will be issued in respect of the Senior Notes.

3.4 **Security Documents**

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

4. **STATUS, PRIORITY AND SEGREGATION**

4.1 **Status**

The Senior Notes constitute secured limited recourse obligations of the Issuer and, accordingly, the extent of the obligation of the Issuer to make payments under the Senior Notes is conditional upon the receipt and recovery by the Issuer of amounts due, and is limited to the extent of any amounts received or recovered by the Issuer, in each case, in respect of the Aggregate Portfolio and the other Issuer's Rights. Notwithstanding any other provision of these Senior Notes Conditions, the obligation of the Issuer to make any payment under the Senior Notes shall be equal to the lesser of (a) the nominal amount of such payment and (b) the Issuer Available Funds which may be applied for the relevant purpose in accordance with the applicable Priority of Payments, provided that if the Issuer Available Funds are insufficient to pay any amount due and payable to the Senior Noteholders on any Payment Date in accordance with the applicable Priority of Payments, the shortfall then occurring will not be due and payable until a subsequent Payment Date on which the Issuer Available Funds may be used for such purpose in accordance with the relevant Priority of Payments and provided however that any claim towards the Issuer shall be deemed waived and cancelled on the Cancellation Date. Without prejudice to the foregoing, any payment obligations of the Issuer under the Senior Notes which has remained unpaid to the extent referred to above upon the Cancellation Date, shall be deemed extinguished and the relevant claims irrevocably relinquished, waived and surrendered by the Senior Noteholders to the Issuer and the Senior Noteholders will have no further recourse to the Issuer in respect of such obligations. The Senior 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 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.

4.2 **Segregation**

The Senior Notes are secured by certain assets of the Issuer pursuant to the Security Documents and in addition, by operation of the Securitisation Law, the Issuer's right, title and interest in and to the Aggregate Portfolio is 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 the winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders and the Other Issuer Creditors in accordance with the applicable Priority of Payments and to any third party creditors in respect of costs, fees and expenses incurred by the Issuer to such third party creditors in relation to the Securitisation and to the corporate existence and good standing of the Issuer.

4.3 Ranking

Both prior to and following the service of a Trigger Notice, in respect of the obligations of the Issuer to pay interest and repay principal on the Notes:

- (a) the Series 2013-1-A Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but in priority to the Series 2013-1-B Notes;
- (b) the Series 2013-1-B Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but subordinated to the Series 2013-1-A Notes.

In respect of the obligation of the Issuer to make payments on the Notes, under these Senior Notes Conditions and the Junior Notes Conditions the payment obligations of the Issuer in respect of the Junior Notes are subordinated to its payment obligations in respect of the Senior Notes, the Other Issuer Creditors and any other creditors of the Issuer, as provided by the Priority of Payments. Therefore, in the event that the Issuer sustains losses and is unable to meet in full its obligations in respect of each of its creditors, the first creditors to bear any shortfall shall be the Junior Noteholders.

4.4 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 interests of:

- (a) different Classes of Noteholders, then the Representative of the Noteholders is required to have regard to the interests of the Most Senior Class of Noteholders only;
- (b) the Noteholders and of the Other Issuer Creditors, the Representative of the Noteholders will have regard solely to the interests of the Noteholders.

4.5 Amendments to the Transaction Documents

Any Transaction Document may only be modified with the consent of each party to such document and in accordance with the Intercreditor Agreement and any relevant provisions of the Rules of the Organisation of the Noteholders.

5. COVENANTS

5.1 Covenants by the Issuer

For so long as any amount remains outstanding in respect of the Notes of any Series, the Issuer shall not, save with the prior written consent of the Representative of the Noteholders, or as provided in or contemplated by any of the Transaction Documents:

5.1.1 *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

5.1.2 *Restrictions on activities*

- (a) engage in any activity whatsoever which is not incidental to or necessary in connection with any Further Securitisation or with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage; or
- (b) have any *società controllata* or *società collegata* (as defined in Article 2359 of the Italian Civil Code) or any employees or premises; or
- (c) at any time approve or agree or consent to any act or thing whatsoever which may be materially prejudicial to the interests of the Noteholders under the Transaction Documents and shall not do, or permit to be done, any act or thing in relation thereto which may be materially prejudicial to the interests of the Noteholders under the Transaction Documents; or
- (d) become the owner of any real estate asset; or

5.1.3 *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

5.1.4 *De-registrations*

ask for de-registration from the Register of the *Società Veicolo* held by Bank of Italy, for as long as the Consolidated Banking Act or any other applicable law or regulation requires an issuer of notes issued under the Securitisation Law or companies incorporated pursuant to the Securitisation Law to be registered therein; or

5.1.5 *Borrowings*

incur any indebtedness in respect of borrowed money whatsoever (save for any indebtedness to be incurred in relation to any Further Securitisation) or give any guarantee in respect of indebtedness or of any obligation of any person other than for the purposes of the Securitisation; or

5.1.6 *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

5.1.7 *No variation or waiver*

- (a) permit any of the Transaction Documents to which it is party to be amended, terminated or discharged if such amendment, termination or discharge may materially prejudice the interest of the Noteholders; or
- (b) exercise any powers of consent or waiver pursuant to the terms of any of the Transaction Documents to which it is a party which may materially prejudice the interest of the Noteholders; or
- (c) 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 materially prejudice the interest of the Noteholders; or

5.1.8 *Bank accounts*

have an interest in any bank account other than the Accounts and any bank account to be opened in the context of any Further Securitisation; or

5.1.9 *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

5.1.10 *Centre of interest*

move its "centre of main interest" (as that term is used in Article 3(1) of the EU Insolvency Regulation) outside the Republic of Italy; or

5.1.11 *Branch outside Italy*

establish any branch or "establishment" (as that term is used in Article 2(h) of the EU Insolvency Regulation) outside the Republic of Italy; or

5.1.12 *Corporate formalities*

cease to comply with all corporate formalities necessary to ensure its corporate existence and good standing; or

5.1.13 *Separateness covenants*

cease to maintain corporate records, financial statements or books of account separate from those of any other person or entity;

5.2 **Further Securitisations**

5.2.1 *Further Securitisation*

Nothing in these Senior Notes Conditions or the Transaction Documents shall prohibit the Issuer from:

- (a) acquiring, or financing pursuant to Article 7 of the Securitisation Law, by way of separate transactions unrelated to this Securitisation, further portfolios of monetary

claims in addition to the Receivables either from the Originator or from any other entity;

- (b) securitising such further portfolios (each, a "**Further Securitisation**") through the issue of further debt securities additional to the Notes (the "**Further Notes**");
- (c) entering into agreements and transactions, with the Originator or any other entity, that are incidental to or necessary in connection with such Further Securitisation including, *inter alia*, the ring-fencing or the granting of security over such further portfolios and any right, benefit, agreement, instrument, document or other asset of the Issuer relating thereto to secure such Further Notes (the "**Further Security**"),

provided that:

- (i) the Issuer confirms in writing to the Representative of the Noteholders that such Further Security does not comprise or extend over any of the Receivables or any of the other Issuer's Rights;
- (ii) the Issuer confirms in writing to the Representative of the Noteholders that the terms and conditions of the Further Notes contain provisions to the effect that the obligations of the Issuer whether in respect of interest, principal, premium or other amounts in respect of such Further Notes, are limited recourse obligations of the Issuer, limited to some or all of the assets comprised in such Further Security;
- (iii) the Issuer confirms in writing to the Representative of the Noteholders that each party to such Further Securitisation agrees and acknowledges that the obligations of the Issuer to such party in connection with such Further Securitisation are limited recourse obligations of the Issuer, limited to some or all of the assets comprised in such Further Security and that each creditor in respect of such Further Securitisation or the representative of the holders of such Further Notes has agreed to limitations on its ability to take action against the Issuer, including in respect of insolvency proceedings relating to the Issuer, on terms in all significant respects equivalent to those contained in the Intercreditor Agreement;
- (iv) the Issuer has requested and obtained a written confirmation from the Rating Agencies that such Further Securitisation shall not adversely affect the rating assigned to the Senior Notes;
- (v) the Issuer confirms in writing to the Representative of the Noteholders that the terms and conditions of such Further Notes will include:
 - (1) covenants by the Issuer in all significant respects equivalent to those covenants provided in paragraphs (i) to (iv) above; and
 - (2) provisions which are the same as or, in the sole discretion of the Representative of the Noteholders, equivalent to this provision; and
- (vi) the Representative of the Noteholders is satisfied that conditions (i) to (v) of this provision have been satisfied.

5.2.2 *Confirmation to the Representative of the Noteholders*

In giving any confirmation on the foregoing, the Representative of the Noteholders may

require the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents (as may itself consent thereto on behalf of the Noteholders) or may impose such other conditions or requirements as the Representative of the Noteholders may deem expedient or appropriate (in its reasonable discretion) in the interests of the Noteholders and may rely on any written confirmation from the Issuer or as to the matters contained therein.

For the avoidance of doubt, the provisions contained in Article 29 (*Exoneration of the Representative of the Noteholders*) of the Rules of the Organisation of the Noteholders will also apply (where appropriate) to the Representative of the Noteholders when acting under this Condition 5.2.

6. PRIORITY OF PAYMENTS

6.1 Pre-Enforcement Priority of Payments

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

- (i) *First*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Expenses (to the extent that amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Settlement Period);
- (ii) *Second*, to credit into the Expenses Account the amount necessary to bring the balance of such account up to (but not in excess of) the Retention Amount;
- (iii) *Third*, to pay the remuneration due to the Representative of the Noteholders and to pay any indemnity amounts properly due under and any proper costs and expenses incurred by the Representative of the Noteholders under the provisions of, or in connection with, any of the Transaction Documents;
- (iv) *Fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any amount due and payable on account of remuneration, indemnities or proper costs and expenses incurred by the relevant Agent on such Payment Date to the Account Bank, the Custodian Bank, the Cash Manager, the Irish Agent, the Computation Agent, the Paying Agent, the Corporate Servicer, the Servicer and the Back-Up Servicer;
- (v) *Fifth*, to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Series 2013-1-A Notes on such Payment Date;
- (vi) *Sixth*, until the Release Date (excluded), to credit into the Debt Service Reserve Account the amount necessary to bring the balance of such account up to (but not in excess of) the Debt Service Reserve Amount;
- (vii) *Seventh*, to repay, *pari passu* and *pro rata*, the outstanding principal of the Series 2013-1-A Notes in an amount equal to the Class A Notes Formula Redemption Amount on such Payment Date;
- (viii) *Eighth*, to pay, *pari passu* and *pro rata*, according to the respective amounts thereof, any amounts (other than the amounts specifically provided in this Pre-Enforcement Priority of Payments) due and payable by the Issuer to the Other Issuer Creditors pursuant to the

Transaction Documents;

- (ix) *Ninth*, if the Cash Trapping Condition is satisfied or the Series 2013-1-A Notes have been redeemed in full, to pay, *pari passu* and *pro rata* the Series 2013-1-B Notes Interest Amount due and payable on such Payment Date, otherwise if the Cash Trapping Condition is not satisfied, all Issuer Available Funds after payments from item (i) to item (viii) will be credited into the Payments Account;
- (x) *Tenth*, to the extent that the Senior Notes have been fully redeemed, to repay in full, *pari passu* and *pro rata*, the outstanding principal of the Series 2013-1-B Notes on such Payment Date;
- (xi) *Eleventh*, to pay, *pari passu* and *pro rata*, any Additional Remuneration on the Series 2013-1-B Notes.

The Issuer shall, if necessary, make the payments set out under items First and Second above also during the relevant Interest Period.

6.2 Post-Enforcement Priority of Payments

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

- (i) *First*, if the relevant Trigger Event is not an Insolvency Event, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Expenses (to the extent that amounts standing to the credit of the Expenses Account have been insufficient to pay such Expenses during the immediately preceding Interest Period);
- (ii) *Second*, if the relevant Trigger Event is not an Insolvency Event, to credit into the Expenses Account the amount necessary to bring the balance of such account up to (but not in excess of) the Retention Amount;
- (iii) *Third*, to pay, *pari passu* and *pro rata*, according to the respective amount thereof, the remuneration due to the Representative of the Noteholders and to pay any indemnity amounts properly due under and any proper costs and expenses incurred by the Representative of the Noteholders under the provisions of, or in connection with, any of the Transaction Documents;
- (iv) *Fourth*, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any amount due and payable on account of remuneration, indemnities or proper costs and expenses incurred by the relevant Agent on such Payment Date to the Account Bank, the Custodian Bank, the Cash Manager, the Irish Agent, the Computation Agent, the Paying Agent, the Corporate Servicer, the Servicer and the Back-Up Servicer;
- (v) *Fifth*, to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Series 2013-1-A Notes on such Payment Date;
- (vi) *Sixth*, to pay, *pari passu* and *pro rata*, all amounts in respect of principal outstanding on the Series 2013-1-A Notes;
- (vii) *Seventh*, to pay, *pari passu* and *pro rata*, according to the respective amounts thereof, any

amounts (other than the amounts specifically provided in this Post-Enforcement Priority of Payments) due and payable by the Issuer to the Other Issuer Creditors pursuant to the Transaction Documents;

- (viii) *Eighth*, if the Cash Trapping Condition is satisfied or the Series 2013-1-A Notes have been redeemed in full, to pay, *pari passu and pro rata*, the Series 2013-1-B Notes Interest Amount due and payable on such Payment Date, otherwise if the Cash Trapping Condition is not satisfied, all Issuer Available Funds after payments from item (i) to item (vii) will be credited into the Payments Account;
- (ix) *Ninth*, to pay, *pari passu and pro rata*, to the extent that the Senior Notes have been redeemed in full, all amounts outstanding in respect of principal due and payable on the Series 2013-1-B Notes; and
- (x) *Tenth*, to pay *pari passu and pro rata*, any Additional Remuneration on the Series 2013-1-B Notes.

The Issuer shall, if necessary, make the payments set out under items First and Second above also during the relevant Interest Period.

7. INTEREST

7.1 Payment Dates and Interest Periods

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

The First Payment Date will be the Payment Date falling in July 2013 in respect of the Initial Interest Period.

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*).

7.2 Rate of Interest

The rate of interest applicable from time to time in respect of the Senior 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 Senior Notes for each Interest Period shall be the aggregate

of:

- (a) the EURIBOR (except that for the Initial Interest Period in respect of the Senior Notes where an interpolated interest rate based on 2 months and 3 month deposits will be substituted for EURIBOR); and
- (b) the following margin: 1.50 per cent. *per annum*.

7.3 **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 Senior 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); and
- (b) calculate the Euro amount (the "**Interest Amount**") that will accrue on the Senior Notes in respect of the Interest Period beginning after such Interest Determination Date pursuant to Condition 7.2 (*Rate of Interest*). The Interest Amount payable in respect of any Interest Period in respect of the Senior Notes shall be calculated by applying the relevant Rate of Interest to the Principal Amount Outstanding of the Senior Notes on the Payment Date (or, in the case of the Initial Interest Period, the Issue Date), at the commencement of such Interest Period (after deducting therefrom any payment of principal due 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).

7.4 **Publication of the Rate of Interest and the Interest Amount**

The Paying Agent shall cause the Rate of Interest, the Relevant Margin and the Interest Amount applicable to the Senior Notes for each Interest Period (specifying (i) the Payment Date to which such Interest Amount refers; (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 Account Bank, the Custodian Bank, the Computation Agent, the Cash Manager, the Corporate Servicer, the Irish Stock Exchange and the Rating Agencies, 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.

7.5 **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 for the Senior Notes in accordance with the foregoing provisions of this Condition 7 (*Interest*), the Representative of the Noteholders as legal representative of the Organisation of the Noteholders shall:

- (i) determine the Rate of Interest for the Senior Notes at such rate as (having regard to the procedure described above) it shall consider fair and reasonable in all the circumstances; and/or
- (ii) calculate the Interest Amount for the Senior Notes in the manner specified in Condition 7.3 (*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.

7.6 Notifications to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7 (*Interest*), whether by the Reference Banks (or any of them), the Paying Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful misconduct (*dolo*) or gross negligence (*colpa grave*)) be binding on the Reference Banks, the Paying Agent, the Computation Agent, the Issuer, the Account Bank, the Representative of the Noteholders and all Senior Noteholders and (in such absence as aforesaid) no liability to the Senior Noteholders shall attach to the Reference Banks, the 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.

7.7 Reference Banks and Paying Agent

The Issuer shall ensure that, so long as any of the Senior Notes remain outstanding, there shall at all times be three Reference Banks and a Paying Agent. The initial Reference Banks shall be JP Morgan Chase, BNP Paribas S.A. and 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*).

7.8 Unpaid Interest with respect to the Senior Notes

Without prejudice to Condition 13.1(a) (*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 Senior 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 Senior Notes Conditions as if it were, Interest Amount accrued on the Senior 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 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.

8. REDEMPTION, PURCHASE AND CANCELLATION

8.1 Final Maturity Date

8.1.1 Unless previously redeemed in full or cancelled in accordance with this Condition 8 (*Redemption, Purchase and Cancellation*), the Senior Notes are due to be repaid in full at

their Principal Amount Outstanding (together with interest accrued thereon) on the Final Maturity Date.

- 8.1.2 The Issuer may not redeem the Senior Notes in whole or in part prior to the Final Maturity Date except as provided below in Condition 8.2 (*Redemption, Purchase and Cancellation - Mandatory Redemption*), 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) and 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*), but without prejudice to Condition 13 (*Trigger Events*).

8.2 **Mandatory Redemption**

The Notes of each Series will be subject to mandatory redemption in full (or in part *pro rata*) on any Payment Date, in each case if and to the extent that, on such dates, there are sufficient Issuer Available Funds (including, for the avoidance of doubt, proceeds deriving from any sale of the Aggregate Portfolio) which may be applied towards redemption of the Notes, in accordance with the applicable Priority of Payments set out in Condition 6 (*Priority of Payments*).

8.3 **Optional Redemption**

Unless previously redeemed in full, the Issuer may redeem the Notes (in whole but not in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon up to the date fixed for redemption and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with each Series of Notes (or, with the prior consent of the Junior Noteholders, may redeem the Senior Notes (in whole) and the Junior Notes (in whole or in part) and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with the relevant Notes to be redeemed), on any Payment Date, in accordance with this Condition 8.3, provided that the Issuer has certified to the Representative of the Noteholders and produced evidence acceptable to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all its outstanding liabilities in respect of the relevant Notes to be redeemed and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with such Notes.

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*).

The Issuer may obtain the necessary funds in order to effect the early redemption of the Notes in accordance with this Condition 8.3 through the sale of all or part of the Aggregate Portfolio to Alba Leasing, subject to the terms of the Intercreditor Agreement, and the relevant sale proceeds shall form part of the Issuer Available Funds. In this respect the Originator has been granted with an option right to purchase the Aggregate Portfolio in accordance with the terms and conditions provided by the Intercreditor Agreement.

8.4 **Redemption for Taxation**

- 8.4.1 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) the Issuer or any other person would be required to deduct or withhold (other than in respect of a Decree 239 Deduction) from any payment of principal or interest on any Series of Notes (the "**Affected Series**"), any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever

nature imposed, levied, collected, withheld or assessed by Italy or any political or administrative sub-division thereof or any authority thereof or therein (or that amounts payable to the Issuer in respect of the Aggregate Portfolio would be subject to withholding or deduction) (hereinafter, the "**Tax Event**"); and

- (b) the Issuer will have the necessary funds (not subject to the interests of any other person) to discharge all of its outstanding liabilities in respect of the Notes of the Affected Series to be redeemed and any amount required to be paid, according to the Priority of Payments in priority to or *pari passu* with the Notes of the Affected Series to be redeemed,

then the Issuer may, on any such Payment Date at its option having given not less than 30 days' prior notice to the Representative of the Noteholders in writing and to the Noteholders in accordance with Condition 16 (*Notices*), redeem the Notes of the Affected Series (if the Affected Series is the Senior Notes, in whole but not in part or, if the Affected Series is the Junior Notes, in whole or, subject to the Junior Noteholders' consent, in part) at their Principal Amount Outstanding together with all accrued but unpaid interest thereon up to and including the relevant Payment Date, in accordance with this Condition 8.4.

- 8.4.2 In addition, following the occurrence of a Tax Event, the Issuer may, or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders) direct the Issuer to dispose of the Aggregate Portfolio, or any part thereof, to finance the early redemption of the Notes in accordance with this Condition 8.4 subject to the terms and conditions of the Intercreditor Agreement, provided that the Originator shall have in such circumstance a pre-emption right to purchase the Aggregate Portfolio at the terms and conditions specified in the Intercreditor Agreement.

8.5 **Calculation of Issuer Available Funds and Principal Amount Outstanding**

- 8.5.1 On each Payments Report Date immediately preceding a Payment Date (on the basis, *inter alia*, of (i) the information set out in the Quarterly Settlement Report provided by the Servicer, (ii) the information set out in the Custodian Bank Report provided by the Custodian Bank, (iii) the statements and the balances provided by Account Bank in relation to the Accounts held with it, (iv) the amounts of costs, expenses, fees to be paid on the relevant Payment Date to be provided by the Corporate Servicer, (v) the Rate of Interest and the Interest Amount payable on the Notes to be provided by the Paying Agent), the Computation Agent shall determine, *inter alia*:

- (i) the amount of any principal payment due to be made on the Notes of each Class on the next following Payment Date;
- (ii) 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);
- (iii) the amount of the Debt Service Reserve Amount;
- (iv) the Issuer Available Funds;
- (v) the Additional Remuneration; and

(vi) all other payments due to be done by the Issuer on the immediately following Payment Date.

8.5.2 Each determination by (or on behalf of) the Issuer under this Condition 8.5 shall in each case, in the absence of wilful misconduct (*dolo*) or gross negligence (*colpa grave*), be final and binding on all persons.

8.5.3 The Issuer will, on each Payments Report Date, cause the determination of a principal payment on the Senior Notes (if any) and Principal Amount Outstanding of the Senior Notes to be notified by the Computation Agent (through the Payments Report) to the Representative of the Noteholders, the Servicer, the Paying Agent, the Account Bank, the Custodian Bank, the Cash Manager, the Corporate Servicer, the Originator and the Rating Agencies. The Issuer will cause notice of each determination of a principal payment on the Senior Notes and of Principal Amount Outstanding of the Senior Notes to be given to Monte Titoli, Euroclear and Clearstream in accordance with Condition 16 (*Notices*).

8.5.4 If no principal payment on the Senior Notes or Principal Amount Outstanding on the Senior Notes is determined by or on behalf of the Issuer in accordance with the preceding provisions of this Condition 8.5, such principal payment on the Senior Notes and Principal Amount Outstanding on the Senior Notes shall be determined by the Paying Agent in accordance with this Condition 8 and each such determination or calculation shall be deemed to have been made by the Issuer.

8.5.5 Should the Computation Agent not receive the Quarterly Settlement Report within the third Business Day following the Quarterly Settlement Report Date, it shall prepare the relevant Payments Report by applying any amount standing to the credit of the Issuer's Accounts to pay item from (first) to (seventh) of the Pre-Enforcement Priority of Payments (provided that, in respect to any amount to be calculated on the basis of the Quarterly Settlement Report, the Computation Agent shall take into account the amounts indicated in the latest available Quarterly Settlement Report (the "**Latest Report**")).

The Computation Agent shall not be liable for any liability suffered or incurred by any other Party or by any Other Issuer Creditor as a result of taking into account the amounts indicated in the Latest Report. In addition, the Parties agree that the Computation Agent on the immediately following Payments Report Date, subject to having received the relevant Quarterly Settlement Report, shall prepare a Payments Report which shall provide for the necessary adjustment in respect of payments made on the basis of the Latest Report and in respect of amounts unpaid in the preceding Payment Date.

8.5.6 If the Computation Agent fails to prepare a Payments Report or a Post Trigger Report, such Payments Report or Post Trigger Report will be prepared by the Representative of the Noteholders without incurring, in the absence of wilful default (*dolo*) or gross negligence (*colpa grave*), any liability to any person as a result of doing so.

8.6 Notice of redemption

Any notice of redemption, including those as set out in Condition 8.3 (*Redemption, Purchase and Cancellation - Optional Redemption*) and 8.4 (*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 Senior Notes in accordance with this Condition 8 (*Redemption, Purchase and Cancellation*).

8.7 No purchase by Issuer

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

8.8 Cancellation

8.8.1 The Notes shall be cancelled on the Cancellation Date, being 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 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 any amount outstanding, whether in respect of interest, principal and/or other amounts in respect of the Notes, shall be finally and definitively cancelled.

8.8.2 Upon cancellation the Notes may not be resold or re-issued.

9. NON PETITION AND LIMITED RECOURSE

9.1 Non Petition

The Representative of the Noteholders only may pursue the remedies available under 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, save as provided by the Rules of the Organisation of the Noteholders. In particular no Noteholder:

- (a) is entitled, save as expressly permitted by the Transaction Documents, to direct the Representative of the Noteholders to enforce the Security or take any proceedings against the Issuer to enforce the Security;
- (b) shall, save as expressly permitted by the Transaction Documents, have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to it;
- (c) shall be entitled, until the date falling one year and one day after the date on which all the Notes and any other notes issued 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) shall be entitled to take or join in the taking of any corporate action, legal proceeding or other procedure or step which would result in the Priority of Payments not being complied with.

9.2 Limited recourse obligations of Issuer

Notwithstanding any other provision of the Transaction Documents, all obligations of the Issuer to

the Noteholders are limited in recourse as set out below:

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

10. PAYMENTS

10.1 Payments through Monte Titoli, Euroclear and Clearstream

Payment of principal and interest in respect of the Senior Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent on behalf of the Issuer to the accounts of the relevant Monte Titoli Account Holder and thereafter credited by such Monte Titoli Account Holder from such aforementioned accounts to the accounts of the beneficial owners of those Senior Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear and Clearstream.

10.2 Payments subject to tax laws

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

10.3 Payments on business days

Noteholders will not be entitled to any interest or other payment in consequence of any delay after the due date in receiving any amount due as a result of the due date not being a business day in the place of payment to such Noteholder (or the relevant Monte Titoli Account Holder).

10.4 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 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 Payment Agreement and notice of such appointment has been given to the Noteholders in accordance with Condition 16 (*Notices*) and to the Rating Agencies.

11. TAXATION

All payments in respect of the Senior Notes will be made without withholding or deduction for or on account of any present or future taxes, duties or charges of whatsoever nature other than a Decree 239 Deduction or any other withholding or deduction required to be made by applicable law. Neither the Issuer nor any other person shall be obliged to pay any additional amount to any holder of Notes on account of such withholding or deduction.

12. **PRESCRIPTION**

Claims against the Issuer for payments in respect of the Senior Notes shall be prescribed and shall become void unless made within 10 years (in the case of principal) or 5 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.

13. **TRIGGER EVENTS**

13.1 **Trigger Events**

The occurrence of any of the following events shall constitute a Trigger Event:

- (a) *Non-payment*:
 - (i) on any Payment Date (provided that a 3 Business Days' grace period shall apply) the amount paid by the Issuer as interest on the Most Senior Class of Notes is lower than the relevant Interest Amount; or
 - (ii) on the Final Maturity Date (provided that a 5 Business Days' grace period shall apply) the Issuer defaults in the payment of the amount of principal due and payable on the Senior Notes; or
- (b) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its obligations under or in respect of the 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 requiring remedy; or
- (d) *Insolvency of the Issuer*: an Insolvency Event occurs in respect of the Issuer; or
- (e) *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its material obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party when compliance with such obligations is deemed by the Representative of the Noteholders to be material.

13.2 **Trigger Notice**

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

- (a) in the case of a Trigger Event under Condition 13.1 (a) or (e) above, shall; and/or
- (b) in the case of a Trigger Event under Condition 13.1 (b) or (c) above, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, shall; and/or
- (c) in the case of a Trigger Event under Condition 13.1 (d) above, may at its sole discretion or shall, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders,

serve a Trigger Notice to the Issuer. Upon the service of a Trigger Notice, the Issuer Available Funds shall be applied in accordance with Condition 6.2 (*Priority of Payments – 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 Most Senior Class of Noteholders) direct the Issuer to dispose of the Aggregate Portfolio, subject to the terms and conditions of the Intercreditor Agreement, provided that the Originator shall have in such circumstance a pre-emption right to purchase the Aggregate Portfolio at the terms and conditions specified in the Intercreditor Agreement.

14. ACTIONS FOLLOWING THE SERVICE OF A TRIGGER NOTICE

14.1 Actions of the Representative of the Noteholders

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 Most Senior Class of Noteholders, take such steps and/or institute such proceedings against the Issuer as it may think fit to ensure repayment of the Senior Notes and payment of accrued interest thereon in accordance with the Priority of Payments set out in Condition 6.2 (*Priority of Payments - Post-Enforcement Priority of Payments*).

14.2 Notifications, determinations and liability of the Representative of the Noteholders

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Condition 13 (*Trigger Events*) or this Condition 14 (*Actions following the service of a Trigger Notice*) by the Representative of the Noteholders shall (in the absence of wilful misconduct (*dolo*) or gross negligence (*colpa grave*)) be binding on the Issuer and all Senior Noteholders and (in such absence as aforesaid) no liability to the Senior Noteholders or the Issuer shall attach to the Representative of the Noteholders in connection with the exercise or non-exercise by it of its powers, duties and discretion hereunder.

14.3 Actions against the Issuer

No Noteholder shall be entitled to proceed directly against the Issuer save as provided in these Senior Notes Conditions and the Rules of the Organisation of the Noteholders.

15. THE REPRESENTATIVE OF THE NOTEHOLDERS

15.1 The Organisation 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.

15.2 Appointment of the Representative of the Noteholders

Pursuant to the Rules of the Organisation of the Noteholders, for so long as any Senior 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 who has been appointed by the initial holder of the Senior Notes at the time of the issue of the Senior Notes, subject to and in accordance with the provisions of the Senior Notes Subscription Agreement. Each Senior 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 can be removed by the Noteholders at any time, provided a successor Representative of the Noteholders is appointed and can resign at any time. Such successor to the Representative of the Noteholders shall be:

- (a) a bank incorporated in any jurisdiction of the European Union or a bank incorporated in any other jurisdiction acting through an Italian branch or through a branch situated in a European Union country; or
- (b) a company or financial institution registered under Article 106 of the Consolidated Banking Act; or
- (c) any other entity permitted by specific provisions of Italian law applicable to the securitisation of monetary rights and/or by any regulations, instructions, guidelines and/or specific approvals issued by the competent Italian supervising authorities.

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

Any notice regarding the Senior Notes, as long as the Senior Notes are held through Monte Titoli, shall be deemed to have been duly given if given through the systems of Monte Titoli and, in relation to the Senior Notes and as long as the Senior Notes are listed on the Irish Stock Exchange and the rules of such exchange so require, if published on the website of the Irish Stock Exchange (www.ise.ie) or in accordance with the rules of the Irish Stock Exchange and shall also be considered duly made for the purposes of Directive 2004/109/EC. 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 one of the manners referred to above.

16.2 Alternative methods of notice

The Representative of the Noteholders shall be at liberty to sanction some other method of giving notice to the Senior Noteholders if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Senior Notes are then listed and provided that notice of such other method is given to the Senior Noteholders in such manner as the Representative of the Noteholders shall require and in accordance with the rules of the stock exchange on which the Senior Notes are then listed.

17. GOVERNING LAW AND JURISDICTION

17.1 Governing law of the Notes

The Notes and all non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with Italian Law.

17.2 Governing law of the Transaction Documents

All the Transaction Documents (except for the Deed of Charge and the provisions of the Cash Allocation, Management and Payment Agreement concerning the establishment, maintenance and operation of the Investment Account) and all non-contractual obligations arising in any way whatsoever out of or in connection with them are governed by and shall be construed in accordance with Italian Law.

The Deed of Charge and the provisions of the Cash Allocation, Management and Payment Agreement concerning the establishment, maintenance and operation of the Investment Account and all non-contractual obligations arising in any way whatsoever out of or in connection with them are governed by and shall be construed in accordance with English Law.

17.3 Jurisdiction

Any dispute arising from the interpretation and execution of these Senior Notes Conditions or from the legal relationships established by (including in relation to any non-contractual obligations arising in any way whatsoever out of or in connection with) these Senior Notes and these Senior Notes Conditions, will be submitted to the exclusive jurisdiction of the Courts of Milan.

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

TITLE I
GENERAL PROVISIONS

Article 1

General

The Organisation of the Noteholders is created concurrently with the issue by Alba 5 SPV S.r.l. of and subscription for the Euro 450,000,000 Series 2013-1-A Asset Backed Floating Rate Notes due April 2040 and the Euro 230,000,000 Series 2013-1-B Asset Backed Floating Rate Notes due April 2040 and is governed by these Rules of the Organisation of the Noteholders (the "**Rules**").

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

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

Article 2

Definitions

Unless otherwise provided in these Rules, any capitalised term shall have the meaning attributed to it in the Terms and Conditions.

Any reference herein to an "**Article**" shall be a reference to an article of these Rules.

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

"**Basic Terms Modification**" means any proposed modification which results in:

- (a) a change in the date of maturity of the Notes of any Class;
- (b) a change in any date fixed for the payment of principal or interest in respect of the Notes of any Class;
- (c) the reduction, cancellation or annulment of the amount of principal or interest payable on any date in respect of the Notes of any Class (other than any reduction, cancellation or annulment permitted under the relevant Terms and Conditions) or any alteration in the method calculating the amount of any payment in respect of the Notes of any Class on redemption or maturity;
- (d) a change in the quorum required at any Meeting or the majority required to pass any Resolution;
- (e) a change in the currency in which payments are due in respect of any Class of Notes;
- (f) an alteration of the priority of payments of interest or principal in respect of any of the Notes;
- (g) 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.

"**Block Voting Instruction**" means in relation to a Meeting, the instruction issued by the Paying Agent (a) certifying, inter alia, that such authorised institution has been instructed by the holder of the relevant Notes to cast the votes attributable to such Notes (the "**Blocked Notes**") in a particular way on each resolution to be put to the relevant Meeting and that during the period of 48 hours before the time fixed for the Meeting such instructions may not be amended or revoked and (b) authorising a Proxy to vote in accordance with such instructions.

"**Chairman**" means, in relation to any Meeting, the individual who takes the chair in accordance with Title II, Article 8 of these Rules.

"**Extraordinary Resolution**" means a resolution passed at a Meeting, duly convened and held in accordance with the

provisions contained in these Rules, by a majority of not less than three quarters of the votes cast.

"Issuer" means Alba 5 SPV S.r.l.

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

"Monte Titoli" means Monte Titoli S.p.A.

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

"Ordinary Resolution" means a resolution passed at a Meeting, duly convened and held in accordance with the provisions contained in these Rules, by a majority of the votes cast.

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

"Proxy" means any person to which the powers to vote at a Meeting have been duly granted.

"Relevant Fraction" means

- (a) for voting on an Ordinary Resolution, one-half of the Principal Amount Outstanding of the outstanding Notes of each relevant Class;
- (b) for voting on any Extraordinary Resolution other than one relating to a Basic Terms Modification, two-thirds of the Principal Amount Outstanding of the outstanding Notes of each relevant Class; and
- (c) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, (which must be proposed separately to each Class of Noteholders) three-quarters of the Principal Amount Outstanding of the outstanding Notes of each relevant Class;

provided, however, that, in the case of a Meeting postponed pursuant to Article 10, it shall mean:

- (a) for all voting other than on an Extraordinary Resolution relating to a Basic Terms Modification, the fraction of the Principal Amount Outstanding of the outstanding Notes represented or held by Voters present at the Meeting; and
- (b) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, one-half of the Principal Amount Outstanding of the outstanding Notes in that Class.

"Regulation 22 February 2008" means the resolution dated 22 February 2008 jointly issued by the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") and the Bank of Italy.

"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 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.

"Written Resolution" means a resolution in writing signed by or on behalf of all Noteholders of the relevant Class or Classes who at that time are entitled to participate in a Meeting in accordance with the provisions of these Rules, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more of such Noteholders.

"24 hours" means a period of 24 hours including all or part of a day on which banks are open for business both in the

place where any relevant Meeting is to be held and in the place where the Paying Agent has its specified office.

"48 hours" means 2 consecutive periods of 24 hours.

Article 3

Purpose of the Organisation

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

The purpose of the Organisation of the Noteholders is to co-ordinate the exercise of the rights of the Noteholders and, more generally, to take any action necessary or desirable to protect the interests of the Noteholders.

TITLE II

MEETINGS OF NOTEHOLDERS

Article 4

General Provisions

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 Senior Noteholders and the Junior Noteholders may be held to consider the same resolution and/or, as the case may be, the same Extraordinary Resolution and the provisions of these Rules shall apply mutatis mutandis thereto.

Subject to Article 20 below, the following provisions shall apply where outstanding Notes belong to more than one Class:

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

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

Article 5

Voting Certificates and Validity of the Proxies and Voting Certificates

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 at any time prior to the time fixed for such Meeting.

A Block Voting Instruction or a Voting Certificate shall be valid only if it is deposited at the specified office of the Representative of the Noteholders, or at any other place approved by the Representative of the Noteholders, at any time prior to the time fixed for a Meeting. If the Representative of the Noteholders requires satisfactory proof of the identity of each Proxy named in the relevant Voting Certificate or Block Voting Instruction, such proof 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.

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

Article 6

Convening the Meeting

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

The Representative of the Noteholders shall convene a Meeting at any time, if it is requested to do so in writing by Noteholders representing at least one-tenth of the aggregate Principal Amount Outstanding of all the Notes then outstanding.

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.

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

Article 7

Notices

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.

The notice shall set out the full text of any resolution to be proposed at the Meeting unless the Representative of the Noteholders agrees that the notice shall instead specify the nature of the resolution without including the full text.

A Meeting is validly held, notwithstanding the formalities required by this Article 7 are not complied with, if the entire Principal Amount Outstanding of the relevant Class or Classes is represented thereat and the Issuer and the Representative of the Noteholders are present.

Article 8

Chairman of the Meeting

The Meeting is chaired by an individual (who may, but need not to 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 is not present within 15 minutes after the time fixed for the Meeting, the Meeting shall be chaired by the person elected by the majority of the Voters present, failing which, the Issuer shall appoint a Chairman.

The Chairman 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.

The Chairman may be assisted by outside experts or technical consultants, specifically invited to assist in any given matter, and may appoint one or more vote-counters, who are not required to be Noteholders.

Article 9

Quorum

The quorum at any Meeting shall be at least one Voter representing or holding not less than the Relevant Fraction of the aggregate Principal Amount Outstanding of the Notes of the relevant Class or Classes.

Article 10

Adjournment for lack of quorum

If a quorum is not present within 15 minutes after the time fixed for any Meeting:

- (a) if such Meeting was requested by Noteholders, the Meeting shall be dissolved; or
- (b) otherwise, the Meeting (unless the Issuer and the Representative of the Noteholders otherwise agree) shall be adjourned to a new date no earlier than 14 days after and no later than 42 days after the original date of such Meeting, and to such place as the Chairman determines with the approval of the Representative of the Noteholders provided that no meeting may be adjourned more than once for want of quorum.

Article 11

Adjourned Meeting

Except as provided in Article 10, 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.

Article 12

Notice following adjournment

If a Meeting is adjourned in accordance with the provisions of Article 10 above, Articles 6 and 7 above shall apply to the resumed meeting except:

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

It shall not be necessary to give notice to resume any Meeting adjourned for reasons other than those described in Article 10.

Article 13

Participation

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

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

Article 14

Voting by show of hands

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

If before the vote by show of hands the Chairman or one or more Voters who represent or hold at least one-tenth of the aggregate Principal Amount Outstanding of the relevant Class or Classes request to vote pursuant to Article 15 below the question shall be voted on in compliance with the provisions of Article 15. No request to vote by poll shall hinder the continuation of the Meeting in relation to the other items on the agenda.

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

Article 15

Voting by poll

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

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

Article 16

Votes

Each Voter shall have:

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

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

Article 17

Voting by Proxy

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

Unless revoked, the appointment of a Proxy in relation to a Meeting shall remain valid also in relation to a resumption of such Meeting following an adjournment, unless such Meeting was adjourned pursuant to Article 10. If a Meeting is adjourned pursuant to Article 10, any person appointed to vote in such Meeting must be appointed again by virtue of a Block Voting Instruction or Voting Certificate to vote at the resumed Meeting.

Article 18

Ordinary Resolutions

Save as provided by Article 19 and subject to the provisions of Article 20, a Meeting shall have the exclusive power exercisable by Ordinary Resolution to:

- (a) waive (including to waive a prior breach) any breach by the Issuer of its obligations arising under the Transaction Documents or the Notes, or waive a Trigger Event, if such waivers are not previously authorised by the Representative of the Noteholders in accordance with the Transaction Documents; and
- (b) determine any other matters submitted to the Meeting in accordance with the provisions of these Rules and the Transaction Documents.

Article 19

Extraordinary Resolutions

A Meeting, subject to Article 20 below, shall have exclusive power exercisable by Extraordinary Resolution only to:

- (a) approve any Basic Terms Modification;
- (b) approve any proposal by the Issuer or the Representative of the Noteholders for any alteration or waiver of the rights of the Noteholders against the Issuer;
- (c) approve any scheme or proposal related to the mandatory exchange or substitution of any Class of Notes;
- (d) approve any amendments of the provisions of (i) these Rules, (ii) the Terms and Conditions, (iii) the Intercreditor Agreement, (iv) the Cash Allocation, Management and Payment Agreement, or (v) any other Transaction Document which shall be proposed by the Issuer, the Representative of the Noteholders and/or any other party thereto;
- (e) discharge or exonerate, including prior 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 of the Terms and Conditions, must be granted pursuant to an Extraordinary Resolution (including the issue of a Trigger Notice as a result of a Trigger Event pursuant to Condition 13 (*Trigger Events*));

- (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 24.

Article 20

Relationship between Classes and conflict of interests

No Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes then outstanding.

No Extraordinary Resolution to approve any matter other than a Basic Terms Modification of any Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes ranking senior to such Class (to the extent that there are Notes outstanding ranking senior to such Class).

Any resolution passed at a Meeting of the Noteholders of one or more Classes of Notes duly convened and held in accordance with these Rules shall be binding upon all Noteholders of such Class or Classes, whether or not present at such Meeting and whether or not dissenting and whether or not voting and, except in the case of meeting relating to a Basic Term Modification:

- (a) any resolution passed at a meeting of the Senior Noteholders duly convened and held as aforesaid shall also be binding upon all the Junior Noteholders; and
- (b) in each case, all of the relevant Classes of Noteholders shall be bound to give effect to any such resolutions accordingly.

If, however, in the opinion of the Representative of the Noteholders, there is a conflict between the interests of the holders of any other Classes of Notes, the Representative of the Noteholders is required to have regard only to the interests of the Senior Noteholders.

For the avoidance of doubt, amendments or modifications which do not affect the payment of interest and/or the repayment of principal in respect of any of the Senior Notes and/or any other 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.

Article 21

Challenge of Resolution

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

Article 22

Minutes

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

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.

Article 23

Written Resolution

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

Article 24

Individual Actions and Remedies

Without prejudice to Condition 9 (*Non Petition and Limited Recourse*), 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 does not object to an individual action or remedy, the Noteholder will not be prohibited from taking such individual action or remedy.

No Noteholder will be permitted to take any individual action or remedy to enforce his/her rights under the Notes or the Transaction Documents unless a Meeting of Noteholders has been held to resolve on such action or remedy in accordance with the provisions of this Article 24.

No Noteholder shall be permitted to take any individual action or remedy to enforce his/her rights under the Notes or the Transaction Documents in the event that such action or remedy would cause or result in a breach of Condition 9.1(c).

Save as provided in this Article 24, 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.

Article 25

Further Regulations

Subject to all other provisions 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

Article 26

Appointment, Removal and Remuneration

The appointment of the Representative of the Noteholders takes place by Extraordinary Resolution of the holders of the Most Senior Class of Notes in accordance with the provisions of this Article 26, except for the appointment of the first Representative of the Noteholders which will be Securitisation Services S.p.A..

The Representative of the Noteholders shall be:

- (a) a bank incorporated in any jurisdiction of the European Union or a bank incorporated in any other jurisdiction acting through an Italian branch or 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.

Unless the Representative of the Noteholders is removed by resolution pursuant to Title II above or it resigns in accordance with Article 28 below, it shall remain in office until full repayment or cancellation of all the Notes. The Noteholders may remove the Representative of the Noteholders by resolution of the holders of the Most Senior Class of Notes at any time.

In the event of a termination of the appointment of the Representative of the Noteholders for any reason whatsoever, such Representative of the Noteholders shall remain in office until a substitute Representative of the Noteholders, which shall be a subject among those listed in (a), (b), and (c) above accepts its appointment, and the powers and authority of the Representative of the Noteholders whose appointment has been terminated shall, pending the acceptance of its appointment by the substitute, be limited to those necessary to perform the essential functions required in connection with the Notes.

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

The Issuer shall pay to the Representative of the Noteholders for its services as Representative of the Noteholders, an 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 Priority of Payments up to (and including) the date when the Notes have been repaid in full or cancelled in accordance with the Terms and Conditions.

Article 27

Duties and Powers of the Representative of the Noteholders

The Representative of the Noteholders is the legal representative of the Organisation of the Noteholders.

The Representative of the Noteholders is responsible for implementing all resolutions of the Noteholders and has the power to exercise the rights conferred on it pursuant to the Transaction Documents in order to protect the interests of the Noteholders. The Representative of the Noteholders has the right to convene Meetings to propose any course of action which it considers from time to time necessary or desirable.

The Representative of the Noteholders may also, whenever it considers it expedient and in the interest of the Noteholders, whether by power of attorney or otherwise, delegate to any person(s) specific activities vested in it as aforesaid. Any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate) as the Representative of the Noteholders may think fit, provided that: (a) the Representative of the Noteholders shall use all reasonable care and skill in the selection of the sub-agent, sub-contractor or representative which must fall within one of the categories set forth in Article 26; and (b) the sub-agent, sub-contractor or representative shall undertake to perform the obligations of the Representative of the Noteholders in respect of which it has been appointed. The Representative of the Noteholders shall not in any case be responsible for any loss and liability incurred by the Issuer as a consequence of any misconduct, omission or default on the part of such delegate or sub-delegate, provided that the Representative of the Noteholders shall use all reasonable care in the appointment of any such delegate and shall be responsible for the instructions given by it to such delegate (*culpa in eligendo*). The Representative of the Noteholders shall as soon as reasonably practicable give notice to the Issuer of the appointment of any delegate and the renewal, extension and termination of such appointment and shall procure that any delegate shall also as soon as reasonably practicable give notice to the Issuer of any sub delegate.

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

Article 28

Resignation of the Representative of the Noteholders

The Representative of the Noteholders may resign at any time by giving at least three calendar months' written notice to the Issuer, without needing to provide any specific reason for the resignation and without being responsible for any costs incurred as a result of such resignation. The resignation of the Representative of the Noteholders shall not become effective until a new Representative of the Noteholders has been appointed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes and such new Representative of the Noteholders has accepted its

appointment 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 26.

Article 29

Exoneration of the Representative of the Noteholders

The Representative of the Noteholders shall not assume any obligations or responsibilities in addition to those expressly provided herein and in the Transaction Documents.

- (a) Without limiting the generality of the foregoing, the Representative of the Noteholders:
- (i) shall not be under any obligation to take any steps to ascertain whether a Trigger Event or any other event, condition or act, the occurrence of which would cause a right or remedy to become exercisable by the Representative of the Noteholders hereunder or under any other Transaction Document has occurred, and until the Representative of the Noteholders has actual knowledge or express notice to the contrary, it shall be entitled to assume that no Trigger Event has occurred;
 - (ii) shall not be under any obligation to monitor or supervise the observance and performance by the Issuer or any other parties of their obligations contained in the Terms and Conditions and hereunder or, as the case may be, in any Transaction Document to which each such party is a party, and until it shall have actual knowledge or express notice to the contrary, the Representative of the Noteholders shall be entitled to assume that the Issuer and each other party to the Transaction Documents are carefully observing and performing all their respective obligations;
 - (iii) except as expressly required in the Rules or any 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 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 Portfolios; 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 Portfolios 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 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 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 Portfolios 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 Portfolios 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 (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 Portfolios and the Notes; and
- (xiii) 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.

(b) The Representative of the Noteholders:

- (i) may agree to any amendment or modification to these Rules or to any of the Transaction Documents which in the opinion of the Representative of the Noteholders, it is expedient to make in order to correct a manifest error or an error of a formal, minor or technical nature. Any such modification shall be binding on the Noteholders and, unless the Representative of the Noteholders otherwise agrees, the Issuer shall procure that such modification be notified to the Noteholders as soon as practicable thereafter;
- (ii) may agree to any amendment or modification or waivers to these Rules (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") or to the Transaction Documents which, in the opinion the Representative of the Noteholders, is not materially prejudicial to the interest of the holders of the Most Senior Class of Notes;
- (iii) may act on the advice of or a certificate or opinion of or any information obtained from any lawyer, accountant, banker, broker, credit or rating 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;
- (iv) may call for, and shall be at liberty to accept as sufficient evidence of any fact or matter, a certificate duly signed by the Issuer, and the Representative of the Noteholders shall not be bound in any such case to call for further evidence or be responsible for any loss that may be incurred as a result of acting on such certificate unless it has information which casts a doubt on the truthfulness of the certificates signed by the Issuer;
- (v) save as expressly otherwise provided herein, shall have absolute discretion as to the exercise, non-exercise or refraining from exercise of any right, power and discretion vested in the Representative of the Noteholders by these Rules or by operation of law, and the Representative of the Noteholders shall not be responsible for any loss, cost, damage, expense or inconvenience resulting from the exercise, non-exercise or refraining from exercise thereof except insofar as the same are incurred as a result of its wilful default (*dolo*) or gross negligence (*colpa grave*);
- (vi) in connection with matters in respect of which the Representative of the Noteholders is entitled to exercise its discretion hereunder, the Representative of the Noteholders has the right - but not the

obligation - to convene a Meeting or Meetings in order to obtain the Noteholders' instructions as to how it should act. Prior to undertaking any action, the Representative of the Noteholders shall be entitled to request that the Noteholders indemnify it and/or provide it with security to its satisfaction against all actions, proceedings, claims and demands which may be brought against it and against all costs, charges, damages, expenses and liabilities which it may incur by taking such action;

- (vii) in order to ascertain ownership of the Notes, may fully rely on the certificates issued by any authorised institution listed in Article 83-quater of the Legislative Decree No. 58 of 24 February 1998, which certificates are conclusive proof of the statements attested to therein;
- (viii) 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;
- (ix) 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 subject party to the Transaction Documents;
- (x) may assume without enquiry that no Notes are, at any given time, held by or for the benefit of the Issuer;
- (xi) shall have the right to call for (or have the Issuer call for) and to rely on written attestations issued by any one of the parties to the Intercreditor Agreement, or by any Other Issuer Creditor or by any rating agency which has assigned a rating to the Senior Notes. The Representative of the Noteholders shall not be required to seek additional evidence and shall not be held responsible for any loss, liability, cost, damage, expense, or charge incurred as a result of having failed to do so; and
- (xii) shall be entitled to assume, for the purposes of exercising any power, authority, duty or discretion under or in relation to these Rules that such exercise will not be materially prejudicial to the interest of the Noteholders if, along with other factors, any rating agency which has assigned a rating to the Senior Notes have confirmed that the then current rating of the Senior Notes would not be adversely affected by such exercise, or have otherwise given their consent. If the Representative of the Noteholders, in order to properly exercise its rights or fulfil its obligations, deems it necessary to obtain the valuation of any rating agency which has assigned a rating to the Senior Notes regarding how a specific act would affect the rating of the Notes, the Representative of the Noteholders shall so inform the Issuer, which will have to obtain the valuation at its expense on behalf of the Representative of the Noteholders, unless the Representative of the Noteholders wishes to seek and obtain the valuation itself.

Any consent or approval given by the Representative of the Noteholders under these Rules and any other Transaction Document may be given on such terms and subject to such conditions (if any) as the Representative of the Noteholders deems appropriate.

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

Article 30

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**".

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

- (a) appoint and entrust the Issuer to collect, on the Secured Noteholders' interest and behalf, any amounts deriving from the 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 Collection Account 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. 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. 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.

Article 31

Indemnity

Pursuant to the Subscription Agreements, the Issuer has covenanted and undertaken to the Representative of the Noteholders to reimburse, pay or discharge (on a full indemnity basis) on written demand, to the extent not already reimbursed, paid or discharged by any Noteholder or any Other Issuer Creditor, all costs, liabilities, losses, charges, expenses, damages, actions, proceedings, claims and demands (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 by any persons appointed by it to whom any power, authority or discretion may be delegated by it, in relation to the preparation and execution of, the exercise or purported exercise of its powers and performance of its duties under, and in any other manner 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 these Rules or the Transaction Documents against the Issuer or any other person for enforcing any obligations due under these Rules, the Notes or the Transaction Documents, except insofar as the same are incurred because of the wilful misconduct (*dolo*) or gross negligence (*colpa grave*) of the Representative of the Noteholders.

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 the Rules except in relation to gross negligence (*colpa grave*) or wilful misconduct (*dolo*) of the Representative of the Noteholders.

TITLE IV

THE ORGANISATION OF THE NOTEHOLDERS AFTER SERVICE OF A TRIGGER NOTICE

Article 32

Powers

It is hereby acknowledged that, upon 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 Portfolios. 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

Article 33

Governing law and Jurisdiction

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

Any dispute arising from the interpretation and execution of these Rules or from the legal relationships established by these Rules, including in relation to any non-contractual obligations arising in any way whatsoever out of or in connection with these Rules, will be submitted to the exclusive jurisdiction of the Courts of Milan.

SELECTED ASPECTS OF ITALIAN LAW

The Securitisation Law

The Securitisation Law was enacted on 30 April 1999 and subsequently amended and was conceived to simplify the securitisation process and to facilitate the increased use of securitisation as a financing technique in the Republic of Italy.

It applies to securitisation transactions involving the "true" sale (by way of non-gratuitous assignment) of receivables, where the sale is to a company created in accordance with Article 3 of the Securitisation Law and all amounts paid by the debtors in respect of the receivables are to be used by the relevant company exclusively to meet its obligations under notes issued to fund the purchase of such receivables and all costs and expenses associated with the securitisation transaction.

As at the date of this Prospectus, no interpretation of the application of the Securitisation Law has been issued by any Italian court or governmental or regulatory authority, except for: (a) regulations issued by the Bank of Italy concerning, *inter alia*, the accounting treatment of securitisation transactions for special purpose companies incorporated under the Securitisation Law, such as the Issuer, and the duties of companies which carry out collection and recovery activities in the context of a securitisation transaction; (b) the Circular No. 8/E issued by *Agenzia delle Entrate* on 6 February 2003 on the tax treatment of the issuers (see paragraph "*Tax treatment of the Issuer*" in the section entitled "*Risk Factors*"); (c) the Decree of the Italian Ministry of Treasury dated 14 December 2006 No. 310 on the covered bonds, as provided by Article 7-bis of the Securitisation Law; and (d) the Decree of the Italian Ministry of Economy and Finance No. 29 of 17 February 2009 on the terms for the registration of the financial intermediaries in the registers held by the Bank of Italy pursuant to Article 106 of the Consolidated Banking Act and the Legislative Decree 13 August 2010 No. 141 which has, *inter alia*, entirely replaced, as from 19 September 2010, Title V of the Consolidated Banking Act, even though the implementing regulations with respect to the amended provisions on the registration of financial intermediaries have not yet been issued by the Bank of Italy. Consequently, it is possible that such or different authorities may issue further regulations relating to the Securitisation Law or the interpretation thereof, the impact of which cannot be predicted by the Issuer as at the date of this Prospectus.

Ring-fencing of the assets

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

Under Italian law, however, any creditor of the Issuer would be able to commence insolvency or winding-up proceedings against the Issuer in respect of any unpaid debt.

The assignment

The assignment of the receivables under the Securitisation Law is governed by Article 58 paragraphs 2, 3 and 4 of the Consolidated Banking Act. The prevailing interpretation of this provision, which view has been strengthened by Article 4 of the Securitisation Law, is that the assignment can be perfected against the assignor, the debtors in respect of the receivables and third party creditors by way of publication of the

relevant notice in the Official Gazette of the Republic of Italy and registration in the Companies Register, so avoiding the need for notification to be served on each debtor.

On the date of publication of the notice in the Official Gazette of the Republic of Italy and registration in the Companies Register, the assignment becomes enforceable against:

- (i) the debtors in respect of the receivables and any creditors of the assignor who have not commenced enforcement proceedings in respect of the relevant receivables prior to the date of publication of the notice and registration in the Companies Register, provided that following the registration of the assignment in the Companies Register and the publication of the notice in the Official Gazette, the claw-back provisions set forth in Article 67 of the Italian Bankruptcy Law will not apply to payments made by any debtor to the purchasing company in respect of the portfolio to which the registration of the assignment and the publication of the notice thereof relate;
- (ii) the liquidator or other bankruptcy official of the debtors in respect of the receivables (so that any payments made by such a debtor to the purchasing company may not be subject to any claw-back action pursuant to Article 67 of the Italian Bankruptcy Law); and
- (iii) other permitted assignees of the assignor who have not perfected their assignment prior to the date of publication in the Official Gazette and of registration in the Companies Register.

The benefit of any privilege, guarantee or security interest guaranteeing or securing repayment of the assigned receivables will automatically be transferred to and perfected with the same priority in favour of the Issuer, without the need for any formality or annotation.

With effect from the date of publication of the notice of the assignment in the Official Gazette of the Republic of Italy and registration in the Companies Register, no legal action may be brought against the receivables assigned or the sums derived therefrom other than for the purposes of enforcing the rights of the holders of the notes issued for the purpose of financing the acquisition of the relevant receivables and to meet the costs of the transaction.

The transfer of the Receivables from the Originator to the Issuer has been (i) registered on the Companies Register of Treviso on 15 April 2013 and (ii) published in the Official Gazette No. 45 Part II of 16 April 2013.

Assignments executed under the Securitisation Law are subject to revocation on bankruptcy under Article 67 of the Italian Bankruptcy Law but only in the event that the adjudication of bankruptcy of the relevant party is made within three months of the securitisation transaction or, in cases where paragraph 1 of Article 67 applies, within six months of the securitisation transaction. It is uncertain whether such limitation on claw-back would be applicable if the relevant insolvency procedure or claw-back action were not governed by the law of the Republic of Italy.

The Issuer

Under the regime normally prescribed for Italian companies under the Italian Civil Code, it is unlawful for any company (other than banks) to issue securities for an amount exceeding two times the company's share capital. Under the provisions of the Securitisation Law, the standard provisions described above are inapplicable to the Issuer.

Italian Law on Leasing

The contract of financial leasing (*locazione finanziaria*) ("**Financial Leasing**") is a type of contract not expressly addressed by the Italian Civil Code that may be validly entered into pursuant to the general provisions of Article 1322 of the Italian Civil Code. According to this Article, the parties to a contract can

enter into any contract not belonging to a type subject to a specific legal discipline provided that such contract aims to fulfil interests that deserve to be protected by the legal system. The Italian courts have established that Financial Leasing contracts fall within the scope of this provision.

Under Financial Leasing contracts, the lessor leases to the lessee certain assets (for the purpose of this section, the "**Leased Property**") which have been purchased by the lessor from, or have been constructed for the lessor by, a third party supplier, with the consideration to be paid by the lessee to the lessor determined by reference to the duration of the lease, the cost of the assets and remuneration of the financing provided by the lessor, and upon the expiry of the Financial Leasing contract the lessee has the option to either return the leased property to the lessor, or purchase upon payment of the agreed price (*riscatto*), or alternatively, enter into a new financial lease contract. Accordingly, three parties are generally involved in the transaction (i.e., lessor, lessee and supplier) which is completed through the stipulation of two contracts: the Financial Leasing contract between lessor and lessee and the transfer agreement between the supplier and the lessor. The Italian Supreme Court has established that although these contracts are separate, there is a contractual link between them arising from the fact that the assets acquired by the lessor from the supplier are selected and chosen by the lessee, who is responsible for their maintenance and is subject to the risk of their loss.

Financial Leasing is subject to the provisions of the Italian Civil Code on contracts in general and to those provisions regulating specific contracts that can be applied in analogy when, in view of the particular contractual discipline agreed by the parties, the circumstances are similar to those foreseen by such provisions.

In a number of decisions given by the Italian Supreme Court in 1989 and confirmed, *inter alia*, by a decision given by the *Sezioni Unite* of the Supreme Court in 1993 (Cass. Sez. Un., 7 January 1993, No. 65), contracts of Financial Leasing are distinguished into two different types: firstly, *leasing finanziario di godimento*, under which the payment of the agreed rentals represents, in line with the intention of the parties involved, only remuneration for the use of the leased property by the lessee; and secondly, *leasing finanziario traslativo*, under which the parties foresee, at the time of the conclusion of the contract, that the leased property (in view of its nature, the envisaged use and the duration of the contract) is to retain, upon expiry of the contract, a residual value significantly higher than the *riscatto*. Accordingly, it is reasonable to hold that rentals to be paid under *leasing finanziario traslativo* represent part of the consideration for the transfer of the leased property to the lessee following expiry of the contract upon payment of the *riscatto*, and that the exercise of the purchase option and transfer of the leased property to the lessee upon expiry of the contract does not constitute merely an option of the lessee but forms part of the original intention of the parties to the contract.

The Italian Supreme Court deems that the provisions of Article 1526 of the Italian Civil Code are to be applied by analogy to contractual relationships between lessors and lessees under the *leasing finanziario traslativo*. Article 1526 of the Italian Civil Code establishes that in relation to a sale by instalments with retention of title, if the contract is terminated as a result of the non-performance by the purchaser of its obligations, the vendor must repay the instalments received, save for its right to an equitable compensation for the use of the good and damages. Such provisions of Article 1526 do not apply to *leasing finanziario di godimento* in respect of which the general provisions of the Italian Civil Code shall apply; according to Article 1458 paragraph 1 of the Italian Civil Code, termination of a financial lease contract for breach of contract has, as between the parties thereto, a retroactive effect unless the financial lease contract provides for continuing performance, in which case the termination does not affect those acts already performed by the parties.

Therefore, according to the above interpretation of the Italian Supreme Court, in the event of termination of a financial lease contract for breach by the lessee, under *leasing finanziario di godimento*, the lessor is

entitled to have the leased property returned to him and to retain the amounts received in respect of the rental payments matured prior to termination. On the contrary, in the event of termination of a *leasing finanziario traslativo*, the lessee has the right to receive from the lessor any amounts paid in respect of rental payments before termination but the lessee must return the leased property to the lessor and pay to the lessor an equitable compensation for use of the leased property and where appropriate, damages.

Forced Sale of Debtor's Goods and Real Estate Assets

A lender may resort to a forced sale of the debtor's (or guarantor's) goods (*pignoramento mobiliare*) or real estate assets (*pignoramento immobiliare*).

Forced sale proceedings are directed against the debtor's properties following notification of an *atto di precetto* to the borrower together with a *titolo esecutivo* obtained from a court.

The attachment of the debtor's movable properties is carried out at the debtor's premises or on third party's premises by a bailiff who removes the attached property or forbids the debtor from in any way transferring or disposing of the attached goods, and appoints a custodian thereof (in practice usually the debtor himself).

Not earlier than ten days but not later than ninety days from the attachment:

- (a) in case of a *pignoramento mobiliare*, the creditor may ask the court to deliver to himself all monies found at the debtor's premises, to transfer properties consisting of listed or marketed equities and to sell with or without auction the remaining attached goods; and
- (b) in case of a *pignoramento immobiliare*, the creditor may request the court to sell the real estate assets identified by the creditor.

A *pignoramento immobiliare* may be commenced either by a creditor secured by a mortgage over the relevant real estate asset or by an unsecured creditor.

Mortgages may be, *inter alia*, "voluntary" (*ipoteche volontarie*), where granted by a borrower or a third party guarantor by way of a deed, or "judicial" (*ipoteche giudiziali*), where registered in the appropriate land registry (*Agenzia del Territorio – Servizio di Pubblicità Immobiliare*) following a court order or injunction to pay amounts in respect of any outstanding debt or unperformed obligation.

The average length of a *pignoramento mobiliare*, from the court order or injunction of payment to the final sharing-out, is about three years.

The average length of a *pignoramento immobiliare*, from the court order or injunction of payment to the final sharing-out, is between six and seven years. In the medium-sized Central and Northern Italian cities it can be significantly less whereas in major cities or in Southern Italy the duration of the procedure can significantly exceed the average. Law No. 302 of 3 August 1998 (as amended by Law No. 80 of 14 May 2005 and by Law No. 263 of 28 December 2005) has been issued for the purpose of shortening the duration of the foreclosure proceedings by allowing the secured creditor to substitute the cadastral certificates referred to above with certificates obtained from public notaries and by allowing public notaries and certain lawyers and accountants to conduct various activities which were before exclusively within the powers of the courts.

Attachment of Debtor's Credits

Attachment proceedings may be commenced also on due and payable credits of a borrower (such as bank accounts, salary etc.) or on a borrower's movable property which is located on a third party's premises.

Insolvency proceedings

Under Article 1 of the Italian Bankruptcy Law commercial entrepreneurs (companies or individuals) (*imprenditori che esercitano un'attività commerciale*) may be subjected to the insolvency proceedings (*procedure concorsuali*) provided for by the Italian Bankruptcy Law being, *inter alia*, bankruptcy (*fallimento*) or pre-bankruptcy agreement (*concordato preventivo*).

Commercial entrepreneurs are not subject to the insolvency proceeding pursuant to the Italian Bankruptcy Law if the following conditions are jointly satisfied:

- (a) its assets – on an annual basis – over the last three years are not higher than Euro 300,000;
- (b) its annual gross revenue over the last three years is not higher than Euro 200,000; and/or
- (c) its indebtedness – whether due or not – is in aggregate not higher than Euro 500,000.

Bankruptcy procedure applies to commercial entrepreneurs which are in a state of insolvency. A debtor can be declared bankrupt (*fallito*) (either by its own initiative or upon request of one or more of its creditors or of the public prosecutor) if it is not able to timely and duly fulfil its obligations.

Pursuant to Article 15 of the Italian Bankruptcy Law, declaration of bankruptcy is not stated by the court if the amount of all debts due and not paid does not exceed Euro 30,000.

The order issued by the bankruptcy court will provide for, *inter alia*:

- the appointment of a deputy judge (*giudice delegato*) that will supervise the proceeding;
- the appointment of a receiver (*curatore fallimentare*) that will deal with the distribution of the debtor's assets;
- the filing of all the debtor's accounting records and ledgers with the court;
- the establishment of the terms upon which creditors must file their claims.

The court order deprives the debtor of the right to manage its business which is taken over by the court-appointed receiver and, as a result, the debtor is no longer able to dispose of all its assets. After insolvency proceedings are commenced, no legal action can be taken against the debtor and no foreclosure proceedings or forced sale proceedings may be initiated. In addition, any legal action taken and proceedings already initiated by creditors against the debtor are automatically suspended.

The proceeding is closed by an order of the bankruptcy court. Once the receiver has disposed of all the debtor's assets, but prior to allocating the proceeds, it must submit a final report to the deputy judge on his administration. Finally (after creditors' motions against such final report have been decided) the deputy judge orders the allocation of the net proceeds. Thereafter, creditors may sue the debtor to obtain payment of any unrecovered portion of their claims and of interest thereon. A bankruptcy proceeding may also end with a settlement accepted by the creditors (*concordato fallimentare*).

Pre-bankruptcy agreement (Concordato preventivo)

The debtor in "state of financial distress" (i.e. financial crisis which may not constitute insolvency yet) may propose to its creditors a pre-bankruptcy agreement (*concordato preventivo*) on the basis of a recovery plan which may provide for:

- (a) the restructuring of debts and the satisfaction of creditors in any manner, even through transfer of debtor's assets, novations (*accollo*) or other extraordinary transactions, including the assignment to the creditors of shares, quotas, bonds (also convertible into shares) or other financial instruments and debt securities;
- (b) the assignment of the debtor's assets in favour of an assignee (*assuntore*), that can be appointed even among the creditors;
- (c) the division of creditors into classes; and
- (d) different treatments for creditors belonging to different classes.

It is possible that, according to the proposed plan, creditors with liens or security interests (*pegno* and *ipoteca*) can be partially satisfied provided that their claims would not be satisfied in a higher measure through the sale of their secured assets.

Once the court declares the procedure admissible, from the date of publication of the debtor's petition in the company register and until the order of the court becomes definitive, creditors whose claims have arisen prior to the date of the judicial approval (*decreto di omologazione*) cannot commence or proceed with foreclosure and cautionary proceedings (*azioni esecutive e cautelari*) on debtor's assets and cannot acquire pre-emption rights (*diritti di prelazione*).

The pre-bankruptcy agreement is approved by creditors representing the majority of the claims admitted to vote. In the event that the proposal provides for the creation of classes of creditors, the pre-bankruptcy agreement is approved when in the majority of classes a favourable vote is obtained from the majority of the claims admitted to vote in each class. Should a creditor belonging to a dissenting class or, in case no classes have been formed, dissenting creditors representing 20 per cent of the creditors admitted to vote, disagree with the proposed agreement, the court may also approve the pre-bankruptcy agreement if it deems that such a creditor would be satisfied in a measure not lower than compared with other practicable solutions.

If the required majorities are not reached, the court declares the proposed pre-bankruptcy agreement inadmissible. In such a case, the court declares the bankruptcy of the debtor only if there is a petition of a creditor or a request of the public prosecutor.

In case of judicial approval, the pre-bankruptcy agreement becomes obligatory for all of the debtor's creditors in existence prior to the admission to the pre-bankruptcy agreement procedure.

It must be noted that the relevant provisions of the Italian Bankruptcy Law regulating pre-bankruptcy agreements have been recently amended by Article 33 of Law Decree 22 June 2012, No. 83, as converted by Law 7 August 2012, No. 134. In particular, it is provided, *inter alia*, as follows:

- (a) the possibility of the debtor to file only a petition, together with the last three balance sheets, in the first instance and to subsequently submit the relevant documents listed in Article 161 of the Italian Insolvency Law within a term assigned by the judge; additionally, the debtor may file within such term (as an alternative to the pre-bankruptcy agreement proceedings) a demand of approval of a debt restructuring agreement (*accordo di ristrutturazione dei debiti*) pursuant to Article 182-bis of the Italian Insolvency Law and in such a case, the protective measures set out by Article 168 of the Italian Insolvency Law will continue to be effective;
- (b) the creditors' impossibility (in addition to the impossibility to commence or proceed with foreclosure proceedings on debtor's assets and to acquire pre-emption rights) to commence or proceed with

precautionary actions (*azioni cautelari*) from the date of publication of the petition of pre-bankruptcy agreement with the companies register; additionally, judicial mortgages (*ipoteche giudiziali*) created in the 90-days period preceding such date are ruled out as ineffective;

- (c) the possibility of the debtor to carry out, after the date of filing of the petition of pre-bankruptcy agreement and until the date of approval: (i) urgent extraordinary activities (*atti di straordinaria amministrazione*) with the prior authorisation of the court; and (ii) ordinary activities (*atti di ordinaria amministrazione*); claims of third parties arising out of such activities will be discharged in priority (*crediti prededucibili*) in the context of potential bankruptcy proceedings of the debtor pursuant to Article 111 of the Italian Insolvency Law;
- (d) the power of the court to authorise, upon demand of the debtor, termination or suspension of the agreements in force as of the date of filing of the petition, provided that the other parties to such agreements are indemnified by the debtor;
- (e) the power of the court to authorise the debtor to enter into loan agreements (and to create the relevant *in rem* securities), the claims arising out of which will be discharged in priority in the context of potential bankruptcy proceedings of the debtor pursuant to Article 111 of the Italian Insolvency Law, subject to a certification by an expert that such loans are functional to the best satisfaction of the creditors' rights; and
- (f) specific rules in relation to business continuity pre-bankruptcy agreements (*concordati con continuità aziendale*).

Debt restructuring agreements under Italian Bankruptcy Law (Accordi di ristrutturazione dei debiti)

Articles 182-bis and following of the Italian Bankruptcy Law regulate the debt restructuring agreements (*accordi di ristrutturazione dei debiti*). These provisions have been recently amended by Article 33 of Law Decree 22 June 2012, No. 83, as converted by Law 7 August 2012, No. 134.

Pursuant to Article 182-bis of the Italian Bankruptcy Law, an entrepreneur in state of distress can enter into a debt restructuring agreement with its creditors (*accordo di ristrutturazione dei debiti*).

In order to obtain the court approval (*omologazione*), the entrepreneur must file with the competent court an agreement for the restructuring of debts entered into by creditors representing at least 60 per cent. of the debtor's debts, together with an assessment made by an expert on the feasibility of the agreement, particularly with respect to the payment in full of debts towards creditors who have not entered into such debt restructuring agreement.

From the day the agreement is published in the companies register:

- (a) the agreement is effective;
- (b) for the following 60 days, creditors whose claims have arisen prior to such date cannot commence or continue precautionary actions (*azioni cautelari*) or foreclosure proceedings (*azioni esecutive*) on the assets of the debtor, or acquire pre-emption rights (*diritti di prelazione*) which have not been agreed in advance; and
- (c) creditors and any other interested party may oppose the agreement within 30 days.

The court can grant its judicial approval to the debt restructuring agreement once it has decided on any opposition.

According to Article 182-*bis*, paragraph 6 of the Italian Bankruptcy Law, introduced by Law Decree of 31 May 2010 No. 78, upon request of the entrepreneur, the preventive effects mentioned under paragraph (b) above may also be produced before the entering into of the debt restructuring agreement, provided that the entrepreneur files a proposal for a debt restructuring agreement and gives evidence of the feasibility of the debt restructuring plan under discussion by filing certain documents with the court. In particular, the entrepreneur shall:

- (i) certify that negotiations are pending with creditors representing at least 60 per cent. of the debtor's debts;
- (ii) provide an assessment by an expert confirming that the debt restructuring agreement being negotiated by the debtor allows payment in full of the debts towards the creditors not entering into such agreement.

The debtor must file the actual debt restructuring agreement within a term given by the Court of up to 60 days from the filing of the proposal with the Court. Within the same term a debtor who has filed a proposal of debt restructuring agreement may choose to submit a petition of pre-bankruptcy agreement (*concordato preventivo*) and in such a case the protective measures set out by Article 182-*bis*, sixth and seventh paragraphs, of the Italian Insolvency Law will continue to be effective.

The Court has the power to authorise the debtor to enter into loan agreements (and to create the relevant *in rem* securities), the claims arising out of which will be discharged in priority (*crediti prededucibili*) in the context of potential bankruptcy proceedings of the debtor pursuant to Article 111 of the Italian Insolvency Law, subject to a certification by an expert that such loans are functional to the best satisfaction of the creditors' rights.

Settlement of the crisis (*sovraindebitamento*) under Law No. 3/2012

Law No. 3/2012 provides certain measures to remedy to situations of continuing imbalance between the amounts of payment obligations of a debtor and the amounts of the assets which can be promptly liquidated in order to meet such obligations, thereby causing the material difficulty on the side of the debtor to fulfil its obligations or the definitive inability to fulfil such obligations regularly ("*sovraindebitamento*").

In those situations, under Law No. 3/2012 a debtor may, alternatively:

- (a) enter into a Settlement Agreement in the context of the Settlement Procedure;
- (b) to the extent such debtor is qualified as "consumer" under Law No. 3/2012, submit a Consumer's Plan in the context of the Consumer's Plan Procedure; or
- (c) as an alternative to the actions and procedures set out in (a) and (b) above, file a petition for the Liquidation of Assets through the Liquidation of Assets Procedure.

With reference to Settlement Agreements and Consumer's Plans, Law No. 3/2012 provides that such remedies are not available to a debtor if:

- (a) he is subjected to insolvency procedures different from the ones provided by Law No. 3/2012;
- (b) in the past five years he has already benefited of the proceedings provided by Law No. 3/2012;
- (c) the Settlement Agreement was declared null or was terminated, or the decision of approval (*omologazione*) of the Consumer's Plan was revoked, due to debtor's own fault;

- (d) he has delivered supporting documentation which does not allow to fully track his economic and financial situation.

A Settlement Agreement (in case it provides for the continuation of the debtor's business) and a Consumer's Plan may provide for a one-year period *moratorium* in respect of payments in discharge of claims which enjoy privileged status (*crediti privilegiati*) or are secured by pledge or mortgage, starting from the approval of the Settlement Agreement or Consumer's Plan, to the extent that the Settlement Agreement or the Consumer's Plan does not imply the sale of the charged assets.

The proposal of Settlement Agreement or Consumer's Plan must be filed with the competent Court together with, *inter alia*, the list of all creditors of the relevant debtor setting out the amounts due, the debtor's assets and the acts of disposal of assets carried out in the past five years.

The Court may issue a decree which has (in the case of the Settlement Procedure or Liquidation of Assets Procedure) or may have (in the case of the Consumer's Plan Procedure), *inter alia*, the effect of preventing creditors from commencing or continuing foreclosure proceedings (*azioni esecutive*) and seizures (*sequestri conservativi*) and creating pre-emption rights on the assets of the debtor until the approval decision becomes final.

The Settlement Agreement has to be agreed by creditors representing at least 60 per cent. of the debtor's debts.

The Court will approve the Settlement Agreement or Consumer's Plan within six months as of the date of deposit of the relevant proposal.

TAXATION

The following is a general summary of current Italian law and practice relating to certain Italian tax considerations concerning the purchase, ownership and disposal of the Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to your decision to purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of Notes, some of which may be subject to special rules.

This summary is based upon tax laws and practice of Italy in effect on the date of this Prospectus which are subject to change potentially retroactively. Prospective Noteholders should consult their tax advisers as to the consequences under Italian tax law, under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws.

Prospective Noteholders who may be unsure as to their tax position should seek their own professional advice.

Income Tax

Under current legislation, pursuant to the provision of Article 6, paragraph 1, of the Securitisation Law and to Decree No. 239, as amended and restated, in particular, by Decree No. 350, payments of interest and other proceeds in respect of the Notes:

- (a) will be subject to final *imposta sostitutiva* at the rate of 20 per cent. in Italy if made to beneficial owners who are: (i) individuals resident in Italy for tax purposes, holding the Notes not in connection with entrepreneurial activities (unless they have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the *risparmio gestito* regime according to Article 7 of Italian Legislative Decree No. 461 of 21 November 1997 - the "Asset Management Option"); (ii) Italian resident partnerships (other than *società in nome collettivo*, *società in accomandita semplice* or similar partnerships), *de facto* partnerships not carrying out commercial activities and professional associations; (iii) Italian resident public and private entities, other than companies, including trusts, not carrying out commercial activities; (iv) Italian resident entities exempt from corporate income tax; and (v) non-Italian resident entities or persons without a permanent establishment in Italy to which the Notes are effectively connected, which are not eligible for the exemption from the *imposta sostitutiva* and/or do not timely comply with the requirements set forth in Decree No. 239 and the relevant application rules in order to benefit from the exemption from *imposta sostitutiva*. As to non-Italian resident beneficial owners, *imposta sostitutiva* may apply at lower or nil rate under double taxation treaties entered into by Italy, where applicable.

The 20 per cent. (or, in certain cases, for treaty covered non-Italian resident beneficial owners, the lower rate provided for by the relevant applicable double tax treaty) final *imposta sostitutiva* will be applied by qualified financial intermediaries such as: (i) Italian resident banks; (ii) Italian resident Società d'Intermediazione Mobiliare ("**SIM**"), which are Italian financial intermediaries; (iii) Italian resident SGRs, as indicated in Italian Ministerial Decree dated 2 April 2001; (iv) Italian resident fiduciary companies; (v) Italian resident stockbrokers and (vi) permanent establishment in Italy of non-resident banks or non-resident financial intermediaries that will intervene, in any way, in the collection of interest and other proceeds on the Notes or in the transfer of the Notes. Interest is therefore not to be included in the aggregate income of the investor subject to progressive tax rates, and the tax levied may not be credited against the investor's income tax liability. An exception to this rule is the "*imposta sostitutiva*" applied in the case of Notes held by an individual in connection with

entrepreneurial activities: and in such a case the "*imposta sostitutiva*" applies as a provisional tax;

- (b) will not be subject to the *imposta sostitutiva* at the rate of 20 per cent. if made to beneficial owners who are: (i) Italian resident corporations, commercial entities (including trusts carrying out commercial activities), or permanent establishments in Italy of non-resident corporations to which the Notes are effectively connected; (ii) Italian resident collective investment funds, Italian resident pension funds referred to in Italian Legislative Decree No. 252 of 5 December 2005 and Italian resident real estate investment funds; (iii) Italian resident individuals holding Notes not in connection with entrepreneurial activity who have entrusted the management of their financial assets, including the Notes, to an Italian authorised financial intermediary and have opted for the Asset Management Option; and (iv) according to Decree No. 350, non-Italian resident beneficial owners of the Notes with no permanent establishment in Italy to which the Notes are effectively connected, provided that:
- (i) pursuant to Article 6, paragraph 1, of Decree No. 239, as modified in particular by Article 41 of Law Decree No. 269 of 30 September 2003, converted with amendments into Italian Law No. 326 of 24 November 2003, non Italian resident beneficial owners are resident, for tax purposes in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information, so called "**White List Country**" (according to Ministerial Decree of 12 December 2001, the present list of the countries allowing an adequate exchange of information is that contained in the Italian Ministerial Decree 4 September, 1996 – as recently amended and supplemented by Italian Ministerial Decree dated 27 July 2010 – which contemplates all the countries with which Italy has entered into a double taxation treaty providing for an exchange of information. According to Article 1, paragraph 87 of Law No. 244 of 24 December 2007 ("**Law No. 244**"), the aforementioned list will be amended by a specific Ministerial Decree which will be issued pursuant to Article 168-*bis* of the Presidential Decree No. 917 of 22 December 1986); and
 - (ii) all the requirements and procedures set forth in Decree No. 239 and in the relevant application rules, as subsequently amended, in order to benefit from the exemption from *imposta sostitutiva* are met or complied with in a timely manner. To ensure payment of interest and other proceeds in respect of the Notes without the application of *imposta sostitutiva*, investors indicated above must:
 - (1) timely deposit the Notes together with the coupons relating to such Notes directly or indirectly with an Italian authorised financial intermediary, or permanent establishment in Italy of a foreign intermediary, which are directly connected with the Italian Ministry of Finance. For this purpose two categories of intermediaries are identified:
 - (x) an Italian or non Italian resident bank or financial institution (there is no requirement for the bank to be EU resident) (the "**First Level Bank**"), acting as intermediary in the deposit of the Notes held, directly or indirectly, by the Noteholder with a Second Level Bank, and
 - (y) an Italian resident bank or a SIM or a permanent establishment in Italy of a non-resident bank or SIM, acting as depository or sub-depository of the Notes appointed to maintain direct relationships, via electronic link, with the Italian Financial Administration (the "**Second Level Bank**"). Organisations and companies non-resident in the Republic of Italy, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of the Ministry of Finance (which include Euroclear

and Clearstream) are treated as Second Level Banks, provided that they appoint an Italian representative (an Italian resident bank or SIM, or permanent establishment in the Republic of Italy of a non-resident bank or SIM). In the event that the non-Italian resident Noteholder deposits the Notes directly with a Second Level Bank, the latter shall be treated both as a First Level Bank and a Second Level Bank.

- (2) file with the relevant depository in a timely manner a self-declaration (the "**Declaration**") stating their residence, for tax purposes, in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information and, *inter alia*, that the non-Italian resident entity is the beneficial owner of the proceeds. Such self-declaration, which must be in conformity with the model approved by the Italian Ministry of Economy and Finance (approved with Italian Decree of the Italian Ministry of Economy and Finance 12 December 2001, published on the Ordinary Supplement No. 287 to the Italian Official Journal No. 301 of 29 December 2001), is valid until withdrawn or revoked and may not be filed in the event that a certificate, declaration or other similar document with an equivalent purpose has previously been filed with the same depository. In the case of institutional investors not subject to tax, the institutional investor shall be regarded as the beneficial owner and the relevant self-declaration shall be produced by the management company. Once the Declaration has been properly completed, the First Level Bank is obliged to send it to the Second Level Bank within 15 days from receipt. Second Level Banks are expected to file the data relating to the non-resident Noteholder together with data relating to the transactions carried out, via electronic link, to the Italian fiscal authorities within the first transmission period after receipt of such data. The Italian fiscal authorities monitor and control such data and any discrepancies. For Noteholders non-resident in the Republic of Italy, the Second Level Bank acts as an intermediary responsible for assessing the applicability of the *imposta sostitutiva* and, consequently, for levying and paying it to the Italian tax authority in accordance with the procedure described above. The Declaration has to be filed by the actual beneficial owner of the proceeds.

Non-resident holders are subject to the 20 per cent. substitute tax on interest and other proceeds on the Notes if any of the above conditions are not satisfied.

The exemption from *imposta sostitutiva* also applies to (i) international organisations created pursuant to International treaties that are effective in Italy, (ii) central banks or entities managing also the official reserves of the State, and (iii) non Italian resident "institutional investors" (i.e. entities the activity of which consists of making or managing investments on their own behalf or on behalf of other persons, as defined by *Circolare dell'Agenzia delle Entrate* dated 1 March 2002 No. 23/E), even if they are not treated as taxpayers in their country of residence, but provided that: (a) they are resident in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information, (b) they declare that they have not been incorporated or established for the purpose of executing and/or managing investments made by a limited number of persons resident in Italy or in countries/territories which do not recognise the Italian fiscal authorities' right to an adequate exchange of information; or, alternatively, in case of foreign institutional investors that are trusts or partnerships, provided that (c) they declare that they were established for the sole purpose of managing investments on behalf of other institutional investors (1) subject to forms of surveillance or vigilance in the State where they are located and (2) resident in countries which allow an adequate administrative exchange of information with the Italian tax administration and whose managing company is also resident in such countries.

Where the beneficial owners of the Notes are one of the subjects indicated sub paragraph b) (i) (i.e. Italian resident corporations, commercial entities, including trusts carrying out commercial activities, or permanent establishments in Italy of non-resident corporations to which the Notes are effectively connected) interest and other proceeds accrued on the Notes are included in the corporate taxable income (*imposta sul reddito delle società*, "**IRES**") at 27.5 per cent. and in certain circumstances, depending on the status of the Noteholders, also in the net value of production for purposes of regional tax on productive activities ("**IRAP**") at a rate of 3.9 per cent. (IRAP rate may be increased in certain Italian regions, also in accordance with the provisions of Italian Law Decree No. 93 of 27 May 2008, which has been converted into Law No. 126 of 24 July 2008, and may be different depending on the activity carried out by the taxpayer) of such beneficial.

Italian resident collective investment funds and SICAVs are not subject to *imposta sostitutiva*, provided that all the requirements and procedures set forth in Decree No. 239 and in the relevant application rules, as subsequently amended, are met or complied with in a timely manner. Interest on the Notes must be included in the calculation of the fund result accrued at the end of each year and upon payment of distributions by such Italian resident collective investment funds and SICAVs their managing company shall levy a withholding tax on the investors of the funds, in the amount, at the date of this Prospectus, of 20 per cent.

EU harmonised investment funds and non-harmonised EU funds are equally subject to a withholding tax which, at the date of this Prospectus, is levied on the investors at the rate of 20 per cent. on the proceeds arising from the participation to the above funds. Such tax treatment is applicable to non harmonised EU funds only upon certain conditions. The new rules, in fact, set out the application of a withholding tax in the non-harmonised EU funds, provided that 1) they are subject to supervision in the country of registration, where they are registered; 2) such country is either in the EU or in the European Economic Area, and 3) such country has an adequate exchange of information level with Italy. The mentioned withholding tax must be levied by the Italian resident intermediary collecting the proceeds.

Italian resident pension funds subject to the regime provided by Article 17 of Legislative Decree No. 252 of 5 December 2005, are subject to an 11 per cent. annual substitutive tax (the "**Pension Fund Tax**") on the increase in value of the managed assets accrued at the end of each tax year (which increase would include interest and other proceeds accrued on the Notes).

Beneficial owners of Notes who are Italian resident real estate investment funds ("**REIT**") established pursuant to Article 37 of Italian Legislative Decree No. 58 of 24 February 1998 and to Article 14-*bis* of Law No. 86 of 25 January 1994, from 26 September 2001 or, if established before 26 September 2001, provided that the managing company has opted for the application of the regime provided for by Decree No. 351, are not subject to *imposta sostitutiva*, provided that all the requirements and procedures set forth in Decree No. 239 and in the relevant application rules, as subsequently amended, are met or complied with in a timely manner. Interest on the Notes received by an Italian REIT is included in the fund result which is: (i) not subject to taxation at the level of the fund and (ii) taxed on an accrual basis in the hands of its unitholders or subject to a 20% withholding tax upon distribution. The tax regime applicable to the REIT depends, inter alia, upon the nature of the investors in the fund.

Capital Gains

Any capital gain realised upon the sale for consideration or redemption of the Notes would be treated as part of the taxable business income (and, in certain cases, may also be included in the taxable net value of production for IRAP purposes), subject to tax in Italy according to the relevant tax provisions, if derived by Noteholders who are:

- (a) Italian resident corporations;

- (b) permanent establishments in Italy of foreign corporations to which the Notes are effectively connected; or
- (c) Italian resident individuals carrying out a commercial activity, as to any capital gains realised within the scope of the commercial activity carried out.

Pursuant to Legislative Decree No. 461 of 21 November 1997, any capital gain realised by Italian resident individuals holding Notes not in connection with entrepreneurial activity and certain other persons upon sale for consideration or redemption of the Notes would be subject to an *imposta sostitutiva* at the current rate of 20 per cent.

The capital gain/loss is represented by the positive/negative difference between the Notes' sale price (or the redemption value) and the purchase or subscription price (or value) gross of any inherent expenses (stamp duties, commissions, notary fees, etc.). Such difference is to be considered net of any interest (or issue margin) accrued but not yet paid, which is to be taxed according to the ordinary income tax criteria above explained. If a negative difference arises from a relevant transaction, such difference represents a capital loss which can be, in general terms, carried forward and set off with future gains of a similar nature.

Three different regimes may apply to the taxation of a resident investor, holding Notes otherwise than in connection with entrepreneurial activity, with reference to capital gains not pertaining to business activities:

- (1) under the tax declaration regime, which is the standard regime for taxation of capital gains realised by Italian resident individuals not engaged in entrepreneurial activity, *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by Italian resident individual noteholders holding Notes not in connection with entrepreneurial activity pursuant to all disposals of Notes carried out during any given fiscal year. Italian resident individuals holding Notes not in connection with entrepreneurial activity must report overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax declaration to be filed with the Italian tax authorities for such year and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years. However carried forward capital losses in excess of capital gains realized prior to 1 January 2012 may be used against capital gains realised in any of the four succeeding tax years limitedly to 62.5% of their amount;
- (2) as an alternative to the tax declaration regime, Italian resident individual noteholders holding the Notes not in connection with entrepreneurial activity may elect to pay 20 per cent. *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (the "**Risparmio Amministrato**" regime). Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with Italian banks, *Società di Intermediazione Mobiliare (SIM)* or certain authorised financial intermediaries and (ii) an express election for the *Risparmio Amministrato* regime being timely made in writing by the relevant Noteholder. Under the *Risparmio Amministrato* regime, the financial intermediary is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised at revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian fiscal authorities on behalf of the taxpayer, deducting a corresponding amount from proceeds to be credited to the Noteholder. Under the *Risparmio Amministrato* regime, where a sale or redemption of the Notes results in capital loss, such loss may be deducted from capital gains subsequently realised within the same relationship of deposit in the same tax year or in the following tax years up to the fourth. Under the *Risparmio Amministrato* regime, the Noteholder is not required to declare capital gains in its annual tax declaration and remains anonymous. However

capital losses realized prior to 1 January 2012 may be carried forward against capital gains realised after such date within the same relationship of deposit, according to the same conditions above described, limitedly to 62.5% of their amount; and

- (3) in the event that the Notes form part of a portfolio of securities managed by qualified Italian professional intermediaries, any capital gains realised by Italian resident individuals holding Notes not in connection with entrepreneurial activity who have elected for the Asset Management Option will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end. Such income is subject to a 20 per cent. Asset Management Tax to be applied on behalf of the taxpayer by the managing authorised intermediary. Under the Asset Management Option, any decrease in value of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. However any decrease in value of the managed assets accrued until 31 December 2011 may be carried forward against increase in value of the managed assets accrued after such date limitedly to 62.5% of their amount. Under the Asset Management Option, the Noteholder is not required to report capital gains realised in its annual tax declaration and remains anonymous.

Any capital gains realised by Noteholders who are Italian resident collective investment funds are taxed on the investors who subscribe the quotas of the funds, once the fund result is distributed (or the fund is closed or the units are redeemed). EU harmonised investment funds and non-harmonised EU funds are equally subject to a withholding tax levied on the investors at the rate of 20 per cent on the proceeds arising from the participation to the above funds. Such withholding is applicable both on the proceeds distributed during the life of the fund, and on the amount due in case of closure or redemption of the funds.

Any capital gains realised by Noteholders who are Italian resident pension funds subject to the regime provided by Article 17 of Legislative Decree No. 252 of 5 December 2005, will be included in the computation of the taxable basis of Pension Fund Tax.

The 20 per cent. final *imposta sostitutiva* on capital gains may in certain circumstances be payable on capital gains realised upon sale for consideration or redemption of the Notes by non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes are effectively connected, if the Notes are held in Italy.

However, pursuant to Italian Legislative Decree No. 259 of 21 July 1999, any capital gains realised by non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected through the sale for consideration or redemption of the Notes are exempt from taxation in Italy to the extent that the Notes are listed on a regulated market in Italy or abroad (including the Irish Stock Exchange) and in certain cases subject to timely filing of required documentation (in particular, a self-declaration not to be resident in Italy for tax purposes), even if the Notes are held in Italy and regardless of the provisions set forth by any applicable double tax treaty.

In case the Notes are not listed on a regulated market in Italy or abroad:

- (i) pursuant to the provisions of Italian Legislative Decree No. 461 of 21 November 1997, Decree No. 350 and decree No. 239, non-Italian resident beneficial owners of the Notes with no permanent establishment in Italy to which the Notes are effectively connected are exempt from the *imposta sostitutiva* in Italy on any capital gains realised, upon sale for consideration or redemption of the Notes if they are resident, for tax purposes, in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information as currently listed in Ministerial Decree 4 September 1996, as amended and supplemented. According to Article 1, paragraph 87 of Law No.

244, the above mentioned list will be amended by a specific Italian Ministerial Decree which will be issued pursuant to Article 168-*bis* of the Italian Presidential Decree No. 917 of 22 December 1986.

In such case, if non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected elect for the *Risparmio Amministrato* regime or the Asset Management Option, exemption from Italian capital gains tax will apply on condition that they file in time with the authorised financial intermediary an appropriate self-declaration stating to meet the requirements indicated under (b) of the "Income Tax" para. above;

- (ii) in any event, non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes are effectively connected that may benefit from a double taxation treaty with Italy, provided that capital gains realised upon sale or redemption of Notes are to be taxed only in the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in Italy on any capital gains realised upon sale for consideration or redemption of Notes. In such case, if non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected elect for the *Risparmio Amministrato* regime or the Asset Management Option, exemption from Italian capital gains tax will apply upon condition that they file in time with the authorised financial intermediary appropriate documents which include, *inter alia*, a statement from the competent tax authorities of the country of residence of the non-Italian residents.

Stamp duty

Pursuant to Article 19, para. 1, of Law Decree No. 201 of 6 December 2011, as subsequently amended, and as clarified by Circulars 28/E of 2 July 2012 and 48/E of 21 December 2012 of the Italian Tax Authorities, a proportional stamp duty applies on an annual basis to the periodic reporting communications related to securities deposited therewith, such as – among other – the Notes sent by Italian financial intermediaries to their clients (defined as such by the Regulation issued on 9 February 2011 by the Bank of Italy, subsequently replaced by the Regulation issued on 20 June 2012 by the same Bank of Italy, which does not include banks and other financial intermediaries). The stamp duty applies at a rate of 0.15 per cent. and is determined on the basis of the market value or – if no market value figure is available – of the nominal value or redemption amount of the securities held. The stamp duty can be no lower than Euro 34.20 and, for non individual holders of securities, it cannot exceed Euro 4.500.

Wealth tax on foreign financial activities

Pursuant to Article 19, para. 18, of Decree No. 201 of 6 December 2011, as subsequently amended, and as clarified by Circular 28/E of 2 July 2012 of the Italian Tax Authorities, Italian resident individuals holding the Notes outside the Italian territory (i.e. without depositing them with an Italian resident financial intermediary) are required to pay a wealth tax at a rate of 0.15 per cent. This tax is calculated on the market value of the Notes at the end of the relevant year or – if no market value figure is available – of the nominal value or the redemption value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the above Italian tax).

Inheritance and Gift Tax

Italian Law No. 286 of 24 November 2006 (published on the Official Gazette No. 277 of 28 November 2006), which has converted into law, with amendments, Article 2, paragraph 48 of Italian Law Decree No. 262 of 3 October 2006, has introduced inheritance and gift tax to be paid at the transfer of assets (such as the Notes) and rights by reason of death or gift. As regards the inheritance and gift tax to be paid at the transfer of the Notes by reason of death or gift, the following rates apply:

- 1) transfers in favour of spouses and direct descendants or direct relatives are subject to a registration tax of 4% on the value of the inheritance or the gift exceeding Euro 1,000,000.00 for each transferee;
- 2) transfers in favour of brothers and sisters are subject to a registration tax of 6% on the value of the inheritance or the gift exceeding Euro 100,000.00 for each transferee;
- 3) transfers in favour of relatives up to the fourth degree or relatives-in-law to the third degree, are subject to a registration tax of 6% on the entire value of the inheritance or the gift;
- 4) any other transfer is subject to a registration tax of 8% on the entire value of the inheritance or the gift;
- 5) transfers in favour of seriously disabled persons are subject to a registration tax at the relevant rate as described above on the value of the inheritance or the gift exceeding Euro 1,500,000.00 for each transferee.

Moreover, an anti-avoidance rule is provided by Italian Law No. 383 of 18 October 2001 for any gift of assets (such as the Notes) which, if sold for consideration, would give rise to capital gains subject to the imposta sostitutiva provided for by Italian Legislative Decree No. 461 of 21 November 1997. In particular, if the donee sells the Notes for consideration within five years from the receipt thereof as a gift, the donee is required to pay the relevant imposta sostitutiva on capital gains as if the gift had never taken place.

Transfer tax

According to Article 37 of Italian Legislative Decree No. 248 of 31 December 2007, as converted with amendments into Law No. 31 of 28 February 2008, the transfer of the Notes is not subject to the Italian transfer tax.

The transfer of the Notes could be subject, in some specific cases, to the Italian registration tax at the fixed rate of 168.00 Euro.

European Withholding Tax Directive

On 3 June 2003, the EU Council of Economic and Finance Ministers ("**ECOFIN**") adopted the EU Directive No. 2003/48/EC (the "**European Withholding Tax Directive**"), a directive regarding the taxation of savings income. The European Withholding Tax Directive was scheduled to be applied by Member States of the European Union (each, a "**Member State**" and together, the "**Member States**") from 1 July 2005, provided that certain non-EU countries adopt similar measures from the same date. Under the European Withholding Tax Directive each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to an individual resident in that other Member State.

The Italian Government has implemented the European Withholding Tax Directive with the Legislative Decree No. 84 of 18 April 2005 (the "**Decree No. 84**"). Decree No. 84 will apply to payments of interest made by paying agents established in Italy to beneficial owners who are individuals resident in a different EU Member State as well as in other jurisdictions that have adopted similar legislation (Jersey, Guernsey, Isle of Man, Dutch Antilles, British Virgin Islands, Turks and Caicos, Cayman, Montserrat, Anguilla and Aruba). According to Article 1(1) of the Decree No. 84, the definition of paying agents includes, *inter alia*, banks, SGRs, fiduciary companies, financial intermediaries, and any economic operator that may be involved, commercially or professionally, in a payment of interest.

More specifically, according to Article 5 of the Decree No. 84, paying agents acting shall provide the Italian

tax authorities with the following data: identity and residence of the beneficial owner; name and address of the paying agent; account number of the beneficial owner or, otherwise, information of the debt claim giving rise to the interest payment and amount of interest paid. Such information is then transmitted to the Italian tax authorities. Residence of the beneficial owner is ascertained on the basis of the address indicated in the passport (if any), in the official identity card or, if necessary, on the basis of any other evidence. The beneficial owner that having a EU passport or identity card is resident for income tax purposes in a third country, shall file a tax certificate issued by the State of residence. Any individual receiving an interest payment is presumed to be the beneficial owner with the burden to give evidence and prove the contrary in his hands.

Companies, similar entities subject to taxation on business profits, UCITs passported under the Directive No. 85/611/EEC and non passported UCITs that have elected to be treated like passported, are excluded from the application of Decree No. 84. Mistakes, omissions and any other contravention may be fined under the Decree No. 84 with sanctions from Euro 2,065.00 to Euro 20,658.00. Either payments of interest on the Notes or the realisation of the capitalised interest through a sale of the Notes would constitute "payments of interest" under Article 6 of the European Withholding Tax Directive and, as far as Italy is concerned, Article 2 of the Decree 84. Accordingly, such payment of interest arising out of the Notes would fall within the scope of the European Withholding Tax Directive being the Notes issued after March 1st, 2001 (see Articles 15 of the European Withholding Tax Directive and Article 2(5) of the Decree 84).

The European Withholding Tax Directive provides that Austria or Luxembourg shall apply a withholding tax for a transitional period as defined therein, unless during such period they would elect otherwise.

The withholding tax shall be levied at the rate of 15 per cent. during the first three years of the transitional period, 20 per cent. for the subsequent three years and 35 per cent. thereafter. European Withholding Tax Directive provides for the exemption from the withholding tax to the extent that the beneficial owner provides the paying agent with minimum data requirements. The transitional period is to commence on the date from which the directive is to be applied by Member States and to terminate at the end of the first fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. The mechanism of application of such withholding tax would, however, be governed by the implementing legislation of the relevant country to which the investors of the Notes shall refer to.

SUBSCRIPTION AND SALE

1 THE SENIOR NOTES SUBSCRIPTION AGREEMENT

Pursuant to the Senior Notes Subscription Agreement entered into on or about the Issue Date, the Senior Notes Underwriter has agreed to subscribe for the Senior Notes, subject to the terms and conditions set out thereunder.

The Senior Notes Subscription Agreement is subject to a number of conditions and may be terminated by the Senior Notes Underwriter, in certain circumstances prior to payment for the Senior Notes to the Issuer. The Issuer has agreed to indemnify the Senior Notes Underwriter against certain liabilities in connection with the issue of the Senior Notes.

No commission, fee or concession shall be due by the Issuer to the Senior Notes Underwriter in respect of its subscription of the Senior Notes.

The Senior Notes Subscription Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Senior Notes Subscription Agreement (including a dispute relating to the existence, validity or termination of the Senior Notes Subscription Agreement or any non-contractual obligation arising out of or in connection with it).

2 THE JUNIOR NOTES SUBSCRIPTION AGREEMENT AND THE JUNIOR NOTES CONDITIONS

Pursuant to the Junior Notes Subscription Agreement, the Junior Notes Underwriter has agreed to subscribe and pay the Issuer for the Junior Notes at their Issue Price. Save for the rate of interest applicable to the Junior Notes for each Interest Period and the Junior Notes Premium, the Junior Notes Conditions are substantially the same as the Senior Notes Conditions.

In respect of the obligation of the Issuer to make payment on the Notes, under the Terms and Conditions the payment obligations of the Issuer in respect of the Junior Notes are subordinated to its payment obligations in respect of the Senior Notes, the Other Issuer Creditors and any other creditors of the Issuer, as provided by the Priority of Payments. Therefore, in the event that the Issuer sustains losses and is unable to meet in full its obligations in respect of each of its creditors, the first creditors to bear any shortfall shall be the Junior Noteholders.

The Issuer will not pay any commission or concession to the Junior Notes Underwriter in respect of its subscription of the Junior Notes.

The Junior Notes Subscription Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with Italian Law and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Junior Notes Subscription Agreement (including a dispute relating to the existence, validity or termination of the Junior Notes Subscription Agreement or any non-contractual obligation arising out of or in connection with it).

3 SELLING RESTRICTIONS

3.1 General

Under the Senior Notes Subscription Agreement each of the Originator and the Senior Notes Underwriter:

3.1.1 *No action to permit public offering*

has acknowledged that no action has been or will be taken in any jurisdiction by the Issuer that would permit a public offering of the Senior Notes, or possession or distribution of any offering material in relation to the Senior Notes, in any country or jurisdiction where action for that purpose is required;

3.1.2 *Compliance with laws*

has represented and warranted to the Issuer that it has complied with and will undertake that it will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers the Senior Notes or has in its possession, distributes or publishes such offering material, in all cases at its own expense; and

3.1.3 *Publicity*

has represented and warranted to the Issuer that it has not made or provided and undertakes that it will not make or provide any representation or information regarding the Issuer or the Senior Notes save as contained in the Prospectus or as approved for such purpose by the Issuer or which is a matter of public knowledge.

3.2 **United States**

3.2.1 *No registration under Securities Act*

The Senior Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (hereinafter, the "**Securities Act**"). The Senior Notes are being offered and sold in offshore transactions in reliance on Regulation S under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in transactions permitted by U.S. Treasury Regulations.

3.2.2 *Compliance by the Issuer with United States securities laws*

The Issuer has represented, warranted and undertaken to the Senior Notes Underwriter that:

- (a) neither it nor any of its affiliates nor any other person acting on its or their behalf has, directly or indirectly, offered or sold, or will offer or sell, to any person any securities in any circumstances which would cause such securities to be integrated with the Senior Notes in a manner which would require the registration of any of the Senior Notes under the Securities Act or the qualification of any document related to the Senior Notes as an indenture under the United States Trust Indenture Act of 1939, as amended;
- (b) neither it nor any of its affiliates nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts within the meaning of Rule 902 under the Securities Act with respect to the Senior Notes;

- (c) the Issuer is a "foreign issuer" (as defined in Regulation S under the Securities Act) and there is no "substantial U.S. market interest" (as defined in Regulation S under the Securities Act) in the securities of the Issuer of the same class as the Senior Notes, and the Issuer and its affiliates have complied with and will comply with the offering restrictions requirement of Regulation S under the Securities Act; and
- (d) the Issuer is not, and after giving effect to the offering and sale of the Senior Notes will not be, a company registered or required to be registered as an "investment company", as such term is defined in the United States Investment Company Act of 1940, as amended.

3.2.3 *Senior Notes Underwriter's compliance with United States securities laws*

Terms used in the following paragraphs have the meanings given to them in Regulation S under the Securities Act. The Senior Notes Underwriter has represented, warranted and undertaken to the Issuer as follows:

- (a) it has offered and sold the Senior Notes, and will offer or sell the Senior Notes
 - (i) as part of its distribution, at any time, or
 - (ii) otherwise, until the expiration of the distribution compliance period of 40 days after the later of the commencement of the offering of the Senior Notes and the Issue Date, only in accordance with Rule 903 of Regulation S under the Securities Act;
- (b) at or prior to the confirmation of each sale of Senior Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Senior Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect: "The securities covered hereby have not been registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903(b)(2)(iii), (i) as part of their distribution, at any time or (ii) otherwise, until 40 days after the later of the commencement of the offering and the closing date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them in Regulation S under the Securities Act;
- (c) it, its affiliates and any person acting on its behalf have complied and will comply with the offering restrictions requirements of Regulation S under the Securities Act;
- (d) neither it, its affiliates nor any person acting on its or their behalf have engaged or will engage in any directed selling efforts within the meaning of Rule 902 under the Securities Act with respect to the Senior Notes; and
- (e) it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of the Senior Notes, except with its affiliates or with the prior written consent of the Issuer.

3.2.4 *General Compliance with TEFRA D*

Terms used in the following paragraphs have the meanings given to them by the United States Internal Revenue Code of 1986, as amended (the "**U.S. Tax Code**") and regulations promulgated thereunder, including U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(D) (the "**TEFRA D**").

- (a) During the period of forty (40) days following the later of the commencement of the offering of the Senior Notes and the Issue Date (the "**Restricted Period**"), the Senior Notes may not be offered, sold, resold, traded, pledged, redeemed, transferred, delivered or exercised, directly or indirectly, in the United States or to, or for the account or benefit of, any "United States person" (as defined in Section 7701(a)(30) of the U.S. Tax Code, referred to herein as a "**U.S. Person**").
- (b) All payments, including in respect of interest and principal in connection with the Senior Notes and whether at maturity or otherwise, will be payable only outside of the United States.
- (c) During the Restricted Period, any amounts payable in respect of the Senior Notes will be made only to the extent that certification (in a form to be provided) that the beneficial owners of interests in such Senior Notes are not U.S. Persons or persons who have purchased for resale directly or indirectly to any U.S. Person or to a person within the United States, as required by U.S. Treasury Regulations, has been received (i) by Monte Titoli and/ or Monte Titoli has given a like certification (based on the certifications it has received) to the Issuer and Paying Agent or (ii) by any other holder thereof, if applicable.
- (d) For any Senior Notes which have an original maturity of more than 365 days, the following legend will appear in any book or record where a book entry is made with respect to a Senior Note (for Senior Notes in book entry form) and on the face of the Senior Note and on any and all receipts, interest coupons and talons relating to such Senior Note (for any Senior Notes in physical form):

"Any United States person (as defined in the Internal Revenue Code of the United States) who holds this obligation will be subject to limitations under the United States income tax laws including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code".

Selling restrictions may also apply to the Junior Notes; however, such restrictions are not addressed here, as the Junior Notes are not being offered pursuant to this Prospectus.

3.2.5 *Senior Notes Underwriter's compliance with United States TEFRA D*

Pursuant to the Senior Notes Subscription Agreement the Senior Notes Underwriter has represented, warranted and undertaken to the Issuer and the Arranger, as follows:

- (a) except to the extent permitted under the TEFRA D, (i) it has not offered or sold and during the Restricted Period will not offer or sell any Senior Notes to a person who is within the United States or its possessions or to a United States person; and (ii) it has not delivered and will not deliver within the United States or its possessions any Senior Notes that will be sold during the Restricted Period;
- (b) it has, and throughout the Restricted Period will have, in effect procedures reasonably designed to ensure that its employees and agents who are directly engaged in selling or offering Senior Notes are aware that the Senior Notes may not be offered or sold during the Restricted Period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D;

- (c) if it is a United States person, (i) it is acquiring the Senior Notes for the purposes of resale in connection with their original issuance and, (ii) if it retains Senior Notes for its own account, it will only do so in accordance with the requirements of the TEFRA D;
- (d) with respect to each affiliate of the Senior Notes Underwriter that acquires the Senior Notes from it for the purpose of offering or selling such Senior Notes during the Restricted Period, the Senior Notes Underwriter either repeats and confirms for the benefit of the Issuer and the Arranger the representations, warranties and undertakings contained in paragraphs (a), (b) and (c) above on such affiliate's behalf or agrees that it will obtain from such affiliate for the benefit of the Issuer and the Arranger the representations, warranties, and undertakings contained in such paragraphs; and
- (e) it has not and will not enter into any contractual arrangement (other than confirmation or other notice of the transaction) pursuant to which any other party to the contract (other than one of its affiliates) has offered or sold, or during the Restricted Period will offer or sell, any Senior Notes except where pursuant to the contract the Senior Notes Underwriter has obtained or will obtain from that party, for the benefit of Issuer and the Arranger, the representations, warranties, and undertakings contained in, and that party's agreement to comply with, the provisions of paragraphs (a), (b), (c) and (d) above.

3.2.6 *The Hiring Incentives to Restore Employment Act (the "HIRE Act")*

On 18 March 2010, the Hire Act was signed into law by President Barak Obama, which, among other things, repeals certain provisions related to TEFRA D. Bearer notes that are originally issued on or before 18 March 2012, however, are not subject to this change in law. Senior Notes issued on or before 18 March 2012 are intended to be issued in compliance with TEFRA D or under circumstances in which the Senior Notes are considered registered under the U.S. Tax Code (or such Senior Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982).

3.3 **United Kingdom**

Under the Senior Notes Subscription Agreement, the Senior Notes Underwriter has represented, warranted and undertaken to the Issuer that:

3.3.1 *Financial promotion*

it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Senior Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

3.3.2 *General compliance*

it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Senior Notes in, from or otherwise involving the United Kingdom.

3.4 **Republic of Italy**

3.4.1 *No offer to public*

The offering of Senior Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (CONSOB) pursuant to Italian securities legislation and, accordingly, the Senior

Notes Underwriter has represented and agreed that, save as set out below, (i) it has not made and will not make an offering (or "*offerta al pubblico*") of any Senior Note in the Republic of Italy, and (ii) sales of the Senior Notes in the Republic of Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations; as such, no Senior Notes have been or may be offered, sold or delivered, nor copies of the Prospectus or of any other offering material relating to any Senior Notes have been or may be distributed or otherwise made available in the Republic of Italy, except:

- (a) to qualified investors ("*investitori qualificati*"), as defined pursuant to Article 100 of the Financial Laws Consolidated Act and Article 34-ter, paragraph 1(b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time ("**Regulation No. 11971**") or any other relevant implementing regulations; or
- (b) in any other circumstances which are exempted from public offerings restrictions pursuant to the Financial Laws Consolidated Act, Regulation No. 11971 and any other applicable laws and regulations.

3.4.2 Offer to qualified investors

Any offer, sale or delivery of the Senior Notes or distribution of copies of the Prospectus or any other offering material relating to the Senior Notes in the Republic of Italy under paragraph 3.4.1, letter (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Laws Consolidated Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time), the Consolidated Banking Act; and
- (ii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy or any other Italian authority.

Please note that, in accordance with Article 100-bis of the Financial Laws Consolidated Act, where no exemption under paragraph 3.4.1, letter (a) or (b) above applies, the subsequent distribution of the Senior Notes on the secondary market in Italy must be made in compliance with the rules on offers of securities to be made to the public provided under the Financial Laws Consolidated Act and Regulation 11971. Failure to comply with such rules may result, inter alia, in the sale of the Senior Notes being declared null and void and in the liability of the intermediary transferring the Senior Notes for any damages suffered by the investors.

The Junior Notes remain subject to the further selling restrictions provided for in the Junior Notes Subscription Agreement.

3.5 **European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Senior Notes Underwriter has represented and agreed that, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), it has not made and will not make an offer of Senior Notes to the public in that Relevant Member State from the time the Prospectus has been approved by the competent authority in Ireland and published in accordance with the Prospectus Directive as implemented in Ireland, except that it

may, with effect from and including the Relevant Implementation Date, make an offer of such Senior Notes to the public in that Relevant Member State:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Senior Notes shall require the Issuer or the Senior Notes Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an **offer of Senior Notes to the public** in relation to any Senior Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Senior Notes to be offered so as to enable an investor to decide to purchase or subscribe the Senior Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression **Prospectus Directive** means Directive 2003/71/EC, as amended and supplemented from time to time, and includes any relevant implementing measure in each Relevant Member State.

4 REGULATORY DISCLOSURE AND RETENTION UNDERTAKING UNDER CRD II

On 16 September 2009 the European Parliament and the European Council adopted the Directive 2009/111/EC (the "**CRD II**") amending the so-called capital requirements directive (being and expression making reference to Directive 2006/48/EC and Directive 2006/49/EC) (as amended, the "**CRD**"), relating to, *inter alia*, exposures to transferred credit risk in the context of securitisation transactions.

Pursuant to the Article 122a of the CRD as amended by CRD II ("**Article 122a**"), an EU regulated credit institution, other than when acting as originator, sponsor or original lender, may assume an exposure in the context of a securitisation in its trading or non-trading book only if the originator, sponsor or original lender has explicitly disclosed to such credit institution that it will retain, on an on-going basis, a material net economic interest not lower than 5% in such securitisation.

Article 122a became effective on 1 January 2011 and has been implemented in Italy in the New Supervisory Regulations for the Banks ("*Nuove disposizioni di vigilanza prudenziale per le banche*").

Under the Senior Notes Subscription Agreement, Alba Leasing, in its capacity as Originator, has undertaken to the Issuer and the Representative of the Noteholders that it will retain at the Issue Date and maintain on an on-going basis a net economic interest in the Securitisation described in this Prospectus not lower than 5% in accordance with option (d) of Article 122a (i.e. "the first loss tranche and, if necessary, other tranches having the same or a more severe risk profile than those transferred or sold to investors and not maturing any earlier than those transferred or sold to investors, so that the retention equals in total no less than 5% of the nominal value of the securitised exposures") or, in accordance with Article 122a, any alternative permitted method to the extent that adequate disclosure on such alternative method has been given, *inter alios*, to the Senior Noteholders.

Notice on such alternative method shall be given to the Noteholders through the systems of Monte Titoli and, as long as the Senior Notes are listed on the Official List of the Irish Stock Exchange, be published on the website of the Irish Stock Exchange, in accordance with Condition 16 (*Notices*).

As of the Issue Date such net economic interest will be - in accordance with option (d) of Article 122a - comprised of the retention by Alba Leasing of the Junior Notes.

Pursuant to Article 122a, the Originator is prohibited from hedging or otherwise transferring the retained risk.

Article 122a further requires an EU regulated credit institution, before investing, and as appropriate thereafter, for each of its individual exposure in securitisation transaction, to carry out a due diligence in respect of each such exposure and the relevant securitisation, to implement formal policies and procedures appropriate for such activities to be conducted on an on-going basis, to regularly perform its own stress tests appropriate to its exposure and to monitor on an on-going basis and in a timely manner performance information on such exposures. Failure to comply with one or more of the requirements set out in Article 122a will result in the imposition of a higher capital requirement in relation to the relevant exposure by the relevant EU regulated credit institution. In such respect, Article 122a requires originators and sponsors to ensure that prospective investors have readily available access as at the Issue Date and on an on-going basis to all information necessary to comply with their due diligence and monitoring obligations and all relevant data necessary to conduct comprehensive and well informed stress tests on the underlying exposures.

Under the Senior Notes Subscription Agreement, Alba Leasing, in its capacity as Originator, has covenanted to and agreed with the Issuer and the Representative of the Noteholders that:

- (a) it will provide adequate disclosure to the Noteholders in accordance with Article 122a;
- (b) it will ensure that prospective investors have readily available access to all information as it would be necessary to conduct comprehensive and well informed stress tests, in accordance with Article 122a and, to this purpose, any of such information:
 - (i) on the Issue Date, will be disclosed in the section "*The Aggregate Portfolio*" of the Prospectus; and
 - (ii) following the Issue Date, will be disclosed on a periodical basis, in the Quarterly Settlement Report, until Alba Leasing acts as Servicer and, in the event that its appointment as Servicer is terminated, in monthly reports, in which information with regard to the Receivables will be disclosed publicly, together with an overview of the retention of material net economic interest by the Originator with a view of complying with paragraph (7) of Article 122a;
- (c) the information relating to the Collections, the Receivables and the Priority of Payments will also be disclosed in the Investor Report issued by the Computation Agent, which will be available to the Noteholders and prospective investors on the Computation Agent's web site (currently at www.securitisation-services.com). It is understood that the Investor Report shall be deemed to have been produced on behalf of the Originator, under the Originator's full responsibility, with reference only to the information listed in (a) and (b) above that the Originator has the obligation to make available to investors under Article 122a. The Computation Agent will not be liable for failure to include in the Investor Report any relevant

information if such failure is caused by the non-delivery, the delayed delivery, the inaccuracy or incompleteness of the relevant information to be furnished by the Originator;

- (d) the retention requirement is not to be subject to any credit risk mitigation, any short position or any other hedge, within the limits of Article 122a; and
- (e) any further information required by Article 122a and not covered under the preceding paragraphs will be provided, on a periodical basis, by the Servicer.

For further details see the section entitled "*Risk factors - Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the asset backed securities*".

GENERAL INFORMATION

Listing and admission to trading

Application has been made to list on the official list of the Irish Stock Exchange and to admit to trading the Senior Notes on the Regulated Market of the Irish Stock Exchange. In connection with the listing application, the constitutional documents of the Issuer and a legal notice relating to the issue of the Senior Notes will be deposited prior to listing with the Listing Agent and the Representative of the Noteholders, where such documents will be available for inspection and where copies thereof may be obtained upon.

Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Italy in connection with the issue and performance of the Notes. The Issuer is managed by a Sole Director. Therefore, in accordance with Italian law, the issue of the Notes has been authorised by such Sole Director without the need of any formal meeting or resolution. However, the issue of the Notes was authorised also by the resolution of the quotaholder passed on 5 April 2013.

Clearing of the Notes

The Notes have been accepted for clearance through Monte Titoli, Euroclear and Clearstream as follows:

Series	ISIN	Common Code
Series 2013-1-A	IT0004918519	092090973
Series 2013-1-B	IT0004918527	

No material litigation

There have been no governmental, litigation or arbitration proceedings against or affecting the Issuer or any of its assets or revenues in the last twelve months, nor is the Issuer aware of any pending or threatened proceedings of such kind, which are or might be material.

No material adverse change

Since its incorporation, there has been no material adverse change, or any development reasonably likely to involve an adverse change, in the condition (financial or otherwise), business, prospects or general affairs of the Issuer that is material.

Documents available for inspection

For as long as the Senior Notes are listed on the Irish Stock Exchange, copies of the following documents are available in physical and electronic form for inspection during normal business hours at the registered office of the Issuer and of the Representative of the Noteholders:

- (i) Memorandum and Articles of Association of the Issuer;
- (ii) Transfer Agreement;
- (iii) Warranty and Indemnity Agreement;
- (iv) Servicing Agreement;
- (v) Back-Up Servicing Agreement;

- (vi) Intercreditor Agreement;
- (vii) Cash Allocation, Management and Payment Agreement;
- (viii) Deed of Pledge;
- (ix) Deed of Charge;
- (x) Mandate Agreement;
- (xi) Quotaholder Agreement;
- (xii) Senior Notes Subscription Agreement;
- (xiii) Junior Notes Subscription Agreement;
- (xiv) Letter of Undertakings;
- (xv) Corporate Services Agreement;
- (xvi) Monte Titoli Mandate Agreement; and
- (xvii) Master Definitions Agreement.

Financial statements available

The Issuer will produce financial statements in respect of each financial year. So long as any of the Senior Notes remains outstanding, upon publication, copies of the Issuer's annual audited financial statements, the Payments Reports (starting with the first Payments Report which will be made available on or about the First Payment Date), the Investor Report and the Post Trigger Reports shall be made available in physical and/or electronic form for collection at the registered offices of the Issuer and of the Representative of the Noteholders.

Post Issuance Information

So long as any of the Senior Notes remains outstanding, the Issuer will provide the post issuance information described in this paragraph. Copies of the Payments Report, the Investor Report and the Post Trigger Report shall be made available for collection at the registered offices of the Issuer, Paying Agent and the Representative of the Noteholders. The first Investor Report will be available at the registered office of the Issuer, Paying Agent and the Representative of the Noteholders on or about the Investor Report Date immediately succeeding the First Payment Date. The Investor Report will be produced on or prior to the Investor Report Date and will contain details of amounts paid on the Payment Date to which it refers in accordance with the Priority of Payments, including the amount payable as principal and Interest in respect of each Senior Note.

Fees and expenses

The estimated annual fees and expenses payable by the Issuer in connection with the transaction described herein amount to approximately Euro 78,000 (excluding servicing fees, back-up servicing fees and any VAT, if applicable) and the estimated total expenses related to the admission to trading of the Senior Notes amount approximately to Euro 2,000 (excluding VAT, if applicable).

GLOSSARY

"Account" means each of the Eligible Accounts, the Quota Capital Account and the Expenses Account, and "Accounts" means all of them.

"Account Bank" means BNYM Italian Branch or any other Eligible Institution acting as account bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time, and any of its permitted successors or transferees.

"Additional Remuneration" the amount, if any, due by the Issuer being equal to the difference (if positive), on each Payments Report Date with reference to the immediately following Payment Date between:

- (i) the Issuer Available Funds, and
- (ii) the sum of any amount due and payable on such Payment Date by the Issuer out of the Issuer Available Funds in priority to the Additional Remuneration in accordance with the applicable Priority of Payments.

"Affected Series" shall have the meaning ascribed to it in Condition 8 (*Redemption for Taxation*).

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

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

$$A + B - CP - R$$

where:

A = the Principal Amount Outstanding of the Series 2013-1-A Notes on the day following the immediately preceding Payment Date;

B = the Principal Amount Outstanding of the Series 2013-1-B Notes on the day following the immediately preceding Payment Date;

CP = the Collateral Portfolio Outstanding Principal due on the last day of the immediately preceding Settlement Period; and

R = the Debt Service Reserve Amount calculated with reference to the relevant Payment Date.

"Aggregate Portfolio" means, collectively, the Alba 1 Portfolio and the Alba 2 Portfolio, and "Portfolio" means each of them.

"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: (i) the accrued and unpaid Instalments plus any penalties; and (ii) the nominal value of all future Instalments and of the Residual Optional Instalment, both discounted at a rate which is equal to: (a) 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 (b) 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 prepayment 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 Alba Leasing 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 Alba Leasing is entitled to receive shall be equal to the lower between: (x) the Residual Optional Instalment plus any instalments in respect of which Alba Leasing remains owner, discounted at the applicable rate referred to above and (y) the Prepayment Amount less the Agreed Prepayment.

"Alba 1" means Alba 1 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 1, 31015 Conegliano (Treviso), Italy, Fiscal Code and enrolment with the Companies Register of Treviso No. 04333910265.

"Alba 1 Criteria" means the criteria for the identification of the Alba 1 Receivables specified in schedule 2 (*Criteri relativi al Portafoglio Alba 1*) of the Transfer Agreement.

"Alba 1 Individual Purchase Price" means the individual purchase price of each Alba 1 Receivable, equal to, in relation to such Alba 1 Receivable, the sum of (i) the Initial Alba 1 Purchase Price, plus (ii) the Alba 1 Purchase Price of the Residual Optional Instalment.

"Alba 1 Junior Notes" means the notes Up to Euro 168,924,912 Class B Asset Backed Floating Rate Notes due April 2040 issued on 4 March 2011 by Alba 1 in the context of the Alba 1 Securitisation, pursuant to Articles 1 and 5 of the Securitisation Law.

"Alba 1 Notes" means, collectively, the Alba 1 Senior Notes and the Alba 1 Junior Notes.

"Alba 1 Portfolio" means the portfolio of Alba 1 Receivables transferred by Alba 1 to the Issuer pursuant to the Transfer Agreement.

"Alba 1 Purchase Price" means the purchase price of the Alba 1 Portfolio, equal to the sum of the Alba 1 Individual Purchase Price of the Receivables comprised in the Alba 1 Portfolio.

"Alba 1 Purchase Price of the Residual Optional Instalment" means the purchase price of the residual optional instalment due by the Issuer in relation to each Alba 1 Receivable as specified in clause 4.1.1 (*Prezzo di Acquisto Individuale dei Crediti Alba 1*) of the Transfer Agreement, or, in case such term is referred to the Alba 1 Portfolio, the sum of the purchase price of the residual optional instalment of the Alba 1 Receivables.

"Alba 1 Receivable" means each Receivable comprised in the Alba 1 Portfolio.

"Alba 1 Securitisation" means the securitisation transaction carried out by Alba 1 through the issuance of the Alba 1 Notes pursuant to Articles 1 and 5 of the Securitisation Law on 4 March 2011.

"Alba 1 Senior Notes" means the notes Up to Euro 300,000,000 Class A Asset-Backed Floating Rate Notes due April 2040 issued on 4 March 2011 by Alba 1 in the context of the Alba 1 Securitisation, pursuant to Articles 1 and 5 of the Securitisation Law.

"Alba 1 Unwinding and Termination Agreement" means the unwinding and termination agreement entered into on 8 April 2013 between Alba 1, Alba Leasing and the other parties of the Alba 1 Securitisation providing for, *inter alia*, the terms and conditions of the unwinding of the Alba 1 Securitisation and the redemption in full of the Alba 1 Notes.

"Alba 2" 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 1, 31015 Conegliano (Treviso), Italy, Fiscal Code and enrolment with the Companies Register of Treviso No. 04146750262.

"Alba 2 Criteria" means the criteria for the identification of the Alba 2 Receivables specified in schedule 3 (*Criteri relativi al Portafoglio Alba 2*) of the Transfer Agreement.

"Alba 2 Individual Purchase Price" means the individual purchase price of each Alba 2 Receivable, equal to, in relation to such Alba 2 Receivable, the sum of (i) the Initial Alba 2 Purchase Price, plus (ii) the Alba 2 Purchase Price of the Residual Optional Instalment.

"Alba 2 Junior Notes" means the notes Euro 152,900,000 Class B Asset Backed Floating Rate Notes due December 2041 issued on 21 December 2011 by Alba 2 in the context of the Alba 2 Securitisation, pursuant to Articles 1 and 5 of the Securitisation Law.

"Alba 2 Notes" means, collectively, the Alba 2 Senior Notes and the Alba 2 Junior Notes.

"Alba 2 Portfolio" means the portfolio of Alba 2 Receivables transferred by Alba 2 to the Issuer pursuant to the Transfer Agreement.

"Alba 2 Purchase Price" means the purchase price of the Alba 2 Portfolio, equal to the sum of the Alba 2 Individual Purchase Price of the Receivables comprised in the Alba 2 Portfolio.

"Alba 2 Purchase Price of the Residual Optional Instalment" means the purchase price of the residual optional instalment due by the Issuer in relation to each Alba 2 Receivable as indicated in clause 4.2.1 (*Prezzo di Acquisto Individuale dei Crediti Alba 2*) of the Transfer Agreement, or, in case such term is referred to the Alba 2 Portfolio, the sum of the purchase price of the residual optional instalment of the Alba 2 Receivables.

"Alba 2 Receivable" means each Receivable comprised in the Alba 2 Portfolio.

"Alba 2 Securitisation" means the securitisation transaction carried out by Alba 2 through the issuance of the Alba 2 Notes pursuant to Articles 1 and 5 of the Securitisation Law on 21 December 2011.

"Alba 2 Senior Notes" means the Euro 150,000,000 Class A Asset Backed Floating Rate Notes due December 2041 issued on 21 December 2011 by Alba 2 in the context of Alba 2 Securitisation, pursuant to Articles 1 and 5 of the Securitisation Law.

"Alba 2 Unwinding and Termination Agreement" means the unwinding and termination agreement entered into on 8 April 2013 between Alba 2, Alba Leasing and the other parties of the Alba 2 Securitisation providing for, *inter alia*, the terms and conditions of the unwinding of the Alba 2 Securitisation and the redemption in full of the Alba 2 Notes.

"Alba 5" means Alba 5 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 (Treviso), Italy, Fiscal Code and enrolment with the Companies Register of Treviso No. 04591530268.

"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 18, 20139 Milan, Italy, Fiscal Code and enrolment with the Companies Register of Milan No. 06707270960.

"Arranger" means Banca IMI S.p.A., a bank incorporated under the law of Republic of Italy as a joint stock company, whose registered office is at Largo Mattioli 3, 20121 Milan, Italy, Fiscal Code and enrolment with the Companies Register of Milan No. 04377700150, enrolled in the Register of Banks held with the Bank of Italy pursuant to Article 13 of the Consolidated Banking Act.

"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.

"Back-Up Servicer" means Selmabipiemme or any other entity acting as back-up servicer pursuant to the provisions of the Back-Up Servicing Agreement from time to time, and any of its permitted successors or transferees.

"Back-Up Servicing Agreement" means the back-up servicing agreement entered into on or prior the Issue Date between the Servicer, the Issuer and the Back-Up Servicer, as from time to time modified in accordance with the provisions therein contained and including any other deed or 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.

"BNYM Irish" means the Dublin Branch of The Bank of New York Mellon SA/NV, a credit institution incorporated under the laws of Belgium, with company number 0806.743.159, whose registered office is at Hanover Building, Windmill Lane, Dublin 2, Ireland.

"BNYM Italian Branch" means the Italian branch of The Bank of New York Mellon (Luxembourg) S.A., a credit institution incorporated under the laws of the Grand Duchy of Luxembourg, whose registered office is at Via Carducci 31, 20123 Milan, Italy.

"BNYM London Branch" means the London branch of The Bank of New York Mellon S.A./N.V., a credit institution incorporated under the laws of Belgium, with company number 0806.743.159, whose registered office is at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom.

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

"Call Option" means the option granted to the Originator under clause 5.1 (*Eventi di riacquisto*) of the Warranty and Indemnity Agreement, pursuant to Article 1331 of the Italian Civil Code, regarding the repurchase of individual Receivables upon the occurrence of certain circumstances.

"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 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.

"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 Servicer, the Representative of the Noteholders, the Paying Agent, the Irish Agent, the Account Bank, the Custodian Bank, the Cash Manager and the Computation Agent, as from time to time modified in accordance with the provisions therein contained and including any other deed or 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, and any of its permitted successors or transferees.

"Cash Trapping Condition" means, until all the Senior Notes have been redeemed in full, the condition that will be deemed to be satisfied if, during the relevant Collection Period, the Gross Cumulative Default Ratio, as evidenced in the relevant Quarterly Settlement Report, is lower than the respective Relevant Trigger

"Class" or **"Series"** means each class of Notes which will be issued.

"Class A Notes Formula Redemption Amount" means, in respect of any Payment Date on which the Issuer has to make principal payments for the Series 2013-1-A Notes in accordance with the relevant Priority of Payments:

- (i) in the event that a Trigger Event has not occurred, an amount equal to the lower of: (a) the Principal Amount Outstanding of the Series 2013-1-A Notes on the day following the immediately preceding Payment Date; and (b) the Aggregate Notes Formula Redemption Amount for that Payment Date;
- (ii) in the event that a Trigger Event has occurred, the Principal Amount Outstanding of the Series 2013-1-A Notes.

"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 comprised in the Aggregate Portfolio arising from Lease Contracts that are not, as of such date, Defaulted Lease Contracts.

"Collection Account" means the Euro denominated account with IBAN IT4100335101600006412879780, opened in the name of the Issuer with the Account Bank or any other Eligible Institution for the deposit of all the Collections during the Securitisation, in accordance with the Servicing Agreement.

"Collection Policies" means the procedures adopted by the Servicer for the collection of the Instalments and any other amount due from time to time in relation to the Receivables and the relevant Lease Contracts in force at the date of the Transfer Agreement as set out in schedule 1 (*Procedura di Riscossione*) of the Servicing Agreement.

"Collections" means any amount (including the Recoveries) collected by the Servicer or the Issuer in respect of the Receivables comprised in the Aggregate Portfolio.

"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, and any of its permitted successors or transferees.

"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.

"Consumer's Plan" means a consumer's plan entered into pursuant to Law No. 3/2012.

"Consumer's Plan Procedure" means the procedure provided for under Law No. 3/2012 in relation to Consumer's Plans.

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

"Corporate Services Agreement" means the corporate services agreement entered into on or about the Issue Date between the Issuer and the Corporate Servicer, as from time to time modified in accordance with the provisions therein contained and including any other deed or document expressed to be supplemental thereto.

"Corporate Servicer" means Securitisation Services or any other entity acting as corporate services provider pursuant to the Corporate Servicer from time to time, and any of its permitted successors or transferees.

"CRD II" means, collectively, Directive 2009/27/EC adopted on 7 April 2009 by the European Commission, Directive 2009/83/EC adopted on 27 July 2009 by the European Commission and Directive 2009/111/EC adopted on 16 September 2009 by the European Parliament and the European Council, which amended the so-called capital requirements directive (being and expression making reference to Directive 2006/48/EC and Directive 2006/49/EC) (as amended, the **"CRD"**), relating to, *inter alia*, exposures to transferred credit risk in the context of securitisation transactions.

"Criteria" means the Alba 1 Criteria and the Alba 2 Criteria, as the case may be.

"Custodian Bank" means BNYM London Branch or any other entity acting as custodian bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time, and any of its permitted successors or transferees.

"Custodian 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 Custodian Bank the Issuer, the Cash Manager, the Computation Agent, the Representative of the Noteholders and the Corporate Servicer no later than the Custodian Bank Report Date.

"Custodian Bank Report Date" means the fourth Business Day following each Settlement Date.

"Custody Terms and Conditions" means the custody terms and conditions of the Custodian Bank set out in schedule 5 (*Custody Terms and Conditions*) to the Cash Allocation, Management and Payment Agreement.

"Debt Service Reserve Account" means the Euro denominated account with IBAN IT93P0335101600006412889780 which will be held with the Account Bank or any other 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, in relation to each relevant Payment Date up to (but excluding) the Release Date, an amount equal to the lower of (without taking into account any principal payment to be made to the Noteholders on such Payment Date):

- (a) 1.65% of the Principal Amount Outstanding of the Senior Notes at the Issue Date; and
- (b) to the extent that on the immediately preceding Payment Date (except for the First Payment Date) the Debt Service Reserve Account has been credited with an amount equal to the Debt Service Reserve Amount, the greater of (i) 3.30% of the Principal Amount Outstanding of the Senior Notes

on such Payment Date; and (ii) 0.75% of the Principal Amount Outstanding of the Senior Notes at the Issue Date.

"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 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.

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

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

"Defaulted Instalment" means any Instalment which remains due and 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 in relation to Lease Contracts which provide for monthly payments; (ii) 3 in relation to Lease Contracts which provide for bi-monthly payments; (iii) 2 in relation to Lease Contracts which provide for quarterly payments and (iv) 1 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.

"Delinquent Instalment" means any Instalment which remains due and unpaid for more than 30 days after the date scheduled for payment in the relevant Lease Contract and which is not a Defaulted Instalment.

"Delinquent Lease Contract" means a Lease Contract with respect to which there is at least one Delinquent Instalment but which is not a Defaulted Lease Contract.

"Distributing Bank" means any bank through which the Lease Contracts are promoted and/or placed and/or executed.

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

"Eligible Institution" means any depository institution organised under the laws of any State which is a

member of the European Union or of the United States with at least the following ratings:

- (a) with respect to S&P: a long-term rating of at least "BBB" or, in case its short-term rating is not at least equal to "A-2", a long-term rating of at least "BBB"; and
- (b) with respect to Moody's: a short-term rating of at least "P-2" and a long-term rating of at least "Baa3".

"Eligible Investment" means:

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

- (i) a short-term unsecured and unsubordinated rating of at least "A-2" by S&P and "P-2" by Moody's for Eligible Investments maturing within 60 days or less, or a long-term unsecured and unsubordinated rating at least "A" by S&P and "Baa2" by Moody's or a short-term unsecured and unsubordinated rating at least "A-1" by S&P or "P-2" by Moody's for investments maturing within 92 days or less, or such other rating which does not negatively affect the then current rating of the Senior Notes, as previously communicated to the Rating Agencies; or

- (ii) such other rating as acceptable to S&P and Moody's from time to time;

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

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

- (3) repurchase transactions between the Issuer and an Eligible Institution in respect of Euro denominated debt securities or other debt instruments provided that (i) title to the securities underlying such repurchase transactions (in the period between the execution of the relevant repurchase transactions and their respective maturity) effectively passes (as confirmed by a non-qualified legal opinion by a primary standing law firm) to the Issuer and the obligations of the relevant counterparty are not related to the performance of the underlying securities, and (ii) such repurchase transactions have a maturity date falling not later than the next following Eligible Investment Maturity Date and in any case shorter than 60 days, provided that, in respect of all investments mentioned under points from (1) to (3) above:

- (a) in all cases, such investments provide a fixed principal amount at maturity (or upon disposal or liquidation, as the case may be) at least equal to the principal amount invested;
 - (b) in any event, none of the Eligible Investments set out above may consist, in whole or in part, actually or potentially, of (i) credit-linked notes or similar claims resulting from the transfer of

credit risk by means of credit derivatives nor may any amount available to the Issuer in the context of the Securitisation otherwise be invested in any such instruments at any time, or (ii) asset-backed securities, irrespective of their subordination, status or ranking, or (iii) swaps, other derivatives instruments, or synthetic securities, or (iv) any other instrument from time to time specified in the European Central Bank monetary policy regulations applicable from time to time as being instruments in which funds underlying asset-backed securities eligible as collateral for monetary policy operations sponsored by the European Central Bank may not be invested;

- (c) the Eligible Investments under (a) above and any other Eligible Investments other than bank account, cash deposit or time deposit (but including without limitation, the securities underlying repurchase transactions) above are capable of being registered on the Investment Account; and
- (d) such Eligible Investments are held directly with the Custodian Bank and/or through Euroclear or Clearstream or other clearing systems and registered in the name of the Issuer or, only to the extent registration in the name of the Issuer is not possible, in the name of the Custodian Bank and in no case Eligible Investments are held through a sub-custodian.

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

"EURIBOR" means the Euro-Zone inter-bank offered rate for three month Euro deposits:

- (a) as it appears on Reuters page Euribor01 or (aa) such other page as may replace Reuters page Euribor01 on that service for the purpose of displaying such information or (bb) if that service ceases to display such information, such page as displays such information on such equivalent service (or, if more than one, that one which is approved by the Representative of the Noteholders) as may replace the Reuters page Euribor01 (the **"Screen Rate"**) at or about 11.00 a.m. (Brussels time) on the relevant Interest Determination Date; or
- (b) if the Screen Rate is unavailable at such time, then the rate for the relevant Interest Period shall be the arithmetic mean (rounded to four decimal places with the mid-point rounded up) of the rates notified to the Paying Agent at its request and communicated by the latter to the Computation Agent by each of the Reference Banks as the rate at which the Euribor in a similar representative amount are offered by that Reference Bank to leading banks in the Euro-zone inter-bank market at or about 11.00 a.m. (Brussels time) on that date; or
- (c) if on any relevant Interest Determination Date, the Screen Rate is unavailable and only two of the Reference Banks provide such offered quotations to the Paying Agent the relevant rate shall be determined in the manner specified in (b) above, on the basis of the offered quotations of those Reference Banks providing such quotations; or
- (d) if, on any relevant Interest Determination Date, the Screen Rate is unavailable and:
 - (i) only one of the Reference Banks provides the Paying Agent with such an offered quotation, the relevant rate shall be the determined on the basis of such offered quotation;
 - (ii) none of the Reference Banks provides the Paying Agent with such an offered quotation, the relevant rate shall be the rate in effect for the immediately preceding period to which one of subparagraphs (a), (b) or (c) above shall have applied.

"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 Alba Leasing in accordance with clause 16 (*Importi recuperati in relazione ai Crediti a seguito di azioni esecutive*) 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 Securitisation, 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 with IBAN IT76V0103061621000001312020 opened in the name of the Issuer with Banca Monte dei Paschi di Siena or any other account that shall replace of such account in accordance with the Cash Allocation, Management and Payment Agreement.

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

"Final Maturity Date" means the Payment Date falling in April 2040.

"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 22 July 2013.

"First Settlement Date" means the Settlement Date falling in 30 June 2013.

"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 the Aggregate Portfolio, collectively, the Publication in the Official Gazette and the Registration in the Companies Register.

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

"Further Notes" has the meaning ascribed to such term in clause 10.5 (b) of the Intercreditor Agreement.

"Further Securities" has the meaning ascribed to such term in clause 10.5 (c) of the Intercreditor Agreement.

"Further Securitisation" means any further securitisation transaction which may be carried out by the Issuer pursuant to the Securitisation Law and in accordance with Condition 5.2 (*Covenants - Further Securitisations*).

"Gross Cumulative Default Ratio" means, in relation to each Settlement Date, the per cent. ratio between: (i) the aggregate of the Outstanding Amount (as of the date on which the relevant Lease Contracts have become Defaulted Lease Contracts) related to all the Receivables comprised in the Aggregate Portfolio arising from Lease Contracts which have become Defaulted Lease Contracts in the period starting from the Valuation Date and ending on the last day of such Settlement Date; and (ii) the Initial Purchase Price (as of the Valuation Date) of all Receivables comprised in the Aggregate Portfolio.

"Guarantee" means any security or guarantee, including first demand guarantees, granted by a Debtor or a Guarantor to secure the Receivables (including the *Fideiussione DK*).

"Guarantor" means any person, other than the Debtor, who has granted any guarantee or security in favour of a Seller and/or the Originator in respect of any Receivables, and/or its permitted successors or assignees.

"Indemnities" means the Policies Indemnities and/or the Losses Indemnities, as the case may be.

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

"Initial Alba 1 Purchase Price" means in respect of each Alba 1 Receivable the initial purchase price due by the Issuer in relation to each Alba 1 Receivable, as specified in clause 4.1.1 (*Prezzo di Acquisto Individuale dei Crediti Alba 1*) of the Transfer Agreement or, in case such term is referred to the Alba 1 Portfolio, the sum of the initial purchase price of the Alba 1 Receivables.

"Initial Alba 2 Purchase Price" means in respect of each Alba 2 Receivable the initial purchase price due by the Issuer in relation to each Alba 2 Receivable, as specified in clause 4.2.1 (*Prezzo di Acquisto Individuale dei Crediti Alba 2*) of the Transfer Agreement or, in case such term is referred to the Alba 2 Portfolio, the sum of the initial purchase price of the Alba 2 Receivables.

"Initial Interest Period" means the period which begins on the Issue Date (included) and ends on the First Payment Date (excluded).

"Initial Purchase Price" means the Initial Alba 1 Purchase Price and the Initial Alba 2 Purchase Price, as the case may be.

"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 of deferment of a substantial part of its obligations or makes a general assignment or a general arrangement or composition with or for the benefit of its creditors (other than, in the case of the Issuer, the Other Issuer Creditors) or is granted by a competent court a moratorium in respect of a substantial part of its indebtedness or any guarantee of any indebtedness given by it or applies for suspension of payments; or
- (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, in relation to a Lease Contract, each periodic lease instalment (excluding in any case the Residual Optional Instalment) due from Lessees under such Lease Contract (net of VAT) the Receivables of which have been assigned to the Issuer under the terms of the Transfer Agreement.

"Insurance Policy" means any insurance policies executed by a Debtor or by Alba Leasing 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 agreement denominated "*Intercreditor Agreement*" entered into on or about the Issue Date between, *inter alios*, the Issuer and the Other Issuer Creditors, as from time to time modified in accordance with the provisions therein contained and including any other deed or 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 7.3 (*Determination of Rates of Interest and Calculation of Interest Amount*).

"Interest Determination Date" means (i) with respect to the Initial Interest Period, the date falling two Business Days prior to the Issue Date, and (ii) 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 the Initial Interest Period and afterwards, each period from (and including) a Payment Date to (but excluding) the next following Payment Date.

"Investment Account" means the Euro denominated cash and securities account with IBAN GB15BNYM16556153571980 opened in the name of the Issuer in accordance with the Cash Allocation, Management and Payment Agreement with the Custodian Bank for, *inter alia*, the deposit of all Eligible Investments.

"Investor Report" means the quarterly report setting out certain information with respect to the Aggregate Portfolio and the Notes which shall be delivered by the Computation Agent to the Issuer, the

Representative of the Noteholders, the Servicer, the Paying Agent, the Account Bank, the Custodian Bank, the Cash Manager, the Corporate Servicer, the Originator and the Rating Agencies on the Investor Report Date pursuant to the Cash Allocation, Management and Payments Agreement.

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

"Irish Agent" means BNYM Irish or any other entity acting as Irish agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time and any of its permitted successors or transferees.

"Irish Stock Exchange" means the regulated market of the Republic of Ireland denominated "*Irish Stock Exchange*".

"Issue Date" means 16 May 2013 or the subsequent date agreed between the Issuer, the Notes Underwriters and the Arranger on which the Notes will be issued.

"Issue Price" means the following percentages of the principal amount of the Notes at which the Notes will be issued:

<i>Series</i>	<i>Issue Price</i>
Series 2013-1-A	100 per cent.; and
Series 2013-1-B	100 per cent.

"Issuer" means Alba 5.

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

- (i) all Collections received or recovered by the Servicer in respect of the Receivables during the immediately preceding Settlement Period;
- (ii) all amounts received by the Issuer from the Originator pursuant to the Transfer Agreement and the Warranty and Indemnity Agreement during the immediately preceding Settlement Period;
- (iii) the amount credited to the Payments Account on the immediately preceding Payment Date;
- (iv) any revenues and other amounts matured or deriving from the realisation, liquidation and any other proceeds on maturity of any Eligible Investments (including, for the avoidance of doubt, interest, premium or any other amount representing its yield) and credited to the Payments Account 2 (two) Business Days prior to such Payment Date;
- (v) all amounts (other than the amounts already allocated under other items of the Issuer Available Funds) of interest accrued (net of any withholding or expenses, if due) and paid on the Issuer's Accounts, other than the Expenses Account and the Quota Capital Account, during the immediately preceding Settlement Period;
- (vi) all the proceeds deriving from the sale (in whole or in part), if any, of the Aggregate Portfolio, in accordance with the provisions of the Transaction Documents;
- (vii) all the proceeds deriving from the sale, if any, of individual Receivables in accordance with the provisions of the Transaction Documents during the immediately preceding Settlement Period;
- (viii) any amounts (other than the amounts already allocated under other items of the Issuer Available Funds) received by the Issuer from any party to the Transaction Documents during the immediately

preceding Settlement Period;

- (ix) the balance of the Debt Service Reserve Account to be transferred to the Payments Account on or prior to such Payment Date,

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

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

"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 230,000,000 Series 2013-1-B Asset Backed Floating Rate Notes due April 2040.

"Junior Notes Subscription Agreement" means the subscription agreement in relation to the Junior Notes entered into on or about the Issue Date, between Alba Leasing (as Originator, Servicer and Junior Notes Underwriter), the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any other deed or document expressed to be supplemental thereto.

"Junior Notes Underwriter" means Alba Leasing as underwriter for the Junior Notes under the Junior Notes Subscription Agreement.

"Late Payments" means payments in respect of Receivables which have been made after the due date thereof.

"Latest Report" has the meaning ascribed to such term in Condition 8.5.5.

"Law No. 3/2012" means Law No. 3 of 27 January 2012, as amended and supplemented from time to time.

"Lease Contract" means each financial leasing agreement between the Originator and the relevant Lessee for the lease of an Asset (as subsequently amended and supplemented), from which the Receivables comprised in each Portfolio arise, as better identified on the basis of the relevant Criteria.

"Leasing Convention" means any convention and/or any similar agreement entered into between Alba Leasing and a Distributing Bank in order to mandate such Distributing Bank to arrange and, if applicable, approve in the name and on behalf of Alba Leasing, leasing transactions relating to, *inter alia*, the Lease Contracts.

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

"Letter of Undertakings" means the letter of undertakings entered into on or about the Issue Date between the Issuer, the Representative of the Noteholders and the Originator, as from time to time modified in accordance with the provisions therein contained, and including any other deed or document expressed to be supplemental thereto.

"Liquidation of Assets" means the liquidation of assets carried out pursuant to Law No. 3/2012.

"Liquidation of Assets Procedure" means the procedure provided for under Law No. 3/2012 in relation to Liquidation of Assets.

"Listing Agent" means BNYM Irish acting as listing agent in connection with the listing of the Senior Notes.

"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.

"Losses Indemnities" means the indemnities payable to Alba Leasing (in the event of termination of the Lease Contracts due to default in payment by the relevant Debtor) by any Distributing Bank with which Alba Leasing has entered into a Leasing Convention.

"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 other deed or document expressed to be supplemental thereto.

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

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

"Minimum Servicer Account Bank Required Rating" means (a) a short-term rating of at least "A-3" by S&P and "P-3" by Moody's and (b) a long-term rating of at least "BBB-" by S&P and "Baa3" by Moody's.

"Monte Titoli" means Monte Titoli S.p.A., with registered office at Piazza Affari 6, 20123 Milan, Italy.

"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 Italia S.r.l.

"Most Senior Class of Noteholders" means the holders of the Most Senior Class of Notes.

"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.

"Notes Underwriters" means, collectively, the Senior Notes Underwriter and the Junior Notes Underwriter.

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

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

"Originator" means Alba Leasing.

"Other Issuer Creditors" means each Seller, the Originator, the Representative of the Noteholders, the

Paying Agent, the Irish Agent, the Computation Agent, the Account Bank, the Custodian Bank, the Servicer, the Cash Manager, the Corporate Servicer, the Sole Quotaholder, the Back-Up Servicer, the Senior Notes Underwriter and the Junior Notes Underwriter.

"Outstanding Amount" means, on any date and with respect to each Receivable, the sum of (i) all the Principal Instalments due but unpaid, plus (ii) the Outstanding Principal.

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

- (a) the discounted nominal value at the relevant Contractual Interest Rate of all the Instalments and of the Residual Optional Instalment that are not yet due as of such date pursuant to the amortization schedule of the relevant Lease Contract; and
- (b) the Residual Optional Instalment.

"Paying Agent" means BNYM Italian Branch or any other entity acting as paying agent pursuant to the Cash Allocation, Management and Payment Agreement from time to time, and any of its permitted successors or transferees.

"Payment Date" means the First Payment Date and thereafter 20 January, 20 April, 20 July and 20 October in each year or, if such day is not a Business Day, the immediately following Business Day.

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

"Payments Account" means the Euro denominated account with IBAN IT48Q0335101600006412899780 opened in the name of the Issuer with the Account Bank or any other Eligible Institution for the deposit, *inter alia*, of all amounts (other than the Collections) received pursuant to the Transaction Documents and/or in accordance with the Cash Allocation, Management and Payment Agreement.

"Payments Report" means the quarterly report setting out all payments and information set forth in clause 8.1.1 (*Determinations and calculations*) of the Cash Allocation, Management and Payments Agreement in accordance with the Pre-Enforcement Priority of Payments, which shall be delivered by the Computation Agent to the Issuer, the Representative of the Noteholders, the Servicer, the Paying Agent, the Account Bank, the Custodian Bank, the Cash Manager, the Corporate Servicer, the Originator, the Irish Stock Exchange and the Rating Agencies on each Payments Report Date immediately preceding a Payment Date pursuant to the Cash Allocation, Management and Payments Agreement.

"Policies Indemnities" means indemnities liquidated under an Insurance Policy or deriving from assignment of interest in favour of Alba Leasing under the Insurance Policy, in the following events and limited to the amounts set out below:

- (a) in the event the Instalments assigned remain unpaid, up to their value;
- (b) in the event the loss, covered by the relevant Insurance Policy has determined a reduction in the amount of the Instalments, up to the amount of such reduction;
- (c) in the event the Lease Contract relating to the Asset to which the insurance indemnity refers has been terminated, for an amount equal to the sum of (x) the claim accrued towards the Lessee on the date of termination and unpaid on such date, and (y) the amount provided by the relevant Lease Contract in case of occurrence of such termination event.

"Pool" means, as the case may be, the Pool No. 1, the Pool No. 2, the Pool No. 3 and 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, commercial vehicles, industrial vehicles or other motorised vehicles excluding aircrafts.

"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 properties.

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

"Portfolio Call Option" or **"Option"** means the option provided for by clause 20.3 (*Option to Repurchase the Aggregate Portfolio*) of the Intercreditor Agreement pursuant to Article 1331 of the Italian Civil Code, regarding the repurchase of the Aggregate Portfolio by the Originator.

"Post-Enforcement Priority of Payments" means the order of priority of payments which shall be applied after the delivery of a Trigger Notice in accordance with the Terms and Conditions.

"Post Trigger Report" means the report to be prepared quarterly or upon reasonable request by the Representative of the Noteholders after a Trigger Notice has been served upon the Issuer following the occurrence of a Trigger Event, setting out all payments and information set forth in clause 8.1.1 (*Determinations and calculations*) of the Cash Allocation, Management and Payments Agreement in accordance with the Post-Enforcement Priority of Payments, which shall be delivered by the Computation Agent to the Issuer, the Representative of the Noteholders, the Servicer, the Paying Agent, the Account Bank, the Custodian Bank, the Cash Manager, the Corporate Servicer, the Originator, the Irish Stock Exchange and the Rating Agencies pursuant to the Cash Allocation, Management and Payments Agreement.

"Pre-Emption Right" has the meaning ascribed to such term in clause 20.1 (*Disposal of the Aggregate Portfolio following the delivery of a Trigger Notice*) of the Intercreditor Agreement.

"Pre-Enforcement Priority of Payments" means the order of priority of payments which shall be applied prior to the delivery of a Trigger Notice in accordance with the Terms and Conditions.

"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 penalties; and (b) the nominal value of all future instalments and of the Residual Optional Instalment, discounted 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 in which the payment of such prepayment amount is due, less 1%; and (y) the three month Euribor rate applicable at the time of the execution of the relevant Lease Contract less 1%.

"Principal Amount Outstanding" means, on any date and in relation to each Class of Notes: (i) the principal amount outstanding of the Notes at the Issue Date, minus (ii) the aggregate of all principal repayments made in respect thereof.

"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 Priority of Payments and the Post-Enforcement Priority of Payments.

"Privacy Law" means 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"**), together with any relevant implementing regulations as integrated by the provisions enacted from time to time by the Autorità Garante per la Protezione dei Dati Personali as subsequently amended, modified or supplemented from time to time.

"Prospectus" means this prospectus.

"Prospectus Directive" means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended and supplemented from time to time.

"Publication in the Official Gazette" means the publication of the notice of the assignment of the Receivables in the Official Gazette of the Republic of Italy (*Gazzetta Ufficiale della Repubblica Italiana*) pursuant to Article 4 of the Securitisation Law and Article 58 of the Consolidated Banking Act.

"Purchase Price" means the Alba 1 Purchase Price and/or the Alba 2 Purchase Price, as the case may be.

"Purchase Price of the Residual Optional Instalment" means the Alba 1 Purchase Price of the Residual Optional Instalment and/or the Alba 2 Purchase Price of the Residual Optional Instalment, as the case may be.

"Quarterly Settlement Report" means a report which the Servicer has undertaken to deliver on each Quarterly Settlement Report Date, setting out the performance of the Receivables, provided that each Quarterly Settlement Report shall be substantially in the form of schedule 2 (*Modello di Rapporto Periodico Trimestrale del Servicer*) of the Servicing Agreement.

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

"Quota Capital Account" means the Euro denominated account with IBAN IT05G0103061621000001311927 opened in the name of the Issuer with Banca Monte dei Paschi di Siena, to which the contributed quota capital of the Issuer is deposited in accordance with the Cash Allocation, Management and Payment Agreement.

"Quotaholder Agreement" means the quotaholder agreement entered into between the Issuer, the Originator, 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 other deed or document expressed to be supplemental thereto.

"Rate of Interest" shall have the meaning ascribed to it in Condition 7.2 (*Interest - Rate of Interest*).

"Rating Agency" means each of Moody's and S&P and **"Rating Agencies"** means all of them.

"Receivable" means, in relation to each Portfolio, each and every claim arising under and/or related to the relevant Lease Contracts (and each contract, deed, agreement or document related to that Lease Contract) which meets the Criteria relating to the relevant Portfolio at the Valuation Date, excluding any amounts falling due prior to (and excluding) the Valuation Date including without limitation:

- (i) the Instalments;
- (ii) the Agreed Prepayments;

- (iii) the Residual Optional Instalment;
- (iv) default interest and/or other interest due by the Lessees 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 due by the Lessees under the Lease Contracts which have been assigned pursuant to the other items of this definition;
- (v) amounts due as penalties;
- (vi) any increase in Instalments as a result of any amendment to the Lease Contracts;

but excluding in all cases:

- (a) amounts due by way of VAT;
- (b) expenses due by the Lessee under the relevant Lease Contract; and
- (c) default interests in respect of amounts due under (a) and (b) above.

"Records" has the meaning ascribed to such term in clause 12.2 (*Delivery of Records*) of the Cash Allocation, Management and Payment Agreement.

"Recoveries" means the Collections of the Receivables relating to Defaulted Lease Contracts and/or Delinquent Lease Contracts.

"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 Chase, BNP Paribas S.A. and Barclays Bank plc.

"Registration in the Companies Register" means the registration of the assignment of the Receivables in the competent Companies Register pursuant to Article 4 of the Securitisation Law and Article 58 of the Consolidated Banking Act.

"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.

"Regulation S" means Regulation S promulgated under the Securities Act.

"Release Date" means the earlier of:

- (a) the Cancellation Date;
- (b) the Payment Date on which the Issuer Available Funds to be applied on such date, minus all payments or provisions to be made under items First to Fifth of the Pre-Enforcement Priority of Payments are sufficient to redeem the Senior Notes in full; and
- (c) the Payment Date immediately succeeding the service of a Trigger Notice.

"Relevant Trigger" means, in relation to each Payment Date:

Payment Date	Trigger
July 2013	1.75%

October 2013	1.75%
January 2014	2.25%
April 2014	3.00%
July 2014	3.50%
October 2014	4.50%
January 2015 onward	5.00%

"Representative of the Noteholders" means Securitisation Services or any other entity acting as representative of the Noteholders pursuant to the Subscription Agreements, the Terms and Conditions and the Rules of the Organisation of the Noteholders from time to time, and any of its permitted successors or transferees.

"Residual Optional Instalment" means the residual price 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) assigned by the relevant Sellers to the Issuer under the terms of the Transfer Agreement.

"Retention Amount" means an amount equal to Euro 20,000.

"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 other deed or document expressed to be supplemental thereof.

"S&P" means Standard & Poor's Credit Market Services Italy S.r.l..

"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 carried out by the Issuer through the issuance of the Notes pursuant to Articles 1 and 5 of the Securitisation Law.

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

"Securitisation Services" means, a joint stock company incorporated under the laws of Italy, having its registered office at Via Vittorio Alfieri No. 1, 31015 Conegliano (Treviso), Italy, enrolment with the Companies Register of Treviso under No. 03546510268.

"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.

"Sellers" means, collectively, Alba 1 as seller of Alba 1 Portfolio and Alba 2 as seller of Alba 2 Portfolio and **"Seller"** means each of them.

"Selmabipiemme" means Selmabipiemme Leasing S.p.A., a joint stock company incorporated under the laws of the Republic of Italy, whose registered office is at Via Battistotti Sassi 11/A, 20133 Milan, Italy, Fiscal Code and enrolment with the Companies Register of Milan No. 00882980154.

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

"Senior Notes" means the Euro 450,000,000 Series 2013-1-A Asset Backed Floating Rate Notes due April 2040.

"Senior Notes Subscription Agreement" means the subscription agreement in relation to the Senior Notes entered into on or about the Issue Date, between Alba Leasing (as Originator, Servicer, Senior Notes Underwriter and Junior Notes Underwriter), the Issuer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained and including any other deed or document expressed to be supplemental thereto.

"Senior Notes Underwriter" means Alba Leasing as underwriter for the Senior Notes under the Senior Notes Subscription Agreement.

"Servicer" means Alba Leasing or any other entity acting as servicer pursuant to the Servicing Agreement from time to time, and any of its permitted successors or transferees.

"Servicer Account" means the Euro denominated account with IBAN IT50U0306912711 100000008300 established in accordance with the Servicing Agreement in the name of the Servicer with the Servicer Account Bank, or with any other bank having the Minimum Servicer Account Bank Required 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. or any other bank having the Minimum Servicer Account Bank Required Rating with which the Servicer Account will be established and any of its permitted successors or transferees.

"Servicer Termination Event" has the meaning ascribed to it in clause 11.2 (*Eventi di revoca*) of the Servicing Agreement.

"Servicer's Fee" means the fee due to the Servicer pursuant to clause 10 (*Compenso*) of the Servicing Agreement.

"Servicing Agreement" means the servicing agreement entered into on the Transfer Date between the Originator, the Issuer and the Servicer for the management of the Receivables comprised in the Aggregate Portfolio, as amended on 15 May 2013 and as from time to time modified in accordance with the provisions therein contained, and including any other deed or document expressed to be supplemental thereto.

"Settlement Agreement" means a debt restructuring agreement entered into pursuant to Law No. 3/2012.

"Settlement Date" means the First Settlement Date and thereafter the last calendar day of March, June, September and December in each year.

"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 first Settlement Period commences on the Valuation Date (excluded) and ends on the First Settlement Date (included).

"Settlement Procedure" means the procedure provided for under Law No. 3/2012 in relation to Settlement Agreements.

"Sole Quotaholder" means SVM.

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

"Successor Servicer" means the Back-Up Servicer or the other person appointed from time to time by the Issuer as substitute Servicer pursuant to 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 and the "Nuove Disposizioni di Vigilanza per le Banche" issued by the Bank of Italy by Circular No. 263 of 27 December 2006, as amended and supplemented from time to time.

"Supervisory Regulations for Financial Intermediaries" means the "Istruzioni di Vigilanza per gli Intermediari Finanziari iscritti nell'Elenco Speciale" issued by the Bank of Italy by Circular No. 216 of 5 August 1996, as amended and supplemented from time to time.

"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 1, 31015 Conegliano (Treviso), Italy, Fiscal Code and enrolment with the Companies Register of Treviso No. 03546650262.

"Tax Event" shall have the meaning ascribed to it in Condition 8.4 (*Redemption, Purchase and Cancellation - Redemption for Taxation*).

"Terms and Conditions" means the Senior Notes Conditions and/or the Junior Notes Conditions as the context may require.

"Transaction Documents" means:

- (1) the Transfer Agreement;
- (2) the Warranty and Indemnity Agreement;
- (3) the Servicing Agreement;
- (4) the Corporate Services Agreement;
- (5) the Intercreditor Agreement;
- (6) the Cash Allocation, Management and Payment Agreement;
- (7) the Letter of Undertakings;
- (8) the Quotaholder Agreement;
- (9) the Mandate Agreement;
- (10) the Deed of Pledge;
- (11) the Deed of Charge;
- (12) the Monte Titoli Mandate Agreement;

- (13) the Senior Notes Subscription Agreement;
- (14) the Junior Notes Subscription Agreement;
- (15) the Master Definitions Agreement;
- (16) the Back-Up Servicing Agreement;
- (17) the Terms and Conditions;
- (18) the Prospectus; and
- (19) any other contract, agreement, deed, or document entered into in the context of the Securitisation identified by the relevant parties as a "Transaction Document".

"Transfer Agreement" means the transfer agreement of the Receivables comprised in each Portfolio entered into on the Transfer Date between the Sellers, Alba Leasing and the Issuer, as from time to time modified in accordance with the provisions therein contained and including any other deed or document expressed to be supplemental thereto.

"Transfer Date" means 11 April 2013.

"Transparency Directive" means Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004.

"Trigger Event" means any of the events described in Condition 13.1 (*Trigger Events*).

"Trigger Notice" means the notice described in Condition 13.1 (*Trigger Events*).

"Unwinding and Termination Agreements" means, collectively, the Alba 1 Unwinding and Termination Agreement and the Alba 2 Unwinding and Termination Agreement.

"Usury Law" means, collectively, Italian Law No. 108 of 7 March 1996 and Italian Law No. 24 of 28 February 2001, which converted into law the Law Decree No. 394 of 29 December 2000 (including the provisions of Article 1, paragraphs 2 and 3 of such decree) as amended and supplemented from time to time.

"Valuation Date" means 1 April 2013.

"Warranty and Indemnity Agreement" means the warranty and indemnity agreement entered into on the Transfer Date between the Originator and the Issuer, as amended on 15 May 2013 and as from time to time modified in accordance with the provisions therein contained and including any other deed or document expressed to be supplemental thereof.

ISSUER

Alba 5 SPV S.r.l.
Via Via Vittorio Alfieri, 1
31015 Conegliano (Treviso)
Italy

ORIGINATOR, SERVICER AND CASH MANAGER


Alba Leasing S.p.A.
Via Sile, 18
20139 Milan
Italy

BACK-UP SERVICER

Selmabipiemme Leasing S.p.A.
Via Battistotti Sassi, 11/A
20133 Milan
Italy

**COMPUTATION AGENT,
CORPORATE SERVICER AND
REPRESENTATIVE OF THE NOTEHOLDERS**

Securitisation Services S.p.A.
Via Vittorio Alfieri, 1
31015 Conegliano (Treviso)
Italy

SOLE QUOTAHOLDER

SVM Securitisation Vehicles Management S.r.l.
Via Vittorio Alfieri, 1
31015 Conegliano (Treviso)
Italy

ACCOUNT BANK AND PAYING AGENT

**The Bank of New York Mellon (Luxembourg)
S.A., Italian Branch**
Via Carducci, 31
20123 Milan
Italy

CUSTODIAN BANK

**The Bank of New York Mellon S.A./N.V., London
Branch**
One Canada Square
London E14 5AL
United Kingdom

LISTING AGENT AND IRISH AGENT

**The Bank of New York Mellon S.A./N.V., Dublin
Branch**
Hanover Building
Windmill Lane
Dublin 2
Ireland

LEGAL ADVISERS

Hogan Lovells Studio Legale
Via Santa Maria alla Porta, 2
20123 Milan
Italy